

# PRESS RELEASE

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## GUARDIAN TO EXPAND PRODUCT RANGE TO PROVIDE A CHOICE OF LIFE COVERS

- Guardian will be expanding its product range in the coming weeks with the launch of a new low-cost life cover: Life Essentials
- With this launch, Guardian will offer customers a choice between:
  - **Life Protection** – Guardian’s existing premier life cover: for clients whose priority is quality
  - **Life Essentials** – the new low-cost life cover: for clients whose priority is price
- Both products will be available within Guardian’s menu

In offering this choice, Guardian seeks to better meet the needs of a wider range of clients, including those who’ve been impacted by the higher cost-of-living. It’s also expected to appeal to clients whose primary focus is affordability, for example first-time buyers, as well as clients who place less value on a feature-rich product.

### **Guardian’s two life covers – Life Protection and Life Essentials**

#### **What’s the same?**

The new low-cost Life Essentials cover will have many of the benefits you’d expect from a Guardian policy. These include a dual life approach, Premium Waiver (with a 26-week deferred period which pays out on ‘own job’), optional Children’s Critical Illness Protection, beneficiary nomination through Payout Planner, no compromise on Guardian’s 5-star service, the same underwriting philosophy, and the same value-added services including the recently strengthened Guardian Anytime, and HALO, the protection company’s bespoke claims support service.

#### **What’s different?**

To make the product affordable, some high-quality features are reduced for Life Essentials. A full comparison of the differences between the two life cover choices is outlined below.

	<b>LIFE PROTECTION</b> When your client’s priority is quality	<b>LIFE ESSENTIALS</b> When your client’s priority is price
Terminal illness	Pays out if a client is expected to survive for less than 12 months.  Also pays out if they’re diagnosed with incurable stage 4 cancer, motor neurone disease, Creutzfeldt-Jakob disease or Parkinson-plus syndromes even if they’re expected to survive more than 12 months.	Pays out if a client is expected to survive for less than 12 months.
Premium Waiver	Included as standard with a 4-week deferred period.  Premiums waived if the client is too ill to work. Premiums also waived for up to 6 months for maternity/paternity leave or if they involuntarily lose their job.	Included as standard with a 26-week deferred period. Premiums waived if the client is too ill to work.

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Exclusions	No standard exclusions	Doesn't pay out if death is due to suicide or is a result of intentional self-inflicted injury in the first 12 months of the cover.
Cover type	Level Cover, Increasing Cover, Decreasing Cover, and Family Income Benefit are all available.  Increasing Cover increases in line with the retail price index (RPI).	Level Cover, Increasing Cover, and Decreasing Cover are available.  Increasing Cover increases in line with the consumer price index including owner occupiers' housing cost (CPIH).
Lifestyle Promise	A client's premium may be reduced if they were paying an increased amount due to their health or lifestyle and they subsequently: stop smoking, lose weight, change job, give up sports activities.	A client's premium may be reduced if they were paying an increased amount due to smoking and they subsequently stop smoking.
Immediate cover	Temporary cover, of the same type applied for, and it starts as soon as the application is submitted online.  Pays out a maximum of £1 million before Guardian offers terms.	Temporary cover, of the same type applied for, and it starts as soon as the application is submitted online.  Pays out a maximum of £300,000 before Guardian offers terms.

Notably, Life Essentials has a different Terminal Illness definition to Life Protection. In Guardian's new low-cost cover, this is defined as: 'being terminally ill and, in the opinion of your attending UK Consultant, your illness has no known cure or has progressed to the point where it can't be cured and is expected to lead to your death within 12 months'. This contrasts with the enhanced Terminal Illness definition on Life Protection which does not require the 12-month prognosis for incurable stage 4 cancer, motor neurone disease, Creutzfeldt-Jakob disease or Parkinson-plus syndromes. For both Life Essentials and Life Protection, the policy terms and conditions state that Guardian will pay out on the definite diagnosis of the policyholder's treating UK Consultant.

**Jacqui Gillies, Marketing and Proposition Director, Guardian, said:** "We're delighted to announce we'll soon be offering a choice of life covers, enabling advisers and their clients to select between our low-cost Life Essentials and our existing premier Life Protection. The time is right to be offering this choice; the higher cost-of-living means that many clients simply have less budget available for protection. It also broadens our appeal within client segments traditionally focused on affordability, helping us reach a wider market and accelerating our distribution growth.

"We're committed to fair value and that's why many of the features we're known for remain in our low-cost option, including our dual life approach, Premium Waiver, Payout Planner, Guardian Anytime and HALO. But as you'd expect there are also some important differences, most noticeably to the Terminal Illness definition, which we've aligned with the standard market definition to keep the cost affordable for more people."

"We believe that by offering this choice we're supporting advisers to better meet the needs of a wider spectrum of clients – so whether their priority is quality or price, we now have a life cover to suit both."

**-Release ends-**

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## **Notes to editors:**

Press enquiries to Natalie Robinson, 07789 501146, [Natalie.robinson@guardianfs.co.uk](mailto:Natalie.robinson@guardianfs.co.uk).

**Guardian Financial Services is an appointed representative of Scottish Friendly Assurance Society Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.**

All products are provided by Scottish Friendly Assurance Society Limited and we have an agreement with them to underwrite and issue the protection policies we distribute through the UK intermediary channel.

As an appointed representative of Scottish Friendly Assurance Society Limited, Guardian Financial Services Limited is the market-facing brand under which we promote our proposition and engage with advisers.

### **Background to Guardian Financial Services, owned by Gryphon Group Holdings**

Guardian, the life and protection insurance business, launched in 2018 and pledged to grow the protection market. The brand promise of 'Life. Made Better.' reflects the company's commitment to rethink and reinvent protection for the better; making sure customers get cover that's easier to understand, simple to buy and designed to never let them down.

### **Guardian's business partners**

Gryphon Group Holdings is majority owned by Punter Southall Group as the largest equity capital investor. Guardian partners with UnderwriteMe for its Underwriting Engine, Liss Systems, the UK arm of Nasdaq-listed EXL, for its policy administration technology, and Space, for its front-end technology, branding and marketing. Guardian's reinsurance partners are Hannover Re and Gen Re.