

keyfacts[®]

WAIVER OF PREMIUM

Policy Summary



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In this summary, we try to help you by giving you the ‘key facts’ of the policy. It doesn’t set out the full terms and conditions – you will find these in our ‘Policy Conditions’ document.

Waiver of Premium is provided by Liverpool Victoria Friendly Society Limited, which is part of LV=.

If we can help you by providing this document in Braille, in large print or on audio tape, please let us know.

What am I covered for?

Waiver of Premium is designed to pay the premiums on your behalf for all of the policies in either your Flexible Protection Plan, or your Lifetime+ Plan if you are unable to work due to sickness or accident.

There are three ways we can measure whether you’re unable to work.

Own Occupation cover means we will pay the premiums for all the policies in your plan if, because of an accident or sickness, you’re unable to do your normal job. You would not be expected to go back to work in a different job – for as long as you are unable to do your normal job, we will pay the premiums for your policies on your behalf.

Suited Occupation cover means we will pay the premiums for all the policies in your plan if, because of accident or sickness, you are unable to do your normal job. The difference is that after we have paid the premiums for your plan on your behalf for 26 weeks, we would stop paying them, if you are well enough to return to work in a job that you are suited to because of your skills or training. This is despite the fact that you may still not be well enough to do your normal job.

Work Tasks cover means we will pay the premiums for all the policies in your plan if, because of an accident or sickness, you are totally unable to carry out 3 or more tasks from a list of everyday activities.

When you apply we work out which type of cover we can offer by looking at your occupation, your health and any leisure activities you take part in. If you become unable to work because of sickness or accident whilst you are unemployed we will measure whether you’re unable to work by using the Work Tasks cover measure above.

Sometimes we may use a different measure, for example if you are a homemaker. If this is the case, this will be fully explained to you before your policy starts.

In all cases we will confirm which cover we are able to offer you before your policy starts.

When you apply you can choose whether you want to be covered up until age 65, or up until age 85. If you choose to be covered beyond age 65, then if you are unable to work after you have reached age 65, we will use the Work Tasks cover measure to determine whether we will pay the premiums for all of the policies included in your plan. This is irrespective of what cover you had in place before age 65.



Is there anything I'm not covered for?

Yes.

Unemployment

We will only pay the premium on your behalf for all of the policies in your plan if you are unable to work, because of sickness or accident. This means we won't pay them if you are not working for a different reason, for example if you have chosen not to work, or you have been made redundant.

Sickness or accident and still working

You cannot generally claim under this policy if you are ill or injured and are still able to work in your normal occupation or are doing other work.

Do please check with us if you have more than one job. You may not be covered if you are able to do one job but not the other.

Death

This policy does not pay out in the event of your death.

Travelling Abroad

We pay the premiums on your behalf for all of the policies in your plan after your waiting period, if you are in one of a number of countries listed in the Policy Conditions. If you are anywhere else in the world, we would only pay them for a maximum of 26 weeks. This is explained in more detail in Section A of the Policy Conditions.



How much cover is provided?

The cover will be the total premium you pay for all of the policies included in your plan, whether this is our Flexible Protection Plan, or our LifeTime+ Plan.

The cover will automatically go up if you have any policies with inflation-linked cover included in your plan. However your cover might not be increased if you change or take out any new policies in your plan, for example if you are in poor health at that time.

How long do I have to wait after making a claim before my payments start?

You can choose how long you have to wait after you stop being able to work before we start to pay the premiums on your behalf. We call this the waiting period. You can choose a 1, 2, 3 or 6 month waiting period. For example, if you're self employed, you may want payments to start after just 1 month as you won't have an employer paying you sick pay. If you're employed, you might choose a longer waiting period like 3 or 6 months, to tie in with how long your employer pays you sick pay.

The longer the waiting period you choose the lower the premium for your cover will be. However, you will have to wait longer after you become unable to work, before we start paying the premiums on your behalf.

You will still need to pay the premiums for your plan during this waiting period. If you don't then the cover provided by all of the policies in your plan will stop.

Can I apply?

You can apply if you are:

permanently living in the UK (not including Channel Islands and Isle of Man),

and

aged between 17 and 59.

If you're insuring someone else, they must meet these requirements. If you're insuring two people, they must both meet them.

You can only insure someone else if you'll suffer financially if they are diagnosed with a critical illness. We call this 'insurable interest'. If you're insuring your spouse or civil partner you automatically have an insurable interest.

How much does it cost?

This depends on the amount of cover you choose, and also your personal circumstances, for example your age and whether you smoke or not.

We will tell you your premium before your policy starts. This may be different to that shown on your personal quote.



How long do I pay premiums for?

You pay a premium every month by Direct Debit until the month immediately before the end date of your policy. You can choose to stop paying premiums at any time, but if you do then your policy will stop, you won't be covered and you won't get anything back.

This Policy has no cash in value at any time.

When does my policy start and end?

It starts on the date we ask for your first premium. It will end on the end date shown on your policy schedule.

Your policy must last for at least 5 years.

When you apply you can choose whether you want this policy to end at age 65 or at age 85.

You cannot have this policy in place once all of the policies included in your plan have ended.

Can I change my cover?

Yes, you can apply to change your waiting period or the end date of your policy at any time. Changes will depend on your health and the job that you do at the time you want to increase your cover, and the terms and conditions that apply at that time.

What if I can't pay my premiums?

We give you 60 days from the due date for you to pay a premium.

Normally, if you stop paying your premiums, the cover provided by this policy will stop and you won't get anything back.

Of course, if you are claiming on this policy, and we have started to pay the premiums for all of the policies included in your plan on your behalf, then we will pay the premium for this policy as well.

Can LV= change the premium I pay?

Yes. If the total premium for all of the policies included in your plan changes, either because of inflation-linking, or because you have premiums that are reviewable, then the premium for this policy will also change.

The premium for this policy will also change, if you choose to change any of the policies included in your plan for any reason.

This is because the cover provided by this policy is the total premium you pay for all of the policies included in your plan, so if your total premium changes, then the cover provided by this policy will also need to change.

We will write to you and let you know what the changes are at least 60 days before you need to start paying the changed premium.

More details about this can be found in Section C1 of the Policy Conditions.



What about claiming?

If you need to claim you should let us know straight away. If you don't this may result in a delay in us starting to pay the premiums for the policies included in your plan. We explain when you need to tell us and what happens if you don't in Section B1 of the Policy Conditions.

You can make a claim by telephoning 0800 028 6333 (for textphone, dial 18001 first). We may record and/or monitor your calls for training and audit purposes. Or you can write to us at: Claims Department, LV=, Pynes Hill House, Rydon Lane, Exeter EX2 5SP.

What happens if I have made a claim, recovered, gone back to work, and then I become ill again?

If this happens within the first 6 months of you going back to work then we may be able to start paying the premiums on your behalf again straight away, without you having to wait until the end of your waiting period. We call this a 'linked claim'.

However we will only do this if the reason you are unable to work is the same as it was for your original claim, and you are still working in the same job as you were originally. If the reason you are unable to work is not the same, or you are working in a different job when you need to claim again, then we will not treat this as a 'linked claim', and you will need to wait until the end of your waiting period before we start paying the premiums on your behalf again.

More details and the limits that apply can be found in Section B5 of the Policy Conditions.

How is the payment from this policy taxed?

Claims paid from this policy will not be subject to either Income Tax or Capital Gains Tax.

This is based on our understanding of current legislation and HM Revenue & Customs practice, which can change.

Could LV= cancel my policy?

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

We will cancel your policy if either you or anyone you are insuring act fraudulently, or deliberately provide untrue, inaccurate or misleading information when you apply for the policy, or when making a claim.

This means we can cancel your policy, or not pay the amount of your cover in full, 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. So, when you apply, please take care to answer all of the questions as accurately as you can.

If you apply for your policy on-line, we will send you a summary of the questions we ask and the answers you give. We will also do this, if, when you apply, we telephone you to ask you some further questions about your application. When you receive this summary it's very important that you check the answers you gave, as we rely on this information to set up your policy. Once you have checked the summary, you need to sign it and return it to us within 60 days of the start date of your policy. If you don't, we may cancel your policy.

We've explained when we can cancel your policy in more detail in Section C8 of the Policy Conditions.



Can I change my mind?

Yes, you can cancel your policy at any time. If you change your mind within 30 days of it starting, we'll refund your premiums. If you cancel at any other time, your cover will end and you won't get anything back. **Your policy has no cash-in value at any time.**

To cancel your policy please call us on 0845 640 5723 (for textphone dial 18001 first). We may record and/or monitor your call for training and audit purposes. Or you can write to us at LV=, Pynes Hill House, Rydon Lane, Exeter, EX2 5SP

How do I complain?

If you have a complaint about any part of the service you receive from us, it's important that we know about it, so we can help put things right. You can let us know by calling us on 01202 292333 (for textphone, dial 18001 first). Or, you can write to us at: Box 2, LV=, County Gates, Bournemouth BH1 2NF. Your complaint will be dealt with promptly and fairly and in line with the Financial Services Authority's requirements, and if you want more information on how we handle complaints, please contact us.

We hope that we will be able to resolve any complaint that you have, but if you aren't happy with the outcome you can refer your complaint to the Financial Ombudsman Service. If you make a complaint it won't affect your right to take legal action.

What would happen if LV= got into financial trouble and was not able to pay out?

We've been in business since 1843, and take great care to manage our affairs sensibly. If we ever did get into financial trouble and couldn't honour our commitments, you would be entitled to compensation from the Financial Services Compensation Scheme.

The compensation you could get depends on the type of product you have. For this type of policy, the scheme covers the first £2,000 and at least 90% of the rest. For more information go to www.fscs.org.uk or call 020 7892 7300.

From 1 January 2010 this will change to 90% of the claim.

For life assurance the scheme's first responsibility is to seek continuity of cover rather than to pay compensation.

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