

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 2022	January 2023	January 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

SINGLE LIFE COST PER YEAR			
AGE	January 2022	January 2023	January 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

JOINT LIFE SECOND DEATH – NET IMPLIED INTERNAL RATE OF RETURN

AGE 60				Age 70			
		January 2022	January 2024			January 2022	January 2024
Annual Premium		£16,919	£12,160	Annual 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 – NET IMPLIED INTERNAL RATE OF RETURN

AGE 60				Age 70			
		January 2022	January 2024			January 2022	January 2024
Annual Premium		£21,256	£16,635	Annual Premium		£33,428	£28,138
AGE AT DEATH	80	7.6%	9.2%	AGE AT DEATH	82	13.5%	15.9%
	85	4.6%	6.2%		87	6.0%	7.7%
	90	2.8%	4.2%		90	3.7%	5.2%
	95	1.6%	2.8%		95	1.4%	2.6%
	100	0.8%	1.9%		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.