

Personal Investment Plan – PIP Illustration

Once we've received your application, you'll get a Personal Illustration of Benefits, which explains the potential returns you could get based on the amount you've invested.

To give you an idea, this example shows how much an additional investment of £1,000 might be worth in the future.

What you could get back after 5 years			
If investments grew at	4%	you could get back	£1,130
If investments grew at	6%	you could get back	£1,250
If investments grew at	8%	you could get back	£1,370
What you could get back after 10 years			
If investments grew at	4%	you could get back	£1,290
If investments grew at	6%	you could get back	£1,570
If investments grew at	8%	you could get back	£1,890

Please note:

- These figures are only examples and are not guaranteed – they are not minimum or maximum amounts. What you will get back depends on your investment amount and any withdrawals made, as well as how your investment has grown and on the tax treatment of the investment.
- You could get back more or less than this.
- All firms use the same rates of growth for projections but their charges may vary.
- Don't forget that inflation would reduce what you could buy in the future with the amounts shown.
- These figures include any loyalty bonus to which you may be entitled, but exclude any rebates relating to your level of contribution.

The early years

At end of year	Total paid in to date £	Effect of deductions to date £	What you might get back* £
1	1,000	57	1,000
2	1,000	64	1,060
3	1,000	72	1,110
4	1,000	81	1,180
5	1,000	85	1,250
10	1,000	217	1,570

*Including any loyalty bonus.

Warning: If you cash in during the early years you could get back less than you have paid in.

The last two columns assume that investments will grow at 6% a year, and that there are no withdrawals.

What are the deductions for?

The deductions include the cost of life cover, commissions, expenses, charges, any early withdrawal charges, other adjustments. The last line in the table shows that over ten years, the effect of the total deductions could amount to £217. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 4.6% a year.