

## WS Stakeholder Pension Scheme

# Small pot lump sum payment instruction form

### Important Information

This form should be completed if you have a WS Stakeholder Pension Plan and you want to take all your pension savings as a small pot lump sum payment.

To qualify for this option:

- You must be aged 55 or over or meet the conditions to take benefits early under the ill-health rules.
- The value of your stakeholder plan must be no more than £10,000.
- You must have taken no more than two previous small pot lump sum payments from any of your pension schemes with any provider.

**Continuing income in retirement and provision for dependants:** Pension savings are designed to provide an income in retirement and potentially provide benefits for dependants. By choosing to take your full pension pot as a lump sum, this means that you will have no remaining pension savings in this plan to provide an income in retirement or for your dependants. Use of this pot may therefore impact your or your dependants' future requirements. You should therefore consider carefully the taking and use of this pot in light of all the circumstances including your other savings, investments, assets and liabilities, your needs and those of your dependants and the tax and other consequences of taking this lump sum.

**Taxation:** 25% of the pension sum is paid tax free, with the remaining 75% taxed as income, under Pay As You Earn (PAYE). Depending on how much other income you have, the value of income payments we make to you might push you into a higher rate tax bracket, even if you are not normally a higher rate taxpayer. This is important to remember, particularly if you are still working and drawing income from your pension savings. You can claim a refund of overpaid tax direct from HMRC. HMRC will usually respond within 30 days. See [www.gov.uk/claim-tax-refund/you-get-a-pension](https://www.gov.uk/claim-tax-refund/you-get-a-pension) or call your tax office for more information.

**Inheritance Tax:** Monies taken from your pension (tax-free cash, income payments or lump sums) form part of your estate if not used up before you die. Your estate may be liable to Inheritance Tax on such amounts. By contrast, any part of your pension pot that was untouched would not normally be liable to Inheritance Tax. If you are unsure about the effect that your chosen option will have on the amount of Inheritance Tax your beneficiaries may need to pay we recommend that you seek advice from a suitably qualified tax professional.

**State Benefits:** Taking your pension savings as a small pot lump sum could reduce or even stop any State Benefits you may currently receive or be entitled to in the future. Income payments from your pension savings may be included in your total income when assessing your eligibility for benefits.

### HELPING YOU DECIDE

We strongly recommend you use the free Pension Wise guidance service and if necessary, seek advice from a financial adviser to help you choose the option that best suits you. The Government is concerned that, since it was set up, only a small proportion of individuals accessing their pension pot for the first time have used Pension Wise guidance. The Financial Conduct Authority (FCA) now requires us to check and record whether customers who are aged 50 and over have contacted Pension Wise to make full use of this free service and/or taken financial advice. At the time you come to access your funds, we will ask you to confirm whether you have used Pension Wise and/or taken financial advice. Our team would be happy to assist in organising an appointment for you. Please get in touch to request this, and we can book a guidance appointment for you at a time and date that suits. Alternatively, should you prefer, you can book an appointment directly by going to <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise> or calling 0800 138 3944. Please note, whether we book your appointment or not, we will still need to confirm and record whether you have used Pension Wise and/or taken financial advice. You can find details of independent financial advisers in your area at [www.unbiased.co.uk](http://www.unbiased.co.uk).

Please provide the following information for our records.

I understand Pension Wise can provide free impartial guidance about my retirement options and the tax implications of those options. Yes  No

I confirm that I have received guidance from Pension Wise on my options, Yes  No

If yes, please provide your Pension Wise Reference

You can opt-out of receiving Pension Wise guidance; for example, if you are currently receiving advice from an Independent Financial Adviser, or if you have already received Pension Wise guidance within the last 12 months

**If you have not received guidance from Pension Wise, and have chosen to opt-out, please complete the section below:**

I confirm that I have opted-out of receiving guidance from Pension Wise. Yes

Please provide your reason for opting-out

I have taken advice from a financial adviser. Yes  No

Please provide your financial adviser's name and company (if applicable):

## 1. YOUR DETAILS

Plan number

Mr/Mrs/Miss/Ms/Other

Surname

Forename(s)

Address

Postcode

Telephone number

Email address

## 2. TAKING YOUR SMALL PENSION POT

Your lump sum payment will be paid to you by BACS transfer. We will only make payment into a sole or joint account in your name.

Name(s) of account holder(s)

Name of Bank

Address

Please write your bank's name and address in CAPITAL LETTERS

Postcode

Bank account number

Bank sort code

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### Confirming your identity

To protect you and us from financial crime, we may need to confirm your identity from time to time. Please refer to the accompanying Verification list which details the forms of documentation we require, and who can certify your documentation. Please send us two forms of documentation, one from List A and one from List B. This documentation must be a certified copy or an original.

### 3. RISK WARNING QUESTIONS – TAKING YOUR SMALL POT AS CASH

Please answer the following questions and read the warnings carefully. You will need to consider what other action you may need to take before making your final decision. This is important as you may not be able to change your mind later.

Please tick 'yes' or 'no' as appropriate

#### Pensions guidance

Have you received pensions guidance from Pension Wise? Yes  No

**WARNING:** If you have ticked NO – we strongly recommend you contact Pension Wise as the decisions you are making are important and you may not be able to change your mind later on. Pension Wise is a free and impartial service that you can access online, by telephone or face to face.

#### Financial advice

Have you received advice from a financial adviser? Yes  No

**WARNING:** If you have ticked NO – we recommend you seek advice from a financial adviser, especially if you are unsure of how your current or future needs might influence your decision.

#### Tax

Do you understand the tax implications of the option you are choosing? Yes  No

**WARNING:** If you have ticked NO – once you have taken your tax-free cash, any money you take will be taxed as income. This will be added to any other taxable income you receive. It may push you into a higher tax bracket.

#### Investment Scams

Are you aware how to protect yourself from investment scams? Yes  No

**WARNING:** If you have ticked NO – you should be careful with the money you're taking from your pension pot as fraudsters may be trying to steal your money. Some schemes can appear very genuine so make sure you are dealing with a reputable firm and protected by the Financial Services Compensation Scheme. Also watch out for investments that seem too good to be true.

#### Owing Money

Do you have any debts such as credit cards, loans or a mortgage? Yes  No

**WARNING:** If you have ticked YES – once you have taken money out of your pension pot it may be available to your creditors in the event that you fail to keep up your payments to them.

#### Means-tested benefits

Do you or your partner receive any means tested state benefits or might you be eligible for them in the future? (Means tested benefits include housing benefit, council tax deductions, income support, Universal Credit, income-based jobseeker's allowance and any benefit that pays for long-term care.) Yes  No

**WARNING:** If you have ticked YES – your benefits may be reduced or stopped if you have assets or income above a certain level. You should check how this might affect you before you take money from your pension pot.

#### Continuing income in retirement

Do you expect your pension savings to provide you with an income for life? Yes  No

**WARNING:** If you have ticked YES – you should understand that the charges, tax treatment and performance of your chosen investment may differ from your current pension. The investment returns on your current pension pot are free from income and capital gains.

### Inheritance tax

Do you understand the Inheritance Tax implications of taking money from your pension pot? Yes  No

**WARNING:** Monies taken from your pension (tax-free cash, income payments or lump sums) form part of your estate if not used up before you die. Your estate may be liable to Inheritance Tax on such amounts. By contrast, any part of your pension pot that was untouched would not normally be liable to Inheritance Tax.

### Your dependants

Do you need to use your pension pot to provide for your financial dependants, such as a spouse or partner, when you die? Yes  No

**WARNING:** If you have ticked YES – any money you take from your pension pot will reduce the amount available to provide for your dependants.

### Further investment

Are you thinking of investing this money somewhere else? Yes  No

**WARNING:** If you have ticked YES – you should understand that the charges, tax treatment and performance of your chosen investment may differ from your current pension. The investment returns on your current pension pot are free from income and capital gains.

## 4. DECLARATION FOR TAKING YOUR SMALL PENSION POT

I confirm that to the best of my knowledge and belief, all of the information provided is full and accurate and forms the basis upon which I will access my pension pot. I agree if any information is found to be incorrect, this will be adjusted accordingly.

I agree that any payments made under these instructions are in full discharge of all your liability under this Scheme.

This payment concludes my entitlement to benefits under this Scheme.

### Small pot payments

The value of my pension pot is no more than £10,000. I understand you will be unable to process my small pot lump sum payment if the value of my pot increases above £10,000 due to market movements.

I have not previously received more than two small pot lump sum payments from other pension plans.

## 5. AUTHORISATION

I authorise Waystone Management (UK) Limited to make a small pension pot lump sum payment in accordance with these instructions and in accordance with the terms and conditions of the Scheme which I have already agreed to in my original application.

Print full name (in BLOCK CAPITALS)

Signature

Date

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Once completed the form should be returned to:

Waystone Management (UK) Limited  
PO Box 5246  
Aspect House  
63 Spencer Road  
Lancing  
BN99 9GP