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Elevate help guide: Flexi-Access Drawdown Conversions & Mergers

Standard Life

There's a lot to look forward to

Introduction

Consolidate Capped Drawdown and transfer-in Flexi-Access Drawdown pensions into a single Flexi-Access Drawdown arrangement.

Holding a single Flexi-Access Drawdown arrangement makes investment and income choices easier to manage and allows your clients greater flexibility in how they can take their pension benefits when planning retirement strategies.

This guide will show you how to;

- Convert existing or transferred-in Capped Drawdown arrangements
- Merge transferred-in Flexi-Drawdown arrangements.

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How to convert Capped Drawdown arrangements

What you will see

Convert Capped Drawdown arrangements to a single Flexi-Access Drawdown arrangement.

The screenshot shows the Elevate platform interface. At the top, there are navigation tabs: Summary, Portfolio, **New Work**, Cash Account, Account Holders, Transactions, and Reports & Documents. Below these are sub-tabs: 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 'Convert Capped to Flexi Access Drawdown' link is highlighted with a red circle and a line pointing to step 2. Below this, there is a section titled 'Important information' with a list of bullet points. The 'Capped Drawdown Arrangement Availability' section lists criteria for conversion. At the bottom, there are 'Exit' and 'Next' buttons, with 'Next' highlighted by a red circle and a line pointing to step 4.

1. Login to Elevate and from your client's account navigate to; **New Work > Create**

2. Select **Convert Capped to Flexi-Access Drawdown**.

3. Read the **Important Information** and details on **Capped Drawdown Arrangement Availability**.

4. Click **Next**.

What you will need to do

1. Login to Elevate and from your client's account navigate to; **New Work > Create**

2. Select **Convert Capped to Flexi-Access Drawdown**.

3. Read the **Important Information** and details on **Capped Drawdown Arrangement Availability**.

4. Click **Next**.

Notes

The conversion option is only available where there are existing Capped Drawdown arrangements.

If you have an in-progress transfer, you will have to wait for this to complete before converting it to Flexi-Access Drawdown.

How to convert Capped Drawdown arrangements - continued

What you will see

Account number	Product name	Origin	Value (cash and assets)	Value (cash)	Annual income being taken	GAD maximum income that can be taken	Convert?	
EL13	15-005	Elevate PIA - Sch 1 Crystallised 1	Drawdown	£166,069.97	£166,069.97	£0.00	£12,948.84	<input type="checkbox"/>

Account Number	Product name
EL1	25-005 Elevate PIA - Sch 1 Crystallised 1

Are you sure you wish to proceed with converting the listed Capped Drawdown arrangements to Flexi-Access Drawdown?

What you will need to do

5. Tick to select the Capped Drawdown arrangement that you want to convert to Flexi-Access Drawdown.
6. Click **Next**.
7. Tick the declaration box to confirm your selection.
8. Click **Submit** to convert to Flexi-Access Drawdown.

Notes

7. If an arrangement is not available for conversion, you will be notified as to the reason why (see page 7 of this guide).
8. Once you submit the process and it has been authorised, you will not be able to reverse your decision.

If you don't want to proceed, click **Exit**.

How to merge Flexi-Access Drawdown arrangements

What you will see

Merge transfer-in Flexi-Access Drawdown arrangements to a single Flexi-Access Drawdown arrangement.

Summary Portfolio **New Work** Cash Account Account Holders Transactions Reports & Documents

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
- Review Natural Income
- Add bank account
- CappedToFlexiAccessDrawdown
- Merge flexi-access drawdown arrangements

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

Important information

If multiple Flexi-Access Drawdown arrangements are selected they will be merged into one Flexi-Access Drawdown arrangement. The merger of the Flexi-Access Drawdown arrangement(s) to a single Flexi-Access Drawdown cannot be reversed.

Any regular income withdrawals on the Flexi-Access Drawdown arrangements you wish to merge will be cancelled (unless they are currently in progress). You can then setup a new regular income withdrawal on the single Flexi-Access Drawdown arrangement.

If a cash distribution is received for a unit held in a Flexi-Access Drawdown arrangement which has subsequently been merged, we will move any cash balance the next business day to the single Flexi-Access Drawdown arrangement.

Any accumulated interest will be posted to the Flexi-Access Drawdown arrangement as part of the merge process.

Any accumulated ongoing charges will be posted to the Flexi-Access Drawdown arrangement as part of the merge process.

Flexi-Access Drawdown Arrangement Availability

To be available for amalgamation arrangements must meet the following criteria:

- Status of arrangement must be 'Active'
- Only arrangements with a positive asset or cash balance
- No in progress income withdrawals (these must be cancelled first). This means payments that have begun processing and instruction has been sent to the bank.
- No in progress orders (these must complete or be cancelled)
- No in progress elective or complex corporate actions
- The following in progress or submitted wizards cannot be outstanding on the capped drawdown arrangement:
 - Additional designation to Flexi-Access drawdown
 - Take a one-off payment from Flexi-Access drawdown
 - Change level of income-payment details
 - Pension payments out

Exit Next

What you will need to do

1. Login to Elevate and from your client's account navigate to; **New Work > Create**
2. Select **Merge flexi-access drawdown arrangements**.
3. Read the **Important Information** and details on **Flexi-Access Drawdown Arrangement Availability**.
4. Click **Next**.

Notes

The merge option is only available where there are multiple existing Flexi-Access Drawdown arrangements. If you have an in-progress transfer, you will have to wait for this to complete before merging it to a single flexi-Access Drawdown arrangement.

How to merge Flexi-Access Drawdown arrangements - continued

What you will see

Summary | Portfolio | **New Work** | Cash Account | Account Holders | Transactions | Reports & Documents | Charges & Remunerations | Contacts | IDV

Create | Work In Progress | Work Submitted | Disclose And Authorise

Flexi-Access Drawdown arrangements available to merge

Account number	Product name	Origin	Value (cash and assets)	Value (cash)	Annual income being taken	GAD maximum income that can be taken	Merge?
EL13: 15-005	Elevate PIA - Sch 1 Crystallised 1	Drawdown	£166,069.97	£166,069.97	£0.00	£12,948.84	<input type="checkbox"/>

Exit Next

Summary | Portfolio | **New Work** | Cash Account | Account Holders | Transactions | Reports & Documents | Charges & Remunerations | Contacts | IDV

Create | Work In Progress | Work Submitted | Disclose And Authorise

Account Number	Product name
EL1: 25-005	Elevate PIA - Sch 1 Crystallised 1

Are you sure you wish to proceed with merging the listed Flexi-Access Drawdown arrangements?

Exit Submit

What you will need to do

5. Tick to select the Flexi-Access Drawdown arrangement that you want to merge.
6. Click **Next**.
7. Tick the declaration box to confirm your selection.
8. Click **Submit** to merge arrangements.

Notes

5. If an arrangement is not available to merge, you will be notified as to the reason why (see page 7).
8. Once you submit the process and it has been authorised, you will not be able to reverse your decision. If you don't want to proceed, click **Exit**.

Availability for conversions and mergers

What you will see

Capped Drawdown arrangements not available for conversion to Flexi-Access Drawdown									
Account number	Product name	Status	Asset or cash balance greater than zero	No in progress income withdrawals	No in progress orders	No in progress elective or complex corporate actions	No in progress wizards	Not within twenty days of a GAD review	
EL1	4-021 Elevate PIA - Sch 1 Crystallised 1	Active	✓	✓	✓	✗	✓	✓	
EL1	4-023 Elevate PIA - Sch 1 Crystallised 2	Active	✓	✓	✓	✗	✓	✓	
EL1	4-025 Elevate PIA - Sch 1 Crystallised 3	Active	✓	✓	✓	✗	✓	✓	
EL1	4-027 Elevate PIA - Sch 1 Crystallised 4	Active	✓	✓	✓	✗	✓	✓	
EL1	4-029 Elevate PIA - Sch 1 Crystallised 5	Active	✓	✓	✓	✗	✓	✓	
EL1	4-156 Elevate PIA - Sch 1 Crystallised 6	Active	✓	✓	✓	✗	✓	✓	

Exit Next

Flexi-Access Drawdown Arrangements not available to merge							
Account number	Product name	Status	Asset or cash balance greater than zero	No in progress income withdrawals	No in progress orders	No in progress elective or complex corporate actions	No in progress wizards
EL1	16-008 Elevate PIA - Sch 2 Crystallised 2	Active	✗	✓	✓	✓	✓
EL1	16-009 Elevate PIA - Sch 1 Crystallised 3	Active	✗	✓	✓	✓	✓
EL1	16-010 Elevate PIA - Sch 1 Crystallised 4	Active	✗	✓	✓	✓	✓

Exit Next

To convert or merge, the arrangements must meet the following criteria;

- Must be active. For example a transfer must have completed.
- No in-progress income withdrawals. These are single or regular income withdrawals still being cleared through the banking system.
- No in-progress orders. These are investment transactions that have not reached full settlement.
- No elective of complex corporate actions.
- No in-progress pension payment wizards. These include;
 - Additional Designation to Drawdown.
 - Take One-off Payment.
 - Change level of income/Payment details.
 - Request an income review (for Capped Drawdown conversion).
 - Other pension payments out.
- Not be within 20 calendar days of a GAD review (for Capped Drawdown conversions).

You will have to either wait for the in-progress action to complete or, if possible, cancel it.

If an arrangement cannot be converted or merged the reason why will be displayed when you start the process.

Helpful hints

Conversions and mergers cannot be reversed once you have submitted the process and it has been authorised by us. Please contact us immediately if you need to change your decision.

Conversions will trigger the Money Purchase Annual Allowance (MPAA) rules (if they do not already apply) once the first income payment (regular or single) has been made from the Flexi-Access Drawdown arrangement. Any future contributions over the MPAA will incur an annual allowance charge from the day the payment completes and will limit the amount of tax relief on future contributions to any money purchase arrangements (like the Elevate PIA).

Where multiple arrangements are converted or merged, they are held in a single on-platform Flexi-Access Drawdown arrangement.

Separate Flexi-Access Drawdown arrangements are held for the Elevate PIA Scheme 1 and Scheme 2 (where applicable) – these cannot be merged.

Where the same model portfolio is held across multiple drawdown arrangements, they will not be merged upon a conversion or merger. The same model will be held multiple times in the consolidated arrangement. If you want to merge the model portfolios you can deconstruct them and then add the assets to a single model portfolio (see Deconstruct a Model Portfolio and Add existing assets into a Model Portfolio Help Guides for more information on this process).

If your client has discretionary managed assets, these assets will be converted or merged to a single discretionary managed sub-account. You should notify the discretionary manager when processing a conversion or merger in case they need to align investment strategies.

New or in progress transfers of drawdown arrangements cannot be converted or merged until the transfer has completed, payment cleared and investment orders settled.

Where multiple drawdown arrangements exist, they can be selected individually for conversion or merger, but each must be done so in its entirety.

Once converted or merged, regular income withdrawals from those arrangements are cancelled automatically (upon authorisation). You can set up new regular and one-off payments from the single Flexi-Access Drawdown account via **New Work > Change Pension Payments**.

Once you have pressed submit, further transactions on the ceding arrangement cannot be processed.

If a cash distribution is received for a converted or merged asset, Elevate will move any cash balance the next business day to the single Flexi-Access Drawdown arrangement.

Accumulated interest (since the last payment) will be posted to the drawdown arrangement once the process has been authorised and included in the conversion/merger to the Flexi-Access Drawdown arrangement.

Accumulated on-going charges that have not yet been paid are debited from the ceding arrangement upon authorisation and are not carried over to the single Flexi-Access Drawdown arrangement.

Do not select an Ad Hoc Adviser Charge immediately before processing a conversion or merger.

Requesting an Ad Hoc Adviser Charge from an arrangement that you intend to convert or merge will cause your payment to fail if both are keyed on the same day. This may also delay the conversion or merger process.

If it is applicable to take an Adviser Charge, if a charge is required, ensure you either;

- Convert or merge the account only after the Ad Hoc Adviser Charge has been deducted and is showing on your clients Elevate Cash Statement; or
- Wait for the conversion or merger process to complete, then take your Ad Hoc Adviser Charge from the new Flexi Access Drawdown arrangement.

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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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Call us on 0345 600 2399

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