



POLICY TERMS AND CONDITIONS.

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1 INTRODUCTION

This is a term assurance **policy**. It is designed to pay the **sum assured** on the death of the **life assured**, on or after the **policy start date** and before the **policy expiry date**.

This **policy** sets out **your** contract with **us** and should be kept in a safe place. Words that appear in **blue bold** are explained in section 12.

This **policy** consists of:

- the **policy schedule** and
- these **policy** terms and conditions.

2 COVER PROVIDED BY THIS POLICY

2.1 Whose life is covered?

The life of the **life assured** is covered.

2.2 How much cover is provided?

The amount of cover provided is the **sum assured** as shown in the **policy schedule**.

2.3 How long does this cover last?

This cover starts on the **policy start date** and ends on:

- the payment of the **sum assured**, or
- if no **sum assured** becomes payable, the **policy expiry date**.

Once this **policy** ends, no further **benefits** or **premiums** will be payable.

2.4 How is the sum assured paid?

The **sum assured** is paid as a lump sum unless otherwise shown in the **policy schedule**.

2.5 When is the sum assured payable?

The **sum assured** is payable on the death of the **life assured**, or for a joint life policy, when the first of the lives assured dies.

2.6 Who is the sum assured paid to?

The **sum assured** is paid to **you** or **your successors in title**.

2.7 Exclusions

We will not pay the **sum assured**:

- a) In any circumstances that are shown under the **exclusions** section in **your policy schedule**.
- b) If within the first year of this **policy** the **life assured** commits suicide, in which case this **policy** will be void. This condition will not apply where a mortgage lender is legally entitled to the proceeds of this **policy**, in which case **we** will pay the mortgage lender the lower of:
 - i) the **benefits** payable under this **policy**; and
 - ii) the amount the mortgage lender is legally entitled to.

3 TERMINAL ILLNESS COVER

If shown as included in the **policy schedule**, this **policy** will provide **terminal illness** cover.

We will make an advance payment of the **sum assured**, if specialist medical evidence confirms that the **life assured** has a **terminal illness**. At this point no further **premiums** will be payable.

Once the **sum assured** has been paid, this **policy** will end and no further **benefits** or premiums will be payable.

This cover is not available during the 18 months immediately before the **policy expiry date**.

4 GUARANTEED INSURABILITY OPTION

If the guaranteed insurability option is shown as included in the **policy schedule**, **you** have the option of increasing the **sum assured** with no need for further medical evidence on the occurrence of specified events.

These events and related conditions are shown in section 4.1 unless the **policy schedule** shows the guaranteed insurability option is for business protection, in which case see section 4.2 instead.

4.1 Increasing the sum assured

4.1.1 When can you use the guaranteed insurability option?

You can use this option in the event of:

- a) the **life assured** entering into marriage or a registered civil partnership, or
- b) the birth of the **life assured's** child, or
- c) the **life assured** legally adopting a child, or
- d) an increase to the **life assured's** mortgage by reason of a house move or undertaking major home improvements, or
- e) an increase in the **life assured's** salary due to a change of employment or promotion.

4.1.2 Conditions

- a) This option must be used within six months of the event and **we** are entitled to request relevant documents in relation to the events.
- b) For all increases, the **sum assured** may only be increased on each occasion by the lower of:
 - 50% of the original **sum assured**, or
 - £150,000, or
 - if 4.1.1(d) applies, the amount of the increase in the mortgage, or
 - if 4.1.1(e) applies, the amount equal to the original **sum assured** multiplied by the percentage increase in salary.
- c) This option may only be used three times in total, but only once in respect of either entering into marriage or a registered civil partnership.
- d) The maximum total of all increases permitted is £200,000.

If **you** use this option an additional policy will be issued in respect of the increase which will:

- e) not contain a guaranteed insurability option,
- f) not extend beyond the **life assured's** 65th birthday or one year after the **policy expiry date** of this original **policy**, whichever is earlier, and
- g) be subject to the premiums, terms and conditions for such policies at the time the additional policy is issued.

Should a term assurance policy not be available at that time, **we** may offer **you** a different type of policy.

This option will not be available to **you**:

- h) after the **life assured's** 55th birthday or for a joint life policy, the 55th birthday of the oldest **life assured**,
- i) if waiver of premium benefit is shown in the **policy schedule** and a claim under this has been made, until the end of the period of **incapacity**,
- j) if the **life assured** has been diagnosed as suffering from or is receiving medical treatment for a **terminal illness**.

4.2 Business Protection – Increasing the sum assured

4.2.1 When can you use the guaranteed insurability option?

- a) If this **policy** has been taken out to cover a business loan, for the purpose of:
 - a business acquisition,
 - a business expansion, or
 - buying, extending or altering a business premises,**you** will have the option of increasing the **sum assured** in the event that the loan is increased.
- b) If this **policy** has been taken out to cover loss of profit in the event of:
 - the **life assured's** death, or
 - the **life assured** being diagnosed with a **terminal illness****you** will have the option of increasing the **sum assured** if:
 - the **life assured's** value to the business increases, or
 - the **life assured** receives a pay increase.
- c) If this **policy** has been taken out to cover a working Partner's, Director's, Shareholder's or members of a limited liability partnership:
 - ownership, or
 - interest in a business,**you** will have the option of increasing the **sum assured** in the event that there is an increase in the value of that ownership or interest.

4.2.2 Conditions

- a) This option must be used within six months of the event and **we** are entitled to request relevant documents in relation to the events.
 - b) For all increases the **sum assured** may only be increased on each occasion by the lower of:
 - 50% of the original **sum assured**, or
 - £150,000, or
 - if 4.2.1(a) applies, the increase in the value of the business loan, or
 - if 4.2.1(b) applies, the increase in the **life assured's** pay or their value to the business, or
 - if 4.2.1(c) applies, the increase in value of the **life assured's** ownership or interest.
 - c) This option may only be used three times in total.
 - d) The maximum total for all increases permitted is £250,000.
- If **you** use this option, an additional policy will be issued in respect of the increase which will:
- e) not contain a guaranteed insurability option,
 - f) not extend beyond the **life assured's** 65th birthday or the **policy expiry date** of the original **policy**, whichever is earlier, and
 - g) be subject to the terms and conditions for such policies at that time.

Should a term assurance policy not be available at that time, **we** may offer **you** a different type of policy.

This option will not be available to **you**:

- h) after the **life assured's** 55th birthday or for a joint life policy, the 55th birthday of the oldest **life assured**,
- i) if waiver of **premium** benefit is shown in the **policy schedule** from the date of the **life assured's incapacity** until the end of the period of **incapacity**.
- j) if the **life assured** has been diagnosed as suffering or is receiving or has received medical treatment for a **terminal illness**.

5 INDEXATION OPTION

If the indexation option is shown as included in the **policy schedule**, the **sum assured** will increase in line with inflation on each **policy** anniversary with no need for further medical evidence.

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

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

5.1 Conditions

This option to increase will be subject to the following conditions:

- a) If the change in **RPI** is less than or equal to 1% **we** will not increase the **sum assured** or **premiums**.
- b) If the change in **RPI** is more than 10% **we** will only increase the **sum assured** by 10%.
- c) **Your premiums** will be increased in line with the change in **RPI** multiplied by 1.5 subject to a maximum increase of 15%.
- d) If **you** choose to decline the increase to the **sum assured** at any time, then the indexation option will be withdrawn and will not be available in the future.
- e) If for some reason the **RPI** cannot be used, **we** will use an index comparable to the **RPI** instead.

6 CONVERSION OPTION

If the conversion option is shown as included in the **policy schedule**, there is the option of converting this **policy** to a whole of life protection plan or such equivalent policy that **we** may allow, with no need for further medical evidence.

6.1 Conditions

This option to convert this **policy** shall be subject to the following conditions:

- a) **You** must use this option before the **life assured's** 60th birthday or for a joint life policy, the 60th birthday of the oldest **life assured**.
- b) If **you** use this option this **policy** will end and no further **benefits** or **premiums** will be payable.
- c) The amount of life cover in the new policy, will not be more than the **sum assured**.
- d) The new policy will be subject to the premiums and terms and conditions for such policies issued by **us** at the time the option is exercised.

7 WAIVER OF PREMIUM BENEFIT

If waiver of **premium** is shown in the **policy schedule**, **we** will waive **your premiums** due under this **policy** after 26 weeks from the date of **incapacity**, until the earlier of:

- the end of the period of **incapacity**, or
- payment of the **sum assured**, or
- the **policy expiry date**.

7.1 Conditions

This **benefit** is subject to the following conditions:

- a) **You** must tell **us** within four months of the start of the **life assured's incapacity**, otherwise **we** will consider the start of their **incapacity** to be four months before the date **we** are told. **We** may not insist on this if there are exceptional medical or other reasons why **you** cannot tell **us** within four months of the start of **incapacity**.
- b) **You** must complete and return the claim form issued by **us** so that **we** can consider **your** claim.
- c) The **life assured** may be required to have a medical examination by an appropriate medical specialist appointed by **us**.
- d) As proof of the **life assured's incapacity**, **you** or the **life assured** must provide any documents reasonably requested by **us**.
- e) No **premiums** under this **policy** are outstanding.
- f) This **benefit** will only apply whilst the **life assured**:
 - i) resides or travels within the European Union, and
 - ii) resides temporarily or travels outside of the European Union for a period not exceeding three consecutive months in any 12 months. If this period is exceeded, this **benefit** shall not be available unless **we** have given **you** prior written confirmation. If the **life assured** resides or travels outside the European Union for more than 12 consecutive months, **we** will be entitled to cancel this **benefit**.

8 PAYMENT OF PREMIUMS

8.1 When are premiums due to be paid?

Premiums are due from the **policy start date** and at monthly or annual intervals as shown in **your policy schedule**.

8.2 Will the amount you pay ever change?

The **premiums** for this **policy** will not increase unless:

- a) This **policy** is changed under section 10.3, or
- b) The indexation option is shown as included in the **policy schedule**, in which case the **premiums** will increase as described in section 5.

8.3 What happens if you don't 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 **benefits** or **premiums** will be payable. **We** will not refund any **premiums** already paid.

9 GENERAL CONDITIONS

- 9.1 If the **life assured's** date of birth as shown in the **policy schedule** is incorrect, the terms of this **policy** shall be adjusted to those that would have applied if the correct date of birth had been given. **We** are entitled to cancel this **policy** if it would not have been issued if the correct date of birth had been given.
- 9.2 If **you** or the **life assured** intentionally provide **us** with an incorrect date of birth or fail to disclose any **material fact**, **we** are entitled to cancel this **policy**.
- 9.3 This **policy** is governed by English Law.
- 9.4 All communication in relation to this **policy** will be in English.
- 9.5 The right to exercise any option under this **policy** or to exercise any right conferred by this **policy** is limited to such as are allowed in the terms of the **policy** and as are compatible with the requirements of Paragraph 19(3) of Schedule 15 of the Income and Corporation Taxes Act 1988 for a qualifying policy.
- 9.6 All notices of assignments should be sent to **our principal office**.

10 HOW TO...

10.1 Contact us

If **you** have any enquiries or want to use any of the options in relation to this **policy** 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 Make a claim

If **you** need to make a claim under this **policy**, please call **us** on:

for life claims **0800 137 1010**

for waiver of **premium** claims **0800 027 9830**

or write to **us** at **our principal office**.

We may record and monitor calls.

We will require the death certificate or proof of diagnosis of a **terminal illness** of the **life assured**, along with the **policy schedule** and any other documents **we** may reasonably request.

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.

10.3 Change this policy

You should contact **us** at **our principal office** if **you** want to request any of the following changes:

- a) extend or reduce the **term**,
- b) increase or decrease the **sum assured**,
- c) remove a **life assured**,
- d) change the frequency of **your premiums** from annually to monthly or monthly to annually.

All changes requested will be assessed based on the **life assured's** circumstances at that time.

We may take into account their age, health, medical history, residency, leisure activities and are entitled to request any documents reasonably required by **us**.

We will confirm if the change means this **policy** has to be cancelled and a new policy issued, which may have different terms and conditions. If there is more than one policyholder, the consent of all policyholders may be needed before the change is made.

A change may affect the **premiums** that are payable.

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** may not get any money back.
- c) If **you** cancel this **policy**, the **policy** will end and no further **benefits** or **premiums** will be payable.
- d) This **policy** does not have a **cash-in value** at any time.

10.5 Make a complaint

If **you** wish to complain about the service **you** have received from **us**, or **you** would like **us** to send **you** a copy of **our** internal complaints handling procedure, please contact **our** helpdesk on **0845 071 1439**. **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
South Quay Plaza
183 Marsh Wall
London
E14 9SR

Telephone: **0845 080 1800**

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

Website: www.financial-ombudsman.org.uk

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

11 THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

The Financial Services Compensation Scheme (FSCS) is designed to pay customers compensation if they lose money because a firm is unable to pay them what they owe for any reason. **Your** ability to claim from the scheme and the amount **you** may be entitled to will depend on the specific circumstances of **your** claim. Most customers, including most individuals and small businesses, are covered by the scheme. **You** can find out more about the FSCS (including amounts and eligibility to claim) by visiting its website www.FSCS.org.uk or calling **0800 678 1100**.

The FSCS may arrange to transfer **your policy** to another insurer, provide a new policy or if these are not possible, provide compensation. FSCS compensation covers payment up to 90% of the value of the claim per firm. There is no upper financial limit on the claim. However, the rules of the FSCS may change and the FSCS may take a different approach on the application of these rules to a firm depending on the circumstances of the failure of that firm.

12 DEFINITIONS EXPLAINED

Benefits

The **sum assured** and any other **benefits** included in this **policy**.

Cash-in value

A policy which has a **cash-in value** is a policy which gives **you** some money back if **you** cancel **your policy**.

Exclusions

What **you** are not covered for, as shown in **your policy schedule**.

Incapacity

The **life assured** is totally incapable of carrying out their normal occupation by reason of an illness or injury which occurred after the **policy start date**, necessitating medical or surgical treatment and is not carrying out any other **occupation** or in gainful employment.

OR

If the **life assured** is not in gainful employment and they are unable to do three or more of the following as a direct result of an illness or injury which occurred after the **policy start date**:

Walking:

The ability to walk a distance of 200 metres on flat ground with or without the aid of a walking stick and without stopping or experiencing discomfort.

Bending:

The ability to get into or out of a standard saloon car and the ability to bend or kneel to pick up an object from the floor and straighten up again.

Climbing:

The ability to climb up a flight of 12 stairs without stopping or suffering severe discomfort.

Communicating:

The ability to answer a telephone and to take a message.

Reading:

The required eyesight (corrected if necessary) to be able to read a daily newspaper.

Writing:

The physical ability to write legibly using a pen or a pencil without aid.

Interest rate

Where decreasing cover was chosen, the interest rate at which the **sum assured** decreases, as shown in your **policy schedule**.

Life assured

The person whose life is insured under this **policy**. If there is more than one life covered under this **policy**, as shown in the **policy schedule**, this definition covers all lives insured.

Material fact

A fact that would be important to **us** in deciding whether to insure the **life assured** for the requested cover, the duration and terms of that cover.

Examples of a material fact include, but are not limited to answers to the questions in the original application form including:

- medical disclosures
- family history
- **occupation**
- travel or residence
- pastimes
- alcohol consumption
- smoker/non smoker
- use of recreational drugs, for example cocaine or heroin.

Our, us or we

Legal & General Assurance Society Limited.

Policy

This **policy** issued by **us**, which consists of the **policy** terms and conditions and **policy schedule**.

Policy expiry date

The date that cover under this **policy** will end, as shown in **your policy schedule**.

Policy schedule

The schedule which 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**.

Principal office

Our principal office is:

City Park
The Droveaway
Hove
East Sussex
BN3 7PY

Product

The type of cover, as shown in **your policy schedule**.

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.

Successor(s) in title

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

Sum assured

The amount of cover, as shown in **your policy schedule**.

If decreasing cover is chosen, the table in **your policy schedule** will show how the amount of life cover decreases.

If the indexation option is included in **your policy**, this cover will increase as described in section 5.

Terminal illness

An advanced or rapidly progressing illness where, in the opinion of a treating medical specialist and a medical officer appointed by **us**, the life expectancy is no greater than 12 months.

You and your

The policyholder(s) of the **policy** who is/are legally entitled to receive the **sum assured** and shown as the "grantee" in the **policy schedule**. This may include trustee(s), assignee(s) or personal representative(s) (where appropriate) and may be the same person(s) as the **life assured**.



CONTACT US



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