

NB 2 letters to be completed below

[letter from Employer to Trustees to be typed onto Company letterhead]

To the Trustees of the

.....
(Insert name of pension scheme)
(Insert HMTL office address)

DATE:
(Please leave blank, HMTL will date)

Dear Trustees

(Insert Scheme name)

Please note that the company wishes to pay a gross contribution of
£..... to the aforementioned scheme on

(Delete if not applicable)

We would like to advise that the contribution should be split between the members as follows:

Name of member	Amount (£)
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Please could you acknowledge receipt of this letter.

Yours sincerely

For and on behalf of

.....
(insert name of company)

[2nd letter from Employer to Trustees to be typed onto Company letterhead]

To the Trustees of the

.....
(Insert name of pension scheme)
(Insert HMTL office address)

DATE:
(Please leave blank, HMTL will date)

Dear Trustees,

(Insert Scheme name)

Further to our previous letter confirming that we wish to make a contribution to the aforementioned scheme. We can confirm that this contribution shall be made by way of an in specie transfer of the following assets to satisfy the Company's obligation: -

["NAME OF ASSET"]

["DATE OF TRANSFER"]

The contribution being made will be the value of the assets mentioned above. We understand that the value may change and that there are rules that must be adhered to with regards to a change in value.

We agree that if the value decreases, we will pay a monetary amount into the scheme to bring the contribution up to the value quoted in our first letter. We understand that:

- any shortfall in the contribution will need to be paid by the end of the tax year or input period.
- you, in your role as scheme administrator, are legally bound to obtain this shortfall from us, as failure to collect the shortfall could result in HM Revenue & Customs levying an unauthorised payments charge, which the pension scheme will be required to pay.
- this letter forms an irrevocable contract between us with regards to the payment of the in specie contribution in full.

We also understand that if the value increases, you will need to make a refund to us of the excess over the value quoted in my first letter. This may be as a cash refund, or if there are insufficient monies in the pension scheme bank account, then the refund may need to be by way of in specie transfer of part of the assets previously contributed. As an alternative, we may be able to class the overpayment as a further contribution provided this falls within the annual allowance for the tax year that the contribution refers to.

We confirm that both of our letters are establishing a debt to ourselves in respect of the in specie contribution and understand that the making of this in specie contribution could incur stamp duty that the pension scheme will pay and that we, as the original holder of the asset, may be subject to Capital Gains Tax as the in specie contribution will be classed as a sale.

Yours sincerely

For and on behalf of

.....
(insert name of company)