

7IM SIPP

Taking Benefits Form - Non-Advised



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

This form **should** be used:

- To set up a new drawdown arrangement on existing 7IM SIPP, where you are not taking financial advice
- To set up tailored drawdown
- Make amendments to tailored drawdown for existing 7IM SIPP
- To set up a new drawdown arrangement on a new 7IM SIPP, it must be accompanied by a 7IM Application including all transfer information.

This form should **not** be used:

- To make amendments to existing 7IM SIPP drawdown arrangements - please use the SIPP drawdown form to access this.
- To purchase an annuity. Note that 7IM does not provide annuities. If you wish to purchase an annuity, you'll need to find an annuity provider and complete a transfer out form.
- To request income from a dependant's pension. Please use the 7IM income request form or the income amendment form to access this.
- If you have received advice from a regulated financial adviser - they should complete our taking benefits form for you instead.

In order to take income and/or tax-free cash from your SIPP, you first need to crystallise funds into drawdown. This form enables you to do that. Note that the full SIPP glossary can be found online at <https://www.7im.co.uk/regulatory-and-legal> under 7IM SIPP and a smaller glossary can be found at the end of this document.

Before you start:

You should read our guide "7IM SIPP: A guide to your retirement options", which can be found in the Literature Centre on the 7IM website and at https://www.7im.co.uk/media/faxiqw33/7im-sipp_a-guide-to-your-retirement-options.

You will also need to collate the following information to be able to complete the form:

- Details of any transitional protection (required in section 4.1)
- A copy of your transitional tax-free amount certificate (if you hold one) [required in section 4.2]
- Details of any lump sums previously taken, including the amount of the Lump Sum Allowance used (required in sections 4.3 -4.5)

Please be aware that 7IM must be notified of any new requests / amendments at least 10 working days before the date you wish the change to be effective from. If you miss this deadline, we will carry out the change from the next available payroll run.

If you have not already provided 7IM with a tax code and wish to take taxable income, please provide us with a P45 from your previous pension provider or a completed HMRC starter checklist. This may prevent you from paying more tax than you need to.

The starter checklist can be found: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1106535/Starter_checklist.pdf

Failure to provide either of these will result in an emergency tax code being applied.

Section 01 About you

If you have an existing 7IM SIPP account number, please provide your account number:

Title: First name(s):

Surname:

Illustration reference:

Please be aware we will process payment upon receipt of ALL transfers (if you are transferring funds from previous pension scheme(s))

If you wish for us to pay as soon as sufficient cash is available in your portfolio, please tick this box.

Note that cash can only be taken from completed transfers. Please also note that if there are in-specie transfers that are incomplete, we will not be able to pay benefits.

Section 02 Your options

Please ensure there is sufficient cash in the relevant portfolio prior to income being paid. We advise you to have cleared funds within the portfolio 10 working days prior to the payroll date you have selected.

Please note that if there is insufficient cash in your account, the payment will not be made.

Please select from the following four options:

Option 1: Take a one-off tax-free lump sum only (PCLS)

Take the maximum amount of tax-free cash (usually 25% of uncrystallised fund value)
This will crystallise the whole of your pension pot.

OR Take a tax-free lump sum of £

Any tax-free lump sum may be limited by your available Lump Sum Allowance.

We will only crystallise the minimum amount necessary in order to meet the income requirements.

We aim for this to be paid within 5 working days from the instruction being accepted.

Option 2: Uncrystallised Funds Pension Lump Sum (UFPLS)

How much of your uncrystallised fund value would you like to take as UFPLS?

Take an UFPLS payment of £

OR Take % of my uncrystallised fund value as UFPLS

The first 25% of any UFPLS payment will be tax-free (subject to having sufficient Lump Sum Allowance remaining), the remainder will be subject to income tax. We will pay your UFPLS payment on the next available payroll date.

Option 3: Take a one-off tax-free lump sum and Income

Lump sum Take maximum amount
We will crystallise the whole of your pension pot.

OR £

Income A one-off payment of £ gross*

OR An income of £ per annum gross*

Please specify frequency:

*where applicable, income tax will be deducted from all income payments.

Any tax-free lump sum may be limited by your available Lump Sum Allowance.

Where you have requested a specific amount of lump sum and/or income, we will crystallise the minimum amount required to provide those benefits.

7IM SIPP TAKING BENEFITS FORM - NON-ADVISED

Income can be paid on either the 1st, 8th, 15th or the 22nd of the month. Please select which date you would prefer.

1st
 8th
 15th
 22nd

If you do not select a payment date above, we will make payment on the next available payroll run.

Capped drawdown

If your current arrangement is in capped drawdown, we will assume you wish to continue receiving income in capped drawdown.

If you would like us to switch this to a flexi-access drawdown arrangement, please tick this box:

Switching from capped to flexi-access drawdown will make you subject to the Money Purchase Annual Allowance for future contributions.

Regular payments

If you have requested a regular income, you can set up an automatic sell down to raise sufficient cash for your income payments within your 7IM SIPP. This will ensure funds are sold ahead of our payroll deadlines and prevent your payments from being missed and deferred.

Income can be withdrawn from up to 3 portfolios in your 7IM SIPP. Please complete the below to specify the amount and sell down method for each portfolio in your 7IM SIPP.

7IM SIPP portfolio reference	Sale amount (£)	Type
<input type="text"/>	£ <input type="text"/>	<input type="checkbox"/> Proportional <input type="checkbox"/> Largest
<input type="text"/>	£ <input type="text"/>	<input type="checkbox"/> Proportional <input type="checkbox"/> Largest
<input type="text"/>	£ <input type="text"/>	<input type="checkbox"/> Proportional <input type="checkbox"/> Largest
Total:		£ <input type="text"/>

Please note if you do not select this option, you are responsible for ensuring sufficient cash is available within payroll deadlines. If you use 7IM Self Invest service you will be responsible for this. If there is insufficient cash in your account the payment will not be made.

One-off payments

Any payments will be paid from your D portfolio. If you require this to be paid from a different portfolio, please specify in the boxes below.

Portfolio number:

Please note you are responsible for ensuring sufficient cash is available within payroll deadlines to cover any one-off payments. If you use 7IM Self Invest service, you will be responsible for this. If there is insufficient cash in your account the payment will not be made.

Section 03 Bank detailsBank: Account name: Sort code: / / Account number: Account reference / roll number (if applicable):

We can only pay benefits to an account in your name, or a joint account where you are an account holder.

We will carry out electronic checks to validate the account details provided. Should this validation fail, we will request further documentation, such as a copy of a recent bank statement. This may delay set up and payment of benefits to you.

Any regular income will need to be paid to a UK bank account.

One-off payments made to a bank account outside the UK will incur an international payment charge of £10 per payment.

If you have selected a regular income, we will continue to make payments to this account until you advise otherwise.

Section 04 Lump sum allowances

Unfortunately, we cannot pay any benefits until you provide us with details of any other pensions you hold. Please note that you do not need to include details of your 7IM SIPP, State Pension or benefits received following the death of another person, e.g. a spouse's or dependant's pension.

Please make sure to complete all questions if you are crystallising your 7IM SIPP.

4.1 Do you have valid enhanced, primary, fixed or individual protection? Yes No

If yes, please indicate below which form of protection you have and send us a copy of the protection certificate issued by HRMC:

Enhanced Primary Enhanced & Primary Fixed 2012
 Fixed 2014 Fixed 2016 Individual 2014 Individual 2016

If we do not receive a copy of your certificate, we will not be able to set up your drawdown arrangement and therefore the processing of any payments may be delayed.

4.2 Have you applied for a transitional tax-free amount certificate following the abolition of the Lifetime Allowance on 6 April 2024?

Yes No

If yes, please provide a copy of the certificate.

If no, you should consider whether you need to apply for one **before** proceeding to take benefits from your 7IM SIPP. You are able to apply for a certificate from any of your pension schemes, but will need to provide them with certain information. **If you take any lump sums from any of your pensions after 6 April 2024, you will no longer be able to apply for this protection.**

This is a complex area, and we would recommend that you seek advice from a financial adviser before applying for a transitional certificate, as in some circumstances, it can leave you with less available tax-free cash. Some of the circumstances where a certificate may give you a higher tax-free cash figure are as follows:

- you crystallised benefits when the Lifetime Allowance was less than £1,073,100
- you are over age 75 and have uncrystallised funds
- you previously crystallised benefits and took less than 25% tax-free cash

7IM SIPP TAKING BENEFITS FORM - NON-ADVISED

- you crystallised funds received from a pension sharing order on divorce that did not have a tax-free cash entitlement
- you have already used 100% of your lifetime allowance
- you crystallised some of your pension benefits before 6 April 2006
- you have received any serious ill-health lump sums from any of your pensions.

4.3 Pension Commencement Lump Sums / UFPLS payments taken before 6 April 2024

Prior to 6 April 2024, have you taken any Pension Commencement Lump Sums (tax-free cash) or Uncrystallised Funds Pension Lump Sums (UFPLS) from any other pension schemes? (Please do not include lump sums taken from your 7IM SIPP, or from schemes that have been transferred into your 7IM SIPP)

Yes No

If yes, the scheme should have provided you with a statement showing the deemed Lump Sum Allowance (LSA) / Lump Sum Death Benefit Allowance (LSDBA) used as at 6 April 2024 and/or the amount of the old Lifetime Allowance (LTA) you had used. Please provide details in the following table:

Scheme name/scheme provider	Amount of LSA/LSDBA used (£)	Amount of LTA used (%)
	£	%
	£	%
	£	%
	£	%

Please note – if you are relying on enhanced or primary protection, we may also need to ask you for dates of previous benefit crystallisation events.

4.4 Pension Commencement Lump Sums / UFPLS payments taken since 6 April 2024

Since 6 April 2024, have you taken any Pension Commencement Lump Sums (tax-free cash) or Uncrystallised Funds Pension Lump Sums (UFPLS) from any other pension schemes? (Please do not include lump sums taken from your 7IM SIPP, or from schemes that have been transferred into your 7IM SIPP)

Yes No

If yes, the scheme should have provided you with a statement showing the deemed Lump Sum Allowance (LSA) used by each payment. Please provide details in the table below:

Scheme name/scheme provider	Amount of LSA/LSDBA used (£)	Date paid
	£	
	£	
	£	
	£	

4.5 Serious Ill Health Lump Sums taken since 6 April 2024

Since 6 April 2024, have you taken any Serious Ill Health Lump Sums from any other pension schemes?

Yes No

If yes, the scheme should have provided you with a statement showing the deemed Lump Sum Death Benefit Allowance (LSDBA) used by each payment. Please provide details in the table below:

Scheme name/scheme provider	Amount of LSDBA used (£)	Date paid
<input type="text"/>	£ <input type="text"/>	<input type="text"/>
<input type="text"/>	£ <input type="text"/>	<input type="text"/>
<input type="text"/>	£ <input type="text"/>	<input type="text"/>
<input type="text"/>	£ <input type="text"/>	<input type="text"/>

Section 05 Advice and guidance

The decision to access pension savings is an important one. We therefore strongly recommend 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 06 Investment strategy

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.

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 07 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.

7IM SIPP TAKING BENEFITS FORM - NON-ADVISED

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 08 Risks and warnings

Please answer the following questions to demonstrate that you have considered the risks as well as the benefits of accessing your pension.

- 8.1 If you are receiving any means-tested state benefits, are you aware what how taking your pension may affect these benefits? Yes No N/A
- 8.2 Are you aware that tax may be deducted from your pension and of what the implications may be if we have to use an emergency tax code? Yes No N/A
- 8.3 Do you understand that the amount of income tax deducted from your first drawdown payment may differ from the tax you actually need to pay, and that you may need to pay additional tax or reclaim any overpayment? Yes No N/A
- 8.4 Are you satisfied that your remaining pension plan(s) and any entitlement to the State Pension will be sufficient for you and any dependants for as long as you need it? Yes No
- 8.5 Have you shopped around different providers (including considering the differences in product charges) before choosing to use the retirement benefits options available within the 7IM SIPP? Yes No
- 8.6 Are you aware that investment scams exist, and that you should be careful where you invest money taken from your pension savings? Yes No
- 8.7 If you are thinking of buying an annuity, have you considered the impact of inflation on your future income payments? Yes No N/A

If you have answered No to any of questions 8.1 to 8.7 above, you should read the appropriate section of the 7IM SIPP: A guide to your retirement options provided to you.

- 8.8 If you are thinking of buying an annuity, do you have any health conditions that may make you eligible for an enhanced annuity? Yes No N/A
- 8.9 If you are thinking of buying an annuity, do you have any financial dependants you would like to receive an income from in the event of your death? Yes No N/A
- 8.10 If you are subject to any bankruptcy orders, are you aware that creditors may have a claim on any money you withdraw from your pension? Yes No N/A

If you have answered Yes to any of questions 8.8 to 8.10 above, you should read the appropriate section of the 7IM SIPP: A guide to your retirement options provided to you.

Please confirm you have done so by ticking the following box:

Section 09 Member declaration

**Please read this section carefully before you sign this form.
If there is anything you do not understand, please ask for further information.**

By signing this form, you make the following declarations:

- the information provided in this form is true, accurate and complete to the best of your knowledge and belief;
- you understand the risks associated with drawdown and that the pension fund may not be able to sustain an income:
 - at your chosen level; or
 - at the level provided by an annuity;
- you understand that it is your responsibility to ensure that there is sufficient cash in your SIPP account and to instruct the sale of investments as required to make your ongoing pension payments. If there is not enough cash available in your 7IM SIPP account to pay benefits, the payment will not be made. Delays in selling assets could delay the payment of benefits;
- you understand that you may need to contact HMRC to claim a repayment of any over-deducted income tax, or to account for any further income tax that may be due; and
- you understand that cancellation rights do not apply to the taking of tax-free lump sums and that, once paid, you will not have the ability to change your mind.

Your signature(s) is required for the completion of this form

Signature:

Signed by (please PRINT name):

Date:

Section 10 Glossary

Capped drawdown	A form of pension income. Capped drawdown limits how much you can take out each year and the amounts are set by the Government Actuary's Department (GAD). Your income will be checked against the GAD rates at least every 3 years, up to age 75, and annually thereafter. Capped drawdown is no longer available for new drawdown entrants, although anyone who was already in capped drawdown before 6 April 2015 can continue so long as all the applicable legal conditions continue to be met.
Crystallisation	The point at which accrued pension savings are converted to a lump sum or pension income. You can normally start taking benefits at any time after normal minimum pension age irrespective of whether or not you remain in employment.
Enhanced protection	A form of tax protection that protected your pension savings against the Lifetime Allowance prior to 6 April 2024, and was only available if you were a member of a registered pension scheme on 6 April 2006 and had registered for enhanced protection before 6 April 2009. If you have this type of protection, your total pension benefits will not be subject to the standard Lump Sum Allowance or the Lump Sum and Death Benefit Allowance. It can also specify additional protection for the Pension Commencement Lump Sum. Please refer to our website at www.7im.co.uk for further details.
Fixed protection 2012	If you have this form of tax protection, the normal limit used to calculate your Lump Sum Allowance and your Lump Sum and Death Benefit Allowance will be replaced by a greater amount than the standard Lump Sum Allowance and Lump Sum and Death Benefit Allowance. Please refer to our website at www.7im.co.uk for further details. From 6 April 2023, it has been possible for individuals with fixed protection 2012 to accrue new benefits without losing this form of tax protection.
Fixed protection 2014	If you have this form of tax protection, the normal limit used to calculate your Lump Sum Allowance and your Lump Sum and Death Benefit Allowance will be replaced by a greater amount than the standard Lump Sum Allowance and Lump Sum and Death Benefit Allowance. Please refer to our website at www.7im.co.uk for further details. From 15 March 2023, it has been possible for individuals with fixed protection 2014 to accrue new benefits without losing this form of tax protection.
Fixed protection 2016	If you have this form of tax protection, the normal limit used to calculate your Lump Sum Allowance and your Lump Sum and Death Benefit Allowance will be replaced by a greater amount than the standard Lump Sum Allowance and Lump Sum and Death Benefit Allowance. Please refer to our website at www.7im.co.uk for further details. No further contributions or benefit accrual are allowed or the protection will be lost, unless you applied for fixed protection 2016 before 15 March 2023. The deadline for applying for fixed protection 2016 is 5 April 2025.
Individual protection 2014	This is a form of tax protection outlined by HMRC and was introduced on 6 April 2014 in relation to the LTA but continues to apply post 6 April 2024 in relation to the Lump Sum Allowance and the lump sum and Death Benefit Allowance. It is designed to protect individuals that have built up pension pots over £1.25m as at 6 April 2014 for up to £1.5m or the value of the fund at 6 April 2014, if lower. It is possible to hold individual protection 2014 with fixed protection 2012 or 2014 – but not primary protection. Contributions may be made without losing this protection.
Individual protection 2016	This is a form of tax protection and was introduced from 6 April 2016 in relation to the LTA but continues to apply post 6 April 2024 in relation to the Lump Sum Allowance and the Lump Sum and Death Benefit Allowance. It is designed to protect individuals who had built up pension pots over £1m on 5 April 2016. Contributions can continue after 6 April 2016 for protection up to £1.25m or the fund value at 6 April 2016, if lower. However you will not be able to apply for this if you have primary protection or individual protection 2014. The deadline for applying for individual protection 2016 is 5 April 2025.

Section 10 Glossary (continued)

Flexi-access drawdown	This is a form of pension income which was introduced with effect from 6 April 2015. You are allowed to withdraw pension income from your 7IM SIPP account with no upper annual limit, subject to applicable tax. Drawing pension income using flexi-access drawdown will currently make you subject to the Money Purchase Annual Allowance.
Lifetime Allowance (LTA)	This was the limit imposed by legislation on the total value of an individual's registered pension schemes between 6 April 2006 and 5 April 2024. Exceeding this limit normally resulted in tax charges. Please refer to our website at www.7im.co.uk for further details.
Lifetime annuity	An annuity contract which provides an income for life within the meaning of the Finance Act, in return for you paying over some or all of your 7IM SIPP account to an insurance company. When buying a lifetime annuity, you have the option to include annual increases and/or a continuing pension income for your spouse/civil partner when you die, although including these will reduce the initial level of pension income payable. Specialist annuities may also be available from some providers if you meet the relevant criteria e.g. annuities that provide a higher pension income if you are in poor health.
Lump Sum Allowance (LSA)	This is the limit imposed by legislation on and from 6 April 2024 on the total value of PCLSs or the tax-free element of an UFPLS. Exceeding this limit will normally result in tax charges. Please refer to our website at www.7im.co.uk for further details.
Pension Commencement Lump Sum (PCLS)	PCLS is the tax-free lump sum that can be paid to a member when their benefits are crystallised. Typically this will be 25% of your 7IM SIPP account. However, the PCLS will be limited to your available Lump Sum Allowance or, if lower, your available lump sum and Death Benefit Allowance. Also known as "tax-free cash".
Primary protection	A form of tax protection applied to pension benefits at April 2006 which were equal to or over £1.5m. This replaced the standard LTA with a higher personal LTA which increased each year in line with the standard LTA. There is currently no option to revoke primary protection and therefore if this applies, you cannot apply for fixed protection, or any of the forms of individual protection. However it is currently possible for you to hold both enhanced and primary protection.
Uncrystallised Funds Pension Lump Sum (UFPLS)	This allows you to draw your PCLS and the remaining crystallised fund at the same time. You can select an amount to be paid as a lump sum. The amount of the UFPLS which can be taken tax-free will be limited by your available Lump Sum Allowance and your available Lump Sum and Death Benefit Allowance. The remainder is taxable at your marginal rate of income tax. Subject to applicable law and HMRC requirements you can use this feature as often as you like until your 7IM SIPP account is exhausted. Using this feature will make you subject to the Money Purchase Annual Allowance.

PLEASE RETURN THIS FORM VIA EMAIL TO PLATFORMMAILBOX@7IM.CO.UK OR BY POST TO 7IM INVESTMENT AND RETIREMENT SOLUTIONS LIMITED, 1 ANGEL COURT, LONDON EC2R 7HJ