Zurich Personal Protection

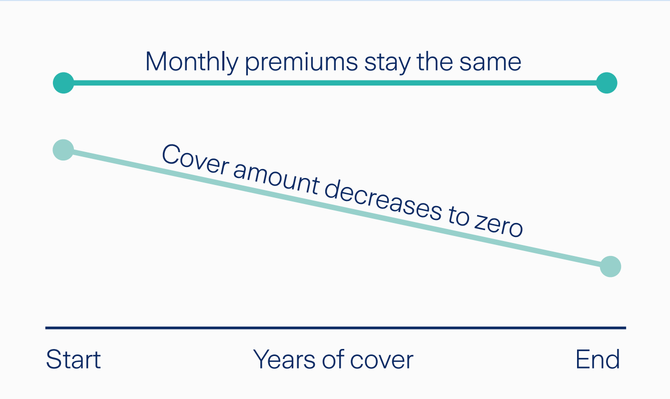
Decreasing cover

What is decreasing cover?

People buy life insurance or life insurance with critical illness for all sorts of reasons, but for most it's to cover their biggest financial commitment: their mortgage. And as their mortgage reduces, their cover can too. **We call that decreasing cover.** If you choose this option your cover will decrease each month, eventually reaching zero at the end of the policy term.

So how does it work?

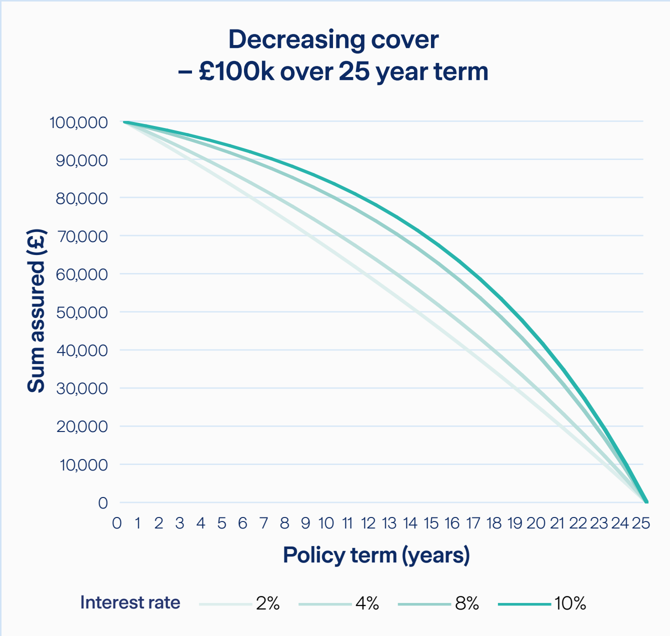
With decreasing cover, unlike level or increasing cover, the amount you'll receive should you claim will reduce each month in line with the outstanding amount on a repayment mortgage at the same interest rate. Your premiums won't change.



With a Zurich Personal Protection policy, if you opt for our decreasing cover option, you can choose an interest rate between **2% and 18% per year (at 2% intervals)** when you take out the policy.

You can select an interest rate that aims to ensure there's always enough cover to pay off your mortgage if you die or suffer a critical illness during the term of the policy. You may want to consider choosing a higher interest rate than your current mortgage to protect against future changes in interest rates, for example, when you remortgage.

Here is an example of how different decreasing cover interest rates would look over the term of a mortgage



Anything else I should know?

You can select decreasing cover at the time you take out your Zurich Personal Protection policy, and your premiums will stay the same throughout the lifetime of your policy.

You should review the interest rate you choose often with your financial adviser to ensure it remains appropriate to cover your mortgage.

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