

Whole of Life Policy

Helping you decide

The Financial Services Authority is the independent financial services regulator. It requires us to give you this important information to help you to decide whether a whole of life policy is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

What is the purpose of this document?

This document is designed to give you a summary of information to help you decide if this product is suitable for you. You should seek financial advice and discuss your plans with anyone who may be affected by your financial decisions. Before you make a purchase, you should read this and all other related documents and clarify any questions that you may have.

Suitability

This product is suitable for Inheritance Tax (IHT) planning, particularly if you have a substantial estate and want to cover some or all of your beneficiaries' potential tax liability on your death. This product is only viable for IHT planning if placed in trust, please contact your Financial Adviser or solicitor for more information.

If you are in any doubt about the suitability of this policy to meet your needs you should seek financial advice.

Its aims

- To give your beneficiaries a guaranteed lump sum when you die
- To allow joint life cover that will pay out benefits on the death of the second of the lives assured
- Although any payout from your policy is free from any liability to tax under current legislation, money left to your estate could become liable to inheritance tax
- On a joint life policy, claims (including Terminal Illness Cover) will only become payable on the death of the the last survivor
- If you select the Terminal Illness Cover – the decision of the insurer's Chief Medical Officer is final and takes precedent over any other life expectancy diagnosis

Your commitment

- To pay either a single, monthly or annual premium
- To get appropriate financial advice
- To give complete and accurate information on your application
- To tell the insurers about any changes in your personal circumstances that occur between signing the proposal form and the start of your policy

Risks

- Once set up, you will not be able to change the terms of your policy
- The policy has no cash value at any time and cannot be surrendered
- If you stop paying your premiums at any time, we will terminate your policy 30 days after the payment was due and no premiums will be returned to you
- Once the policy has been terminated, you will not be able to reinstate the policy
- The insurers have the right to refuse a claim if you fail to disclose a material fact
- Inflation may erode the value of the chosen sum assured

Questions and answers

How does the Whole of Life Policy work?

The policy pays out a tax-free lump sum to your estate (or beneficiaries if written in trust) in the event of your or the last survivor's death (on joint life applications), whenever that may be. You can pay by either a single or regular monthly or annual premiums (details of which are contained within your illustration or quotation), the amount of which will not change and are payable until death.

How does the Terminal Illness Cover work?

The Whole of Life Policy allows you to select Terminal Illness Cover. A terminal illness is defined as any medical condition which is expected to cause death within 12 months of the diagnosis. The cover will pay out the sum assured as a single, tax-free lump sum in the event that you, or the last survivor (on joint life applications), are diagnosed with a

terminal illness.

If a medical practitioner diagnoses you with a terminal illness, you should contact the insurers immediately either by telephone or in writing at the address on page 5 for a claim form.

If the insurer's Chief Medical Officer agrees with the diagnosis, the sum assured will be paid to you immediately. Your policy will then cease – you will not have to pay any further premiums and no additional claims can be made. The decision of the insurer's Chief Medical Officer is final and is based on their comprehensive medical knowledge and extensive experience in this specific area.

The cover must be selected from the outset of your policy and the terminal illness sum assured will be the same amount as the life assurance.

How is the premium calculated?

Your premium is based on a number of factors:

- The amount of cover you choose
- Your age
- Your gender
- Your occupation
- Your pastimes
- Whether you smoke
- Your medical history
- Insurers' charges

What are the charges?

All charges are factored into your policy at the start and there will not be any additional charges.

What are the tax implications?

Tax is a complex issue and varies from person to person so you should discuss your own tax position with your Financial Adviser.

Whilst the policy has been designed to offset the IHT liability on any gifts you have made, the rules on inheritance tax may change in the future.

You should talk to your Financial Adviser about your inheritance tax planning.

What is a Trust?

Trusts offer a means of holding and managing money or property for people who may not be ready or able to manage it for themselves. Used in conjunction with a will, they can also help ensure that your assets are passed on in

accordance with your wishes after you die.

What happens when I die?

Your estate must contact the insurers immediately, either by telephone or in writing to let them know.

What happens if I want to cancel my plan?

A cancellation notice will be enclosed with your policy documents providing full details about the cancellation procedure which outlines the right to change your mind within 30 days.

If you do decide to cancel within this 30 day period, we will refund your money in full.

If the insurers do not receive your cancellation notice within the 30 day notice period they will automatically continue your policy.

How do I apply?

Please complete the form on this site.

The insurers may subsequently contact your doctor for a General Practitioner's Report to verify the information provided on your application.

They will not always apply for this however, so it is essential that you provide comprehensive details about your health so that they can fully understand your condition and provide you with an accurate quotation.

There are some instances where you may be required to undergo a medical examination if, for example, the insurer's Chief Medical Officer requires further information on a particular aspect of your application.

If at any time there is found to be any misrepresentation or non-disclosure of your health conditions, the insurers reserve the right to cancel or amend the terms of the policy and invalidate any future claim.

If you wish to include Terminal Illness Cover you must select it at the outset and indicate this on your proposal form. No additional underwriting is necessary for this type of cover.

Financial Advice

We do not provide advice so you should consult your own Financial Adviser.

Other important information

Law

The law and courts of England and Wales will apply in legal disputes and your contract will be written in English. We'll always write and speak to you in English.

Compensation

Your Financial Adviser has a duty to recommend only products that are suitable for your needs and financial situation. You have a legal right to compensation if it is proved that at any time their recommendations were unsuitable when they were given and under the circumstances which they were made.

You may be entitled to compensation if the insurers cannot meet their obligations due to insolvency.

The Financial Services Compensation Scheme may arrange to transfer your policy to another insurer, provide a new policy or, if this is not possible, provide compensation. Compensation depends on your policy and the circumstances of the claim. For example, most insurance contracts are covered for 100% of the first £2,000 and 90% of the remainder of the claim.

Further information about compensation arrangements is available from The Financial Services Compensation Scheme, who can be contacted at:

The Financial Services Compensation Scheme
7th Floor Lloyds Chambers
Portsoken Street
London E1 8BN

Telephone: 020 7892 7300
Web: www.fscs.org.uk
Email: enquiries@fscs.org.uk