SCOTTISH WIDOWS PROTECT

This information is for UK financial advisers only and should not be distributed to or relied upon by another person.

SCOTTISH WIDOWS

OUR THREE PRINCIPLE OBJECTIVES

1 CLIENT CENTRIC

- Delivering excellent value to your client with the cover and support they need throughout the lifecycle of their policy.

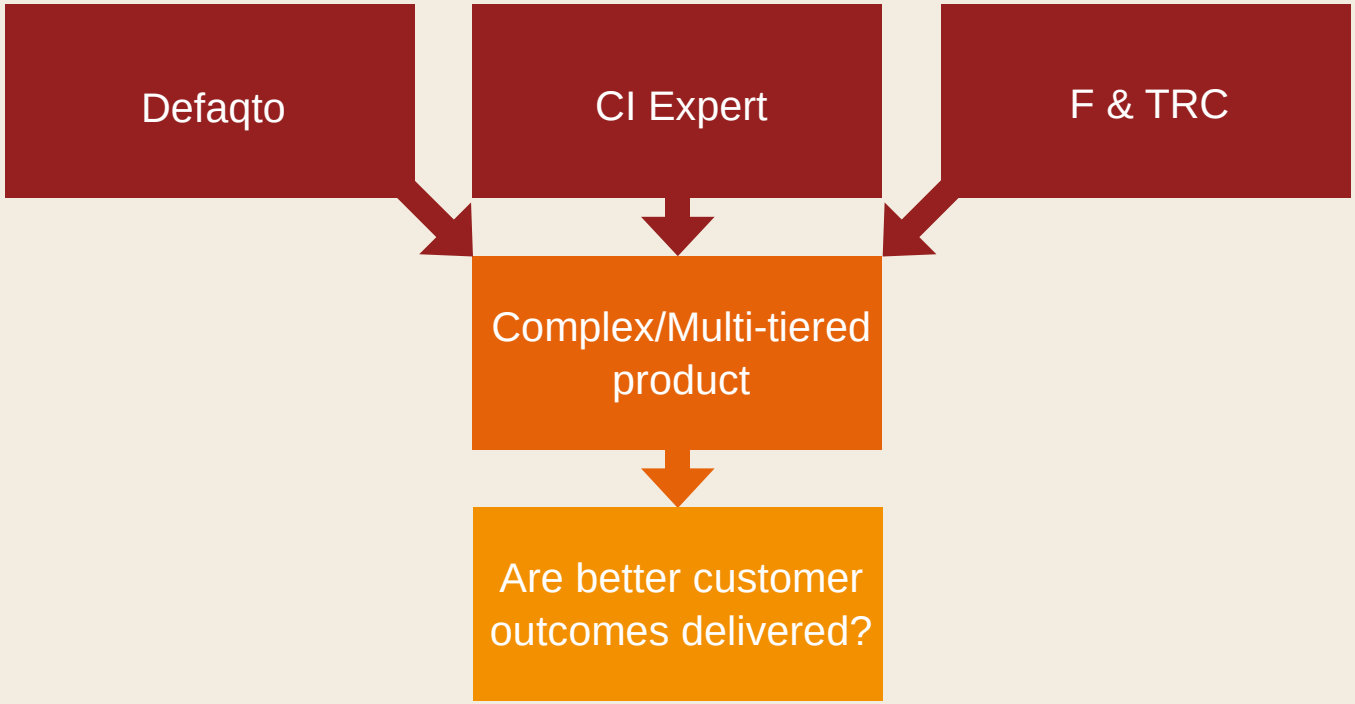
2 ADVISER ENGAGEMENT

- Helping advisers and their support teams better engage with the Protection Market.

3 INCREASE ADVISER PROFITABILITY

- Focusing on improving operating efficiency, releasing more time for clients and helping to optimise revenue.

PRODUCT/COVER OPTIONS



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MORE CLAIMS PAID?

96.26%

of all claims paid were for

10 conditions

3.74%

The remaining 3.74% of claims paid were for

23 conditions

Covering more conditions does not mean paying more claims.

Are we focussing on the things that matter?

Sources:
Defaqto CI report 2017.

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COMPREHENSIVE CRITICAL ILLNESS COVER

- 49 conditions
- 18 ABI+ definitions
- 8 additional conditions
- Children's cover up to age 22
- 5 child specific conditions
- Rated 5 stars*

defaqto 2018 ★★★★★ Critical Illness Cover

defaqto 2018 ★★★★★ Decreasing Term Critical Illness

defaqto 2018 ★★★★★ Standalone Critical Illness

*Source: Defaqto

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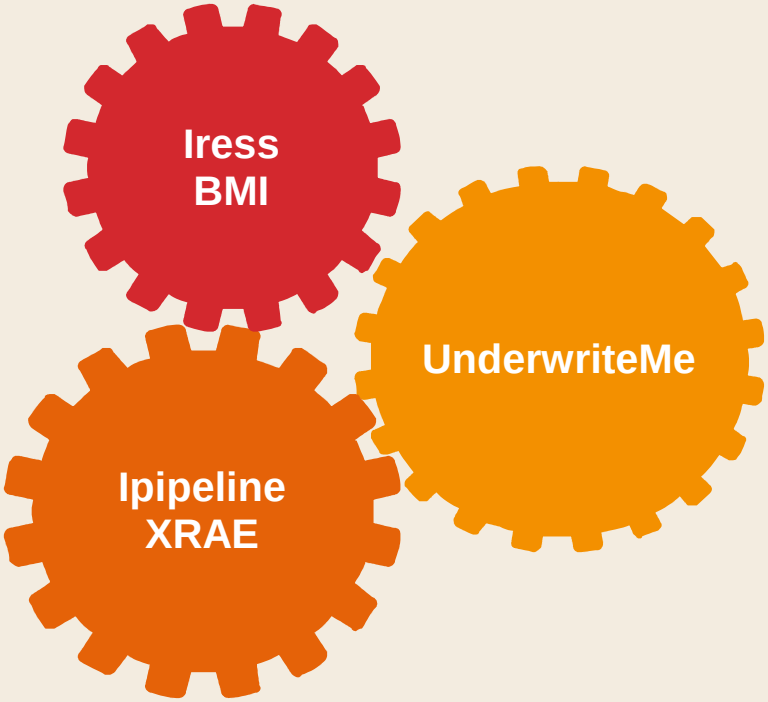
CUSTOMER OUTCOMES – THE FUTURE OF UNDERWRITING



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OUR CLAIMS SERVICE

99%
of Life Cover claims paid in 2017

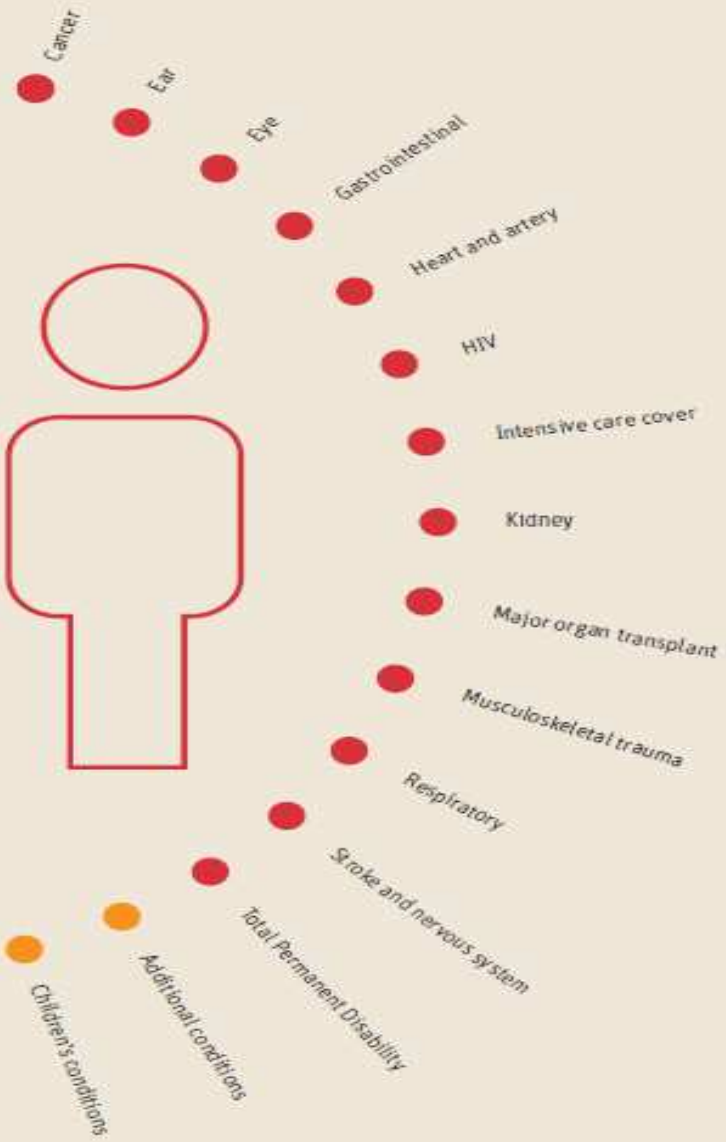
93%
of Critical Illness Cover claims paid in 2017

£811,000
paid out in combined Life Cover and Critical Illness Cover every working day

3 in 4
female Critical Illness Claims were for cancer

48%
of Life Cover claims were due to cancer

Over 85%
of Critical illness Cover claims were for people under 60



POINT OF SALE EXPERTISE

- High point of sale underwriting decisions
- Simplified online underwriting
- Intuitive tailored individual questions

18
YEARS

Experience developing automated underwriting systems

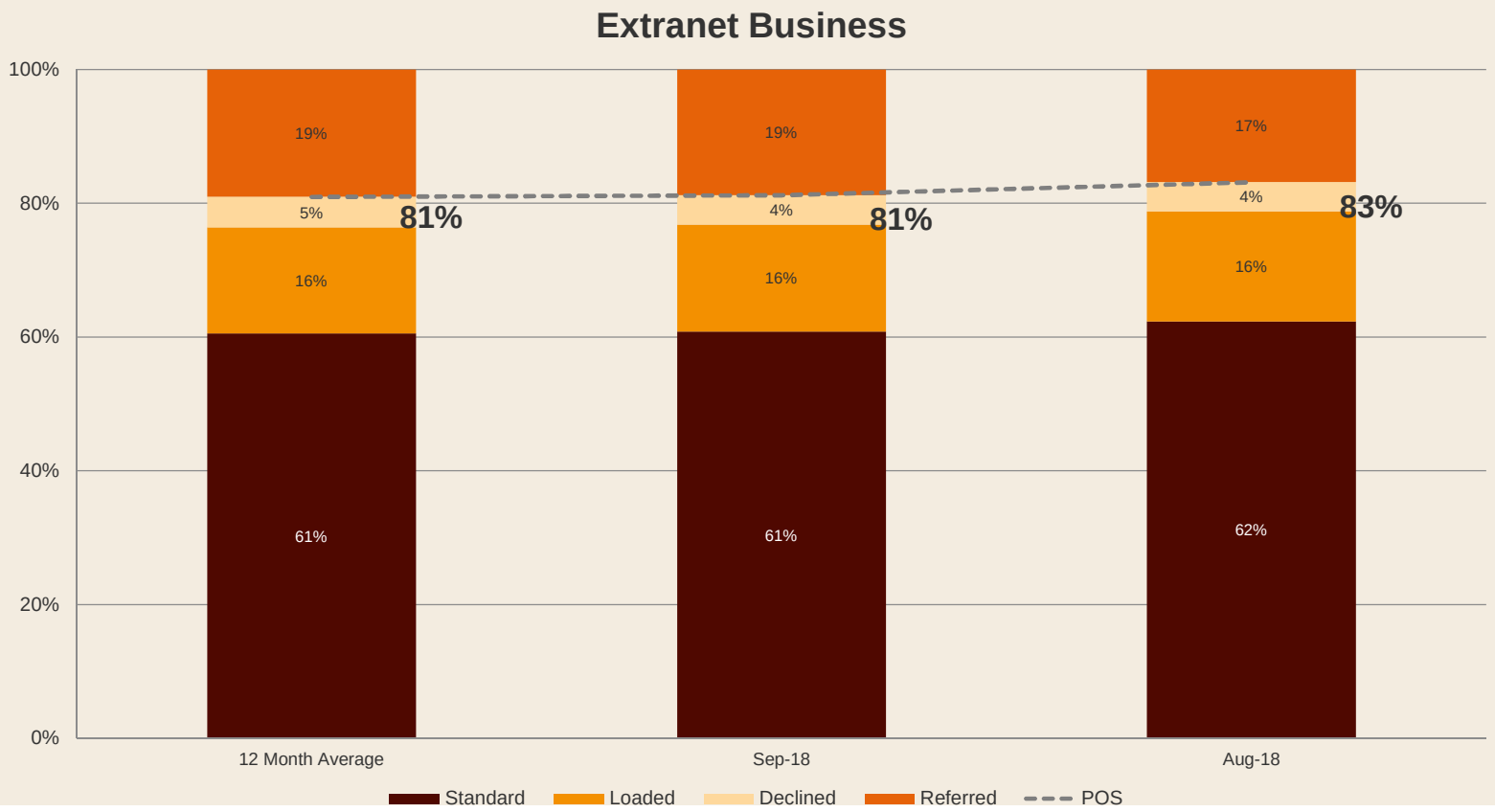
10,000
DISCLOSURES

Over 10,000 disclosures (medical and occupation)

2,000
RULES

Instant assessment by a bank of over 2,000 rules

POINT OF SALE DECISION PROFILE



A CASE STUDY - BODY MASS INDEX (BMI)

THE CLIENT PROVIDED THESE FACTS

JAN

- Jan, aged 29, non-smoker, applied for life and critical illness cover.
- Jan is 5ft 6 inches and weighs 14 stone and 10 lbs.
- Jan doesn't have any other cardiovascular risks.

UNDERWRITING OUTCOMES

Consider how a client's individual circumstance can be better suited to a particular provider.

Provider A – Life & Critical Illness = 50% loading

Provider B – Life & Critical Illness = 75% loading

Scottish Widows Protect decision

STANDARD RATES

This case study is for illustrative purposes only

WHAT IS THE IMPACT FOR JAN?

A CASE STUDY - MEET JAN

- 29 and a non smoker
- £130,000 Level term, life and critical illness cover.
- 30 year term
- Adviser chooses the cheapest provider and enters underwriting information onto the chosen providers online application.

Result = premium increased by 50% due to BMI

WHAT ARE THE POTENIAL OUTCOMES?

- SWP premium - £33.48
- Assuming all provider quotes are equal, additional cost to Jan over the plan term:
- Provider A + 50% = £6,026
- Provider B + 75% = £9,040

Is this the best outcome for Jan?

Does this meet the IDD requirement of Acting in best interests of customers?
iRESS BMI Quote function can help

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ADDRESSING THE ISSUE OF MENTAL HEALTH

WHAT DO CUSTOMERS THINK?

DISCLOSING INFORMATION MEANS I CAN'T GET COVER

IF I DO DISCLOSE I WILL PAY A MUCH HIGHER PRICE FOR COVER

UNDERWRITING OUTCOMES

15% of disclosures are for Mental Illness

We underwrite:

- 78% standard terms on disclosure*
- 95% overall acceptance*
- Care support structure in place; with instant access from day one

Sources:
*Scottish Widows Protect, Life Cover statistics, 2017.

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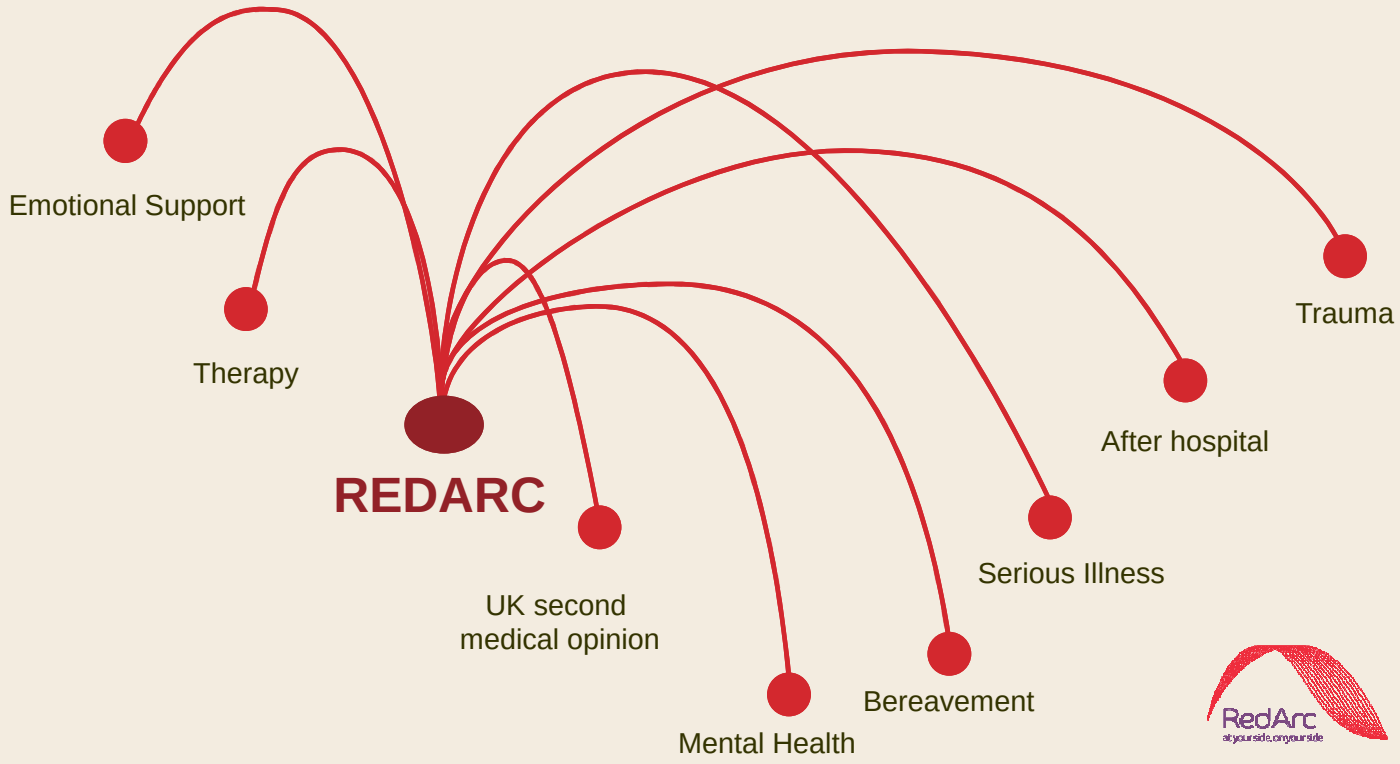
SUPPORT FOR YOUR CLIENT WHEN THEY NEED IT MOST

- All Scottish Widows Protect plans include Scottish Widows Care .
- Practical advice and emotional support for policyholders and their immediate family.
- Support available from the day the policy starts and for as long as its needed.
- No exclusions of use based on pre-existing conditions.
- No need to make a claim to access Scottish Widows Care.



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IT'S ALL ABOUT THE NUMBERS

Here are five numbers to help you remember the key facts about our underwriting.

100%

For all asthma, back disorders and BMI cases, we will never request a GP report or ask your client to attend a medical examination*

95%

of clients who tell us about a mental illness are offered cover, with 78% accepted on standard terms*

90

is the number of days for which terms are guaranteed

81%

of clients are given a decision at point of sale*

10%

Less than 1 in every 10 applications need a GP report* meaning many of your clients can get terms agreed and their policy on risk without delay

Source: Scottish Widows Protect statistics, 2018 underwriting data.

PRICE LOCK PROMISE

From when you submit your application to when the policy goes in force, we guarantee the price will not change – for up to a period of 12 months.*

WHAT THIS MEANS:

- no increase in price even if your client passes a quarter birthday
- no increase in price as a result of any delays to your client's mortgage exchange or completion
- no increase in price while we gather the necessary underwriting information.

*Note: This is available on policies which are set up on a selected term basis only and is subject to any underwriting terms being imposed.
Any offer of terms is valid for 90 days. If this expires before a policy is placed on risk then a Declaration of Continued Good Health (DCGH) will be required.

YOUR CONTACT POINTS

HL Partnership Account Manager Contacts

						ZE		
			HS		KW			
					IV	AB		
					PH	DD		
				PA	FK	KY		
				G	ML	EH		
	BT			KA	DG	TD	NE	
					CA	DL	DH	SR
					LA	BD	HG	TS
			FY	PR	BB	HX	LS	YO
		L	WN	BL	OL	HD	WF	HU
			WA	M	SK	S	DN	
	LL	CH	CW	ST	DE	NG	LN	
	SY	TF	WV	WS	B	LE	PE	NR
SA	LD	HR	DY	WR	CV	NN	CB	IP
	CF	NP	GL	OX	MK	SG	CM	CO
		BS	SN	HP	LU	AL	EN	SS
	TA	BA	SP	RG	SL	LONDON		
	EX	DT	BH	SO	GU	RH	TN	ME	CT
PL	TQ				PO	BN		
TR								

LONDON

WD	NW	N	E	IG
HA	W	WC	EC	RM
UB	TW	SW	SE	DA
	KT	SM	CR	BR

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