

Revised SIPP Income Instruction with Conversion to Flexi-access Drawdown Form



JHAY0638A

Application guide

This form should only be completed if your pension fund with James Hay Partnership is already in capped drawdown and you want to change income levels as well as convert your SIPP to flexi-access drawdown. Please note that you can change your income levels and convert to flexi-access drawdown via James Hay Online (not applicable for IPS SIPP, IPS (2008) SIPP, IPS Family SIPP, IPS Pension Builder SIPP or Partnership SIPP).

If you want to go into drawdown and take a pension commencement lump sum (PCLS), or an uncrystallised funds pension lump sum (UFPLS), you will need to complete the applicable 'Benefit Payment Form' which is available on our website at www.jameshay.co.uk.

Please complete this form in BLOCK CAPITALS and black ink and return it to: James Hay Partnership, Dunn's House, St Paul's Road, Salisbury, SP2 7BF. If you need any help to complete this form, or assistance with James Hay Online, please call your Service Executive Team or our general enquiry number on 03455 212 414.

PLEASE NOTE: Once you have converted your SIPP to flexi-access drawdown, it is not possible to convert back to capped drawdown. If you have more than one SIPP with us in capped drawdown, and you convert one SIPP from capped to flexi-access drawdown, we will convert the other SIPPs to flexi-access drawdown as well. Once converted to flexi-access drawdown, the money purchase annual allowance rules will apply and you will need to notify any other providers with whom you have a pension.

Before taking any income from your SIPP, you should consider the impact that this may have on your remaining pension funds and whether such income is sustainable. You should discuss your requirements and personal circumstances with your financial adviser. If you do not have a financial adviser you can visit www.unbiased.co.uk or call them on 0800 023 6868 to obtain a list of financial advisers in your local area.

Pension Wise

Accessing the Government's free and impartial guidance service



The Government has removed the restrictions on what you can do with your pension savings. This means that you are able to choose the option that's right for you.

Pension Wise is a Government service that offers people who are invested in defined contribution pension schemes and are approaching retirement free, impartial guidance about their choices. You can receive Pension Wise guidance online, over the phone or face to face.

Pension Wise provides tailored guidance to explain what options you have and help you think about how to make best use of your pension savings. It offers information about the tax implications of different options and other important things you should think about, as well as tips on how to get the best deal, including how to shop around.

Choosing what to do with your pension savings is an important financial decision and it is often possible to get more for your money by shopping around.

Please visit the Pension Wise website at www.pensionwise.gov.uk or call either 0800 138 3944 or 0300 330 1003 (from outside the UK +44 20 3733 3495), if you wish to use this service.

1 Important information and risks you must consider before proceeding

Applicant to complete

Our regulator, the Financial Conduct Authority, requires us to ask you questions regarding matters you should have considered before accessing your SIPP through drawdown.

Depending on your answers, we will write to you either:

(1) with tailored risk warnings, giving you 14 days to consider them before proceeding with processing your benefit instructions (but will in the meantime proceed with any disinvestment instructions that are submitted on an 'Instruction to Trade Form' - Disinvestment instructions in Section 7 of this form will be processed once the income calculations are complete); or

(2) to confirm that, given your answers, we will not be issuing any risk warnings, as you appear to have considered the relevant risks, and so we will proceed with processing your instructions.

If you have received advice from a regulated financial adviser and are following this advice and your financial adviser is submitting your instructions by way of confirmation of this, then you do not need to answer these questions as any risks should already have been explained to you as part of that advice. Otherwise, you must answer all of the following questions.

1. Have you considered the state of your health and lifestyle when deciding the amount of money to take from your pension? For example if you are in good health, you need to consider that the income from your pension fund may need to support you for many years to come. Yes No Not sure
2. If you have a spouse, civil partner or dependants, have you considered how your pension fund could be used to provide for them after your death? Yes No Not sure
3. Over time the effect of inflation means you can purchase less in the future than you can today with the same amount of money. Have you considered the effect of inflation on any money you take out of your pension? Yes No Not sure
4. You should consider what other companies can offer you, to ensure you are happy with the options available from James Hay and the charges payable, before proceeding. Have you considered alternative pension companies to take money out of your pension with? Yes No Not sure

5. Have you considered other ways of taking money from your pension other than income drawdown e.g. an annuity? Yes No Not sure
6. Do you have other income sources (outside of the money you intend to take from your pension) that are sufficient to currently provide you with your desired standard of living? Yes No Not sure
7. Will the money you are taking from your pension fund be your sole or main source of wealth in retirement? Yes No Not sure
8. Do you know that your drawdown income will be paid after deduction of income tax, and that it may affect your personal tax allowance (the amount you can receive each year before paying income tax)? Yes No Not sure
9. Are you aware that if you put the money you take out of your pension in a bank, or buy other investments with it, you may have to pay tax on any growth? Yes No Not sure
10. Are you aware that once money has been taken out of your pension it becomes part of your estate for inheritance tax purposes? Yes No Not sure
11. Do you receive any means tested benefits from the Government? Yes No Not sure
12. Are you taking money out of your pension through flexi-access drawdown, and intending to pay more money into your pension in the future? Yes No Not sure
13. Do you know that if you owe money to a creditor (e.g. via a personal loan) they cannot force you to take money out of your pension to pay off any money you owe to them? Yes No Not sure
14. Fraudsters increasingly target people to move their pension fund, and target them once they have taken money out of their pension. You need to be careful when deciding where to invest your pension fund, and any money taken from it, as you could lose some or all of your money if you are the victim of a scam. You should read the 'Scam proof your savings' document from www.jameshay.co.uk or seek more information from www.fca.org.uk/scamsmart before making any investment decisions.
Are you aware that pension and investment scams exist and what to look out for? Yes No Not sure
15. Are you aware that the amount of money you can take from your pension fund via income drawdown is not guaranteed and is based on a number of things? Yes No Not sure

IMPORTANT: Making decisions about your pension based on short term events, such as the Covid-19 pandemic, can have long term consequences for your financial wellbeing and retirement.

There are additional risks related to accessing your pension at this time. Below is a summary of some of the things you need to consider before accessing your pension savings.

Please read the information below, and confirm in Section 9 that you have considered and accept the additional risks.

<p>Are you accessing your pension to prevent further investment losses from market volatility due to Covid-19?</p>	<p>You will receive only the current value of your pension investments (which might have fallen recently), and this may be subject to further taxes, charges or deductions. Locking in this loss now means you might miss out on any future increases in value if markets recover, and could reduce how much money is available to generate the income you may need in later life.</p> <p>Before making any major decisions about your pension, you should take the time to get independent guidance or financial advice.</p>
<p>Did you know that you may be entitled to employment guidance and financial support, available from the government, if you are experiencing financial distress due to the impact of Covid-19?</p>	<p>The support available in these circumstances covers guidance on your rights to sick pay, and what benefits you can claim if you are self-employed or not entitled to sick pay. You can find this information on the Money Advice Service website. There is also a Debt Advice locator tool to help you find where you can go for appropriate debt advice.</p>
<p>Do you have access to other savings or income sources that you could access instead to avoid incurring any tax liabilities?</p>	<p>If you have other sources of finance, depending on what these are, there may be fewer long-term risks if you access those first.</p>
<p>Do you plan to make contributions to your SIPP, or any other pension, in the future?</p>	<p>If you flexibly access your pension now (as an Uncrystallised Funds Pension Lump Sum or through Flexi-access Drawdown), but you intend to save more into a pension in future, then you will continue to receive tax relief on contributions paid in up to age 75, but this will be capped to a maximum of £4,000 per year (known as the Money Purchase Annual Allowance).</p>
<p>Do you intend to access more than 25% of your pension pot?</p>	<p>You can normally take up to 25% of your pension pot tax-free. Depending on how you withdraw funds from your pension, the rest will normally be subject to income tax, and withdrawing large sums could move you to a higher income tax band.</p> <p>Taking the whole pot as cash will also result in a large tax bill, so you should always seek independent tax advice before taking any action.</p>
<p>Are you withdrawing money with the intention of investing in something that is being promoted as a special offer, pressuring you to act quickly, or is offering unusually high rates of return?</p>	<p>In times of crisis, pensions can become a target for illegal activities, scams or inappropriate investments. Scams take many forms and often appear to be legitimate investment opportunities.</p> <p>Regulators recommend four simple steps customers can take to protect themselves from pension scams:</p> <ol style="list-style-type: none"> 1. Reject all unexpected pension offers, whether made online, through social media or over the phone. 2. Check who you are dealing with before changing your pension arrangements. You can check the FCA Register or call the FCA helpline on 0800 111 6768 to see if the provider you are dealing with is authorised by the FCA. 3. Don't be rushed or pressured into making any decisions about your pension. 4. Consider getting impartial information and financial advice before taking any action.

2 Availability of Pension Wise and financial advice

Applicant to complete

- i. Has James Hay Partnership provided you with clear and adequate information about the free Pension Wise service and how you can access this service? Yes No
- ii. Has James Hay Partnership provided you with clear and adequate information on how to find a financial adviser if you so wish? Yes No
- iii. Have you taken advice from a regulated financial adviser in relation to taking money from your pension fund? Yes No
- iv. Have you received guidance from Pension Wise in relation to taking money from your pension fund? Yes No

If you have answered **No** to questions (iii) and (iv), we strongly suggest that before proceeding you seek appropriate advice from a regulated financial adviser and/or guidance from Pension Wise to understand your options.

3 Personal details

Applicant to complete

Member name SIPP or Wrap number

4 Amending your regular income

Applicant to complete

To change the current SIPP income level, please complete the table below with the new income requirements.

Tranche number/Income level	Required gross income (£ p.a) ¹	Month and year change required from ²	
		Month	Year
		Month	Year
		Month	Year
		Month	Year

Any required changes to existing pension payments must be received by James Hay Partnership at least **10 business days before** your income is due to be paid, to enable the change to be effected by the next payment date.

¹ James Hay Partnership is unable to accept net income figures.

² If these boxes are left blank we will use your previous frequency and payment date.

Your disinvestments for income

- Please monitor any existing preference to ensure that sufficient funds are available. In the event of the preferred fund for disinvestments becoming depleted, or no preference being specified, please provide new instructions on the relevant 'Instruction to Trade Form', which can be attached to a secure message through the James Hay Partnership website, or sent by fax/post. Instructions to sell investments not provided in these formats will be rejected and could result in a delay paying your income.
- As we are reliant upon third parties, we are not able to guarantee that any disinvestment changes will be processed in time for the next income payment.

5 Requesting a single SIPP income payment

Applicant to complete

To receive a one off payment please complete the table below. Single income payments can be made in addition to regular payments.

Any requests for a single SIPP income payment must be received by James Hay Partnership at least **10 business days before** your income is due to be paid, to enable the change to be effected by the next payment date.

Tranche number/ Income level	Gross single payment required	Month and year of payment		Payment in addition to regular income (please tick if 'Yes')	Payment replaces regular income (please tick if 'Yes')
		Month	Year		

6 Changing your SIPP income frequency

Applicant to complete

Tranche number/Income level

Please confirm how frequently you would like to receive your income payments. Please tick one box:

Monthly Quarterly
 Half-yearly Annually

PLEASE NOTE:

- **To enable us to pay the income, we require sufficient money to be available in the SIPP bank account. Please ensure money is available in this account prior to the payment date.**
- **You can monitor the balance of the SIPP bank account through the secure James Hay Partnership online service. If you are not yet registered for this service, please visit www.jameshay.co.uk to find out how to sign up. This is not available for plans with a group of members such as the IPS Family SIPP.**

7 Disinvestments

Applicant to complete

Please confirm your chosen disinvestment below. If you are a co-trustee of your SIPP, you and all co-trustees may need to sign other forms or provide written confirmation to instruct these disinvestments.

7a Disinvestments for a single income payment

Applicant to complete

Please confirm which pension funds should be used to pay your lump sum(s):

(i) Money in the SIPP bank account

All

Or

Specific amount: £

(ii) Money in property cash account

All

Or

Specific amount: £ (iii) Specific investments in the table below ³

Name of investment provider	Fund name	Policy/Plan number	Amount in £ sterling or %

³ We will only instruct the sale of the investments listed once the income calculations are complete, unless you also provide a completed 'Instruction to Trade Form'.

Any specific trading instructions in addition to the above should be provided in writing using the appropriate trade form, which is available from www.jameshay.co.uk.

Please confirm which pension funds should be used to pay your regular income payments:

- (i) Money in the SIPP bank account
- (ii) Proportionately across all Investment Centre funds
- (iii) Specific investments in the table below ⁴

Name of investment provider	Fund name	Policy/Plan number	Amount in £ sterling or %

⁴ You will need to check that your chosen investment providers/fund managers are able to set up the required disinvestments. **If you do not provide instructions, and there is insufficient money in the SIPP bank account, it may mean that your income payments cannot be paid on time.**

8 Bank account details

To change the bank details to which all tranches of your income on this plan are paid, please insert your new bank details below. You will need to check with your bank/building society that Faster Payments and CHAPS payments can be accepted into this account and that these details are all they need for this.

UK bank account details:

Account holder's name

Sort code Account number

Building society reference number (if applicable)

Bank name and address

Postcode

Foreign bank account details:

IBAN/Account number

Payee

Bank name and address

Postcode

Intermediary bank/ Swift code Swift code

Beneficiary bank code Routing number (If USA)

Currency

PLEASE NOTE: We are only able to hold one set of bank details to which payments will be made. If you are already receiving an income from this plan and you provide different bank details, the new details will also be used for your existing income from this plan.

- I request and consent to the payment of income as set out in this form
- I acknowledge that I am converting my SIPP to flexi-access drawdown and understand that this election cannot be reversed at a later date
- I acknowledge that if I have more than one SIPP with James Hay that is in capped drawdown, this election will convert all of these SIPPs to flexi-access drawdown
- I accept that as soon as I take any income from my SIPP once in flexi-access drawdown, I will be subject to the money purchase annual allowance rules, as determined by HM Revenue & Customs rules and guidance
- I understand that James Hay Partnership does not accept responsibility for any charge or penalty in respect of disinvestments from a third party for income payments.

I confirm that I have read the Covid-19 additional risks and considerations in Section 1a.

Member signature

Date

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We are able to provide literature in alternative formats. For a Braille, large print or audio version of this document call us on 03455 212 414 (or via the Typetalk service on 18001 03455 212 414).

James Hay Partnership is the trading name of James Hay Services Limited (JHS) (registered in Jersey number 77318); IPS Pensions Limited (IPS) (registered in England number 2601833); James Hay Administration Company Limited (JHAC) (registered in England number 4068398); James Hay Pension Trustees Limited (JHPT) (registered in England number 1435887); James Hay Wrap Managers Limited (JHWM) (registered in England number 4773695); James Hay Wrap Nominee Company Limited (JHWNC) (registered in England number 7259308); PAL Trustees Limited (PAL) (registered in England number 1666419); Santhouse Pensioner Trustee Company Limited (SPTCL) (registered in England number 1670940); Sarum Trustees Limited (SarumTL) (registered in England number 1003681); Sealgrove Trustees Limited (STL) (registered in England number 1444964); The IPS Partnership Plc (IPS Plc) (registered in England number 1458445); Union Pension Trustees Limited (UPT) (registered in England number 2634371) and Union Pensions Trustees (London) Limited (UPTL) (registered in England number 1739546). JHS has its registered office at 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey, JE1 1GH. IPS, JHAC, JHPT, JHWM, JHWNC, SPTCL, SarumTL, IPS Plc, PAL, STL, UPT and UPTL have their registered office at Dunn's House, St Paul's Road, Salisbury, SP2 7BF. JHAC, JHWM, IPS and IPS Plc are authorised and regulated by the Financial Conduct Authority. The provision of Small Self Administered Schemes (SSAS) and trustee and/or administration services for SSAS are not regulated by the FCA. Therefore, IPS and IPS Plc are not regulated by the FCA in relation to these schemes or services. (04/19)