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Don't Gamble on your Life (Insurance)

- **Consumers value Life insurance and income protection more than TV subscriptions and mobile phone contracts**

With the impact of the credit crunch, falling house prices and growing consumer debt beginning to bite, life insurance and income protection is being seen as a lifeline for many financially stretched Brits.

New research from innovative protection provider PruProtect highlights that when times get tough people really do come to rely on their insurance cover. The majority of Brits value financial security over home comforts and would cancel their TV subscription (71 per cent) and mobile phone contract (47 per cent) ahead of their life insurance policy (11 per cent) or home contents cover (4 per cent).

When it comes to the type of protection Brits value most, life cover is at the top of the list for 35 per cent of people and income protection is second, favoured by 20 per cent of Brits. 18 per cent of people would opt for other cover such as Critical Illness Cover (12 per cent) or Payment Protection Insurance (PPI) (six per cent).

And when buying financial protection Brits are unwilling to be caught out by the small print. 42 per cent would rather have a product based on the extent of cover and number of applicable exclusions compared to a quarter (25 per cent) who buy on price alone.

Sammy Rubin CEO, PruProtect, said: "With financial markets undergoing a period of uncertainty, many people may be feeling less secure with their budgets and may have to face the difficult decision of stripping down their monthly outgoings.

"Life insurance-related policies such as income protection can be a vital lifeline, supplying funds to cover day to day costs such as mortgage or debt repayments, or if someone finds themselves in unexpected financial difficulties, such as being unable to work due to illness or injury."

Based on the same “Vitality” system as PruHealth, PruProtect enables policyholders to earn Vitality points for looking after their health, for example by going to the gym, using a pedometer, having a fitness assessment or a health screen. These points, could help manage the cost of their premiums each year over term of their policy. PruProtect’s Vitality partners include, Virgin Active, Cannons, LA Fitness, eBay, Nuffield Proactive Health and Allen Carr’s Easyway to Stop Smoking.

Sammy Rubin continued: “The Vitality scheme gives people the flexibility to lead the life they strive for while encouraging them to be responsible for their health as well as their finances. Income protection and life cover products are designed to deliver security and peace of mind and with PruProtect’s offering people would not be forced to choose between life cover and maintaining their health.”

Ends

Notes to Editors

PruProtection Holdings (PruProtection) is the holding company of Prudential UK and Discovery’s joint venture. Sammy Rubin is CEO of PruProtect, and Shaun Matisonn heads up PruProtection Holdings whilst continuing his role as PruHealth CEO.

The information contained in Prudential UK’s press releases is intended solely for journalists and should not be used by consumers to make financial decisions. Full consumer product information can be found at www.pruprotect.co.uk.

Media enquiries

Sophie Dawn

Tel : 020 7150 2574

Mobile : 07810 753485

Izabella Siemicka

Tel : 020 7121 8513

Mobile : 07917 557528

About PruProtect

Launched in September 2007, PruProtect is an extension of the existing joint venture between Prudential UK and Discovery, which began with PruHealth. Unique to the current UK protection market, the PruProtect suite of products includes Life Cover, Income Protection and severity based Serious Illness cover. PruProtect is based on the innovative Vitality points system and is designed to encourage customers to take control of their own health and wellbeing, which gives policyholders the opportunity to manage their premiums during the course of their contract. By recognising people’s efforts to look after themselves- this sentence relates to the ability to manage future premiums either needs to be linked to the previous sentence or removed. PruProtect is able to offer a more comprehensive set of benefits than traditional providers at a very competitive price.

About Discovery

Discovery, headed up by Adrian Gore, is a leading South African financial services company that specialises in healthcare cover, life assurance and lifestyle and wellbeing benefits. Prudential UK and Discovery launched PruHealth in 2004.