

Full pension pot lump sum payment instruction form

Important Information

This form should be completed if you have a LF Personal Pension Plan and you want to take all of your LF pension savings as an Uncrystallised Funds Pension Lump Sum (UFPLS) payment.

To be eligible for this option, you must be aged 55 or over, or meet the conditions to take benefits early under the ill-health rules. You should consider the following associated risks with this option.

Continuing income in retirement and provision for dependants: Pension savings are designed to provide an income in retirement and potentially provide benefits for dependants. By choosing to take your full pension pot as a lump sum, this means that you will have no remaining pension savings in this plan to provide an income in retirement or for your dependants. Use of this pot may therefore impact your or your dependants' future requirements. You should therefore consider carefully the taking and use of this pot in light of all the circumstances including your other savings, investments, assets and liabilities, your needs and those of your dependants and the tax and other consequences of taking this lump sum.

Income Tax: 25% of the pension lump sum is paid tax-free, with the remaining 75% taxed as income under Pay As You Earn (PAYE). Depending on how much other income you have, the value of income payments we make to you might push you into a higher rate tax bracket, even if you are not normally a higher rate taxpayer. This is important to remember, particularly if you are still working and drawing income from your pension savings. You can claim a refund of overpaid tax direct from HMRC. HMRC will usually respond within 30 days. See www.gov.uk/claim-tax-refund/you-get-a-pension or call your tax office for more information.

Inheritance Tax: Monies taken from your pension (tax-free cash, income payments or lump sums) form part of your estate if not used up before you die. Your estate may be liable to Inheritance Tax on such amounts.

By contrast, any part of your pension pot that was untouched would not normally be liable to Inheritance Tax.

If you are unsure about the effect that your chosen option will have on the amount of Inheritance Tax your beneficiaries may need to pay we recommend that you seek advice from a suitably qualified tax professional.

State Benefits: Taking your pension savings as a lump sum could reduce or even stop any State Benefits you may currently receive or be entitled to in the future. Income payments from your pension savings may be included in your total income when assessing your eligibility for benefits.

Annual Allowance: Taking a lump sum payment from your pension savings will trigger the Money Purchase Annual Allowance (MPAA). Making pension contributions over this allowance in a tax year will result in a tax charge. You are also obliged to notify any other money purchase pension scheme of which you are a member, that you have triggered the MPAA.

Lifetime Allowance: The limit on the total of all benefits which you can take from all your pension schemes is called the Lifetime Allowance (LTA). If you exceed this level a charge may be applied against the excess, unless you have registered for pension protection.

Guidance: We strongly recommend you take the free and impartial guidance offered by the government. You can find out more on the dedicated 'Pension Wise' website www.pensionwise.gov.uk. This service also offers guidance over the phone or face to face. Simply call 0300 330 1001, or take advice from a financial adviser.

To ensure you have considered the risks of taking all of your pension savings as cash, please complete the warning questions in section 4.

Please complete all sections of this form, sign the declaration and return all pages to us.

1. YOUR DETAILS

Plan number	<input type="text"/>
Mr/Mrs/Miss/Ms/Other	<input type="text"/>
Surname	<input type="text"/>
First name(s)	<input type="text"/>
Address	<input type="text"/>
	Postcode
Telephone number	<input type="text"/>
Email address	<input type="text"/>

2. YOUR BANK DETAILS

Name(s) of account holder(s)	<input type="text"/>
Name of bank/building society	<input type="text"/>
Bank/building society address	<input type="text"/>
	Postcode
Bank account number	<input type="text"/>
Bank sort code	<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"/>

3. TAKING ALL OF YOUR PENSION SAVINGS AS A LUMP SUM PAYMENT

Your lump sum payment will be paid by BACS direct into your bank account. We will only make payment to a sole or joint account in your name.

Confirming Your Identity

To protect you and us from financial crime, we may need to confirm your identity from time to time. Please refer to the accompanying Verification list which details the forms of documentation we require, and who can certify your documentation. Please send us two forms of documentation, one from List A and one from List B. This documentation must be a certified copy or an original.

4. RISK WARNING QUESTIONS – TAKING ALL OF YOUR PENSION SAVINGS AS CASH

Please answer the following questions and read the warnings carefully. You will need to consider what other action you may need to take before making your final decision. This is important as you may not be able to change your mind later.

PLEASE TICK 'YES' OR 'NO' AS APPROPRIATE

Pensions Guidance

Have you received pensions guidance from Pension Wise? Yes No

WARNING: If you have ticked NO – we strongly recommend you contact Pension Wise as the decisions you are making are important and you may not be able to change your mind later on. Pension Wise is a free and impartial service that you can access online, by telephone or face to face.

Financial Advice

Have you received advice from a financial adviser? Yes No

Please provide your financial adviser's name and company details (if applicable)

WARNING: If you have ticked NO – we recommend you seek advice from a financial adviser, especially if you are unsure of how your current or future needs might influence your decision.

Tax

Do you understand the tax implications of the option you are choosing? Yes No

WARNING: If you have ticked NO – once you have taken your tax-free cash, any money you take will be taxed as income. This will be added to any other taxable income you receive. It may push you into a higher tax bracket.

Investment Scams

Are you aware how to protect yourself from investment scams? Yes No

WARNING: If you have ticked NO – you should be careful with the money you're taking from your pension savings as fraudsters may be trying to steal your money. Some schemes can appear very genuine so make sure you are dealing with a reputable firm and protected by the Financial Services Compensation Scheme. Also watch out for investments that seem too good to be true.

Owing Money

Do you have any debts such as credit cards, loans or a mortgage? Yes No

WARNING: If you have ticked YES – once you have taken money out of your pension savings it may be available to your creditors in the event that you fail to keep up your payments to them.

Means-tested Benefits

Do you or your partner receive any means-tested state benefits or might you be eligible for them in the future? (Means-tested benefits include housing benefit, council tax deductions, income support, Universal Credit, income-based jobseeker's allowance and any benefit that pays for long-term care.) Yes No

WARNING: If you have ticked YES – your benefits may be reduced or stopped if you have assets or income above a certain level. You should check how this might affect you before you take money from your pension savings.

Continuing Income in Retirement

Do you expect your pension savings to provide you with an income for life? Yes No

WARNING: If you have ticked YES – any money you take out of your pension savings now will reduce the amount available to provide you with an income in the future.

Continuing Contributions

Are you, or anyone else on your behalf, likely to save into a pension in the future? Yes No

WARNING: If you have ticked YES – the amount you or anyone else can pay into a defined contribution scheme will be reduced to the Money Purchase Annual Allowance. If more than this is paid you will have to pay tax on the excess.

WARNING: If you intend to use any of your tax-free cash element to significantly increase contributions to any pension scheme, then HMRC regulations stipulate you must inform LFSL within 30 days. This is known as recycling and could incur a tax charge.

Further Investment

Are you thinking of investing this money somewhere else? Yes No

WARNING: If you have ticked YES – you should understand that the charges, tax treatment and performance of your chosen investment may differ from your current pension. The investment returns from your current pension savings are free from income and capital gains.

Inheritance Tax

Do you understand the Inheritance Tax implications of taking money from your pension savings? Yes No

WARNING: Monies taken from your pension (tax-free cash, income payments or lump sums) form part of your estate if not used up before you die. Your estate may be liable to Inheritance Tax on such amounts. By contrast, any part of your pension savings that was untouched would not normally be liable to Inheritance Tax.

Your Dependants

Do you need to use your pension savings to provide for your financial dependants, such as a spouse or partner, when you die? Yes No

WARNING: If you have ticked YES – any money you take from your pension savings will reduce the amount available to provide for your dependants.

5. DECLARATION FOR TAKING YOUR FULL PENSION POT

I confirm that to the best of my knowledge and belief, all of the information provided is full and accurate and forms the basis upon which I will access my pension pot. I agree if any information is found to be incorrect, this will be adjusted accordingly.

I agree that any payments made under these instructions are in full discharge of LFSL liability under this Scheme.

This payment concludes my entitlement to benefits under this Scheme.

Annual Allowance

Accessing my full pension pot will reduce my Annual Allowance to the Money Purchase Annual Allowance.

Lifetime Allowance

I confirm that the value of all the pensions and tax-free cash I've already taken combined with the benefits held within this arrangement or plan are below the current Lifetime Allowance. If they are not, or if I have a certificate of protection from HM Revenue & Customs (HMRC), I understand that I need to contact LFSL before signing this form.

6. AUTHORISATION

I authorise LFSL to make a full pension pot lump sum payment in accordance with these instructions and in accordance with the terms and conditions of the Scheme, which I have already agreed to in my original application.

Print name (in BLOCK CAPITALS)

Signature

Date

D	D	M	M	Y	Y	Y	Y
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Once completed, please return this form to:

Link Fund Solutions Limited
PO Box 1043
Cheltenham
GL50 9JB