

7IM SIPP

Taking Benefits Form



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

In this document, certain terms have a particular meaning and are capitalised. You can find a list of these terms and an explanation of what they mean in the 7IM SIPP Glossary on our website www.7im.co.uk.

This form **can** be used:

- To set up a new drawdown arrangement on existing 7IM SIPP
- 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
- To purchase an annuity
- To request income from a dependant's pension

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 appropriate 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 account, 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 cash can only be taken from completed transfers.

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 one of the following three 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 endeavour 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 appropriate 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 annual 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

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 appropriate 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.

Option 4: Tailored drawdown – regular crystallisation and payment of tax-free lump sum/income

Please refer to our **7IM Tailored Drawdown** document for guidance on how to complete this section.

Frequency of crystallisation:

Please note that tailored drawdown is only available if you have some of your Lump Sum Allowance remaining.

Amount to crystallise each time:

Tax-free lump sum required: (max 25% of crystallised amount)

Amount of income required: (max 75% of crystallised amount) gross*

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

End date for regular crystallisation: / /

If you do not specify an end date, we will continue to carry out your instructions above until there are no uncrystallised funds left or until we receive an instruction from you to amend or cease the regular crystallisation.

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 appropriate payroll run.

If you crystallise benefits in any other pension scheme whilst you are taking tailored drawdown, you will need to let us know, as this will affect the remaining allowances available.

7IM SIPP TAKING BENEFITS FORM

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, your financial adviser is 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.

If you are using the 7IM RIS service, this is not applicable to you. Do not tick this option.

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 your financial adviser is 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 details

Bank:

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 you should seek advice from your 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
- 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
	£	
	£	
	£	
	£	

Section 05 Advice and guidance

The decision to access pension savings is an important one. We therefore strongly advise that you seek advice from a regulated financial adviser and refer to the guidance provided by the government initiative, Pension Wise. Further information about this free service can be found at www.pensionwise.gov.uk or by calling 0300 330 1001.

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

- 5.1 Please confirm whether you have taken financial advice in relation to taking benefits. If no, please also complete our Non-advised drawdown form. Yes No
- 5.2 Please confirm whether you have referred to guidance from the government initiative, Pension Wise. Yes No

If you have taken advice from a regulated Financial Adviser, they must complete section 7 of this form.

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

- 5.3 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
- 5.4 Are you aware that tax may be deducted from your pension and of the implications may be if we have to use an emergency tax code? Yes No N/A
- 5.5 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
- 5.6 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
- 5.7 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
- 5.8 Are you aware that investment scams exist, and that you should be careful where you invest money taken from your pension savings? Yes No
- 5.9 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 5.3 to 5.9 above, you should read the appropriate section of the 7IM SIPP Guide to Your Retirement Options provided to you.

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

- 5.10 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
- 5.11 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
- 5.12 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 5.10 to 5.12 above, you should read the appropriate section of the 7IM SIPP Guide to Your Retirement Options provided to you.

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

Section 06 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/your adviser's 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 (subject to our rights to sell investments selected at our discretion if 7IM has been appointed as the discretionary investment manager of your 7IM SIPP Account). 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, if this is the first time you are taking benefits from your SIPP, you will have 30 days from receipt of the cancellation notice in which to cancel this request. If you do cancel, you must return all benefits already paid to you. You understand that share / unit prices may fluctuate and that the returned money, when reinvested, may purchase fewer shares / units than were originally sold.

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

Signature:

Signed by (please PRINT name):

Date:

Section 07 Financial Adviser declaration

To be signed only if advice has been received from a regulated financial adviser

The Financial Adviser confirms that they have provided advice to the member in relation to their taking of pension benefits.

Financial Adviser Signature:

Signed by (please PRINT name):

Firm:

Date:

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