

CAPPED DRAWDOWN TO FLEXI-ACCESS DRAWDOWN CONVERSION FORM

- For use with:**
- Hornbuckle Mitchell SIPP
 - Private Pension
 - Hornbuckle Mitchell Private Pension
 - Freedom SIPP

Please complete this form in **BLOCK CAPITALS** and black ink and return it to: Embark Pensions, Tyman House, 42 Regent Road, Leicester LE1 6YJ. If you need assistance in completing this form, please call our Customer Services team on 0116 366 8600.

Before completing this form, Embark Pensions will require you to take advice from a regulated adviser. We will not be able to proceed unless advice has been provided.

This form is used if you are already receiving benefits through Capped Drawdown and wish to convert the arrangement to Flexi-access Drawdown. You can also request income from your Flexi-access Drawdown fund after the conversion.

Financial advice

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

Pension 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.pensionwise.gov.uk, over the telephone on **0800 138 3944**, or face to face through the Citizens Advice Bureau.

Pension Wise do not offer regulated advice. For regulated advice, please speak to a financial adviser.

Beware of pension scams

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

Future pension contributions

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 contributions into money purchase schemes will be limited to £4,000 per tax year from the date of your first income payment.

If you want to make large contributions in the future you should carefully consider how you access your benefits.

Sections to be completed:

- To convert Capped Drawdown benefits to Flexi-access Drawdown - complete sections 1, 2, 5, 6 and 7
- To amend your current income level after the conversion - also complete sections 3 and 4

1 FINANCIAL ADVICE

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

Have you received advice from a regulated financial adviser on converting to Flexi-access Drawdown?

Yes

No

If you have selected yes above, please ask your financial adviser to complete section 6.

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.

Have you taken pension guidance from Pension Wise on converting to Flexi-access Drawdown?

Yes

No

If you have selected **no** above, we strongly recommend that you use the pensions guidance provided by Pension Wise.

2 MEMBER DETAILS

Pension Reference Number:

Title:

Forename(s):

Surname:

Date of Birth:

| D | D | M | M | Y | Y |

National Insurance Number:

Address:

Postcode:

Email:

3 ALTERING EXISTING INCOME ARRANGEMENTS

Only complete this section if you now wish to alter the level of income you are currently receiving. This instruction will supersede any previous income instruction you have provided to us.

New Income Requirements

Income Amount

Please confirm the **total** gross amount of income you wish to receive from your pension. All payments will be made on the last working day of the month other than for the Freedom SIPP where payments will be on the 6th of each month.

Income is taxed in accordance with PAYE; therefore the amount you receive could be lower than the sum you have requested if tax has been deducted.

I require (please tick one):

A Whole Flexi-access Drawdown fund

B A specific annual amount: £ _____ per annum

Income Frequency

Please confirm the frequency with which you wish to receive your income. All payments will be made on the last working day of the month other than for the Freedom SIPP where payments will be on the 6th of each month.

Please select **one** frequency:

Monthly

Quarterly: (April, July, October and January)

Half Yearly: (April and October)

Yearly: (April)

One-off income payment made on the next available payment date

Effective Date of Change

Please confirm the date on which the new income requirements are to take effect. We will endeavour to make your requested changes by this date; however, if we do not receive your form in sufficient time your changes may take effect from the following month.

Immediately

Or

I would like to receive the above income with effect from

| D | D | M | M | Y | Y |

We will only be able to use this date if we receive your request in sufficient time.

4 BANK AND TAX DETAILS

Please provide details of the bank account into which any income should be paid. This must be a UK bank account in your name as we are unable to make payments to third parties.

Note: If you are already receiving an income from your pension then you only need to complete this section if you wish to change the bank account into which you currently receive your income.

Bank or Building Society Account Details:

Bank Name:

Account Name:

Account / Roll Number: | | | | | | | | | | Sort Code: | | | | | | | | | |

Address:

Postcode:

Please provide a hard copy of an original or certified copy of a recent (within 3 months) bank statement showing your name and address.

Taxation of your payment

If you have elected to take income and have a P45 for the current tax year then please include it when you return this form to us.

Alternatively please provide us with a P46 / Starter Checklist.

I am including my current tax year P45 with this form:	Yes	No	N/A
I am including a P46 / Starter Checklist with this form:	Yes	No	N/A

5 MEMBER DECLARATION

Before signing this Declaration, for your own benefit and protection you should read carefully the following:

- This Declaration.
- Key Features Document and any illustration provided.
- Terms and conditions.

I declare that to the best of my knowledge and belief the information contained in this form is true and complete.

I have been informed of and understand the risks and implications relating to converting my Capped Drawdown fund to being a Flexi-access Drawdown arrangement and request that you proceed with this conversion upon receipt of this form.

I understand that unless Embark Pensions already has my tax code my income will initially be paid using the Emergency Tax Code on a Week 1 Month 1 basis. The income tax deducted will be paid direct to HMRC by Embark Pensions. The level of income tax paid may be 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 this from or paying 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) Embark Pensions must pay all pension income and tax on the same day of the month, and this will be the last working day of the month, other than for the Freedom SIPP which is on the 6th of each month. I am aware that funds from my pension bank account will be transferred into a PAYE bank account in advance of this date in preparation for a BACS payment to be made.

I acknowledge that accessing my pension benefits is an important and sometimes irrevocable decision and Embark Pensions has suggested that I obtain guidance from Pension Wise and/or advice from a regulated financial adviser. I confirm and understand that I have not and will not receive any advice regarding this application from Embark Pensions.

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 my Flexi-access Drawdown will be held in a single arrangement by Embark Pensions.

I confirm I have supplied any additional documentation required by Embark Pensions for the purposes of processing my request.

I understand that by accessing my pension flexibly under Flexi-Access Drawdown, I will be subject to a Money Purchase Annual Allowance for pension contributions of £4,000. I understand that it is my responsibility to inform any other schemes I am a member of that I have flexibly accessed my benefits, if applicable.

I understand that if taking the income I have requested results in my pension being exhausted, my account will be closed with any accrued interest being added and will be a full and final discharge of Embark Pensions' liability in respect of the above plan.

I understand that all references to Embark Pensions refer to Embark Services Limited or any third party to which they have delegated, subcontracted or outsourced any or all of their obligations as permitted by the Terms and Conditions.

Member's Signature: 

Date:

6 REGULATED FINANCIAL ADVISER DECLARATION

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

Adviser's Signature: 

Adviser Name:

Firm Name:

Firm FCA Number:

Date:

7 RETIREMENT RISK WARNINGS

Points to consider when taking benefits from your pension

It is important that you consider and understand the risks associated with the type of benefits you are able to take from your pension. Please read the following questions and risk warnings and answer Yes/No as appropriate then sign and return this form to us.

7.1 Do you understand the tax implications of taking money from your pension savings? Yes No

Your drawdown pension income and Uncrystallised Funds Pension Lump Sum is subject to income tax. You may have to pay a significant amount of tax if you make large withdrawals. If you do not have a P45 for the current tax year we may have to tax your payment(s) using the emergency tax code and you may be responsible for reclaiming any overpaid tax from HM Revenue and Customs.

Cash and investments held within your pension benefit from significant tax advantages when compared with cash and investments held outside of a pension. Once you withdraw money from your pension it loses those tax advantages.

7.2 Is your pension your main source of income in retirement? Yes No

Your pension savings are intended to provide you with an income when you retire. There is no limit on how much of your pension you can withdraw and withdrawing more money from your pension than the amount by which it is growing will mean the value of your pension will fall in value and could eventually run out. You would then have to rely on other sources of income for the rest of your retirement.

The income we provide from your pension is not fixed or guaranteed for life. If security of income is important to you then you should consider whether a Lifetime Annuity may be more suitable for your personal circumstances.

Any benefits left in your pension after your death can be provided to your partner or dependants. Before withdrawing benefits from your pension you should consider whether others might be relying on your pension in the event of your death to support them.

7.3 Have you considered the charges you will incur for your chosen option and compared them with those that might apply if you made a different choice? Yes No

The charges you pay for a pension, and for taking benefits from your pension vary between retirement options and providers. It is important to consider charges before taking benefits. You should consider any charges you will incur for proceeding with your intended benefit option. If you are withdrawing money from your pension to invest it elsewhere you should also consider the charges you will incur in your new investment and the impact these may have.

7.4 Are you aware that creditors may have a call on any money withdrawn from your pension? Yes No

If you have or experience significant debt problems, money held within your pension benefits from protections that mean creditors are less able to make a claim on it. Once money is withdrawn from your pension this protection is lost.

7.5 Are you aware that withdrawing money from your pension could impact any means tested benefits that you may receive? Yes No

If you are entitled to means tested benefits (such as pension credit or housing benefit), or expect to become entitled to them in the future (such as requiring care) you should carefully consider how your entitlement could be affected by any withdrawal(s) you make from your pension. Benefits agencies can provide answers to any questions you may have.

7.6 Have you been encouraged by someone to take money out of your pension to fund a new investment? Yes No

Scams operate which target pension benefits. Investors are encouraged to withdraw their pension savings and invest elsewhere. This can lead to the loss of some or all of your investment and leave you without any savings to support you in your retirement. If you have been approached to take funds out of your investment, or are doing so to invest elsewhere, you should conduct independent research to satisfy yourself this is not a scam.

7.7 Do you have any health or lifestyle factors that might entitle you to an enhanced annuity, or that should be considered when withdrawing from your pension? Yes No

Your health and lifestyle could make you eligible for an annuity that offers higher payments to reflect your reduced life expectancy. Any payments made from your pension are not enhanced. You should also consider how your future health might impact the income you need from your pension.

8 DECLARATION

I have read and understood the risks associated with taking benefits from my pension.

Member Signature: 


Print Name:


Pension Reference Number:


Date:

| D | D | M | M | Y | Y |



 0116 366 8600

 Embark Pensions, Tyman House,
42 Regent Road, Leicester LE1 6YJ

 sippservicing@embarkpensions.co.uk

 embarkpensions.co.uk/closed-products

Hornbuckle Mitchell Trustees Limited are the trustee for the Hornbuckle Mitchell SIPP, the Hornbuckle Mitchell Private Pension, the Private Pension and the Hornbuckle Mitchell FIPP. Avalon SIPP Trustees Limited are the trustee for the Freedom SIPP.

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