

The

STRONGEST

PROTECTION PLAN

IN

IRELAND

NEW simplified Heart Attack and Stroke definitions could result in us paying out up to 19% more Heart Attack and 17% more Stroke claims.

Source: Reinsurer Research, June 2014.

Waiver of premium now **FREE** on Guaranteed Mortgage Protection policies.

IMPROVEMENTS TO OUR LIFEPROTECT SUITE

- New** Market leading Heart Attack and Stroke definitions
- New** Free waiver of premium on Guaranteed Mortgage Protection policies
- New** Extra illnesses added to Serious Illness Cover and maximum entry age has been increased from 60 to 65
- New** Improved indexation option
- New** Rolling Conversion option which can be exercised at any stage during the policy term
- New** Broadened commission offerings
- New** Repriced Life Cover and Serious Illness Cover

Best advice... not just price!

How many times have you heard this statement? Yet in many cases, price always wins. Well, no more.

At Zurich, we believe the changes we have made to LifeProtect will put advice firmly back on the agenda. But don't worry – because this is us, you can rest assured that the price will always be attractive!

Managing your existing pipeline

From 15 July 2014, all changes to our LifeProtect suite relate to new policies only. Customers with existing Zurich policies are not impacted by any of the changes referred to within this guide.

The new product terms and pricing outlined in this guide will not apply to cases in the pipeline. Applications submitted prior to 15 July will have the old terms and pricing while those submitted on or after this date will have the new terms and pricing.

Important Note - Please read

Zurich's Serious Illness Cover is subject to terms and conditions which are contained in the policy document. It is important to note that not all serious illnesses are covered under this policy. In order to make a valid claim policy specific conditions must be met and certain exclusions apply. You should refer to the policy document which is available on request from Zurich.



The strongest serious illness plan in the market

As an advisor, one of your fears must be when a customer submits a claim for a heart attack or a stroke only to be told by their insurance company that it is not severe enough to warrant a claim. Our new simplified Heart Attack and Stroke definitions should change that.

We believe our Heart Attack and Stroke definitions are the most radical improvement to serious illness plans in years.

We simplified our Heart Attack definition. Until now, in order to qualify for a claim under the market standard “Heart Attack - Of Specified Severity” definition there was a severity hurdle related to the presence of troponins in the bloodstream. While evidence of raised troponins is still required, the severity hurdle has been removed. Based on research from our reinsurers, it is expected that this change will lead to an additional **19%** of Heart Attack claims being payable compared to the previous definition.*

When someone suffers a Stroke, they exhibit symptoms for a period of time. In most cases these symptoms are permanent but this is not always the case. With our new simplified “Stroke - Resulting in Specified Symptoms” definition the requirement for ‘permanence’ has been removed and replaced with ‘24 hours’ making our definition significantly more generous than the market standard “Stroke - Resulting in Permanent Symptoms” definition. Based on research from our reinsurers, it is expected that this change will lead to an additional **17%** of Stroke claims being payable compared to the previous definition.*



Strengthening our extensive list of illnesses covered

4 New full illness definitions including Severe Crohn’s Disease

14 Enhanced full illness definitions including Multiple Sclerosis and Parkinson’s Disease

7 New partial payments including Early Stage Bladder Cancer and Carcinoma in Situ - Testicular

5 Enhanced partial payments including Carcinoma in Situ - Breast

For details of the illnesses we cover and to see how we compare to the market, have a look at our market comparison brochure.

* Source: Reinsurer Research, June 2014.



Waiver of premium now free on Guaranteed Mortgage Protection policies

Your customer's most important asset is their family home. Mortgage Protection should ensure the remaining mortgage is paid off in the event of their death **but very often a protracted illness precedes death** which could prevent your customer from earning an income.

That's why waiver of premium (WOP) is important. It ensures that your customer's premiums are paid in the event of them being unable to work due to illness or injury.

And because we believe it's essential protection for customers, we've decided to add it for free!

- **WOP now free** on all new Guaranteed Mortgage Protection plans.
- **It's in the policy document:** Free WOP is a policy benefit defined in the policy document. Only benefits that form part of the policy document should be considered when giving advice.
- **Improved product terms:** The deferred period has been reduced from six months to three months.
- **No additional underwriting:** We will not underwrite the WOP benefit itself but we will exclude it from any cases where any special terms apply to the life, serious illness or permanent total disability benefit.
- **No occupational restrictions:** The only condition is that the life insured must be in paid employment at the point in which they become disabled.
- **Process safeguard:** We will write out to policyholders where a policy lapses before the expiry of our unique three month reinstatement clause to remind them that they have this valuable benefit. We think this is very important as sickness can result in difficulties paying premiums and when it comes to mortgage protection, it's the family home at stake.
- **How to apply:** This benefit is included automatically on all applications unless excluded, in which case this will be noted in the special terms letter.
- **Cost:** Free!

Note: This benefit is **not included for free** on Guaranteed Term Protection policies - if selected the charge remains at 3% and the above product and process changes do not apply.

FREE WOP is a policy benefit defined in the policy document.



Insuring tomorrow - improved indexation option

1 We've equalised our level and indexed premiums

We know indexed cover costs more than level cover - it's because your customers are getting more cover! But on day 1 they aren't - so why the price differentiation? A difficult sale to your customer? Well, no more. Now your customer will pay the same starting premium regardless of whether they take indexed or level cover. It's only after the first year (once the first indexation increase is applied) that the premiums begin to differ.

This should make it easier to sell indexed cover to your customers.

2 We've amended our annual increase rate for indexation

New indexed policies will see a 4.5% annual increase in premium for a 3% annual increase in cover.

This lower rate of increase in premium/cover should result in more customers continuing to take out this valuable benefit.

3 New opt-out process

As we believe that the majority of protection applications should have this option going forward it is included on our application forms on an "opt out basis". You will need to tick a box to exclude it if the applicant does not want to include this valuable option.



'Rolling Conversion Option' which can be exercised at any stage during the term of the policy

Our new Rolling Conversion option allows your customers to extend their cover at any stage without evidence of health.

- We still call it the Protection Continuation Option and when exercised we will replace your customer's policy with a new policy.
- While there is no evidence of health required, the new premium will be based on the premium rates applicable at the time of the conversion option.



208% 'Spread' commission option

We have strengthened our commission offerings with the addition of a new 208% deal, offering greater commission flexibility to enable you to build a remuneration structure that best fits with your business plan.

Commission Options	Maximum Initial (Year 1)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7+	Earnings Period
180%	90%	18%	18%	18%	18%	18%	3%	12 months
180%	100%	0%	40%	0%	40%	3%	3%	12 months
160%	160%	0%	0%	0%	0%	3%	3%	50% yr 1, 12.5% over yrs 2-5
New 208%	100%	12%	12%	12%	12%	12%	12%*	12 months

* 12% to year 10, 3% from year 11+

Note: The traditional 130% (10%xTerm, maximum 90%/100%) deal with enhanced commission and 3% renewal is still available.

Are there any conditions?

For 'Whole of Life' plans, the 160% option is being withdrawn and the new 208% option is not available. Otherwise there are very few conditions attached to any of these structures.

1. You simply need to submit the business online.
2. You must select the PIBO (i.e. Printing In Broker's Office) option.

Applicable products

- Guaranteed Term Protection
- Guaranteed Mortgage Protection
- Pension Guaranteed Term Protection

To avail of these commission options all you need to do is select the PIBO option on the online application, then, later in the application you will have the opportunity to choose the "100 /12 (100 + 12*9) Structure", "160 Structure", the "180 (100, 40, 40) Structure", the "180 (90 + 18*5) Structure" or the "Conventional Structure". Simple as that!

Take the next step.

To help your Protection sales we have a range of customer supports that you can use - including customer sales aids and brochures, posters and pre-approach letters/emails.

Just get in touch with your Zurich Life Broker Consultant.



Talk to your Zurich Life Broker Consultant

Visit the Broker Centre at zurichlife.ie

Zurich Life Assurance plc

Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland.

Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurichlife.ie

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