Aimed at Intermediaries and Investment Professionals only.

Scottish Provident

Promises delivered – helping you to improve your business

Welcome to the latest edition of Promises delivered – a digest of all our recent activity.

We understand how challenging economic conditions have been over the last year, so we have been working hard to help you and your business by bringing you a number of product and service enhancements. These have included some helpful marketing tools, such as research data and the Life Matrix (more on that later). Our aim is to make it easier for you to sell protection to your clients.

We value your ongoing support and look forward to working with you in the coming months.

Claims paid 2009

Product improvements

Mind the protection gap!

E-business enhancements

Salesline spring roadshows

Five stars for five years

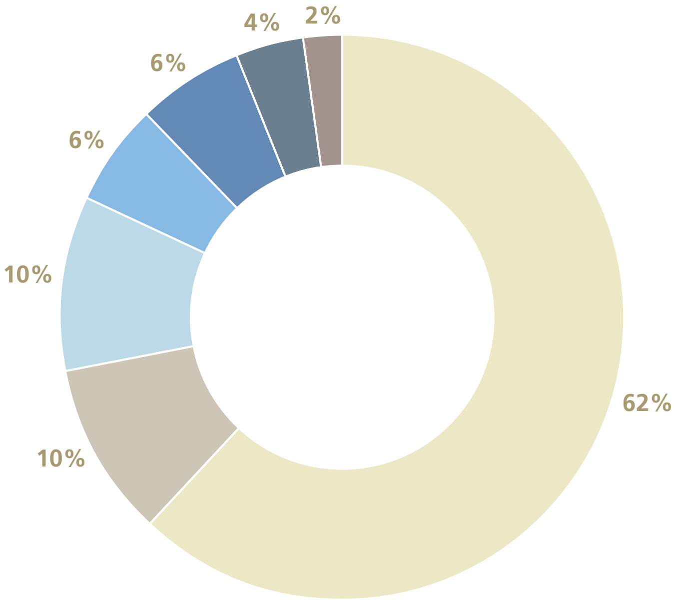
Financial Adviser's Life and Pensions

We're here to help

Claims paid 2009

Your clients want to know that the cover they have in place will pay out when they really need it – when making a claim.

Our track record in claims paid continues to be excellent with almost £44 million paid out in critical illness claims alone, in the first six months of 2009.



Cancer 62%
Other 10%
Heart Attack 10%
Stroke 6%
Multiple Sclerosis 6%
Child Benefit 4%
Brain Tumour 2%

Here are some other useful stats:

- In March 2009, we paid out £175,000 to an electrician and the policy had only been in force for 5 months
- In April 2009, we paid out £200,000 to a Managing Director with testicular cancer
- 92.8% of claims in the first six months of 2009 were successful.

Of the unpaid claims, 1.2% were declined due to the discovery of material non-disclosure at the time the plan was taken out. The remaining 6% were declined because the illness did not meet any of our critical illness definitions.

Source: Scottish Provident critical illness claims paid 1 January 2009 to 30 June 2009.

Proposition improvements

Scottish Provident is renowned for providing a range of flexible, quality products, which we are always striving to improve. Here are some changes that we have made to our products this year…

New critical illness definitions

At the end of July we added three new conditions to the list of critical illnesses that we cover. These were:

- Primary pulmonary hypertension – of specified severity
- Pulmonary artery graft surgery – with surgery to divide the breastbone
- Structural heart surgery – with surgery to divide the breastbone.

This means we cover an extended range of critical illnesses should your clients fall seriously ill. The new definitions apply across both Self Assurance term and Pegasus whole of life.

HIV definition – now ABI Plus

Our critical illness definition for HIV has been extended to include countries outside the EU. This new definition now goes beyond the standard ABI definition for HIV and takes the number of Scottish Provident critical illness definitions that are ‘ABI plus’ to seven.

Further improvements

- Exclusions removed from Pegasus
- Medical evidence for claims now accepted from Gibraltar, Iceland, Japan and Lichtenstein
- A ‘declaration of health’ is no longer required for Self Assurance business increase options
- Significant reduction in the amount of post sale literature we send out, which means less paperwork for both you and your clients with key information being easier to find.

Mind the protection gap!

Ipsos MORI / High Wire Britain Campaign – promotes the need for protection

In December 2008 Scottish Provident commissioned Ipsos MORI to carry out research on people's attitudes towards money, their finances and how they protect their financial wellbeing.

The results point to some alarming conclusions, showing that all over Britain, people are balancing on a high wire – generally enjoying a good standard of living but not doing enough to protect the income that makes it possible.

To promote the research findings, we created 'High Wire Britain'; a campaign that helps to highlight the protection gap and ultimately provide sales tools and literature that you can use with your clients, to ensure they are adequately protected.

Visit: **www.highwirebritain.co.uk** for more information on how Scottish Provident can help you provide a safety net for your clients.

Note: Ipsos MORI interviewed a nationally representative sample of 2,024 adults aged 16+ across Great Britain, between 11th and 16th December 2008. Interviews were conducted using an in-home face to face survey.

Here's a summary of the key findings:

- The outlook for the future is less optimistic than 5 years ago but the younger generation have more positive views than older age groups
- There has been a lot of movement among the different regions regarding expectations of improvement of standard of living over the next ten years
- Compared to 5 years ago, people would now be less willing to give up satellite/cable TV in order to save money
- Family is seen as the most popular source of advice for personal finance
- Price remains the major barrier among those not holding insurance to provide a lump sum of money or an income in the event of critical illness, sickness, accident or disability
- Just under half of those who don't currently hold this type of insurance would be unwilling to take it out. The figure falls to 30% amongst those who have children in the household

E-business enhancements

We continue to make improvements to our eBusiness proposition. Here's a taster of some of the improvements made so far…

True potential

From April, enhanced quote functionality and integrated quote and apply services were available on the comparison site, True Potential. Although predominantly used by members of Positive Solutions, the site is open to any IFA who wishes to register. The site carries the full range of Scottish Provident products, including Self Assurance term, income protection and Pegasus whole of life. For more details, go to **www.tpllp.com.**

WebCentre in action!

The IFA WebCentre demo has been updated and is now available for online submission. If you don't already submit business online, have a look at **www.ifawebcentre.com** and see how easy it is. Don't forget an extra 10% commission is available for all cases submitted online.

Tele-interviewing – an update

We continue to work towards improving our tele-interviewing process with the introduction of a 'tele-interview' status to the policy tracking area of our IFA WebCentre. This will help you to track the status of your cases in real time, so you can keep your clients right up to date with the progress of their plan.

Self Assurance REPRICE

Scottish Provident's critical illness cover rates were reviewed on 9 March and 27 July with the majority of our critical illness cover rates reduced.

Shortened health questionnaire now in use

In May we introduced a new shortened Declaration of Health & Insurability (DOHI) form for use in certain circumstances. This new form will result in a faster experience, with cases getting on risk quicker.

Increase your business potential

Salesline Spring Roadshows – building businesses, protecting people

In March and April we ran 46 roadshows, across the country with the theme ‘Building businesses, protecting people’. The focus was on helping you to build better business, through marketing to current and prospective clients. An interactive session showed how to identify and meet a variety of client protection needs, along with sales ideas and advice with new ways to attract new clients, an update on TCF and an introduction to our new Life Matrix!

Medical underwriting limits increased

New limits are now in place for both Self Assurance and Pegasus which means the sum assured is now greater, before we request routine medical evidence. The new limits also apply to the aggregation of existing cover and new applications.

The result: more clean cases accepted – a faster and better service for you.

Introducing the Life Matrix…

Increase your business potential by identifying specific target segments within your client database. The Life Matrix includes marketing support through helpful statistics as well as relevant non-branded direct marketing letters that you can copy and paste onto your own letterhead.

Life Matrix	Singles	Partnerships	Families
Young	• Graduates, 1st job • 2nd or 3rd job professionals, living alone	• Living together not married • Married no children • Same sex partnerships	• Professional single parents • Couples with young child/children
Middle Age	• Committed professional singles • Newly single (divorced/separated) • Widowed no children	• Living together not married • Married no children • Same sex partnerships	• Married partners with children at home • Non married partners with children • ‘Blended families’ children from two relationships • Widowed mothers/fathers
Mature	• Never married • Divorced/separated no dependent children • Widowed	• Married ‘empty nesters’ • Non married partners, no dependent children • Same sex partnerships	• Couples providing for grandchildren

If you want to find out more or you would like a copy of the Life Matrix, just ask your sales consultant.

Five stars for five years

Scottish Provident has done it again! For the fifth year in a row we have earned a **Defaqto 5 Star Rating** for our critical illness products. Not only that, we have also been awarded the **Defaqto 5 Star Rating** for the third year running, for our income protection product.

Defaqto Star Ratings have been set by a team of independent experts, with five stars signifying "an excellent product compared to the rest of the market"* for "people who want the highest quality products on the market offering a very high range of features and benefits."*

This is a positive, independent endorsement substantiating Scottish Provident's commitment to providing a range of consistently high quality products, which you can confidently recommend to your clients.

*Source: Defaqto 11 September 2009

Financial Adviser's Life and Pensions 'Best Critical Illness and Income Replacement Provider 2009' – Highly Commended

This award was nominated by readers of Financial Adviser, who were sent a questionnaire, which offered them the chance to nominate their top three providers in terms of:

- competitive rates
- product innovation
- image and market position
- charges and adviser support.

This provides further evidence of our quality proposition for both critical illness and income protection.

Useful contacts

Underwriting helpline:

0845 602 0123

Speak to our Underwriting team to check details before you submit a case, or ask about a specific illness or occupation.

Claims helpline:

0845 271 0007

Specially trained advisers can help you guide your clients through this difficult time.

Large case team:

0845 600 1636

Our dedicated large case team, gives the very best service for these important cases. (To qualify for this service, applications will need to be for a minimum sum assured or premium).

Tax and trust support:

For help and advice on all general and non-product specific taxation and trust related issues, please email us at: taxtrust.techsupport@scotprov.co.uk.

We're here to help

Help and information is available to you online, at any time, or from our dedicated Salesline team. Visit our website **www.scottishprovident.com** for a wide range of downloadable Sales Aids, to quote and apply and much more.

For more information on any Scottish Provident product or any of the news items featured in this update, speak to our Salesline team, on 0845 300 0005 (option 2).

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