16 Annex 6AG	**Guidance notes for completion of the FCA Persistency Report**

The form in *SUP* 16 Annex 6R should only be completed by *firms* subject to the reporting requirements in *SUP* 16.8 of the *FCA Handbook*.

General Notes

Firms should refer to *SUP* 16.8.4R for interpretation of SUP 16.8, *SUP* 16 Annex 6R and *SUP* 16 Annex 6AG.

SUP 16.8.5R provides an example calculation of a persistency rate. This rate should be converted to a percentage to one decimal place for the purposes of reporting in *SUP* 16 Annex 6R.

Example of calculation of persistency rate for life policies that commenced during 2014

	In force at outset (IFAO)	In force at anniversary (IFAA)	Persistency rate ((IFAA/IFAO)*100)
	Company *Representatives*		
Endowment Assurance	100	90	=(90/100)*100
Whole Life Assurance	200	160	=(160/200)*100
Personal Pension Policy	300	210	=(210/300)*100
Other Pension Policy	400	240	=(240/400)*100
Other Life Assurance	500	250	=(250/500)*100
Income Withdrawal	600	240	=(240/600)*100
Group Personal Pension	700	210	=(210/700)*100
Mortgage Endowment	800	160	=(160/800)*100

Specific guidance

For the avoidance of doubt, where the form in *SUP* 16 Annex 6R refers to 'intermediaries providing *independent advice* or *restricted advice'*, the data in this column should include all sales from or through independent restricted advisers except sales through a company *representative*.

If a persistency report reports on an *income withdrawal,* the *firm* must not include the policy under any other relevant category in the form in *SUP* 16 Annex 6R.

Under *SUP* 16.8.16R, a *life policy* must be treated as not in force if *premiums* have not been paid at the relevant date.

Data elements

These are referred to by row first, then by column, so data element 2A will be row 2 and column A.

Life Policies

1A   **Do you wish to report a nil return for life policies?**

Firms should select 'Yes' if the *firm* meets the conditions under *SUP* 16.8.14R(1) and/or (2)

Regular Premium

2A – 33C,

66A – 97C,

130A – 161C,

194A – 225C

For each of the following products and distribution channels please provide the following details:

Firms should provide details of the number of relevant regular premium products in force at outset, in force at anniversary and the calculated persistency rate according to the formula detailed in the earlier example.

Single Premium

34A – 65C,

98A – 129C,

162A – 193C,

226A – 257C

For each of the following products and distribution channels please provide the following details:

Firms should provide details of the number of relevant single premium products in force at outset, in force at anniversary and the calculated persistency rate according to the formula detailed in the earlier example.

Stakeholder Pensions

258A   **Do you wish to report a nil return for stakeholder pensions?**

Firms should select 'Yes' if the *firm* meets the conditions under *SUP* 16.8.14R(2)

Regular Premium

259A – 266C,

275A – 282C,

291A – 298C,

307A – 314C

For each of the following products and distribution channels please provide the following details:

Firms should provide details of the number of relevant regular premium stakeholder pension products in force at outset, in force at anniversary and the calculated persistency rate according to the

formula detailed in the earlier example.

Single Premium

267A – 274C, **283A – 290C,** **299A – 306C,** **315A – 322C**	**For each of the following products and distribution channels please provide the following details:** *Firms* should provide details of the number of relevant single premium stakeholder pension products in force at outset, in force at anniversary and the calculated persistency rate according to the formula detailed in the earlier example.