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Regular drawdown

Standard Life
There's a lot to look forward to

Introduction

Regular drawdown lets your client take their pension benefits gradually rather than all at the same time and can provide them with a tax free* income as they approach retirement.

For many clients the transition into retirement will include a period of continued employment as a means of supplementing income and increasing retirement savings.

The facility to fund retirement income using the tax free entitlement may therefore be an attractive option for clients looking to draw their retirement benefits without affecting any taxable income they may also be receiving.

Using this functionality you can select the amount that is crystallised automatically on a regular basis and use the tax free cash entitlement* to provide your client with a regular tax free income.

Any part of the regular drawdown amount not used to provide tax free cash can be used to provide an additional income (taxed under PAYE) and/or remain invested and moved to your client's drawdown fund, where income can be taken at a later date.

*Up to 25% of the crystallised amount.

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How to setup regular drawdown

Before you start this process:

We recommend having a 'buffer' of available cash in the **Accumulation** arrangement and an additional regular sale of investments in the **Accumulation** arrangement to complement the regular drawdown.

Ensure the initial cash buffer and the regular sale of investments is enough to cover the following from the regular drawdown;

- Tax free cash (PCLS)
- Taxable income and cash allocation to drawdown
- Ongoing charges and potential market movement.

If there is not enough available cash in the Accumulation arrangement 10 days before the payment date, the Regular Crystallisation Strategy will trigger investment sales in the proportions you state – but only after all existing cash in the Accumulation arrangement has first been used.

This means cash set aside for other purposes (to pay charges for example) may not be available if it has been used to fund a regular drawdown.

For more details, go to **Step 4: Regular Crystallisation Strategy**.

What you will see

The screenshot shows the Elevate platform interface. The top navigation bar includes tabs for Summary, Portfolio, New Work, Cash Account, Account Holders, Transactions, and Reports & Documents. Below this, there are sub-tabs for Create, Work In Progress, Work Submitted, and Disclose And Authorise. The main content area is divided into two columns: Payment activities and Investment activities. The 'Crystallise pension benefits' link under Payment activities is highlighted with a red circle and arrow labeled '1'. Below this, there is an 'Important information' section with a red circle and arrow labeled '3'. The 'Action required before your client can take benefits' section is also highlighted with a red circle and arrow labeled '4'. At the bottom, there is a 'Click to start process' button with a red circle and arrow labeled '4'. The interface also includes contact information and a confirmation checkbox.

Note: You can check the current cash balance in the Accumulation arrangement before you start this process by navigating to **Cash Account > Statement** or alternatively available cash is displayed when you start this process in **Step 1: Setup**.

What you will need to do

1. Login to Elevate and from your client's account navigate to; **New Work > Create**
2. Select **Crystallise pension benefits**
3. Read the **Important Information**. Tick the box to confirm you have read and understood the information provided.

4. **Click to start process.**

Step 1: Setup

What you will see

Select how your client wants to take their pension benefits.

Step 1 Setup

PCLS and Flexi-Access Drawdown

Single Crystallisation

Regular Crystallisation

Uncrystallised Funds Pension Lump Sum

Does your client have a pension, drawdown or annuity that commenced prior to 06/04/06 that you have not previously informed Elevate of? Yes No

Scheme	Drawdown Pension Fund*	Uncrystallised Fund*	Value available to crystallise**	Available cash
Elevate PIA - Scheme 1	£ 0.00	£ 181,821.00	£ 181,821.00	£ 1,657.51
Elevate PIA - Scheme 2	£ 0.00	£ 104,072.88	£ 104,072.88	£ 388.75

* where applicable the quarter up valuation has been used for equities
** the amount available to crystallise does not include any pending transactions or assets invested in Discretionary Investment Models.

Scheme	Drawdown Pension Fund*	Uncrystallised Fund*	Value available to crystallise**	Available cash	Crystallise Scheme	Crystallise first	Has advice been given?
Elevate PIA - Scheme 1	£ 0.00	£ 181,821.00	£ 181,821.00	£ 1,657.51	<input checked="" type="checkbox"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/> Yes <input type="radio"/> No
Elevate PIA - Scheme 2	£ 0.00	£ 104,072.88	£ 104,072.88	£ 388.75	<input type="checkbox"/>	<input type="radio"/>	<input type="radio"/> Yes <input type="radio"/> No

Drawdown Pension Fund – Total value of existing Capped and Flexi-Access Drawdown arrangements.

Uncrystallised Funds – The value of pension holdings that have not yet been put into drawdown.

Value available to crystallised – This is the amount available to crystallise. This does not include pending transactions, uncleared cash or unsettled orders. Fixed Term Deposits are also excluded as these cannot be included in regular drawdown.

Available cash – Cash that is currently available in the Accumulation arrangement. This is required to pay tax free cash and taxable income for each regular drawdown. If there is not enough available cash, the Regular Crystallisation Strategy will apply. **See Step 4 of this guide: Regular Crystallisation Strategy.**

What you will need to do

1. Tick the **PCLS** and **Flexi-Access Drawdown** box.
2. Then select **Regular Crystallisation**.
3. Select **Yes** or **No** to confirm if your client has a pension, drawdown or annuity that commenced before 06/04/2006.
4. Select the scheme from which you want to set up a regular drawdown.
5. If your client is taking both Scheme 1 and Scheme 2 benefits, tick the box to indicate which to crystallise first.
6. Tick the box to confirm if any advice has been given.

Notes

3. If you answer **Yes**, you will be prompted to complete a **Lifetime Allowance Details Form**. This is available from the Literature tab or you can contact Elevate.

4. If your client is a member of both schemes, you can set up a separate regular drawdown for each scheme within the same wizard.

If regular drawdown is already in place, you are not able to select another one for that scheme and will not be able to proceed.

If you want to amend or cancel an existing regular drawdown see 'How to change an existing regular drawdown' section in this guide.

Step 1: Setup – continued

What you will see

The screenshot shows a two-step setup process for 'Elevate PIA - Scheme 1'. The first step (top) has a header 'Elevate PIA - Scheme 1' and three fields: 'Specify a different initial crystallisation amount?' (checkbox), 'Value of regular crystallisation' (text box with '300.00'), and 'Frequency of crystallisation' (dropdown menu with 'Monthly' selected). Callout 7a points to the 'Value of regular crystallisation' field. The second step (bottom) has the same header and four fields: 'Specify a different initial crystallisation amount?' (checkbox, checked), 'Value of initial crystallisation' (text box with '500.00'), 'Value of regular crystallisation' (text box with '300.00'), and 'Frequency of crystallisation' (dropdown menu with 'Monthly' selected). Callout 7b points to the checked checkbox, callout 8 points to the 'Frequency of crystallisation' dropdown, and callout 9 points to the 'Next' button. Below the second step are three buttons: 'Exit without saving', 'Save and exit', and 'Next ->'. The third step (bottom) has a header 'Important information' and a text area with a checkbox 'Please confirm you have read and understood the information provided above:' and a 'Click to start process' button. Callout 10 points to the 'Click to start process' button.

What you will need to do

- 7a. Enter the **Value of regular crystallisation**.
- 7b. If you want to select a different value for the first regular drawdown and set up, for example, a larger initial payment:
 - Tick **Specify a different initial crystallisation amount**.
 - Enter **Value of initial crystallisation**.
8. Select **Frequency of crystallisation**.
9. Click **Next**.
10. Tick the box confirming you have read and understood the important information about annual allowance and **Click to start process**.

Notes

- 7a. The minimum **regular drawdown** is **£100.00**

If there are 2 schemes, this is a combined £100 minimum across both of them.
- 7b. The minimum **initial crystallisation** is £100.

(Again, this is across both schemes if applicable).
8. This is how often regular drawdown will occur.

The frequency and payment date must be the same for Scheme 1 and, if applicable, Scheme 2.

Step 2: Scheme 1 Details

What you will see

Confirm the details of the regular drawdown and set up the amount of tax free cash and taxable income.

The screenshot shows a multi-step process with five tabs: 1 Setup, 2 Scheme 1 (active), 3 Scheme 2, 4 Regular Crystallisation Strategy, and 5 Validate and submit. The 'Step 2 Scheme 1' section includes:

- Buttons: 'Exit without saving', 'Save and exit', 'Back', 'Next'.
- Confirmation: 'Please indicate if advice given on this process' (radio buttons for Yes/No) and 'Please confirm authority to proceed has been obtained from the client' (checkbox checked).
- Section: 'Protection Details' with a message: 'No protection details have been recorded against this scheme' and a confirmation checkbox checked.
- Section: 'Drawdown' with a table of values and a percentage slider.

Field	Value
Proposed crystallisation amount	£500 (£)
Proposed regular crystallisation amount	£ 300 (£)
Frequency of crystallisation	Month
Lifetime allowance previously crystallised	0.00
Lifetime allowance used by benefits that commenced prior to 6 April 2006	0.00
Lifetime allowance crystallised off platform not including transfers already made to platform	0
Available lifetime allowance	£1,000,000 (£)
Chargeable portion of crystallisation	£ 0 (£)
Estimated available lifetime allowance after a year	£996,200 (£)
Estimated chargeable portion after a year	£0 (£)

Lifetime allowance proposed crystallisation will use	0.05 %
Total lifetime allowance used	0.05 %
Estimated lifetime allowance that will be used after a year	0.38 %
Estimated total lifetime allowance that will be used after a year	0.38 %

Details of the Lifetime Allowance already used by your client and the remaining allowance available is displayed.

Chargeable portion of crystallisation and **Lifetime Allowance proposed crystallisation will use** refers to the first regular drawdown amount.

This section also shows the estimated Lifetime Allowance available and the estimated amount used after a year of regular drawdown.

If benefits selected are in excess of your client's remaining Lifetime Allowance, the chargeable portion is displayed.

What you will need to do

1. Tick to confirm authority to proceed has been obtained from your client.

Protection Details

2. Check the protection details and tick the box to confirm they're still correct.

Drawdown

3. If applicable, add the percentage of your client's Lifetime Allowance used during any off-platform crystallisation events.

Notes

2. If the protection details are wrong, please contact Elevate before proceeding.

3. Do not include allowance used by pension arrangements already transferred to Elevate as this is already included in the calculation of remaining Lifetime Allowance.

Step 2: Scheme 1 Details – continued

What you will see

Benefits in Excess of LTA			
	Gross excess benefits	Tax payable on excess benefits	Total net benefits
Lump Sum	<input type="text" value="0"/> %	£0.00	£0.00
Provide additional income	<input type="text" value="0"/> %	£0.00	£0.00
Total	0.00%	£0.00	£0.00

4a

4b

Pension Commencement Lump Sum (PCLS)	
Current PCLS entitlement	£125.00
PCLS entitlement for regular crystallisation	£75.00
Select value of PCLS to take from Initial Crystallisation	<input type="text" value="£ 125.00"/>
Select value of PCLS to take from Regular Crystallisation	<input type="text" value="£ 75.00"/>
PCLS/Lump sum payment for Initial Crystallisation	£125.00
PCLS/Lump sum payment for Regular Crystallisation	£75.00

5a

5b

What you will need to do

Benefits in excess of Lifetime Allowance

If benefits are in excess of your client's Lifetime Allowance and your client is under age 75, you will need to select either;

- 4a. The percentage of excess to be taken as a lump sum.
- Or
- 4b. The percentage of excess to be taken as income.

If your client is over age 75, excess benefits are automatically paid as income.

Pension Commencement Lump Sum

- 5a. **Select value of PCLS to take from Initial Crystallisation.** You do not need to do this if you have not selected a different initial amount.
- 5b. **Select value of PCLS to take from Regular Crystallisation.**

You can key an amount up to the **Current PCLS entitlement**.

Any PCLS that you choose not to use will be included in the amount moved in to drawdown.

Notes

4a. Excess taken as a lump is taxed at 55%

4b. Excess taken as income is taxed at 25% (and then at your client's marginal rate when the income is paid).

5. The current PCLS entitlement is the lower of 25% or remaining personal allowance.

You cannot select an amount higher than the **Current PCLS entitlement**.

If your client has a protected PCLS, a value up to the protected PCLS can be selected.

Step 2: Scheme 1 Details – continued

What you will see

Drawdown			
Net fund movement to drawdown for initial crystallisation	£375.00		
Net fund movement to drawdown for regular crystallisation	£225.00		
Select assets to move into drawdown			
Please enter the percentage of each asset you would like to move into drawdown for each crystallisation.			
Investment	Available Units	Market Value*	Percentage
Cash		£1,657.51	0
▶ OBSR High Risk Portfolio v23		£625.12	0
▶ OBSR Highest Risk Portfolio v24		£1,559.13	0
▶ OBSR Medium High Risk Portfolio v24		£3,610.94	0
▶ OBSR Medium Risk Portfolio v24		£66,607.59	0
			0.00%

6

The **Net fund movement to drawdown** is the initial and regular drawdown amount less any PCLS and, where applicable, any Lifetime Allowance Excess Lump Sum and tax payable on excess benefits.

Drawdown	
Proposed initial designation	£375.00
Gross income required for initial crystallisation	£ 375.00 <input type="checkbox"/> Take full value
Proposed regular designation	£225.00
Gross income required for regular crystallisation	£ 225.00 <input type="checkbox"/> Take full value

7a

7b

The **Proposed designation** is the amount after PCLS and, where applicable, any Lifetime Allowance Excess Lump Sum and tax payable on excess benefits.

What you will need to do

Select assets to move into drawdown

6. Enter the percentage amount of uncrystallised assets, cash or a combination of both to be moved into Flexi-Access Drawdown.

Drawdown

- 7a. Enter the **Gross income required for initial crystallisation** or tick **Take full value**. You do not need to do this if you have not selected a different initial amount.
- 7b. Enter the **Gross income required for regular crystallisation** or tick **Take full value**.

You can enter a different amount of taxable income for the initial and regular amounts.

Notes

6. This must total 100% across all assets even if you intend to select full taxable income from regular drawdown.

7. If no income is required input zero.

Any portion of the regular drawdown amount that is not paid out will remain invested in your client's drawdown fund. You can then set up income from the drawdown fund at a later date.

Step 2: Scheme 1 Details – continued

What you will see

Payment Details

Destination Account: 00000011-404334

First Payment Date: 27/04/2017

Summary

You have elected to take:

Initial Crystallisation

Value of initial crystallisation	£ 500.00
PCLS	£125.00
Additional Income	£375.00
Total initial income	£500.00

Regular Crystallisation

Value of regular crystallisation	£300.00
PCLS	£75.00
Frequency of crystallisations	Monthly
Additional Income	£225.00
Annualised total income	£3,600.00

Exit without saving Save and exit Back Next

What you will need to do

Payment Details

8. Selected a **Destination Account** for the PCLS and taxable income payment.
9. Set the **First Payment Date**.

Summary

10. Review all the payment details you have selected and click Next to proceed.

Notes

8. The Elevate Cash Account or your client's bank account that has been verified for withdrawals will be available for selection.

Contact Elevate if you want to split the payments between accounts.

9. This is the date the regular PCLS and income payment is made.

If you have specified a different initial amount, the initial PCLS and income payment is made on this date, and any subsequent regular drawdown amounts commence from the next payment date.

Step 2: Scheme 1 Details – continued

Setting taxable income from regular drawdown

- Once PCLS has been selected you can use all or a portion of the remaining regular drawdown amount to either pay income (taxed under PAYE) or remain invested in your client's drawdown fund.
- On each payment date a single consolidated payment is made to your client for the regular PCLS and income.
- You can also set up separate (or maintain existing) regular taxable income payments from your client's existing drawdown fund – in addition to a regular drawdown. You should check to ensure the payment date and frequency for regular drawdown and separate regular income are the same. If not, then all payment types from the Elevate PIA will be automatically aligned to the most recent date meaning your client may not receive existing payments on their usual date.
- To set up separate (i.e. non-regular drawdown) income payments from your client's existing drawdown fund see the **Flexi-Access Drawdown** Help Guide. To amend existing income payments see the **Changing regular Pension Income & Taking One-off Payments** Help Guide.

Step 3: Scheme 2 Details

Repeat the steps for **Step 2 Scheme 1** if necessary.

Step 4: Regular Crystallisation Strategy

What you will see

Select which investments will be sold in order to fund the PCLS and income selected for regular drawdown if there is not enough available cash.

1 Setup 2 Scheme 1 3 Scheme 2 4 Regular Crystallisation Strategy 5 Validate and submit

Step 4 Regular Crystallisation Strategy

Exit without saving Save and exit Back Next

Scheme: 1 Regular Crystallisation Strategy

Initial PCLS required	£125.00
Regular PCLS required	£75.00 Monthly
Annual PCLS required	£950.00
Initial income required	£375.00
Regular income required	£225.00 Monthly
Annual income required	£2,850.00

Select assets from the accumulation arrangement to be regularly sold in order to raise the PCLS and income for the regular crystallisation

Investment	Market Value	Allocation (%)
OBSR Highest Risk Portfolio v24	£1,559.13	0
OBSR Medium High Risk Portfolio v24	£3,610.94	0
OBSR Medium Risk Portfolio v24	£66,607.59	0
		0%

Exit without saving Save and exit Back Next

What you will need to do

1. Enter the percentage against the chosen investment.
2. Click **Next**.

Notes

1. This must total 100% even if no income is being taken.

These assets will only be sold if there is not enough available cash in the **Accumulation** arrangement.

Regular Crystallisation Strategy

- For each regular drawdown, the PCLS and income amount is always paid by first using available cash in your client's Accumulation arrangement – regardless of the Regular Crystallisation Strategy you select here.
- If there is not enough cash available 10 working days before the payment is due, then the Regular Crystallisation Strategy will apply. Here we will automatically sell down the investments you have chosen. We will sell down investments to meet the tax free cash payment and any income (before tax is deducted) plus an additional 10% of £10 (whichever is greater) to cover potential market movement during the sale.
- The strategy does not currently include the value of any cash moved into drawdown as part of this request. Payments may fail if sufficient cash cannot be raised.
- You can ensure enough cash is always available by selling investments on a one-off or regular basis via **New Work > Create > New investment transaction**. We recommend setting up an initial cash buffer and a regular disinvestment in your client's Accumulation arrangement to complement regular drawdown so that enough cash is available to fund tax free cash, income and any cash moved into drawdown.

Step 5: Validate and submit

What you will see

Generate paperwork and complete the regular drawdown request.

1 Setup 2 Scheme 1 3 Scheme 2 4 Regular Crystallisation Strategy 5 Validate and submit

Step 5 Validate and submit

[Exit without saving](#) [Save and exit](#) [← Back](#)

Scheme	Drawdown Pension Fund	Uncrystallised Fund	Value available to crystallise*	Available cash balance
Elevate PIA - Scheme 1	£0.00	£181,821.00	£181,821.00	£1,657.51
Elevate PIA - Scheme 2	£0.00	£104,072.88	£104,072.88	£388.75
Total	£0.00	£285,893.88	£285,893.88	£2,046.26

* the amount available to crystallise does not include any pending transactions

Declarations

I confirm I have provided to my client a drawdown illustration in relation to the Elevate PIA and on which my client's election to take drawdown is based.

I declare on behalf of my client that they do not intend to recycle their Pension Commencement Lump Sum (PCLS).

I declare on behalf of my client, and confirm that I have my client's authority to declare, that in the event that the payment of any PCLS paid to my client is deemed by HM Revenue and Customs to be an unauthorised client payment, my client agrees to indemnify Elevate against any losses incurred by it as a result of such unauthorised client payment and/or resulting scheme sanction charge.

I declare on behalf of my client that the Benefit Crystallisation Event (BCE) will not result in a lifetime allowance charge in excess of the amount recorded by me in the preceding "Taking benefits" screens.

Produce Sign Up Documents

Name	Date Requested	Status	Include	Consolidate
Benefit Crystallisation Illustration (ID: 67613889)	11-Apr-17 9:22 am	Complete	Required	<input type="checkbox"/>
Charges Information (ID: 67613889)	11-Apr-17 9:22 am	Complete	Required	<input type="checkbox"/>
Adviser Charges Agreement	11-Apr-17 9:22 am	Complete	Required	<input type="checkbox"/>

To consolidate the above client specific documentation into one printable version please select each of the documents required once they have completed and then generate a consolidated version by clicking the following button.

[Consolidate documents](#)

[Submit](#) [Exit without saving](#) [Save and exit](#) [← Back](#)

What you will need to do

1. If necessary, correct any errors shown in **Validation Messages** by clicking **Back** through the steps.
2. Read and acknowledge the **Declarations**.
3. View and print the **Benefit Crystallisation Illustration** and the **Charges Information** document generated by clicking **Complete**.
4. If all information has been entered correctly, click **Submit**.

Notes

3. You can print the **Benefits Crystallisation Illustration** and the **Charges Information** document for your client here.

Paperwork will also be stored in **Reports & Documents** for future reference.

4. A **Lifetime Allowance Certificate** is generated for every Regular Crystallisation 5 days before the payment due date.

This is stored in your client's **Reports & Documents** library.

How to change an existing regular drawdown

What you will see

You are able to amend, cancel or review an existing regular drawdown by taking the following steps.

The screenshot shows the Elevate system interface with the following elements:

- Navigation Menu:** Summary, Portfolio, **New Work**, Cash Account, Account Holders, Transactions. Below it are tabs: Create, Work In Progress, Work Submitted, Disclose And Authorise.
- Payment activities:** New/amend prod payment, Payments out, Crystallise pension benefits, **Change pension payments**, Pension payments out, Add bank account.
- Investment activities:** New investment transaction, Advanced orders, Move cash into Adviser mgmt, Move assets to new owner, Move assets into Disc Mgr, Remove Disc Fund Manager.
- Table of Arrangements:**

Arrangement	Account Number	Current value*	Gross income current
Elevate PIA - Scheme 2			
Sch 2 Accumulation 1		£48,500.00	
Sch 2 Crystallised 1		£1,500.00	
Total		£50,000.00	

* Where applicable the quarter up valuation has been used for equities
+ Review of an arrangement is permitted up to 60 calendar days prior to date indicated excluding
- Form:** Choose an Arrangement (dropdown menu showing 'Sch 2 Accumulation 1'), Please confirm which of the following apply:
 - Edit regular crystallisation
 - Edit regular crystallisation strategy
 - Cancel regular crystallisation
 - Review Lifetime Allowance
 A 'Go' button is at the bottom.

Numbered callouts (1-3) indicate the steps: 1. Click 'Create' in the navigation menu. 2. Click 'Change pension payments' under 'Payment activities'. 3. Select 'Sch 2 Accumulation 1' in the dropdown and click 'Go'.

What you will need to do

1. Login to Elevate and from your client's account navigate to; **New Work > Create**
2. Select **Change pension payments**.
3. In **Choose an Arrangement**, select **Accumulation** then select the appropriate action as described below.

To increase or decrease regular drawdown and change the payment amounts;

1. Select **Edit regular crystallisation**.
2. Click **Go**.
3. Step through the screens and make any required changes to the regular drawdown. In Step 4 click **Submit** to confirm the changes.

Notes

1. You will not be able to make any changes or cancel a regular drawdown if the next payment date is within 10 working days.

Here you can change;

- The amount of each regular drawdown
- The assets to be moved into drawdown
- The amount of PCLS required
- The amount of taxable income
- The payment frequency and date.

You can also specify how you want any benefits in excess of the Lifetime Allowance to be paid if the next payment will trigger benefits in excess of Lifetime Allowance.

How to change an existing regular drawdown – continued

What you will see

Choose an Arrangement Sch 2 Accumulation 1 ▾

Edit regular crystallisation

Edit regular crystallisation strategy

Cancel regular crystallisation **1**

Review Lifetime Allowance

Go **2**

Current Summary	
Regular crystallisation amount	£ 2,000.00
Frequency of crystallisation	Annually
Date of next crystallisation	02/12/2015
Estimated PCLS	£ 500.00
Current regular income	£ 0.00
Annualised income	£ 500.00

Exit **Cancel regular crystallisation** **3**

What you will need to do

To cancel regular drawdown;

1. Select **Cancel regular crystallisation**.
2. Click **Go**.
3. Click **Cancel regular crystallisation**.

Notes

You will not be able to make any changes or cancel a regular drawdown if the next payment date is within 10 working days.

How to change an existing regular drawdown –

continued

What you will see

Choose an Arrangement

Edit regular crystallisation

Edit regular crystallisation strategy 1

Cancel regular crystallisation

Review Lifetime Allowance

Go 2

Step 1 Strategy

Scheme 1 Regular Crystallisation Strategy

Initial PCLS required	£125.00
Regular PCLS required	£75.00 Monthly
Annual PCLS required	£1,025.00
Initial income required	£300.00
Regular income required	£200.00 Monthly
Annual income required	£2,700.00

Select assets from the accumulation arrangement to be regularly sold in order to raise the PCLS and income for the regular crystallisation

Investment	Market Value	Allocation (%)
CF Woodford Eq Inc C Acc	£10.54	<input type="text" value="0"/> 3
Old Mutual UK Equity Income U1 Acc	£3,645.89	<input type="text" value="0"/>
Royal London UK Equity Inc M Acc	£3,747.53	<input type="text" value="0"/>
Stan Life Inv UK Eq Unens R Pt 1 A	£10,805.56	<input type="text" value="0"/>

Please indicate if advice was given on this process
Please confirm authority to proceed has been received from the client

Yes No 4

Confirm 5

What you will need to do

To amend the Regular Crystallisation Strategy;

1. Select **Edit regular crystallisation strategy**.
2. Click **Go**.
3. Enter the percentage against the chosen investment.
4. Tick to confirm if advice has been given and authority to proceed has been received from your client.
5. Click **Confirm**.

Notes

3. These assets will only be sold if there is not enough available cash in the Accumulation arrangement.

How to change an existing regular drawdown –

continued

What you will see

The screenshot shows a web form for reviewing lifetime allowance. At the top, there is a dropdown menu labeled 'Choose an Arrangement' with 'Sch 2 Accumulation 1' selected. Below this, a section titled 'Please confirm which of the following apply:' contains four radio button options: 'Edit regular crystallisation', 'Edit regular crystallisation strategy', 'Cancel regular crystallisation', and 'Review Lifetime Allowance'. The 'Review Lifetime Allowance' option is selected and has a callout '1' pointing to it. A green 'Go' button is located below the radio buttons, with a callout '2' pointing to it. Below the 'Go' button is a section titled 'Lifetime Allowance Details' with three rows of data: 'Lifetime Allowance previously crystallised on the platform' (0.00%), 'Lifetime allowance used by benefits that commenced prior to 6 April 2006' (0.00%), and 'Lifetime allowance crystallised off platform not including transfers already made to the platform' (0.00%). A callout '3' points to the '0.00' value in the third row. Below the details is a confirmation statement: 'I can confirm that I have reviewed the above details and where necessary updated the Lifetime Allowance used off platform', with a callout '4' pointing to the checkbox. Below this is a declaration paragraph: 'I declare on behalf of my client that they have agreed to notify Elevate Portfolio Services Limited immediately if a scheduled regular Benefit Crystallisation Event (BCE) will result in their remaining Lifetime Allowance being exceeded. If benefits are paid in excess of their remaining Lifetime Allowance, I confirm that I have made my client aware that they will be liable to Elevate Portfolio Services Limited for its losses arising, either directly or indirectly, as a consequence of any failure to provide Elevate Portfolio Services Limited with prior notification of this.' Below the declaration is a 'Submit' button, with a callout '5' pointing to it.

What you will need to do

To review Lifetime Allowance;

1. Select **Review Lifetime Allowance**.
2. Click **Go**.
3. Enter the percentage of the updated Lifetime Allowance.
4. Read the declarations and tick the boxes to confirm.
5. Click **Submit**.

Notes

1. You'll get an alert when the annual review of Lifetime Allowance is due. This is sent to you on the anniversary of the first regular drawdown date and you'll be requested to complete this review.

3. This is the Lifetime Allowance used off-platform.

Do not include allowance used by pension arrangements already transferred to Elevate as this will already be included in the calculation of your client's remaining lifetime allowance.

Helpful hints

Regular drawdown is not available for clients who have a right to take their pension benefits below the minimum retirement age or if they have scheme specific PCLS protection on either pension scheme.

You cannot take an Initial Adviser Charge for setting up regular drawdown. If you require a charge to be paid for the services provided you can instead select an Ad hoc Adviser Charge from your client's account via **Charges & Remunerations > Adviser Remuneration > Request**.

If regular drawdown payments fall on a non-business day, your client will receive payment on the last business day before the selected payment date.

Each regular crystallisation happens 5 working days before the payment date at which point a Lifetime Allowance Certificate is generated.

The certificate is sent to your client in the post and stored in their Reports & Documents library for every regular drawdown payment.

Alerts are triggered to notify you of the following events in relation to regular drawdown:

- When your client is close to triggering benefits in excess of Lifetime Allowance. For regular drawdown on a monthly basis it is issued when the remaining Lifetime Allowance is less than the sum of the next 3 regular crystallisations. For frequencies other than monthly, the alert is issued when the remaining Lifetime Allowance is less than the value of the next crystallisation.
- When there is not enough total value in the Accumulation arrangement. Issued if there is not enough value to cover the next 2 regular crystallisations.
- When regular drawdown is cancelled because there is not enough remaining value, or your client (who is under age 75) will exceed the Lifetime Allowance and there is no instruction on how they want to take excess benefits, or we have received instruction but the whole value of the regular drawdown is taken as an Excess Lump Sum.
- When an annual review of Lifetime Allowance is due. Issued on the anniversary of the first regular drawdown payment date.

If you do not amend or cancel regular drawdown instruction it will continue until the value of the Accumulation arrangement falls below the amount selected.

If payment of the remaining value is required, it can be processed as either a single crystallisation into drawdown or as an Uncrystallised Fund Pension Lump Sum (UFPLS) paid direct to your client.

Regular drawdown also stops automatically if the next regular drawdown will cause your client to exceed the Lifetime Allowance where they are under age 75 and have not specified whether excess benefits are to be taken as a lump sum or as an income. Or where they have specified, but the next regular drawdown amount would be wholly treated as an Excess Lump Sum. For clients over age 75, any excess benefits are automatically treated as income so the regular drawdown will continue with additional tax on excess benefits also applied.

If there are more than one regular income types (i.e. regular drawdown and/or regular income from drawdown) from the Elevate PIA, you should ensure the payment date and frequency for each regular payment instruction are the same. If not, then any existing regular payment will be automatically aligned to the payment date keyed in the most recently submitted instruction – meaning your client may not receive existing payments on the date they expect.

Even if no income is selected on new single or regular crystallisations, you should still ensure that a regular payment date is keyed and is the same date (using the current or following month) as any existing regular income from the PIA. If you do not, the payment date for existing income will be amended to the default date displayed in the latest benefit crystallisation wizard you have submitted.

You can check existing payment dates via Transactions > Deposits/Withdrawals or by looking at **New Work > Change pension payments** before you start a new process.

Setting up regular drawdown will trigger the Money Purchase Annual Allowance (MPAA), if it does not already apply, when the first taxable income is paid. Any future contributions over this amount into money purchase pension schemes (like the Elevate PIA) will incur an annual allowance charge from the

day the payment completes. If you setup a regular drawdown only paying PCLS the MPAA is not triggered until taxable income is taken from your client's Drawdown arrangement.

Any taxable income selected will be subject to income tax deducted through PAYE before it is paid to your client. The tax code applied is stipulated by HMRC and will depend on your client's circumstances and the information we have for them:

- if a client is not already taking drawdown pension withdrawals and does not have a P45 for the current tax year, the 'Emergency Code Month 1' tax code will be used until we are provided with the correct code from HMRC
- if the client is already taking pension withdrawals, we are able to apply the tax code we have in place.

This information is based on our interpretation of current UK law and HM Revenue & Customs (HMRC) practice. This is subject to change and your client's individual circumstances. You should not treat it as legal advice or rely on it as a statement of law.

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We hope you've got a good insight into our platform and the potential benefits it can bring to you and your firm.

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