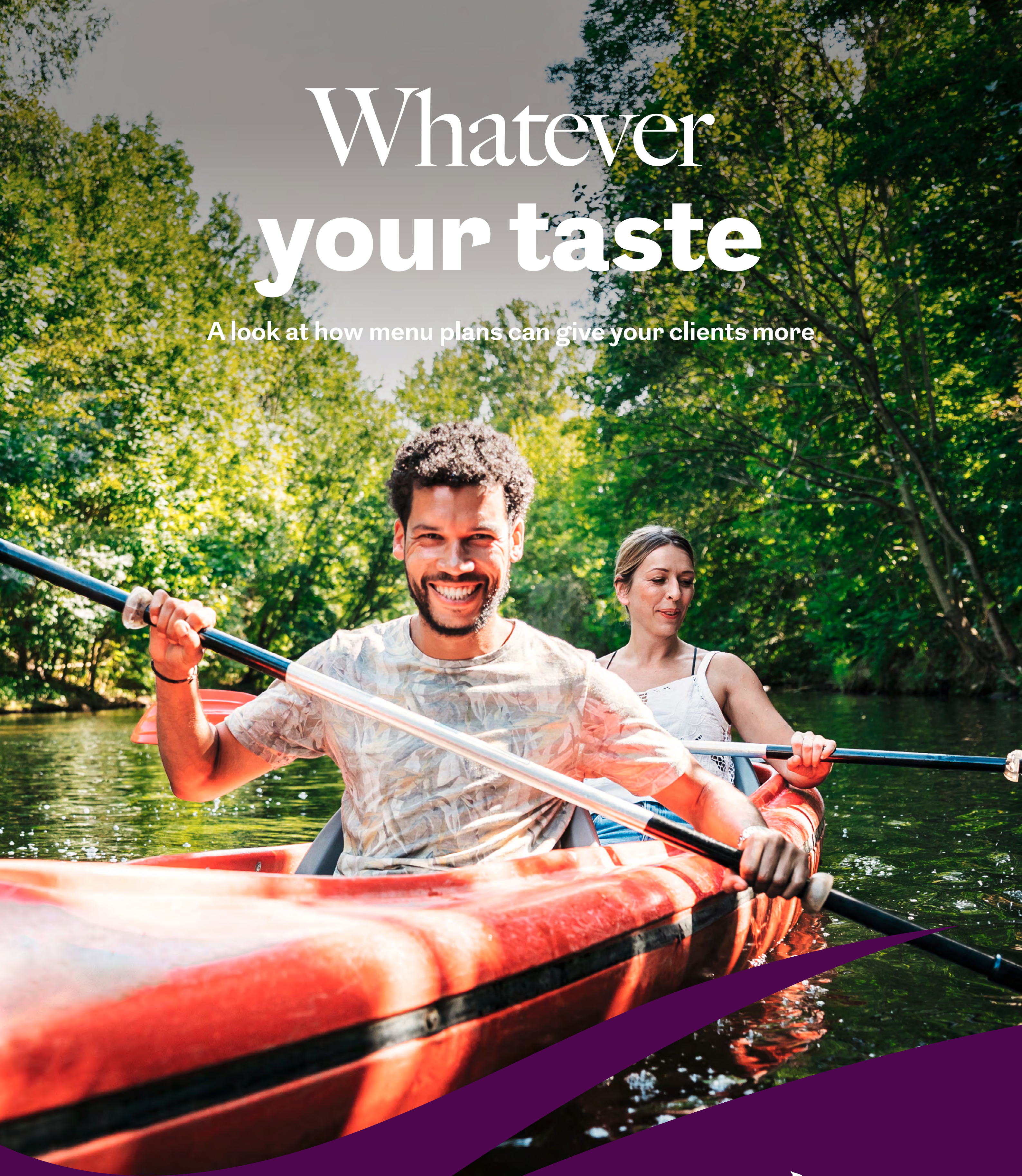
Whatever your taste

A look at how menu plans can give your clients more



Protection | Personal Menu

ROYAL LONDON

As your clients journey through life their needs change. But one thing remains the same: the desire to protect themselves and what's most important to them, whether that's protecting their family or the lifestyle they've built.

With a Personal Menu Plan, your clients can mix and match a range of covers to suit their own individual needs and budget. With access to:

- **Life Cover**
- **Income Protection**
- **Critical Illness Cover**
- **Life or Critical Illness Cover**
- **Children's Critical Illness Cover**
- **Waiver of Premium (sickness)**

You can recommend a protection plan that's tailored to the individual needs and budgets of your clients.

Let's look at the Menu Plan in action against how a 'traditional' protection plan is typically written in the UK.

Meet Peter and Kate

Peter and Kate are both aged 34. They have two children, Randall and Reuben who are aged 2 and 4. They've just moved house and have taken out a new mortgage of £150,000 over a 23-year term. They need cover to protect their family and their lifestyle should anything happen to them.

These examples are for illustration purposes only. They don't represent actual customers.

'Traditional' protection

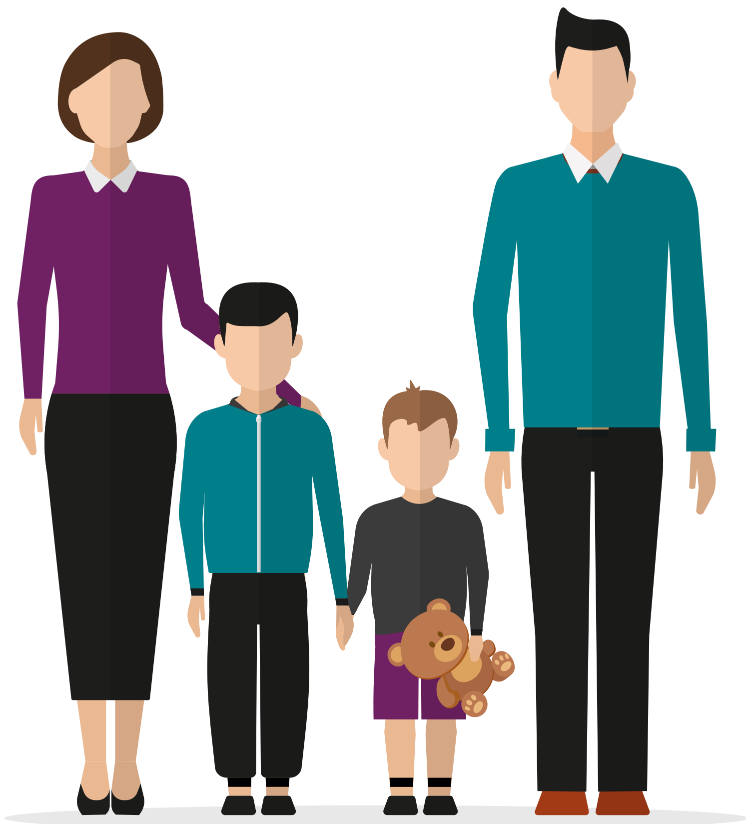
One adviser suggests they take out Life or Critical Illness Cover for £150,000 on a decreasing basis to protect their mortgage.

£69.32
each month

Menu plan protection

Another adviser suggests that they take a Personal Menu Plan with separate Life Cover for £150,000 on a decreasing basis, separate Critical Illness Cover for £50,000 and £40,000 (the equivalent of one year's annual salary for them both) on a level lump sum basis and Income Protection for them both for £15,000 each year, or £1,250 each month to help pay all the other household bills.

£55.12
each month



How could each protection solution help this family? Let's see how they'd both work in the following scenario...

Adviser one:

‘Traditional’ protection

Life or Critical Illness Cover for £150,000 on a decreasing basis. This cover includes the standard Children's Critical Illness Cover.

£69.32
each month

They successfully claim on their plan and receive a **£30,000** pay-out along with access to Helping Hand support if needed.

Two years after taking out their plan, their son Reuben is diagnosed with a critical illness.

Three years later, Kate is diagnosed with breast cancer. She is off work for 12 months and spends 20 consecutive days in hospital following her initial diagnosis for treatment.

They successfully claim on their plan and receive a **£132,007*** pay-out along with access to Helping Hand support if needed.

Total payout

£162,007

Their cover has now ended and they would need to take out more cover. It’s likely their premiums would increase as they’re now five years older and Kate may struggle to get any protection as she’s just suffered a critical illness.

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*The Critical Illness Cover payout is £132,007 rather than £150,000. This is because the cover is set up on a ‘decreasing’ basis. This means that the cover reduces in line with a repayment mortgage with a set interest rate. So as part of the mortgage is paid off each year, the level of cover you require is also reduced. For this example we’ve set the percentage at 6%.

Adviser two:

Menu Plan protection

Life Cover (x2) for £150,000 on a decreasing basis,
Critical Illness Cover (x2) for £40,000 for Peter and £50,000 for Kate on a level lump sum basis, these covers both include standard Children's Critical Illness Cover.
Income protection (x2) for £15,000 each year.
Waiver of Premium (Sickness) has also been included.

£55.12
each month

Two years after taking out their plan, their son Reuben is diagnosed with a critical illness.

They successfully claim on both their plans for Children's Critical Illness Cover. Peter receives a **£20,000** payout and Kate receives a **£25,000** payout along with access to Helping Hand support if needed.

Three years later, Kate is diagnosed with breast cancer. She is off work for 12 months and spends 20 consecutive days in hospital following her initial diagnosis for treatment.

They successfully claim on their plan for Kate's Critical Illness Cover and receive a **£50,000** pay-out along with access to Helping Hand if needed.

Also, Kate can claim on her Income Protection, so receives £1,250 a month for nine months following her three month deferred period, which equals **£11,250**.

She also receives **£1,400** hospitalisation payment to cover her 20 consecutive days in hospital (£100 x 14 days, the first six days aren't covered).

In addition, their premiums would be paid under their Waiver of Premium cover – saving a total of £496.08 (£55.12 x 9 months).

Unfortunately, Kate's cancer returns, and she dies two years later.

Peter successfully claims and receives **£123,208*** from Kate's Life Cover along with Helping Hand support.

Plus he receives **£96.12** from Kate's Income Protection as there's an additional payment on death – a lump sum equal to 12 times the monthly premium for their Income Protection, so in this example (£5.41 + £2.60) x 12 = £96.12.

Total payout

£230,954

+ they've saved £496.08 by not having to pay their premium for nine months.

All of Peter's cover remains in place and as his situation has changed, he may want to review some of his cover.

*The Life Cover payout is £123,208 rather than £150,000. This is because the cover is set up on a 'decreasing' basis. This means that the cover reduces in line with a repayment mortgage with a set interest rate, so as part of the mortgage is paid off each year, the level of cover you require is also reduced.

Quote one – Is based on guaranteed rates for non-smoking customers both aged 34. Plan term is 23 years. The cover is on a decreasing rate, set at 6% and includes standard Children's Critical Illness Cover. Premium is correct as at 15 July 2025. For full details of risk factors, exclusions, limitations and terms and conditions, please see our plan details.

Quote two – Is based on guaranteed rates and for non-smoking customers both aged 34. Plan term is 23 years. Life Cover (x2) is on a decreasing basis, set at 6%. Critical Illness Cover includes standard Children's Critical Illness Cover. Income Protection is based on a two-year payment period and a 13-week deferred period. Premium is correct as at 15 July 2025. For full details of risk factors, exclusions, limitations and terms and conditions, please see our plan details.

What solution do you think is best for your clients?

Whichever solution is best for your clients, all our Personal Menu Plans are available with just one application, one plan fee and one Direct Debit. Plus, all the usual extras you'd expect from us, like our Helping Hand support and award-winning adviser service.

And should anything change in the future, a key benefit of a Personal Menu Plan is its flexibility – you can amend, add or remove any of our covers as your clients' circumstances change.

There is another option – Family Income Benefit (FIB)

As already mentioned, the benefit of a Personal Menu Plan is that your clients can mix and match a range of covers that suits their individual needs and budget. This means they get the right level of protection whatever their circumstances. And for some, receiving their pay-out as a lump sum may not be right for them. They may prefer to receive it as an income.

With our Menu Plan they have that option. They can choose to set up their Life Cover or Critical Illness Cover to pay out as an income. This is commonly known as family income benefit, or FIB for short. It's an income solution for an income problem and much like your clients can mix and match different cover types, they can also mix and match how they want that cover to be paid out – either as a lump sum or as a regular income. FIB isn't available for decreasing cover options.

Here are some additional features of our Personal Menu Plan:

Tailored cover

Comprehensive protection that could be tailored to your client, their family and their individual circumstances.

Multi cover savings

Save when taking out multiple covers by only paying one plan fee for up to 10 covers.

Simple & manageable

One plan, one application and one Direct Debit through the one provider – keeping everything simple and manageable – less administration.

Flexibility

Benefits can be added, amended or removed later to meet changing lifestyles.

Children's Critical Illness cover

Flexible options to suit your clients' circumstances.

Indexation

Indexation option can help your cover stay in line with inflation

Helping Hand

All our Menu Plans come with Helping Hand. This includes a wellbeing support service, designed to help clients maintain a healthy lifestyle. It gives the plan owners online access to a range of hand-picked early care medical services, so they have help and advice to stay fit and healthy. And if the plan owner, or their partner and children, are going through a difficult time, such as a serious illness, injury or bereavement, Helping Hand will also be there to offer ongoing support.

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

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 clients insurance contract with us, so can be amended or withdrawn at any time. This means that your client or their family's access to these services could be amended or withdrawn by us in the future.

To find out more about how our Menu Plan can provide valuable protection for your clients, visit adviser.royallondon.com/menu or speak to your usual Royal London contact.

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royallondon.com

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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