

RETIREMENT OPTIONS

If you wish to take benefits from your SIPP, please complete this form in full.

Please note, there are charges for taking benefits from your SIPP. These charges can be found on our website embarkpensions.co.uk.

Financial advice

The decision to access your pension savings is an important one and we strongly recommend that you take regulated advice to understand your options at retirement.

Pensions wise

You are also entitled to free, impartial advice on your options from the Government Service Pension Wise. Pension Wise provides assistance and details of the options available to you in respect of accessing your pension savings. You can access this online at www.pensionswise.gov.uk, over the telephone on 0300 330 1001, or face to face through the Citizens Advice Bureau.

Pensions Wise should not be seen as a substitute for full regulated advice.

Beware of pension scams

Falling foul of a scam could mean you lose some or all of your money. See pension-scams.com or fca.org.uk/scamsmart or visit our website for more information.

SECTION 1 - FINANCIAL ADVICE

Please complete this section letting us know what advice or guidance you have taken on your chosen retirement option

For your chosen retirement option, have you taken regulated financial advice? Yes No

If you have selected yes above, please ask your financial adviser to complete section 7.

Please note - if you have selected no above, we strongly recommend that you take regulated financial advice. Please be aware that if you choose to proceed without regulated financial advice, before you can receive any income from your pension, you will be required to complete our Retirement Risk Warning Questionnaire which will highlight the main risk factors associated with your retirement option.

For your chosen retirement option, have you taken pension guidance from Pensions Wise? Yes No

Please note - If you have selected no above, we strongly recommend that you use the pensions guidance provided by Pensions Wise.

SECTION 2 - MEMBER DETAILS

Title: Forename(s): Surname:

Date of Birth: National Insurance Number:

Ref:

Email Address:

SECTION 3 - RETIREMENT OPTIONS

If you are currently taking capped drawdown, where possible, any new crystallised funds will be automatically added to any existing capped drawdown fund that you hold within your Option SIPP.

Flexi-access drawdown details

If you take taxable income in flexi-access drawdown, you will trigger the money purchase annual allowance if you have not already done so. Your annual allowance for money purchase schemes will be limited to £4,000 from the date of your first income payment.

Please tick A, B, C or D below to indicate how you wish to take benefits from your drawdown fund.

- A** Full crystallisation *Please go to section A*
- B** Partial crystallisation *Please go to section B*
- C** Phased Flexi - Access drawdown *Please go to section C*
- D** Taxable income only - from existing crystallised funds *Please go to section D*

Please note - when you first begin to take income, your payments may be subject to an emergency tax code. This may result in you initially paying too much, or too little tax to HMRC. We can only accept tax code notifications from HMRC directly, or from a P45.

A

If opting for full crystallisation

I wish to crystallise all the uncrystallised benefits of the above plan(s) and take my full entitlement to a pension commencement lump sum, and the following taxable income:

Gross income required: Whole fund Nil Other, please specify amount £ each year

Frequency of income payments: One off Monthly Quarterly Half-yearly Yearly

B

If opting for partial crystallisation

Please select one of the options below:

Value of fund to be crystallised £

Value of pension commencement lump sum to be taken £

I wish to take the following taxable income:

Gross income required: Whole crystallised fund Nil Other, please specify amount £ each year

Frequency of income payments: One off Monthly Quarterly Half-yearly Yearly

SECTION 3 - RETIREMENT OPTIONS CONTINUED...

C

Phased flexi access drawdown

Phased flexi access drawdown is an option where you can take monthly income that has an element of pension commencement lump sum and an element of flexi access drawdown. We will crystallise funds for the year and pay out the pension commencement lump sum in 12 monthly instalments. You can also take monthly flexi access drawdown income alongside the pension commencement lump sum.

Monthly target amount £

How much of this target amount will be made up of:

PCLS £ Drawdown (taxable income) £

Please Note - Embark Pensions will have to crystallise enough pension to reach the PCLS target.

You will be contacted before the end of your pension year either directly or through your financial adviser (if applicable) regarding the continuation of your phased flexi-access drawdown.

D

Taxable income

How would you like income to be taken?

Capped drawdown (Capped drawdown is only available if you have an existing capped drawdown arrangement that was set up before 5th April 2015)

Flexi-Access drawdown

Gross income required: Whole fund Nil Other, please specify amount £ each year

Frequency of income payments: One off Monthly Quarterly Half-yearly Yearly

SECTION 4 - CONVERTING FROM CAPPED TO FLEXI-ACCESS DRAWDOWN

I can confirm that I would like Embark Pensions to convert my capped drawdown fund to flexi-access drawdown upon receipt of this form.

Please Note - if you convert your capped drawdown fund to flexi-access drawdown and you then withdraw any taxable income from the plan, you will become subject to the money purchase annual allowance (MPAA). Your annual allowance for money purchase schemes will be limited to £4,000 from the date of your first income payment.

SECTION 5 - PAYMENT OPTIONS

If you are taking a pension commencement lump sum, please confirm your preferred BCE date:

Please note - this must be within 3 months of us receiving this Retirement Options Form. If no date is included above, or the date has already passed, we will assume the BCE date is the date the form is received.

Please confirm your preferred method of payment:

BACS CHAPS FASTER PAYMENT

Start date for taking taxable benefits:

Immediate Other:

SECTION 5 - PAYMENT OPTIONS CONTINUED...

Please note - this must be within 3 months of us receiving this Retirement Options Form. If no date is included above, we will assume the taxable benefits are to commence at the next available date. Please see FAQs for further information.

Once we have everything we need to pay out your benefits, including this form, we will designate funds for drawdown, unless you have chosen an alternative date above. If you are sending this form as part of a brand new SIPP application, we will designate funds on the earliest possible date after any transfers and/or contributions have been received.

We will have to get a full valuation of your SIPP before we can proceed with your drawdown request. If your SIPP contains investments that are difficult to value – for instance commercial property – there may be a delay in receiving any income.

SECTION 6 - BANK DETAILS AND PENSIONER STATEMENT

The following information must be completed in order to receive any withdrawal from your SIPP, whether that be tax free cash or income.

If you have a copy of your P45, please enclose a copy of it with the form. For any crystallised benefits which are being transferred in we may receive a P45 from the transferring company. In the absence of this your payment will be taxed at an emergency tax code depending on your personal circumstances specified in the below pensioner statement.

Full name:

Date of Birth:

National Insurance Number:

Bank account details:

Bank Name:

Account Name:

Sort-Code:

Account Number:

Account details provided above must be a valid UK bank account held jointly or solely in the SIPP holder's name. Failure to provide valid account details will result in us requesting further documents to validate the account.

Please note, we are unable to pay any tax free cash or income to non-UK bank accounts.

Pensioner Statement

You need to select only one of the following statements A, B or C.

A - These are my first earnings since last 6 April and I have not been receiving taxable Jobseeker's Allowance, Employment and Support Allowance, taxable Incapacity Benefit, State or Occupational Pension.

B - These are now my only earnings but since last 6 April I have had other earnings, or received taxable Jobseeker's Allowance, Employment and Support Allowance or taxable Incapacity Benefit. I do not receive a State or Occupational Pension.

C - As well as these earnings, I have another job/earnings or receive a State or Occupational Pension.

NB - If no P45 received or statement ticked on the Retirement Options Form we will implement OT tax code. This will be the same as statement A but no Personal Allowances given.

Member's signature:

Date:

SECTION 7 - CRYSTALLISATION EVENT INFORMATION

Important note Please make sure that this section is completed fully, otherwise there may be a delay in processing your retirement option.

As at 5 April 2006, I was receiving income withdrawal / a scheme pension / an annuity Yes *If yes, please insert details below* No

Name of Scheme / Pension Provider

Annual Gross Pension as at 5th April 2006

Since 6 April 2006, I have taken income withdrawal / a scheme pension / an annuity Yes *If yes, please insert details below* No

Name of Scheme / Pension Provider

Percentage of LTA used

Where applicable, if you are affected by the lifetime allowance limits, please complete the 3 questions below:

Do you have any Protection against the Lifetime Allowance (LTA)? Yes *If yes, please insert details below* No

Enhanced Protection

Primary Protection: Enhancement factor: _____

Fixed Protection: FP12 FP14 FP16

Individual Protection: IP14 IP16 Individual Protection amount: _____

For protection from 2016 onwards, please provide your permanent protection notification number and your scheme administrator reference in the boxes below. You can find these reference numbers in your personal tax account.

Protection Notification Number

Scheme Administrator Reference

For protection before this please send a copy of the protection certificate.

Surplus over the Lifetime Allowance (LTA) to be paid as: Lump Sum Income Combination

If you have ticked Combination, please specify the split to be applied.
Lump Sum Income
£ _____ £ _____

Please note that any excess over the Lifetime allowance will be taxed at 55% for lump sums and 25% if taken as income.

SECTION 8 – MEMBER DECLARATION

I declare that to the best of my knowledge and belief the information contained in this form is true and complete and that based on the information provided, Embark Pensions will reasonably expect to treat this as up to date information on my other pension arrangements.

If I should exceed my lifetime allowance you will notify me of this and also provide details of any expected tax charge before proceeding with my request.

I understand that my pension will be taxed at an emergency tax code until HMRC inform you of my tax code. The level of income tax paid maybe greater or less than required and I may be entitled to a tax rebate if too much tax has been deducted. I understand that I am responsible for reclaiming any tax or paying any additional tax to HMRC.

I understand that due to the HMRC requirement that PAYE must now be reported in real time (Real Time Information or RTI) you must pay all pension income and tax on the same day of the month and this will be the 28th. I am aware that funds from my SIPP bank account will be transferred into a PAYE bank account in advance of the 28th of the month in preparation for a BACs payment to reach me by the 28th of the month.

I am aware that I have a right to purchase a lifetime annuity from my accrued funds held within the scheme at any time.

I understand that by accessing my pension flexibly either through flexi-access drawdown or an uncrystallised funds lump sum my annual allowance for all money purchase schemes will be automatically reduced to £4,000. I understand that it is my responsibility to inform any other schemes I am a member of that my annual allowance has reduced, if applicable.

I understand that if by taking the income I have requested, this results in my SIPP being emptied, my account will be closed with any accrued interest being added and as a result of this I understand that this request shall be a full discharge of your liability in respect of the above plan.

Please tick this box to confirm you are happy for your financial adviser (if applicable) to provide us with any retirement income instructions on your behalf

Member's
signature:

Date:

OFFICE USE ONLY

Authorised
signatory

Authorised
signatory

Date:

Date:

SECTION 9 – ADVISER DETAILS (TO BE COMPLETED BY YOUR FINANCIAL ADVISER IF APPLICABLE)

By signing below, I confirm that I have provided advice on this transaction to the customer above and recommend that they proceed. I have provided the customer with the relevant risk warnings attached to this transaction and have also provided them with an illustration showing the available benefits of their remaining fund.

Please note that you do not need to provide an illustration if the entire fund is being withdrawn.

Adviser Name:

Adviser Company:

FCA Registration Number:

Please tick this box to confirm that you will provide the client with the relevant retirement risk warnings when providing any new retirement option instructions, in addition to this form, to Embark Pensions.

Adviser
Signature:

Print Name:

Date:

SECTION 10 – FREQUENTLY ASKED QUESTIONS

What is meant by Real Time Information (RTI)

Real Time Information (RTI) is a system of PAYE reporting that started in April 2013.

Under RTI, pension providers have to send information to HMRC each time they pay their members any taxable income which enables them to keep more accurate records and to ensure that over time people pay the correct tax.

As Embark Pensions makes one submission to HMRC each month in respect of any member income this means that all members must be paid on the same day so that the information is reported in real time. This will be the 28th of each month.

In order to pay taxable income on the 28th of the month, when do Embark Pensions need to receive the retirement options form?

We need to have received your completed form by the 19th of the month in order to add the details to the payroll. Funds then need to be available in your account 2 working days before the 28th of the month. Where the 28th falls on a weekend or bank holiday any income will be paid on the last working day before and therefore funds will need to be available 2 working days before that date.

Tax codes

If you have a P45 from your previous employment which applies to the current tax year this will need to be sent to us along with this form, or issued directly from the transferring company to us, in order for the existing tax code to be applied. Please be aware some transferring companies will only issue this directly to you therefore this will need to be forwarded to us.

The tax code can only be applied if we are in receipt of the P45 document as this contains the full details in order for us to apply the tax code correctly.

In the absence of this document an emergency tax code will be applied.

What happens if I don't have a tax code?

If you do not have a tax code we will apply an Emergency Code on a Month 1 basis until HMRC issues a tax code which we will then be able to apply against future payments. The Emergency code for 2018/19 is 1185L. This will be applied according to the statement (A-C) which is selected on the Bank details and

SECTION 10 – FREQUENTLY ASKED QUESTIONS CONTINUED

Pensioner Statement section. Please see details below of how the tax is applied for each statement:

'A - These are my first earnings since last 6 April and I have not been receiving taxable Jobseeker's Allowance, Employment and Support Allowance, taxable Incapacity Benefit, State or Occupational Pension.'

1185L allowance given depends on earnings.

'B - These are now my only earnings but since last 6 April I have had other earnings, or received taxable Jobseeker's allowance, Employment and Support Allowance or taxable Incapacity Benefit. I do not receive a State or Occupational Pension.'

1185L allowance is given as above but on a month 1 basis

'C - As well as these earnings, I have another job/earnings or receive a State or Occupational Pension.'

Tax will be applied at 20%

What happens if I pay too much tax?

This will depend on how much of your fund is withdrawn, please see details below:

a) You withdraw your entire pension fund

If you believe too much tax has been deducted from your payment, you will need to contact HMRC directly, HMRC will then require for you to complete a Repayment Claim Form P50, they will then complete any processes they need to and refund any overpayment of tax if this applies to your tax circumstances.

If you do not contact HMRC directly then your tax position will be reviewed by HMRC at the end of the tax year and a tax calculation will be sent to you detailing any under or overpayment of tax if this is applicable to you.

Please be aware any other earnings are taken into account when HMRC calculate your tax.

b) You withdraw part of the pension fund

If an emergency tax code is initially used for the deduction of tax from the payment and you believe too much tax has been deducted, HMRC should issue us with a tax code which will be applied to the next payment to ensure the correct tax deductions are made – this will pick up the overpayment of tax if appropriate and result in a refund of tax where required.

If no further payments are taken in the tax year, HMRC will review this at the end of the tax year.

Please be aware any other earnings are taken into account when HMRC calculate your tax.

What is the minimum I can crystallise?

The minimum amount that can be crystallised is £1000.

Will I receive a P60?

Yes, we will send you a P60 every year.

What is the process for phased flexi-access drawdown?

a) If you have a financial adviser

We will contact your financial adviser the month prior to your phased flexi-access drawdown is due to end. Your financial adviser will then be able to complete our phased flexi-access drawdown continuation form, whereby they are able to confirm whether the phased drawdown amounts should stay the same or whether you require new monthly target amounts. We are then able to act on your financial advisers instruction, subject to your confirmation in Section 8.

b) If you don't have a financial adviser

We will contact you the month prior to your phased flexi-access drawdown is due to end. If you wish to continue with phased flexi-access drawdown, we will require a new retirement options form completing and the relevant risk warnings questionnaire completed.

What do I do if I suspect I am being targeted by a Pension Scammer?

Please contact us immediately as we may be able to stop a transfer of funds if it has not already been processed.

Then call Action Fraud on 0300 123 2040 and report the scam, or use their online reporting tool which can be found at www.actionfraud.police.uk/report-a-fraud-including-online-crime

You might find it useful to refer to The Pension Advisory Service website and use their identifying a pension scam tool which can be found at www.pensionsadvisoryservice.org.uk/my-pension/online-tools

Remember, once you've transferred your pension into a scam, it's often too late. If you suspect anything take action now.