

---

For immediate release, 22 March 2007

## FSA GIVES ALLIANCE TRUST SIPP REGULATION GREEN LIGHT

- **SIPP regulation comes into force on 6 April but the deadline for companies to apply for approval is 23 March**
- **Increased compliance costs may lead to smaller SIPP providers exiting the market**

Alliance Trust Savings, a leading SIPP provider, is pleased to announce it has gained Financial Services Authority (FSA) approval to continue to administer SIPPs, well before the 6 April deadline.

Alliance Trust is a top ten SIPP provider, managing more than 11,500 plans. Members can choose from the investment-dealing Select SIPP, now available by post or through its innovative online service, on which they pay no set-up fee or annual administration charge for the SIPP wrapper. They can also choose Alliance Trust's Full SIPP or SSAS that allows members to invest in the full range of investments permitted, such as commercial property and unquoted shares.

With the new SIPP regulations coming into force next month, Alliance Trust says that increased compliance costs may result in consolidation in the market and some companies choosing to move out of this arena.

Steve Latto, Pensions Development Manager at Alliance Trust, said: *"It's great to have received the regulatory approval well ahead of next month's deadline. Although SIPPs themselves have not been regulated until now, we are used to operating in a regulated environment so the cost of meeting the FSA's SIPP requirements has been relatively light.*

*"However, we're aware that increased compliance costs may result in some smaller or less focused SIPP providers choosing to exit the market, so we would urge SIPP investors or IFAs who are unsure to check their administrator's position. Even if an investor has a SIPP with an FSA authorised operator, they may find themselves paying increased fees on the back of increased compliance costs for the SIPP operator."*

From 6 April 2007, by bringing SIPPs into the fold, the Government will align the regulation of all types of personal pensions. As well as increased charges, the new regulations will impact on SIPP providers in several other ways:

- Those promoting and selling SIPP products will be required to comply with the FSA's disclosure rules, meaning potential SIPP members can expect documentation to be clear and transparent
- Those invested in a SIPP will, for the first time, have a 30 day cancellation right on applications, transfers and income drawdown. It will be possible for members to waive their right to cancel their application if this will affect their ability to proceed with an investment before the cancellation period ends
- SIPP operators will also have to comply with the FSA's rules on complaints, and a SIPP member will be able to refer an unresolved complaint to the Financial Ombudsman Service (FOS) or the Pensions Ombudsman.
- Members will also have greater access to Financial Services Compensation Schemes (FSCS)

**Steve Latto continued:** *“Advisers will also be impacted by the new regulations, and need to ensure they have the appropriate authorisation and comply with the ‘know your customer’ and ‘best advice’ rules. If you as an adviser, or your clients, are involved in SIPPs and have not already considered how the changes to the FSA rules will impact on your business, now is the time to do so.”*

- ends -

#### Contacts

**Jane Holligan**, Media Relations Manager

Alliance Trust

**Tel** +44 (0)1382 306064

**Mobile** 07745 783212

**Email** [jane.holligan@alliancetrust.co.uk](mailto:jane.holligan@alliancetrust.co.uk)

**Web** [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk)

**Richard Winder/ Jeena Nadarajan/ Anna Schirmer**

Lansons Communications

**Tel** +44 (0)20 7490 8828

**Email** [alliancetrust@lansons.com](mailto:alliancetrust@lansons.com)

#### Notes to editors

1. Alliance Trust is the brand name of Alliance Trust Savings Limited, the financial services arm of the Alliance Trust group. It offers investment dealing, self-invested personal pensions and a choice of investment wrappers. Alliance Trust Savings and its subsidiaries administer over £5.3bn on behalf of more than 42,000 customers. (as at 31 January 2007)

2. Alliance Trust Savings is a wholly-owned subsidiary of Alliance Trust PLC, the largest generalist investment company listed on the London Stock Exchange, with assets of £2.9bn (as at 28 February 2007).

3. Photographs of Steve Latto are available.