

Benefit Payment Form



For individuals intending to take pension benefits

Benefit Payment Form

This form should be used where a Member wants to:

- Commence Pension Drawdown
- Purchase an annuity
- Commute benefits through the Triviality or Winding Up Lump Sum rules

This form should be completed and signed by the Member, and we strongly recommend that assistance is obtained from your Financial Adviser.

If Flexible Drawdown is required please complete the Flexible Drawdown Payment form. This can be downloaded from our website. Alternatively phone 029 2055 7000.

Premier Pension Services will organise the payment of benefits from the fund on the basis of this form and any other information provided. Please ensure that the form is fully completed, as any relevant sections remaining incomplete may result in the delay of payment.

Guidance

Section A

1. Must be completed in full in all circumstances.

Section B

1. Must be completed in full in all circumstances.
2. HM Revenue & Customs regulations state that all pension benefits paid from a registered pension scheme must be paid directly to the person entitled to those benefits.
3. Some bank accounts require a specific reference to be included when payments are made to them to enable the bank to correctly allocate the payment. It is important that you make us aware that this is the case as failure to do so could result in your payment(s) being delayed.
4. Some banks accounts will not accept certain payment methods, for example CHAPS payments. It is important that you make us aware if this is the case as failure to do so could result in your payment(s) being delayed.

Section C

1. How will the payments be funded. For new customers it may be from a cash transfer. However, existing customers may need to sell some scheme assets.

Section D

1. Must be completed in full in all circumstances.
2. This section is particularly important for us to ensure that we are paying out your benefits in accordance with HM Revenue & Customs regulations and to ensure that no tax charges arise.

Section E

1. Must be completed in full in all circumstances.
2. It is important that we know if transitional protection applies to your pension scheme. This would have been applied for prior to 6 April 2009. If you are in any doubt as to whether you have applied for protection, please contact your Financial Adviser.

Section F

1. Must be completed in full in all circumstances
2. Please select the option which is applicable to your situation. If you are in any doubt please contact your Financial Adviser in the first instance. If you do not have a Financial Adviser please contact your administrator at Premier Pension Services.

Section G

1. This section should be completed if you intend to commence pension drawdown.
2. If you tick yes that you wish to utilise your full fund, we will assume that you want to draw the maximum Pension Commencement Lump Sum (tax free cash) from your whole fund, unless advised otherwise.

3. If you choose to open a percentage of your fund or a specific amount of your fund, this should represent the total value of your fund that you wish to open to Unsecured Pension (USP) and tax free cash.

Section H

1. This section should be completed if you intend to purchase an annuity.
2. We require details of the proposed annuity purchase to enable us to fulfill HM Revenue & Customs requirements.

Section I

1. Must be completed in full in all circumstances.
2. Failure to complete this section will result in your pension benefit payments being delayed.

Income Payments for Pension Drawdown

1. If a Direct Debit has not been activated on the scheme bank account, the bank will take up to 10 working days to activate it. We will then be able to make the first pension payment up to 5 working days after the Direct Debit has become active. If you require a pension payment within a quicker timescale than this, please contact your administrator as soon as possible.
2. Regular pension payments can only be made on either 25th or 1st of the month.
3. If you have been given a P45 by your previous employer or pension provider, please send the relevant sections to us for processing. If we do not receive a P45, we will use the relevant tax code according to HM Revenue & Customs regulations for a new pensioner, until advised otherwise by HM Revenue & Customs.
4. If you select a specific amount of pension, this must be within the calculated GAD (Government Actuary's Department) limits.
5. It is your responsibility to ensure there are sufficient funds in the designated scheme bank account for all pension benefit payments.

Direct Debit Mandate (SSAS Schemes only)

1. The Mandate should be completed in respect of the pension scheme bank account from which income payments are to be sourced.

Glossary

A-Day (6 April 2006)

On 6 April 2006, a new set of pension rules came into force. These new rules are also known as pension simplification as the idea was to make pension saving much less complex. There are various *Transitional Protection* provisions designed to protect certain rights which may have been available to pension savers prior to A-Day.

Annuity (Lifetime)

An investment product sold by insurance companies which converts your pension fund into a regular pension income. This is an annuity contract purchased under a money purchase arrangement from an insurance company of the member's choosing that provides the member with an income for life, and which meets the conditions imposed through paragraph 3, Schedule 28 to the Finance Act 2004.

Benefit Crystallisation Event (BCE)

This is a defined event or occurrence that triggers a test of the benefits *crystallising* at that point against the individual's available lifetime allowance.

Crystallisation / Vesting

This refers to when a member decides to use all/part of their fund to commence income withdrawal. The funds allocated to income withdrawal are classed as crystallised or vested.

Direct Debit Mandate

The Direct Debit Mandate allows our payroll department to deduct the relevant gross pension from the designated pension scheme bank account and transfer it to the relevant pensioner payment bank account. The relevant net pension payment is then made to you on the same day and the income tax deducted is paid to HMRC.

GAD (Government Actuary's Department) limits

This is a department of the Government of the United Kingdom responsible for providing actuarial advice to public sector clients. The Government Actuary's Department provide the relevant tables for calculating the pension limits for members in pension drawdown.

HM Revenue & Customs (HMRC)

This is a department of the British Government primarily responsible for the collection of taxes and payment of some forms of state support. They are also responsible for regulating registered pension schemes in the United Kingdom.

Lifetime Allowance

The maximum amount of tax privileged pension savings that any one individual can draw. The Lifetime Allowance for the 2010/11 tax year is £1.8 million and will be £1.5 million from April 2012. There will be a 'protection regime' for those who have already made pension saving decisions based on the current Lifetime Allowance, although this is yet to be formally confirmed.

Pay As You Earn (PAYE)

This is the British system for withholding tax. PAYE represents the way in which employers or pension providers must deduct tax at source from any remuneration or pension payments they make to an employee or pensioner. All pension payments from a registered pension scheme must be taxed at source through PAYE as per RPSM04101020 - HMRC's Technical Pages: Taxation: Authorised member payments: Taxation of pensions.

Pension Commencement Lump Sum (Tax Free Cash)

HMRC rules allow you to have some of your pension fund as a tax-free lump sum. Normally this is 25% of your fund.

Transitional Protection / Pre A-Day Protection

Transitional Protection had to be applied for before 6 April 2009. It allows members who had accrued pension rights prior to A-Day to protect certain rights under strict conditions.

Transitional Protection - Primary Protection

A type of transitional protection which protects the value of your retirement benefits at 6 April 2006 from the lifetime allowance tax charge, subject to certain restrictions based on the value of your fund at 6 April 2006. This protection was only available to those with pension funds (or pension rights for final salary scheme members) worth more than £1.5m on 6 April 2006.

Transitional Protection - Enhanced Protection

This is available to people who have pension funds above or below £1.5m on 6 April 2006. This protection protects from any fund growth leading to the fund value exceeding the Lifetime Allowance at crystallisation. Enhanced Protection will be lost in the following circumstances:

- where relevant benefit accrual occurs under any arrangement in a registered pension scheme. For example a contribution is made to a pension scheme for the protected member.
- where a transfer, which is not a 'permitted transfer' from any arrangement in a registered pension scheme.
- where a new arrangement is made under a registered pension scheme otherwise than to receive a permitted transfer; as part of a retirement-benefit activities compliance exercise; as part of an age-equality compliance exercise.
- where an arrangement received an impermissible transfer.
- where the member notifies HMRC that they no longer wish to be covered by enhanced protection.

We must be notified if any of these circumstances occur and enhanced protection has been lost.

Triviality / Commutation

Taking your pension benefits as cash if they do not exceed a certain level (currently £18,000).

Winding Up Lump Sum

A lump sum benefit paid to a member of an occupational pension scheme because the scheme is being wound-up and their accrued benefits under the scheme are deemed 'trivial' and which meets the conditions of paragraph 10, Schedule 29 to the Finance Act 2004.

D. Other Benefit Details

Do you have pension arrangements held outside of your pension scheme with Premier Pension Services (Other than a State Pension)?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

If 'no', please proceed to Section D.

If 'Yes', are you currently receiving pension benefits (other than a State Pension) from the other arrangement(s)?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

Of the benefits crystallised after A-Day, what percentage of the Lifetime Allowance has been used?

 %

(your other provider(s) should have quoted you this figure and they should be contacted if you do not have this information)

Do you intend to crystallise benefits from any other sources at the same time as this scheme?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

If 'yes', what percentage of your Lifetime Allowance will these benefits use?

 %

(your other provider(s) should have quoted you this figure and they should be contacted if you do not have this information)

E. Pre A-Day Protection Details

Are you registered for Enhanced or Primary Protection?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

(If 'yes', please provide a copy of the certificate issued to you by HM Revenue & Customs)

Have you registered for Enhanced or Primary Protection?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

(If 'yes', please provide a copy of the certificate issued to you by HM Revenue & Customs)

Are you entitled to a protected Tax Free Cash sum?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

(If 'yes', please provide further details)

Do you require Premier Pension Services to undertake a Tax Free Cash comparison calculation?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

If yes, please contact your administrator to determine whether any additional information is required.

If no, we will assume that Tax Free Cash is payable at a rate of 25% of the crystallised fund

F. Pension Options

Please select **one** of the following options:

Please tick

Full or partial Pension Drawdown - **Complete section G + I**

Annuity purchase - **Complete section H + I**

Triviality / Winding Up Lump Sum payment - **Complete section I**

(Additional information may be required for Triviality / Winding up Lump Sum payments. If this option is selected and you have not already done so, please contact your administrator to discuss this option)

Please now complete the relevant section as indicated above

G. Pension Drawdown (not Flexible Drawdown)

(If Flexible Drawdown is required please complete the Flexible Drawdown Payment form. This can be downloaded from our website. Alternatively phone 029 2055 7000.)

Do you wish to utilise your full fund?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

If 'no', please specify the amount of fund from which your benefits are to be drawn:

| | | | | |
|--|---|----|----------------------|----------------------|
| Percentage of the available fund: <input type="text"/> | % | or | A specific amount: £ | <input type="text"/> |
|--|---|----|----------------------|----------------------|

Pension Commencement Lump Sum (Tax Free Cash)

Do you wish to take Tax Free Cash?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

Will you continue to work after payment of benefits?

| | |
|--------------------------|--------------------------|
| Yes | No |
| <input type="checkbox"/> | <input type="checkbox"/> |

Please note:

If you opt to take Tax Free Cash, we will arrange for you to take the maximum amount available from the fund you have specified above. If you would like to receive a lower amount, please contact your administrator.

Income Payments

(Please refer to page 1 for details regarding time scales for pension payments)

What level of gross pension income do you want to take through income withdrawal?

| | | |
|--------------------------|--------------------------|------------------------|
| Nil | Maximum | Specific amount |
| <input type="checkbox"/> | <input type="checkbox"/> | £ <input type="text"/> |

What frequency of payments do you require?

| | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|
| Monthly | Quarterly | Bi-annually | Annually |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

On what date should the first payment be made:

| | | |
|----------------------|----------------------|----------------------|
| Day | Month | Year |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |

(Please note that pension payments are made on 1st or 25th of the month)

Please note:

Pension income will be taxed at source through Pay As You Earn (PAYE), in accordance with HM Revenue & Customs regulations.

(SSAS Schemes only) - If you are starting to draw pension income from your scheme, please complete and sign the Direct Debit mandate at the back of this form in respect of the pension scheme bank account from which pension payments are to be sourced.

H. Annuity Purchase

Do you wish to utilise your full fund to purchase an annuity? Yes No

If 'No', please specify the amount of fund from which the annuity is to be purchased

Percentage of the available fund: % or A specific amount: £

Pension Commencement Lump Sum (Tax Free Cash)

Do you wish to take Tax Free Cash? Yes No

Please note:

If you opt to take Tax Free Cash, we will arrange for you to take the maximum amount available from the fund you have specified above. The residual fund after Tax Free Cash will be used to purchase the annuity of your choice. If you would like to receive a lower amount, please contact your scheme administrator.

Annuity Provider Details

Annuity Provider

Contact Name

Reference or Policy Number (If known)

Annuity Provider Address

 Postcode

Please note:

We require a copy of the annuity illustration or quote. This should be provided by the relevant annuity provider.

Please now complete mandatory Section I.

I. Member Declaration

I understand, and consent, to the following:

1. I acknowledge and understand that following the payment of a Pension Commencement Lump Sum (Tax Free Cash) from my Scheme, in full or in part, I will not be entitled to a further Pension Commencement Lump Sum payment from that particular arrangement, in accordance with HM Revenue and Custom's regulations.
2. Payment of benefits will be made in accordance with the information provided on this form.
3. The amount of income that I may draw will be determined by limits set out in legislation.
4. If I elect an amount of income that falls outside the upper limit, then Premier Pension Services will pay income equal to the upper limit.
5. If, at some future point in time, the selected income falls outside the upper limit, then Premier Pension Services will pay income equal to the upper limit.
6. If insufficient monies are placed in my individually designated Scheme Bank Account to pay Tax Free Cash or the regular pension income, or both, I understand and agree that Premier Pension Services will not be held responsible for the payment of benefits. I also understand and agree that I will be responsible for informing Premier Pension Services as to how these monies are to be made available.
7. As party to all investments, I understand that any encashments or sale of investments cannot proceed without my specific agreement. This will require the signature of Premier Pension Services on any relevant forms for the encashment or sale of investments and may also require my signature on those forms.
8. If I opt for phased annuity purchase or phased pension drawdown, the relevant fees for pension drawdown, as stated in the Member's Agreement, and which may have been revised from time to time, will apply to each portion of income. These fees may be taken from my pension fund.
9. If monies are paid to an insurance company for the purpose of purchasing an annuity, Premier Pension Services will be fully discharged from any liability relating to those monies.
10. If there are any overdue Premier Pension Services' invoices in respect of your pension scheme, Premier Pension Services reserve the right to cease undertaking administration for the pension scheme, to include the payment of pension benefits.
11. If I have indicated that I am entitled to transitional protection, I confirm that this protection has not been invalidated.

Full name

Signature

Date



JLT Benefit Solutions Limited

Instruction to your Bank or Building Society to pay by Direct Debit

Please fill in the whole form using a ball point pen and send it to:

JLT Benefit Solutions Ltd
 PO Box 178
 The Havens
 Ransomes Europark
 Ipswich
 IP3 9SZ

Originator's Identification Number

| | | | | | |
|---|---|---|---|---|---|
| 6 | 7 | 2 | 9 | 2 | 1 |
|---|---|---|---|---|---|

Reference Number

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|--|--|--|--|--|--|--|--|--|--|--|
| J | L | T | P | A | Y | R | O | L | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|--|--|--|--|--|--|--|--|--|--|--|

Name(s) of Account Holder(s)

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
| | | | | | | | | | |

Instruction to your Bank or Building Society

Please pay JLT Benefit Solutions Ltd Direct Debits from the account detailed in this Instruction subject to the safeguards assured by the Direct Debit Guarantee. I understand that this Instruction may remain with JLT Benefit Solutions Ltd and, if so, details will be passed electronically to my Bank/Building Society.

Bank/Building Society account number

| | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|

Branch Sort Code

| | | | | | | |
|--|--|--|--|--|--|--|
| | | | | | | |
|--|--|--|--|--|--|--|

Name and full postal address of your Bank or Building Society

| | |
|-----------------|-----------------------|
| To: The Manager | Bank/Building Society |
| Address | |
| | |
| Postcode | |

Signature(s)

| |
|------|
| |
| |
| Date |

Banks and Building Societies may not accept Direct Debit Instructions from some types of account

This guarantee should be detached and retained by the Payer.

The Direct Debit Guarantee



- This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits
- If there are any changes to the amount, date or frequency of your Direct Debit, JLT Benefit Solutions Limited will notify you 10 working days in advance of your account being debited or as otherwise agreed. If you request JLT Benefit Solutions Ltd to collect a payment, confirmation of the amount and date will be given to you at the time of the request.
- If an error is made by JLT Benefit Solutions Ltd or your Bank or Building Society, you are guaranteed a full and immediate refund of the amount paid from your bank or building society
 - If you receive a refund you are not entitled to, you must pay it back when JLT Benefit Solutions Limited asks you to
- You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.