

Are you prepared to recruit and retain the best talent in this competitive industry?

According to the federal government, changing demographics and deregulation will drive job growth in this industry.¹ Baby boomers need and want help from experienced financial advisors.

This industry snapshot is a supplement to the Unum Buyers Study, which analyzes the impact of changing trends in workplace demographics on today's benefit strategies.

Key Insights



- According to the federal government, this industry is expected to grow over 30% from now until 2014 and it will account for 4.5% of all employment.²
- The federal government forecasts that banks will expand their business to sell insurance and investment products, which in turn will drive a higher demand for bank managers.
- Valuable benefit packages tailored to this industry will help employers attract and retain the best employees.

An insider's look at financial services industry buying trends

Long Term Disability Insurance

- Most employers in this industry choose ADEA I for their plans' definition of disability — 70% of all new plans sold during the past three years.
- Benefit maximums for this industry tend to be higher than average. Fifty-five percent of new business during the past three years selected benefit maximums between \$5,000 and \$7,499. Another 26% selected a maximum of \$10,000 or more.

Short Term Disability Insurance

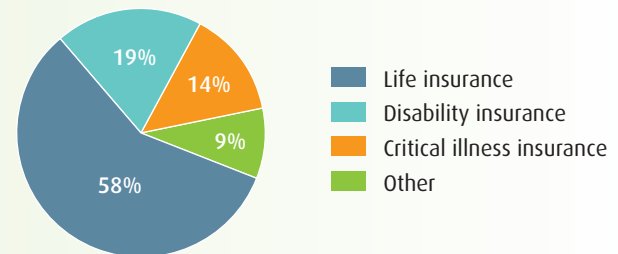
- Large numbers of employers are passing STD funding to their employees. Over the past three years, employer-paid plans have gone from 62% of our inforce block in this industry down to only 50% in 2005.

Voluntary Insurance

- Sixty percent of employers paid for their employees' voluntary individual disability policies, and 81% of those policies are non-cancelable.

Voluntary Insurance

Most popular products as percentage of total new premium for 2005:



Most Common Group Plan Designs*

Long Term Disability Insurance

Definition of disability: 2-year own-occ with residual
 Maximum monthly benefit: \$6,000
 Elimination period: 90 days
 Benefit percentage: 60%

Short Term Disability Insurance

Definition of disability: residual
 Maximum weekly benefit: \$1,500
 Elimination period: 7 days injury/7 days sickness
 Benefit percentage: 60%

Life Insurance

Benefit amount: multiple of salary with maximum of \$50,000

Group Long Term Care Insurance**

Funding: employer-paid
 Benefit amount: \$3,000 monthly
 Benefit duration: three years

Buy-up plan

Benefit amount: \$6,000 monthly
 Options: total choice home care and inflation protection

Recommended Voluntary Coverage

- Specified critical illness insurance
- Life insurance
- Hospital indemnity insurance

Points To Consider

Group Products

- There can be considerable differences in the salaries of employees in this sector. Consider higher group disability maximum benefits for principals and partners who earn high salaries.

Voluntary Products

- Specified critical illness insurance is a popular product for white collar workers.
- Voluntary life insurance can provide additional coverage beyond the employer-sponsored plan.

- In companies where the medical insurance has high co-pays or deductibles, hospital indemnity insurance can be a good complement that helps offset these pressures.
- Individual voluntary disability coverage can help provide an additional level of coverage for employees whose compensation may be above the group's maximum coverage levels.

LTC Plans

- For groups without long term care insurance, consider adding an employer-paid base or a carve-out plan.



For more in-depth information on benefits strategies that address emerging trends, visit www.unum.com/buyerstudy. The study includes the latest information and research from respected experts in the insurance and HR sectors.

1, 2 Bureau of Labor Statistics, U.S. Department of Labor, Career Guide to Industries, 2006-07 Edition, Securities, Commodities, and Other Investments, on the Internet at <http://www.bls.gov/oco/cg/cgs122.htm> and Financial Managers: <http://stats.bls.gov/oco/ocos010.htm>. (cited August 3, 2006).

* Data is a cumulative description of all group sales between 2003 and 2005. There may be variations based on case-size or geographic regions. Larger cases may offer richer plans.

** Plans most commonly seen in our current inforce block of business.

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