

Focus on SIPPs

Issue 11 – Feb 2007

6th April 2007 – Deadline for SIPP Regulation

It is widely acknowledged that by this date all those current providers wishing to continue operating in the SIPP market will need to be regulated. Failure to meet this deadline will have severe consequences. The major repercussion for those with pension benefits accruing in an unregulated SIPP is that very little protection will be afforded to them. If the provider were to go bust, their pension funds could be lost and there would be no recourse through the Financial Ombudsman Service or the Financial Services Compensation Scheme.

What is not so well known is that the final date for the **application** for regulation to be made is 23rd March 2007. Failure to make the application by this date could mean that even if action is taken prior to the regulation deadline, there is no guarantee that regulated status will be attained.

In fact, in a recent article it was claimed that only 20 out of 180 firms in this market have so far applied*.

TM SIPP Services are committed to being a key player in this new, regulated environment. Our application has already been made and this demonstrates our ability to comply with the strict criteria set down by the FSA in terms of timelines and capital adequacy ratios. This will ensure our presence in this market going forward, and afford your clients the peace of mind that they require.

* Source: Professional Adviser, 1st February 2007.

Focus on SIPP's

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