

CASE STUDY

April 2011

MASTERSIPP AND PLATFORMS

Platforms often provide easier pension fund management, with a convenient consolidated view of investments.

Approved for use with clients

This case study is intended for information purposes only. Its contents are not to be used as legal, financial or tax advice. The tax treatment and tax benefits are based on our understanding of current tax and other legislation, and depend on a customer's individual circumstances. They may be subject to change in the future.

Key points

Facts

- » Personal pension fund of £350,000
- » Client wants to be active in investment choice

Recommendation

- » Suffolk Life MasterSIPP – to allow more control over the pension investment

How

- » Using a platform to access investment managers
- » Having the ability to switch funds

Benefits

- » Improved dealing terms
- » Enhanced online access
- » Performance reporting easily accessible

Background

Cheryl currently has a personal pension fund worth about £350,000. She would like to be more active in her investment choice now, having not paid attention to her fund performance over the years. Her partner, Gary, has had a Suffolk Life MasterSIPP for the past 10 years and he and his adviser have always received excellent service, so he encourages Cheryl to consider transferring her funds over.

Cheryl's adviser, Mark, speaks to her and assesses her needs. He recommends a transfer to Suffolk Life because, amongst other reasons, a MasterSIPP will allow her more control over her pension.

Mark explains the opportunities available to Cheryl through a Suffolk Life MasterSIPP and she is immediately interested in having some of her investments managed by an investment manager. However, she is still determined to have some control over her funds herself.

Mark suggests Cheryl uses a platform within her MasterSIPP alongside an investment manager. After further exploration into the options, he realises there are benefits of using the Cofunds platform.

He realises:

- » there is enhanced online access – all transactions are made electronically; and
- » there is no initial charge for dealing and switches are free;
- » performance reporting should be easy – a consolidated view of the SIPP details is accessible and up to date, meaning Cheryl and Mark can actively monitor the fund.

Process

Mark begins the process of establishing an investment manager for Cheryl, and then turns his attention to the Cofunds platform.

The first step is for Mark to establish a direct agency with Cofunds (as he doesn't already deal with them). This can be done by obtaining a registration pack at www.cofunds.co.uk/aboutus/registerintermediary.aspx.

On instruction from Mark, Suffolk Life sets up a Cofunds Trading Account. Most of the setting up of this Account is then completed behind the scenes, with little involvement from the investor or adviser.

Once the above is all set in place and the MasterSIPP has been established, Mark arranges for the funds from the MasterSIPP to be transferred to the Cofunds Trading Account. The funds can then be invested in the Cofunds platform, via the Suffolk Life portal.

Mark shows Cheryl the Cofunds portal and how easy it is for them to be able to select funds to invest in.

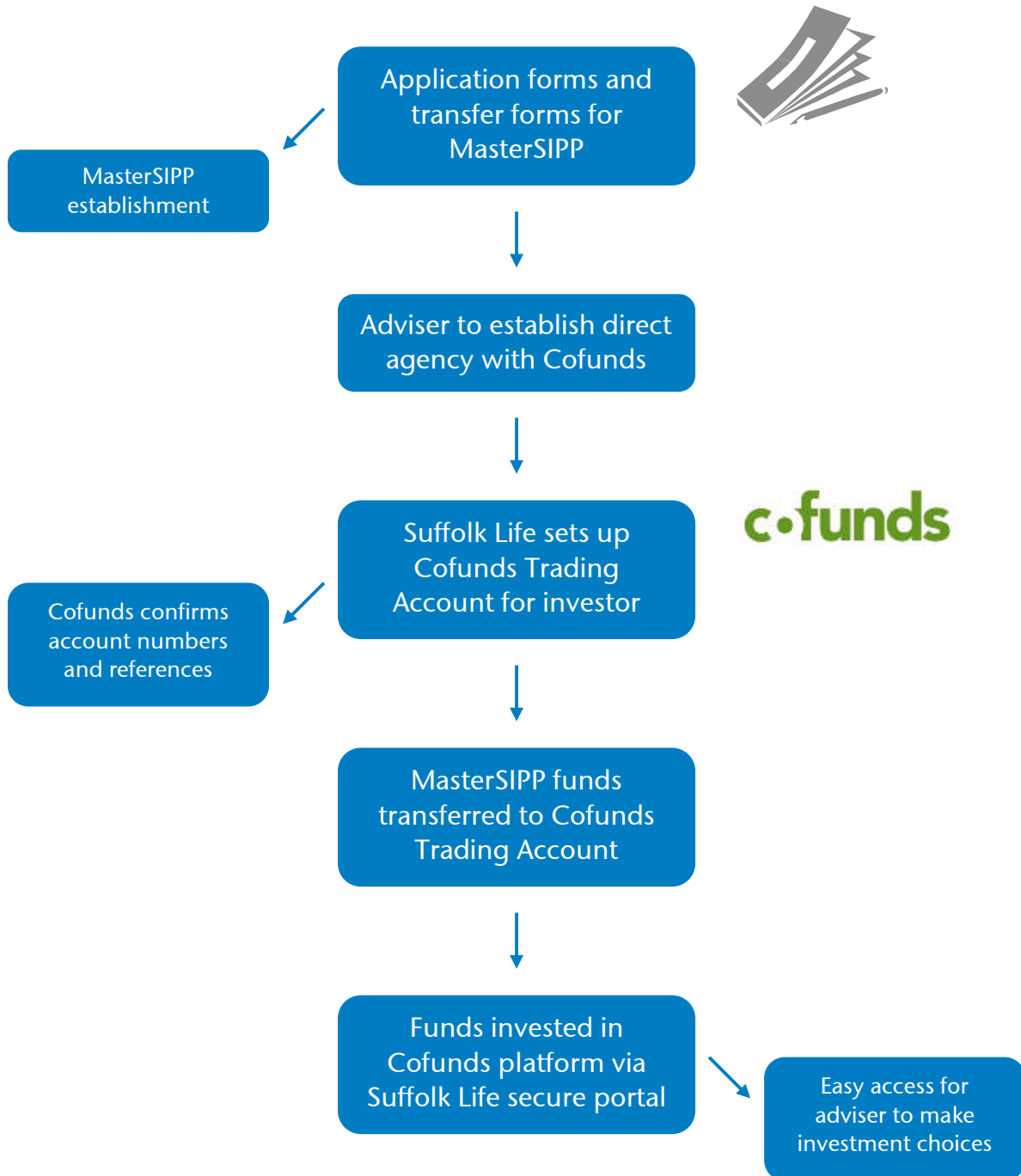
These data feeds provide automatic, daily updates to Suffolk Life's systems, meaning up-to-date information can be obtained from the secure portal. There are no transaction fees for dealing with an e-investment affiliate (other than in connection with corporate actions where Suffolk Life is required to write to the investor or adviser). Other e-investment affiliates can be found at www.suffolklife.co.uk/streamlined.

There are fees for establishing a MasterSIPP to be taken into account however, and these can be found in our Schedule of Fees at www.suffolklife.co.uk/asliterature.

CASE STUDY

CONTINUED

Process of investing on the Cofunds platform via a MasterSIPP



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