7IM Illustration Guide

A helpful guide that takes you through the main features of our Illustration tool



Succeeding together

Capital at risk

You should be aware that the value of investments may go up and down and you may receive back less than you invested originally.

Past performance is not a guide to future returns.

Purpose

The purpose of this guide is to give a brief explanation of how to access our illustration tool and answer some common questions.

Overview of 7IM illustrations

The matrix below shows what our illustration tool supports.

Footure			Wrapper	
reature		7IM SIPP	GIA	ISA
Payment Types				
	Single personal payments	\bigcirc		\checkmark
	Single employer payment	e		
	Regular personal payments	\bigcirc	\checkmark	\bigcirc
	Employer regular payments	e		
	Cash transfers	\checkmark		
	Inspecie transfers		Ø	Ø
Charges				
	Wrapper charges	e	e	e
	7IM Platform			\checkmark
	DFM charges	e	\checkmark	\bigcirc
	Investment charges	\checkmark	\checkmark	\checkmark
Illustration Types				
	Pre-retirement			
	Full drawdown	e		
	Drawdown transfer	~		
	Part drawdown	S		
	Phased drawdown	~		
	Tailored drawdown	S		
	Existing client reviews	S		
	UFPLS	e		
	GIA / ISA illustrations			\checkmark

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How to generate an illustration

When creating an illustration, you will go through the following steps. For a more detailed step-by-step guide, please watch our 'How to create an illustration' video available on our website.



Once all the information has been added, press 'calculate' to generate and view the illustration.

Input the requirements for the client:

• Payments in (including transfers)

Any income (where applicable)Investments (funds and models)

• Any adviser charges

This illustration will then be stored for future retrieval.

Key points

Wrap valuation

If you wish to consider how the new illustrated assets will be charged considering any existing platform assets, enter the value of the existing assets you wish to include in the wrap valuation field.

Please note: this should only be funds that are charged against the 7IM platform fee – most 7IM funds are charged separately and therefore, are not impacted by this field.

Initial fees on regulars

When illustrating for an initial fee on regulars, please state the total initial fee and number of times it should be applied. If you would like to take fees on the first payment only, please input '1' to ensure it is taken once and not on every single payment for the term of the illustration.

Please note: that although we allow you to illustrate for initial fees on regular payments, unfortunately we cannot facilitate this and this is for illustrative purposes only.

Client Details			Spouse Details		
Client Status	Prospect	~			
Client Type	Individual			No Spouse	
Title	Mr			CDEATE	
First name	A			GREATE	
Middle name(s)					
Surname	Example				
Date of birth	05/10/1958	Ē			
Sex	Male	O Female			
Marital status	Single	O Married	O Civil Partnersh	ip	
Residency Status	Rest of UK: 20%	•			
Wrap valuation	£0.00		Valuation date	11/05/2021	c
Group	7IM Advised	•	Income tax rate		20 %
Adviser Name			Adviser Reference		
Adviser Firm	No Adviser (Type	to find]		NEW ADVISED FIDM	

Adviser Initial Charge (Transfers)			
		£ %	0.00 %
	Times Applied	O n/a	O Attracts VAT
Adviser Initial Charge (Single contributions) i			
		£ %	0.00 %
	Times Applied	O n/a	O Attracts VAT
Adviser Initial Charge (regulars)			
		E %	£0.00
	Times Applied	O n/a	O Attracts VAT
Adviser Ongoing Charge			
		£ %	0.00 %
	Times Applied	O n/a	O Attracts VAT

Review illustrations (7IM SIPP)

The review illustration allows you to create illustrations for the following scenarios that are not catered for in the pre-sales or drawdown illustrations:

- crystallised and uncrystallised values
- existing assets which will cater for top ups
- taking income including Tailored Drawdown and one off UFPLS payments.

EXISTING A	RRANGEMENTS			NEW
Value	£15,000.00	Existing crystallised funds	~	DELETE
Invest into	investment strategy	•		
Value	£20,000.00	Existing uncrystallised funds	~	DELETE
Invest into	investment strategy	•		

S					NEW	0
04/05/2021	—	Uncrystallised funds transfer	~	£10,000.00	DELETE	
investment strate	egy	~				
cie						
04/05/2021	—	Crystallised funds transfer	*	£200,000.00	DELETE	
investment strate	egy	~				
cie						
ON PROTECTION						0
	04/05/2021 investment strate ie 04/05/2021 investment strate ie	04/05/2021	04/05/2021 Uncrystallised funds transfer investment strategy • ie 04/05/2021 04/05/2021 Crystallised funds transfer investment strategy • ie •	04/05/2021 Uncrystallised funds transfer investment strategy • ie 04/05/2021 O4/05/2021 Crystallised funds transfer investment strategy • ie •	04/05/2021 Uncrystallised funds transfer £ 10,000.00 investment strategy • ie 04/05/2021 Crystallised funds transfer • £ 200,000.00 investment strategy • ie • • NPROTECTION • •	04/05/2021 Uncrystallised funds transfer £ 10,000.00 DELETE investment strategy • ie 04/05/2021 Crystallised funds transfer £ 200,000.00 DELETE investment strategy • • • • ie • • • • • • • • • • • • • • • • • • • • • • • • •

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SIPP illustrations

There are several illustration types for the 7IM SIPP, so we have provided this quick reference guide to make it easier for you to determine which one you should use to meet your client's specific requirements.

Turne	Payn	nents in	Payr	nents out	
туре	Crystalised	Uncrystalised	PCLS	Income p.a.	Additional comments
Pre-retirement	⊗	Ø	⊗	⊗	Uncrystallised funds will be received, and no crystallisation is required
Full drawdown	\bigotimes	\checkmark	•		Uncrystallised funds will be received and 7IM will crystallise
Part drawdown	⊗	Ø	•	Ø	Uncrystallised funds will be received and 7IM will crystallise
Review	⊘	⊘	•	0	Option to have either crystallised and / or uncrystallised asset. 7IM will crystallise as appropriate
Transfer in drawdown	0	\bigotimes	×	Ø	Asset already crystallised
Tailored in drawdown*	⊗	\checkmark	•		Uncrystallised funds will be received and 7IM will crystallise
Phased drawdown**	⊗	Ø	0	0	Uncrystallised funds will be received and 7IM will crystallise
UFPLS withdrawal	\bigotimes				Uncrystallised funds will be received and 7IM will crystallise

*Please refer to our tailored drawdown guide which gives you more information on how much income you take from the crystallised pot.

**Please note: phased drawdown, you need to take the income that is generated as you crystalise.

Questions and answers

1. What charges make up the categories on the investment summary page?

The following table demonstrates what the charges are made up of. Please note some of these may not be applicable in all circumstances.

Product charges

	Charge type	One-off costs	Ongoing costs	Transaction costs
SIPP fees			I	
	Annual fee			
	Crystallised funds transfer in fee	Ø		
	Crystallisation fee			
	SIPP annual income payment		Ø	
	Review of income levels			
	Switch from capped drawdown to flexi- access drawdown	Ø		
	Tailored drawdown crystallisation			
Investment charges				
	Initial fund charge			
	Annual ongoing charge		O	
	Annual fund transaction cost			~
Platform fee	Annual fee		0	
Discretionary fee	Annual fee			

Questions and answers Continued

Service charges

Charge type	One-off costs	Ongoing costs	Transaction costs	Incidental costs	Ancillary costs
Initial adviser charge					
Ongoing adviser charge		~			

2. Why does the charge % differ between summary pages?

The product and adviser charges section states the percentage that has been put into the illustration (\mathbf{A}) .

However, within the summary of charges, the percentage has been recalculated on the basis of the actual costs that have been worked out (\mathbf{B}) .

3. What growth rates do you use when calculating the illustration?

All of the growth rates used are subject to a cap imposed by the Financial Conduct Authority (FCA), these are known as the standard FCA growth rates.

Wrapper	Low	Mid	High
Savings	1.5%	4.5%	7.5%
Pension	2.0%	5.0%	8.0%

Therefore if the fund manager believed they would achieve higher than 5% we would still need to cap the growth in line with the wrapper being illustrated on.

This covers structured products, mutual funds and equities.

Please note our previous illustrations only projected at standard rates as above, regardless of the asset class.

4. Why are some funds showing growth rates less than the standard FCA growth rates?

The FCA also prescribes that certain assets have to be projected as follows.

Security Type	Low	Mid	High
Physical cash	-1.5%	1.5%	4.5%
Corporate bonds	-0.2%	2.8%	5.8%
Government bonds	-0.1%	0.2%	5.0%
Equities	2.0%	5.0%	8.0%
Structured products	2.0%	5.0%	8.0%

5. How is a fund growth rate calculated for when a fund invests in a number of asset classes?

Where a fund is made up of a number of asset classes, we will work out a blended rate based on the asset split % and put the fund into the following bands when determining the growth rate to be used.

0.5% 1.0% 1.5% 2.0% 2.5% 3.0% 3.5% 4.0% 4.5% 5.0%

Questions and answers Continued

6. Why in the effect of charges table does the amount I invested show less than I paid in?

All values in this table have been inflation-adjusted by 2.0% (which is prescribed by the FCA), the purpose of this is to show the value in real terms, i.e. what your money would be worth in today's money.

This only applies to Pension products and not savings, therefore these will look different when you generate a savings illustration.

7. How are the charges taken into account?

We store and calculate all of the following charges, so you don't have to calculate these manually.

- The 7IM Platform Fee
- Fee for using 7IM Funds
- Fund OCF
- Transaction Fee
- SIPP charges where applicable
- Any adviser fees (initial and ongoing)

See the charging scenario in the following examples.

8. Why can't I select some funds?

We will only show funds that have an OCF and that are tradeable.

It may be that the fund you have selected is not available for ISA's or SIPPs.

If however, there is a fund that you believe is tradeable and has an OCF please contact the Platform Service Team and they will look to get this resolved for you.

9. Why is one of my model portfolios not available?

A model portfolio will only be selectable if all funds are tradeable and have an OCF.

Please ensure that you keep the model portfolio updated on the platform, ensuring only tradeable funds are included.

If you urgently need access to a model portfolio that is currently not set up on the illustration tool, then please contact the Platform Service Team, who will be able to assist you.

10. Can I illustrate where I am switching between funds?

Although the illustration has not been specifically built for this scenario, you can perform an illustration and enter a lump sum equal to the current value, then input the funds you are switching into. Remember to only add an initial fee if you charge for switching.

11. Why are some model portfolios appearing on the illustration tool that I haven't set up?

There could be instances where a portfolio has been set up as a shell waiting for you to confirm you want to start using it.

Please contact the Platform Service Team if you see these and they will remove this from the illustration tool.

12. Why are there more Model Portfolios appearing on the platform but this is restricted?

It could be due to one of the issues highlighted in item 7 above or it could be that you belong to a network. In platform, all model portfolios are displayed for all members of a network, but within the illustration tool we have restricted these to only show to the relevant practices.

13. What assets are the ongoing charge calculated on?

Your ongoing adviser charge is calculated on all investments, including cash.

14. How is the reduction in yield calculated?

The reduction in yield is calculated by deducting all charges from the mid growth rate, however the figures are calculated on a monthly basis in the following order.

- Any new monies are added.
- Any monthly charges are calculated.
- Any growth is applied.
- This then repeats on a monthly basis.

Questions and answers Continued

15. Are there separate log in details required for accessing the illustration tool?

No, you can access the illustrations via our platform and will automatically be logged in. If however,

you are presented with a log on page, please contact our Platform Support Team, who will be able to help you.

16. Why can't I see my client's details on the illustration screens?

The illustration system does not automatically populate. Instead, you will need to include some basic information to set up a client. This only needs to be done once. The illustration system will store the information provided for future use.

- Select the relevant pension product and 7IM SIPP, then Illustration type of pre-retirement.
- Enter £500,000 as the transfer in amount.
- Add a wrap valuation of £300,000.

Illustration details

Will be based on a $\pm 500,000$ investment charged as follows $\pm 200,000$ at 0.30% and the remaining $\pm 300,000$ at 0.25%.

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