7IM SIPP Non-Advised Drawdown Form

7IM

PLEASE PRINT CLEARLY IN BLOCK CAPITALS AND COMPLETE ALL APPLICABLE SECTIONS OF THIS FORM.

Please use this form if you have not taken any financial advice and wish to enter drawdown or are transferring existing drawdown funds to your 7IM SIPP.

When entering drawdown and periodically thereafter, it's important to consider how the investment of your drawdown funds will help you to reach your objectives and maintain the level of income that you require.

Investment pathways – what are they?

From 1 February 2021, the Financial Conduct Authority (FCA) has introduced "investment pathways" for customers who wish to go into drawdown without taking financial advice to help them pick investment options that may suit their specific objectives.

When using investment pathways, the investment of your fund will depend on your overall objective and to help you in this respect, the FCA have set out four scenarios:

- I have no plans to touch my money in the next 5 years
- I plan to use my money to set up a guaranteed income (annuity) within the next 5 years
- I plan to start taking my money as a long-term income within the next 5 years
- I plan to take out all my money within the next 5 years

Next steps

7IM does not offer tailor-made investment pathways, although these are available from other providers. This would therefore mean transferring away from 7IM if you wish to use pathways.

If using investment pathways, it is important that you shop around to find a suitable provider for whichever option you require. To assist you, you may wish to refer to the drawdown comparator tool available on the Money and Pensions Service (MaPS) website, which can be found here: **https://www.moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/drawdown-investment-pathways**

However, if you feel that investment pathways are not suitable for you and you are comfortable making your own investment decisions there are other options available to you.

Once you have looked at the tool, please tick a box below for the option you would like to take.

Section 01 Investment strategy

I have assessed the options available to me and would like to:

☐ Use the investment pathways

☐ Self-select other investments to meet my objectives

☐ Stay with my existing investment strategy

☐ I am unsure what investments I want

Section 02 Cash warning

Where a significant proportion (typically more than half) of your drawdown funds are invested in cash or cash-like investments, you need to be aware that the value of your drawdown funds runs the risk of being eroded by the effects of inflation.

For example, assuming that inflation remains constant at 2% and that you earn 0% interest on cash, a drawdown fund of £10,000 would be worth £9,039 in real terms after 5 years. Other charges, including scheme charges may further erode this value.

You therefore need to carefully consider whether keeping a large proportion of your fund invested in cash is likely to meet your long term drawdown objectives and requirement for income.

Please note that this warning does not constitute advice, nor a substitute for advice and we would recommend that, if you are in doubt, you should speak to a financial adviser.

Whilst remaining invested in cash runs the risk of your fund being eroded as mentioned above, we should also point out that other types of investment carry their own risks and that the value of any investment (for example, equity based investments) can fall as well as rise.

Different types of investment carry their own risks and it is a generally accepted principle that the higher the potential return on an investment, the greater the risk that it could also fall in value.

☐ Please tick to confirm that you still wish to remain invested significantly in cash or cash-like assets having read the warning above.

Section 03 Advice and guidance

This section only applies if you are above the age of 50 and intend to access your pension now or in the near future.

The decision to access pension savings is an important one. We therefore strongly reccommend that you seek advice from a regulated financial adviser and refer to the guidance provided by the government initiative, Pension Wise.

Pension Wise is a government service from MoneyHelper that offers free, impartial pensions guidance about your pension options. An appointment with Pension Wise is free and may help you understand what your overall financial situation will be when you retire.

Should you wish to book an appointment with Pension Wise you can do so online (**https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise)** or by telephone on 0800 138 3944 (lines are open every day 08:00 to 22:00).

You can also ask us to book an appointment on your behalf.

Please confirm whether you have already referred to guidance from, Pension Wise. ☐ Yes ☐ No

If yes, please confirm the date of your appointment: ☐☐ / ☐☐ / ☐☐☐☐

Please note: if your circumstances have changed since your last Pension Wise appointment, you should consider booking another appointment.

If no, please select one of the following options:

☐ I do not wish to consult Pension Wise

☐ I will arrange an appointment myself

☐ I would like you to arrange an appointment for me

If you would like us to book an appointment on your behalf, please confirm your contact details:

Email: _____ Telephone: _____

Please note: we will book the first available appointment and you will receive confirmation via email. If you are unable to attend, you will need to rearrange the appointment yourself.

If an appointment is being arranged, either by you or by us, we will not be able to proceed until you have confirmed that the appointment has taken place and that you still wish to proceed.

Section 04 Signature

Your signature is required for the completion of this form.

Please note: we will not be able to proceed with your drawdown request / transfer of drawdown funds until we have received this form, duly completed.

Signature:

Signed by (please PRINT name):

Date:

Account Number: IM

PLEASE RETURN THIS FORM TO 7IM INVESTMENT AND RETIREMENT SOLUTIONS LIMITED, 1 ANGEL COURT, LONDON EC2R 7HJ

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