

Life Choice Convertible Mortgage Protection Explained

For Financial Brokers & Advisors Only

**A Mortgage Protection Plan That
Stands Out From The Rest**



taking care of you...



Convertible Mortgage Protection Overview

Having a Convertible Mortgage Protection Policy can make a significant difference and offer your clients even greater flexibility, benefits and value for money

Mortgage Protection plans may appear to be the same. They're not. Certain plans can give your clients a lot more for their money and also safeguard your clients' ability to get future cover, even if they later suffer ill health. Having a Convertible Mortgage Protection Policy can make a significant difference and offers your clients even greater flexibility, benefits and value for money.

The real value of Convertible Mortgage Protection is that it offers your clients the flexibility to extend the term of cover, convert from a decreasing term to a level term policy or take out a new policy on similar terms without being medically assessed. Essentially, it protects your clients' ability to get future cover to meet their changing needs irrespective of their health at that time.

Comparing the Difference

| The Benefits of Convertible Mortgage Protection | The Value of Convertible Mortgage Protection for your clients | Basic Mortgage Protection | Convertible Mortgage Protection |
|---|---|---------------------------|---------------------------------|
| Medical Free Conversion to new mortgage protection plan | Ensures your clients can switch to a new mortgage protection or term assurance plan without medical underwriting. | X | ✓ |
| Safeguards future cover | Ensures your clients can get cover in the future even if they suffer ill health. | X | ✓ |
| Meets changing needs | The conversion option enables your clients to extend the term and the Life Events Option allows them to increase the sum assured. | X | ✓ |
| Can help support short-term financial needs | The conversion option can enable clients in financial difficulties to amend the term of cover to match any extended mortgage term or amend the amount of cover if they move to an interest only mortgage. | X | ✓ |

Terms and conditions apply. Moving to an interest only mortgage or extending your mortgage term is subject to approval from your mortgage lender.

Life Events Option – allows the policy holder to increase the amount of cover without the need for medical evidence on getting married, having or adopting a child or moving principal residence. This is an automatic benefit provided at the outset to all lives accepted at standard rates.

Price Pledge - the cost of Convertible Mortgage Protection is an additional 10% on top of the cheapest premium available for **Non Convertible Mortgage Protection** on Best Advice and Adviser Plus.

Convertible Mortgage Protection

Case Study 1

Tom and Kate buy their first home and take out a Convertible Mortgage Protection Policy with New Ireland for €300,000 over 20 years. Five years later, Tom and Kate get into financial difficulty and want to reduce their monthly mortgage repayments to ease financial pressure.

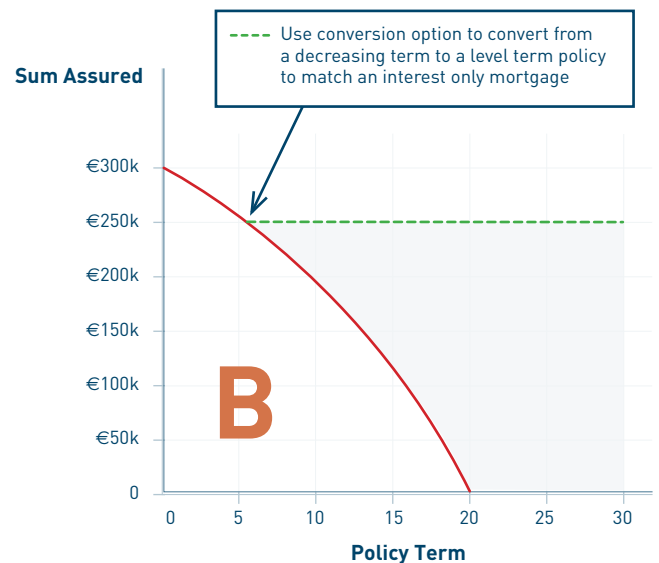
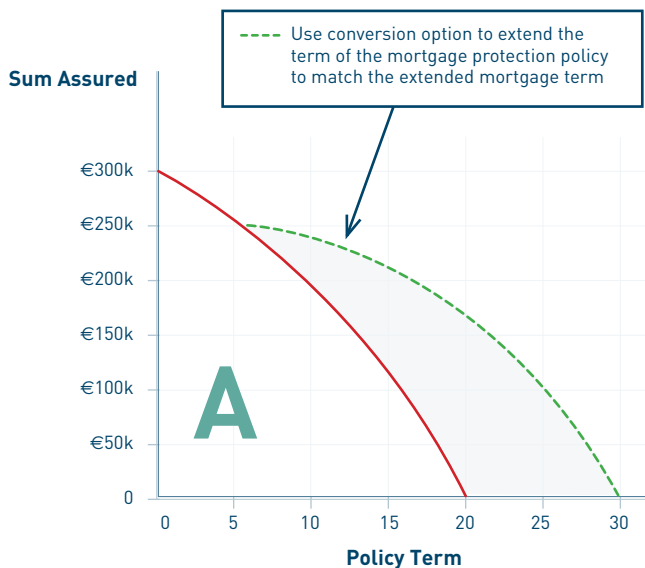


As Tom and Kate selected New Ireland's unique conversion option when they took out their mortgage protection policy, this gives Tom and Kate the flexibility to:

- A** extend the term of cover on their existing policy to match the extended mortgage term;
- B** convert from a decreasing term to a level term policy to match an interest only mortgage.

With Convertible Mortgage Protection, Tom and Kate can convert as many times as they require[†]

[†] Terms and conditions apply.



The graphs above assume an interest rate of 6% per annum.
Source: New Ireland Assurance.

Sample Statement of Suitability...

Having completed a fair analysis of the market, I recommend **New Ireland's Life Choice Home Convertible Mortgage Protection Policy** as one that would best suit your needs because:

- It provides flexibility in the event that you ever have to convert to an interest only mortgage or have to extend your mortgage term.
- You will have the option to extend the term, convert from a decreasing term to a level term policy or take out a new policy on similar terms without being medically assessed. This means that if your health deteriorates, you can get future cover and not be declined because of your poor state of health.[†]
- You will have the option to convert as many times as you require.[†]
- The Life Events Option allows the policy holder to increase the amount of cover without the need for medical evidence on getting married, having or adopting a child or moving principal residence. [†]

[†] Terms and conditions apply.

Convertible Mortgage Protection



Case Study 2

Billy and Laura buy their first home and take out a Convertible Mortgage Protection Policy with New Ireland for €300,000 over 20 years. Five years later, on the birth of their second child, they want to move to a bigger home but Billy has developed an illness e.g. diabetes.

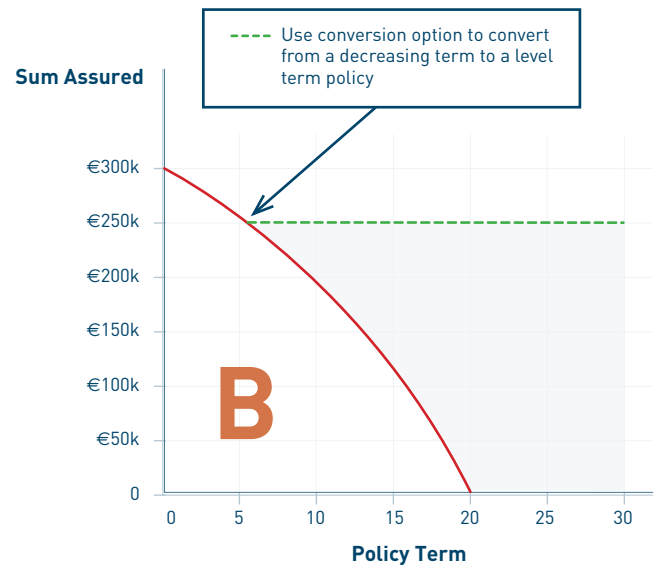
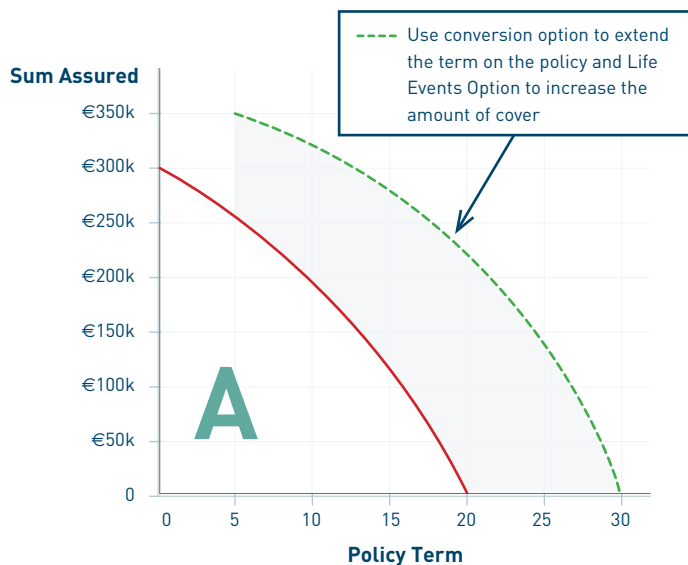
As Billy and Laura have the conversion option in place this means they won't have to pay significantly higher premiums or be declined for future cover and be unable to move to a bigger home because of a deterioration in health.

As Billy and Laura selected New Ireland's unique conversion option when they took out their mortgage protection policy, together with the Life Events Option, this gives them the flexibility to:

- A** extend the term of cover by a further 10 years to match the extended mortgage term and increase their mortgage cover to €350,000;
- B** convert from a decreasing term to a level term policy thereby increasing their level of personal cover.

With Convertible Mortgage Protection, Billy and Laura can convert as many times as they require[†]

[†] Terms and conditions apply.



The graphs above assume an interest rate of 6% per annum.
Source: New Ireland Assurance.

Statement of Suitability...

Having completed a fair analysis of the market, I recommend **New Ireland's Lifechoice Home Convertible Mortgage Protection Policy** as one that would best suit your needs because:

- You will have the option to extend the mortgage term, convert from a decreasing term to a level term policy or take out a new policy on similar terms without being medically assessed. This means that if your health deteriorates, you can get future cover and not be declined because of your poor state of health.[†]
- You will have the option to convert as many times as you require.[†]
- The Life Events Option allows the policy holder to increase the amount of cover without the need for medical evidence on getting married, having or adopting a child or moving principal residence.[†]

[†] Terms and conditions apply.

The information set out is intended as a guide only. It is important to understand that terms and conditions apply to all convertible mortgage protection policies and if there is any conflict between the information set out and the policy conditions, the policy conditions will prevail. Life assurance benefits are subject to underwriting and acceptance by New Ireland Assurance Company plc.



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