

Improvements to e-Suitability - paragraph library version 1.0.53 – 9.6.2009

We are pleased to announce further enhancements to e-Suitability. Some changes have been made in response to user feedback.

The most significant changes are:

A new paragraph library release which incorporates the following changes:

- Improved support for needs and demands statements
- Improved disclosure for pension withdrawal cases
- Improved spending budget statements
- Minor layout corrections

Improved support for needs and demands statements

Letter type technology was introduced in our last release, version 1.0.50, which enabled introduction of a “Needs and Demands Letter” letter type. This is aimed at providing automated support for production of good quality statements of the client’s needs and demands.

The needs and demands letter is accessed by selecting “Needs and Demands Letter” from the letter type drop down box shown below.

The screenshot shows the Amber Lite software interface for a client folder. The window title is "Amber Lite - Client Folder - Mr John Bloggs". The menu bar includes "New", "Sign Off", "Letters", "Go To", and "Help". The toolbar contains icons for file operations. The main area is divided into two panes. The left pane, titled "Advice", shows the current status as "Current" with a timestamp of "24/04/2009 12:32:30" and a "Recommendations ..." link. Below this is the "Letter Type" section, which has a dropdown menu currently showing "Needs and Demands Letter" and "Suitability Report". There is also a "Risk Profiling" section with a checkbox for "Is Risk Profiling Used?". The right pane, titled "Advice Processes", contains a table with the following data:

Status	Last modified	Client	Partner	ID
Current	24/04/2009 12:32:30	Mr John Bloggs	<none>	SI
Aborted	24/04/2009 12:32:05	Mr John Bloggs	<none>	SI
Aborted	24/04/2009 09:40:46	Mr John Bloggs	<none>	SI
Aborted	21/04/2009 08:53:47	Mr John Bloggs	<none>	SI
Aborted	12/04/2009 16:52:40	Mr John Bloggs	<none>	SI
Aborted	04/04/2009 18:44:33	Mr John Bloggs	<none>	SI
Aborted	24/08/2008 11:48:42	Mr John Bloggs	<none>	SI
Aborted	22/08/2008 10:45:48	Mr John Bloggs	<none>	SI
Aborted	03/08/2008 13:03:52	Mr John Bloggs	<none>	SI
Aborted	29/07/2008 16:05:34	Mr John Bloggs	<none>	SI

Previously, the text to explain the amount of protection needed for family protection cases should be based upon repayment of all loans plus ten times any income lost.

Now, e-Suitability incorporates an insertion point for the recommended multiple of income to be adjusted to the individual circumstances. An example of the new text is as follows:

My assessment of the amount of cover required is based upon my suggestion that you arrange sufficient to repay all loans plus insert income multiple times the value of income lost. You have requested that I recommend additional cover of £100,000.00 payable as a fixed lump sum in the event of death for a period of 20 years. This satisfies your need in part only because insert reason.

Clicking the text, “insert income multiple”, causes a field entry box to appear at the bottom left of the Report Writer screen in which any number you wish may be typed.



The image shows a software interface for a 'Field Entry' dialog box. The title bar reads 'Field Entry - insert income multiple'. Below the title bar is a toolbar with icons for undo, redo, insert, delete, and a dropdown menu. Below the toolbar is a text input field with the placeholder text 'Type in a text value'.

For example, if the client has young children, you may consider an income multiple of twenty is appropriate whereas if the client is closer to retirement age, you may consider a lower multiple should be recommended.

Improved disclosure for pension withdrawal cases

Generally, gaining an understanding what state pension may be anticipated in retirement, is a important component of “knowing your customer”. This is particularly important when offering advice of pension annuity purchase or any other form of Pension Withdrawal advice.

In consultation with our compliance partner, e-Suitability content has now been improved to include an additional item as follows:

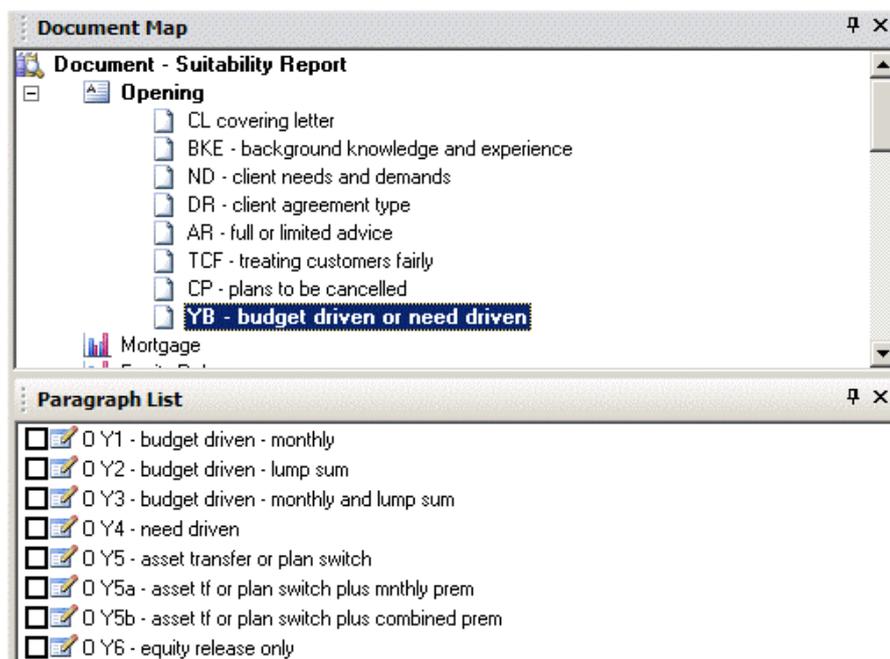
YOUR NEED FOR PENSION INCOME NOW AND LATER IN YOUR LIFE

The amount of income you need now and in the future are important factors in determining a suitable method of withdrawing benefits from your pension plans. The income you need now or later will, in part, depend upon your future entitlement to pension income from all other sources including the the state. You may obtain a forecast of your entitlement to a state pension on request from the The Pension Service which is part of the government Department for Work and Pensions.

This text is automatically inserted for Pension Withdrawal cases of all types and it appears immediately prior to the section of the report which documents various points about the client circumstances which has helped shape the recommendation.

Improved spending budget statements

In response to user feedback, we are pleased to announce a further enhancement to the spending budget statements which are accessed in the opening paragraphs in each suitability report as shown below.



Previously, the regular spending limit was expressed as a monthly amount with no opportunity to amend this inside Report Writer. This is not ideal where the client has expressed his spending limit in annual terms which is possible if the recommendation is for a plan involving an annual premium.

Now, the text has been enhanced to permit the spending limit to be expressed as a monthly, quarterly, six monthly or annual amount. An example follows:

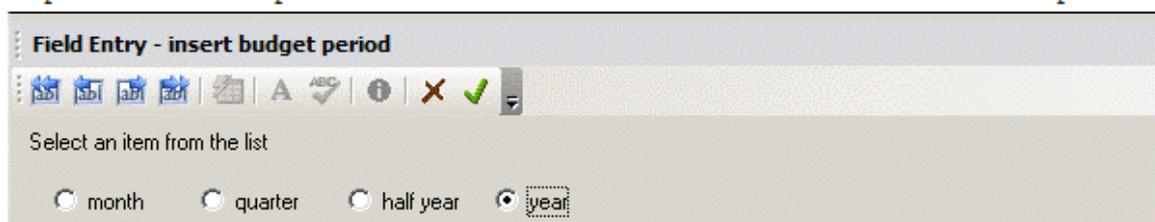
YOUR BUDGET

- You told me that you can afford and are prepared to commit up to **insert regular budget amount** each **month** for your financial planning needs.
- Our discussion on this point concluded that you are comfortable that you have sufficient surplus income and capital resources available such that the recommendations in this report will remain affordable.

Clicking on the above red text provides an opportunity to key in the amount as before. Clicking on the green text, "month" allows alternative selections to be made as shown below.

YOUR BUDGET

- You told me that you can afford and are prepared to commit up to **insert regular budget amount** each **year** for your financial planning needs.
- Our discussion on this point concluded that you are comfortable that you have sufficient surplus income and capital resources available such that the recommendations in this report will



Minor layout corrections

The paragraph library has been reviewed and a number of small layout corrections have been made.

New paragraph library

Standalone version

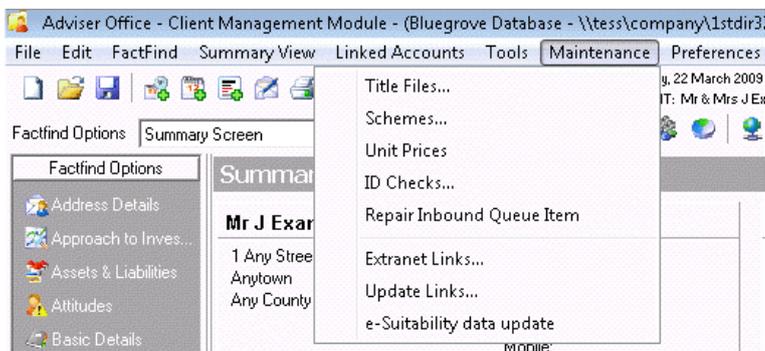
Select the “Data Update” option from the drop down menu which is assessible immediately after launching e-Suitability.



Then follow the onscreen instructions.

Adviser Office integrated version

Select the “e-Suitability data update” option from the Maintenance drop down menu which is accessible from the Client Management Module.



What's next

The following items are currently on our development list

- Support for structured investment products.
- With Profits annuities.
- More support for network fact find risk descriptions and risk profiling tools. We aim next to include support for Watson Wyatt's tool in E-Suitability.
- Support for “mainstream” investment fund management houses as product providers for Stocks and Shares ISAs, Unit Trusts and OEICs and Investment Trusts.
- A new section on National Savings products – a respectable inclusion whenever you make a lump sum encashable investment recommendation. This will be included as a new need area for ease of access.
- Greater support for automated inclusion of text to document client “needs and demands”.