

# LV= Flexible Guarantee Bond Series 3

Bond Conditions



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## Bond Conditions

### **Welcome to LV=, and to our Flexible Guarantee Bond Series 3**

These Bond Conditions, together with your Bond Summary, and any documents we send you confirming changes to your Bond, form a contract between you and Liverpool Victoria Friendly Society Limited.

**These are important documents so please keep them in a safe place.**

This contract is signed on behalf of Liverpool Victoria Friendly Society Limited. It starts on the date stated in your Bond Summary.

You can get this and other documents from us in Braille, large print or on audio, by contacting your financial adviser.

**Document reference: FGB(S3)1**

### **How we use your personal information**

Find out how we use your personal information, and what rights you have by visiting [LV.com/dataprotectionlife](http://LV.com/dataprotectionlife).

This includes who we are, how long we hold your information, what we do with it and who we share it with.

Please ensure that you advise anyone else whose personal details are attached to your plan where they can find this information.

## Definitions

This section explains what we mean when we use the words listed below in your Bond Summary, these Bond Conditions, and any documents we send you to confirm any changes to your Bond.

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 **Bond** and who is legally entitled to any payment from it. Where we use **'your'** it has the same meaning.
- **'We', 'us' or 'our'** means Liverpool Victoria Friendly Society Limited.
- **'Adviser Charges'** means any money that you ask us to pay to your financial adviser on your behalf. Any initial adviser charge will be paid before any money is invested into your **Bond**. Ongoing and ad-hoc adviser charges will be paid as withdrawals out of your **Bond**.
- **'Assets'** means the different types of investments in each of the **Fund Options**. For example, stocks and shares, fixed interest investments, commercial property and cash. The percentage of each asset in each of the **Fund Options** will change over time reflecting investment performance and the views of the asset management team.
- **'Averaged Price'** means the **Underlying Price** of the **Units** in your chosen **Fund Option**, averaged over the previous 26 weeks. We work out this average at least once a week, and round it to the nearest 0.1 pence.
- **'Bond'** means the contract between you and us. This contract consists of the Bond Summary, these Bond Conditions and any documents we send you to confirm changes to your **Bond** (such as if you change your **Fund Option** or change your guarantee).
- **'Business Day'** means Monday to Friday, 9am to 5pm except on English Bank Holidays.
- **'Cash In'** means closing your **Bond** by taking out all your money.
- **'Exit Price'** means the price we use when we value or take away **Units** in your **Bond**, when:
  - you take money from your **Bond** or cash it in
  - you want to know how much your **Bond** is worth
  - you make a life or **Terminal Illness** claim
  - we calculate a guarantee amount or whether a guarantee applies
  - you change your **Fund Option**
  - we take charges from your **Bond**.
  - we pay any ongoing or ad-hoc **Adviser Charges** to your financial adviser on your behalf
- **'Fund Option'** means our Cautious Series 2 fund, our Balanced Series 2 fund or the Managed Growth fund, which invest in different proportions of **Assets**.
- **'Mutual Bonus'** is a bonus that may be payable when your **Bond** ends. It's designed to reward eligible members for their ownership of LV=. You can find out more about this in our booklet 'Your Guide to how we manage our with-profits fund'.
- **'Start Date'** means the date you invest in your **Bond**. This is shown in your Bond Summary.
- **'Terminal Illness'** means an incurable illness where, in the opinion of an attending consultant and our Chief Medical Officer, you would not be expected to live for more than 12 months.
- **'Unit'** means a part of a **Fund Option**. Your **Bond** is made up of **Units** in your chosen **Fund Option**.
- **'Underlying Price'** means the actual price of the **Units** in your chosen **Fund Option**. On each **Valuation Day**, we change the **Underlying Price** to reflect the actual investment returns from the **Assets** in your chosen **Fund Option** since the last **Valuation Day**. We'll work out the actual investment returns from each type of **Asset** in your **Fund Option** at least once a week, and round it to the nearest 0.1 pence.
- **'Valuation Day'** means the day we work out the **Underlying Price** and **Averaged Price**. We'll do this at least once a week.

## Why choose the LV= Flexible Guarantee Bond Series 3?

This **Bond** is designed to offer potential for growth on your investment over the long term.

You can choose to invest in one of our **Fund Options**, and you have the flexibility to change between these in the future, as your circumstances or attitude to investment risk change.

The asset management team aim to achieve the best possible returns for you, based on your chosen **Fund Option**. You may also share in the performance of the Friendly Society's other businesses (we've explained this in more detail in 'Your guide to how we manage our with-profits fund', which you should read along with these Bond Conditions).

## Section A: Investing in the Flexible Guarantee Bond Series 3

This section explains how we set up your **Bond**. It also explains the options you have to change your **Bond** in the future, should you wish to do so.

### A1 Investing your money

To invest, you need to be a UK resident aged 17 or over. You'll need to send us a cheque with your completed application form. Your Bond Summary will show the amount invested.

If you've previously invested in any of the products below, you must wait at least 12 months from the date you cashed in your investment before you can invest in a Flexible Guarantee Bond Series 3:

- Flexible Guarantee Bond
- Flexible Guarantee Bond Series 2
- Flexible Guarantee Bond Series 3

### A2 Choosing your Fund Option

You can choose to invest in one of our **Fund Options**. We've explained these **Fund Options** in more detail in the Supplementary Information Document to help you choose which one is right for you.

In the future we may change the number of funds we offer, or allow you to invest in more than one at a time. If we do this, we'll let you know at least 30 days before we make the change.

We'll invest any **Mutual Bonus** added in the same **Fund Option** as your **Bond**. We understand that your personal circumstances or your attitude to investment risk may change in the future. So to make your **Bond** as flexible as possible, you can change your **Fund Option** if you wish. We've explained how and when you can do this in Condition A8.

### A3 Adding Units to your Bond

We use your money to add **Units** in your chosen **Fund Option** to your **Bond**. To work out how many **Units** to give you, we divide your amount invested (shown in your Bond Summary) by the **Underlying Price**. Any initial **Adviser Charge** will be deducted and paid to your financial adviser before we work out how many **Units** to give you. You can see how many **Units** we've given you on your Bond Summary.

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#### For example

If the Underlying Price is £1.25 on the day we receive a £10,000 investment, we divide the £10,000 by £1.25. This equals 8,000 so we add 8,000 Units to the Bond.

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#### A4 Working out the value of your Bond

We work out the value of your **Bond** by multiplying the number of **Units** held in your **Bond** by the **Exit Price**. The **Exit Price** we use normally depends on whether you've invested or changed funds recently.

##### (a) In the first 26 weeks

In the first 26 weeks after the **Start Date** or a change of fund the **Exit Price** will be the **Underlying Price**. If you're making a death or **Terminal Illness** claim, the **Exit Price** will also be the **Underlying Price**.

##### (b) After the first 26 weeks

27 weeks or more after the **Start Date** or a change of fund the **Exit Price** we use will usually be the **Averaged Price**. However, we'll use the **Underlying Price** as the **Exit Price** in the following circumstances:

- If, when we calculate the **Exit Price**, the **Underlying Price** for your **Fund Option** is 80% or less than the **Averaged Price**. We'll go back to using the **Averaged Price** when the **Underlying Price** is at least 100% of the **Averaged Price** again. This won't apply if you're making a death or **Terminal Illness** claim. We'll always use the **Averaged Price** as the **Exit Price**.

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##### For example

If, on 1 July 2017, the Averaged Price of Units in the Managed Growth Fund is £1.00, but the Underlying Price is 79 pence, we'll use the Underlying Price. This is because the Underlying Price is less than 80% of the Averaged Price ( $79/100 = 79\%$ ). If, six months later, on 1 January 2018, the Averaged Price is 91 pence and the Underlying Price is also 91 pence, we'll go back to using the Averaged Price again.

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- If, when we calculate the **Exit Price**, we choose to suspend averaging. We'll only do this if we feel it is in the best interests of with-profits members generally and if required to protect our with-profits funds. We can suspend averaging on an individual fund at any time. Payments will revert back to the **Averaged Price** when the Society considers it appropriate and fair to members.

For more information, including why we follow this approach, please see 'Your guide to how we manage our with-profits fund'.

#### A5 How the guarantee works

You can add a guarantee to your **Bond** when it starts. You can do this by completing the relevant section in the application form and we'll confirm details of it in your Bond Summary. If you don't add a guarantee when you first invest in your **Bond**, you can do so at any time. Just let us know if you want to do this and we'll send you a form to complete.

The choice of guarantee terms for any **Fund Option** will be those that are available at the time the guarantee is purchased. We'll always offer a ten year guarantee term on each **Fund Option**.

If you have selected a guarantee when your **Bond** starts, at the end of the guarantee term we guarantee that the value of your **Bond** will be at least the amount invested as shown in your Bond Summary, less any money you've taken out and any money that's been paid out to your financial adviser as ongoing and ad-hoc **Adviser Charges**.

If you add a guarantee after your **Bond** has started, at the end of the guarantee term we guarantee that the value of your **Bond** will be at least the value on the date the guarantee started, less any money taken out since then including any money that's been paid out to your financial adviser as ongoing and ad-hoc **Adviser Charges**.

The guarantee applies on the date the guarantee term ends only. So if you **Cash In** your **Bond** before or after this, you may get back less than the guaranteed amount. If, at the end of the guarantee term the value of the **Bond** is less than the guaranteed amount we'll add extra **Units** to it at the **Underlying Price**, to make sure the guarantee is met. If the value of the **Bond** is more than the guaranteed amount, you will, of course, get the benefit of the higher amount.

Any **Mutual Bonus** added to your **Bond** will not be included in the guaranteed amount. So if we have to add **Units** to increase the value of your **Bond** to the guaranteed amount any **Mutual Bonus** will be on top of this.

To work out whether the guarantee applies, we'll value your **Bond** using the **Exit Price** on the **Valuation Day** on or immediately after the end of the guarantee term. Remember, you don't have to **Cash In** your **Bond** when the guarantee is applied. If you don't **Cash In**, we'll still work out the value of your **Bond** as we've explained above, and add extra **Units** to make sure the guarantee is met.

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### For example

James invested £10,000 on 1 July 2015. At the same time, he decided to add a ten year guarantee. This means that the value of his Bond on 1 July 2025 is guaranteed to be at least £10,000. If James decides to Cash In his Bond at this time and he's not taken any withdrawals, and no ongoing or ad-hoc Adviser Charges have been paid he'll get at least £10,000 back plus any increase in his investment.

But the guarantee doesn't just apply if James cashes in. If the value of the Bond on 1 July 2025 is less than £10,000, we'll add extra units to his Bond to make up the guaranteed amount. We'll never take away these extra units, but as the price of a Unit can change the value of his Bond could go below the guaranteed amount in the future. So he could make a loss if he cashed in his Bond.

If James hadn't added a guarantee, and the value of his Bond on 1 July 2025 is less than £10,000, he'll make a loss if he cashes in then.

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We explain our guarantee charge in more detail in Condition C1.

### A6 Replacing a guarantee

Once you've added a guarantee, you can replace it by adding a new one. You can do this at any time. Just let us know if you want to do this and we'll send you a form to complete. The choice of guarantee terms for any **Fund Option** will be those that are available at the time the guarantee is purchased. We'll always offer a ten year guarantee term on each **Fund Option**. If you add or replace a guarantee after the **Start Date**, the guaranteed amount will be the value of your **Bond** on the date you add the guarantee, less any money you take out and any money that's been paid out to your financial adviser as ongoing and ad-hoc **Adviser Charges** between then and the end of the guarantee term. Any **Mutual Bonus** added to your **Bond** will not be included in the amount guaranteed.

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### For example

Rachel invested £40,000 on 1 July 2017, and added a guarantee at the same time.

On 1 July 2018 her Bond is worth £43,000. She replaces her existing guarantee with a new one, so the new guaranteed amount is now £43,000. This amount is guaranteed at the end of the new guarantee term. This means that the growth of £3,000 is effectively 'locked in'.

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The Guarantee Charge will depend on your chosen **Fund Option** and length of guarantee term and will be the charge that applies at that time. If you replace your guarantee more than once each year we'll apply an additional Administration Charge. To help you understand the charges and when they apply, we've explained them in more detail in Condition C1.

### A7 What happens when your guarantee ends

Your guarantee will end after the term you have chosen, as shown on your Bond Summary.

We'll write to you at least 30 days before the end of the guarantee term to confirm the date it will end and to let you know what replacement guarantees are available at that time should you wish to add a new one. The choice of guarantee terms for any **Fund Option** will be those that are available at the time the guarantee is purchased. We'll always offer a ten year guarantee term on each **Fund Option**.

If you do want a new guarantee, the new guaranteed amount will be the current value of your **Bond** at that time, which will include the effect of any previous guarantee. Any **Mutual Bonus** added to your **Bond** will not be included in the amount guaranteed. The Guarantee Charge for the new guarantee will be the current charge that applies at that time. If you choose not to add a new guarantee at the end of any guarantee term you can add one at any time afterwards. If you do this, the new guaranteed amount will be the value of your **Bond** at that time.

If a guarantee applies to your **Bond** when you **Cash In**, the guarantee will also end at that time. It will also end if the money taken out of your **Bond** since the guarantee started exceeds the guaranteed amount.

### A8 Changing Fund Options

You can change your chosen **Fund Option** to any one of the others available at the time. We apply a 10 **Business Day** waiting period for all fund switch requests, as explained in Condition D1.

To change your **Fund Option** we'll take away all the **Units** in your current **Fund Option** at the **Exit Price** (which we've explained in Condition A4). We'll then use this cash to add **Units** in your new **Fund Option**. To work out how many **Units** to give you, we divide the cash value by the **Underlying Price** of the new **Fund Option**. We'll invest any **Mutual Bonus** in the new **Fund Option**.

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### For example

If the value of your Bond on the date of the switch is £20,000, and the Underlying Price of the new Fund Option is £1.25, we divide the £20,000 by £1.25. This equals 16,000 so we add 16,000 Units to the Bond.

You can change your Fund Option free of charge up to three times a policy year but if you do this more often we'll apply an Administration Charge. We've explained the charges and when they apply in Condition C1.

We may decide to close a Fund Option in the future. But don't worry, if we decide to close the one you're invested in, we'll let you know in advance, and give you at least 30 days to choose an alternative. If we don't hear anything from you, we'll move your money into the Fund Option we feel most closely matches your existing one. You will of course have the option to Cash In your Bond if you do not want to invest in any of the alternative available Fund Options.

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## A9 What happens to your guarantee when you change Fund Options

If you have a guarantee in place it will end when you change your **Fund Option**, and we'll stop charging you for it. You'll have the option to add a new guarantee, in your new **Fund Option** as we've explained in Condition A5. We've explained how much this will cost in Condition C1.

The only exception to this would be if the change is a result of us closing your chosen **Fund Option**. If this happens, your current guarantee would be transferred to your new **Fund Option** and the remaining term of guarantee term would be unchanged. The cost of the guarantee would be the current rate for the new **Fund Option**.

We apply a 10 **Business Day** waiting period for all fund switch requests, as explained in Condition D1.

If the end of the waiting period is before your guarantee end date, we'll remove the guarantee as soon as we receive your instruction. This is to ensure you don't continue to pay for a guarantee that you won't benefit from.

If the end of the waiting period is on or after your guarantee end date, we'll leave the guarantee in place, to ensure it is applied before we carry out your switch instruction.

## A10 Cancelling a guarantee

We understand that there may be situations where you want to cancel your guarantee. You can do this at any time – simply let us know, and we'll send out the form you'll need. If you do cancel a guarantee, we'll stop charging you for it. But remember, the value of this investment can go down as well as up, and you might not get back the amount that was guaranteed. We don't refund charges already taken in respect of the guarantee.

## A11 Taking money out of your Bond

To make our **Bond** as flexible as possible, we've included a number of options for taking your money out. However, to get the best potential for returns from your investment, you should leave your money invested for at least 5 years and ideally longer.

To take money out of your **Bond**, all you need to do is call us. We'll send you the right form to complete.

**Regular Withdrawals** – you can take out £50 or more on a monthly, 3 monthly, 6 monthly or yearly basis. You can do this at any time. When taking **Units** away, we'll use the **Exit Price** (which we've explained in Condition A4) on the **Valuation Day** on or immediately after the date we're due to pay you. We may change this minimum amount in the future, and if we do, we'll let you know, at least 30 days before we make the change.

To make sure you receive your payments when you want them, you need to give us at least one month's notice. Remember, it will take a few days for payments to reach your account.

We'll treat any **Ongoing Adviser Charges** you ask us to pay to your financial adviser in the same way as the Regular Withdrawals. No minimum will apply.

**Occasional Withdrawals** – If you only want to take money out once in a while, you can take £250 or more as a lump sum. You can take money out whenever you want. When taking **Units** away, we'll use the **Exit Price** (which we've explained in Condition A4) on the **Valuation Day** on or immediately after the date we receive your instruction. We may change this minimum amount in the future, and if we do, we'll let you know, at least 30 days before we make the change.

You must leave at least £500 in your **Bond**. If you don't we'll pay the remaining balance to you, and close it. If we do this, we'll tell you before we close your **Bond**, so that you can decide what to do. We may change the minimum balance amount in the future, and if we do, we'll let you know.

We'll treat any ad-hoc **Adviser Charges** you ask us to pay to your financial adviser in the same way as the Regular Withdrawals. No minimum will apply.

We may apply up to a 10 **Business Day** waiting period for all occasional withdrawals and ad-hoc **Adviser Charges**, as explained in Condition D1.

**Cash In** – you can take all your money out of your **Bond** at any time. If you do, we will of course then close it. When working out what to pay you, we'll multiply the number of **Units** in your **Bond** by the appropriate **Exit Price** (which we've explained in Condition A4) Once we've worked out the value of your **Bond** we'll add any **Mutual Bonus**.

We may apply up to a 10 **Business Day** waiting period if you want to **Cash In** your **Bond**, as explained in Condition D1.

Important Note: If you have or have added a guarantee after your **Bond** has started, taking money out of the bond reduces any current guarantee amount, potentially to zero (which we've explained in Condition A5).

## A12 How to take money out of your Bond

If you want to **Cash In** or take some money from your **Bond**, please call us and we'll let you know what you need to do.

## Section B: Life and Terminal Illness Cover

This section explains the life cover included in your **Bond**, and when we'll pay out. If you are the owner of the **Bond**, but not the person insured, it's the person or people insured who are covered. The person or people insured are shown on your Bond Summary.

### B1 Life Cover

If there is one person insured, we'll pay a life cover claim if that person dies.

If there are two people insured, when we pay a life cover claim will depend on how the **Bond** is set up:

- Joint life first death - we'll pay a life cover claim if either person dies.
- Joint life second death - we'll only pay a life cover claim once both people have died.

We'll pay out 101% of the **Exit Price** (which we've explained in Condition A4) multiplied by the **Units** in your **Bond**. We'll use the number of **Units** in your **Bond** on the date of death and the **Exit Price** on the **Valuation Day** on or immediately after the date of death. Once we've worked out the value of your **Bond** we'll add any **Mutual Bonus**.

This section explains the **Terminal Illness** cover included in your **Bond**, and when we'll pay out. If you are the owner of the **Bond**, but not the person insured, it's the person or people insured who are covered. The person or people insured are shown on your Bond Summary.

### B2 Terminal Illness Cover

If there is one person insured, we'll pay a **Terminal Illness** claim if that person is diagnosed with a **Terminal Illness**. If there are two people insured, when we pay a **Terminal Illness** claim will depend on how the **Bond** is set up:

- **Joint life first death** - we'll pay a **Terminal Illness** claim if either person is diagnosed with a **Terminal Illness**:
- **Joint life second death** - we'll only pay a **Terminal Illness** claim if one of the people insured has already died and the survivor is diagnosed with a **Terminal Illness**.

We'll pay out 101% of the **Exit Price** (which we've explained in Condition A4) multiplied by the **Units** in your **Bond**. We'll use the number of **Units** in your **Bond** and the **Exit Price** on the **Valuation Day** on or immediately after the day we approve your claim. Once we've worked out the value of your **Bond** we'll add any **Mutual Bonus**.

### B3 Making a Claim

If you are both the **Bond** owner and the person insured and you are diagnosed with a **Terminal Illness**, you can make a claim yourself. For a life cover claim, we expect you will have left instructions during your lifetime about who you want the lump sum to go to, for example in your will, or by putting your **Bond** in trust. The person making the claim will usually be the person you name in your will to deal with your affairs when you die, or it could be your husband or wife, partner or another friend or relation instead.

If you are the **Bond** owner, but not the person insured, if the person insured dies or is diagnosed with a **Terminal**

**Illness** you can make a claim yourself.

If your **Bond** is in trust, the claim will usually be made by the trustees - even if you've been diagnosed with a **Terminal Illness**

The person making the claim should contact us as soon as they can so that we can pay it as quickly as possible. They can tell us in writing or by phone. Details of how best to contact us are available on our website, [www.LV.com](http://www.LV.com)

We'll ask the person making the claim to complete a claim form, which we'll send to them at the time. We'll also ask for some documentation to be sent to us along with the completed claim form.

We'll normally ask for evidence of the person insured's date of birth, date of death or confirmation of diagnosis of a **Terminal Illness**, confirmation that the person making the claim is entitled to make the claim (such as being named in your will) and the original trust deed, if the **Bond** is in trust. We ask for this evidence because we want to be sure your money goes to the right person.

In some circumstances we may need to ask for more information, but we promise we won't ask for unnecessary evidence.

## Section C: Our charges

This section explains the charges that we apply to meet the costs of providing and administering your **Bond**.

### C1 Our charges & how they are taken

We take **Units** away from your **Bond** at the **Exit Price** (which we've explained in Condition A4) on the **Valuation Day** on or immediately after the date the charge is due. Our charges are as follows:

#### Monthly Management Charge

We take this on the **Start Date** and on the same day of each month after that, (or on the next **Business Day**, if it isn't one). Each monthly charge is a percentage of the value of **Units** at the last **Valuation Day**. The monthly management charge percentage is based on the value of your **Bond** including any **Mutual Bonus**. The percentage rates are shown on your Bond Summary. We take this charge from the value of your **Bond** excluding any **Mutual Bonus** and separately from the value of any **Mutual Bonus**.

#### Guarantee Charge

The guarantee charge will depend on the **Fund Option** and guarantee term chosen. You'll find more information about this charge in your Supplementary Information Document. If you add a guarantee at the start of your **Bond**, the charge for it will be shown on your Bond Summary.

If you replace your guarantee with a new one, renew a guarantee when one ends, or add a guarantee for the first time, the charge for your new guarantee will be the charge that applies at the time you add the new guarantee – this may not be the same as any guarantee charge you may have had before. Please ask us for details of our current charges and available guarantee terms.

This charge is in addition to our monthly management charge. It applies for the term of the guarantee and is fixed for the life of the guarantee. The guarantee charge will be recalculated every month based on the actual value of the guarantee. We'll deduct the total amount you've taken from the **Bond** since you added a guarantee (in withdrawals and adviser fees) from the original guarantee amount when you added the guarantee.

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#### For example

Chris invests £100,000 in a Flexible Guarantee Bond Series 3 (after any Adviser Charges). He chooses the Cautious Series 2 fund, and adds a 10 year guarantee. He withdraws £500 a month starting 1 month after he invests. He doesn't pay any ongoing adviser fees. We calculate the guarantee charge every month with the first charge payable when the policy is set up. The table below shows how this works in the first 6 months of the investment.

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	Original guarantee amount	Total withdrawals taken since guarantee added	Value used to calculate guarantee charge	Value of charge taken (0.083%)*
Month 1	£100,000	£0	£100,000	£83.00
Month 2	£100,000	£500	£99,500	£82.59
Month 3	£100,000	£1,000	£99,000	£82.17
Month 4	£100,000	£1,500	£98,500	£81.76
Month 5	£100,000	£2,000	£98,000	£81.34
Month 6	£100,000	£2,500	£97,500	£80.93

\*This is the monthly equivalent of a yearly guarantee charge of 1.0%.

We'll stop taking this charge when your guarantee ends, if you cancel it or if the money taken from your **Bond** means the guarantee has no value.

#### Administration Charge

This is £25. We'll only take this if you replace an existing guarantee more than once in any year or change **Fund Options** more than three times in any year from the **Start Date**. We'll take it on the **Business Day** that we process your request, before we actually calculate the value of your guarantee.

#### For example

Vanessa invested in the Flexible Guarantee Bond Series 3 in July 2017. She selected the Balanced Series 2 Fund Option when her Bond started. In January 2019 Vanessa decides to change her Fund Option. As she hasn't changed her Fund Option since July 2018, she can do this without paying an administration charge.

Vanessa could change her **Fund Option** another two times before January 2020 without paying an administration charge.

If you're replacing a guarantee because you've changed your **Fund Option**, we'll only charge you one administration charge. We don't think it would be fair to charge you twice!

We won't apply an administration charge if you want to cancel your guarantee.

## Section D: General Conditions

This section explains the general conditions that apply to your **Bond**.

### D1 Following your instructions

We'll usually start to process your instructions on the date that we receive them. However, if we receive an instruction from you after midday, we'll treat it as though we received it the next **Business Day**. This applies for instructions to:

- invest in your **Bond**
- take money out of your **Bond** (unless a waiting period is applied as detailed below)
- **Cash In** (unless a waiting period is applied as detailed below)
- add, replace or cancel a guarantee
- pay any ongoing or ad-hoc **Adviser Charges** to your financial adviser on your behalf (unless a waiting period is applied as detailed below)
- make a life cover or **Terminal Illness** claim

We may apply a waiting period of up to 10 **Business Days** before we process a request to take out an occasional withdrawal, pay an ad-hoc **Adviser Charge** or **Cash In** your **Bond**. We'll only apply this waiting period if required to protect our with-profits funds or if it is in the best interests of with-profits members generally. If we choose to apply a waiting period, we'll let you know that we've received your request, and confirm how long the waiting period will be. The maximum waiting period we'll apply is 10 **Business Days**. During the waiting period we will continue to take any charges due or requested withdrawals.

We won't apply a waiting period if you wish to **Cash In** your Bond in the following circumstances:

- on the date your guarantee ends or
- on a death or terminal illness claim.

We'll always wait for 10 **Business Days** before we process any request to change your **Fund Option**. Once you've asked us to change your **Fund Option**, you can't change your mind, and will have to wait a further 10 **Business Days** before we process any request to change it back again. During the waiting period we will continue to take any charges due or requested withdrawals.

We won't apply a waiting period if you wish to Cash In your Bond in the following circumstances:

- on the date your guarantee ends
- on a death or terminal illness claim.

In addition to the delays to withdrawals and fund switches we've explained above, there may be circumstances outside of our control which prevent us from acting on your instructions as set out above. We may need to delay buying, selling or switching **Units** where we believe that otherwise the remaining policyholders would suffer an unfair reduction in the value of their investment, or would suffer some other form of unfair treatment. Examples of scenarios in which we may delay requests to change investments or take money out for more than 10 **Business Days** include:

- where we cannot realise sufficient investments to meet demand, or to do so we would have to sell at significantly less than a fair market value,
- where we're unable to sell units in an externally linked fund due to restrictions imposed by the external company, and
- where the need to make payments could lead to us selling one particular type of **Asset**, leaving too little of that **Asset** invested in the remaining fund.

If we do need to delay a transaction for more than 10 **Business Days** as set out above, we will let you know when we receive your request. You will be able to give us alternative instructions at this time, if you wish to. We wouldn't expect to delay any transactions for more than six months, and will never delay a transaction for longer than reasonably required. However, we cannot guarantee that we'll never delay a transaction for more than six months.

You should send all instructions to LV=, Investment Bond Administration Team, County Gates, Bournemouth BH1 2NF.

## D2 How we pay money out

If you take money out, or make a life or **Terminal Illness** claim, any payments from your **Bond** will be paid to you, your executors or administrators, the assignees or the trustees, depending on your instructions.

If you **Cash In** or make a life or **Terminal Illness** claim, your **Bond** will automatically end. We'll pay any initial **Adviser Charge** directly to your financial adviser before we invest any money into your **Bond**.

We'll also pay any ongoing or ad-hoc **Adviser Charges** directly to your financial adviser.

## D3 Proof of your age and name

Sometimes we might need evidence of your name and age before we will pay you any money out of your **Bond**. We'll accept your original birth certificate or passport as evidence, but not photocopies. If you are the **Bond** owner, but someone else is the person insured, we might need evidence of their name and age as well.

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

It's really important that you check your **Bond** has the correct date of birth and age on it. If your name when a claim is made is different from your name in the Bond Summary and birth certificate we'll also need evidence of this change, (for example a marriage certificate). We can ask for additional evidence if necessary, and we'll tell you when this is needed. However, we won't ask for unnecessary evidence.

## D4 Giving your Bond away

You might want to give your **Bond** to someone else. You can do this by assigning it to another person (or people), or placing it into a Trust. This means that we'll only take instructions from, or make payments to the new owner. For example, if you place your **Bond** into a Trust the trustees will become the new owners. The person or people the **Bond** is assigned to must be 17 or over and they must be UK resident.

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 money from your **Bond** to the right person.

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

### **D5 Currency**

Any payments into or out of your **Bond** will be in pounds sterling only.

### **D6 The law that applies to your Bond**

The **Bond** and its terms and conditions are governed by the laws of England and Wales. In the unlikely event of any legal disagreement, it would be settled exclusively by the courts of England and Wales. We'll always communicate in English.

### **D7 How to make a complaint**

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 0800 681 6292 (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 Conduct Authority's requirements, and if you want more information on how we handle complaints, please contact us, or visit [www.LV.com/complaints](http://www.LV.com/complaints).

We hope that we will be able to resolve any complaint that you have. If you're unhappy with the resolution of your complaint, the Financial Ombudsman Service may be able to help you free of charge, but you'll need to contact them within six months of receiving our final response letter. Their website is [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) which includes more information about the service, including details of the various ways they can be contacted.

If you make a complaint it won't affect your right to take legal action.

**You can get this and other documents from us in Braille, large print or on audio by contacting us.**

**Liverpool Victoria Friendly Society Limited: County Gates, Bournemouth BH1 2NF.**

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