

Financial Services Consumer Panel

AN INDEPENDENT VOICE FOR CONSUMERS OF FINANCIAL SERVICES

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Declan McKeown
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Financial Services Authority
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30 May 2008
Our ref:CP08/7

Dear Declan

CP08/7* Quarterly Consultation No 16 – Chapter 2

This is the Financial Services Consumer Panel's response to the proposal in Chapter 2 of CP08/7* Quarterly Consultation No 16.

The Panel agrees that provision of a Contracting-Out Comparison is appropriate in a contracted-out Self Invested Personal Pension Plan, consistent with the current rules on other personal pensions. This is important information for consumers and it should be provided as a matter of course. Equally important is the need for advisers to comply with requirements regarding advice and suitability when dealing with clients who are considering securing protected rights in a SIPP.

Given the significance of this proposed change to the rules on contracted-out rights we urge the FSA to undertake thematic work into the investment of protected rights in SIPPs during 2009. It is important that any compliance failure or other issues that emerge are dealt with swiftly and effectively.

Yours sincerely,



Adam Phillips
Vice Chairman
Financial Services Consumer Panel