

# Aegon SIPP benefit crystallisation event application form (flexi-access drawdown)

You should only complete this form if you have an Aegon Self Invested Personal Pension (Aegon SIPP) and you are unable to apply online. If you need help completing it please speak to your intermediary.

Benefits can normally only be taken from the age of 55. If you have a protected pension age (or the **ill-health condition** is met) you can take them earlier, but you must take all your benefits at the same time.

This form has two parts:

Part 1 – Applying for benefits

Part 2 – Benefits you've taken

When completed return the form to Aegon Cofunds Administration, PO Box 17491, Edinburgh, EH12 1PB.

Whenever you see this icon , you may have to send us additional information with this form.

Words in **bold** are defined terms that we explain in the Definitions section at the end of this form.

## Part 1 – Applying for benefits

### 1. Customer details

Please complete this form in BLOCK CAPITALS and ballpoint pen.

Full forename(s)

Surname

Date of birth

D	D	M	M	Y	Y	Y	Y
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Product number

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Are you entitled to any of the following types of protection: enhanced, primary, fixed (2012, 2014 or 2016), individual (2014 or 2016), or have you an enhancement to your lifetime allowance, for example, for a pension credit following a divorce or as a result of a transfer in from a **recognised overseas pension scheme**?

- No
- Yes – Please supply a copy of the appropriate certificate received from HM Revenue & Customs (HMRC) or, where no certificate has been received, provide the reference number you were given by HMRC.

## 2. Benefit options for uncrystallised investments

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Any pension commencement lump sum (PCLS) requested will be paid to the bank/building society account detailed in section 5.

### 2.1 Do you want to take a PCLS? (please select one)

- Yes, pay me the maximum allowed
- Yes, pay me £
- No

Please note the maximum you can choose to take as a PCLS is normally 25% of the amount of your pension pot that you're using now to provide you with benefits.

If you're entitled to **ordinary tax-free cash protection** of over 25% of your pension pot, you must take all your benefits under the scheme at the same time in order to retain it.

If you want to buy an annuity from another provider, we won't pay the PCLS until we've received the documentation for that annuity purchase.

### 2.2 I want to (please select one):

- fully crystallise my Aegon SIPP to provide any PCLS shown in section 2.1, and a flexi-access drawdown pension (complete section 3).
- crystallise £  of my Aegon SIPP to provide any PCLS shown in section 2.1, and a flexi-access drawdown pension (complete section 3).
- fully crystallise my Aegon SIPP to provide any PCLS shown in section 2.1, and use the balance to buy an annuity from another provider.
- crystallise £  of my Aegon SIPP to provide any PCLS shown in section 2.1, and use the balance to buy an annuity from another provider.

## 3. Income withdrawal options

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Only one income withdrawal instruction can be recorded against each of your drawdown products. The annual gross income value should be the total amount of income you want under the product.

Do you want to take an income?

- No – go to section 5
- Yes – complete sections 3.1 and 3.2

### 3.1 Flexi-access drawdown

Taking income for the first time from a flexi-access drawdown arrangement will trigger the money purchase annual allowance rules if you haven't already triggered them.

- A gross yearly regular income of £
- A gross one-off income payment of £

### 3. Income withdrawal options – continued

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#### 3.2 Income payment frequency

You don't need to complete this section if you're taking a one-off income payment.

3.2.1 Please choose the month in which you want to start taking regular income withdrawals.

M	M	Y	Y	Y	Y
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3.2.2 How do you want your regular income to be paid, please tick one option.

Monthly    Half-yearly    Quarterly    Yearly

3.2.3 Which date would you like your regular income payments to be paid on? Tick one option.

9th    18th    27th

You must make sure there's enough cash available in the cash facility before payment of the income is made. So that we can set up your income payments to start in the date you've chosen, please send this form to us at least 10 working days in advance of the date you've chosen. If you allow less than 10 working days, then your income payments may be set up on the date you've chosen but in the month following the one you selected.

### 4. Cash facility top-up instruction

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In this section, you can set up a new instruction, or change an existing one to tell us what investments we should sell to automatically top-up the cash in your cash facility to cover payment of charges or regular income. If you don't select an option below, we automatically use the largest value investment available – you don't need to tell us to do this.

If you want to nominate a fund or change from using a nominated fund, please tick the relevant box below:

Nominate an existing fund to sell from,  
please give details below

Fund name

Sedol code


(this is shown in your Key Investor Information Documents (KIIDs))

Change from using a previously nominated fund and use the largest value investment available

### 5. Bank details

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Please give us details of your bank account to which you would like the PCLS and any income payments to be made. The bank details should be for a personal account in your name or one where you are a joint account holder. If this is the first payment to your nominated bank account, you may need to give us a certified copy of your bank statement and driving licence (as proof of signature). We'll contact you if we need this.

Rather than send us an original document you can send us a certified copy, please see the 'Who can certify a document and how do they do it?' FAQ on our website for how to do this. 

Name of bank/building society

Account name

Branch sort code

<input type="text"/>	<input type="text"/>	-	<input type="text"/>	<input type="text"/>	-	<input type="text"/>	<input type="text"/>
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Building society roll number (if applicable)

Account number

Payments to building society accounts may take up to 10 business days longer than payments to bank accounts.

## 6. About the risks

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We can't progress your claim unless this section is completed.

Before you make a decision about taking your benefits, it's important to understand the main risks related to withdrawing money from your pension pot.

### 6.1 Have you received guidance from Pension Wise?

Yes  No

There's a risk you may choose an option that doesn't suit your needs. Accessing your pension savings is an important decision and we would always recommend that you seek guidance.

### 6.2 Have you received advice from an intermediary?

Yes  No

We recommend that you seek advice from an intermediary if you aren't sure if this is the right option for you.

### 6.3 Are you aware that taking some or all of your pension fund as a lump sum will use up benefits under your plan and you'll get reduced payments or, if you take all of your pension fund as a lump sum, no further payments from your plan?

Yes  No

Taking part of your pension plan as a lump sum means that the benefits being paid at a later date will be reduced as your pension pot will be reduced. Taking a full lump sum from your pension plan means that no further benefits can be paid from it at a later date when you may require it, you should consider the impact this will have on your retirement plans.

### 6.4 Are you aware that you may pay tax on income taken from your pension fund (with the exception of a PCLS) and that this may be the higher rate of tax?

Yes  No

There's a risk that after tax is deducted you may not get as much as you were expecting. The amount you withdraw and any other income that you receive may result in you paying higher rate tax or even owing additional tax.

### 6.5 Are you confident that withdrawing money out of your pension pot will still let you have your desired lifestyle in retirement?

Yes  No

There's a risk you may run out of money, so you must make sure that you invest wisely or budget effectively. You should also consider any state pension you may be entitled to – you can find details of this at [www.gov.uk/new-state-pension](http://www.gov.uk/new-state-pension)

### 6.6 Are you aware of the impact withdrawing money from your pension plan may have on any outstanding debts?

Yes  No

If you owe money there's a risk that your lender may be entitled to your pension savings when you take it as income.

### 6.7 Are you aware that pension scams are on the increase following the pension freedoms?

Yes  No

There's a risk you may be targeted by individuals and groups operating investment scams. These can look and sound believable, often promising low risk, high return options. If you've any doubts you should seek financial advice from a regulated financial adviser before committing. For more information on this visit: [www.scamsmart.fca.org.uk](http://www.scamsmart.fca.org.uk)

## 6. About the risks – continued

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6.8 Are you aware that taking cash from your pension pot may impact means tested benefits?

Yes  No

There's a risk that taking cash may result in the loss of any means tested benefits you currently receive or may be eligible for at some point in the future.

6.9 Have you investigated fully any charges associated with any planned investment?

Yes  No

There's a risk that any charges payable on future investments may be more than those you're currently paying on your pension savings.

## Part 2 – Benefits you've taken

Your answers to the following questions will give us the information we need to determine any lifetime allowance charge that you may be liable for.

If your total funds from all your pensions aren't more than your lifetime allowance, you won't have to pay this tax charge. For more information on lifetime allowance you can visit [hmrc.gov.uk/tax-on-your-private-pension](https://www.hmrc.gov.uk/tax-on-your-private-pension)

## 7. Benefits taken before 6 April 2006

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7.1 Do you have any annuities and/or pensions that came into payment before 6 April 2006?

No – go to 7.2

Yes, provide the yearly amount of pre-6 April 2006 pension in the table below.

If this is your first **benefit crystallisation event (BCE)** since 6 April 2006 then the date of the event you show in the table is the date you complete and sign this form.

Pension provider	Yearly amount at the date of the first BCE on or after 6 April 2006	Date of the first BCE on or after 6 April 2006 (dd/mm/yyyy)
	£	
	£	
	£	
	£	

For more information on the yearly amount you should give us, please see the table on page 6.

## 7. Benefits taken before 6 April 2006 – continued

At the time of the first BCE on or after 6 April 2006, the pre-6 April 2006 pension/annuity was:	Yearly amount to be entered	Date of the first BCE on or after 6 April 2006
Lifetime annuity or scheme pension	Gross yearly pension in payment at time of the first <b>BCE</b> on/after 6 April 2006.	This will be a date on or after 6 April 2006.
Capped drawdown	The maximum permitted yearly drawdown pension in force at the time of the first <b>BCE</b> on or after 6 April 2006.	This will be a date on or after 6 April 2006.
Flexible drawdown or <b>Flexi-access drawdown</b> that had, on 5 April 2015, been a flexible drawdown arrangement	The maximum permitted yearly drawdown pension that would have applied to the arrangement in the year it became a flexible drawdown arrangement had the arrangement been a capped drawdown arrangement instead of a flexible drawdown arrangement.	This will be a date on or after 6 April 2011.  This will be a date on or after 6 April 2015.
<b>Flexi-access drawdown</b> that had been converted from a capped drawdown arrangement	The maximum permitted yearly pension that applied to the arrangement in the year in which it became a <b>flexi-access drawdown</b> arrangement (so while it was a capped drawdown arrangement).	This will be a date on or after 6 April 2015.

7.2 If you took tax-free cash from an approved pension scheme before 6 April 2006 and put off receiving payment of the pension until after 5 April 2006, please let us know the amount you received. If this doesn't apply to you – go to section 8:

Amount of tax-free cash (£)	Date received (dd/mm/yyyy)

## 8. Benefits taken on or after 6 April 2006

Have you taken any benefits from a **registered pension scheme** on or after 6 April 2006?

- No – go to section 9
- Yes – for each **BCE** give the percentage of the standard lifetime allowance used up by that event (as advised by the scheme administrator and/or the insurance company providing the lump sum, pension or annuity). Don't include transfers to a **qualifying recognised overseas pension scheme** as these are covered in section 10.

If you've been granted primary protection, please also insert the amount crystallised.

Scheme name	% of standard lifetime allowance	Amount crystallised (Primary protection holders only)	Date (dd/mm/yyyy)
		£	
		£	
		£	
		£	

## 9. Benefits you're planning to take from other pension plans

Will you be taking benefits from any other pension plans between now and the date of the **BCE** under this plan?

- No – go to section 10
- Yes – complete the table below:

Scheme name	Proposed benefit crystallisation event date (dd/mm/yyyy)	Proposed amount to be crystallised (Primary protection holders only)	% of standard lifetime allowance to be used
1		£	
2		£	
3		£	
4		£	

For any benefits being taken at the **same** date as the **BCE** under this plan, please tick whether the value shown in the third column above should be included or excluded from our calculations.

**Include** – we'll consider these benefits to have already been taken before the **BCE** under this plan and we'll include the value you've given in column three in our calculations.

**Exclude** – we'll consider these benefits as being taken after your benefits from this plan and we'll exclude the value given in column three from our calculations.

Scheme 1     Include     Exclude

Scheme 2     Include     Exclude

Scheme 3     Include     Exclude

Scheme 4     Include     Exclude

## 10. Overseas transfers

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Have you completed any overseas transfers on or after 6 April 2006 to **qualifying recognised overseas pension schemes** or will you make any before the date of the **BCE** under this plan?

No – go to section 11

Yes – complete the table below:

Overseas pension scheme name	Date of transfer (dd/mm/yyyy)	Transfer amount	% of standard lifetime allowance used by this transfer
		£	
		£	
		£	
		£	



# 11. Declaration

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In this declaration, 'I' or 'my' means the customer named in section 1, and 'Aegon' means Scottish Equitable plc as the provider of the Aegon SIPP.

**I declare that:**

**11.1** I authorise Aegon to make payments according to my instructions. I declare that my answers to the questions contained in this application are correct and complete to the best of my knowledge and belief. I am aware that it is a serious offence to knowingly provide false or misleading information on the application and that failure to provide accurate information could result in fines and additional tax charges.

**11.2** I agree that if, for any reason, all or part of the benefits being crystallised under my pension plan are more than my available lifetime allowance and this results in the scheme administrator being liable for a lifetime allowance charge (or an increase in the lifetime allowance charge) and penalties and/or interest to HMRC, that I'll be liable to pay to the scheme administrator, a sum equal to the amount of that lifetime allowance charge (or any increase in the lifetime allowance charge) and any penalties and interest charged by HMRC and any **interest** charged by the scheme administrator.

**11.3** I declare that the pension commencement lump sum payment won't be reinvested into any **registered pension scheme** beyond the limits imposed by HMRC from time to time, and should I decide to make such reinvestment I'll provide full details to the scheme administrator.

However, I acknowledge and agree that in the event of any arrangement or action by me, or any other person, which constitutes or results in such a breach of the limits imposed by HMRC and consequently the scheme administrator becoming liable for a scheme sanction charge and penalties and/or interest to HMRC, that I'll be liable to pay to the scheme administrator a sum equal to the amount of that scheme sanction charge, any penalties and interest charged by HMRC and any **interest** charged by the scheme administrator.

**11.4** Where I have chosen to start taking a regular income withdrawal or take a one-off income payment in section 3.1, the level of income I have chosen is the gross amount I want Aegon to pay to me and I authorise Aegon to pay me this amount in accordance with this instruction.

**11.5** I am aware that Aegon will deduct income tax at the appropriate rate from the regular income withdrawal, or one-off income payment, amount before making the payment to me. The appropriate rate is the rate of income tax Aegon is required to deduct as determined by HMRC.

**11.6** Where I have requested a regular income withdrawal payment, I agree that if the amount in the cash facility does not meet the amount of the regular income withdrawal requested, I am aware that Aegon will sell the largest value investment to cover any shortfall unless I have otherwise instructed Aegon to sell selected investments in section 4.

**11.7** Where I have requested a one-off income payment, I am aware that I must have enough cleared funds in my cash facility in order for Aegon to make the payment I have requested in section 3.1. If I do not have enough cleared funds in my cash facility I am aware that Aegon will be unable to make my income payment.

**11.8** I am aware that the regular income withdrawal, or one-off income payment, is flexi-access drawdown income and by taking flexi-access drawdown income from my Aegon SIPP, this will trigger the money purchase annual allowance where this has not already been triggered.

**11.9** I am aware that an income drawdown fee will apply, if it does not already apply, when the regular income withdrawals are set up and each year after that in which I take a regular income withdrawal.

**11.10** I am aware that the more income I take from my Aegon SIPP, the greater the likelihood of running out of money earlier.

Date

D	D	M	M	2	0	Y	Y
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Signature

X	X
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## 12. Definitions

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### **Benefit crystallisation event (BCE)**

Your pension funds must be tested against your available lifetime allowance if there's a benefit crystallisation event. A benefit crystallisation event includes the following:

- using funds in a money purchase arrangement to provide drawdown pension (flexi-access);
- becoming entitled to a lifetime annuity under a money purchase arrangement;
- reaching age 75 with funds in drawdown pension (flexi-access) under a money purchase arrangement;
- reaching age 75 with remaining unused funds under a money purchase arrangement; and
- becoming entitled to an uncrystallised funds pension lump sum, before reaching age 75.

### **Flexi-access drawdown**

A drawdown arrangement which lets you take as much or as little income (which may be subject to tax) from the arrangement as you wish.

### **Ill-health condition**

This is met if we've received satisfactory medical evidence from a registered medical practitioner that you are (and will continue to be) incapable of carrying on your occupation because of physical or mental impairment and you've actually stopped working in your occupation.

### **Interest**

Interest will be added on a daily basis to any amount due to the scheme administrator for any scheme sanction charge. It will be calculated on a daily basis from the date the first payment was due at the Royal Bank of Scotland plc base rate plus 5%.

### **Money purchase annual allowance**

Where this applies to you the amount that can be paid by or for you into money purchase arrangements (like this one) without a tax charge

arising may be restricted to the money purchase annual allowance, which from 6 April 2017 is £4,000. The restriction applies if you had a flexible drawdown plan at any time before 6 April 2015. It also applies if you take (or have already taken) certain types of pension benefit, including an uncrystallised funds pension lump sum or income from a **flexi-access drawdown** plan.

Special rules apply in the year that the money purchase annual allowance provisions first apply to you. Please speak to your financial adviser for more information.

### **Ordinary tax-free cash protection**

If you had a tax-free cash entitlement of over 25% as a member under an occupational pension scheme, an assigned occupational policy or a section 32 buyout policy on 5 April 2006. This higher tax-free cash amount can be retained on transfer to another pension scheme provided it meets certain conditions.

### **Qualifying recognised overseas pension scheme**

This is a **recognised overseas pension scheme** that meets conditions set by HMRC so that it can take a transfer payment from a **registered pension scheme**.

### **Recognised overseas pension scheme**

This means a pension scheme which is established in a country or territory listed in the Pension Schemes (Categories of Country and Requirements for Overseas Pension Schemes and Recognised Overseas Pension Schemes) Regulations 2006. An overseas pension scheme may also be a recognised overseas pension scheme if it's of a description prescribed in those regulations, or if it satisfies any requirement in those regulations.

### **Registered pension scheme**

This means a pension scheme which is registered with HMRC under Chapter 2 of Part 4 of the Finance Act 2004.

