

Benefit Form

Bank of Scotland Share Dealing Self Invested Personal Pension



Important Notes

This Benefit Form must be completed if you wish to:-

- start drawing benefits from your SIPP as a pension commencement lump sum and pension (also known as capped) drawdown or flexible drawdown – please complete all sections of this form except Section 9;
- add additional uncrystallised funds to your existing income drawdown fund (pension or flexible), to enable you to take a further pension commencement lump sum and/or to increase the amount of your pension – please complete all sections of this form except Sections 8 and 9;
- purchase a lifetime annuity – please complete all sections of this form except Sections 6, 7 and 8.

IF YOU WISH TO TAKE FLEXIBLE DRAWDOWN BENEFITS AND HAVE NOT YET CONFIRMED YOUR ELIGIBILITY YOU MUST ALSO COMPLETE A FLEXIBLE DRAWDOWN DECLARATION. Flexible drawdown allows eligible individuals to draw income from their income drawdown fund without any annual limits. In order to be eligible you must meet a number of conditions. The main condition is that you must be receiving secure pension income of at least £20,000 per year.

Please ensure that all relevant sections of this form are fully completed. Failure to provide relevant information will delay the payment of benefits.

If you wish to transfer your SIPP to an insurance company to purchase an immediate annuity do not complete this form. You must complete a Transfer Out Form available on request. If you transfer out, the insurance company will be responsible for calculating and paying your benefits, including any pension commencement lump sum.

If you have already commenced benefits and you wish to alter the frequency or amount of pension you are receiving, or alternatively wish to pay yourself a one-off pension payment then please write to the Bank of Scotland Share Dealing SIPP Administration Team, at the address shown below, confirming the details (do not complete this form).

For more information on the benefits available under your SIPP, including flexible drawdown, please refer to the Benefits Guide available on our website. If you have any doubts as to your retirement options, you should contact your Adviser.

Please note we reserve the right to request a copy of your birth certificate and, if you are a married woman, your marriage certificate, before any benefits can be paid. Alternatively, you can send us a copy of your current signed passport or driving licence showing your date of birth and full name. **Copies MUST be certified by an independent person (not a family member), who must also provide their full name, address and daytime contact telephone number.** We will use age verification systems to confirm your date of birth. We will request further evidence if our searches are unable to verify this information.

Please complete and return this form to:-

**The Bank of Scotland Share Dealing SIPP Administration Team
A J Bell Management Limited
Trafford House
Chester Road
Manchester
M32 0RS**

**Tel: 0845 606 1188
Fax: 0845 54 32 601**

Please use **BLOCK CAPITALS** only and blue or black ink, ticking boxes where appropriate.

If you would like a copy of this or any other item of our other literature in large print, Braille or in audio format, please contact us on 0845 606 1188 or by e-mail: bossipp@sippdeal.co.uk

I. Personal Information

Please provide the following information about yourself:

Title	Mr / Mrs / Miss / Ms / Dr / Professor / Other	Surname			
Forenames					
Permanent Residential Address					
Town		County			
Post Code		Country			
Your SIPP Reference (if known)		Date of Birth			
Start Date for Benefits:	immediate <input type="checkbox"/>	Other			

This is the date we will use to calculate your benefits. We will write to you separately when benefit payments will commence. **Please note we cannot backdate the start date for your benefits.**

2. Benefit Options

Please tick which of the following options you require (please only tick one).

A) Income Drawdown (pension or flexible)

You receive a pension commencement lump sum (if applicable) and the remainder of your fund is designated to provide an income by way of income drawdown.

B) Lifetime Annuity

You receive a pension commencement lump sum (if applicable) and the remainder of your fund is used to provide an income by way of annuity purchase, from the insurance company of your choice.

Amount of funds to provide Benefits

You can choose to take benefits from all, or only a part, of the uncrystallised funds in your SIPP.

Please complete one box to indicate the amount, or percentage, of your fund that you wish to take benefits from at this time. This amount, or percentage, must be the total of the amount to be applied to provide a pension or lifetime annuity and the amount of any pension commencement lump sum linked to that pension or annuity. Please do NOT enter only the percentage to be taken as a pension commencement lump sum.

All of my fund or Amount £ or % of my fund

Please note that if you have an existing pension fund at 6th April 2006 (A-Day) and you crystallise further funds to provide a pension on, or after, A-Day then the pre A-Day pension fund and the post A-Day pension funds will be kept separate. This is both for the purpose of determining maximum pension and, ultimately, any amount crystallised at age 75 or annuity purchase, if earlier.

3. Transitional or Fixed Protection

You only need to complete this section if you have registered for transitional protection with HM Revenue & Customs (HMRC) or have a protected pension age (i.e. you are entitled to take benefits before age 55). Otherwise, please go straight to Section 4.

a) Have you registered for enhanced, primary or fixed protection? Yes No

If Yes, please send us a copy of the HMRC certificate with your completed Benefit Form.

b) Do you have a protected pension age? Yes No

If Yes, what is the protected pension age:

4. Available Lifetime Allowance

Please complete:-

Part A – If you have not registered for transitional or fixed protection; and/or

Part B – If you have registered for transitional or fixed protection or have answered “No” to the question in Part A.

Part A (only complete if you have not registered for transitional or fixed protection). Please see the General Notes on the following page.

Do you have sufficient unused lifetime allowance (i.e. is your unused lifetime allowance more than the value of the benefits being crystallised under your SIPP)? Yes No

If Yes, please go to Section 5. If No, please complete Part B.

Part B Please see the General Notes and the Transitional or Fixed Protection Notes on the following page.

What percentage of the standard lifetime allowance have you used up? %

If you have registered for enhanced protection, please go to Section 5. Otherwise, please complete question ii) below.

Do you want the value of your benefits above your available lifetime allowance to be either:

i) paid as a lifetime allowance excess lump sum, subject to a tax charge of 55%? Yes No

or

ii) retained in your SIPP, subject to an immediate tax charge of 25%, and designated to your pension fund? Yes No

General Notes (Parts A and B)

1. You must take into account any benefits that:-
 - you have crystallised previously (including pre-commencement pensions i.e. pensions that you vested before 6th April 2006) under this and any other pension arrangement; and
 - you are going to crystallise from any other pension arrangements at the same time as the benefits requested in this form.

The administrators of your existing crystallised pension arrangements (if any) will have provided you with a statement or will be able to tell you how much of the standard lifetime allowance has been used up by the benefits under those arrangements.

2. The value of the benefits crystallised by this form is the value of the fund entered by you in Section 2 of this form.

3. The standard lifetime allowance is £1.8 million in 2011/12.

Transitional or Fixed Protection Notes (Part B)

4. **Percentage of standard lifetime allowance used up:** even if your personal lifetime allowance is higher (e.g. as a result of primary protection or fixed protection), or lower (e.g. as a result of a protected pension age), than the standard lifetime allowance, we still need you to show the amount of lifetime allowance used up as a percentage of the standard lifetime allowance in Part B i).
5. **Enhanced protection:** if you are entitled to enhanced protection, we need to know the percentage of the standard lifetime allowance you have used up, as this may be relevant for calculating your pension commencement lump sum and will be needed for HMRC reporting purposes.
6. **Primary protection:** if you are entitled to primary protection, your personal lifetime allowance will be higher than the standard lifetime allowance (e.g. if your Lifetime Allowance Enhancement Factor is 0.5, you will be entitled to a personal lifetime allowance of 150% of the standard lifetime allowance). Please show the percentage of the standard lifetime allowance you have used up, which may of course be more than 100%.
7. **Fixed protection:** if you are entitled to fixed protection, your personal lifetime allowance is increased from £1.5 million to £1.8 million and you are also entitled to increased lump sum rights. Please show the percentage of the standard lifetime allowance you have used up, which may be more than 100%.
8. **Protected pension age:** if you are entitled to take benefits before age 55, because you have a protected pension age, your personal lifetime allowance will be the standard lifetime allowance reduced by 2.5% for each complete year between the date your benefits commence and the date on which you will reach 55. However, please show the percentage of the standard lifetime allowance you have used up e.g. if you have already crystallised £75,000 of benefits from a separate pension scheme at age 35 in 2006/07, then the percentage of the standard lifetime allowance used up is 5% for the purposes of completing this form. (The standard lifetime allowance for 2006/07 was £1.5 million).
9. **Protected rights:** if you are entitled to lump sum protection of more than 25% and your SIPP contains protected rights the lump sum payable in respect of the protected rights will be restricted to 25% of their value.

5. Pension Commencement Lump Sum

Please note that a pension commencement lump sum is not available if an income drawdown fund is being used to purchase an annuity.

If you wish to receive a pension commencement lump sum please specify the amount you wish to receive:

Maximum or Other

We will only pay a pension commencement lump sum of more than 25% of your fund if transitional protection applies. We will advise you of your maximum pension commencement lump sum and will adjust the amount you have specified if it exceeds the maximum allowable by HMRC.

The maximum percentage of protected rights funds you can receive as a pension commencement lump sum is 25% of the protected rights fund being crystallised.

6. Your Pension

Income Payments

Please specify the level of gross income you wish to receive (only complete ONE option):

- a) Maximum income allowed by the HMRC (pension/capped drawdown only) (tick if appropriate); or
- b) Nil income (tick if appropriate); or
- c) Gross monetary amount. For pension/capped drawdown this must be less than the maximum allowed by the HMRC.

- Please note that under pension/capped drawdown you cannot receive more than the HMRC maximum income in any 12 month pension year.
- The maximum income limit is calculated by reference to the annuity rates published by the Government Actuary's Department (GAD).

- For pension/capped drawdown you can choose to take between “nil” income and the maximum GAD rate for your age at the effective date of calculation.
- Maximum income level is calculated at outset and reviewed every three years until you pass your 75th birthday and annually thereafter.
- Pension payments are normally payable on the 3rd Monday of each month. Cleared funds must be available in your deposit account on the 2nd Money of the month in order for us to make the pension payment. It is your and your adviser’s responsibility to ensure that sufficient cash is held in the SIPP cash account.
- We will pay your pension net of income tax (under PAYE) and will account to HMRC for the tax deducted.
- If you are eligible for flexible drawdown and wish to take the full value of your pension fund as a single payment please state “whole fund” above. You must have completed a Flexible Drawdown Declaration in order to confirm eligibility.

If your SIPP contains both protected rights and non-protected rights funds, income will usually be taken from each of these funds in the proportion it represents to the total value of the crystallised funds at the date of crystallisation, or later review. It is not possible to use protected rights for flexible drawdown pension payments.

Please specify the frequency you require for your pension payments (please tick):

d) Annually Monthly
 e) In advance In arrears

Where relevant, we will advise you of your maximum income level and will adjust your chosen income level if it is necessary.

7. Death Benefit Nomination

The Scheme Administrator will use your remaining pension fund to provide benefits for your spouse, civil partner, dependants, members of your family or other nominated beneficiaries.

For non-protected rights please indicate below the name(s) of the individuals you would like the Scheme Administrator to consider providing benefits for and the % of your fund that you would like to be applied for each individual. **Please note that the Scheme Administrator will take into account your wishes but is not bound to follow them.**

If your SIPP contains protected rights, those funds must be used to provide a pension for a spouse or civil partner who survives you. If you are not survived by a spouse or civil partner lump sum benefits will be paid to your estate unless you have made an alternative nomination. If you wish to make a nomination in respect of protected rights please indicate below how the benefits should be applied. Payment of lump sum benefits from protected rights may be subject to Inheritance Tax.

Full Name	<input type="text"/>	Relationship	<input type="text"/>	<input type="text"/>	%
Full Name	<input type="text"/>	Relationship	<input type="text"/>	<input type="text"/>	%
Full Name	<input type="text"/>	Relationship	<input type="text"/>	<input type="text"/>	%
Full Name	<input type="text"/>	Relationship	<input type="text"/>	<input type="text"/>	%
Full Name	<input type="text"/>	Relationship	<input type="text"/>	<input type="text"/>	%
				Total	100%

8. Payment Details

Please provide details of the bank/building society account to which you wish your income and pension commencement lump sum (if any) to be paid:

Name of Bank / Building Society			
Branch Address			
	Post Code		
Account Number	Sort Code		
Roll Number (if applicable)			
Account in the Name of			
Account Type			

Important Notes: If you have received a P45 from your previous employment, please forward this to us with this form and we will use this to apply the correct tax code for your pension. If you do not have a P45, we are legally obliged to operate tax code BR, which is a Basic Rate Tax deduction. We will advise our Tax Office who will in turn contact your Tax Office to confirm your correct tax code. We can only change your tax code if instructed to do so by HMRC. You may wish to contact your Tax Office to expedite the correct tax coding notice.

9. Lifetime Annuity Purchase

Is a lifetime annuity to be purchased from:

a) part of your fund from which you are yet to take benefits? Yes No

and/or

b) your existing income drawdown fund?? Yes No

Which insurance company is the lifetime annuity to be purchased from?

Insurance Company Name

Please enclose a copy of your annuity quotation and the insurance company's proposal form for our completion. Alternatively, please specify the name and address of your adviser below (if applicable) and we will contact them with our requirements.

Please note that we cannot pay your pension commencement lump sum (if any) until we have final details of your chosen annuity. Bank of Scotland Share Dealing and A J Bell Management Limited cannot provide any advice in relation to annuity purchase.

Adviser Name			
Address			
	Post Code		
Telephone Number	Fax Number		

10. Member's Declaration and Undertaking

I hereby request and consent to the payment of benefits as set out in this form and agree that:-

- a) it is my responsibility, in conjunction with my adviser, to ensure that there is sufficient liquidity within my SIPP to pay benefits as they fall due;
- b) where relevant, income payments under pension/capped drawdown will at all times remain below the maximum level allowed by HMRC, this overriding any instructions I may give to the contrary; and
- c) the basis used for valuing investments held under my SIPP for benefit crystallisation purposes will be determined by the Scheme Administrator, taking into account HMRC requirements. In particular, I understand that the value used for some types of investment (e.g. UK quoted stocks and shares) for this purpose may be different to that shown on my valuation statements.

I declare that:-

- i) the information contained in this form and in particular Section 3 (Transitional or Fixed Protection) and Section 4 (Available Lifetime Allowance) is, to the best of my knowledge and belief, true, complete and not misleading;
- ii) as a consequence of payment of the pension commencement lump sum requested by this form (if any), the amount of contributions paid by me, or on my behalf, to any registered pension scheme is not, and will not be, significantly greater than it would otherwise have been; and
- iii) I agree that I will indemnify the Scheme Administrator against any liability to pay any tax or other charges which arise out of the provision of false or misleading information.

If you have any doubts whatsoever about which option is most suitable for you then please contact a financial adviser. Neither Bank of Scotland Share Dealing nor A J Bell Management Limited can provide you with any advice.

Please sign and date the Benefit Form and return it to:-

**The Bank of Scotland Share Dealing SIPP Administration Team
A J Bell Management Limited
Trafford House
Chester Road
Manchester
M32 0RS**

Tel: 0845 606 1188

Fax: 0845 54 32 601

Name

Signature

Date

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