



Suffolk Life explains it is not too late to lock clients into higher income pre 6 April

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Suffolk Life, one of the UK's leading providers and administrators of SIPPs, is encouraging those looking to lock clients into the 120% GAD income rates for the next 5 years to act swiftly.

From 6th April 2011 anyone entering drawdown for the first time or with a separate pot of money will have their maximum income calculated using 100% of the GAD rate. This differs from those who have already taken some or all of their benefits who will continue to use 120% for the remainder of their reference period, even if they crystallise further within the same arrangement.

Claire Brooks, Pensions Technical Manager says "Although we are approaching 6 April at a rapid pace there are still opportunities for advisers to help their clients. If your client has come to you late wanting to take benefits now whilst in the process of moving providers, it may be possible to crystallise just one unit. Depending on the way in which the provider administers partially drawn plans this could mean that as they crystallise further units the limits will be recalculated using the 120% of GAD rate instead of 100% of GAD. This gives the client great flexibility in the income they can take, even if they choose not to now."

Greg Kingston, Head of Marketing adds "We have seen a number of single contributions into our scheme in order to secure the higher GAD rates whilst advisers deal with the complexities of in specie transfers, which can take some time. By crystallising a single unit advisers really are just being sensible and keeping higher income options open for their clients for the next 5 years, without having to take more drastic action."

"At Suffolk Life plans are split into 1,000 units enabling clients to crystallise as little as one unit whilst still receiving contributions and transfers into the remaining uncrystallised units. As the units remain within one arrangement this gives flexibility as none of the investments need be split".

Ends

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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 16,000 self-invested plans and total assets exceed £3.5 billion. Suffolk Life has acquired 2,000 properties for over 3500 SIPP investors. Suffolk Life was acquired by Legal and General in May 2008

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 2010, 2009 & 2008

Technology, Admin and Service award, SIPPs – Pensions Management 2007 & 2006

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

Defaqto 5 star SIPP award 2010 & 2011

Investor in Customers 2 star award 'outstanding' for 2006, 2008 and 2010

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Suffolk Life operates and administers self-invested personal pensions and similar pension products and similar pension products.

Telephone calls to Suffolk life are recorded for training, monitoring and fact verification purposes.

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