

Life Protection

Policy Summary

This summary gives you an overview of our Life Protection product. For full details, including all the terms and conditions, please read the LV= Life Protection Policy Conditions. In this summary we assume that you are the person insured and the policy owner.

Life Protection is provided by Liverpool Victoria Friendly Society Limited, which is part of LV=.

Who are LV=?

LV= are an insurance undertaking, which means we're the company that provides your insurance cover, and are responsible for paying any valid claim made on your policy. It's up to you to decide whether this policy is right for you; we don't make any personal recommendations to take out this cover. If you have any doubts if this cover is right for you please speak to a financial adviser. LV= is a registered trademark of Liverpool Victoria Friendly Society Limited.

What am I covered for?

Life Protection is designed to provide a one-off payment if you die, or are diagnosed with a terminal illness before the end date of your policy.

You can choose to insure two people under one policy. If you do, the policy will pay out if either of you die or are diagnosed with a terminal illness before the end of your policy.

This policy will only pay out once.

If there are two people insured when a claim has been paid for one person the policy ends, and the other person is no longer covered.

If there are two people insured on the policy, and they both die at the same time, the older person is assumed to have died first.

What is a terminal illness?

This is an incurable illness, where in the opinion of an attending medical consultant and our Chief Medical Officer, you would not be expected to live for more than 12 months.

Is there anything I'm not covered for?

Yes.

We won't pay a claim if you die as a result of intentionally taking your own life within 12 months of the start date of the policy. More details can be found in section A1 of the Policy Conditions.

We won't pay a claim for terminal illness if you're diagnosed with a terminal illness within 12 months of the end date of the policy. More details can be found in section A1 of the Policy Conditions.

You're covered if you die anywhere in the world. However if you're diagnosed with a terminal illness, we'll need this diagnosis confirmed by a doctor who practices in one of a certain number of countries. We've explained this in more detail in section A1 of the Policy Conditions.

If you've taken this policy out to protect a loan or a mortgage, and have chosen decreasing cover, then the amount we pay out if you die isn't guaranteed to repay the mortgage or loan in full. More details on this can be found in section A2(c) of the Policy Conditions.

Can I apply?

You can apply if you are:

- permanently living in the UK and
- aged between 17 and 79 if you choose level cover or decreasing cover or
- aged between 17 and 59 if you choose inflation-linked cover.

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 would suffer financially on their death, or if they were diagnosed with a terminal illness. We call this having an 'insurable interest'. If you're insuring your spouse or civil partner, you automatically have an insurable interest.



How much cover can I have?

There's no minimum or maximum amount of cover, there is only a minimum premium. You can choose the amount of cover that you need.

How much does it cost?

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

The minimum premium is currently £5 a month, but there is no maximum.

We'll confirm the premium you need to pay for your cover 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?

When you take out your policy the start date is shown in your Policy Schedule. It will end:

- when a claim is paid,
or
- on the end date shown on your Policy Schedule,
or
- if you stop paying the premiums,
or
- if we cancel your policy.

You cannot take out a policy that lasts for less than 5 years, or more than 45 years.

Your policy must end:

- before the person you're insuring reaches age 85, if you choose level cover or decreasing cover
or
- before the person you're insuring reaches age 70 if you choose inflation-linked cover.

What types of cover can I choose?

You can choose:

- **Level cover** - This means the amount of cover and the premium you pay are fixed when your policy starts, and doesn't change.

If you choose level cover, it won't keep up with inflation, and will buy less in the future.
- **Inflation-linked cover** - This means that the amount of cover and the premium you pay will both go up each year in line with inflation. This may be shown on your personal quote as increasing amount of cover, or index-linked amount of cover.
- **Decreasing cover** - This type of cover is specifically designed to cover the reducing amount owed on a capital and interest repayment mortgage. The amount of cover will go down each month, but the premium you pay is fixed when your policy starts and doesn't change.

These types of cover are explained in more detail in section A3 of the Policy Conditions

How will I know if I have enough cover in the future?

It's a good idea to check your policy each year to make sure you have enough cover, as financial or personal circumstances can change. Remember that if you choose level cover, inflation will mean that the amount of cover you choose now will buy less in the future. A financial adviser will be able to help you with this.

Can I change my cover?

Yes.

You can change the amount of cover or the end date of your policy at any time. Normally, this will depend on your health at the time you want to change your cover and the terms and conditions that apply at that time. But in some circumstances you can increase your cover or extend the term of your policy without having to complete a new application. We've explained this in more detail in section B1 of the Policy Conditions.

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, your cover will end and you won't get anything back.

However, you can choose to insure your premiums using Waiver of Premium. This would normally mean that your premiums would continue to be paid on your behalf if you suffered an accident or illness which left you unable to work for longer than your waiting period. Or, if you're insuring someone else, it'll pay your premiums if the person insured is unable to work.

Full details of this cover are included in our Waiver of Premium Policy Summary and Policy Conditions. If you'd like more information about this and whether it's right for you, please speak to a financial adviser.

Can LV= change the premium I pay?

No.

Your premium is guaranteed. This means we won't change it unless you ask us to change your policy or, unless you have chosen inflation-linked cover. If you have chosen inflation-linked cover, then both your premium and your amount of cover will increase by the rate of inflation each year. The only other time your premium may change is if there is a change in legislation which affects your policy. We explain this in more detail in section C4 of the Policy Conditions.

What about claiming?

We understand that this will be a stressful time, so we've tried to make this as easy as we can.

You or your legal representative can make a claim by telephoning 0800 7565869 (for textphone, dial 18001 first). We may record and/or monitor your call for training and audit purposes.

Or write to us at: Claims Department, LV=, Emperor House, Grenadier Road, Exeter Business Park, Exeter EX1 3LH. Or you can email us at: healthclaims@LV.com

If you're insuring someone else, you can claim when they die or are diagnosed with a terminal illness, using the same contact details.

Who gets the money when there is a death claim?

Who we pay the lump sum to for a death claim depends on how you set up your policy.

We've explained each scenario in the table below.

Who's insured?	Who normally gets the money?
Just you	The money goes to your estate, or if you aren't the policy owner, it will go to the policy owner.
You and someone else	The money goes to the surviving policy owner when one of the people insured dies.
Someone else	The money goes to you when they die.
Two other people	The money goes to you when either of the people insured dies.

If there are two people insured and they both die at the same time, the older person is assumed to have died first. This means that if you're insuring yourself and someone else and you are also both policy owners it will go to the estate of the younger of you.

If you put your policy in trust then the money will go to the trustees, and if you've given your policy away it will go to the new owners. If you'd like more information about whether a trust is suitable for you, please speak to a financial adviser or a solicitor.

Who gets the money when there is a terminal illness claim?

Once your claim has been approved, we'll pay the claim to you as the policy owner. If you are not the policy owner, we'll pay it to the policy owner instead.

How is the payment from this policy taxed?

- **Income tax and capital gains tax** - Income tax and capital gains tax won't apply to claims paid from this policy.
- **Inheritance tax** - This depends on how you've set up your policy.

If you're insuring yourself, the lump sum we pay out when you die will usually go into your estate. This means that inheritance tax could apply depending on how much your estate is worth. Your estate is the total value of all your assets (for example your home, your savings, and your personal belongings) less any debts you owe (for example a mortgage or outstanding credit card bill). It can also include assets you've already given away. If your policy is written in trust, then it's not usually included in your estate.

Inheritance tax can be pretty complicated. If you think your estate might be affected, or to find out whether a trust is suitable for you, please speak to a financial adviser or a solicitor.

If you're insuring someone else, the lump sum we pay out will go straight to you, because you're the owner of the policy. This means that it isn't included in the estate of the person insured, so no inheritance tax will apply.

If you own the policy with somebody else, it's not as simple. A financial adviser will be able to advise you on how inheritance tax will apply to your personal circumstances.

How much tax you pay depends on your personal circumstances. Any references we make to taxation are based on our understanding of current legislation and HM Revenue & Customs practice, which can change.

Could LV= cancel my policy?

To protect ourselves and our customers against the effects of fraud, we could cancel your policy, or not pay your amount of cover in full, if either you or anyone you are insuring acts fraudulently, or provides untrue, inaccurate or misleading information when applying for the policy, or when making a claim. For example we might reduce the amount we pay out, or cancel your policy if we determine that you or anyone you're insuring would have known, or ought to have reasonably known, the true answer to a question we asked you, but 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 online, we'll send you a summary of the questions we ask and the answers given. We'll 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 given, as we rely on this information to set up your policy.

We've explained when we can cancel your policy in more detail in section C6 of the Policy Conditions.

Can I change my mind?

Yes.

You can cancel your policy at any time. If you cancel your policy 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 0800 678 1906 (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= Emperor House, Grenadier Road, Exeter Business Park, Exeter EX1 3LH.

What law applies to my policy?

Life Protection 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.

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 to put things right. You can let us know by calling us on 0800 678 1906 (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. If you'd like more information on how we handle complaints, please contact us or visit www.LV.com/complaints.

We hope that we will be able to resolve any complaint that you have. If you're unhappy with the outcome of your complaint, the Financial Ombudsman Service may be able to help you free of charge. You'll need to contact them within six months of receiving our final response letter. Their website is 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.

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.

We're required to publish a report each year about our solvency called a Solvency and Financial Condition Report. Solvency is a company's ability to meet its long term financial commitments and this report will help you understand more about our solvency and how we manage our capital and risks. The report will be available from the end of June 2017 onwards. If you'd like a copy you can visit www.lv.com/sfcr, or you can write to: Group Company Secretary, County Gates, Bournemouth BH1 2NF.

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 100% of the claim. The scheme's first responsibility is to seek continuity of cover rather than to pay compensation.

For more information go to www.fscs.org.uk or call 0800 678 1100 or 0207 741 4100.

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



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