



LIFETIME+ PLAN CONDITIONS

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LIVE LIVERPOOL VICTORIA

LifeTime+ Plan Conditions

Welcome to LV=, and thank you for choosing our LifeTime+.

These conditions, and your Plan and Policy Schedules, together with your application, any declarations you have made and any documents we send you confirming changes to your Plan and the amount of your cover, form a contract between you and us. **These are important documents so please keep them in a safe place.**

This contract is signed on our behalf and starts on the date stated in your Plan Schedule.

A handwritten signature in blue ink, consisting of a stylized first name followed by a long horizontal line.

Chief Executive

If we can help you, by providing these documents in Braille, in large print or on audiotape, please let us know.

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Definitions

This section explains what we mean when we use the words listed below in your Plan and Policy Schedules, these Plan Conditions and any documents we send you to confirm any changes to your **plan** and the **amount of cover**.

We explain them because they may have other meanings in everyday use. We have highlighted these words in bold so you know when they apply (other than personal terms such as “you” and “we”).

“**You**” means the person (or people) who applied for this **plan**, the person (or people) who is insured, and the person (or people) legally entitled to the payment from this **plan**. In some circumstances, these may all be different people. Where we use “**your**” it has the same meaning.

“**We**”, “**us**” or “**our**” means Liverpool Victoria Friendly Society Limited.

“**Amount of cover**” means the amount of cover included in your **plan** (shown in your Plan Schedule), including any **inflation-linked** increases.

“**Inflation**” means changes in the cost of goods and services, such as what you pay for your groceries each week, and your gas and electricity. We measure this using the Retail Prices Index, or other similar published index.

“**Inflation-linked**” means that your cover will increase in line with **inflation**, which we currently measure using the Retail Prices Index. This increase will be based on the increase in the Retail Prices Index in the 12 month period ending three months before your **plan anniversary**. If the Retail Prices Index is not available, we will use a suitable alternative index.

“**Plan**” means all of the following documents: your application, your Plan and Policy Schedules, these Plan Conditions and any documents we send you to confirm changes to your Plan or the **amount of cover**.

“**Plan anniversary**” means each 12 month anniversary from the **start date**.

“**Premium**” means the monthly cost of the **amount of cover** within your **plan** (shown in your Plan Schedule), including any **inflation-linked** increases.

“**Start date**” means the date when your **plan** starts. The **start date** is shown in your Plan Schedule.

WHY CHOOSE LV= LIFETIME+?

LifeTime+ is designed to provide a cash lump sum on your death. This cash lump sum could be used to help protect your family, or help pay off a mortgage debt, if you were to die. It could also be used to help meet any Inheritance Tax liability due.

SECTION A – YOUR LIFETIME+

This section tells you about:

- when we will pay out
- how to claim
- how much we will pay out.

The general conditions which relate to this **plan** are explained in Section B.



A1 - WHAT YOU'RE COVERED FOR

LifeTime+ will pay out a lump sum on your death provided that the **premiums** have been paid. This is a life cover **plan**, which means that we'll only pay out on your death.

You can choose to take out single life cover or joint life cover. If you choose to insure two people with joint life cover when you apply, you choose for us to pay out on either:

- first death;
- or
- second death.

This will affect when you'll be able to claim on your plan. The table below shows when you can claim, depending on the option you choose.

	One of the people insured dies	Both people insured die at the same time	Both people insured die but at different times
First death	✓	✓	✗
Second death	✗	✓	✓

We'll confirm which of these applies in your Plan Schedule. Remember, if you're insuring two people we'll only pay out once under the **plan**.

A2 - HOW TO MAKE A CLAIM IF THE PERSON INSURED HAS DIED

We expect you will leave instructions about who you want to receive the cash payment (for example, in your will).

The person making the claim will usually be the person you name in your will to deal with your affairs when you die. This person is called your 'executor'. Of course, in some circumstances, the person making the claim could be your husband or wife, or another friend or relative instead.

The person making the claim should tell us about your death as soon as they can. They can tell us in writing, by phone or fax. For details of how best to contact us, visit our website at www.LV.com.

When we're informed of your death, we will ask the person making the claim to send us the original death certificate (not a photocopy). Whilst we are awaiting this, we will check to see if we need any further information. If we need any further information we will then write to the person making the claim, to explain what we need and why we need it. Examples of extra information we may need are:

- Proof of your age, for example your birth certificate if this was not provided when you applied for the plan
- evidence of the right of the person to make the claim (for example, evidence that you have named them in your will as the executor of your estate).
- if you have put your **plan** in trust, we'll need to see a copy of the trust deed.

We appreciate that this will be a difficult time, and we'll only ask for the information we need to pay the claim as quickly as possible.

A3 – HOW MUCH WE'LL PAY OUT

We'll pay out the **amount of cover**.

SECTION B – GENERAL CONDITIONS

This section explains the general conditions that apply to LifeTime+.

B1 – INSURING SOMEONE ELSE

If you are insuring someone else, we will ask them about their occupation, health and hobbies to work out what cover we can offer. We will only pay you if they die. If we need any doctor's reports, these will need to be provided by the doctor of the person you are insuring and they will need to give us their consent for us to ask for these.

If you're insuring two people, you can choose whether your Plan pays out when one of them dies (we call this "first death") or when both of them die (we call this "second death").

B2 - INCREASING YOUR COVER

(a) Guaranteed Increase Options

You can increase your cover without completing a full application, if certain events happen. We call these Guaranteed Increase Options, because we guarantee that you can increase your cover, within certain limits, as long as you are eligible.

The event must happen to the person insured. This means that if you're insuring someone else then it's their circumstances we'll consider, not yours.

If you want to increase your cover using one of the Guaranteed Increase Options, you won't have to provide any additional medical information. Naturally, this means that we have to apply some limits to the amount you can increase your cover by. We've explained this in more detail below.

The events which are covered by our Guaranteed Increase Options are:



Marriage or civil partnership

You can use this option if you marry or enter a civil partnership. You can increase the **amount of cover** by up to 50% of the **amount of cover** that you had on the **start date**.



For example

Paul has a LifeTime+ Plan for £100,000. He and his partner Kerry decide to marry. Paul wants to increase his cover to make sure his new wife is protected financially, should he die. He can use this option to increase the amount of cover.

The maximum amount that Paul can increase his cover by is £50,000, which means he could increase the total amount of cover to a maximum of £150,000.

$$£100,000 \times 50\% = £50,000$$

$$£100,000 + £50,000 = £150,000$$

Paul is able to increase his cover by up to £50,000 using this Guaranteed Increase Option without having to complete another full application, or providing any additional medical information.



Receipt of inheritance

You can increase your cover if you receive a gift or inheritance, by up to the lower of:

- the increase in your Inheritance Tax liability as a result of the gift or inheritance; or
- 50% of the amount of cover that you had on the **start date**.



For example

Marc has a LifeTime+ Plan for £75,200 to cover the potential Inheritance Tax liability on his estate. He receives an inheritance of £25,000 from an aunt, which increases the potential Inheritance Tax liability on his own estate to £85,200.

$$£25,000 \times 40\% = £10,000$$

$$£10,000 + £75,200 = £85,200$$

(40% is the Inheritance Tax rate for tax year 2008/09).

Marc wants to increase his cover to match this liability, the total increase is £10,000. This is less than 50% of the original amount covered, and within the £50,000 maximum limit. So Marc is able to increase his cover using his Guaranteed Increase Option without having to complete another full application, or providing any additional medical information.



Childbirth or legal adoption of a child

You can use this option if you have a child, or you legally adopt a child. You can increase the amount of cover by up to 50% of the **amount of cover** that you had on the **start date**.

Mortgage increase

You can use this option if you take out a new mortgage. You can also use it if you take out an additional loan under an existing mortgage on your main residence to make home improvements.

You can increase the **amount of cover** by the lower of:

- the increase in your mortgage amount;

or

- 50% of the **amount of cover** that you had on the **start date**.

Divorce/Dissolution

If the two people insured get divorced or have their civil partnership dissolved, they can each take out a new plan. Each new plan will have the same amount of cover as included in the **plan** on the **start date**, plus any **inflation-linked** increases and any Guaranteed Increase Option increases. We explain **inflation-linking** in Condition B3.



For example

David and Elaine are married. They originally took out a LifeTime+ Plan for £175,000 a few years ago, and increased their cover to £200,000 using one of the Guaranteed Increase Options. They're both insured under the plan, on a second death basis.

David and Elaine decide to get a divorce, but they each want to keep some life cover. They can use this option to split their existing plan into two separate plans. Each plan could include cover of up to £200,000 (the amount of cover when their plan started). They'd each own one plan, and be the insured person on that plan.



If you choose to use this option, your **plan** will be cancelled and we'll issue two new plans in its place. However, we'll place some limits on the Guaranteed Increase Options available under the new plans, as follows:

- if your **plan** is set up on a "second death" basis the new plans will only include the Change in Legislation Guaranteed Increase Option and no others.
- if your **plan** is set up on a "first death" basis the new plans will not include any Guaranteed increase Options.

If, at the time this option is exercised, both of the people insured are over age 55, this option won't be available. If one of the people insured is over age 55, but the other is not, then both people insured will be able to take out a new plan under this option.

This option is only available if you're insuring two people, who are married to each other or in a civil partnership together on the **start date**. If you marry after the start date, this does not apply.



Change in legislation governing inheritance or Inheritance Tax rates

You can use this option if changes in legislation affect the Inheritance Tax liability on your estate. The increase in the **amount of cover** is limited to a maximum of the increase in the Inheritance Tax liability on the part of your estate covered by the **plan**. We'll only consider increases to your estate which are a direct result of the change in legislation.

This option isn't included in your plan if it insures two people on a "first death" basis.

Business Protection Increase

If you're a shareholder or partner in a business and your **plan** is for business protection, you can increase the **amount of cover** if your shareholding or partnership share increases. The increase in the **amount of cover** can't be more than the increase in value of your interest.



For all Guaranteed Increase Options there are some limits to how much you can increase the **amount of cover** by. These limits depend on which option you use, and are shown in the table below. The total of all the Guaranteed Increase Options you exercise can't be more than the lower of £250,000 or 50% of the **amount of cover** that you had on the **start date**.

The table below explains these limits in more detail. It also shows how long you have after each event takes place, to make use of these options, and the maximum age at which you can do so. If you're insuring two people, it's the older of them that the maximum age limit applies to.

Event	Increase limit	Maximum increase	Maximum age	Tell us within
Marriage/ Civil Partnership	50% of the amount of cover that you had on the start date	£50,000	55	3 months
Receive Inheritance	The lower of - the increase in the Inheritance Tax liability you're insuring, as a result of the gift; OR - 50% of the amount of cover that you had on the start date	£50,000	64	3 months
Childbirth/ Legal adoption of a child	50% of the amount of cover that you had on the start date	£150,000	55	3 months
Mortgage Increase	The lower of - the increase in mortgage amount; OR - 50% of the amount of cover that you had on the start date	£150,000	55	3 months
Divorce/ Dissolution of Civil Partnership	The amount covered under each new plan will be the same as the amount of cover that you had on the start date , plus any inflation-linked increases.	N/A	55	3 months
Change in legislation governing inheritance or Inheritance Tax Rates	The lower of - the maximum of the impact of these changes on the proportion of your estate covered by the plan immediately before the change; OR - 50% of the amount of cover that you had on the start date .	£250,000	No limit	12 months
Business Protection Increase	The lower of - the increase in the value of your shareholding or partnership share; OR - 50% of the amount of cover that you had on the start date .	£100,000	60	3 months

If you increase the **amount of cover** using one of these options, the **premium** will go up to reflect this. The additional premium will be based on your age, and smoker status at the time of the increase.

If you want to use one of the Guaranteed Increase Options, we'll ask you for evidence of the event, such as;

- your original marriage certificate or civil partnership registration certificate
- details of the gift, its source and the impact on your tax liability
- the original birth certificate or adoption certificate
- a copy of your mortgage (or re-mortgage) offer
- your original decree absolute or dissolution certificate
- proof of the impact of changes in legislation on your estate
- proof of the increased shareholding or partnership share increase.

(b) Other increases

If you increase the **amount of cover** (other than using the Guaranteed Increase Options, or **inflation-linking**, which is explained in Condition B3) we'll work out the increase in your **premium** based on your age, smoker status, health, occupation and hobbies, and the premium rates applicable at the time. You'll need to complete a new application form, and provide details of your current state of health, occupation and hobbies.

Don't worry, we'll confirm the new **amount of cover** and **premium** before we make the changes. Unfortunately, we can't guarantee that we'll be able to offer you an increase in the future, as it will depend on your health, occupation and hobbies, and whether we are offering the same type of insurance at that time.

B3 – INFLATION-LINKED INCREASES

This condition only applies if you've chosen for the **amount of cover** to increase in line with **inflation**. We refer to this as **inflation-linked**. If you're unsure whether this applies to you, you will find whether or not this is included on your Plan and Policy Schedules.

If you haven't you can skip to the next section.

a) What inflation-linked means

We will increase the **amount of cover** on each **plan anniversary**. Where we apply this increase, the **amount of cover** and **premium** will both go up in line with the increase in **inflation**. This increase will be based on the 12 month period ending three months before your **plan anniversary**.

Don't worry, we'll tell you what we will increase the **amount of cover** to, and your new premium at least 30 days, before we increase them.

You can ask us not to increase the **amount of cover**, but you must let us know before the **plan anniversary** when an increase is due. You can restart your **inflation-linked** increases the following year without any additional health or occupation checks. However we won't make any further increases to the **amount of cover** if you request no increase to the cover for 2 years in a row.

Please note if you ask us not to increase the **amount of cover** twice in a row, but later on decide that you want us to increase it again, you will need to re-apply for **inflation-linked** cover. We can't guarantee that we will be able to offer you **inflation-linked** cover at that time, as it will depend on your health, occupation and hobbies and whether we are offering the same type of insurance at that time.

b) Adding cover and inflation-linking

You can increase the **amount of cover** after the **start date** (as we've explained in Condition B2). So that we don't increase your extra cover shortly after you add it, if the **plan anniversary** passes within three months, we won't apply an **inflation-linked** increase until the next **plan anniversary**.

B4 – DECREASING YOUR COVER

If you decide to reduce the **amount of cover**, just let us know. We'll reduce your **premium** in line with the reduction in cover, and confirm the changes to you in writing before we actually apply them. You won't need to complete a new application form to do this.

B5 – PAYING YOUR PREMIUMS

You are responsible for paying **premiums** on the due dates shown in your Plan Schedule. **Premiums** can only be paid by direct debit. Your **premiums** are guaranteed not to increase unless you have chosen **inflation-linked** cover.

The last **premium** payment will be on the due date immediately before the **plan anniversary** on or after your 100th birthday. If you're insuring two people, this is the **plan anniversary** on or after the 100th birthday of the younger of them.

You may have chosen to take out our Waiver of Premium policy alongside your LifeTime+ Plan. You can find more information on this in our Waiver of Premium Policy Conditions.

B6 - STOPPING YOUR PREMIUMS

We give you 60 days from the due date for you to pay a **premium**. If we haven't received a **premium** from you, we will send you a reminder to let you know.

If you fail to pay any **premium** within this 60 day period, then your **policy** stops immediately, and we will cancel it. We will not pay anything to you if this happens. If we cancel your **policy**, we'll let you know.

B7 - RE-STARTING YOUR PREMIUMS

If your **plan** has been cancelled, you may be able to start it again. If you are in good health you can do this within six months of the first unpaid **premium**. You will need to pay all of the unpaid **premiums**. We will also ask for reasonable evidence of your current state of health.

Unfortunately, it is possible that we may not be able to restart your **plan**, for example if you are now in poor health. In the event that this happens, we will explain our decision to you and the reasons for it. Please note as the **plan** has actually ended we are not obliged to restart it for you.

B8 – HOW WE PAY A CLAIM

We normally pay out the amount due by cheque. We'll pay this to your executors or administrators, or to the assignees or Trustees, based on your requirements. We've explained this in more detail in Condition A2.

B9 - PROOF OF YOUR AGE AND NAME

The **premium** for the **amount of cover** is based on your date of birth as shown in your Plan and Policy Schedules.

We will need evidence of your age before we will pay a claim. We will accept your original birth certificate or passport as evidence, but not photocopies.

We recognise that these are valuable documents that other people may need at the same time. We will look after the documents carefully, and return them quickly.

It is really important that you check your Plan and Policy Schedules have the correct date of birth on them, as it affects the amount we can pay out if a claim is made. If your actual date of birth differs from that shown in your Plan and Policy Schedules, we will change your **amount of cover** to the amount that would have been available based on your actual age and the **premiums** you have paid.

Of course, if your name is different from your name in your Plan and Policy Schedules and birth certificate when a claim is made we will also need evidence of this change (for example your marriage certificate). We may need to ask for additional evidence, but don't worry, we won't ask for anything unreasonable. We will tell the person making the claim what evidence we need, and when we need it.

B10 – WHEN YOU CAN CANCEL YOUR PLAN

You can cancel your **plan** at any time, although if you do you'll lose all your cover under the **plan**, and you won't get anything back. If you decide to do this, please let us know so that we don't ask you to pay any more **premiums**.

B11 – WHEN WE CAN CANCEL YOUR PLAN

Once your **plan** starts we won't cancel it, unless you have not paid all of the **premiums** that are due. We have explained this in more detail in section B6.

There is just one exception.

Please understand that whilst the vast majority of our customers are honest, we do have to protect ourselves (and customers) against the effect of fraudulent claims.

We will cancel your **plan** if either you or anyone you are insuring act fraudulently, deliberately provide untrue, inaccurate or misleading information when you apply for the **plan**, when making a claim, if you apply to change your **plan**, or if you apply to re-start your **premiums** (this is explained in Section B7).

This means we will cancel your **plan** if we determine that you would have known, or ought to have reasonably known, the true answer to a question we ask you, but have deliberately provided a false answer.

We may also cancel your policy, or may not pay the **amount of your cover** in full, if had you answered all of the questions we asked you honestly and in full, it would have led us to a different decision about the **amount of your cover**. For example:

- A higher **premium** would have applied for the **amount of your cover**;
- The **amount of your cover** would have been lower for the same **premium**;
- Your application would have been deferred, for example, pending the outcome of a medical investigation; or
- Your application would have been declined.

We will cancel your **plan** if we don't receive a signed copy of the summary of any interviews we have carried out, within 60 days of the **start date**.

If we cancel your **plan** you won't be entitled to any refund of **premiums** or payment from it.

B12 - WHEN THE PLAN ENDS

Your **plan** is a whole of life **plan** which means that as long as you pay all **premiums** due, your **plan** will continue until you die. If you're insuring two people, when your **plan** ends will depend on whether it is set up on a "first death" or "second death" basis.

When we pay a claim your **plan** will finish and we will not make any further payments.

B13 – ARRANGING FOR YOUR COVER TO BE PAID TO A SPECIFIC PERSON

You might want to arrange for the **amount of cover** to be paid to another person when you die, for example the person or people who will benefit from your estate on your death.

You can do this by assigning your **plan** to another person (or people) or a company, or by placing it in Trust.

If you do this, you need to send us the relevant documents so that we can update our records. If you don't, we may not pay the right person when a claim is made.

You are responsible for making sure that any assignment or Trust is valid and effective. You may want to talk to a Solicitor before doing this.

B14 - CURRENCY

All **premiums** due, and any payments from this **plan**, will be in pounds sterling only.

B15 – THE LAW THAT APPLIES TO YOUR PLAN

The law and jurisdiction of England and Wales will apply. All information we provide will be in English.



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