

VitalityLife Press Release
19 November 2014

VitalityLife launches new category of protection to address changing needs of ageing population

To meet the challenges brought about by the changing UK demographics, VitalityLife today launches a new life insurance product, LifestyleCare Cover, which gives people added flexibility should they suffer from serious ill health during later life.

The UK protection market has failed to adapt to the changing population demographic, with the focus having been on pre-retirement protection rather than post retirement. However, with longevity increasing, we are living in ill health for longer, and it's expected that around 60% of people over 65 will need some form of care. By 2017 there will be more elderly parents in need of care than there are children to provide it.

LifestyleCare Cover gives people lifelong cover that pays out on death, or crucially, if they suffer an illness which leaves them permanently incapable of looking after themselves. The product permits a preselected proportion (up to 100%) of their Life Cover to be accessed early, in the event of the insured being unable to permanently look after themselves. This is assessed using activities of daily living, such as being unable to dress oneself or move from room to room. An accelerated benefit (20% of the chosen LifestyleCare benefit) will be payable on earlier diagnosis of Alzheimer's, Parkinson's or Dementia, as defined by the ABI.

If no benefit is payable on LifestyleCare the full cover amount will be payable under the Whole of Life element of the policy. Therefore, it could be used to cover inheritance tax, to pay for a funeral, or to leave as a legacy to family members.

An optional LifestyleCare Cover Protector can be added to ensure that the death benefit is automatically reinstated in the event of an earlier claim for incapacity.

There is mounting evidence that conditions like Alzheimer's disease, Parkinson's and Dementia are linked to obesity and lifestyle. According to a recent study, people who follow 4 out of 5 healthy behaviours are 60% less likely to develop Alzheimer's disease compared to those who follow none. LifestyleCare Cover encourages a healthy lifestyle and automatically includes a range of benefits to help people understand their health, and encourage and reward people for making healthy lifestyle choices.

Commenting on the launch, VitalityLife CEO **Herschel Mayers** said:

"LifestyleCare Cover is a new category of protection. The Whole of Life market has seen resurgence since we launched our revitalised product in 2012. However, we recognise that for many people the need for cover in their later years is during ill health and LifestyleCare Cover has been designed to protect people when they need it most."

Tony Mudd, Divisional Director at St James's Place Wealth Management, commented:

"The cost of care in later life is something many clients are worried about and it is very topical at the present time. LifestyleCare Cover offers a great opportunity to address this concern and opens a whole new Protection market for our advisers."

Dr Hillary Jones, GP, presenter and commentator on medical issues said:

"The trauma of having to deal with a serious illness, for both the patient and their family, is enough of an ordeal in itself. To have financial worries added to the mix is a combination that nobody should have to endure. Products that can take some of the stress, no matter how little, out of the equation, can only be a positive step forwards."

VitalityLife also launched the Mortgage Plus Plan a Life & Incapacity product aimed at the mortgage market; and a short term Income Protection option.

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Notes to Editors

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The information contained in this press release is intended solely for journalists and should not be used by consumers to make financial decisions. Full consumer product information can be found at vitality.co.uk/life

Vitality - the game changer for health and life insurance

Vitality is the new name for PruHealth and PruProtect. Vitality is health and life insurance that rewards you for being healthy. As well as protecting you when things go wrong, it also helps you lead a healthier life – meaning you don't have to claim to be able to benefit. It's the way insurance should be.

Vitality has partnered with a number of Vitality Ambassadors, Jessica Ennis-Hill, Sebastian Coe and Jonny Wilkinson, who are role models that embody the values of Vitality. They are all using their passion for living a healthy lifestyle to motivate others to make positive changes. Taking small steps today can dramatically improve wellbeing over the long-term, regardless of your current state of health.

VitalityLife

VitalityLife was launched as PruProtect in September 2007 as an extension of the joint venture between Prudential and Discovery. One of the fastest growing life insurers in the UK, it is unique to the current UK protection market, and its suite of products includes Life Cover, Income Protection Cover and severity based Serious Illness Cover, additional benefits and Business Protection. By recognising people's efforts to look after themselves, VitalityLife is able to offer a more comprehensive set of benefits than traditional providers at a very competitive price vitality.co.uk/life

On 10 November 2014, Discovery purchased Prudential's stake in the holding company which owned PruHealth and PruProtect and is re-branding the business to Vitality with two lines of insurance, VitalityHealth and VitalityLife.