

26 March 2014

British Friendly guarantees premium rates to January 2017

Income protection provider British Friendly is pleased to confirm it will continue to guarantee its existing rate tables across all products until January 2017, for both new and existing customers.

The decision follows recent moves in the market, which has prompted enquiries from advisers who were concerned that other providers may follow suit and increase their pricing in the coming months.

British Friendly CEO, Mark Myers, said: “We know some advisers have been affected by unexpected rate increases in the market and we want to reassure them that we have no plans for any such rises. We have not increased our rates since we launched in 2011 and we are prepared to guarantee our existing rate tables until at least 1st January 2017. This guarantee applies to both existing customers and new customers.”

Damian O’Connor, Principal at Roxburgh Financial Management, said: “We welcome this move from British Friendly, which brings clarity and stability for advisers who specialise in the Income Protection market. While fully guaranteed premiums over the policy term are always desirable for clients, for many people, especially those in non-standard or more manual occupations, age related premiums continue to provide the best way of securing the most comprehensive cover.”

Mark Myers added: “Age related premiums can be lower and more affordable at younger ages and for more manual occupations, and our prices could fall during this time of course; however, we guarantee they will not increase. It’s also important to stress that our decision to guarantee our existing rate tables further will not affect our on-going commitment to pay future claims.”

-ENDS-

Media enquiries

Steve Wanstall, Head of Sales, British Friendly
Kevin Carr, Carr Consulting & Communications

Mob: 07813 680370
Mob: 07887 838811

Notes to editors

- The guarantee is subject to any significant change in Government policy or legislation
- Rates might not increase in January 2017, although they could be reviewed at that time and it is possible the guarantee could be extended
- British Friendly paid 96% of claims across all IP products in 2013.

About British Friendly

Founded in 1902 to provide sickness benefits for Commercial Travellers, British Friendly have over a century of experience of "being there when our members need us most". Based in Bedford, British Friendly is one of the larger UK Friendly Societies with £90m in assets. As a mutual we exist solely for the benefit of more than 16,500 members and have no shareholders to whom we need to pay dividends. Mark Myers was appointed as Chief Executive in July 2010 to implement the strategic change programme agreed by the Board. Mark has 27 years of financial services experience including 22 years with Lloyds TSB in Sales and Marketing roles, latterly as Retail Sales Director. He then joined LV= in 2005 as Distribution Director and also Chief Executive of LV='s in house IFA. He has also had attachments to the DTI and the FSA Financial Capability programme.

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