

Key Features of the Lifetime Care Plan

Helping you stay in control
of your care




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Using this document

The Financial Conduct Authority is a financial services regulator. It requires us, Legal & General, to give you this important information to help you to decide whether the Lifetime Care Plan is right for you.

 You should read this document carefully so you understand what you are buying, and then keep it safe for future reference.

References to '**me**' or '**you**' in this document mean the individual in need of long-term care.

References to '**we**' or '**Legal & General**' in this document mean Legal and General Assurance Society Limited.

Where we use the word '**Plan**', we are referring to the Lifetime Care Plan.

The definitions of capitalised words can be found in the back of the Terms and Conditions document.

Other documents


We want you to be confident you have all the information you need to decide if the Lifetime Care Plan is right for you. You should also read the following documents:

- Your Lifetime Care Plan Quote
- Our Terms and Conditions.

Important information about your decision

Deciding to buy a Lifetime Care Plan is an important decision. You can buy one with us or another provider and by shopping around you may be able to get a better deal.

Once we set up your Plan and your cancellation period has expired, you can't change your mind. Your decision could affect your financial circumstances for the rest of your life.

 We're not giving you financial advice by sending you this document. It's up to you to decide if this Plan is suitable for you.

Further information and help

Financial advice

A Financial Adviser will be able to help you understand your options and decide what's best for you. If you don't have a Financial Adviser, you can find one in your area by visiting unbiased.co.uk and entering your details. An adviser may charge for their services.

MoneyHelper

You can also get more information about paying for care from MoneyHelper.

MoneyHelper is an independent service set up by the government to help people make the most of their money by giving free guidance to people across the UK.

Visit moneyhelper.org.uk/en/family-and-care/long-term-care for more details. If you'd prefer to speak to someone over the phone you can call 0800 138 7777.

Key Features of the Lifetime Care Plan

Its aims

To provide a guaranteed monthly Payment to your care provider that helps you meet the cost of care for the rest of your life.

Depending on which options you choose, it may provide a:

- Fixed monthly Payment that doesn't change.
- Monthly Payment that increases each year.
- Payment to your Estate after you die.

Your commitment

- To buy the Lifetime Care Plan by paying a single Premium. The minimum single Premium is £10,000, plus any Adviser Charge that you have agreed with your Financial Adviser. There is no maximum single Premium.
- When you buy the Lifetime Care Plan it's a once and for all decision. You can't sell the Plan, withdraw lump sums from it or cash it in.
- You need to be certain the options you choose are the right ones for you. You'll have 30 days from the date you receive our confirmation that your Lifetime Care Plan has started to change your mind. After the 30 days have passed you won't be able to change these options or cancel your Plan.
- To tell us if you change care provider or if you stop receiving care.
- To ensure you have arranged for your care provider, Legal Representative or Estate to inform us of your death.
- To ensure your care provider is a UK Registered Care Provider and tell us if that is no longer the case.

Risks

There are some risks you need to consider carefully before you buy.

- The Plan does not guarantee to cover the entire cost of care.
- The cost of your care may increase or be greater than the Payments we make. You are responsible for funding any shortfall and may need to fund your additional care costs from other sources.
- The monthly Payments will stop when you die. There is a risk that the total amount of monthly Payments we make, plus any Payment we make to your Estate from Guaranteed Premium Protection or Additional Premium Protection, may be less than the Premium you paid for the Plan.
- We may not pay anything to your Estate when you die. This depends on when you die and the options you choose when you take out the Plan. Please see the '**What happens to my Plan when I die?**' section on page 7 for more information.
- If you no longer require care, or if you become eligible for state benefits, you can't cancel your Plan.
- While no income tax should be due on Payments we make to your UK Registered Care Provider under current law, the rules governing tax may change in the future. In addition, any Payments we make directly to you or anyone other than a UK Registered Care Provider will be subject to income tax.
- Your care provider may continue to charge fees even after you die but the Payments from us will stop from the date of your death.
- Receiving Payments from the Plan may affect your ability to claim for means-tested state benefits.



Your questions answered

How does the Lifetime Care Plan work?

In exchange for a single Premium, the Lifetime Care Plan pays a monthly Payment to your UK Registered Care Provider for the rest of your life. Under current legislation no income tax should be due on these Payments.

Any Payments made directly to you or anyone other than a UK Registered Care Provider will be subject to income tax.

The cost of your care may increase or be greater than the Payments we make. You are responsible for funding any shortfall and may need to fund your additional care costs from other sources.

Your Quote takes into account the options you choose and the state of your health.

Who can buy a Lifetime Care Plan?

You can buy a Plan if you're currently receiving, or are about to require, permanent care. Your Legal Representative can also buy the Plan on your behalf.

Is a Lifetime Care Plan suitable for me?

This document doesn't provide financial advice. It's up to you and your Financial Adviser to decide if the Plan is suitable for you.

It may be suitable if:

- You are age 60 or over when you apply.
- You are currently receiving care, or will need care when the Plan starts, which is expected to be permanent until you die.
- You want a regular Payment for life to help meet care costs.

- Your care is provided by a UK Registered Care Provider and is provided in your own home or in a care home.

It may not be suitable if:

- You don't need care immediately.
- You think you may only need care temporarily.
- You want flexibility to change any of the options you initially choose.

When will my Lifetime Care Plan start?

Your Plan will start on the date we receive your Premium. We will put the Start Date in the Plan Schedule that we send to you. Your Plan can't be backdated or delayed.

We'll start paying the monthly Payment to your UK Registered Care Provider as soon as we receive your Premium and we have all the information we need. This will be shortly after we finish processing your application.

Payments will be made each month in advance (for the month ahead).

For example:

- If we receive your Premium on January 10th, this will be your Plan Start Date.
- Once we have all the information we need we'll put your Plan into payment.
- We'll make the first Payment shortly after the Plan has been set up.
- We'll then make all following monthly Payments on or just before the 10th of each month.

Who will receive the Payments?

We'll pay the monthly Payments to your UK Registered Care Provider. If you're receiving care from more than one care provider we can pay up to two UK Registered Care Providers.

We can only make Payments to a UK Registered Care Provider. If you move overseas and still require care, we will not make Payments to an overseas care provider. Instead we will deduct any income tax due and pay the monthly Payments direct to you.

Can I change who my Payment is made to?

When you set up your Plan, your Payments must be made to a UK Registered Care Provider.

If you change your care provider we can make Payments to them if they are also a UK Registered Care Provider.

Should you no longer require your Payments to be made to a UK Registered Care Provider, we can make the Payments to you. Any Payments you receive direct will be subject to income tax.

What happens to my Plan when I die?

The monthly Payments will stop immediately when we are told of your death. If we're not told of your death we'll continue to make Payments. Any Payments we make after your death will need to be refunded back to us either by your care provider or your Estate.

Depending on when you die and the death benefit options you choose we may make a Payment to your Estate. Please see '**Your Premium Protection options**' on page 8 for more information.

Can I change my mind?

You have 30 days from the date you receive our confirmation that your Lifetime Care Plan has started to change your mind and cancel your Plan. If you wish to cancel your Plan please write to us at:

Legal & General Retirement, PO Box 809, Cardiff, CF24 0YL

You can also call us on **0345 070 2459**.

Lines are open Monday to Friday, 9am to 5pm. We may record and monitor calls. Call charges will vary. All our call centres are UK based.

If you don't cancel within 30 days, your Plan will continue with us and we'll pay the monthly Payments for the rest of your life.

If you decide to cancel within 30 days we'll return your original Premium (i.e. the Purchase Amount paid by you less any Adviser Charge) less any Payments we've already made.

Your options

Your Payment options

A fixed Payment

You can choose to receive a fixed monthly Payment amount that will always remain the same.

You could find that the monthly Payments don't keep up with any increase in care costs. You are responsible for funding any shortfall.

A Payment that increases

If you're concerned about increasing care costs you can choose a Payment that increases each year, either:

- by a fixed percentage – anything (in whole numbers) up to and including 8%, or
- in line with the Retail Price Index (RPI). RPI is the index of the average change in the prices of goods and services in the UK.

If you select the RPI option, you can't select the Additional Premium Protection option.

You could find that the monthly Payments don't keep up with any increase in care costs. You are responsible for funding any shortfall.

Your Premium Protection options

In exchange for a single Premium, the Lifetime Care Plan guarantees Payments to your Registered Care Provider for the rest of your life. What happens to your Premium when you die depends on when you die and the options you select.

Guaranteed Premium Protection (GPP)

If you die within the first 6 months of the Start Date of your Plan, we'll pay your Estate a percentage of your original Premium less any monthly Payments that we've already made. **This is known as Guaranteed Premium Protection (GPP) and is included with your Plan automatically.**

The percentage of your Premium protected depends on the month in which you die after the Plan Start Date:

Month of death	% of Premium protected
Month 1	100
Month 2–3	50
Month 4–6	25

For example

The table below shows how GPP will protect a percentage of your Premium should you die within the first 6 months of your Plan Start Date.

These figures assume a Premium of **£100,000** was used to buy a Lifetime Care Plan that pays **£2,500** each month. The actual amount payable to your Estate will depend on your Premium and monthly Payment amount.

Should you die in Month 1

Premium covered by GPP: **100% (£100,000)**

Payments made to your Registered Care Provider: **£2,500**

Lump sum payment to your Estate: **£97,500 (£100,000 – £2,500)**

Should you die in Month 5

Premium covered by GPP: **25% (£25,000)**

Payments made to your Registered Care Provider: **£12,500 (5 × £2,500)**

Lump sum payment to your Estate: **£12,500 (£25,000 – £12,500)**

Month of death	Guaranteed Premium Protection amount	Total monthly Payments made to date	Amount paid to your Estate (Guaranteed Premium Protection amount less Payments made)
Month 1	£100,000 (100%)	£2,500 (1 × £2,500)	£97,500 (£100,000 – £2,500)
Month 2	£50,000 (50%)	£5,000 (2 × £2,500)	£45,000 (£50,000 – £5,000)
Month 3	£50,000 (50%)	£7,500 (3 × £2,500)	£42,500 (£50,000 – £7,500)
Month 4	£25,000 (25%)	£10,000 (4 × £2,500)	£15,000 (£25,000 – £10,000)
Month 5	£25,000 (25%)	£12,500 (5 × £2,500)	£12,500 (£25,000 – £12,500)
Month 6	£25,000 (25%)	£15,000 (6 × £2,500)	£10,000 (£25,000 – £15,000)

The above figures are for example only. Actual payments from Guaranteed Premium Protection will depend on your individual circumstances. Any amount paid to your Estate may be subject to inheritance tax.

Additional Premium Protection (APP)

You will have GPP applied to your Plan automatically. However, if you want a greater level of protection for your Premium you can choose Additional Premium Protection (APP). This allows you to protect a percentage (as selected by you) of your original Premium, less any monthly Payments we've already made.

You can choose to protect 25%, 50% or 75% of your original Premium. APP comes at a cost and the higher the percentage protected the higher the Premium required to purchase the Plan.

When you die we'll pay your Estate the percentage of your original Premium you've protected less any Payments that we've already made.

If you die in the first 6 months we'll pay your Estate the higher of the two amounts provided by your GPP or APP (or one of the amounts if the two amounts are the same), as shown in the example below.

When the Payments made exceed the Premium protected nothing is payable to your Estate.

For example

The table on the following page shows how GPP and APP work together to protect your Premium. We'll pay your Estate the higher of the two amounts provided by the GPP or the APP, or one of the amounts if the two amounts are the same.

Should you die in Month 1

Premium covered by GPP: **100% (£100,000)**

Premium covered by APP: **25% (£25,000)**

Payments made to your Registered Care Provider: **£2,500**

Lump sum payment to your Estate: **£97,500 (£100,000 – £2,500)**

Should you die in Month 5

Premium covered by GPP: **25% (£25,000)**

Premium covered by APP: **25% (£25,000)**

Payments made to your Registered Care Provider: **£12,500 (5 × £2,500)**

Lump sum payment to your Estate: **£12,500 (£25,000 – £12,500)**

The figures below (and in the table) assume APP has been selected at **25%** and a Premium of **£100,000** was used to buy a Lifetime Care Plan that pays **£2,500** each month. The actual amount payable to your Estate will depend the percentage of APP selected, your Premium and monthly Payment amount.

Should you die in Month 7

Premium covered by GPP: **0% (£0)**

Premium covered by APP: **25% (£25,000)**

Payments made to your Registered Care Provider: **£17,500 (7 × £2,500)**

Lump sum payment to your Estate: **£7,500 (£25,000 – £17,500)**

Should you die in Month 10

Premium covered by GPP: **0% (£0)**

Premium covered by APP: **25% (£25,000)**

Payments made to your Registered Care Provider: **£25,000 (10 × £2,500)**

Lump sum payment to your Estate: **£0 (£25,000 – £25,000)**

Month of death	Total monthly Payments made to date	Amount protected under Guaranteed Premium Protection (See page 9)	Amount protected under Additional Premium Protection (See page 10)	Amount paid to your Estate (The higher of the two Premium Protection payments)
1	£2,500 (1 × £2,500)	£97,500 (£100,000 – £2,500)	£22,500 (£25,000 – £2,500)	£97,500
2	£5,000 (2 × £2,500)	£45,000 (£50,000 – £5,000)	£20,000 (£25,000 – £5,000)	£45,000
3	£7,500 (3 × £2,500)	£42,500 (£50,000 – £7,500)	£17,500 (£25,000 – £7,500)	£42,500
4	£10,000 (4 × £2,500)	£15,000 (£25,000 – £10,000)	£15,000 (£25,000 – £10,000)	£15,000
5	£12,500 (5 × £2,500)	£12,500 (£25,000 – £12,500)	£12,500 (£25,000 – £12,500)	£12,500
6	£15,000 (6 × £2,500)	£10,000 (£25,000 – £15,000)	£10,000 (£25,000 – £15,000)	£10,000
7	£17,500 (7 × £2,500)	N/A	£7,500 (£25,000 – £17,500)	£7,500
8	£20,000 (8 × £2,500)	N/A	£5,000 (£25,000 – £20,000)	£5,000
9	£22,500 (9 × £2,500)	N/A	£2,500 (£25,000 – £22,500)	£2,500
10	£25,000 (10 × £2,500)	N/A	£0 (£25,000 – £25,000)	£0

The above figures are for example only. Actual payments from Additional Premium Protection will depend on your individual circumstances. Any amount paid to your Estate may be subject to inheritance tax.

Tax

Under current tax legislation, no income tax should be due on Payments we make to a UK Registered Care Provider. We'll make Payments without deducting income tax provided that:

- The purpose, or one of the purposes of buying a Plan is to protect you against the consequences of being unable to live independently at the time you buy the Plan.
- The reason why you are unable to live independently is either a mental or physical impairment or an injury, sickness or other infirmity, which in each case is expected to be permanent.
- The Payments under this Plan are made for your benefit to a UK Registered Care Provider.

UK Registered Care Provider

To qualify for tax-free Payments, you must be receiving care from a UK Registered Care Provider which is registered with one of the following care authorities in the UK:

- Care Quality Commission in England.
- Care Inspectorate Wales.
- Care Inspectorate in Scotland.
- Regulation & Quality Improvement Authority in Northern Ireland.

Any Payments made direct to you or anyone other than a UK Registered Care Provider will be subject to income tax. We will deduct tax at the basic rate from a proportion of the Payments we make to you. You may be able to reclaim all or part of the tax deducted.

If you've already used your Personal Savings Allowance, you may have an additional tax liability if you pay tax at a rate which is higher than the basic rate.

Any Payments made to your Estate may be subject to inheritance tax.

The rules governing tax may change in the future.

For further information on your tax position **please contact your Financial Adviser, a tax adviser or your tax office.**



Your Quote

How long is my Quote guaranteed for?

Your Quote is valid until the date specified in the '**Important information**' section of your Quote.

What should I do if I want to accept my Quote?

You should complete the Acceptance Form along with any other accompanying documentation and return it to your Financial Adviser.

What if the Quote guarantee date has passed?

If the date in the '**Important information**' section of your Quote has passed please contact your Financial Adviser and they can provide you with a new Quote.

If there have been changes in your circumstances or our rates, the amount we quote may be different to your original Quote.

What are the charges?

All of our administration costs are included when calculating the Purchase Amount (the amount you are required to pay to purchase the Plan) shown in your Quote. We will not make any additional charges.

Will you pay anything to my Financial Adviser?

If a Financial Adviser gives you a personal recommendation to buy this Plan, you can only pay them for their service with a fee called an 'Adviser Charge'. You'll agree how much this is with your Financial Adviser.

You can pay the Adviser Charge direct from your own funds or we can add it to the Premium you pay to buy your Plan.

If you choose to add it to the Premium used to buy your Plan:

- We'll add the Adviser Charge to the amount we charge you and pay it on your behalf to your Financial Adviser once we've set up your Plan. We'll show this on your Quote.
- Once your Plan has started, you will not be able to cancel the Adviser Charge or pay a different one.
- If you cancel your Plan, we will not refund you the Adviser Charge. For more information please see the '**Can I change my mind?**' section on page 7.

You must discuss your **Adviser Charge** with your **Financial Adviser**. They can explain all your choices and their implications.

Further information

Which law and language do you work in?

All the information in this document is based on our understanding of current law in relation to this type of product.

This contract is governed by English Law. All our customer communications will only be available in English. All communications from us will normally be by letter, phone or email.

What if there's a conflict of interest?

We provide a wide range of services to many different customers. Sometimes circumstances may arise where our duties to customers differ from what is best for us or for another customer. This is a conflict of interest.

We take our responsibility to identify and manage conflicts of interest fairly between us and our customers or between two or more different customers very seriously. To ensure we treat customers consistently and fairly, we have a policy on how to identify and manage these conflicts.

Further details of our conflict of interest policy are available on request.

Who regulates Legal & General?

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. We're entered on the Financial Services Register under number 117659.

You can check this at register.fca.org.uk, or you can call **0800 111 6768**.

Or you can write to: The Financial Conduct Authority, 12 Endeavour Square, London E20 1JN.

Can you tell me more about Legal & General?

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia.

What if Legal & General runs into financial difficulties?

We're covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if we can't meet our obligations. This depends on the type of business and the circumstances of the claim.

Currently 100% of the value of the valid claim is covered. There is no upper financial limit on the claim. Investor protection legislation and regulation may change in future.

You can find out more about the FSCS (including amounts and eligibility to claim) by visiting fscs.org.uk or calling **0800 678 1100**.

What is client categorisation?

There are various categories of client set out in the financial regulations. If you buy this Legal & General product, we will treat you as a 'retail client'. Being a retail client gives you the greatest level of protection under the regulations and ensures you get full information about any products you buy.

If, under the regulations, you are a professional client or eligible counterparty, we will still treat you as a retail client, although this would not necessarily mean that you would be eligible to refer any complaints to the Financial Ombudsman Service or to make a claim under the Financial Services Compensation Scheme.

Solvency and Financial Condition Report (SFCR)

We're required to publish an annual Solvency and Financial Condition Report (SFCR) describing our business and its performance, our system of governance, risk profile, valuation for solvency purposes and capital management. Our latest SFCR, which is titled 'SFCR for Legal & General Group PLC', can be found on our website at:

group.legalandgeneral.com/en/investors/results-reports-and-presentations

Making a complaint

If you wish to complain about any aspect of our service, or if you'd like us to send you a copy of our internal complaint handling procedure, please contact us. Our contact details can be found on the back cover.

If you are not satisfied with the way your complaint is handled, you can contact:

The Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

Phone: 0800 023 4567 or 0300 123 9123

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

Website: **financial-ombudsman.org.uk**

Making a complaint to Legal & General or The Financial Ombudsman Service will not affect your legal rights.

Get in touch

You can call us on

0345 070 2459

Open Monday to Friday, 9am to 5pm.

We may record and monitor calls. All of our call centres are based in the UK.

You can email us at:

lcp@landg.com

You can write to us at:

**Legal & General Retirement,
PO Box 809, Cardiff, CF24 0YL**

You can visit our website at

legalandgeneral.com/retirement

Additional support and alternative formats

Please contact us if you have any special circumstances you'd like to tell us about. We may be able to provide some additional support.

You can also request this document in Braille, large print or audio.

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

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Q0057792 08/25 LCP KFD

