

**KEY FEATURES
OF THE FLEXIBLE
PROTECTION PLAN
LIFE PROTECTION**

You should keep this
booklet in a safe place
for future reference



KEY FEATURES OF THE FLEXIBLE PROTECTION PLAN **LIFE PROTECTION**

We are able to provide literature and communications in the following alternative formats: Braille, large print, audiotape.

ITS AIMS

- To provide a cash lump sum if you, or the person you are insuring if different, die or are diagnosed with a terminal illness during the policy term.

YOUR COMMITMENT

- You choose the amount of cover you need and how long you need it for. You then pay the monthly premiums as and when they are due, by direct debit.
- You answer all the questions on the application form carefully and to the best of your knowledge and belief. If you are insuring someone else ensure that they do the same.
- You tell us if there is any change to the information put on the application form, or in supporting documents you gave us, between the date the application form was filled in and the date the policy starts.

RISK FACTORS

- If you stop paying premiums your cover will stop after 30 days.
- If the policy has been taken out together with a loan or mortgage, it is not guaranteed to pay all of the outstanding balance in the event of a claim.
- If you choose level protection inflation will, over time, reduce the buying power of the cash lump sum.
- If you do not tell us everything we ask on the application form or about a change before your policy starts we might not pay a claim.
- Although you are covered wherever you are in the world, in the event of a terminal illness claim we only accept medical evidence from certain countries. (Please see the Policy Document for further details)
- **WARNING – this policy has no cash-in value at any time.**

YOUR QUESTIONS ANSWERED

What is the Flexible Protection Plan?

This plan lets you mix and match different life and health policies to give you a comprehensive plan designed to meet your particular needs.

You can choose from four types of cover:

1. Life Protection
2. Critical Illness Protection
3. Income Protection
4. Mortgage Payment Protection

This document only gives information on Life Protection. If you need further information or assistance or would like information about any of the other policies available under this plan, please speak to your Financial Adviser.

What is Life Protection?

It is a life insurance policy that provides a cash lump sum if the insured person dies or is diagnosed with a terminal illness, within a specified number of years (the Term).

You can choose between the following options:

- Level protection – the lump sum that we would pay out on death is fixed when you start paying the premiums and will not change.
- Decreasing protection – the lump sum that we would pay out on death keeps going down to match the amount outstanding on your repayment mortgage provided interest rates don't go up to more than 12%.
- Increasing protection – both the lump sum that would be paid out on death and the premiums you need to pay go up in line with rising prices. We measure this using the Retail Prices Index (RPI).

Can I apply?

To apply:

- You must be a UK resident (not the Channel Islands or Isle of Man).
- You must be aged 17 to 79 if you are applying for Level or Decreasing Protection, 17 to 59 if you are applying for Increasing Protection.
- The policy must be for 5 years or more but cannot be more than 45 years.
- The policy must end before you reach age 85 if you are applying for Level or Decreasing Protection, or 65 if you are applying for Increasing Protection.

The application form must be signed by all relevant applicants and insured persons and returned to us within 60 days from the start date of the plan. For persons who are being insured this requirement extends to them signing the summary of any interview we may require for the purpose of underwriting the policy. Accordingly, we will cancel the plan and no premiums will be refunded if we do not receive all the necessary signatures within the 60 days required.

When you apply for the policy, please make sure that you answer all of the questions on the application form honestly and in full. If you fail to provide us with any information, or give us misleading information, we may not pay a claim. You should not assume that we will write to your doctor, it is your responsibility to complete the application form properly.

Can I insure someone else?

Yes, if you would lose out financially if they die or are diagnosed with a terminal illness. You can apply for the plan to cover:

- you alone
- you and another person, or
- one or two people not including you.

If the plan covers two people, it will not pay out for more than one valid death or terminal illness claim during the Term.

The person being insured will need to fill out the health and medical details sections of the application form. The age limits would apply to them as the person you are insuring, not you as the applicant. If they die, or are diagnosed with a terminal illness we would pay the cash sum to you. After the lump sum is paid, your policy ends and you pay no more premiums.

What do we mean by Terminal Illness?

By Terminal Illness, we mean an advanced or rapidly progressing incurable illness where, in the opinion of an attending consultant and our Chief Medical Officer, life expectancy is no greater than 12 months. If the diagnosis of Terminal Illness is made during the last 12 months of the policy, benefit will not be paid in respect of a Terminal Illness claim.

What other options are available?

Waiver of Premium Cover

You can choose whether or not to include Waiver of Premium in your plan. If you choose to include it, you won't have to pay the premiums for all of your policies in your plan if you are unable to work due to being incapacitated and your claim is successful. If you are insuring someone else under this plan it is their health we would look at when deciding whether to pay a claim. If you have chosen for the benefits payable under any of your policies in this plan to increase, this cover will automatically go up in line with them. However, we may not let you increase the Waiver of Premium cover if you change or take out any new policies under your plan, if your health has deteriorated.

What we mean by incapacitated depends on the job that you do and will usually mean one of the following at the time you become ill or have an accident:

- You are not able to do the essential things necessary to do your normal job because of an accident or illness.
- For an initial period (13 weeks if aged 55 or over, or 26 weeks if aged under 55, when incapacity starts) you are not able to do the essential things necessary to do your normal job because of an accident or illness. After that period it means that you are unable to do the essential things necessary to do any job, which you could reasonably do, given your previous experience, training and education.
- You are unable to do certain activities considered essential to working without someone else's help (we call these 'work tasks') because of an accident or illness. These include:

Walking	Climbing	Bending
Communicating	Eyesight	Healthcare
Financial Independence		Dexterity

This 'work tasks' definition also applies to any benefits payable from age 65 onwards.

If you are a homemaker or in part-time work we may measure incapacity differently from the above. We will tell you if this applies to you. We will not pay out if you are working when you first claim. If you are unemployed when you become ill or have an accident we will not pay out unless you cannot go outdoors without help.

Full details of which of the above definitions applies will be confirmed to you when you take out the policy.

You can also choose the number of months you would need to wait before we stop asking you to pay your premiums if you are incapacitated. This is called the 'deferred period'. You can choose from 3 or 6 months, and you may be able to choose 1 or 2 month periods depending on your job.

We will only waive the premiums if you are in the EU or one of a number of other countries listed in the Policy Document. However, we will not refuse to pay a claim if the accident or illness happened somewhere else in the world provided that you then return to one of the listed countries.

If you go back to work after a claim and then have to stop work again within 6 months because of the same illness, we might stop asking for your premiums again immediately. If the reason you are stopping work is different or we don't cover the specific circumstances relating to your relapse we will treat it as a new claim. If this happens we will ask you for your premiums until the end of another deferred period.

How much will the cover cost?

With this Key Features document you will find a quote showing how much your cover will cost if we accept you on our standard terms. The cost of the cover depends on a number of things, including your gender, age, state of health and whether or not you smoke. We give lower rates to non-smokers – someone who has not smoked or otherwise used any tobacco products or substitutes in the last twelve months.

The minimum premium is £5 per month for the whole plan. Each policy within the plan has its own administration fee. If you choose to include more than one policy when you take the plan out, we may reduce the administration fees we add to each policy.

Will my premiums change during the term?

Life Protection

The premium you pay is guaranteed, which means that it is fixed at the start of the policy, and will not increase in the future, unless you have chosen Increasing Protection.

If you have chosen Increasing Protection your premiums, and cover, will automatically go up each year in line with rising prices. We measure this using the Retail Prices Index (RPI)

Waiver of Premium

The premium you pay is guaranteed as soon as you start paying. We will not increase it unless you have chosen Increasing Protection for your life protection and then only in line with rising prices (RPI).

How do I pay for the cover and what happens if I stop paying premiums?

You can only pay monthly by direct debit. If we do not receive your payment within 30 days of the date it was due, the policy will stop and you, or the person you are insuring will not be covered. **This policy has no cash-in value at any time.**

Is there anything I am not covered for?

If when you apply you fail to provide us with any information, or give us misleading information, we may not pay a claim. You should not assume that we will write to your doctor, it is your responsibility to complete the application form properly.

We do not exclude any cause of death under Life Protection.

If the policy has been taken out alongside a loan or mortgage, it is not guaranteed to pay all of the outstanding balance if you die, or are diagnosed with a terminal illness.

This policy covers you anywhere in the world. However, for a Terminal Illness claim we will only accept medical evidence to support a claim from certain countries. For Waiver of Premium Cover we will only waive the premiums if you are in certain countries. (Please see the appropriate Policy Document for further details)

Can I increase the benefits or extend the term of my cover if I need to?

Yes, you can change your cover at any time. We may ask you to provide us with evidence of your state of health at that time. Any change will be subject to any limits we were applying at that time.

The plan also includes the option to increase benefits on certain events, without the need for having to provide medical evidence. The events covered are:

- Marriage/Civil Partnership Registration
- Birth/adoption of a child
- Divorce/Dissolution of Civil Partnership
- A mortgage increase or extension of the mortgage term

In certain circumstances a new policy may be required. Full details of the terms and conditions applying to these options can be found in the Policy Document, or you can speak to your Financial Adviser.

What if my circumstances change?

You should check your cover regularly to make sure you have the right amount of cover as your financial position changes. If you have chosen Increasing Protection, this will help as the buying power of your cover will be protected against the effects of inflation. However, it is still a good idea to check this on a regular basis. If you have chosen Level Protection, you must make sure you regularly check your cover as rising prices will reduce its buying power.

How to make a claim

We need to be told promptly of any intention to make a claim.

Claims can be made by telephoning 0800 028 6333. For Textphone: first dial 18001. Calls may be recorded for training and monitoring purposes. Alternatively, write to us at: LV=, Pynes Hill House, Rydon Lane, Exeter EX2 5SP

How much will the advice cost?

Your adviser will give you details about the cost of providing advice to you. The amount will depend on the size of the premium and the length of the policy term. It will be paid for out of the deductions.

FURTHER INFORMATION

Tax

Normally, the amount of cover paid out on life protection will be free of Income Tax and Capital Gains Tax. The payment will normally go to your estate, which may be subject to Inheritance Tax. You will not get tax relief on your payments.

Tax treatment depends on your personal circumstances. Any references to taxation are based on our understanding of current legislation and HM Revenue & Customs practice, which is subject to change. If you are unsure about the tax position, please ask your Financial Adviser.

Your right to cancel

When you receive your plan documents you will also receive a notice reminding you of your legal right to change your mind. You have the right to cancel your plan within 30 days of receiving the notice. You can do this by completing and returning the cancellation form to us at Liverpool Victoria Life Company Limited, Pynes Hill House, Rydon Lane, Exeter, EX2 5SP

If you send us your cancellation form within 30 days of receiving it, we will refund any premiums you have paid. You can cancel your plan anytime after this, but there will be no return of premiums paid. There is no cash in value for this plan.

Law

The law of England and Wales will apply. All communications will be in the English language.

Complaints

If you have a complaint about any aspect of this policy or the service you receive from LV= please telephone us on 01202 292333 quoting your reference number. For Textphone first dial 18001. Or, write to us at: Box 2, LV=, County Gates, Bournemouth BH1 2NF.

Making a complaint will not affect your right to take legal action. We operate a written complaints procedure in accordance with the Financial Services Authority and you may be able to refer your complaint to the Financial Ombudsman Service. Details of our complaints handling process are available on request.

Compensation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. This type of business is covered for 100% of the first £2,000 plus 90% of the rest of the claim, and the maximum compensation is unlimited. Further information is available from the Financial Services Compensation Scheme, 7th Floor, Lloyd's Chambers, 1 Portsoken Street, London E1 8BN. Tel: 020 7892 7300. Fax: 020 7892 7301 or email:enquiries@fscs.org.uk.

Liverpool Victoria Life Company Limited

Liverpool Victoria Life Company Limited is a wholly owned subsidiary of Liverpool Victoria Friendly Society Limited. **Liverpool Victoria Life Company Limited is authorised and regulated by the Financial Services Authority.**

Will I become a member of Liverpool Victoria Friendly Society Limited?

Yes, provided your monthly premium is £10 or more (unless you turn down membership when you fill out the application form). You will qualify for Membership benefits and, as soon as your policy has been running continuously for twelve months, you can take part in Annual General Meetings and vote on Liverpool Victoria Friendly Society Limited matters.

LV= and Liverpool Victoria are trade marks of Liverpool Victoria Friendly Society Limited and LV= and LV= Liverpool Victoria are trading styles of the Liverpool Victoria group of companies.

Liverpool Victoria Life Company Limited registered in England No. 597740, authorised and regulated by the Financial Services Authority, entered on the Financial Services Authority Register, No. 110423. Liverpool Victoria Friendly Society Limited (LVFS) is authorised and regulated by the Financial Services Authority and entered on the Financial Services Authority Register, No. 110035. LVFS is a member of the ABI, AFS and ILAG. Registered address for both companies: County Gates, Bournemouth BH1 2NF. Tel: 01202 292333