

Annuity Open Market Option Request



Application guide

This form is to be used when you wish to exercise the Open Market Option to purchase a lifetime annuity. James Hay Partnership will pay any pension commencement lump sum (PCLS) and then forward the remaining fund to the annuity provider you have selected.

If, however, you wish the annuity provider to pay the pension commencement lump sum, this will be treated as a transfer of funds and you should instead complete the 'Transfer Out Request Form', available on request from James Hay Partnership.

Please complete this form in BLOCK CAPITALS and black ink and return it to: James Hay Partnership, Dunn's House, St Paul's Rd, Salisbury, SP2 7BF. If you need any help with completing this form, please call us on 03333 205 392.

You need to complete a form for each plan you wish to use to purchase an annuity.

Pension Wise

Accessing the Government's free and impartial guidance service



The Government has removed the restrictions on what you can do with your pension savings. This means that you are able to choose the option that's right for you.

Pension Wise is a Government service that offers people who are invested in defined contribution pension schemes and are approaching retirement free, impartial guidance about their choices. You can receive Pension Wise guidance online, over the phone or face to face.

Pension Wise provides tailored guidance to explain what options you have and help you think about how to make best use of your pension savings. It offers information about the tax implications of different options and other important things you should think about, as well as tips on how to get the best deal, including how to shop around.

Choosing what to do with your pension savings is an important financial decision and it is often possible to get more for your money by shopping around.

Please visit the Pension Wise website at www.pensionwise.gov.uk or call either 0800 138 3944 or 0300 330 1003 (from outside the UK +44 20 3733 3495), if you wish to use this service.

1 Scheme details

Applicant to complete

Scheme name

Scheme number

2 Personal details

Applicant to complete

Title

Forename(s)

Surname

National Insurance number

Permanent residential address

Postcode

Telephone

Mobile

3 Annuity provider details

Applicant to complete

Please provide details of the annuity provider.

Provider name

Annuity reference

Address

Postcode

PLEASE NOTE: The annuity provider must be an Insurance Company as defined in s275 of Finance Act 2004.**4 Uncrystallised funds (i.e. benefits not in payment)**

Applicant to complete

You are not required to take all of your pension fund by annuity purchase. Please advise how much of this fund you wish to use:

All **OR** Specific amount £**Pension commencement lump sum**

Please confirm the amount of pension commencement lump sum to be paid to you by James Hay Partnership before the annuity is purchased.

Amount of pension commencement lump sum payable (please complete only one option below):

Maximum available **OR** Specific amount £

Please provide the bank account details to which you would like your lump sum payment paid.

You will need to check with your bank/building society that Faster Payment and CHAPS payments can be accepted into this account and that these details are all they need for this.

Account holder's name

Sort code Account number

Building society reference number

Bank name and address

Postcode

5 Crystallised funds (i.e. benefits in payment)

Applicant to complete

If you are in capped drawdown and are not using all of your crystallised funds then the maximum income will be recalculated immediately after annuity purchase and the revised maximum income will apply from the next anniversary.

If crystallised funds are being used, how much would you like to use? Please tick one box:

Full crystallised fund (Go to Section 6) Specified amount ¹

Please specify the value in the following table or tick if the full value is to be used.

Tranche number	Value	Full

Please continue on a separate sheet if you have more than six tranches.

¹ Upon receipt of this form, we will value your plan and calculate the fund to purchase the annuity. If the exact amount requested cannot be achieved, we will round up to the higher fund value.

6 Protection

Applicant to complete

Please complete this section if you are under 75 and are:

- using uncrystallised funds to purchase an annuity, and/or
- using funds which were crystallised on, or after, 6 April 2006.

If you have applied to HM Revenue & Customs for any of the following types of protection, please provide details:

<input type="checkbox"/> Enhanced Protection Certificate reference number <input type="text"/>	<input type="checkbox"/> Pension Credit Rights Certificate reference number <input type="text"/>
<input type="checkbox"/> Primary Protection Certificate reference number <input type="text"/>	<input type="checkbox"/> International Certificate reference number <input type="text"/>
<input type="checkbox"/> Fixed Protection 2012 Certificate reference number <input type="text"/>	<input type="checkbox"/> Individual Protection 2014 Certificate reference number <input type="text"/>
<input type="checkbox"/> Fixed Protection 2014 Certificate reference number <input type="text"/>	<input type="checkbox"/> Individual Protection 2016 Certificate reference number <input type="text"/>
<input type="checkbox"/> Fixed protection 2016 Certificate reference number <input type="text"/>	

Please enclose a copy of the relevant HM Revenue & Customs certificate(s) with this form.

7 Lifetime allowance

Applicant to complete

Is this the first time you have elected to take benefits from any pension fund since 6 April 2006?

Yes No

If **Yes**, please go to 7a. If **No**, please go to 7b.

7a Pre 6 April 2006 benefits

Applicant to complete

On 5 April 2006 were you taking any pension income (for example income withdrawal/scheme pension/annuity)?

Yes No

If **Yes**, please provide details. If **No**, please go to Section 8.

Please state the maximum total gross pension currently payable from all funds where the maximum income was calculated or last re-calculated **before** 27 March 2014:

£ p.a.

Please state the maximum total gross pension currently payable from all funds where the maximum income was calculated or last re-calculated **after** 27 March 2014:

£ p.a.

PLEASE NOTE: This should be the maximum income available from all your pensions currently in drawdown with all providers and not just the income you are receiving (if different). If you have converted any of these pensions to flexible drawdown or flexi-access drawdown, you should include the maximum income available immediately before conversion.

Please go to Section 8.

7b Post 6 April 2006 benefits

Applicant to complete

If you have elected to take benefits since 6 April 2006, please provide the total percentage of lifetime allowance used to date: ²

%

² If you were taking income benefits prior to 6 April 2006, we will assume that the percentage of deemed lifetime allowance used in respect of these is included in this percentage.

If you have primary protection with lump sum rights over £375,000 on 5 April 2006, please provide the following details for each post 6 April 2006 benefit crystallisation event:

Date of benefit crystallisation event	Amount of pension commencement lump sum paid
	£
	£
	£

8 Insufficient lifetime allowance

Applicant to complete

If you have insufficient lifetime allowance available to cover your current benefit crystallisation event, please choose how you would like your benefits in excess of your lifetime allowance to be paid in respect of your uncrystallised fund.

Please note that the tax charge will be deducted from the pension fund that you have in the scheme.

If the purchase price is coming from uncrystallised funds, please answer the following:

Do you want the purchase price that is in excess of the available lifetime allowance:

(a) paid as a lump sum less 55% tax Yes No

(b) paid as an annuity after 25% tax is taken from that part of the purchase price Yes No

(c) paid as a combination of lump sum and annuity, as per the table below.

Percentage of excess to be paid as a lump sum (55% tax deduction)	%
Percentage of excess to buy an annuity (25% tax deduction)	%
Total	100 %

9 Disinvestments

Applicant to complete

If you have requested a partial annuity, please confirm which SSAS funds should be used to pay your lump sum(s):

Only money in my SSAS bank account

Specified amount of money in my SSAS bank account Please specify amount: £

Investments listed in the table below ³

Name of investment provider	Fund name	Policy/Plan number	Amount in £ sterling or %

³ As you are a co-trustee of your SSAS, you and potentially other co-trustees will need to sign other forms to instruct these disinvestments.

Sale instructions will only be placed once the calculations are complete and all relevant co-trustees of the SSAS have signed any required forms to instruct the sales.

10 Pension Wise availability

Applicant to complete

Have you taken advice from a regulated financial adviser, before deciding what benefits to take? Yes No

Have you received guidance from Pension Wise before deciding what benefits to take? Yes No

If you have answered **No** to both of the above two questions, we strongly suggest that before proceeding you seek appropriate advice from a regulated financial adviser or guidance from Pension Wise to understand your options at retirement.

Has James Hay Partnership provided you with adequate information about the government backed service called Pension Wise including how you can obtain the guidance? Yes No

IMPORTANT: Making decisions about your pension based on short term events, such as the Covid-19 pandemic, can have long term consequences for your financial wellbeing and retirement.

There are additional risks related to accessing your pension at this time. Below is a summary of some of the things you need to consider before accessing your pension savings.

Please read the information below, and confirm in Section 12 that you have considered and accept the additional risks.

<p>Are you accessing your pension to prevent further investment losses from market volatility due to Covid-19?</p>	<p>You will receive only the current value of your pension investments (which might have fallen recently), and this may be subject to further taxes, charges or deductions. Locking in this loss now means you might miss out on any future increases in value if markets recover, and could reduce how much money is available to generate the income you may need in later life.</p> <p>Before making any major decisions about your pension, you should take the time to get independent guidance or financial advice.</p>
<p>Did you know that you may be entitled to employment guidance and financial support, available from the government, if you are experiencing financial distress due to the impact of Covid-19?</p>	<p>The support available in these circumstances covers guidance on your rights to sick pay, and what benefits you can claim if you are self-employed or not entitled to sick pay. You can find this information on the Money Advice Service website. There is also a Debt Advice locator tool to help you find where you can go for appropriate debt advice.</p>
<p>Do you have access to other savings or income sources that you could access instead to avoid incurring any tax liabilities?</p>	<p>If you have other sources of finance, depending on what these are, there may be fewer long-term risks if you access those first.</p>
<p>Do you intend to access more than 25% of your pension pot?</p>	<p>You can normally take up to 25% of your pension pot tax-free. Depending on how you withdraw funds from your pension, the rest will normally be subject to income tax, and withdrawing large sums could move you to a higher income tax band.</p> <p>Taking the whole pot as cash will also result in a large tax bill, so you should always seek independent tax advice before taking any action.</p>
<p>Are you withdrawing money with the intention of investing in something that is being promoted as a special offer, pressuring you to act quickly, or is offering unusually high rates of return?</p>	<p>In times of crisis, pensions can become a target for illegal activities, scams or inappropriate investments. Scams take many forms and often appear to be legitimate investment opportunities.</p> <p>Regulators recommend four simple steps customers can take to protect themselves from pension scams:</p> <ol style="list-style-type: none"> 1. Reject all unexpected pension offers, whether made online, through social media or over the phone. 2. Check who you are dealing with before changing your pension arrangements. You can check the FCA Register or call the FCA helpline on 0800 111 6768 to see if the provider you are dealing with is authorised by the FCA. 3. Don't be rushed or pressured into making any decisions about your pension. 4. Consider getting impartial information and financial advice before taking any action.

There are a number of factors you should have considered before deciding to buy an annuity.

Please ensure that you have carefully considered the following factors (and taken advice from a regulated financial adviser, where appropriate) when making your decision.

Risk factor	Consideration
Your state of health	You should consider your health and how this may impact the level of income you could receive from an annuity. It is important to establish whether your health would make one type of annuity more suitable than another. If you are in poor health for example you may be entitled to an enhanced annuity which provides a higher level of income than a standard annuity. Annuity providers will be able to tell you whether your health affects the type of annuity you can purchase.
Whether you have a spouse, civil partner or dependants	If you have a spouse, civil partner or dependants, you should consider whether a joint life annuity would be suitable so they are provided for after your death. Annuity providers will be able to provide you with information on joint life annuities.
Inflation	Inflation can erode the real value of the income received from an annuity over time. It is possible to purchase an inflation linked annuity to help protect against the effects of inflation, however this will give you a lower starting level of income than you could get from a standard annuity.
Shopping around	Annuity rates can vary greatly between providers and you should shop around to ensure you get the best deal for your circumstances.
Sustainability of income in retirement	You should consider whether the level of income your annuity will provide is sufficient to maintain your desired standard of living throughout your lifetime.
Tax implications	Your annuity income is subject to income tax and therefore you need to take this into consideration in terms of the amount of money you will actually receive. You should also understand the impact of the taxable income from an annuity on your personal tax allowance.
Impact of means tested benefits	Any income you receive from your annuity may affect your entitlement to means tested benefits. You should ensure you understand any impact before deciding to proceed with your annuity purchase.
Debt	Any creditor may have a call on any money taken from your pension or income you receive from an annuity.
Investments scams	You should be aware that investment scams exist and you should be careful when deciding whether and where to invest the money when taken out of your pension. Fraudsters often target people who have taken money out of their pension. For more information, please see the document called "Scam proof your savings" available on our website www.jameshay.co.uk . The Financial Conduct Authority also provide information on scams and how to avoid them on their website www.fca.org.uk/scamsmart .
Changing your mind	Before deciding to purchase an annuity you should ensure you understand you cannot normally change the annuity income you receive in the future. You therefore need to consider your future circumstances to be certain that the annuity income is right for you now and will also be right for you in the future.

12 Declaration

I request and consent to the payment of benefits set out in this application form. I accept and agree that:

- I have read and considered the risk factors detailed in Sections 11 and 11a.
- to the best of my knowledge and belief, the particulars given on this form are correct and complete.
- it is an offence to make false statements and that the penalties are severe and could lead to prosecution.
- the payment I have requested discharges James Hay Partnership's liability in respect of the pension funds applied in this Open Market Option Request.
- the payment will be made as an Open Market Option and that once paid, it cannot be returned to James Hay Partnership.
- If in Section 4 I have chosen to take a specific amount of pension commencement lump sum, or chosen not to take any pension commencement lump sum, I am waiving my right to taking any further pension commencement lump sum payments from the funds being transferred to the annuity provider in the future. I fully accept the implications of this.
- James Hay Partnership cannot accept responsibility for any charge or penalty in respect of disinvestments from a third party for pension commencement lump sum or annuity payments.
- James Hay Partnership will not be held responsible for the loss of guaranteed annuity rates following third party delays, if the appropriate forms are not completed in full or if all the relevant information is not provided to James Hay Partnership in sufficient time to process the annuity.
- If appropriate, James Hay Partnership has my authority to check with HM Revenue & Customs the details of any certificate which I supply.

Member signature

Date

