

Illustration Modules - Product Outlines

New Business Illustration Module

The New Business Illustration Module (NBIM) enables SIPP~Pro users to produce the following types of illustration:

Illustration Type	Description
Pre-Retirement	Either on a contribution only basis, transfer only basis or a combination of both
Full & Phased Capped Drawdown	Providing calculation of both 'Type A' and 'Type B' Critical Yields
Flexible Drawdown	
Drawdown to Drawdown Transfers	Providing calculation of both 'Type A' and 'Type B' Critical Yields
Annual Statements for existing crystallised funds	For members with funds in drawdown

There are two versions of the NBIM available. The first, the Bronze Tier allows users to produce all of the illustrations described above. The second, the Silver Tier gives greater flexibility to break down charging structures within the illustrations, amalgamate all types of illustration into one and, importantly for users with large numbers of drawdown cases, run annual re-illustrations in bulk using data directly imported from SIPP~Pro.

Multiple product charge records can be created in a charges library for firms with more than one SIPP or more than one charging structure. Standard commission rates and product charges can be overridden on a case by case basis.

Projections are provided using standard FSA rates of return, i.e. 5%, 7% and 9%, however there is the facility for users to reduce these; for example where investments are to be held in cash with lower anticipated returns.

Illustration outputs can be provided on paper (hard copy) or saved as pdf files for transmission to advisers or clients directly. They can be stored for future reference and amended if revised parameters are required. There is a limited facility for users to customise illustrations with a company logo and details.

The New Business Illustration Module is completely web-based, and is delivered via a web service, so all users must have access to the internet, and in particular the URLs used by the service, in order to make use of it.

Each user adopting the module will have a unique username and password for security purposes. Access is also divided into two levels, allowing only restricted access to the illustration parameters and charge library as required.

Separate usernames and passwords can be provided for users to allocate to key advisers to produce their own illustrations online. Access is only available to the product charging parameters for that particular adviser. The first two supplementary logons are provided free of charge and then a one off charge is made for subsequent ones.

SMPI Module

The SMPI Module has been designed to enable SIPP~Pro system users to produce Statutory Money Purchase Illustrations (SMPIs) in line with the Technical Memorandum 1 issued by the Board for Actuarial Standards.

The module uses the member data in SIPP~Pro to produce the SMPI. It takes into account any commitment to make regular contributions.

The key features of the module include:

- The ability to produce standard and non standard illustrations e.g. single life as well as joint life;
- The incorporation of fee and fund based charging structures;
- A single routine to produce illustrations for a single member or for a group of members e.g. all members whose reviews occur in a specific month;
- The ability to produce the report from within SIPP~Pro or to export the data to an external Word template;
- The facility to produce 'what if' analyses by varying the amount of future contributions, the retirement age or the standard parameters for investment growth, RPI and NAE;
- Reduced growth rates can be used for cash deposits.

Note: Users of the SMPI Module must take full responsibility for the wording of the illustrations, particularly with regard to the requirements of the Financial Services Authority and Department for Work and Pensions.