



16 REASONS TO USE THE IPS SIPP

The IPS SIPP, administered by The IPS Partnership Plc, is designed to provide a very competitive product in what is an increasingly dynamic marketplace.

One important aspect of the IPS SIPP is that we operate under the principle that **"if HMRC allow it, then so do we"**. A very important point when comparing SIPP providers! This unsurpassed flexibility has continued to strengthen IPS's reputation in an ever increasingly competitive sector. As at the beginning of March 2010 we operated over 8,200 plans with an average case size of over £260,000

IPS has developed a reputation in the pensions industry for providing our clients with the very highest standards of pension administration, which sets us apart from other practitioners. For example:

Fees

- 1 The IPS SIPP offers a **TRANSPARENT AND COMPETITIVE FEE STRUCTURE** which is operated on an extremely low cost basis, and is simple and easy to understand, namely:
 - £495 plus VAT year one initial fee
 - £395 plus VAT annual fee from year two onwards
- 2 Our fee structure does not include "transaction charges" for each transaction made by a scheme. In our opinion, individual transaction charges represent an almost open ended right to charge fees.
- 3 IPS has a clearly worded Fee Agreement for each client, which sets out the basis of our charges. In some circumstances, where an unusually high number of transactions are carried out by a scheme and requiring a level of work not covered by the standard annual fee, we may need to approach the client to agree additional fees for this.

Should this occur, the client will be notified in advance, rather than receive an unexpectedly high bill at the end of the year.

Administration

- 4 Each pension scheme is allocated a designated qualified account executive responsible for its day-to-day operation. This develops an in-depth knowledge of each SIPP, together with a continuity of service that is not possible where a plan is handled by a number of departments.
- 5 The account executives are there to discuss and deal with any queries relating to the SIPP as well as undertaking the day-to-day administration.
- 6 IPS use a pragmatic approach to problem solving that has been developed over more than 30 years in the self-administered pension scheme industry.
- 7 The IPS SIPP is administered using fully integrated computer systems, and includes the ability to download applications, access client data, transaction and investment summaries on-line and a wide range of guidelines covering most technical issues. Contact details for more specific queries are also available.
- 8 The IPS SIPP is fully compliant with A Day pension regulations introduced in April 2006, and is Authorised and Regulated by the Financial Services Authority (FSA).

Protected Rights

- 9 The IPS SIPP can accept both transfers of protected rights and ongoing contracted-out rebates, in respect of contracting out of the State Second Pension (S2P).

Properties

- 10 In the case of pension scheme property purchases, we impose no restrictions or requirements on the use of a specific solicitor or property manager: the choice is left completely to you, with no additional fees being levied if a designated company is not used for these purposes.
- 11 Responsibility for collection of rents, rent reviews, lease expiries and VAT returns rests with the member, and unlike some practitioners, IPS does not insist on performing these functions. Whilst this may place a greater administrative burden on the member, it enables IPS to keep fees to an absolute minimum, with no regular additional fee for SIPPs holding property.

Other Investments

- 12 The pension schemes offered by IPS allow complete flexibility to use any recognised fund manager or financial adviser to handle the investment of accumulated funds.
- 13 The IPS SIPP allows purchase of warrants, futures, options, hedge funds, contracts for difference, unquoted shares and gold bullion, which in some cases are not permitted by other SIPP practitioners.
- 14 Each SIPP has a cash account with Barclays Bank Plc, which pays a very competitive rate of interest:

0.4% below Bank Base for balances of over £50,000
0.6% below Bank Base for balances of under £50,000

Transfers, Contributions and Benefits

- 15 IPS's SIPP allows "in-specie" transfers of assets from other types of pension scheme, such as Property, Trustee Investment Plans, equities and With-Profit Bonds, which some practitioners do not permit. In-specie payment of contributions and retirement benefits are also possible. This helps to avoid situations where investments would have to be encashed prematurely, thereby incurring early surrender penalties or Market Value Reductions.

Ratings Agencies

16. The IPS SIPP has been awarded a 5 Star or excellent rating by Defaqto, the leading financial research company.

