

# Statement for Advisers & Partners

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Our 60day grace period for payments



## Helping customers through difficult times

Our purpose as a business is to support our customers at the most challenging times in their lives, and this remains unchanged. We understand that these are unprecedented times and as the situation evolves, we want to help customers facing financial hardship.

If a customer is suffering from financial hardship, we would always encourage them to contact us or their financial adviser to explore their options and how we might support them. As part of our response to the impact of COVID-19, we are clarifying and enhancing the payment grace period that all Retail Protection customers have access to. This grace period means that if a customer were to miss or cancel their payment, they will remain covered by their policy for 60 days from the first missed premium (this is the day in the month that the premium is collected from the customer's account (not their policy anniversary date), subject to their policy's terms and conditions.

Within 60 days, if regular payments are restarted and the missing premiums are paid\*, there will be no change to the customer's cover or their usual premiums, and no need for them to provide new information regarding health or lifestyle.

Alternatively customer may be able to take a [Payment Holiday](#)\*\* . A Payment Holiday lets customer take a three month break from paying their monthly premiums. They'll remain covered by their policy, subject to their policy terms and conditions, and we'll collect the three months' premiums due when the payment holiday ends. If a customer chooses to take a Payment Holiday, when it ends the 60 day grace period will not apply.

We would advise customers who may find themselves in financial hardship to contact their financial adviser, or visit our website to explore how they might maintain their cover. Due to the impact of COVID-19, our contact centres are currently receiving a high volume of calls, and there may be delays in answering customer calls. The quickest and most efficient way of getting the information customers may need will be via our website.

\*Customers can choose to repay the missed premiums by debit card or by credit card, or by asking us to collect them in their next Direct Debit payment.

\*\*Eligibility criteria applies

## Frequently asked questions

### How will I know if my customer has cancelled their Direct Debit?

If your customer cancels their Direct Debit, we will send you and/or your administrator an email letting you know. This email will only contain the policy number and customer name.

To view the customer's payment situation, you will need to log in to OLPC and search the customer's details in Existing Business Agent Hub. Here you will be able to view:



- How many times the Direct Debit has bounced
- The amount of premiums outstanding on the policy
- If we have cancelled the policy (this will only happen after 90 days from the first missed premium and not their policy anniversary date)
- If the payment method has been reinstated, how and when
- If any arrears have been paid, how payment was made, and for how much

If you're not familiar with our Existing Business Agent Hub, we have a [short video](#) which can help. We also have a [self-service](#) guide with lots more useful information on managing your pipeline.

### **Can my customer reinstate a policy after the 60 day grace period?**

Yes, we would consider reinstating your customer's payment method for a period of time after the 60 days and before the policy is cancelled. However, after the 60 day grace period the customer will not be covered.

After the 60 day grace period, the customer may need to complete a Declaration of Health, repay any missed premiums, and reinstate the Direct Debit for future payments.

The policy will be cancelled 90 days after the first missed premium (not their policy anniversary date). If this is the case, you'll need to apply for a new policy on your customer's behalf.

### **Are there situations when cover cannot be reinstated?**

Yes, once a policy has lapsed due to missed premiums. A policy will lapse 90 days after the first missed premium (not their policy anniversary date), or 180 days if the policy is in trust.

### **At what point will a customer need a Declaration of Health (DOH)?**

A DOH will need to be completed after the 60 day grace period from the first missed payment (not their policy anniversary date).

### **If a Declaration of Health (DOH) is required, what are the options to get this completed?**

A DOH must be completed by the customer, and they can do this in the following ways:

- Completing the paper DOH they received in the post and returning it to us. (You can find a copy of the DOH [here](#) )
- Scanning a completed DOH and sending it to us via email to [protection.customerpayments@landg.com](mailto:protection.customerpayments@landg.com)
- Calling us, and completing it over the phone



## **What if my customer needs to make a claim during the 60 day grace period?**

If a claim is being made within 60 days of the first missed premium (not their policy anniversary date), we will assess and pay any valid claim in-line with the policy's terms and conditions, minus any outstanding premiums owed on the policy.

## **Will the customer's premiums go up if they reinstate their payments before the end of the 60 day grace period?**

No, if your customer reinstates their payments before the end of your 60 day grace period, their premium will remain the same and no further medical or lifestyle questions will be asked.

## **Can I reinstate my customer's payment method and pay their arrears?**

If your customer wants to reinstate their Direct Debit, and the customer doesn't have any arrears or need a Declaration of Health, you can complete this on their behalf by:

- Using our [Re-instatement Tool](#) on the Adviser Site
- Emailing over the Direct Debit instruction (signed by the customer) to [protection.customerpayments@landg.com](mailto:protection.customerpayments@landg.com)

You can't pay the arrears on the customer's behalf; they will need to speak to us directly.

## **How can my customer reinstate their payment method themselves?**

Your customers have the option to reinstate their payment method themselves by logging in to their secure portal 'My Account', or giving us a call directly on 0370 900 8819.

When reinstating their payment method, they will be given the choice to either include the arrears amount in their Direct Debit, or pay any arrears using a debit or credit card. If the customer chooses to pay by Direct Debit, we will collect the outstanding amount at the earliest opportunity. A specific date cannot be requested by the customer.

## **My customer's policy has fallen in to arrears. Am I at risk of having a clawback of commission?**

If a customer falls in to arrears the policy will eventually lapse due to non-payment. Policies are lapsed after 90 days from the date of the first missed premium (not their policy anniversary date), and up to 180 days if the policy is in trust. You can expect a clawback within a month of the policy lapsing.

