



For customers

Withdrawal or cash-in form

If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio version of this document, please visit [**aegon.co.uk/additionalsupport**](https://aegon.co.uk/additionalsupport) or call 03456 10 00 10 (call charges will vary).

Please read these notes before filling in this form

You should use this form for single withdrawals from an existing Investment Control bond with or without a guaranteed option, an Investment Bond or a Performance Bond, or to fully cash-in such a bond.

Please fill in a separate Regular withdrawal form if you want to begin or change regular withdrawals. Don't use this form for that purpose.

Please complete this form using BLOCK CAPITALS and in ballpoint pen.

Additional information

We also give you more detailed guidance notes and examples in section 7. We suggest you read these before filling in the form.

Check out your tax position

The taxation of life policies can be complex. You can find some general guidance on the tax issues affecting withdrawals in the notes at the end of this form. We're not authorised to give you tax advice and we strongly recommend you get professional tax advice before going ahead with cashing-in or making a withdrawal from your bond.

1. Bondholder details

Full name(s) of bondholder(s)

| |
|--|
| |
|--|

Address

Postcode

Bond number

| |
|--|
| |
|--|

Contact phone number

| |
|--|
| |
|--|

Email

| |
|--|
| |
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We'll only use your phone number and email address to contact you about this instruction.

2. Type of withdrawal

The taxation rules that may apply to your withdrawal are important and we strongly recommend you get professional advice. A financial adviser will be able to help with this.

A market value reduction/adjustment, final bonus (also known as terminal bonus) or smoothing adjustment may apply on a withdrawal from our with-profits funds. In addition, an early encashment charge/cash-in charge may apply on a withdrawal depending upon your policy version and the length of time you've been invested with us. For further information please contact us on 03456 10 00 10 or by going to aegon.co.uk/onlineform

Type of withdrawal (please tick one box):

- A. ☐ Withdrawal by cancellation of one or more complete individual policies (known as segments).
If you want to make this type of withdrawal, please complete section 3.
- B. ☐ Withdrawal by cancellation of units proportionally over all existing segments*.
If you want to make this type of withdrawal, please complete section 4.
- C. ☐ Cashing-in the entire bond, go to section 5.

*Where you have an Investment Control bond, this option is only available if you haven't selected our secure income option.

3. For withdrawal type A

Only complete this section if you've chosen withdrawal type A (see section 2). The minimum amount you can withdraw is £250.

Where you've selected the secure income option, by cancelling segments the regular withdrawal and any guaranteed benefits will be reduced accordingly.

Where you've selected the protected investment option, by cancelling segments any guaranteed benefits will be reduced. The regular withdrawal will not be reduced. To change the amount of your regular withdrawal you must complete a separate instruction.

Where you've not selected the secure income option or protected investment option, by cancelling segments the regular withdrawal will not be reduced. To change the amount of your regular withdrawal you must complete a separate instruction.

Amount of withdrawal you want

or

Number of complete segments you want to cash-in

Any guarantees are based on the ability of the issuing insurance company – in this case Scottish Equitable to pay them. If, for example, that company no longer existed, then the guarantees it provides would be affected.

If you've specified a sum, we'll realise this, as far as possible, by cashing in complete segments and making up the difference, if any, by partially cashing-in the remaining segments. However, if you have an Investment Control bond and have chosen the secure income or protected investment option, we can't cash-in partial segments. Instead, we'll round up the amount you've specified and cash in complete segments to that amount.

4. For withdrawal type B

Only complete this section if you've chosen withdrawal type B (see section 2). The minimum amount you can withdraw is £250.

This option isn't available for Investment Control bonds where you've chosen the secure income option.

Where you've chosen the protected investment option the maximum withdrawal is 7.5% of the greater of the premium or fund value in any one policy year. Where you exceed the 5% cumulative tax-deferred allowance, the excess will be treated as a gain and will be liable to income tax.

Amount of withdrawal you want

£

We'll make such withdrawals by cancelling units proportionately across all segments unless you let us know otherwise in writing.

5. Payment details

If you want your payment sent direct to your bank or building society complete section 5.1. If you want us to send your cheque to another address complete section 5.2.

Payment must be made to one of the bondholders.

If you want us to pay by cheque or to an account that we don't hold on record, we need a certified copy of a statement¹ for that account and one of the following:

- passport;
- UK photo card driving licence (full or provisional);
- national identity card, or
- identity card issued by the Electoral Office for Northern Ireland.

Rather than send us an original document, send us a certified copy. Please see the 'Who can certify a document and how do they do it?' FAQ at aegon.co.uk/support for more information.

5.1 Bank/Building society name

Address

Postcode

Sort code

-

Account number

Name of account holder

Building society roll number/reference

5.2 Payee

Address

Postcode

1. A postal bank statement or a bank statement obtained from the branch for the account we're paying to. The bank statement must show the bondholder's home address and have been received in the last three months. (The postal statement must have been sent to the bondholder's home address. The bank statement obtained from the branch must show it was printed or stamped in branch.)

6. Declaration

I/We declare that I'm/we're entitled to receive payment from the bond and that no other person has any rights to the bond or proceeds from it.

Date (dd/mm/yyyy)

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| D | D | M | M | 2 | 0 | Y | Y |
|---|---|---|---|---|---|---|---|

Signature(s) of bondholder(s)

| | |
|---|---|
| X | X |
|---|---|

| | |
|---|---|
| X | X |
|---|---|

| | |
|---|---|
| X | X |
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| | |
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| X | X |
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Please return the completed form to:

Aegon and Scottish Equitable Pensions and Bonds, Sunderland, SR43 4DS.

7. Guidance notes

Cashing-in your full bond

If you want to fully cash-in your entire bond the following notes don't apply to you.

Partial withdrawal/cashing-in only

If you want to take only part of your bond investment we suggest you read the following guidance notes.

What are the different ways to take only part of my bond investment?

There are two ways to do this partial withdrawal. You can:

- cancel units proportionally over all bond segments (which are individual policies - see 'What is a segment?' on right)*, or
- cancel one or more complete individual bond segments.

*Where you have an Investment Control bond and have chosen the secure income option this type of withdrawal isn't available.

What is a segment?

Your bond is made up of a collection of individual policies, which are sometimes called segments. For example, a bond with an initial investment of £100,000 may be made up of 10 segments of £10,000 each.

Why do we need segments?

Segments make the whole bond more manageable - a bit like having 10 x £10 notes instead of one £100 note. Additionally, because of the tax rules, it can make it more tax efficient as we'll explain later.

Does it matter which way I choose to take only part of my bond investment?

Yes, it does. The tax rules for working out any taxable gain, which you may pay tax on, are completely different depending which method you choose. It's extremely important that you choose the right method to avoid an unnecessary liability to tax.

7. Guidance notes – continued

How do I work out any gain if I choose to make the withdrawal by cancellation of units proportionally over all bond segments?

Using this method, the tax rules allow you to withdraw up to 5% of the payments made into the bond each policy year. The 5% allowance is cumulative, so if you don't use it one year, you can carry it forward indefinitely or until you fully cash-in the bond. Any withdrawal you make over

the 5% cumulative allowance will be treated as a gain and will be liable to income tax. This method takes no account of whether or not your bond has made a profit or loss. So even if your bond is showing an investment loss and you withdraw more than 5% of the cumulative allowance, you'll be liable for tax on the excess as a gain.

Example 1

John invested £100,000 in a bond on 1 November 2003. The bond is made up of 10 identical segments of £10,000 each. In January 2006, John decides he wants to take £60,000 from his investment at a time when the cash-in value of the whole bond is £120,000. John chooses to make the withdrawal by cancelling units proportionally from all 10 of the bond segments. The gain is calculated as follows:

| Policy year ended | Amount paid in (£) | 5% allowance brought forward | 5% allowance for the year (£) | 5% allowance carried forward (£) | Withdrawn | Gain |
|-------------------|--------------------|------------------------------|-------------------------------|----------------------------------|-----------|--------|
| 31 October 2004 | 100,000 | Nil | 5,000 | 5,000 | Nil | Nil |
| 31 October 2005 | 100,000 | 5,000 | 5,000 | 10,000 | Nil | Nil |
| 31 October 2006 | 100,000 | 10,000 | 5,000 | Nil | 60,000 | 45,000 |

The calculation doesn't take into account the performance of John's investment which is showing a total gain of £20,000.

So, in this case, John has probably not chosen the correct method as he'll be liable to tax on a gain of £45,000 when in fact his bond only shows a gain of £20,000. The general rule of thumb is that this method isn't usually suitable when someone is making a large withdrawal in the early years of a bond.

How do I work out any gain if I choose to make the withdrawal by cancelling one or more complete individual bond segments?

In this calculation the tax rules say you calculate any gain by the following formula.

Cash-in value of segments plus all previous segment withdrawals **less** payment made into segment plus any previous chargeable gains.

Unlike the previous method this one does take into account the current cash-in value of the bond. However, the 5% cumulative allowance isn't relevant here.

Example 2

The facts are the same as example 1 but here we'll see the result if John had chosen to take his money by cancelling one or more complete individual segments. At the time John wanted his £60,000 the cash-in value of his bond was £120,000 making each of the 10 segments worth £12,000. So, to receive his £60,000 John needs to fully cancel five segments.

7. Guidance notes – continued

So the calculation of the gain is:

£60,000 (cash-in value of segments)
plus £0 (previous segment withdrawals)
less £50,000 (amounts paid in*) plus
£0 (previous chargeable gains)

(*Payments into cancelled
segments = £10,000 x 5)

Choosing this method would have
resulted in a gain of £10,000. John may
have been better using this method
as it produces the smaller gain.

Where can I find out more?

We included these guidance notes to help you in choosing the most appropriate method for getting the cash you want. As mentioned above, you should consult a suitably qualified taxation adviser if you're in any doubt which method is best for you.

You can also get more information on chargeable gains from an HM Revenue & Customs helpsheet (number HS320), which you can request from HM Revenue & Customs by visiting [hmrc.gov.uk](https://www.hmrc.gov.uk) and typing HS320 into the search bar.