Key facts of our
Relevant Life Plan

September 2024
Important information you should read

What's inside

See if our plan is right for you

This key facts document should help you decide if our Relevant Life Plan is right for you. Please read it carefully, along with your quote, to make sure you understand what you're buying.

It doesn't contain our full terms and conditions. You can find those in our plan details online **royallondon.com/plandetails** or ask us for a copy using the contact details on page 12. We'll send you a copy with your cover summary if you take out a plan. Your cover summary will tell you which version of the plan details applies to you.

We can't advise whether our Relevant Life Plan is right for you. But a financial adviser can help you decide.

It might be right for you if:

- You want to provide life cover for an employee through a non-registered death-in-service arrangement.
- Your business has too few members for a group scheme.
- Your employee is a high earner who doesn't want their death-in-service lump sum benefits to form part of their lump sum and death benefit allowance.

The aims of our plan

Here's what our plan aims to do for you:

- Provide life cover for employees through a non-registered death-in-service arrangement.
- Designed to comply with legislation governing relevant life policies in section 393(B)(4) of the Income Tax Earnings and Pensions Act 2003. It should be held in a relevant life policy trust from the date the plan starts.

To keep things simple, we'll talk about 'you' where we mean the employer taking out the plan and 'the person covered' where we are talking about the employee to be covered.

Your commitment

Here's what we need you to do:

- When you apply, the person covered should answer our list of questions fully, truthfully and accurately.
- Before the plan starts, tell us if any information you or the person covered gave us in your application changes.
- Pay your monthly or yearly premiums by direct debit for as long as the plan lasts.
- Let us know if the person covered is no longer employed by your business.

The risks

There are some things you need to know about your plan:

- If any of the information you or the person covered gives us when you apply for the plan is incomplete, untrue or inaccurate, we might not pay the full amount if you make a claim. We might change the terms of your plan or even cancel it and not pay out at all. See page 9.
- If any information relating to the personal circumstances of the person covered changes before the plan starts and you don't let us know, we might not pay the full amount if you make a claim. We might change the terms of your plan or cancel it and not pay out at all. Please see page 9.
- If you or the person covered leaves the UK this might affect your insurance, so please tell us if there is a change.
- If you stop paying your premiums we'll cancel the plan. This means the person covered won't be insured anymore and you won't get any of your premiums back.
- If you choose decreasing cover there are some circumstances when the payout might not be enough to pay off any mortgage or loan in full. For example, if the person covered makes changes to their mortgage or loan or the mortgage interest rate increases.
- If you don't choose increasing cover, you should bear in mind the cover won't increase and inflation will reduce its value over time.
- The plan doesn't have a cash-in value at any time so you won't get any of your premiums back if you cancel your plan.

The cover

Life Cover

Life Cover meets your demands and needs if you want to have a lump sum paid in the event the person you're insuring dies or is diagnosed with a terminal illness during your chosen term.

Our definition of terminal illness is a definite diagnosis by the attending consultant of an illness that satisfies both of the following:

- The illness either has no known cure or has progressed to the point where it cannot be cured, and
- In the opinion of the attending consultant is expected to lead to death within 12 months.

Underwrite Later

If we need medical evidence or other additional information to make a decision on your application, you may be able to choose our Underwrite Later option. If you choose this option, we may be able to start your cover, before receiving the medical evidence or other additional information we may need. We'll confirm whether we can start your plan and if so, the terms we are able to offer after our initial assessment of your application. We will ask for all the medical evidence and any other information we need and then fully assess your application once we receive it. If this medical evidence or further information affects our decision, we might change the terms of your plan or cancel it.

See the 'Underwrite Later' section in the **plan details** for more information on how this works

Additional support included

Helping Hand

With our Relevant Life Plan, you'll have access to our Helping Hand support service.

Helping Hand includes a wellbeing support service, designed to give the plan owner online access to hand-picked early care medical services, so your key people have the help and advice they need to stay healthy and able to work.

Helping Hand is there for you, whichever stage in life you're at, and as a plan owner it doesn't cost anything extra to use.

A Helping Hand with recovery

If, at any time, you (the plan owner), or your partner and children, suffer a serious physical or mental illness, injury or bereavement, Helping Hand will be there to offer support – even if you don't make a claim.

You can contact RedArc, who'll give you regular support from a dedicated nurse. They'll provide tailored and personal support whenever it's needed, for as long as it's needed. Your dedicated nurse can also give you relevant literature, help to find useful organisations, and can organise additional services such as therapies, counselling or a second medical opinion, if it's needed.

Helping Hand is a package of support services and each service is provided by third parties that aren't regulated by either the Financial Conduct Authority or the Prudential Regulation Authority. These services aren't part of our terms and conditions and don't form part of your insurance contract with us, so can be amended or withdrawn at any time. This means that you or your family's access to these services could be amended or withdrawn by us in the future.

Additional Cover Included

Free Cover

We may be able to give you Free Cover before your plan starts. If you'd like to know more about this, please see our Free Cover leaflet or ask us for a copy using the contact details on page 12.

Questions and answers

The cost of your plan

How much will my premiums cost?

The cost will depend on things like the age of the person covered, their medical history, and whether they smoke. Their occupation and state of health might also affect the cost.

We'll show the total cost on your quote and cover summary. In general, the more cover you have and the longer the term, the higher your premiums will be.

Will my premiums change?

The rates we use to calculate the premium for the cover are guaranteed. We'll show this on your quote and cover summary. This means your premiums won't change during the term of the cover, unless you ask us to make changes to your cover.

You can choose a renewable term where your premiums will increase each time you renew your cover. See "How long can my cover last?" for more information.

Your options explained

What are the options for setting up the cover?

You will set up the cover on a life of another basis with your business as the plan owner and your employee as the person covered.

You must also complete a Relevant Life Plan trust form so that the plan is under trust as soon as it starts.

How long can the cover last?

You'll have the option to set up the cover on a fixed or renewable term basis.

Fixed term means that your cover will end after a certain number of years. If you want to take out more cover when it comes to an end, you'll need to apply again.

If you take out the renewable option, you'll still have an end date for your plan, but just before the end date we'll ask you if you want to renew the cover for a further five or ten years depending on the term you chose when your cover started.

How can the claim be paid?

You can choose to have the claim paid as a level lump sum, increasing lump sum or decreasing lump sum.

Level lump sum

We'll pay a single lump sum of a fixed amount.

Increasing lump sum

We'll pay a single lump sum that will go up over the life of the plan.

Decreasing lump sum

We'll pay a single lump sum that will go down over the life of the plan.

Why would I choose increasing cover?

You might choose this option if you want to protect the value of the insurance against the effects of inflation. When you take out the plan you choose how much it goes up by. This means your premiums will also increase.

Why would I choose decreasing cover?

You might choose this option if you want the insurance to go down in line with a repayment mortgage. When you take out the plan you choose the interest rate used to work out how the cover goes down.

How much will my plan pay out?

This depends on how much cover you've chosen. We'll show this on your quote and cover summary.

If you choose increasing or decreasing cover, we'll pay the amount the cover has gone up or down to at the time you make a claim.

See section 1 of our **plan details** for more information about how your plan works.

Changing the plan

Once the plan starts, can I change it?

Yes, but there might be certain conditions to be met before we can add, remove or change covers for you. But if you contact us we'll tell you what these are and explain the process to you.

Can I increase the amount covered?

Yes. If the person covered gets married or divorced, enters or dissolves a civil partnership, has or adopts a child, increases their mortgage or gets a salary rise you can usually increase the cover without them having to answer any questions about their health. In other situations we may need to ask them further medical questions and depending on their answers you might not be able to increase the cover. But if you contact us we'll explain the process to you.

See section 2 of our **plan details** for more information about changing your plan.

Cancelling your plan

What if I change my mind and want to cancel the plan?

You can cancel the plan any time. If you cancel during the first 30 days of it starting, we'll refund any premiums you've paid. If you cancel after the first 30 days, we won't refund any of the premiums you've paid.

Can you cancel the plan without me asking you to?

We'll cancel the plan if you don't pay your premiums. We might also cancel it if, when you make a claim, we find that you haven't told us about something that affects the cover.

By applying for cover the person covered is giving their consent for us to ask for medical information within six months of the start of the plan. If any of the information they give us when you apply isn't right and this affects how we assess your application, we might change the terms of the plan, or cancel it.

See section 3 of our **plan details** for more information on cancelling your plan.

When won't the cover pay out?

We won't pay a claim if:

- The cause of the claim is the result of intentional self-inflicted injury within 12 months of the date your cover started.
- The claim is for a terminal illness that doesn't meet our definition of terminal illness.

When you apply for the plan, we may offer you non-standard terms. This means there might be particular circumstances specific to the person covered when we won't pay a claim. If non-standard terms apply, we'll show them in the decision letter and cover summary.

Please see the risks section on page 4 and section 1 of our **plan details** for more information on when we won't pay a claim.

How does tax affect the claim?

We'll normally pay any claim you make free of income or capital gains tax to the trustees of the Relevant Life Policy Trust. The cover would not normally be liable for inheritance tax unless the money remains within the trust past a 10 year anniversary of the trust being set up. For more information please speak to your adviser.

The Government may change the law on tax. We recommend that you get advice.

Making a claim

How do I make a claim?

If you think you have a valid claim on the plan, you should:

1. Phone us on **0345 6094 500**
2. Fill out the claim form that we'll send you and send it back to us with any other documents we ask for
3. Carry on paying your premiums

See section 1 of our plan details for information on how we'll assess a claim.

Other important information

How do I make a complaint?

We hope you'll never have reason to make a complaint, but if you do, please get in touch with us using the contact details on page 12.

If you're not happy with our response to your complaint you may have the right to refer it to the Financial Ombudsman Service – phone 0800 023 4567 or email **complaint.info@financial-ombudsman.org.uk**. Making a complaint won't affect your right to take legal action.

The law

The law of England and Wales will apply to your plan.

Language

All our communications with you now and throughout the term of your plan will be in English.

Financial Services Compensation Scheme

The plan is covered by the Financial Services Compensation Scheme. You may be entitled to compensation if we're unable to pay claims due to, for example, insolvency. This depends on the type of business and the circumstances of your claim. For more information phone 0800 678 1100 or visit the website **fscs.org.uk.**

About this key facts document

This document gives the key facts about our Relevant Life Plan. The document is based on our understanding of current law and tax rules, which may change. We recommend you get expert advice about your own plan and personal circumstances.

Where can I find out about Royal London's financial situation?

We want to provide you with clear information about Royal London's financial position, so we have created a Solvency and Financial Condition Report. In it, you'll find more details about Royal London's business and company performance. The report is produced annually and you can access it at **royallondon.com/solvency**

How to contact us

If you have any questions, please speak to your financial adviser or get in touch with us.

Phone:

0345 6094 500

Fax:

0345 6094 522

Email:

protectionhelp@royallondon.com

Address:

Royal London
Waverley Gate
2-4 Waterloo Place
EH1 3EG

We're happy to provide your documents in a different format, such as braille, large print or audio, just ask us when you get in touch.

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