



RESEARCH

in association with



AIFA Questions

With-profits funds

Wave 29 – May 2006

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census

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**The Definitive Source
of IFA Opinion**

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The
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With-profits Funds Advising

- This month's AIFA questions focused on IFA views of With-profits Funds
- Questions were placed on the May IFA Census and fieldwork was conducted during 9th – 19th May 2006.
- **324** IFAs responded to the survey



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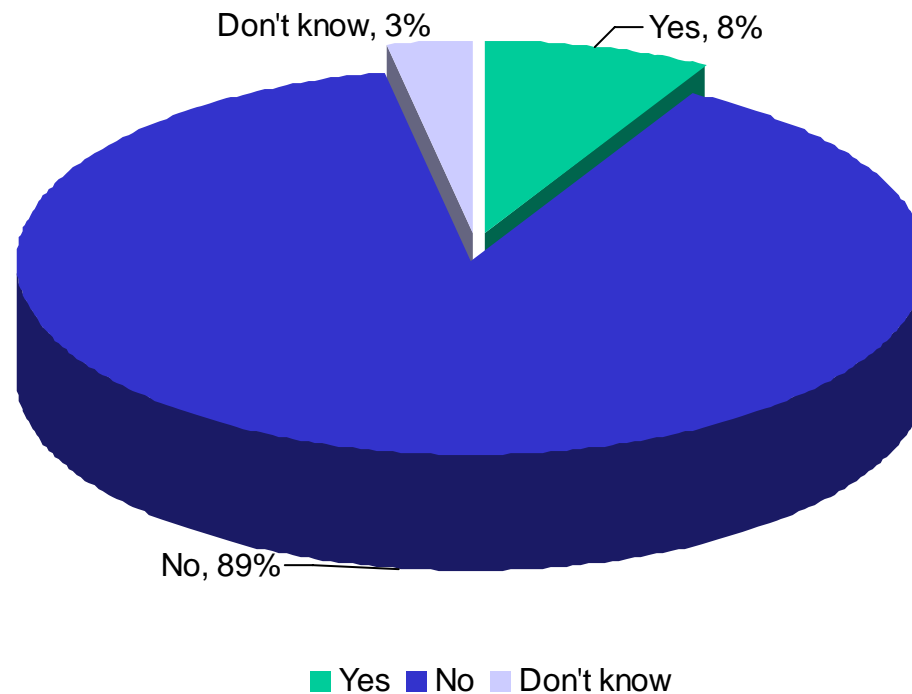


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Recommending With-profits Funds

90% of IFAs are **not** recommending with-profits funds to new clients



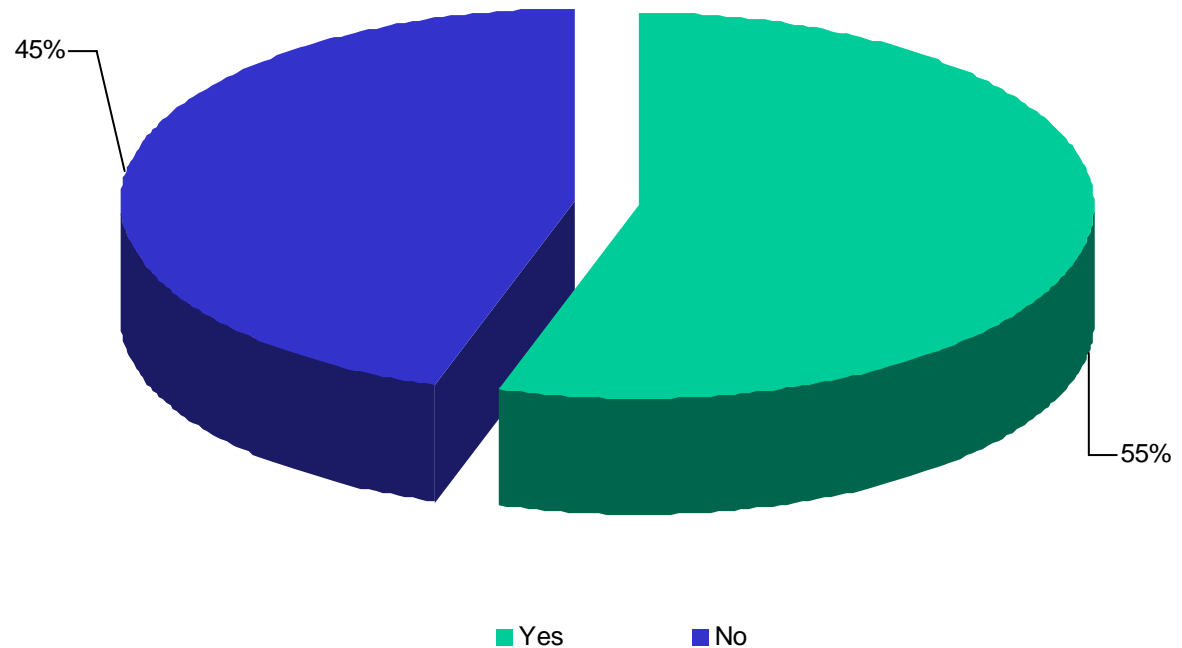
Base: May 2006 – All Respondents, 324
Are you recommending with-profits funds to new clients?



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Existing Clients and With-profits Policies

Just over half of the respondents are advising clients to continue making regular contributions to existing with-profits funds



Base: May 2006 – All Respondents, 324

Are you advising clients to continue investing (i.e. to make regular contributions) into existing policies?



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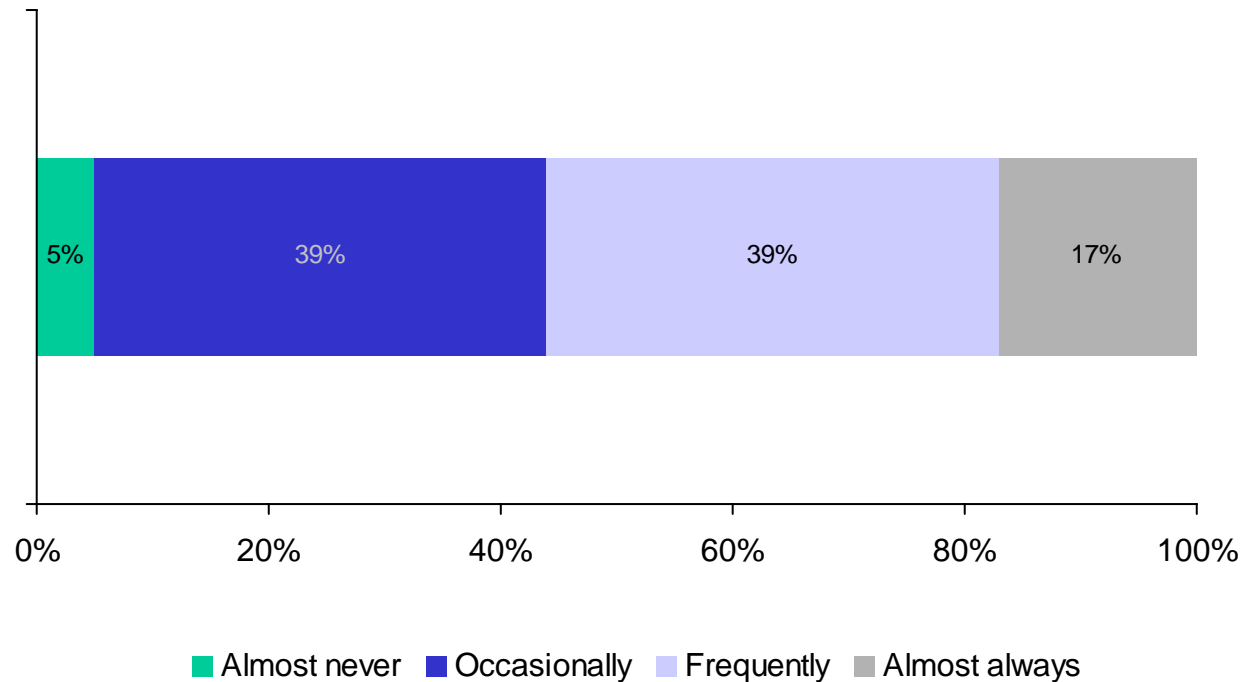


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Frequency of Client Existing Policy Advising

56% of IFAs who are advising clients to continue investing in existing policies do so “frequently” or “almost always”



Base: May 2006 – All those advising clients to continue to invest in existing policies, 178
How often do you advise clients to continue investing into existing policies?

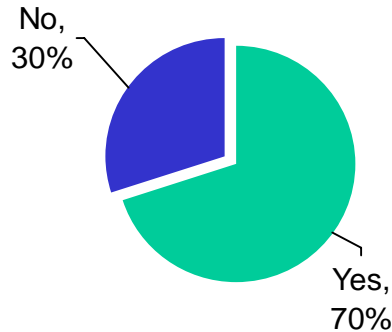


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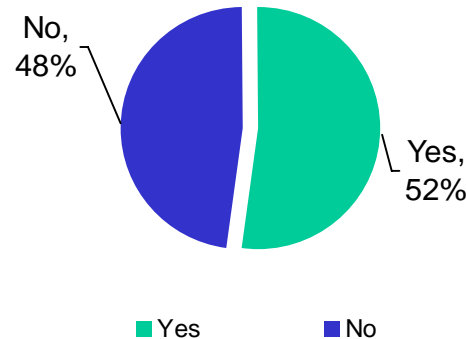
Awareness of With-profits Information Sources

Seven-tenths of IFAs are aware that information regarding a life office's with profit-performance is available from a life office balance sheet, but less than half are aware that this information is available from consumer friendly PPFMs

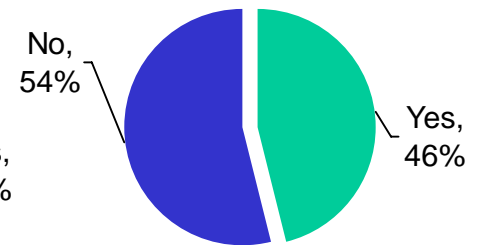
Life office balance sheet, submitted as part of its yearly return to FSA



PPFMs



Consumer friendly PPFMs



Base: May 2006 – All Respondents, 324

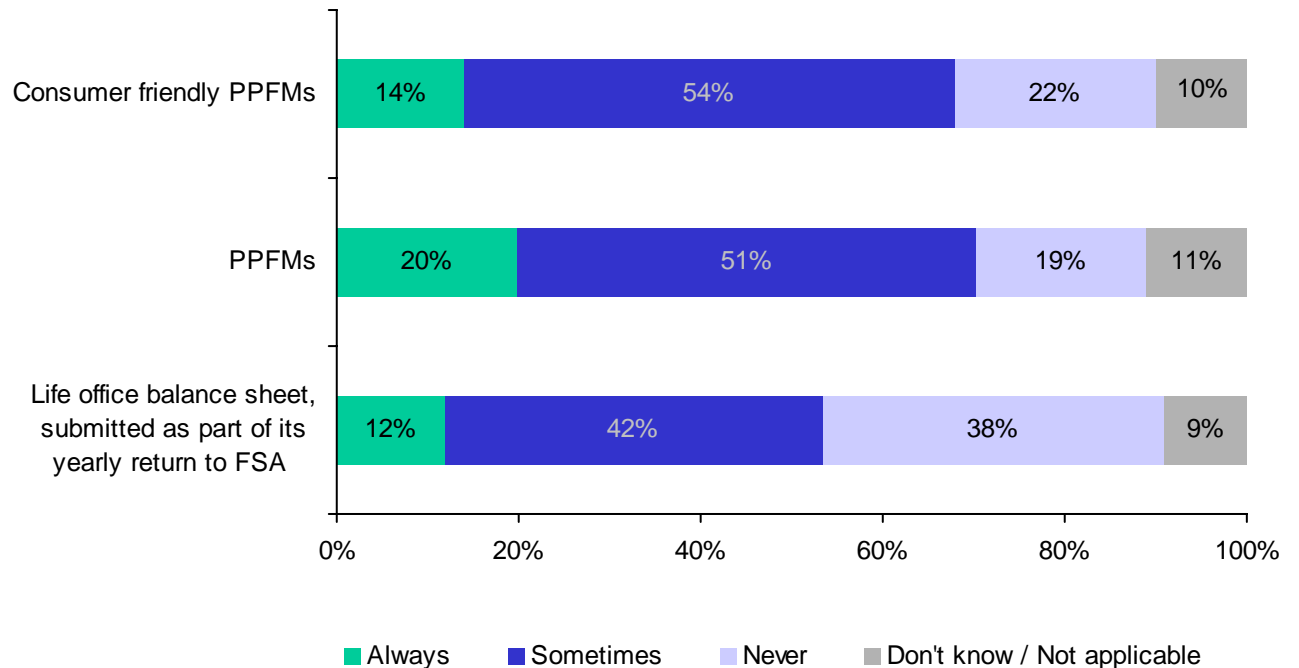
Are you aware that information regarding a life offices' with-profits performance is available from the following sources:



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Frequency of Information Source Use

Despite the life office balance sheet being the most recognized source of with-profits information it is also the least used by those who have heard of it



Base: May 2006 – Consumer friendly PPFMs (148), PPFMs (169), Life office balance sheet... (226)
 When advising clients on 'with-profits', including whether or not to redirect contributions and/or switch funds how often do you use the indicated information sources?



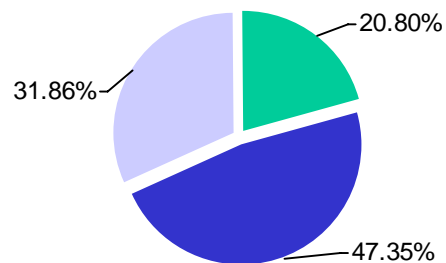


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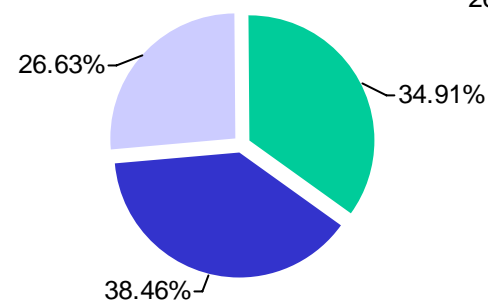
Does the Document Provide Sufficient Information

The information provided by PPFMs is deemed the most useful for comparing and contrasting different with-profit funds. Life office balance sheets are the least useful

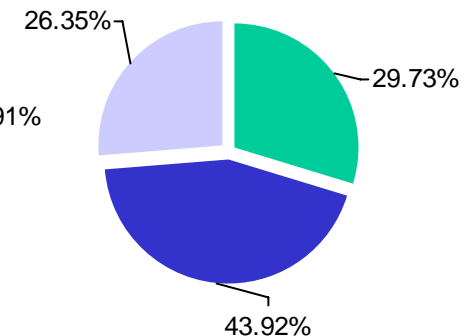
Life office balance sheet, submitted as part of its yearly return to FSA



PPFMs



Consumer friendly PPFMs



■ Yes ■ No ■ Don't know/ Not Applicable

