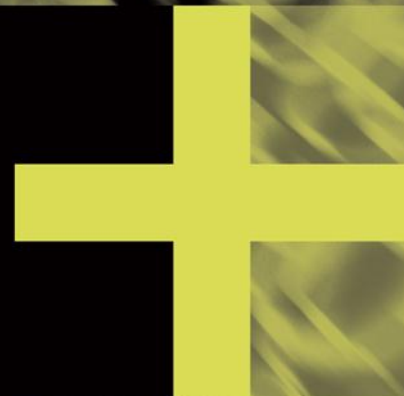


Fact Sheet

Product Risk Services

barrie+hibbert

Powering objectivity in the global financial services industry

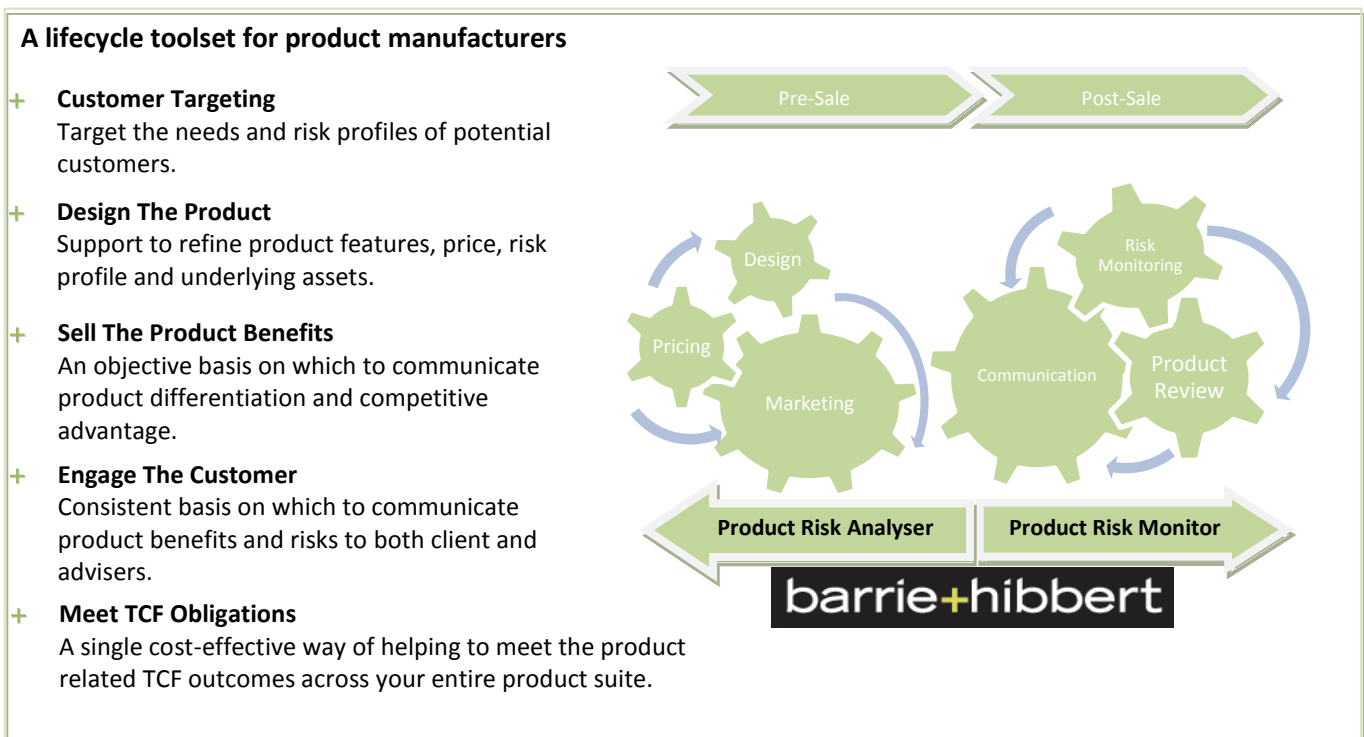


Product Risk Services

The financial services industry in the UK is facing the challenge to address the long-term savings and retirement income needs of their clients. The growth of variable annuities and other guaranteed products has further increased the already complex range of solutions available and increasingly advisers are recommending a sophisticated mix of product and asset types. Although there are huge opportunities in the retirement market there are also a number of critical challenges for the stakeholders:

- | | | |
|---|---|---|
| <p>1. How do product manufacturers differentiate, price and monitor products to ensure they deliver on their headline promises?</p> | <p>2. How do advisers evaluate, compare and recommend products and assets in a robust and consistent way?</p> | <p>3. How to communicate this complex product and asset suite to customers in a TCF compliant manner?</p> |
|---|---|---|

Based on the core Barrie & Hibbert risk modelling engine, we have developed a suite of products and associated services to help you answer these questions. The Barrie & Hibbert Product Risk Services comprise two separate, but complementary, tools that support you in both your pre-sale and post-sale processes.



Our Product Risk Services are designed to match the key processes of product and fund manufacturers operating in the retirement market, providing objective input into decision making on pricing, product design, risk analysis, marketing messages and adherence to TCF.

Product Risk Services

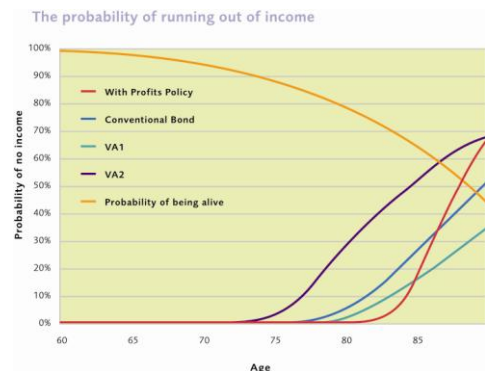
Our unique Product Risk Services support both the design and ongoing maintenance of a broad range of products.

Product Risk Analyser

Using the details of any product available in the UK this unique service helps you model product features and asset options.

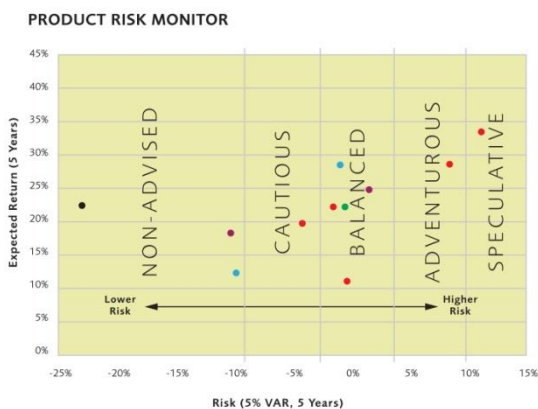
Used as part of the product development process, a potential product design can be instantly tested against objective benchmarks and the competition across a wide array of features or risk measures: fund values, income levels and death benefits.

As well as helping to refine product design, the results from such testing are crucial in identifying and communicating a product's competitive position. This can then form the basis of targeted, TCF compliant, marketing messages when mapped against appropriate customer segments.



Product Risk Monitor

Ongoing monitoring of products and their underlying assets is crucial if you are to meet both the needs of your clients and your obligations under the TCF regime.



The Barrie & Hibbert Product Risk Monitor service provides a simple way to put in place an automated process to provide an early warning of potential TCF issues. Reporting quarterly, the service demonstrates adherence to regulatory requirements by producing risk reports on an objective and consistent basis. The service can be run on a single product or a product suite.

Modelling specific customer risk profiles against headline product or fund objectives, the Product Risk Monitor can be used to create an appropriate TCF governance framework in a simple, cost-effective way.

Both Product Risk Analyser and Product Risk Monitor cover investment, pension accumulation, retirement income and structured products. Although each service is available separately, combining these two services allows you to review your product offering and communications in a consistent manner throughout the lifecycle and aligned to changing market conditions.

Why Barrie & Hibbert?

Barrie & Hibbert was established in 1995 by John Hibbert and Andrew Barrie. We provide a range of software modelling tools, research and consulting services to a wide range of financial institutions and strategic partners.

Barrie & Hibbert's primary focus is the identification, quantification and management of financial risk in savings and investment products, institutional portfolios and life and pensions balance sheets. Barrie & Hibbert has developed a powerful library of financial models that can be used to understand the complicated joint financial relationships that drive uncertainty in long-term financial plans.

Collectively our staff of leading academics, quantitative analysts, actuaries and software engineers offer a depth and breadth of expertise combined with an unrivalled track record of experience in implementing risk solutions for financial institutions around the world.

Our asset and product modelling capability has been developed over the last 13 years resulting in Barrie & Hibbert becoming a global market leader in stochastic asset modelling services.

Barrie & Hibbert is privately owned and employs around 100 staff across locations in the UK, US and Asia.

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