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Dear subscriber

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FSCS Interim Levy and 5 April Deadline

FSCS interim levy

On Monday Suffolk Life confirmed to the press that the cost of the interim FSCS levy would not be passed on to investors. To date we have not needed to pass on the cost of any levy, and think it highly unlikely that we will need to do so in the future.

We are making this known now as our adviser service teams are experiencing a high level of enquiries on the subject.

Pension transfers and crystallisations - 5 April is the deadline

The forthcoming changes in legislation mean that Tuesday 5 April 2011 is a hard deadline for several actions, after which the level of capped drawdown will be limited to 100% (previously 120%) of the relevant annuity and will be reviewed at least every 3 years (previously 5 years) until age 75. Specifically those relating to funds waiting to be crystallised or which are crystallised already, here is a summary of the key scenarios and requirements:

To crystallise existing funds held with Suffolk Life

- Please ensure we receive your completed UI form no later than 5 April. If they have not yet been supplied, we will also require certified copies of marriage and birth certificates. These can be received after 5 April.

To crystallise a transfer in yet to be received by Suffolk Life

- The funds must be received by Suffolk Life on 4 April, and the completed UI form received no later than 5 April. If the transfer is not cash but is *in specie*, the re-registration will also need to have been completed by 4 April.

Transfers of funds already crystallised

- The funds must be received by Suffolk Life by 5 April. The transfer can of course still be received after this date however, under the new rules, the maximum income level will subsequently be recalculated on the next anniversary of the reference date.

UI forms can be downloaded directly for [MasterSIPP](#) and [Suffolk Life SIPP](#).

Transfers away from Suffolk Life

These must be completed by 5 April. Common points which can delay transfers out are:

- an investment manager slow to release funds
- assets being transferred in specie not being re-registered
- delays in paperwork being completed / sent / received

Contributions for 2010/2011 tax year

Contributions made by cheque or by electronic transfer into the SIPP bank account can be received up until 5 April. Funds leaving an account are not guaranteed to be immediately received by the SIPP bank account, so please check carefully with the bank for details of their transfer times.

Flexible drawdown - think about contributions now

One short term consideration if your client intends to apply for flexible drawdown is that pension contributions *cannot be made in the tax year in which the application for flexible drawdown is made*, so any client wishing to enter flexible drawdown during 2011/2012 must **NOT** pay any contributions after 5 April. If your client is making regular contributions we require at least 12 working days to change direct debits.

Changes to Terms and Conditions

The replacement of unsecured income and alternatively secured pension with Capped and Flexible drawdown, along with other legislative changes, has necessitated a change to the Terms and Conditions for all of the SIPPs administered by Suffolk Life.

We will be writing to you shortly with a general update about Suffolk Life, enclosing new copies of the Terms and Conditions. Shortly afterwards, before 6 April, we will forward the new relevant Terms and Conditions direct to your clients.



Suffolk Life is the trading name of Suffolk Life Pensions Limited (registered in England and Wales number 1180742) and Suffolk Life Annuities Limited (registered in England and Wales number 1011674). Both companies are authorised and regulated by the Financial Services Authority. Suffolk Life operates and administers self-invested pensions and similar pension products. The registered address of both companies is 153 Princes Street, Ipswich, Suffolk, IP1 1QJ Tel: 0870 414 7000 Fax: 0870 414 8000. Telephone calls to Suffolk Life are recorded for training, monitoring and fact verification purpose

