

# Start an HL Self-Invested Personal Pension with an employer contribution

The employee should complete part A and the employer part B. Then return in one of our pre-paid envelopes or to our simple Freepost address:  
**Freepost, HARGREAVES LANSDOWN.**

If making a lump sum contribution, please enclose a cheque from the employer payable to **HL SIPP/initials and surname of the member**.  
 Alternatively we can accept a bank transfer, but the employee must open their HL SIPP beforehand – see page 4.

AWSE1

## PART A – To be completed by the employee

Before completing this form please read the Terms and Conditions (including the Tariff of Charges), Key Features and the information overleaf. If you have registered, or intend to register, for pension protection against the lifetime allowance, you cannot use this application. Please call our Helpdesk on **0117 980 9926**.

### 1. Personal details – please complete

Title (Mr/Mrs /Miss/etc)	Surname	Full forenames	Date of birth / /
Marital status	Female <input type="checkbox"/> Male <input type="checkbox"/>	Expected retirement age (optional)	Nationality
Permanent residential address			Postcode
Daytime Tel. No.	Email address		
National Insurance no.	If you have no NI No. tick here <input type="checkbox"/>		
<b>Show which of the following is most applicable for your principal source of income by ticking only one.</b> Employed <input type="checkbox"/> Self employed <input type="checkbox"/> Pensioner <input type="checkbox"/> Unemployed <input type="checkbox"/> In full time education <input type="checkbox"/> Caring for one or more children under 16 <input type="checkbox"/> Caring for a person aged 16 or over <input type="checkbox"/> Child under 16 <input type="checkbox"/> Other <input type="checkbox"/>			

You can request not to receive emails from Hargreaves Lansdown by writing to or emailing us.

### 2. Your investment choice – optional

**If you want to choose investments now, enter them here. If you would prefer to choose later, leave blank and the contribution will be held as cash in your SIPP.**

For investment ideas, see our website [www.hl.co.uk](http://www.hl.co.uk).

Please enter your instruction as a percentage of the total contribution. Separate instructions should be provided for any future single contributions. Accumulation units will be purchased whenever possible. When they are not available, any income generated will automatically be held as cash unless you have opted for income received in your SIPP to be automatically reinvested.

Investment choice	Employer single contribution (min £100 per fund)	Monthly contributions* (min £25 per investment)
	%	%
	%	%
	%	%
	%	%
<b>Cash - to be held pending investment instructions</b>	%	%
<b>Total</b>	<b>100 %</b>	<b>100 %</b>

\*We will take this to include both employer and employee monthly contributions.

If there are both employer and employee monthly contributions, the £25 minimum per investment is for each contribution.

**Tick here for automatic re-investment of any income within your SIPP account**

(see the Key Features for details of the income reinvestment option)

### 3. Employee's declaration – please sign

For your own benefit and protection you should read our Terms and Conditions carefully before committing to an investment. If you do not understand any point please ask us for further information, when you use our services we will take this as acceptance and agreement of our Terms, and you will be bound by them.

I confirm I am applying to join the HL SIPP. I have read in full, agreed to and retained:

- The Terms and Conditions of the HL SIPP.
- The Key Features of the HL SIPP, Important Investment Notes and Contribution and Transfer Checklists.
- The Key (Investor) Information Document of my chosen investments (where available), including all costs and charges, provided to me at [www.hl.co.uk](http://www.hl.co.uk) or on paper.

I agree to be bound by the Scheme Rules, and acknowledge that these have been made available to me by Hargreaves Lansdown. I confirm that I will be a relevant UK individual in any tax year in which personal contributions are paid.

I declare that the total contributions that I will make to the HL

SIPP and any other Registered Pension Scheme where I am entitled to relief under Section 188 of the Finance Act 2004 will not exceed the higher of:

- The basic amount (currently £3,600) or
- 100% of my Relevant UK Earnings (within the meaning of section 189 of the Finance Act 2004) for that tax year.

This declaration and the particulars given in this application are, to the best of my knowledge and belief, correct and complete.

If an event occurs which means that I will no longer be entitled to tax relief under Section 188 of the Finance Act 2004, I will inform Hargreaves Lansdown Asset Management by 5 April of the tax year in which the event occurs or 30 days after the event if later.

If I make a contribution, of which part or all is not eligible for tax relief, I will notify you separately on or before the date of the contribution. I will advise Hargreaves Lansdown Asset Management Ltd, in writing, within 30 days if I cease to be a United Kingdom resident.

I confirm that I have not received advice from Hargreaves Lansdown regarding the suitability of any aspect of the HL SIPP unless that

aspect has been covered under a separate agreement for individual advice from a Hargreaves Lansdown Financial Adviser. If I have any doubts I will seek personal advice, in particular regarding the merits of the various pension options I may have available to me now and in the future.

By signing this declaration I am allowing Hargreaves Lansdown to process my application using the information that I have provided. This declaration and any other declaration made by me in connection with this application shall be the basis of the contract between me and Hargreaves Lansdown Asset Management Ltd.

You must sign and date boxes marked with a red cross. If this form is for someone under the age of 16, this Declaration should be signed by their Legal Guardian. Additionally a Legal Guardian declaration must also be signed for any applicant under the age of 18 (please download from [www.hl.co.uk](http://www.hl.co.uk)).

**False Statements – it is a serious offence to make false statements; the penalties are severe and could lead to prosecution.**

Signature X	Date X / /
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## How to proceed

### How much can I contribute from my net pay?

Please see the Contribution Checklist below for a rundown of the main limits to consider when making a pension contribution.

### How much can my employer contribute?

This is a decision for your employer. You should be aware that these contributions count towards the annual allowance, and money purchase annual allowance where applicable, as explained in the Contribution Checklist below.

### How is an employer contribution made to my HL SIPP?

You can use this form to make a new employer contribution by cheque and/or start a monthly direct debit (employer or employee). Alternatively your employer can make lump sum contributions by bank transfer – see page 4.

You cannot claim personal tax relief on contributions from your employer.

If you have employee contributions deducted from your salary the government will automatically pay basic rate tax relief of 20% of these, as they are personal contributions. If you pay tax at a rate above the basic rate you can also claim back further tax relief. This can be done via your tax return or local tax office.

You must pay sufficient tax at a higher rate to claim the full tax relief.

### → Single employer contributions by cheque

Your employer should make their cheque payable to: **HL SIPP/your initials and surname** for the gross amount. If the cheque does not have the company's name printed on it they should ask the bank to confirm the name of the account holder on the reverse and stamp with their branch stamp. You should also write your client number on the reverse.

### → Single employer contributions by bank transfer

Please see page 4.

### → Monthly contributions by direct debit

Your employer should complete the total amounts to be contributed in the relevant box in Part B. If it is an employee contribution the amount that will be deducted from your salary by your employer will be less than this as 20% of your gross contribution is automatically paid by the government. If it is an employer contribution the full amount will be deducted from their account.

### Examples: the amount that would be deducted from your net salary by your employer for an employee contribution.

Amount deducted from salary	Gross contribution
£40	£50
£100	£125
£240	£300
£1,000	£1,250

You can also make net personal contributions which are not deducted from your salary. To make net personal contributions upon which 20% basic rate tax relief will be automatically added, call us on **0117 980 9897** or visit **www.hl.co.uk**. This form cannot be used to make net personal contributions.

Investment instructions given on this application will not override investment instructions for any regular personal monthly contributions already being paid.

### IMPORTANT INVESTMENT NOTES

THIS IS BASED ON OUR UNDERSTANDING OF CURRENT LEGISLATION AND PROPOSED CHANGES. CORRECT AS AT 1 APRIL 2020.

THE GOVERNMENT CAN AND DO CHANGE THE RULES.

Investments should normally be held for the long term as their value will fall as well as rise, so you could get back less than you invest. Unless stated otherwise, all yields are variable and neither capital nor income is guaranteed. If your employer offers a pension you should consider this first. Other tax wrappers are available and could be more suitable for some investors.

The government may change pension and tax rules. The earliest you can normally take pension benefits is age 55 (57 from 2028). Tax reliefs and state benefits mentioned are those currently applying. Their value depends on your circumstances.

This is published solely to help clients make their own investment decisions; it is not personal advice. If you are unsure of an investment's suitability, contact us for personal advice.

### CONTRIBUTION CHECKLIST

**Please read carefully. Particularly important if you have made, or plan to make, large pension contributions.**

Most UK residents under 75 can contribute to a personal pension and benefit from tax relief. However there are restrictions of which you need to be aware.

- **Relevant UK earnings:** total personal and employee contributions each tax year cannot exceed total earnings from employment and self-employment for that year, or £3,600 if higher.

- **Annual allowance:** total pension contributions (including from an employer) are subject to a £40,000 (gross) allowance each tax year.

Retirement benefits built up in a defined benefit pension are given a value which also counts towards the annual allowance. You should ask your provider what that value is.

Investors with high incomes may have a lower annual allowance. For every £2 of 'adjusted income' over £240,000, the annual allowance falls by £1, subject to a minimum allowance of £4,000 (gross). Very broadly, 'adjusted

income' is total taxable income plus employer pension contributions. Request our factsheet for details.

Payments cannot be refunded on the sole grounds they are above the annual allowance and may incur a tax charge.

- **Carry forward:** you may be able to pay in more than the annual allowance by carrying forward unused annual allowance from previous tax years. Request our factsheet for details.

- **Money purchase annual allowance (£4,000 gross):** could affect you if you have taken flexible pension benefits after 5 April 2015 or held flexible drawdown before 6 April 2015. The pension provider through which you took these benefits may have told you if this applies. This allowance is calculated in a similar way to the annual allowance but only includes money purchase contributions and you cannot use carry forward. If this limit ever applies to you, you must let us know.

- **Lifetime allowance £1,073,100 in 2020/21:** this is the total you can accumulate in pensions. It is measured when pension benefits are taken and at age 75. It takes into account all private and work pensions, including those from which you already take an income. There may be a significant tax charge on any excess. A relatively modest defined benefit pension may exceed the lifetime allowance due to the way it is calculated.

- **Enhanced or fixed protection:** if you have enhanced or fixed protection (or intend to apply to HMRC for fixed protection 2016) against the lifetime allowance, further contributions will invalidate the protection (or mean you are unable to apply for fixed protection 2016).

- **Recycling:** if you significantly increase pension contributions in the year of taking tax-free cash from a pension or in the two years before or after, this may be deemed as recycling of tax-free cash and subject to a punitive tax charge.

This is a brief summary of the main rules and cannot cover every nuance. We have allowance factsheets available. If you have any questions please call our Pensions Helpdesk. If you are still unsure they can put you in touch with a financial adviser.

# PART B – To be completed by the employer

Please ask your employer to complete this section and if applicable write a cheque payable to **HL SIPP/your initials and surname**. If your employer would rather make a bank transfer, see page 4.

They should retain a copy of this, and details of any further amendments. Future changes must be notified in writing.

## 1. SIPP member's details (your employee) – please complete

Title (Mr/Mrs /Miss/etc)	Surname
Full forenames	National Insurance no.

## 2. How much does the company wish to contribute? – please complete

**EMPLOYER CONTRIBUTIONS** - Please enter the total amount of any employer contribution. Employer contributions are paid gross.

Single employer contribution	£	gross (min. £100)	Employer monthly contribution	£	gross (min. £25)
Please enclose a cheque payable to <b>HLSIPP/initials and surname of the member</b> .			We will assume the contribution is made in respect of the previous month's employment, unless otherwise stated in writing.		

**EMPLOYEE CONTRIBUTIONS** - Please enter the total gross contribution being made. To work out how much to deduct from your employee's salary (the net contribution), multiply the gross amount by 0.8 (e.g. if gross is £100, net is £80). We will claim and credit 20% tax relief to your employee's SIPP and they can reclaim any further tax relief through their tax return. Please note employee contributions to the SIPP can only be made as deductions from **net** salary. It is assumed employee contributions are made in respect of the previous month's employment unless otherwise stated in writing.

Employee monthly contribution (write the gross amount)	£	gross (min. £25)	Date first contribution will be deducted from salary	/	/
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## 3. Employer's declaration – please sign

- Where an employee contribution is paid by the employer, we confirm the net payments will be deducted from the employee's net pay. Employer contributions will be paid gross.
- We understand that for the company to be able to claim Corporation Tax relief on an employer contribution it must rank as a valid business expense.
- Monthly employee and employer contributions will be collected from the employer's bank account on the 7th of the month, or if this is not a working day, the next working day.
- We understand that if an employee contribution is not received by Hargreaves Lansdown Asset Management (HLAM) by the 22nd of the month following the calendar month the payment is deducted from pay then this will be classed as a late payment. HLAM is required to report the late payment of a contribution, where it is likely to be of material significance, to The Pensions Regulator.
- We understand that it is the responsibility of HLAM to monitor payment of contributions and that we must provide any information requested to fulfil this requirement. Failure to provide information that prevents HLAM from monitoring the payment of contributions must be reported to The Pensions Regulator.
- We understand that employer contributions paid to the HL SIPP cannot be refunded unless the SIPP member cancels their SIPP within the cancellation period.
- We agree to pay the contributions stated in this application until further notice and will notify HLAM immediately of any changes to the amounts due.
- We agree to advise HLAM immediately if any member is to leave our employment. Unless otherwise agreed in writing, we confirm that employer contributions will only be paid in respect of people currently employed and will cease if the member leaves employment.
- We understand that HLAM may use our information to keep us informed by email, telephone, fax, post or other reasonable means of other services offered by the HL Group which they consider may be of interest. If we would prefer not to receive such information we will let HLAM know.

- We understand that HLAM will aim to verify the identity of the company electronically to satisfy anti-money laundering regulations. In the event that HLAM is unable to do this, they will request documentary evidence as an alternative. HLAM reserves the right to delay applications until sufficient identification has been provided.

Full name of employer	
Address	
Postcode	
Telephone number	
Company registration number	
Full name of signatory	
Signed for and on behalf of the employer	Date
X	X / /

If monthly employee and/or employer contributions are being made, please complete the direct debit mandate below.

### Direct Debit - instruction to your Bank or Building Society to pay by Direct Debit

<b>HL</b>	Please fill in the whole of this form using a ball point pen	Service User Number	8 3 7 0 0 4	
Name(s) of Account Holder(s)	Name and full postal address of your Bank/Building Society	Instruction to your Bank or Building Society - Please pay Hargreaves Lansdown 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 Hargreaves Lansdown and, if so, details will be passed electronically to my Bank/Building Society.		
Bank/Building Society Account Number	To the Manager	Signature	Date / /	
Branch Sort Code	Address	Banks and Building Societies may not accept direct debit instructions for some types of account.		
	Postcode			
	Reference (Office use only)			

### Your Direct Debit Guarantee - This guarantee should be detached and retained by the payer

- 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 Hargreaves Lansdown will notify you 10 working days in advance of your account being debited or as otherwise agreed.
- If you request Hargreaves Lansdown 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 in the payment of your Direct Debit, by Hargreaves Lansdown or your bank or building society, you are entitled to 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 Hargreaves Lansdown 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.



Most companies want to make contributions into their employees' pensions on a monthly basis. Setting up a direct debit to a SIPP means you can do just this.

**Employer contributions** should be paid gross. For **employee contributions**, the HL SIPP claims tax relief on a 'Relief At Source' basis. If you are deducting contributions from your employee's salary, these must be deducted from their NET pay (pay after tax and National Insurance). In order to work out the amount to be deducted you should multiply your employee's intended gross contribution by 0.8. This amount should be paid to the HL SIPP. We will claim basic rate tax relief of 20% on behalf of your employee and credit it to their SIPP.

If you wish to change the amount you are contributing, we simply need a short letter of instruction to this effect. There are no lengthy forms.

The HL SIPP can also accept ad hoc payments from the company and/or the employee. To make an employer lump sum contribution return the application with a cheque payable to **HLSIPP/initials and surname** of the member. The member's client number should be written on the reverse of the cheque. Alternatively you can make a bank transfer – see below. The member can make a personal contribution by debit card ([www.hl.co.uk](http://www.hl.co.uk) or **0117 980 9897**) or cheque. It is not possible to make one-off lump-sum payments by direct debit.

All regular payments are taken on the 7th of the month (or next working day, if the 7th falls on a weekend or bank holiday). It takes approximately 10 working days for the bank to establish the direct debit so, as a general rule, provided we receive the completed application before the 25th, the first

payment will be taken on the 7th of the following month. We will confirm the start date of the plan once we have received the application.

### Informing the employee

On receipt of the application we write to the employee to confirm their SIPP has been set up. We will also send investment ideas for their consideration and regular copies of our Investment Times newsletter, which includes comment on the markets and our latest investment ideas.

The member has a 30-day cancellation period so it is important if, for whatever reason, they do not wish to continue with the SIPP, they let us know as soon as possible.

We will keep the employee up to date with areas of investment we think may be of interest and developments in the market through the Investment Times and other occasional communications. There is no charge for this, however if they would prefer not to receive this information, they can opt out.

We send the member a statement every quarter showing how their pension is performing and providing comment on most of their investments. Once a year we will also provide a projection showing the sort of pension they might receive at retirement, so they can check their pension plans are on track.

Our standard service is not personal advice. If the employee requires individual financial advice we can put them in touch with one of our Financial Advisers, who will be happy to help.

## How to make a SIPP contribution by bank transfer

Follow these steps to make a contribution to an employee's HL SIPP by bank transfer (CHAPS/BACS/Faster Payment). If the company is not registered with Companies House in the UK, please first call us on **0117 980 9926**. Payments should be made from an account in the employer's name. If we cannot verify the source of funds we will require further evidence before we apply the money to your employee's account. If we do not receive details of the contribution, we will return the funds to source.

### 1. ASK YOUR EMPLOYEE TO OPEN AN HL SIPP

They can either return page 1 with a covering letter explaining a bank transfer will follow, or call us on **0117 980 9926**.

### 2. ONCE THE EMPLOYEE'S SIPP IS OPEN, CONFIRM THE DETAILS OF THE CONTRIBUTION

**Before making the payment, please send us the following details:**

- Name and National Insurance Number of the employee
- Company name and registered address
- Amount being transferred
- The type of contribution (gross employer, net employee or a combination of both)
- Confirmation the funds transferred are being drawn from an account in the name of the company

Send these details to:

- **EMAIL:** [sippcontributions@hl.co.uk](mailto:sippcontributions@hl.co.uk)
- **FAX:** 0117 980 9888
- **PHONE:** 0117 980 9926
- **POST:** Hargreaves Lansdown, One College Square South, Anchor Road, Bristol, BS1 5HL

### 3. SEND THE PAYMENT TO:

- Bank Account Number: 03310401
- Sort Code: 30 - 92 - 13
- Account Name: Hargreaves Lansdown Pensions Trustees Ltd SIPP Trustee A/C
- Reference: Employee's surname and either their client number or National Insurance number.

Once the confirmation has been sent and transfer made, we will process the payment. The contribution will usually show in your employee's SIPP by the close of business on the day of receipt, but please be aware it can take up to two working days. The contribution will be held as cash, pending an investment instruction from your employee.

**IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT OUR PENSIONS HELPDESK:**



**SIPP@hl.co.uk**



**0117 980 9926**

(Monday to Thursday 8am to 7pm, Friday 8am to 6pm, Saturday 9:30am to 12:30pm).