

Underwriting Guide

INCOME FIRST



Underwriting at The Exeter

Our underwriting approach combines flexibility and expertise with the personal touch you've come to expect from us.



As a response to the outbreak of Coronavirus (COVID-19), some of our underwriting principles have changed temporarily. For our most recent guidance please visit our website.

► Forward thinking processing

Income First is not only simple to advise on, but it's complemented by a seamless service.

Our online adviser platform enables more of your clients to receive an instant decision. The rules-based application journey uses dynamic questioning, designed to gather all of the information we need immediately.

► Delegated underwriting

Another feature of our adviser experience is delegated underwriting.

This enables you to delegate application questions via email for your client to complete, benefiting you by:

- Providing a quick solution if you're stuck on a question
- Removing the risk of non-disclosure from an adviser perspective
- Saving you time on keying in applications.

► Under 42

If your clients are under age 42, we will not ask for the routine medical evidence that other insurers might - regardless of the benefit level they choose. Our automatic medical limits table can be found on page 10.

► **Simplified financial underwriting**

We offer two options for your clients to fix their benefit, providing valuable reassurance at claim stage.

The minimum benefit guarantee option enables your clients to fix their benefit (up to £1,000 per month), without providing financial evidence at application and simplified evidence at claim. Alternatively, the fixed benefit option allows your client to fix up to 75% of their benefit by providing financial evidence within 12 months of their policy start date. To find out more, read our Income Protection Product Guide.

► **Simple service in a complex world**

Our underwriters have a commitment to assess and respond to applications within 2-3 days.

► **The human touch**

If you have any questions about an application, our underwriters are here to help.

It may be that your client has a specific medical condition or family history, a high risk occupation or hobby; no matter the question, you can speak to an underwriter directly by calling us.

► **Award-winning proposition**

Our focus on providing quality products and exceptional service underpins everything we do. We're proud to have received the following accolades:

- **Winner** - Best Income Protection Provider, LifeSearch Awards, 2022
 - **Winner** - Best Income Protection Insurance, Personal Finance Awards, 2021
 - **Winner** - Best Individual Income Protection Insurance, Cover Excellence Awards, 2020
 - **Winner** - Best Income Protection Insurance, The Personal Finance Awards, 2020
 - **Winner** - Best Individual Life Insurance, Cover Excellence Awards, 2019
 - **Winner** - Best Income Protection Provider, Paradigm Awards, 2018 & 2019
 - **Winner** - Customer Service 'Above and Beyond', Cover Customer Care Awards, 2019
 - **Winner** - 'Doing it Better', Protection Review Awards, 2019
 - **Winner** - Legal & Financial, Exeter Living Awards, 2019
 - **Highly Commended** - Claims Management Team, Cover Customer Care Awards, 2019
 - **Highly Commended** - Underwriting Team, Cover Customer Care Awards, 2019.
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Our underwriting principles

This section will help you understand the underwriting process for our Income First product, benefiting both you and your clients by helping them achieve cover more quickly and efficiently.

► Lifestyle, health and occupations

Applications may take longer to underwrite if there is conflicting evidence between the application form and the GP's Report.

Please ensure that your client discloses information as accurately as possible. This will reduce the likelihood of us having to request further medical information or asking them to attend a mini screening to check up-to-date height, weight, blood pressure and urinalysis.



Smoking

A loading may be applied if consumption is heavy or your client suffers from a medical condition such as asthma which can be aggravated by smoking. Sometimes we may ask for a cotinine test to be carried out to confirm smoking status. This will usually be done by taking a saliva or urine sample.



Alcohol

An application may be loaded, deferred or we may be unable to offer cover if there are indications of excessive alcohol intake. We may ask for a liver function test. We will consider more closely those clients working within the licensed trade and accidents attributed to alcohol or sickness absence from work.



Family history

For conditions with a strong hereditary tendency, we may need to obtain further medical evidence. For example:

Family history of cardiomyopathy - we will need to know the exact type of cardiomyopathy and whether your client has had any investigations regarding the condition.

Family history of Huntington's disease - terms will only be available for clients aged over 50.

Family history of polycystic kidney disease - if your client is 30 or younger, we are unable to offer cover. If they are over 30, terms will only be available if they have had negative investigations.



Height/weight

Your clients' BMI will determine the level of information we require to underwrite their application.



BMI outcomes

BMI	Age 18-29	Age 30-39	Age 40-49	Age 50 and over
0-17	Refer to Underwritng	Refer to Underwritng	Refer to Underwritng	Refer to Underwritng
18	small loading may apply	small loading may apply	small loading may apply	small loading may apply
19-28	Standard	Standard	Standard	Standard
29	small loading may apply	Standard	Standard	Standard
30	small loading may apply	small loading may apply	Standard	Standard
31	small loading may apply	small loading may apply	small loading may apply	small loading may apply
32	50%	small loading may apply	small loading may apply	small loading may apply
33	50%	50%	small loading may apply	small loading may apply
34	75%	50%	50%	small loading may apply
35	100%	75%	50%	50%
36	100%	75%	50%	50%
37	125%	100%	75%	50%
38	150%	100%	75%	75%
39	Unable to offer	125%	100%	75%
40	Unable to offer	150%	100%	100%
41	Unable to offer	Unable to offer	125%	100%
42	Unable to offer	Unable to offer	150%	125%
43	Unable to offer	Unable to offer	Unable to offer	150%
44	Unable to offer	Unable to offer	Unable to offer	Unable to offer



Occupation and activities

Activities which involve a high risk of accident or injury will normally be excluded from applications with short-term waiting periods, and activities such as potholing, rock climbing/mountaineering, motorsports and aviation will normally be excluded. We may increase premium for occupations that involve more manual work and higher business mileage.



Residency and language

To apply, your client needs to have been a UK resident for at least the last three years and have been registered with a UK based NHS GP for the same period.

► Specific conditions



Anxiety/depression/stress

Episodes within the last five years usually result in an exclusion but terms will depend on the severity of symptoms, recurrence, time off work, hospital treatment, self-harm or suicide attempts.



Arthritis

We are unable to offer cover for cases of rheumatoid or psoriatic arthritis. Terms for osteoarthritis will depend on the amount of joints affected, time off work and severity of symptoms.



Asthma

If your client is also a smoker a minimum loading of 50% will normally apply.



Back pain/sciatica

Symptoms within the last five years or recurrent episodes will usually result in an exclusion.



Crohn's disease

We will offer a minimum four week waiting period only. At best we will apply an exclusion but if severe we may not be able to offer your client cover.



Diabetes

Terms can be considered following further medical evidence for gestational diabetes (during pregnancy only) and type 2 diabetes.

Terms for type 2 diabetes may be offered on a minimum four week waiting period subject to your client:

- Providing their most recent HbA1c reading
- Having had a diabetic review within the past 18 months.

Diabetes Outcomes

These ratings are a guideline only and assume there are no other risk factors or diabetic complications. Ratings applied will also depend on how long ago your client was diagnosed with diabetes.

HbA1c	Age under 30	Age 30-39	Age 40-49	Age 50-59
Less than 5% (31mmol/mol)	Individual consideration	Individual consideration	Individual consideration	Individual consideration
5.0% to 5.4% (31 to 35 mmol/mol)	75% - 150%	50% - 100%	25% - 75%	25% - 75%
5.5% to 6.4% (36 to 46 mmol/mol)	75% - Unable to offer	50% - 125%	50% - 100%	25% - 75%
6.5% to 7.4% (47 to 57 mmol/mol)	125% - Unable to offer	100% - Unable to offer	75% - Unable to offer	75% - 125%
7.5% to 8.4% (58 to 68 mmol/mol)	Unable to offer	125% - Unable to offer	100% - Unable to offer	75% - 150%
8.5% to 9.4% (69 to 79 mmol/mol)	Unable to offer	Unable to offer	125% - Unable to offer	100% - Unable to offer
9.5% to 10.4% (80 to 90 mmol/mol)	Unable to offer	Unable to offer	150% - Unable to offer	125% - Unable to offer



Epilepsy

Terms will depend on the frequency and severity of attacks but if driving is an essential part of your client's job then an exclusion will always be applied.



Fractures

If the fracture is recent it will be subject to individual consideration but not necessarily an exclusion or loading.



Heart murmur

A GP report will be requested in all cases and terms will depend on the cause and severity of the murmur. If special terms apply this will normally be in the form of a loading.



High blood pressure

If the blood pressure is well controlled and no other risk factors are present then we will normally accept at standard rates. A GP report will sometimes be requested.



High cholesterol

If the cholesterol is controlled and no other risk factors are present then we will normally accept at standard rates. A GP report will sometimes be requested.



Unfortunately we are unable to offer cover to clients with the following medical conditions:

- AIDS
 - Hepatitis B or C
 - Ischaemic heart disease which includes heart attacks and angina
 - Major strokes
 - Most recent cancers requiring chemotherapy or radiotherapy
 - Multiple sclerosis
 - Psoriatic arthritis
 - Recreational drug use in the last five years (excluding light cannabis use)
 - Rheumatoid arthritis
 - Transplants
 - Type 1 diabetes
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► The outcome

Having taken into account all information disclosed and medical information where applicable, your client will receive a decision which will fall into one of the following categories:

- Standard rates
- Loading (min 50% - max 150%)
- Standard rates with exclusion(s)
- Loading and exclusion(s)
- Postpone
- Unable to offer cover.

We would always prefer to add a loading or exclusion to a policy than not offer cover. Usually, a maximum of three exclusions will be applied before we are unable to offer cover.

If your client has an exclusion applied to their policy, we will add a review date to the terms of the policy wherever possible, usually one to three years after it goes on cover. If they have no recurrences of the excluded condition during this time, they can contact us and we will review whether the exclusion can be removed from their policy.



► Providing evidence of income

We only need to ask for evidence of your client's income when they apply if they choose a benefit over £75,000 per year (£6,250 per month) or select the fixed benefit option.

We will require the following:



Employed:

- Last month's payslip or equivalent
- Last P60.



Self-employed:

- Last two years' HMRC Self Assessment tax returns
- Copies of the last two years of certified accounts.

Company director:

- Last three months' payslips or equivalent
 - Last two years' P60s
 - Last two years' HMRC Self Assessment tax returns
 - Copies of the last two years of certified company accounts.
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► Our automatic medical limits

The following table outlines our automatic medical limits.

This shows the monthly benefit level at which medical evidence will be requested to support your client's application, depending on their age. Please note the below applies to all applications irrespective of waiting period:

Income First

Monthly benefit amount							
	Nurse screening	Cotinine test	Blood test	GP Report	HIV Test	Medical Examination	Exercise electrocardiogram
Up to and including age 41	✗	✗	✗	✗	✗	✗	✗
42 - 45	£3,001	£3,001	£4,167	£6,251	£5,001	£5,001	✗
46 - 50	£2,501	£2,501	£3,001	£6,251	£5,001	£5,001	✗
51 - 55	£2,001	£2,001	£2,001	£2,501	£5,001	£5,001	£5,001
56-59	£1,251	£1,251	£1,251	£2,001	£5,001	£5,001	£5,001

► Key:

✗ - Not required

Claims overview

The true test of an income protection policy and insurer is how they perform when your clients need them most – at claim.

Our experienced team not only have the knowledge to assess claims quickly and efficiently, they can support your clients on their journey through the claim and back to work.

For full details of how the claims process works, please see the Policy Document or Guide to Claiming – but we've included an overview below.

When do they claim?

Your clients need to advise us of any claim they want to make within a certain time limit.

This will depend on the waiting period they choose on their policy.

Waiver of premium

With Income First, once your client's claim is approved they will only have to pay their premiums during their waiting period.

We will then pay them until the claim ends. This standard feature gives your clients one less expense to worry about, leaving them to concentrate on the thing that matters most – their health.

The friendly specialists in
income protection, life cover,
health insurance and cash plans.

Contact us

**Members:**

Enquiries: 0300 123 3201

member@the-exeter.com

Financial Advisers:

Enquiries: 0300 123 3203

adviser@the-exeter.com

Opening times:

Monday to Friday 8am – 6pm

Calls may be recorded and monitored.

Postal address:

The Exeter, Lakeside House, Emperor Way, Exeter EX1 3FD

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**The legal blurb**

The Exeter is a trading name of Exeter Friendly Society Limited, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Register number 205309) and is incorporated under the Friendly Societies Act 1992 Register No. 91F with its registered office at Lakeside House, Emperor Way, Exeter, England EX1 3FD.