

“Underestimate the impact of SIPP regulation at your peril” warns Moret

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John Moret, director of sales and marketing at Suffolk Life, one of the UK's leading SIPP administrators, has warned advisers and providers not to underestimate the impact of SIPP regulation in April 2007.

Chairing the second Henry Stewart Self Invested Pensions SIPP Master class, he was joined by fellow leading pension commentators and representatives from the FSA and HMRC to discuss the impact of A-Day and some of the outstanding issues including the hot topic of ASP.

Commenting at the close of a highly successful and interesting event, he concluded:

"I am surprised that the impact of SIPP regulation apparently continues to be underestimated by some providers, administrators, trustees and advisers. Coming on the back of the additional reporting requirements for HMRC purposes the extra onus of regulation for many administrators and trustees unfamiliar with the FSAs "packaged product" regime could be a bridge too far. Taken with the new capital requirements I can't see how many small players will be able to cope."

He continued: "With only just over four months to go to 6 April 2007 when regulation bites, many administrators and trustees appear still to have a lot of work to do. There are also some unresolved questions such as what happens if a firm decides not to apply to be an operator post April - it can't continue to operate it's SIPP business if not regulated - but the business won't just stop as the clients will need servicing. Unless another organisation can be found to take on the business - and that may not be easy - then who takes over the responsibility? There are also some important issues for advisers to consider particularly where they offer whole of market advice and have their own SIPP. It is important to appreciate that post 5 April, rights under a SIPP will be a new investment type for regulatory purposes"

Ends

For further information, please contact:

John Moret, Director of Sales and Marketing
Suffolk Life
07711 492440

Caroline Hancock/Louise Dolan
Financial Dynamics
020 7269 7244 / 192

About Suffolk Life

Suffolk Life is one of the UK's leading providers and administrators of specialist pension products, primarily Self Invested Personal Pensions (SIPPs). It has set up over 7,500 SIPPs with aggregated assets approaching £2 billion. Suffolk Life has acquired properties for over 1,500 policyholders.

Established in 1971 and based in Ipswich, Suffolk Life employs over 125 people and has built an enviable reputation based on its expertise and knowledge of the SIPP market.

This has been recognised through numerous awards including:-

Technology, Admin and Service award, SIPPs – Pensions Management 2006

Best SIPP Provider - Professional Adviser 2006

Best SIPP Provider - Professional Pensions 2006 & 2005

Best SIPP Product - Moneyfacts 2005

Best Buy - Investors Chronicle 2005

Admin & Service awards, SIPPs – Pensions Management, wins in 2002, 2003 & 2004, commended in 2005

Further details are available by visiting the Suffolk Life website: www.suffolklife.co.uk