

POLICY TERMS AND CONDITIONS.



T&C 17

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1 INTRODUCTION

This is an Over 50s Life Insurance Plan. It is designed to pay the **benefit** on the death of the **life insured**.

At the **policy start date**, **you** must be aged 50 to 80, a UK resident and reside in the UK for at least 183 days a year.

This **policy** sets out **your** contract with **us** and should be kept in a safe place. Please check **your Policy Schedule** carefully and if any details are incorrect, please contact **us**. Words that appear in **blue bold** are explained in section 2.

These **policy** terms and conditions provide details of three different types of Over 50s Life Insurance Plans;

- Fixed Life Insurance Plan or;
- Increasing Life Insurance Plan or;
- Insured Funeral Plan.

Your Policy Schedule will show **you** the plan **you** have chosen.

2 DEFINITIONS EXPLAINED

Accident

A sudden and unexpected event which happens after the **policy start date**.

Benefit

The **benefit** is a cash sum as shown in **your Policy Schedule**.

If **you** have the Fixed Life Insurance Plan or the Increasing Life Insurance Plan, the cash sum will be paid to **your legal successor**.

If **you** have the Insured Funeral Plan or have chosen the Funeral Benefit Option, the cash sum will be paid to the **funeral service provider**.

Bodily Injury

Injury to the **life insured's** body, excluding sickness, disease or any degenerative process resulting from external, violent and visible means.

Charge or Charged

A legal term meaning that the **benefit** will be paid directly to the **funeral service provider** for the funeral that has taken/will take place.

Funeral Service Provider

The funeral services are provided by Dignity Funerals Limited. They are responsible for providing and arranging the funeral and not **us**. Please contact Dignity on 0800 151 3789. Lines are open 24 hours a day, every day of the year.

Dignity Funerals Limited
4 King Edwards Court
King Edwards Square
Sutton Coldfield
West Midlands
B73 6AP

If there is a change to the **funeral service provider**, **we** will contact **you** with details of the new provider.

Legal Successor

The person(s) legally entitled to **your** estate upon the death of the **life insured**.

Life Insured

The person whose life is insured under this **policy**.

Our, us or we

Legal & General Assurance Society Limited.

Policy

The **policy** issued by **us**, which consists of this **policy** terms and conditions and **your Policy Schedule**.

Policy Schedule

The **Policy Schedule** shows the cover that **you** have and forms part of this **policy**.

Policy Start Date

The start date of this **policy**, as shown in **your Policy Schedule**.

Premium(s)

The amount **you** pay to **us** for this **policy** as shown in **your Policy Schedule**.

If the Increasing Life Insurance Plan or Insured Funeral Plan is shown in **your Policy Schedule** the **premium** will be reviewed as described in the indexation section and **you** will be informed of any increase to be made to the **premium** amount.

Principal office

Our principal office is:

City Park
The Droveaway
Hove
East Sussex
BN3 7PY

Retail Prices Index (RPI)

The **Retail Prices Index (RPI)** provides an indication of inflation on a monthly basis. The **RPI** measures and tracks the average change in the purchase price of goods and services such as housing expenses and mortgage interest payments.

You or Your

The owner of this **policy** as shown as the 'grantee' in the **Policy Schedule** or their **legal successor**.

3 COVER PROVIDED BY THIS POLICY

3.1 Who is covered?

The **life insured** is covered.

3.2 How much cover is provided?

The amount of cover provided is the **benefit** as shown in **your Policy Schedule**. If **you** die within one year of the **policy start date**, **your policy** will not pay the **benefit** but **we** will return all the **premiums** paid. However, if **you** die as a result of an accident, as described in section 6 then the full **benefit** will be paid instead.

3.3 How long does this cover last?

This cover starts on the **policy start date** and ends on the death of the **life insured**.

3.4 When is the benefit payable?

The **benefit** is payable on the death of the **life insured**.

3.5 Who is the benefit paid to?

The type of **policy you** have and the associated options **you** have chosen will determine who the **benefit** is paid to.

- a) If the Fixed Life Insurance Plan or Increasing Life Insurance Plan is shown in **your Policy Schedule**, and **you** have not chosen the Funeral Benefit Option the **benefit** is paid to **your legal successor**.
- b) If the Fixed Life Insurance Plan or Increasing Life Insurance Plan is shown in **your Policy Schedule** and **you** have chosen the Funeral Benefit Option the **benefit** will be paid to the **funeral service provider**.
- c) If the Insured Funeral Plan is shown in **your Policy Schedule** the **benefit** will be paid to the **funeral service provider** who will provide the funeral director's service as set out in section 9 of this **policy** terms and conditions.

3.6 Can you increase the benefit?

You can't increase **your benefit** on this **policy**. However, **you** can take out additional policies as long as the total of all **premiums you** pay on all Over 50s Life Insurance Plans with **us** are not more than £50 per month.

4

PAYMENT OF PREMIUMS

4.1 When are premiums due to be paid?

Premiums are due from the **policy start date** and at monthly intervals as shown in **your Policy Schedule**.

Premiums are due up to and including **your** 90th birthday. Once **your** 90th birthday has passed no further **premiums** will be collected by **us**, but the cover provided by this **policy** will continue until **your** death.

4.2 Will the amount you pay ever change?

The **premium** for **your policy** will not increase unless **you** have an;

- Increasing Life Insurance Plan or,
- Insured Funeral Plan

which automatically includes indexation, as shown in **your Policy Schedule**.

4.3 What happens if you do not pay your premiums?

We are entitled to cancel this **policy** if any **premiums** are not paid within 30 days of their due date. If **we** cancel this **policy**, the **policy** will end and no further **premiums** will be collected and the **benefit** will no longer be payable.

If **you** have the Insured Funeral Plan or have chosen the Funeral Benefit Option the **funeral service provider** will be informed and the funeral will not be provided.

We will not refund any **premiums** already paid.

This does not apply once **you** have passed **your** 90th birthday, when no further **premiums** will be collected by **us** but the cover provided by this **policy** will continue until **your** death.

4.4 How do you calculate the overall cost of the policy?

Your policy is designed to last for the rest of **your** life. Therefore it is difficult to say how much **you** will pay over the course of the **policy** term. To provide **you** with a rough idea, the simplest way to estimate the total price of **your policy** is to multiply **your** monthly **premium** by 12, and then multiply the answer by the number of years **you** expect **your policy** to last.

For example if **your** current **premium** is £15 per month and **your policy** runs for 20 years, the total **premium you** could expect to pay, if the details remain unaltered, would be;

$£15 \times 12 \text{ months} \times 20 \text{ years} = £3,600$.

If **you** have an Increasing Life Insurance Plan or the Insured Funeral Plan it is important to remember that the overall amount **you** pay may go up when **your policy** is reviewed.

5

INDEXATION

If the Increasing Life Insurance Plan or Insured Funeral Plan is shown in **your Policy Schedule**, indexation is automatically included.

5.1 What is indexation?

Indexation means that **your policy** is designed to increase in line with inflation.

We review the **benefit** and **your premiums** annually. **Your premiums** and **benefit** may increase dependent on the changes to inflation over that period of time.

We will write to **you** at least three months before the **policy** anniversary, giving **you** the option to decline the increase.

The **benefit** including any increases already made will be increased in line with the change in the **Retail Prices Index (RPI)** over a 12 month period.

Once **you** have passed **your** 90th birthday and **premiums** have stopped, indexation will only be applied to the **benefit**. The **benefit** will continue to increase in line with changes in **RPI** subject to the conditions in section 5.2.

Example of how indexation works:

Benefit at policy start date: £3,824

Premium at policy start date: £20

Assume that in Year 1 a change in **RPI** of 3%

Benefit increase = $£3,824 \times 3\% = £115$

So new **benefit** will be $£3,824 + £115 = £3,939$

Premium increase = change in **RPI** of 3% \times 1.5 = 4.5%

$£20 \times 4.5\% = £0.90$

So new **premium** will be $£20 + £0.90 = £20.90$

Benefit after year 1 = £3,939

Amount of **premium** after year 1 = £20.90

5.2 Are there other conditions that influence the increase in premiums?

This increase will be subject to the following:

- If the change in **RPI** is less than or equal to 0% **we** will not increase the **benefit** or **premiums**.
- If the change in **RPI** is more than 10% **we** will only increase the **benefit** by 10%.
- Your premiums** will be increased in line with the change in **RPI** multiplied by 1.5 subject to a maximum increase of 15%.
- If **you** choose to decline the increase to the **benefit** and **premium** at any time, then indexation will be withdrawn and will not be available in the future.
- If for some reason the **RPI** cannot be used, **we** will use an index comparable to the **RPI** instead.

5.3 What happens if you decline indexation?

You can choose to keep **your benefit** and **premium** at their current level by informing **us** that **you** do not want to accept the increase that will be applied from **your policy** anniversary date. The **benefit** and **premium** will remain the same until the plan ends.

If the Insured Funeral plan is shown in **your Policy Schedule**, choosing to decline indexation could mean that the **benefit** may not be sufficient to cover the cost of the funeral with the **funeral service provider**.

6

ACCIDENTAL DEATH

6.1 What is accidental death?

If during the first year **you** sustain **bodily injury** caused by an **accident** which solely and independently of any other cause results in death and death occurs within 90 days of the **accident** then the **benefit** will be paid instead of a refund of **premiums**.

6.2 Are there any conditions that affect payment of the benefit if an accidental death occurs?

If **you** die within one year of the **policy start date**, **we** will pay a refund of **premiums** rather than the chosen **benefit** amount if death occurs either directly or indirectly from:

- (i) Self-inflicted injury, including suicide or attempted suicide;
- (ii) Taking part or attempting to take part in a hazardous sport or pastime;
- (iii) Taking part or attempting to take part in any aerial flight other than as a fare paying passenger on a licensed airline;
- (iv) Committing, attempting or provoking an assault or any criminal offence;
- (v) War (whether declared or not), riot or civil commotion;
- (vi) Taking alcohol or drugs (unless these drugs were prescribed by a registered doctor in the United Kingdom).

7

GENERAL CONDITIONS

7.1 During the application process **we** will ask **you** for **your** date of birth to make an assessment and offer **you** a **policy**. **You** are required to answer this question honestly and accurately.

- a) If **you** (or an agent acting on **your** behalf) deliberately or recklessly provide inaccurate information **we** are entitled to cancel this **policy** and refuse to pay the **benefit**. In these circumstances **we** may not refund any **premiums you** have already paid.
- b) If **you** (or an agent acting on **your** behalf) provide inaccurate information through carelessness, **we** are entitled to amend the **policy** to reflect the terms that would have been offered had the accurate information been known. In these circumstances:
 - (i) if **we** would not have issued **your policy** had the accurate information been provided, **we** are entitled to cancel **your policy**, however **we** will refund any **premiums you** have already paid;
 - (ii) if **we** would have issued **your policy** on different terms and conditions (other than those relating to **premiums**) had the accurate information been provided, **we** may make changes to **your policy** terms and conditions and treat **your policy** as if it had been issued on the different terms and conditions;
 - (iii) in addition, if **we** would have issued **your policy** with higher **premiums** had the accurate information been provided, **we** may reduce the **benefit** to reflect the higher **premiums** that would have applied had the accurate information been provided. The following formula will be used in these circumstances:

$$\text{New amount of cover} = \frac{\text{Premium actually charged}}{\text{Higher premium}} \times \text{original benefit}$$

7.2 **We** may make fair and reasonable changes to these **policy** terms and conditions. **We** may only do so;

- a) to make **our** terms clearer or more favourable to **you**;
- b) if there are any relevant changes in legislation, regulation or taxation; or
- c) if **we** change the **funeral service provider**.

If this happens, **we** will notify **you** in writing at least 30 days in advance of any changes being made.

7.3 This **policy** is governed by English Law.

7.4 All communication in relation to this **policy** will be in English.

8 ABOUT THE FUNERAL BENEFIT OPTION

8.1 What is the Funeral Benefit Option?

The Fixed Life Insurance Plan and the Increasing Life Insurance Plan as shown in **your Policy Schedule** can be **charged** to **the funeral service provider**. This means that in the event of **your** death the **funeral service provider** is paid the **benefit** from **your policy**.

You can choose to **charge** the **policy** on the **policy start date**, or at any point before **your** death. **You** can choose this option by contacting the **funeral service provider**.

The **funeral service provider** will pay an additional amount towards **your** funeral. This amount will not be shown in **your Policy Schedule**. Details will be sent by the **funeral service provider** within 28 days of **you** taking out the Funeral Benefit Option.

8.2 What happens if the benefit amount chosen is different to the cost of the funeral?

If the **benefit** is more than the amount required to provide the funeral service, the remainder will be paid by **us** to **your legal successor**.

8.3 What happens if you have chosen the Funeral Benefit Option and you die within the first year?

If a refund of **premiums** is to be paid, as described in the **Policy Schedule**, the charge to the **funeral service provider** will be removed. The refund of **premiums** will be paid to **your legal successor**.

8.4 What if the funeral service provider is unable to provide the funeral?

If the **funeral service provider** is unable to provide a funeral service **we** will search for an alternative provider. If **we** are unable to find a suitable alternative, the **benefit** will be paid to **your legal successor**.

8.5 What if you or your family do not want the funeral service provider to provide the funeral?

- a) If **you** decide **you** do not want the funeral or **you** want to remove the **charge** please contact **us** and **we** will tell the **funeral service provider** that the **charge** has been removed and the liability for them to provide the funeral has stopped. On **your** death the **benefit** will be paid to **your legal successor**.
- b) If **your legal successor** decides after **your** death that they do not want the funeral service with the **funeral service provider** the **charge** can be removed at this stage. The **benefit** will then be paid to **your legal successor** provided that the **benefit** has not already been paid to the **funeral service provider**.

9 ABOUT YOUR FUNERAL

If the Insured Funeral Plan is shown in **your Policy Schedule** **we** will pay the **benefit** to the **funeral service provider** who will provide a traditional cremation funeral within the UK or provide a contribution towards a burial.

9.1 What does the traditional cremation funeral include?

- a) The Funeral Director's services include:
 - Advice and guidance on all aspects of the funeral
 - Guidance on the registration of the death and collection of all necessary paperwork
 - Transport of the deceased to the nominated funeral director's premises (up to 20 miles) – within mainland Great Britain, Northern Ireland, Jersey or the Isle of Wight only and excluding ferry and air fares
 - Preparation and care of the body (embalming not included)
 - Family viewing during weekdays, by agreed appointment during working hours
 - Quality wood effect coffin with high quality finish, fully lined and fitted
 - Funeral Director and staff to attend the service
 - Provision of the hearse and one limousine
 - Collection of charitable donations
 - 24 hour telephone bereavement counselling.

b) The third party fees included:

- Doctors' medical cremation certificate fees (up to the maximum amount recommended by the British Medical Association at the time the cremation certificate is issued).
- Minister's or officiate's fee (up to the maximum amount recommended by the Church of England Stipend's Authority at the time of the cremation funeral).
- Cremation fee charged at the local crematorium (the crematorium closest to and normally used by the nominated Funeral Director).

9.2 What if the third party fees exceed the recommended amounts as detailed in section 9.1 b)?

In the event that the third party fees are more than the recommended amounts detailed in section 9.1 b), then the **life insured's legal successor** will be responsible for paying the difference between the recommended amount and the actual fee to the relevant third party.

9.3 What if you want a burial funeral?

If **you** would prefer a burial funeral then the Insured Funeral Plan will still provide the funeral directors services as detailed in section 9.1 a). However the **funeral service provider** will not provide any of the third party fees, as detailed in section 9.1 b). Instead the **funeral service provider** will provide a contribution of £1,150 (which is reviewed annually and rises in line with **RPI**) towards the third party costs associated with a burial funeral because prices vary from region to region. If the burial costs more than this contribution amount, the difference would need to be paid by **your legal successor** at the time.

10.1 Contact Us

If **you** have any enquiries in relation to this **policy** terms and conditions please call **us** on 0370 010 4080 or write to **us** at our **principal office**. Please quote **your policy** number as shown in **your Policy Schedule** when making any enquiries. **We** may record and monitor calls. Call charges will vary.

10.2 Place your policy into trust

Depending on **your** circumstances, it may be appropriate to place **your policy** into trust, **you** should consult independent professional legal advice if **you** wish to do so.

10.3 Make a claim

a) Fixed Life Insurance Plan or Increasing Life Insurance Plan

Please call claims on 0800 137 101. **Our** opening hours are Monday – Friday 9.00am – 5.30pm. **We** may record and monitor calls.

We may require the death certificate, along with the **Policy Schedule** and any other documents **we** may reasonably request. This may include evidence of **your** date of birth and **your** residency in the UK. In the case of an accidental death during the first year, **we** may ask for confirmation of the circumstances surrounding the death from the coroner.

If any information reasonably required to assess the claim is withheld, **we** reserve the right not to process the claim until it is made available.

b) Insured Funeral Plan or if **you** have chosen the Funeral Benefit Option.

Your legal successor should contact the **funeral service provider**, on 0800 151 3789. Lines are open 24 hours a day, every day of the year. The **funeral service provider** will check with **us** that all **premiums** have been paid and that the **charge** is still in place, prior to providing the funeral service.

The person making the claim will need to provide the:

- Full name and address of the **policy** holder
- **Legal & General policy** number
- **Funeral service provider** customer number.

10.3.1 What happens after a claim has been paid?

Once the **benefit** has been paid the **policy** will end.

10.4 Cancel this policy

- a) **You** can cancel this **policy** at any time.
- b) Once this **policy** starts **we** will send **you** a notice of **your** right to cancel. If **you** cancel this **policy** within 30 days of receiving both the notice and this **policy**, **we** will refund any **premiums** paid. If **you** cancel this **policy** at a later stage, **you** will not get any money back.
- c) If **you** cancel this **policy**, the **policy** will end and no further **premiums** or **benefit** will be payable.
- d) If **you** have the Insured Funeral Plan, as shown in **your Policy Schedule** or have chosen the Funeral Benefit Option and cancel this **policy**, the **charge** will not apply and no **benefit** would be paid to the **funeral service provider**.

10.5 Make a complaint

If **you** want to complain about the service **you** have received from **us** or the **funeral service provider**, or **you** would like **us** to send **you** a copy of **our** complaints handling procedure, please contact **our** helpdesk on 0370 010 4080.

We may record and monitor calls. Call charges will vary.

Alternatively, **you** can write to **us** at:

Complaints Department

Legal & General Assurance Society Limited
Knox Court
10 Fitzalan Place
Cardiff
CF24 0TL

If **you** remain dissatisfied, **you** can complain to:

The Financial Ombudsman Service

Exchange Tower
London
E14 9SR

Telephone:

0800 023 4567

0300 123 9123

Email: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

Making a complaint will not affect **your** legal rights.

The FSCS is designed to pay compensation if a firm is unable to pay claims, because it has stopped trading or been declared in default.

So, if **we** run into financial difficulties, **you** may be able to claim via the FSCS, for any money you've lost. However, before looking to pay compensation, the FSCS will first see if they can arrange for **your** current **policy** to be maintained. They may arrange for **your policy** to be transferred to another insurer or provide a new **policy**. If these aren't possible, the FSCS aims to provide compensation.

Most of **our** customers, including most individuals and small businesses, are covered by the FSCS. Whether or not **you** can claim, and the amount **you** could claim, will depend on the specific circumstances of **your** claim. The FSCS will pay 90% of the value of the claim. There is no upper financial limit on the amount of the payment.

You can find out more about the FSCS, including eligibility to claim, by visiting its website www.fscs.org.uk or calling 0800 678 1100.

The rules of the FSCS might change in the future and the FSCS may take a different approach on their application of the above, depending on what led to the failure.



Legal & General Assurance Society Limited

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