

## GUARANTEED WHOLE OF LIFE HISTORIC PRICING COMPARISON – COST PER YEAR FOR £1 MILLION COVER JANUARY 2024

The pricing of Guaranteed Whole of Life policies has come down significantly over the last 2 years and can offer attractive internal rates of return. A summary of current and historical pricing is provided below supported by a comparison of implied internal rates of return.

| JOINT LIFE SECOND DEATH COST PER YEAR |                 |                 |                 |  |  |
|---------------------------------------|-----------------|-----------------|-----------------|--|--|
| AGE                                   | January<br>2022 | January<br>2023 | January<br>2024 |  |  |
| 30                                    | £6,231          | £5,547          | £4,212          |  |  |
| 40                                    | £8,379          | £8,262          | £6,506          |  |  |
| 50                                    | £12,885         | £10,593         | £8,277          |  |  |
| 60                                    | £16,919         | £14,021         | £12,160         |  |  |
| 70                                    | £24,818         | £21,078         | £19,959         |  |  |
| 80                                    | £46,452         | £40,296         | £36,804         |  |  |

## JOINT LIFE SECOND DEATH - NET IMPLIED INTERNAL RATE OF RETURN

| AGE 60            |     |                 |                 | Age 70 |                   |     |                 |                 |
|-------------------|-----|-----------------|-----------------|--------|-------------------|-----|-----------------|-----------------|
|                   |     | January<br>2022 | January<br>2024 |        |                   |     | January<br>2022 | January<br>2024 |
| Annual<br>Premium |     | £16,919         | £12,160         |        | Annual<br>Premium |     | £24,818         | £19,959         |
| AGE AT DEATH      | 80  | 9.5%            | 12.2%           |        | AGE AT DEATH      | 82  | 17.7%           | 20.8%           |
|                   | 85  | 6.1%            | 8.3%            |        |                   | 87  | 9.0%            | 11.1%           |
|                   | 90  | 4.1%            | 5.9%            |        |                   | 90  | 6.3%            | 8.1%            |
|                   | 95  | 2.7%            | 4.3%            |        |                   | 95  | 3.5%            | 5.0%            |
|                   | 100 | 1.8%            | 3.2%            |        |                   | 100 | 1.8%            | 3.1%            |

| SINGLE LIFE COST PER YEAR |                 |                 |                 |  |  |
|---------------------------|-----------------|-----------------|-----------------|--|--|
| AGE                       | January<br>2022 | January<br>2023 | January<br>2024 |  |  |
| 30                        | £7,081          | £7,350          | £5,493          |  |  |
| 40                        | £10,225         | £10,586         | £8,284          |  |  |
| 50                        | £15,229         | £13,252         | £11,445         |  |  |
| 60                        | £21,256         | £17,913         | £16,635         |  |  |
| 70                        | £33,428         | £30,056         | £28,138         |  |  |
| 80                        | £67,416         | £60,234         | £54,935         |  |  |

## SINGLE LIFE – NET IMPLIED INTERNAL RATE OF RETURN

| AGE 60            |     |                 | Age 70          |       |              |                 |                 |
|-------------------|-----|-----------------|-----------------|-------|--------------|-----------------|-----------------|
|                   |     | January<br>2022 | January<br>2024 |       |              | January<br>2022 | January<br>2024 |
| Annual<br>Premium |     | £21,256         | £16,635         |       | nual<br>mium | £33,428         | £28,138         |
| AGE AT DEATH      | 80  | 7.6%            | 9.2 %           | E     | 82           | 13.5%           | 15.9%           |
|                   | 85  | 4.6%            | 6.2%            | EATI  | 87           | 6.0%            | 7.7%            |
|                   | 90  | 2.8%            | 4.2%            | AT D  | 90           | 3.7%            | 5.2%            |
|                   | 95  | 1.6%            | 2.8%            | AGE A | 95           | 1.4%            | 2.6%            |
|                   | 100 | 0.8%            | 1.9%            | AC    | 100          | 0.0%            | 1.1%            |

The Net Implied Internal Rate of Return (Net IRR) represents the potential annual returns on premiums paid required to generate a sum exactly equal to the sum assured of £1 million assuming death at various ages. The Net IRR does not take any account of Inheritance Tax, Income Tax, Capital Gains Tax or investment management charges.

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All premiums are indicative only and assume standard rates for a client that is a non-smoker and UK resident. Policies would typically be written into trust so that the proceeds are paid free of Inheritance Tax. This information should not be construed as advice. This information is intended for professional advisers only. Source Iress. Risk Assured is Authorised and Regulated by the Financial Conduct Authority