

Press Release

'Providers and IFA's must help clients use In Specie Contributions effectively in Self Invested Pensions' say Premier Pension Services

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1st October 2007, London: Despite the reservation of some providers Premier Pension Services (PPS) believes that being able to accept in specie contributions is an important element of any self invested pension product. PPS has already seen an appetite from both Independent Financial Advisers (IFAs) and clients alike to have this kind of flexibility, especially when property investment is involved.

Nigel Manley, Head of Self-Invested Pensions. PPS, says, "Much has been made in the press of the difficulties of making in-specie contributions, especially as the Revenue appear to have decided to make this a more complicated process. At PPS we remain committed to offering clients fullest flexibility, and can provide straight-forward solutions in this area supported by technical guidance to the IFA and member."

PPS has a number of Self Invested Personal Pensions (SIPPs) which have already successfully made in-specie contributions of property. It has developed documentation with its legal advisers that satisfies the Revenue's requirements, not least the current, and perhaps contentious, issue of creation of the debt prior to the making of the contribution.

PPS recognises that paying in a contribution in the form of an asset rather than cash does require additional work and there will therefore be associated costs. Further, it is not always the right option for everyone. However, experience has shown that for some clients being able to make an in specie transfer of an asset as a contribution was the perfect solution for them in terms of funding their pension scheme.

Manley continues, "We do not underestimate the complexity of transactions of this type. The key to success, however, is working closely with financial advisers to ensure that the client appreciates what they are doing, and the advantages, or disadvantages, of doing so. In addition, the adviser will be able to keep the client aware of considerations such as capital gains liability, and how contributions tie in to the client's overall tax position."

Notes to Editors

About Premier Pension Services

Premier Pension Services supplies a range of SIPP and SSAS services to IFAs, accountants and lawyers and is part of JLT Benefit Solutions Ltd.

JLT Benefit Solutions Limited (JLT) is one of the UK's leading employee benefit providers offering a wide range of benefit and pension services, including administration, actuarial and pension consultancy, investment and wealth management, Self Invested Personal Pensions (SIPPs), Small Self Administered Schemes (SSASs) flexible benefits, healthcare, benefit communication and financial education.

Authorised and regulated by the Financial Services Authority, JLT employs over 800 professional staff in 11 offices in the UK with revenues of some £75m.

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