

I confirm I want to start taking drawdown income or make a change to my existing income instruction.

Name:

SIPP number:.....

Before completing the form, please read the important tax information overleaf.

I wish to request Drawdown income payment(s) from my Howden SIPP as follows (if I am already receiving an income this instruction replaces any previous instruction I have made):

Income payment details

Payment frequency: ☐ Monthly ☐ Quarterly ☐ Half yearly ☐ Annually ☐ Single

I want to receive a gross drawdown income of: £

I want my new regular drawdown income to start on (see note 1): 1st..... 15th..... Month..... Year.....

I want to receive a gross drawdown income of:

Your personal UK bank account details

This is the account that we will make your income payments to.

Account name:

Account number:

Sort code:

Building society roll number:

Bank name and branch:

There must be sufficient cash available in your pooled client account to cover your income payment five working days before the payment date. Please provide any instructions regarding disinvestments that are required to ensure sufficient cash is available:

.....
.....
.....

Notes

1. Income payments will be made on the 1st or the 15th of each month (or the prior working day if this day falls on a non-working day).
2. If this is the first income payment to be taken from a flexi-access drawdown arrangement, this payment will trigger the money purchase annual allowance (MPAA) rules if I have not already triggered them. This means that the amount that can be paid by, or for me, into any money purchase pension arrangement(s) without a tax charge arising will be restricted to £10,000 gross per tax year until the Government notifies otherwise.



Flexi-access Drawdown Authorisation Form

Howden Self Invested Personal Pension

3. Once the MPAA rules have been triggered, if in any tax year the total of the pension contributions to all of my money purchase arrangements, and certain hybrid arrangements, exceeds £10,000:
- there will be an annual allowance tax charge on the excess, and
 - the annual allowance for pension contributions to my other arrangements will be £10,000 less than it would otherwise be.

Despite the above, there may be exceptions for contributions paid in excess of £10,000 before to going into flexi-access drawdown;

I am responsible for any annual allowance tax charge due on excessive contributions; and the benefits available to me and my beneficiaries in the future are dependent solely on the fund value of the SIPP and so will reduce each time I withdraw funds. This may result in insufficient funds being available for my future financial needs, particularly after allowing for the effect of inflation and the possible costs required for long term care.

Important tax information: if you do not understand how this will affect your income payment, please contact your financial adviser, accountant or Howden Client Manager.

All income payments will be taxed under PAYE regulations and income payments will be paid net of income tax. BW SIPP LLP will pay any income tax due directly to HM Revenue & Customs (HMRC) and will be responsible for reporting the payment. If this is the first income payment from your SIPP, we will apply an emergency tax code on a week1/month1 basis. After the tax payment has been reported to HMRC, they will notify us of the correct tax code to use for future payments.

HMRC deem that all flexibly accessed income payments must be taxed as monthly payments so, if you draw a single or annual amount, you will most likely overpay tax. HMRC checks that you have paid the right amount of tax in the tax year but you might be able to reclaim any overpaid tax sooner, although this will be your responsibility.

Your authorisation

- Until I notify you otherwise, I hereby authorise the 'Scheme Administrator' (BW SIPP LLP) to make the income payment(s) from my pooled client account.
- I understand that BW SIPP LLP will account for the deduction of income tax to be withheld from each and any income payment from my Howden SIPP, with the amount being paid to HMRC.
- I understand that the net income payment and income tax payments will be made via the BW SIPP LLP payment account held with Bank of Scotland and that no interest will be payable to me from the account.
- I acknowledge that unless BW SIPP LLP notify me or otherwise, the payment(s) will be deducted from my pooled client account a few days before each payment is due (normally three working days).
- I understand that if the payment(s) are part of a benefit crystallisation where I've been given a 30 day cancellation notice and I exercise my statutory right to cancel my Drawdown within 30 days that I must immediately return the net pension payment to my Howden SIPP.

Signed:

Print name:

Date:

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