

# FUNERAL BENEFIT OPTION

Helping your loved ones  
at a difficult time.



LIVERPOOL  
VICTORIA



Dignity<sup>®</sup>  
CARING FUNERAL  
SERVICES



# WHY CHOOSE THE FUNERAL BENEFIT OPTION?

We understand that many people choose to take out a 50 Plus plan to help towards rising funeral costs. So, you may be interested to hear that you can gain an extra 10% to help pay for your funeral if you choose our Funeral Benefit option.

## Help your loved ones at a difficult time

Many people find it a real comfort knowing that, by taking out a 50 Plus plan, they've put some money aside towards their funeral costs. Not just for their own peace of mind, but because they'll have helped their loved ones at a very emotional time.

With the Funeral Benefit option you can help your family further because it gives you an extra 10%. This means that for every £100 of your lump sum that is used towards funeral costs, you can get an extra £10 (up to a maximum of £1,000).

What's more, with the Funeral Benefit option in place your family will be fully supported at every step and provided with complete advice and guidance on all aspects of the funeral.



## Rising funeral costs

We've carried out our own research with a wide range of UK funeral directors and the average cost of a funeral in the UK in 2009 was £2,620. So, by taking out a LV= 50 Plus plan with the Funeral Benefit option you can really help your loved ones with the financial strain at an already difficult time.

Source: LV= cost of a funeral research – Consensus Agency.

# WHAT ELSE DO I NEED TO KNOW?

The Funeral Benefit option has been designed specifically to help pay towards funeral costs. There's no need to worry if your funeral costs less than your cash lump sum as the difference will be paid to your estate. If the cash lump sum is less than the cost of the funeral arrangements, then the balance will simply be paid by your estate or your family.

There's no set up charge, no application fee and no hidden costs. Plus, you can cancel the funeral benefit option at any time if you decide that it isn't right for you.

## Can I 'charge' more than one 50 Plus plan to Dignity?

Yes, if you have more than one 50 Plus plan you can charge some or all of them to Dignity and the 10% will be added to the combined cash lump sum total of the plans. But no matter how many plans you charge to Dignity the maximum amount of Funeral Benefit you can receive is capped at £1,000.

### How does the Funeral Benefit option work?

1. You 'charge' your cash lump sum to Dignity.
2. Dignity will send a welcome pack to you within 28 days. In this you will find all the information you need about the Funeral Benefit and information to pass on to your next of kin to ensure they will know what to do when the time comes.
3. Your family will only need to make one call to Dignity. A funeral director will then promptly contact them in order to make arrangements and provide all the guidance and support they need.
4. The Dignity Funeral Director that your family uses will be paid automatically from your cash lump sum plus the extra 10%.
5. If, however, your 50 Plus plan cash lump sum is greater than the cost of the funeral, the 10% will be calculated on the total cost of the funeral.

## What does the term 'charge' mean?

'Charge' is the term used to describe the process for your cash lump sum to be paid to Dignity and used towards your funeral costs.

# WHO PROVIDES THE FUNERAL SERVICE?

LV= works in conjunction with Dignity, the UK's leading funeral services provider. Dignity and their network of local funeral directors carry out all of the funeral services for LV=.

## About Dignity

- Dignity is the UK's leading provider of funeral services. Their professional funeral directors have a longstanding reputation for care and attention.
- Every year Dignity arrange 1 in 8 of the funerals that take place in the UK.
- They own more than 550 funeral directors across the UK have been working in their local communities for generations.

## Taking out the Funeral Benefit option couldn't be easier

We've made applying for the Funeral Benefit option as simple as possible. Just complete your 50 Plus plan application form and sign the Funeral Benefit option section to 'charge' your plan to Dignity – it's as simple as that.



## Did you know...

the average cost of a funeral in 2009 was

**£2,620\***

Source: LV= cost of a funeral research – Consensus Agency. 2009.

## How is the 10% calculated and what is the maximum amount of Funeral Benefit I can receive?

By charging your policy to Dignity you'll be entitled to either 10% of your amount of cover or 10% off the overall cost of the funeral.

If your 50 Plus plan pays out less than the total cost of the funeral the 10% will be calculated on your amount of cover.

**Example:** If your funeral costs £3,000 and your lump sum only paid out £2,500, the 10% would be calculated on your lump sum amount of £2,500 ( $£2,500 + 10\% = £2,750$ ). Dignity would require the additional £250 to cover the total funeral cost, which would need to be paid by your estate or next of kin.

If, however, your 50 Plus plan lump sum is greater than the cost of the funeral, the 10% will be calculated on the total cost of the funeral.

**Example:** If your 50 Plus plan pays out £5,000 but the cost of the funeral is only £3,000 the 10% would be calculated on the cost of the funeral (£3,000). Dignity would only require £2,700 ( $£3,000 - 10\% = £2,700$ ) from your 50 Plus plan. The remaining £2,300 would be paid to your estate.

The maximum extra Funeral Benefit amount you can receive to help pay for your funeral in either case is capped at £1,000.

## What happens if I die within the first 12 months?

Although you are able to 'charge' your 50 Plus plan today, you may not be entitled to your Funeral Benefit until you have held your 50 Plus plan for 12 months. If you were to die within 12 months of your 50 Plus plan starting, LV= may only pay out what you've paid in, without interest. In this instance Dignity would release the 'charge', and the proceeds of your plan would be paid to your estate and not to Dignity. However Dignity would still be happy to arrange your funeral and apply the equivalent 10% discount, but your next of kin would need to pay for your funeral at the time.

## Can I use any funeral director and still receive the Funeral Benefit option?

To receive the extra 10% you will need to use a Dignity Funeral Director. Dignity have over 550 funeral directors in the UK, many of whom have served their communities for generations. Every year they conduct around 70,000 funerals across the country.

**LV= Funeral Benefit Option**

## Should I tell my loved ones I have taken out this Funeral Benefit?

Yes, because if your funeral is arranged with an alternative funeral provider your cash lump sum will be paid to your estate, which may then be subject to inheritance tax. Also the Funeral Benefit won't be payable. Once you've charged your plan to Dignity, you'll receive a welcome pack within 28 days. This contains full details about your Funeral Benefit 'charge' to Dignity and provides information for you to pass onto your loved ones.

## What if I decide the Funeral Benefit option isn't right for me?

You can change your mind at any time by simply contacting LV=. Your charge will be released and your 50 Plus plan will continue as normal (without the Funeral Benefit option).

## What happens if I stop paying my premiums?

It's important to keep paying your monthly premiums. If you stop paying your premiums your 50 Plus plan will end and you'll no longer be covered. Any 'charge' will also be cancelled and you'll no longer be entitled to the Funeral Benefit. And remember there's no cash-in value for your 50 Plus plan.

### Apply now

Simply fill in the Funeral Benefit option section on the application form and return it to us in the pre-paid envelope provided.

Or for further information call

**0800 197 0514**

For Textphone, dial 18001 first.

Lines are open 8am to 8pm Monday to Friday and 8am to 4pm Saturday. We may record and/or monitor your calls for training and audit purposes. You can get this and other documents from us in Braille, large print or on audiotape by contacting us.

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