

## PROFESSIONAL STANDARDS DIRECTORY - Update 25

### For Actuaries involved in the production of Statutory Money Purchase Illustrations (SMPIs)

The Professional Standards Directory can be found [here](#)

It is designed to permit members and others to access the current Board for Actuarial Standards' (BAS) Standards together with the current version of the Actuarial Profession Standards (APSs).

#### BAS STANDARDS

The Board for Actuarial Standards is responsible for producing technical actuarial standards and the Actuarial Profession is responsible for implementing those standards. Each body is responsible for the content on its own website.

The Board for Actuarial Standards published:

#### TM1: Statutory Money Purchase Illustrations: Version 2.0 - 22 December 2011 (which can be found [here](#) ).

Version 2.0 of TM1 is effective for statutory money purchase illustrations (SMPIs) with an illustration date on or after 6 April 2012, although providers may comply with version 1.4 of TM1 for statutory illustrations issued before 21 December 2012.

TM1 now explicitly requires providers (some of whom are likely to seek advice from an actuary on the assumption to be used) to take proper account of the expected returns from the current and anticipated future investment of the member's funds over the period to the retirement date when determining the accumulation rate (paragraph C.2.3). The accumulation rate is then subject to a maximum of 7% pa. TM1 also requires providers to document the rationale for the choice of the accumulation rate.

To add clarity for members of the Profession, the Board for Actuarial Standards have also published an answer to a FAQ (5.6, version 1, 22 December 2011) which confirms that actuarial work to determine the accumulation rate assumption used for the purposes of SMPIs is within the scope of the Pensions TAS, which can be found [here](#).

#### UPDATING YOUR CONTACT DETAILS

If you require to update your contact details, please contact the Membership Department (<mailto:membership@actuaries.org.uk>) or update them on-line at the members' only section of the profession's website at: <https://www.actuaries.org.uk/user>. To log in, please note that your user name is your ARN and your password is your date of birth entered as dd/mm/yyyy (including the separators) unless you have previously changed it.

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