



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 with your pensions savings. James Hay Partnership will pay any pension commencement lump sum (PCLS) and then forward the remaining balance of your pension 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 read the 'Transferring Away from James Hay Partnership' guide and complete the 'Transfer Discharge Form' attached to it.

The maximum pension commencement lump sum (tax-free cash) available will normally be up to the lower of 25% of the SIPP fund being used, and 25% of the remaining standard lump sum allowance. The pension commencement lump sum has to be taken as a lump sum and cannot be taken monthly.

PLEASE NOTE: For a description of the different SIPP benefit options available to you, please refer to our fact sheet called 'Accessing Your Pension with James Hay Partnership'. Please read this fact sheet before proceeding - it contains important information.

These guides and forms are available on our website at www.jameshay.co.uk, or from the contact details at the end of this section.

If you have more than one SIPP, you should complete a separate form for each SIPP that you wish to use to purchase an annuity.

Please complete this form in BLOCK CAPITALS and return it to: James Hay Partnership, Dunn's House, St Paul's Road, Salisbury, SP2 7BF. If you need any help with completing this form, please call your Customer Support Team or our general enquiry number on 03455 212 414.

Pension Wise

Accessing the Government's free and impartial guidance service



Pension Wise is a Government-backed service provided by MoneyHelper 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.

You can access Pension Wise on the MoneyHelper website 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.

Our regulator, the Financial Conduct Authority (FCA), requires us to ask you questions regarding matters you should have considered before deciding to buy an annuity.

Depending on your answers, we will write to you either:

- (1) with tailored risk warnings, giving you 14 days to consider them before proceeding with processing your instructions, **or**
- (2) to confirm that, given your answers, we will not be issuing any risk warnings, as you appear to have considered the relevant risks, and so we will proceed with processing your instructions.

If you have received advice from a regulated financial adviser and are following this advice and your financial adviser is submitting your instructions by way of confirmation of this, then you do not need to answer the questions in Section 1, as any risks should already have been explained to you as part of that advice. Otherwise, you must answer all of the following questions.

1. You should consider your state of health and lifestyle (e.g. whether you are a smoker or not) before proceeding with an annuity purchase, as this can affect the level of income you receive. For example, if you are in poor health you could be entitled to a higher level of income. Have you considered your health and lifestyle when deciding what type of annuity to purchase, and the level of income you could receive? Yes No
2. If you have a spouse, civil partner or dependants, have you considered a joint life annuity to provide for them after your death? Yes No
3. Over time, the effect of inflation means you can purchase less in the future than you can today with the same amount of money. Have you considered the effect of inflation on the income you will receive from an annuity? Yes No
4. Annuity providers will not all give you the same level of income. Have you looked at what level of income you could get from different annuity providers, before choosing where to buy your annuity from? Yes No
5. Have you considered ways of taking money out of your pension other than an annuity e.g. income drawdown? Yes No
If you are not sure what other options are available to you, you can find more information in the 'Your pension: your choices' leaflet available from www.jameshay.co.uk.
6. Do you have income from other sources (i.e. outside of the income from an annuity) that is sufficient to currently provide you with your desired standard of living? Yes No
7. Will your annuity income be your sole or main source of income in retirement? Yes No
8. Are you aware that your annuity income will be paid after deduction of income tax, and may affect your personal tax allowance (the amount you can receive each year before paying income tax)? Yes No
9. Are you aware that if you put the money you take out of your pension in a bank, or buy other investments with it, you may have to pay tax on any growth? Yes No
10. Are you aware that once money has been taken out of your pension it becomes part of your estate for inheritance tax purposes? Yes No
11. Do you receive any means tested benefits from the Government? Yes No
12. Do you know that if you owe money to a creditor (e.g. via a personal loan) they cannot force you to take money out of your pension to pay off any money you owe to them? Yes No
13. Fraudsters increasingly target people to move their pension fund, and also once they have taken money out of their pension. You need to be careful when deciding where to invest your pension fund and what you do with any money taken from it, as you could lose some or all of your money if you are the victim of a scam. Please read the [FCA's Pension Scams leaflet](#) and visit their website at www.fca.org.uk/scamsmart for further information. Are you aware that pension and investment scams exist, and what to look out for? Yes No
14. Are you aware that once your application has been accepted by an annuity provider, you may not be able to change your mind in the future about the income you receive, or move your annuity to another provider? Yes No

2 Availability of Pension Wise and financial advice

Applicant to complete

- i. Has James Hay Partnership provided you with clear and adequate information about the free Pension Wise service and how you can access this service? Yes No
- ii. Has James Hay Partnership provided you with clear and adequate information on how to find a financial adviser if you so wish? Yes No
- iii. Have you taken advice from a regulated financial adviser in relation to taking money from your pension fund? Yes No
- iv. Have you received guidance from Pension Wise in relation to taking money from your pension fund? Yes No

If you have answered **No** to questions iii and iv, we strongly suggest that before proceeding you seek appropriate advice from a regulated financial adviser and/or guidance from Pension Wise to understand your options.

3 MoneyHelper guide

Applicant to complete

MoneyHelper provides a free guide called 'Your pension: your choices'. We strongly suggest that you read this before proceeding with taking money out of your SIPP. If you have not received a copy of this guide within the last 12 months, you can obtain one from our website at www.jameshay.co.uk.

Have you received or downloaded and read the MoneyHelper brochure called 'Your pension: your choices' within the last 12 months? Yes No

If you have ticked **No**, we will send you a copy of the guide before we proceed with processing your request to take money out of your SIPP.

4 Personal details

Applicant to complete

IMPORTANT: If you do not fully complete each section of this form, it may delay the application process.

Title

Forename(s)

Surname

Date of birth

Member number

Permanent residential address

Postcode

Telephone

Email

National Insurance number

5 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.

6 Uncrystallised funds (i.e. benefits not in payment)

Applicant to complete

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

All **OR** Please specify £

Pension commencement lump sum

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

Please complete only one option below:

Maximum available **OR** Specific amount £

If you are receiving a pension commencement lump sum before the annuity is purchased, please provide the bank account details you would like your lump sum paid to.

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

Please ensure that the payment method that you have requested is allowable for the type of SIPP you have. There may be a charge if paying by CHAPS (please refer to your SIPP's product terms and conditions or contact us for details).

Account holder's name

Sort code Account number

Building society reference number (if applicable)

Bank name and address

Postcode

7 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 plan anniversary.

If crystallised funds are being used, how much would you like to use?

Please tick one box:

Full crystallised fund (Go to Section 8)

Specified amount ¹

Please specify the value in the following table.

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 SIPP and calculate the fund available to purchase the annuity. If the exact amount requested cannot be achieved, we will contact you.

8 Protection

Applicant to complete

Please complete this section if you 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 (HMRC) for any of the following types of protection, please tick the relevant box and provide details:

- | | | |
|--|---|---|
| <input type="checkbox"/> Enhanced Protection | <input type="checkbox"/> Fixed Protection 2014 | <input type="checkbox"/> Individual Protection 2016 |
| <input type="checkbox"/> Primary Protection | <input type="checkbox"/> Fixed Protection 2016 | <input type="checkbox"/> Pension Credit Rights |
| <input type="checkbox"/> Fixed Protection 2012 | <input type="checkbox"/> Individual Protection 2014 | <input type="checkbox"/> International |

8 Protection (cont)

Applicant to complete

Please enclose a copy of the relevant HMRC certificate(s) when submitting this completed form to us.

Protection reference number

Scheme administrator reference

PLEASE NOTE: If you have received a temporary reference number from HMRC for either Fixed Protection 2016 or Individual Protection 2016, this was only valid until 31 July 2016 and you will need to make a full online application to HMRC to obtain a permanent reference number, and provide this to us to ensure your protection remains valid.

9 Other pensions

Applicant to complete

Have you taken pension benefits from any scheme other than James Hay? If **No**, please continue to section 10.

Yes No

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 9a. If **No**, please go to 9b.

9a 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) and you have not elected to take any benefits since?

Yes No

If **Yes**, please provide details. If **No**, please go to Section 10.

For Defined Benefit Schemes that came into payment prior to 6 April 2006, please provide the current maximum pension payable:

£ p.a.

Excluding the above, please state the maximum **total** gross pension currently payable from all other pension funds:

£ 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 flexi-access drawdown, you should include the maximum income available immediately before conversion.

Please go to Section 10.

9b Post 6 April 2006 & Pre 6 April 2024 benefits

Applicant to complete

If you have elected to take benefits since 6 April 2006, please provide the total percentage of lifetime allowance used before 6 April 2024.

%

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
	£
	£
	£

9c Post 6 April 2024 benefits

Applicant to complete

If you have elected to take benefits since 6 April 2024, please provide the total amount of lump sum allowance used to date:

£

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

Please only complete this section if you have used up all of your lump sum allowance, or if this request will exceed your remaining lump sum allowance. We may need to discuss this with you.

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

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 lump sum allowance:

(a) paid as a lump sum

Yes No

(b) paid as an annuity

Yes No

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

Percentage of excess to be paid as a lump sum	%
Percentage of excess to buy an annuity	%
Total	100 %

Please note that any payments made from the amount that is in excess of your lump sum allowance will be subject to tax at your marginal rate.

11 Disinvestments

Applicant to complete

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

Only money in my SIPP bank account

Specified amount of money in my SIPP bank account

Please specify amount: £

Investments listed in the table below ²

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

² We will only instruct the sale of the investments listed once the annuity calculations are complete, unless you provide us with alternative written instructions.

If you are co-trustee of your SIPP, you may need to sign further forms to instruct any disinvestments.

12 Member declaration

Applicant to complete

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

- the information provided in this form is true and complete to the best of my knowledge and belief
- the payment I have requested discharges James Hay Partnership's liability in respect of the pension money 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 6 I have waived my right to a pension commencement lump sum payment, or chosen less than the default amount of pension commencement lump sum (25%) for the pension fund I am using to purchase an annuity, it is not possible to take any unused element of this lump sum tax free at a later date
- 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 purchase
- 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 purchase
- if appropriate James Hay Partnership has my authority to check with HMRC the details of any certificate which I supply.

I accept it is an offence to make false statements and that the penalties are severe and could lead to prosecution.

Member signature

Date

PLEASE NOTE: We must receive this form with an original signature from the member before any payments can be made.

