

Suffolk Life research suggests better due diligence is required before selecting a SIPP

12 January, 2010

Suffolk Life, one of the UK's leading providers and administrators of SIPPs, has backed up adviser calls for better due diligence before selecting a SIPP. Research conducted with advisers advising on SIPPs has highlighted their concerns about providers risk management procedures and the safety of client funds.

SIPPs have been on the rise over the past decade with over half a million people in the UK having purchased one to hold their retirement portfolios, investing altogether an estimated £75 billion.

However the past two years have witnessed an unprecedented period of financial turmoil, and against this backdrop a number of providers have felt the strain and in at least one case client funds have potentially been jeopardised.

Recent research conducted by Suffolk Life has highlighted advisers' concerns about how adequately providers are managing risks and implementing internal controls, as well as concerns about the safety of their clients' retirement portfolios. The research has also highlighted the lack of information from some providers on the systems they have in place to offset these risks.

Key questions advisers need SIPP providers to provide information on upfront include:

- How financially secure is your business?
- SIPP providers talk about great service. How can I be sure that you are as good as your word?
- Can I get an up to date valuation of my SIPPs online?
- What controls are in place to ensure my client is protected against tax charges resulting from investments being reported incorrectly or simply being against HMRC rules?
- What happens to the SIPP if you go out of business?
- What sort of annual statement will I receive?
- How flexible is the SIPP? Are there any restrictions on how and what you can invest in?
- Do you allow for personal choice of professionals for legal services, valuations and management when purchasing a commercial property through the SIPP?
- What charges do you make on cash deposit accounts and do you offer a range of these accounts?

John Moret, Director of Marketing comments: "Investing in a SIPP is an important decision, and one that should have considerable longevity. It is therefore crucial that advisers and their clients have confidence in their SIPP provider, and advisers need

reassuring that they are recommending a provider who will act with transparency, integrity and due care.”

Suffolk Life has produced a due diligence guidance booklet for advisers that provides them with all the relevant information they need on Suffolk Life to make an informed recommendation. This provides information on Suffolk Life’s systems and controls, financial strength and banking, administration and segregation of duties, interaction with advisory firms and TCF policies, conflicts of interest policy, client communications, financial crime and money laundering processes, it’s legal structure and trust arrangements, and also provides contact details and testimonials.

For more information on Suffolk Life’s due diligence guidance booklet please email ifaenquiries@suffolklife.co.uk or call 0870 414 7000.

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For further information, please contact:

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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 established over 15,000 self-invested plans and total assets exceed £3.5 billion. Suffolk Life has acquired over 1,750 properties for over 3,000 SIPP investors.

Established in 1971 and based in Ipswich, Suffolk Life employs around 200 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, Income drawdown – Pensions Management 2009 & 2008
Technology, Admin and Service award, SIPPs – Pensions Management 2007 & 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
Financial Adviser 5 star service award 2008
Investor in Customers 2 star award for 2006 & 2008
Suffolk Life was acquired by Legal and General in May 2008