



The Matrix... mortgage payment protection comes of age

For most people, a mortgage is the biggest and most important outgoing they have every month. Despite this, relatively few make provision in case they are unable to meet their repayments.

Mortgage payment protection insurance (MPPI) is a valuable safety net. But for it to be effective, it must be appropriate for the customer's needs and sold in an informed and responsible manner. Assurant Solutions recognised that a different approach was needed and the result is a revolutionary insurance product - The Matrix.

Offering an unprecedented number of options, The Matrix allows cover to be tailored specifically to a customer's individual circumstances. It is supported by a simple to follow technology platform, meaning it is now possible to offer the most suitable cover within a compliant sales process.

Technology that puts you in charge

Our technology is available to all corporate partners and has been developed in consultation with mortgage advisers. It allows the user to steer the customer through the various options. Rather than just creating an on-screen application form, the software is an integral part of the mortgage and insurance sales process.

The system takes a step-by-step approach and allows the adviser to drill down into the finer detail of each individual customer. The software is also designed to recognise any benefits customers may already have through their salary package or other insurance covers. This means there will be no duplication whilst allowing flexibility in areas such as benefit duration and claim deferment.

The software allows multiple quotes to be created and stored and this information is quickly retrievable both at point of sale and renewal time.

Benefits to advisers:

- Provides a unique sales tool, unrivalled in the industry
- Specifically designed to help you increase sales and generate additional revenue
- Integrates within your sales process
- Offers you access to the best products in the marketplace

Benefits to customers:

- Enables consumers to obtain the right cover at the right price to suit their individual needs
- Gives your customers access to tailored products
- Policy terms and conditions can be provided in plain English

Treating Customers Fairly

The FSA principles of treating the customer fairly have been central to the design of this product range from Assurant Solutions. For the first time, the customer will be able to purchase a policy or combination of policies that suits their individual circumstances and budget, rather than having to accept an off-the-shelf product.

If you want to offer your customers the option of quality mortgage payment protection insurance talk to Assurant Solutions and find out about the advantages we bring to our corporate partners and their customers.

Assurant Solutions

Assurant Solutions businesses develop, underwrite, market and administer specialty insurance, extended service contracts and other risk management solutions through collaborative relationships with leading financial institutions, retailers, automobile dealers, funeral homes, utilities and other entities. With operations in 25 locations, including executive offices in Atlanta, Georgia, USA, Assurant Solutions serves clients and their customers in 13 countries throughout North America, the Caribbean, Latin America, Europe and Asia.

Assurant Solutions is part of Assurant, a premier provider of specialised insurance products and related services in North America and selected international markets. Its four key businesses - Assurant Solutions, Assurant Specialty Property, Assurant Health and Assurant Employee Benefits - partner with clients who are leaders in their industries and who have built leadership positions in a number of specialty insurance market segments worldwide.

Assurant, a Fortune 500 company and a member of the S&P 500, is traded on the New York Stock Exchange under the symbol AIZ. Assurant has over \$25 billion in assets and \$7 billion in annual revenue.

Visit www.assurantsolutions.co.uk

We believe in helping our customers and are pleased to support the Financial Services Authority's initiative to provide clear, impartial information for consumers: www.moneymadeclear.fsa.gov.uk

The information supplied in this brochure is for use by financial services professionals only and should not be relied upon by other parties.

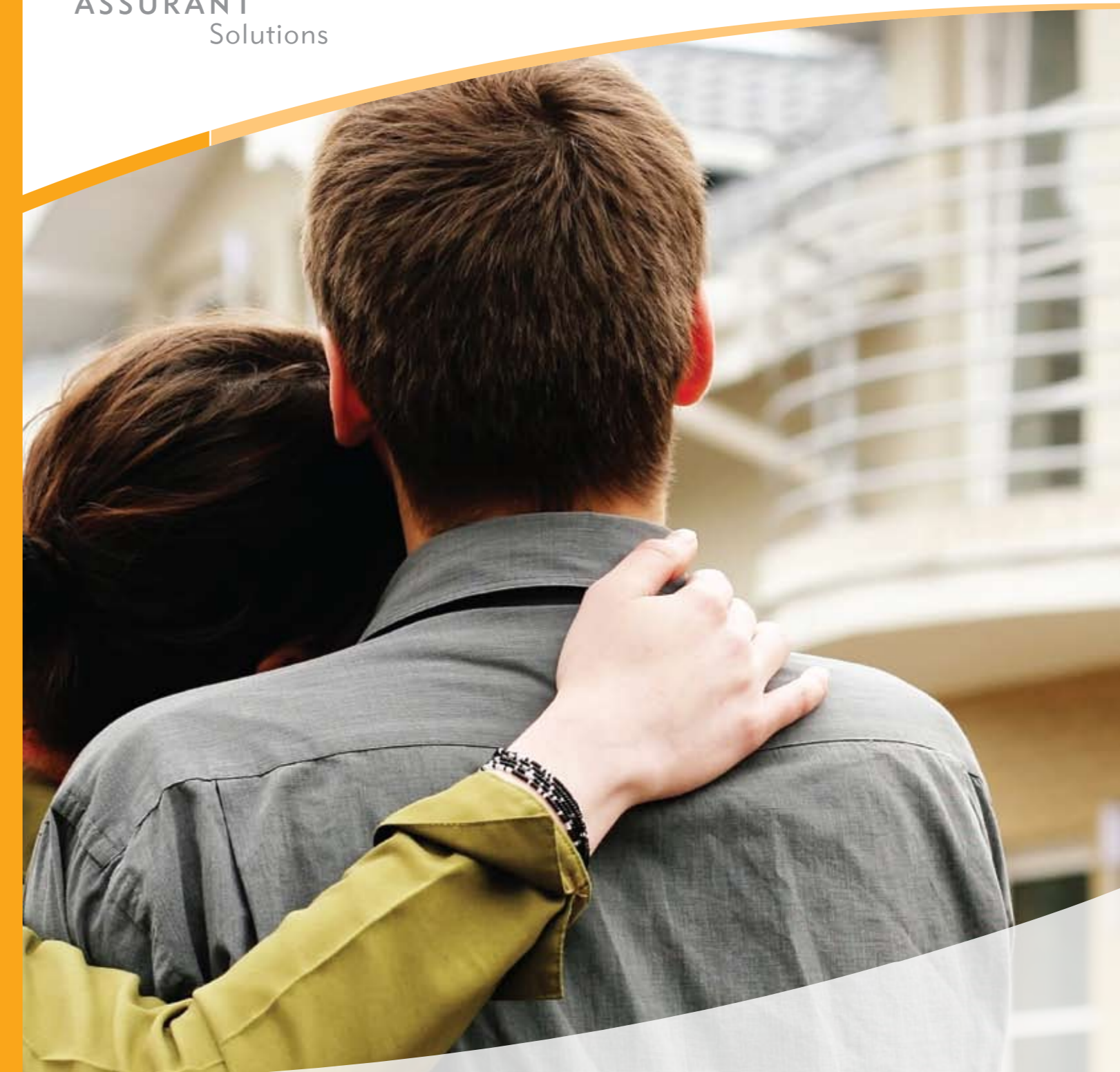
Assurant Solutions operates in the UK and Ireland through member companies known as Assurant General Insurance Limited (registered in England no. 2341082) and Assurant Life Limited (registered in England no. 3264844). Both companies are authorised and regulated by the Financial Services Authority.



ASSURANT
Solutions

117-119 Whitby Road,
Slough, SL1 3DR
Telephone: 0870 152 6000
Email: uksales@assurant.com
www.assurantsolutions.co.uk

REF: MPPI_01



Payment Protection Insurance Mortgage and Income

Product Overview - UK

Your Partner in Payment Protection Insurance

Assurant Solutions has developed The Matrix, a ground breaking and highly flexible mortgage payment protection insurance product. The Matrix was launched after extensive research into consumer needs, analysis of the market dynamics and distribution channels, taking into account of the views of the regulator and consumer groups.

Who we are

Assurant Solutions is one of the UK's leading providers of MPPI. We provide MPPI for mortgage lenders, financial institutions, independent financial advisers, insurance brokers, affinity groups and internet channels.

We design products, we underwrite them, we handle administration and have a dedicated customer service centre based in Cork, which has achieved the ISO 9001:2000. We provide first-rate support at all stages of the administration process from the onset of the policy to dealing with claims.

We are different because we do not believe in a one-size-fits-all approach. We treat every corporate partner as an individual.

Bespoke solutions

We offer our corporate partners bespoke solutions in MPPI. By working together we can create a unique proposition for your customers. And as your business develops, we can launch new products to fit with your strategy and expansion.

Experience shows

Our associates are experts working within our core competencies of product development, underwriting, pricing, marketing, legal and regulatory compliance, technology and risk management.

We provide all our corporate partners with a dedicated Client Relationship Manager to ensure all runs smoothly.

They act as your main point of contact and will drive the growth of your business and streamline processes to ensure an efficient working relationship.

Our corporate partners choose Assurant Solutions because our associates have an in-depth understanding of their business needs.

By selecting Assurant Solutions, you will know your customers are in safe hands.

A strong case for mortgage payment protection cover

- In November 2007, personal debt in the UK was £1.4 trillion. (Source: Credit Action)

- For the first half of 2007, there were over a million new mortgage gross advances made. Of these, only 18% had mortgage payment protection. (Source: Council of Mortgage Lenders, December 2007)

- Fluctuating UK interest rates in 2007 from 5.25% (Jan), to 5.5% (May), and 5.75% (August). Current rate is 5.5% (Jan 2008). (Source: Bank of England, www.bankofengland.co.uk)

- 403,000 people were made redundant (Dec 2006 – Nov 2007). (Source: Office of National Statistics Economic and Labour Market Review,)

- In 2006, over 438,000 people had claimed for unemployment benefit, for up to 6 months, and over 136,000 from 6 – 12 months. (Source: Office of National Statistics, Annual Abstract of Statistics)

- There were 145,000 cases of arrears over 3 months in 2007 (expected to rise to 170,000 in 2008). Housing repossession is expected to rise from 30,000 in 2007 to 45,000 in 2008. (Source: Council of Mortgage Lenders, Housing and mortgage market forecasts 2007-2008)

- In 2005 over 153,000 deaths were caused by cancer. (Source: Cancer Research UK)

- Heart and circulatory diseases are the main cause of death in the UK, and account for over 208,000 deaths each year. (Source: British Heart Foundation, www.heartstats.org, January 2007)

The Matrix - unrivalled flexibility and choice

The Matrix is payment protection insurance for mortgage, income or combined mortgage with income protection. And while "behind the scenes" it offers more than 250,000 possible combinations, simplicity and clarity of the supporting software make this product easy to use and understand. Both product and software are versatile enough to ensure there is variation to suit your customers' needs.

The supporting software is intuitive to use and follow. It allows the adviser to guide the customer through their options and facilitates a compliant sales process.



What it means for your customer

From a consumer perspective, the four key beneficial product attributes are:

- **Suitable** – the product can be tailored, so customers can be confident the cover is right for their needs

- **Flexible** – it offers variety and choice and can be revised as appropriate to the circumstances

- **Portable** – where not linked to a specific lender's mortgage, cover can be transferred as necessary

- **Affordable** – the customer is only paying for cover they need – and can claim on – which means it offers exceptional value

For the first time, customers can choose their cover from a wide range of options, including:

Policy Types

- Mortgage Payment Protection
- Mortgage Payment Protection and Income Protection
- Income Protection

Premium Types

- Monthly
- Single (from 1 – 7 years)

Benefit Types

- Life
- Incapacity
- Unemployment

Benefit Payment Types

- Back to Day One (retrospective)
- Daily Excess

Qualification (Waiting) Periods

Customers can choose from either excess or retrospective periods

- 30 days / 1 month
- 60 days / 2 months
- 90 days / 3 months
- 120 days / 4 months
- 150 days / 5 months
- 180 days / 6 months
- 24 months

Benefit Payment Periods

- 3 months
- 6 months
- 9 months
- 12 months
- 24 months

Life Cover

Life cover can equal up to 84 times the monthly benefit, subject to maximum overall policy limit of £100,000.

Return to work benefit

If the policyholder returns to work on reduced hours, we will pay the difference of a percentage of a monthly salary before the claim and the new salary.

Mortgage Payment Protection

This policy covers the mortgage repayment amount and related costs. However, the policy can allow for a customer to cover up to 125% of their mortgage repayment. This extra amount is recommended to cover associated mortgage and property related expenses such as council tax, home insurance, utility bills or life insurance premiums.

Mortgage Payment Protection and Income Protection

This combined policy option covers both the mortgage repayment as well as insuring the customer's income, usually the lesser of a percentage of the customer's salary and a fixed maximum monthly benefit.

Income Protection

This policy works in the same way as MPPI but the benefits relate to your customers' earnings, not just mortgage payments. It is designed for customers who already have and are satisfied with any existing insurance provision covering their mortgage repayments. There are some limits to the amount of cover that can be provided and the initial qualifying periods can vary.

Additional cover:

Incapacity (Accident & Sickness)

This cover pays out a monthly benefit equal to that selected by the customer. There are pre-existing medical conditions and certain qualifying periods which customers must be made aware of up front, details of which can be found in the policy document.

Involuntary Unemployment

This cover pays the selected monthly benefit for the chosen duration.

Self employed and contract workers can also be insured.

Full details can be found in the policy document.

Benefit Payment Options

Back to Day One (Retrospective) or Standard (Daily Excess)

Different customers have different requirements and The Matrix is designed to cater to this. Some customers may prefer to have their benefit payments backdated to the first day they were off work. If a customer wants this, the RETRO (short for retrospective) option should be chosen.

If a customer does not require immediate payment, but is happy to receive payment from the claim date forward, then the EXCESS option should be chosen, reducing the cost to the customer. This is also appropriate where some customers have additional coverage from an employer for example.

Additional feature:

Claims Payment beyond the end-date (single premium)

A further feature, and one which is especially relevant to customers who select the single premium option, is the event of a valid claim close to the expiry date of the policy. In this event, the benefits will be payable for the full duration of the claim.