

14 November 2008

## PRUPROTECT REMOVES POTENTIAL PRICE INCREASES TO ALLOW POLICYHOLDERS TO REDUCE THEIR PREMIUMS EVERY YEAR AND 'LOCK-IN' THEIR LOWEST RATE

- All premium reductions earned remain throughout the policy term and premiums will not increase.<sup>†</sup>
- 
- New enhancements create the only competitive and comprehensive protection product in the UK intermediary market to enable premiums to fall when a policyholder engages in regular healthy activities with PruProtect
- Enhancements go live on 16 November 2008

PruProtect, the joint venture between Prudential and South African market leader Discovery, has made several enhancements to its existing product range.

Policyholders who look after their health and wellbeing by engaging with PruProtect's unique Vitality programme will be able to reduce their premiums and these lower premiums will be 'locked-in'. The potential for annual price increases across PruProtect's Life Cover, Serious Illness Cover and Income Protection, has been removed.

**Kevin Carr, Director of Protection Development, said:** "Our Serious Illness Cover is already the most comprehensive of its kind in the UK. As well as becoming more competitive, we are enhancing our proposition for consumers by allowing them to reduce their future premiums and keep them low."

Pipeline and existing customers will be given the opportunity to either continue with their existing policies, or move to the new policy model, without additional underwriting.

### Example pricing\*

Quote	Current premium	New premium	% change
Male, Non-smoker, Aged 30, Term 20 years	£22.16	£20.45	-7.7%
Female, Smoker, Aged 30, Term 25 years	£38.84	£35.98	-7.4%
Joint Life Male, Smoker, Aged 30, Female, Smoker, Aged 30, Term 20 years	£63.55	£57.32	-9.8%

## **Vitality with Lite Rewards**

PruProtect policyholders automatically become members of the Vitality programme, which rewards policyholders for engaging in a healthy lifestyle.

Vitality covers 5 areas – education, exercise, nutrition, screening and smoking cessation – and members can earn points by participating in healthy activities related to each area, such as going to the gym, downloading healthy meal plans from the PruProtect website, or having a health screening. By earning points, members can move up to different status levels (Bronze, Silver, Gold and Platinum) and could benefit from reduced premiums for doing so.

Policyholders could enjoy discounts with a range of Vitality partners through PruProtect's Lite Rewards, including: Nuffield Health, Fitness & Wellbeing Centres, LA Fitness, Virgin Active, Allen Carr's Easyway to Stop Smoking, Champney's Health Resorts, Fitbug, Cineworld Cinemas, Eurostar and Mark Warner.\*\*

In order to improve the premium and remove the potential for future increases for all policyholders some partner discounts have been reduced under Lite Rewards. Some discounts are smaller than those offered by PruHealth, but Lite Rewards discounts are being enhanced until 30 April 2009 as a special offer.

**-Ends-**

### **Notes to Editors**

+ Premium changes due to indexation or the choice of reviewable premiums will still apply, but any percentage reductions will still apply in full to the new premium.

\* Quote examples assume Level Life and Serious Illness Cover, Primary Serious Illness Cover, Occupation Class 1, Guaranteed Rates, £100k of cover

\*\* To ensure that the Vitality programme and Lite Rewards continue to be relevant for PruProtect members, individual partners may change

**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](http://www.pruprotect.co.uk).**

### **Media enquiries**

Izabella Siemicka  
Kevin Carr

Tel : 020 7121 8513      Mobile : 07917 557528  
Tel: 05511 458248      Mobile : 07810 056119

### **About PruProtect**

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 potential reduce their future premiums. By recognising people's efforts to look after themselves, 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.