

Relevant Life Plan

Policy Summary

This Policy Summary provides a brief guide to the cover and exclusions that relate to the policy. You'll find full details in the Policy Terms and Conditions. After you take out a policy, we'll send you a Policy Schedule which will show you the details of your cover.

Together, the Policy Schedule and the Policy Terms and Conditions form the basis of the contract with us. You should check your policy from time to time to make sure it still meets your needs and provides the right level of cover.

The optional benefits included in this Policy Summary may not be available to everyone. This will depend on your personal circumstances and how you bought this policy (such as directly with L&G, or through a financial adviser).

When you read this document, you'll see words like '**we**', '**us**' and '**our**' used. When we use these words, we mean L&G.

How this policy works

Our Relevant Life Plan is designed for businesses to provide individual life cover benefit for its employees, to help protect against the impact of death and terminal illness on the employee and their family whilst they are employed.

The policy could be used to help the lifestyle of the employee's family and their everyday living expenses.

The policy is a single life policy which is designed to cover the employee whilst they are employed by their current employer.

A Relevant Life Plan offers a tax efficient way to an employer to arrange life cover, with the benefit paid out to the employee's family or financial dependents.

It must meet legislative requirements so that the plan can qualify for certain tax benefits. Relevant Life Plans are usually viewed as an allowable business expense by HMRC. This means that all premiums and paid benefits qualify for full Income Tax relief, National Insurance relief and Corporation Tax relief. Premiums could be reduced by up to 49% compared to a typical life policy if the employee is a higher rate taxpayer. For a basic rate taxpayer this figure could be up to 40%.

Our Relevant Life Plan assumes that the policy will be placed in a Discretionary Trust at the start, with the employee's family or dependents as beneficiaries. The benefit will pay out to the trustees of the Relevant Life Plan Trust.

This Policy Summary is only a brief guide to the employee's cover and exclusions. The employer will find full details in the Policy Terms and Conditions and Policy Schedule, which will form the basis of our contract with the employer.

To be eligible for a Relevant Life Plan, the employee must be:

- A UK resident,
- An employee of a business that resides in the UK, for example, directors on PAYE and salaried partners.

Sole traders, equity partners of a partnership or equity members of a Limited Liability Partnership (LLP) are not eligible.

Relevant Life Plans are particularly aimed at:

- Employers who wish to provide life cover for specific employees (for example high earners and directors) above those available in an employer's group scheme.
- Employers who are unable to take out group cover for their employees (for example the employer may have too few employees to be eligible for a group scheme).

AGE LIMITS

The employee must be between the ages of 18 and 73 at the start of the policy. The minimum duration of the policy is 1 year or 2 years if increasing cover is chosen. The maximum duration is 50 years, but the policy must end before their 75th birthday.

TAXATION

- The policy is based on our understanding of current laws and tax rules; however, tax legislation may change, and this may impact the tax efficient benefits.
- If the policy is not written under a Discretionary Trust, then this may impact the tax efficient benefits.
- There is no guarantee that the favourable tax position will apply in all cases, for example, if the policy was taken out for tax avoidance purposes.

You're covered from the policy start date until the policy expiry date. Your policy will end before this if we pay the cover amount or the policy is cancelled.

We'll communicate to you about your policy in English. This policy is governed by English law.



Contents

How to get in touch with us.....	5
At a glance – what's included in our policies	6
Choosing your cover type.....	7
Level.....	7
Increasing cover	7
What is the maximum amount of cover?	9
What is and isn't covered.....	10
What is covered?.....	10
What is not covered?.....	10
Included with Life Insurance.....	12
Accidental death benefit.....	12
Trust information.....	13
What is a Relevant Life Plan Trust?	13
How to set up the Relevant Life Plan Trust	13
Who receives the lump sum payment?	13
Continuation cover.....	13
FAQs	15
Can the employer increase the cover?	15
Can the employer make changes?.....	15
What if I want to cancel or claim?	15
Are pay outs taxed?.....	15
The Financial Services Compensation Scheme (FSCS)	15



How to get in touch with us

How can we help?	Contact details	Contact address
General enquiries, to change or cancel the policy	Call 0370 010 4080 Monday to Friday 9am to 5pm Email protection.customerenquiries@landg.com	Legal & General Assurance Society City Park The Droveway Hove BN3 7PY
Cancellations	Call 0370 010 4080 Monday to Friday 9am to 5pm Email protection.customercancellations@landg.com	Legal & General Assurance Society City Park The Droveway Hove BN3 7PY
Claims	For Life or Terminal Illness Cover claims call us on 0800 137 101 Monday to Friday 9am to 5pm	Legal & General Assurance Society City Park The Droveway Hove BN3 7PY
Complaints	Call 0370 010 4080 Monday to Friday 9am to 5pm	Legal & General Assurance Society Limited Four Central Square Cardiff CF10 1FS

Calls may be recorded and monitored. Call charges may vary.



At a glance – what's included in our policies

Here's a quick look at what our policies include. More information on this can be found in the Policy Terms and Conditions.

Benefit type	Relevant Life Plan
Terminal Illness Cover	Yes
Accidental Death Benefit	Yes



Choosing your cover type

- i** Please see the Policy Terms and Conditions if you'd like further information on how we review your premiums.

Level

- if you want your cover to stay the same

If you choose level cover the amount of cover will stay the same unless you change it using the options available in the section headed 'Making changes to your policy' within the Policy Terms and Conditions, during the period of cover.

If the policy is to help repay a mortgage, you need to ensure that your amount of cover matches your outstanding mortgage amount. The policy may not completely pay off your outstanding mortgage, if you change the mortgage you have in any way and you don't adjust your cover to match your new arrangements.

What happens to premiums?

You can choose to have:

- Guaranteed Premiums** – which means they'll stay the same unless the employer make changes to the policy.

Increasing cover

- if you want your cover and premiums to increase in line with inflation

You may have the option to choose increasing cover. This is where your amount of cover will increase in line with changes in inflation on each policy anniversary. We won't ask any further questions about the employee's health.

To do this, we increase the cover amount to match inflation in line with the changes in the Retail Prices Index (RPI) over a 12 month period. If we can't use RPI, we'll use an index comparable to the RPI instead.

- If the change in the RPI is less than 1% we will not increase the amount of cover.
- If the change in the RPI is more than 10% we will only increase the amount of cover by 10% per annum.

The premium will increase in line with changes to the Retail Prices Index (RPI) multiplied by 1.5 subject to a maximum of 15% per annum.

We'll contact the employer at least three months before the policy anniversary to tell you what the increase in the amount of cover and premium will be. The employer will have the option of accepting the increase or not.

We've put together some information below to help you understand how these options will affect your policy:

Your options

- **Accept the increase**

You don't need to do anything. Your cover amount and premiums will increase as described above and we'll update your Direct Debit with your new premium.

- **Decline the increase**

When we notify you of an increase, we will also give you the option to decline the increase. You'll need to let us know before the deadline on the letter or email. We'll include instructions on how to do this.

If you decline the increase, your cover will stay the same for another year.

If you decline the increase three years in a row we'll remove this option, and you won't have the option to increase the amount of cover in line with changes in inflation, for the remaining policy term. This means that your amount of cover will stay the same, as the costs of goods and services rise in the future.

i For details about these options, please see the section headed '**Choosing your cover type**' in the Policy Terms and Conditions.



What is the maximum amount of cover?

The table below shows the maximum amount of cover available, based on the employee's remuneration. Remuneration includes salary, bonuses, benefits in kind and regular dividends from shares in the employer's company or a company within the employer's group of companies.

Age	Limits
18 – 29 years	Up to 25 X remuneration
30 – 39 years	Up to 25 X remuneration
40 – 49 years	Up to 25 X remuneration
50 – 59 years	Up to 20 X remuneration
60 – 73 years	Up to 15 X remuneration

If the employee already has life cover, this will be taken into account to determine their maximum cover.

We will ask for evidence of earnings for any amount of cover requested over £3,500,000



What is and isn't covered

Relevant Life Plan

What is covered?

The employee will be covered whilst they're employed by their current employer if before the end of the policy:

- ✓ the employee dies
- ✓ the employee is diagnosed as being terminally ill, and in the opinion of their hospital consultant and our medical officer, the illness is expected to lead to death within 12 months. Full details can be found in the Policy Terms and Conditions document.

We'll pay out the relevant amount of cover in full once. After this happens, the policy will end, and they'll no longer have any cover.

What is not covered?

The employee is not covered if they don't give us full and accurate answers to the questions we ask them before the policy starts. Please don't assume we'll contact the employee's doctor to find out their full medical details.

Other conditions that apply:

- ✗ The policy will be cancelled and the claim declined, if within the first year of the policy, the employee dies as a result of suicide, intentional and serious self-injury, or an event where, in our reasonable opinion, they took their own life.
- ✗ We won't pay out your amount of cover if the employee is diagnosed with a terminal illness which doesn't meet the relevant definition. Terminal Illness Cover can't be claimed:
 - after the employee's death,
 - or if the length of the policy is less than two years.
- ✗ We may restrict some elements of the employee's cover based on the information that the employee or employer give us at application stage. If we do this, we'll tell you what we've excluded in the Policy Terms and Conditions and Policy Schedule that we'll send you after you take out the policy.
- ✗ Relevant Life Plans have no cash value and we will not pay out if the employee reaches the end of the policy without making a valid claim.

If the employer stops paying premiums, the cover will end 60 days after the first missed premium, unless the policy expires within that period. This condition works differently if the

premiums stop being paid due to the life insured no longer working for the employer. If this happens, cover will automatically end if one payment is missed.



Included with Life Insurance

The following benefit(s) **are included with Life Insurance policies** with us. They may have eligibility criteria and restrictions that apply.

The lump sum will be paid only once either under the Accidental Death Benefit or the policy itself.

Accidental death benefit

What is covered?

- ✓ We'll cover the employee from when we receive the application, for up to 90 days or until we accept, postpone or decline the application. This means that if the employee dies due to an accident during this time, we'll pay out the amount of cover, up to a maximum of £300,000 for all applications.
- ✓ The benefit will be paid out if the employee sustains bodily injury caused by accidental, violent, external and visible means which is the sole cause of death and if the death occurs within 90 days of the accident.

What is not covered?

We won't pay out if death occurs from:

- ✗ Suicide, intentional and serious self-injury, or an event where, in our reasonable opinion, the employee took their own life.
- ✗ Taking part or attempting to take part in a dangerous sport or pastime.
- ✗ Taking part or attempting to take part in any aerial flight other than as a fare paying passenger on a licensed airline.
- ✗ Committing, attempting, or provoking an assault or criminal offence.
- ✗ War (whether declared or not), riot, or civil commotion.
- ✗ Taking alcohol or drugs (unless these drugs were prescribed by a registered doctor in the United Kingdom).
- ✗ Accidents that happened before you applied.

We don't provide this benefit:

- If we have been told that the application is to replace an existing policy with us while cover is still provided under the existing policy.
- From the date the employee tells that they no longer want the application to proceed.



Trust information

Our Relevant Life Plan assumes that the policy will be placed in a Discretionary Trust (Legal & General's Relevant Life Plan Trust) at the start, with the employee's family or dependants as beneficiaries.

What is a Relevant Life Plan Trust?

Our Relevant Life Plan Trust is a Discretionary Trust. A Discretionary Trust is a legal arrangement which allows the Relevant Life Plan to be given to a trusted group of people (trustees), to look after, before they pass it on to the beneficiaries. The trustees are legal owners of the policy.

The employer is automatically appointed as a trustee, but the employee is not. The employer can opt out of being a trustee by completing the relevant section of the Trust Deed. Up to four further trustees can be appointed, one of which can be the employee. The employee can elect the beneficiaries when setting up the trust using a Nomination Form however, it is the trustees who also decide how much the beneficiaries receive and when.

Please ask a financial adviser or see our Guide to being a Trustee for further information on what to expect when becoming a trustee.

How to set up the Relevant Life Plan Trust

The following key documents need to be completed:

- The Trust Document

This is the legal document that creates the trust. It must be signed by the employer and the trustees. It names the people involved, what roles they have and gives details of the Relevant Life Plan which is being put into trust.

- The Nomination Form

We recommend that the employee completes a Nomination Form, which says who they would like to benefit from the Relevant Life Plan. The Nomination Form acts as a guide for the trustees, however, it is not legally binding.

Who receives the lump sum payment?

The benefit will pay out to the trustees of the Relevant Life Plan Trust and the trustees decide which of the beneficiaries receive the payout, how much and when.

Continuation cover

If the employee leaves the employer, the cover will continue and there will be no need for further medical evidence or underwriting so long as the premiums continue to be paid.

If the employee leaves the employer, then we may ask for any information we reasonably require to enable us to administer the policy and meet our legal and regulatory obligations.

The trust will continue; however, the trustees may need to be changed depending on the circumstances.



FAQs

Can the employer increase the cover?

Yes, the employer can increase the employee's cover. Usually changes to the amount of cover will be assessed at the time. However, if the "Changing your policy" section is shown in the Policy Terms and Conditions then the employer can increase the cover, if there are certain changes in the employee's life, without the need to provide us with further medical information. Eligibility criteria apply. Please see the Policy Terms and Conditions for further information.

Can the employer make changes?

Yes, the employer can make changes to the policy. Please talk to us and we'll consider your request and let the employer know if what you're asking for is possible and what your new premium will be. If the employer make any changes to the policy then a new policy may be set up and different terms and conditions could apply.

What if I want to cancel or claim?

The employer can cancel the policy at any time. When they first take out the policy they will have the opportunity to cancel. If the employer cancels within 30 days, we'll refund any premiums they have paid. If they cancel the policy at a later stage, they will not get any money back if they pay their premiums monthly.

Are pay outs taxed?

Any pay outs we make should be free from UK Income Tax and Capital Gains Tax. The Government may change this tax position at any time. If the policy is written under a suitable trust, the amount of cover payable on death should not form part of the estate for Inheritance Tax purposes.

For Relevant Life Plan

Benefits paid through the Relevant Life Plan Trust should not form part of the estate of the employee for Inheritance Tax purposes. Lump sum benefits are subject to the normal Inheritance Tax rules for Discretionary Trusts. There are some occasions when an Inheritance Tax charge might arise within the trust itself, in particular, periodic and exit charges.

Please speak to a financial adviser for further details.

The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. Whether or not you are

able to claim and how much you may be entitled to will depend on the specific circumstances at the time. For further information about the scheme please contact the FSCS at: www.fscs.org.uk or call them on: 0800 678 1100.

Alternative formats

If you would like a copy of this in large print, braille, PDF or in an audio format, call us on **0370 010 4080**. We may record and monitor calls. Call charges will vary.

legalandgeneral.com

Legal and General Assurance Society Limited
Registered in England and Wales No. 00166055
Registered office: One Coleman Street, London EC2R 5AA

Legal and General Assurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

QGI12848 - 2026/01

