

RETIREMENT OPTIONS FORM

Retirement Options Form

You must be over age 55 (or eligible for early retirement due to ill-health) in order to take income from your Liberty SIPP.

If you haven't already done so, it is important that you seek advice from a suitably qualified adviser before making any decisions in respect of taking benefits. The Governments service 'Pension Wise' provides assistance and details of the options available to you in respect of accessing your pension savings. You can view this information at www.pensionwise.gov.uk which details what you can do with your pension pot, what to look out for with taxes and how to avoid pension scams.

Member Details

Title: Forename(s): Surname:

Date of Birth: National Insurance Number:

Liberty Ref:

Email Address:

Have you utilised the government service Pension Wise? Yes No

How will you be taking income from your pension?

- | | |
|--|---|
| <input type="checkbox"/> Flexi Access Drawdown (FAD) please complete section 1, 3, 4, 5 and 6 | <input type="checkbox"/> Both (FAD and UFPLS) please complete sections 1, 2, 3, 4, 5 and 6 |
| <input type="checkbox"/> Uncrystallised Funds Pension Lump Sum (UFPLS) please complete section 2, 3, 4, 5 and 6 | <input type="checkbox"/> Capped Drawdown please complete sections 1, 3, 4, 5 and 6 |

Please note you will only be able to take Uncrystallised Funds Pension Lump Sums if you satisfy the following conditions:

- You must have available Lifetime Allowance (LTA):
 - If you are under 75 you will need the whole of the UFPLS to be within your LTA
 - If you are over age 75 you will only require part of the UFPLS to be within your remaining LTA, however any amount that falls outside the LTA will be taxed at 55%
- You have available uncrystallised funds (i.e. not drawdown)
- You do not have primary or enhanced protection where your Pension Commencement Lump Sum (PCLS) entitlement is greater than 25%.

Section 1 – Flexi Access Drawdown (FAD) OR Capped Drawdown

SIPP fund to be crystallised Full drawdown Specified amount £ _____ Specified percentage _____ % No further crystallisations. Crystallised funds will be coming over as part of a pension transfer.

How much of this crystallised amount would you like to take as a Pension Commencement Lump Sum (tax free cash)? Maximum Specified amount £ _____ Specified percentage _____ %

Section 1 – Flexi Access Drawdown (FAD) OR Capped Drawdown continued...

Preferred method of payment for any Pension Commencement Lump Sum (PCLS)

BACS CHAPS FASTER PAYMENT

How much pension would you like to take?

Specified amount Specified percentage Percentage of GAD
 £ _____ % _____ %

Frequency

Single payment Annually Quarterly Monthly

Due to the HMRC requirement that PAYE must now be reported in real time (Real Time Information or RTI), Liberty must pay all pension income and tax on the same day of the month and this will be the 28th. This does not apply to pension commencement lump sum payments, just taxable pension income.

Start date for regular payments / /

Bank details for any payments will be to be completed in section 3 on the new starter form.

Section 2 – Uncrystallised Funds Pension Lump Sums (UFPLS)

Would you like to take a single flexible lump sum or a regular flexible lump sum?

Single flexible lump sum ^{Regular} Annually Quarterly Monthly

Amount/Percentage that would you like to take as a flexible lump sum?

Gross (before tax) Net (after tax) Specified percentage
 £ _____ £ _____ _____ %

Please note 25% of this amount will be tax free and 75% will be taxed at your marginal rate. For example, if you choose £1,000 and you are a basic rate tax payer, we will pay you the following amount:
 £250 (tax free) + £600 (£750 minus basic rate tax) = £850

As an uncrystallised funds pension lump sum needs to be paid as one single payment these will also be processed in line with Real Time Information requirements and be paid on the 28th of the month.

Section 3 – New Starter Form

The following information must be completed in order to receive pension income.

If you have a copy of your P45, please enclose a copy of it with the form. For any crystallised benefits which are being transferred in we may receive a P45 from the transferring company. In the absence of this your payment will be taxed at an emergency tax code depending on your personal circumstances specified in the below pensioner statement.

Full name:

Date of Birth: National Insurance Number:

Address:
Postcode:

Start date for regular payments: 2 8 / /

Liberty SIPP Ref (if known):

Bank account details:

Account Name:

Sort-Code: Account Number:

Pensioner Statement

You need to select only one of the following statements A, B or C.

- A** - These are my first earnings since last 6 April and I have not been receiving taxable Jobseeker's Allowance, Employment and Support Allowance, taxable Incapacity Benefit, State or Occupational Pension.
- B** - These are now my only earnings but since last 6 April I have had other earnings, or received taxable Jobseeker's Allowance, Employment and Support Allowance or taxable Incapacity Benefit. I do not receive a State or Occupational Pension.
- C** - As well as these earnings, I have another job/earnings or receive a State or Occupational Pension.

NB - If no P45 received or statement ticked on the Retirement Options Form we will implement OT tax code. This will be the same as statement A but no Personal Allowances given.

Member's signature:

Date:

Section 4 - Crystallisation Event Information

As at 5 April 2006, I was receiving income withdrawal / a scheme pension / an annuity Yes No

Name of Scheme / Pension Provider

Annual Gross Pension

Since 6 April 2006, I have taken income withdrawal / a scheme pension / an annuity Yes No

Name of Scheme / Pension Provider

Percentage of LTA used

Where applicable, if you are affected by the lifetime allowance limits, please complete the 3 questions below:

Do you have any Protection against the Lifetime Allowance (LTA)?

Primary Protection

Fixed Protection 2014

Enhanced Protection
Enhancement factor:

Individual Protection
Value of pension assets as of 6 April 2014:

Fixed Protection 2012

If you have any form of protection, please send a copy of the protection certificate in addition to this retirement options form.

Surplus over the Lifetime Allowance (LTA) to be paid as:

Lump Sum

Income

Combination

If you have ticked Combination, please specify the split to be applied.

Lump Sum

Income

£ _____

£ _____

Please note that any excess over the Lifetime allowance will be taxed at 55% for lump sums and 25% if taken as income.



Section 5 – Adviser Details (if applicable)

Adviser Name:

Adviser Company:

FCA Registration Number:

Have you provided advice to the client in respect of this transaction and recommended that they proceed? Yes No

Have relevant risk warnings been provided to the client? Yes No

Agreed fees to be paid from the SIPP to the financial adviser in respect of this transaction Initial
 Annual

Adviser Signature: Print Name:
Date:

PLEASE SIGN TO CONFIRM YOUR AGREEMENT THAT THE ABOVE DETAILED FEES ARE TO BE PAID TO YOUR ADVISER AND THAT ANY CHANGE TO YOUR FINANCIAL ADVISOR OR ANY CHANGE IN FEES WILL BE SUPPLIED IN WRITING AND SIGNED BY BOTH PARTIES.

Client: Date:

If you have not received any advice in relation to this transaction you will be required to complete our pensions freedom questionnaire and this will be sent to you once we receive this completed form. The questionnaire will need to be completed and submitted before any benefits can be paid.



Section 6 – Member Declaration

I declare that to the best of my knowledge and belief the information contained in this form is true and complete and that based on the information provided by me Liberty will reasonably expect to treat this as up to date information on my other pension arrangements.

If I should exceed my lifetime allowance Liberty SIPP Limited will notify me of this and also provide details of any expected tax charge before proceeding with my request.

I understand that my pension will be taxed at an emergency tax code until HMRC inform Liberty of my tax code. The level of income tax paid maybe greater or less than required and I may be entitled to a tax rebate if too much tax has been deducted. I understand that I am responsible for reclaiming any tax or paying any additional tax to HMRC.

I understand that due to the HMRC requirement that PAYE must now be reported in real time (Real Time Information or RTI) Liberty must pay all pension income and tax on the same day of the month and this will be the 28th. I am aware that funds from my SIPP bank account will be transferred into a PAYE bank account in advance of the 28th of the month in preparation for a BACs payment to reach me by the 28th of the month.

I am aware that I have a right to purchase a lifetime annuity from my accrued funds held within the scheme at any time.

I understand that by accessing my pension flexibly either through flexi-access drawdown or an uncrystallised funds lump sum my annual allowance for all money purchase schemes will be automatically reduced to £10,000. I understand that it is my responsibility to inform any other schemes I am a member of that my annual allowance has reduced, if applicable.

I understand that if by taking the income I have requested, this results in my SIPP being emptied, my account will be closed with any accrued interest being added and as a result of this I understand that this request shall be a full discharge of the liability of Liberty SIPP Limited and Liberty Trustees Limited in respect of the above plan.

Member's signature:

Date:

Office Use Only

Liberty authorised signatory

Liberty authorised signatory

Date:

Date:

Section 7 – Frequently Asked Questions

What is meant by Real Time Information (RTI)

Real Time Information (RTI) is a system of PAYE reporting that started in April 2013.

Under RTI, pension providers have to send information to HMRC each time they pay their members any taxable income which enables them to keep more accurate records and to ensure that over time people pay the correct tax.

As Liberty makes one submission to HMRC each month in respect of any member income this means that all members must be paid on the same day so that the information is reported in real time. This will be the 28th of each month.

In order to pay taxable income on the 28th of the month, when do Liberty SIPP need to receive the retirement options form?

Liberty SIPP Limited needs to have received your completed form by the 19th of the month in order to add the details to the payroll. Funds then need to be available in your account 2 working days before the 28th of the month. Where the 28th falls on a weekend or bank holiday any income will be paid on the last working day before and therefore funds will need to be available 2 working days before that date.

Tax codes

If you have a P45 from your previous employment which applies to the current tax year this will need to be sent to Liberty along with this form, or issued directly from the transferring company to Liberty, in order for the existing tax code to be applied. Please be aware some transferring companies will only issue this directly to you therefore this will need to be forwarded to Liberty.

The tax code can only be applied if Liberty is in receipt of the P45 document as this contains the full details in order for us to apply the tax code correctly.

In the absence of this document an emergency tax code will be applied.

What happens if I don't have a tax code?

If you do not have a tax code we will apply an Emergency Code on a Month 1 basis until HMRC issues a tax code which we will then be able to apply against future payments. The Emergency code for 2015/16 is 1060L. This will be applied according to the statement (A-C) which is selected on the 'New starter form' 'Employee statement'. Please see details below of how the tax is applied for each statement:

'A - This is my first job since last 6 April and I have not been receiving taxable Jobseeker's Allowance, Employment and Support Allowance, taxable Incapacity Benefit, State or Occupational Pension.'

1060L allowance given depends on earnings – Up to £2,648.33 per month tax will be applied at 20%, £2,648.83-£12,500 per month, tax will be applied at 40%, over £12,500, tax will be applied at 45%.

'B - This is now my only job but since last 6 April I have had another job, or received taxable Jobseeker's Allowance, Employment and Support Allowance or taxable Incapacity Benefit. I do not receive a State or Occupational Pension'

1060L allowance is given as above but on a month 1 basis

'C - As well as my new job, I have another job or receive a State or Occupational Pension.'

Tax will be applied at 20%

What happens if I pay too much tax?

This will depend on how much of your fund is withdrawn, please see details below:

a) You withdraw your entire pension fund

If you believe too much tax has been deducted from your payment, you will need to contact HMRC directly, HMRC will then require for you to complete a Repayment Claim Form P50, they will then complete any processes they need to and refund any overpayment of tax if this applies to your tax circumstances.

If you do not contact HMRC directly then your tax position will be reviewed by HMRC at the end of the tax year and a tax calculation will be sent to you detailing any under or overpayment of tax if this is applicable to you.

Please be aware any other earnings are taken into account when HMRC calculate your tax.

b) You withdraw part of the pension fund

If an emergency tax code is initially used for the deduction of tax from the payment and you believe too much tax has been deducted, HMRC should issue Liberty with a tax code which will be applied to the next payment to ensure the correct tax deductions are made – this will pick up the overpayment of tax if appropriate and result in a refund of tax where required.

If no further payments are taken in the tax year, HMRC will review this at the end of the tax year.

Please be aware any other earnings are taken into account when HMRC calculate your tax.

What is the minimum I can crystallise?

The minimum amount that can be crystallised is £1000.

When will the drawdown fee be charged?

When the member starts to take benefits from the SIPP the drawdown fee will not be charged if they are just taking their pension commencement lump sum. As soon as the member takes any income from either capped drawdown fund or flexi access drawdown fund, the drawdown fee will be charged on an annual basis until the SIPP is closed or transferred out.

When will the UFPLS fee be charged?

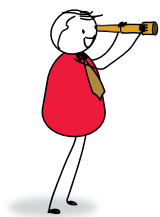
The UFPLS fee will be charged each time you take a lump sum from your SIPP. This is capped at £100 plus VAT a year.

When will the SIPP closure fees be charged?

The SIPP Closure fee will be charged when the SIPP is emptied through Flexi-Access Drawdown or an Uncrystallised Funds Pension Lump Sum.

Will I receive a P60?

Yes, Liberty SIPP will send you a P60 every year.



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