



# The Xafinity Self Invested Personal Pension (SIPP) and SimplySIPP

Employer's Contribution Guide



If you require this document in another format for ease of reading, please let us know.

This document has been written for The Xafinity SIPP and SimplySIPP. However, if your employee has a Xafinity Self Invested Personal Pension Plan it is still correct in its technical content but there are some minor differences.

You can find out what SIPP your employee holds by looking at the Policy Number. The table below explains the differences to consider when reading this document.

Policy Number	SIPP Name	Differences in this guide
<b>1nnnnn (6 digits starting '1')</b>	The Xafinity SIPP, and SimplySIPP	None
<b>5nnnn (5 digits starting '5')</b>	Xafinity Self Invested Personal Pension Plan	<ul style="list-style-type: none"> <li>• The SIPP is not Defaqto rated; and</li> <li>• The SIPP Provider is Bank of Scotland</li> </ul>

## **Xafinity Self Invested Personal Pension Guide for Employers**

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### **Why am I receiving this guide?**

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You have been sent this guide as we have been advised that you are (or will be) making payments into the Xafinity Self Invested Personal Pension, incorporating SimplySIPP, on behalf of one or more of your employees.

### **What is the Xafinity Self Invested Personal Pension?**

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A Self Invested Personal Pension (SIPP) is a type of personal pension arrangement that allows the scheme member a much greater degree of investment and pension benefit flexibility than a traditional personal pension. The Xafinity Self Invested Personal Pension is not registered as a stakeholder pension contract. Depending on the investments selected in the scheme, the annual fees charged could be in excess of the 1.5% annual management charge cap applied to stakeholder contracts.

### **Who can contribute to the Xafinity Self Invested Personal Pension?**

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#### **Your employee**

Your employees can contribute personally to their own SIPP. Contributions can either be paid by standing order or cheque. A Standing Order Mandate is attached, should this be required. Personal payments will be paid net and we will reclaim basic rate tax relief from Her Majesty's Revenue & Customs which is 20% for the 2009/10 financial year.

#### **You, as employer**

You, as the employer, can also contribute to an employee's SIPP even where your employees are not making contributions. As this plan is a SIPP you, as employer, will have no control over the investment choice or management of the SIPP.

The contributions you make will be made on a gross basis and are an allowable expense for income and corporation tax (subject to the agreement of your local Inspector of Taxes). These, again, can be paid by standing order or cheque. If payments are to be made by standing order please complete the attached Standing Order Mandate and return it to our Stirling office, the address can be found on the last page of this guide.

Employer contributions made on behalf of an employee are not subject to National Insurance and should not be declared on the employees' P11D. Please note that you should consult your accountant or tax adviser for full details of the taxation issues concerning pension contributions.

### **If I, as employer, pay into an employee's SIPP what responsibilities do I have?**

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If you are making payments from a company account to a pension scheme on behalf of your employees you have a statutory responsibility to keep, maintain, and from time to time revise a "Payment Schedule". A sample copy of this is attached. This document provides the pension scheme administrator, in this case Xafinity SIPP Services Limited, with details of the agreement you have reached with your employee in terms of contributions due and the contribution due dates.

You have a duty to supply us with a copy of this agreement and ensure that payments are made in line with the terms of the agreement. We have a duty to monitor the payments to ensure that these are paid by the due date.

If the due date or contribution amount changes, or contributions are to stop, you should forward us a revised copy of the Payment Schedule.

Please note that this applies to both employer contributions and employee contributions where you deduct contributions from an employee's net salary and forward these contributions to us.

### **What happens if we do not adhere to our obligations?**

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If contributions are not received by the 19<sup>th</sup> day of the month following the due date we are duty bound to report you, as employer, to The Pensions Regulator.

The Pensions Regulator also expects us to report cases where an employer does not furnish us with a copy of the Payment Schedule. In some cases we would also be obliged to report any deviations from the Payment Schedule to the employee for whom you are making contributions to the SIPP.

### **Further Information**

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Full details of the legislation governing these requirements can be found by following the link below and searching for "Code of Practice 06".

[www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

## Payment Schedule

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This form should be completed by an employer who will be making contributions on behalf of a member from their own account or deducting contributions from an employee's salary.

### 1. Employee Details

Full Name:	
National Insurance No.	
SIPP Reference No.	

### 2. Employer Details

Company Name:	
Contact Name:	
Address:	
Post Code:	
Telephone:	
Fax:	

### 3. Employer's Declaration

We hereby agree to contribute the following amounts on behalf of our employee detailed above:

Employer Contribution (paid gross):	£
Employee Contribution (paid net):	£
Please confirm frequency:	Single / Monthly / Quarterly / Annual
Please confirm commencement date:	

### Employer's Signature

Signature	
Name	
Position	
Date	

## Draft Standing Order Instruction

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### Account to be debited:

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Account Name:

Account Number:

Bank Sort Code:

Date of first payment:

Amount of payment:

Frequency:

Date of last payment:

Payment Reference:

### Account to be credited:

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Account Name:

Account Number:

Bank Sort Code:

By signing below, please accept this as our authority to set up the above Standing Order Instruction: -

.....  
Name:

.....  
Name:

.....  
Name:

.....  
Name:

Please send confirmation, in writing, to Xafinity, SIPP Department, Scotia House, Castle Business Park, Stirling, FK9 4TZ that this instruction has been set up.

## Contacting Xafinity

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**SIPP Trustee:** Xafinity Pension Trustees Ltd  
**SIPP Administrator:** Xafinity SIPP Services Ltd

SIPP Department  
Xafinity SIPP Services Ltd  
Scotia House  
Castle Business Park  
Stirling  
FK9 4TZ

[www.xafinity.com](http://www.xafinity.com)

Tel: 01786 434213

Email: [SIPPTeam@xafinity.com](mailto:SIPPTeam@xafinity.com)

Xafinity SIPP Services Ltd is authorised and regulated by the Financial Services Authority. Our FSA Registration Number is 461791. You can check this on the FSA's website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register). Xafinity Pension Trustees Ltd (1450089) is registered in England at 27 Kings Road, Reading RG1 3AR. Xafinity SIPP Services Ltd is registered in Scotland (No 69096) and its registered office is at Scotia House, Castle Business Park, Stirling FK9 4TZ.

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