

Terms & Conditions

Life Insurance
with optional
Serious Illness Benefit



01

Welcome to Royal London	4
Our agreement with you	4
Ensuring this policy is right for you	4
Who can take out this policy?	5
Please make sure that we have the right details	5

02

How does my Life Insurance work?	6
Types of Life Insurance	6
Level cover	7
Decreasing cover	7
Terminal illness	8
What's not covered?	8

03

How does optional Serious Illness Benefit work?	9
What's covered?	10
Serious Illnesses covered by Serious Illness Benefit	10
Serious Illness Benefit: Medical Definitions	11
Children's Benefit	16

04

How to make a claim	17
What happens next?	17
Death and terminal illness	17
Serious Illness Benefit and Children's Benefit claims	17
Who do we pay the claim to?	18
How we pay the claim	19
If this policy has been placed in trust	19
If this policy has been assigned to someone else	19
Will claim payments be taxed?	20

05

How do I pay for my policy	21
What happens if I miss a payment or stop paying?	21
Payment holiday	22

06

Making changes	23
Reducing the length of your life cover	23
Reducing the amount of life cover you have	23
Changing the Serious Illness Benefit option	23
Can I increase my cover?	24
Changes we need to know about	24
How we can make changes	25

07

How to complain	25
Financial Ombudsman Service contact details	26

08

Cancelling your policy	27
Cancelling within 30 days	27
Cancelling after 30 days	27

09

How is my policy protected?	28
------------------------------------	-----------

10

Royal London's financial situation	29
---	-----------

11

How is my personal information used?	30
---	-----------

01

Welcome to Royal London

Royal London is a mutual insurance company, which means it is owned by some of its customers. These people are our members. Buying Royal London Life Cover does not make you a member of Royal London.

Whenever we talk or write to you, it will always be in English.

These terms and conditions have all the details of your Royal London Life Insurance. They outline your relationship with Royal London, the provider of this product. Please keep this booklet in a safe place as you may need it in the future.

Our agreement with you

When we talk about your 'Life Cover' in this booklet, we mean your Royal London Life Insurance.

Ensuring this policy is right for you

Royal London can only give you facts, not personalised advice. You should use this information to decide if Royal London's Life Insurance policy is right for you.

This policy will pay out a single cash sum if you die or are diagnosed with a terminal illness before the end of the policy term.

The optional Serious Illness Benefit will pay out a single cash sum if you are diagnosed with one of the 6 defined serious illnesses during the policy term.

Wherever we say 'you' or 'your' in this booklet, we mean the person whose life is covered. This person is also known as the 'policyholder'.

Wherever we say 'we', 'us' or 'our', we mean The Royal London Mutual Insurance Society Limited, But we will just say Royal London.

Your legal agreement with Royal London is made up of:

- The information you gave in your application: its important to check the answers you gave us are correct. These answers have been used to calculate your payments.
- Your policy schedule: it will show you the details of your policy. It will include the following information:

- Your name, policy number, date of birth, email address and smoker status.
- The type of Life Cover you have.
- The amount of Life Cover you have.
- If you have the optional Serious Illness Benefit and the amount.
- The start and end dates of your Life Cover, which can last for between 5 and 50 years.
- Your monthly premiums.
- Other important information.

Your policy schedule is provided, when you take out a policy and if your policy is changed. Full information on making changes can be found on page 23.

- The terms and conditions (including any changes) - these set out the terms of your contract with us and explain how your policy works.

Who can take out this policy?

To take out a Life Cover policy with Royal London, you must be a UK resident aged between 18 and 70.

Please make sure that we have the right details

You must take care to make sure that any information you give us is correct and accurate to the best of your knowledge and belief. You need to check your policy schedule when you receive it. If you spot any errors, or have any questions about your policy, please call us on **0345 600 7788** as soon as you can. Lines are open 8am to 6pm Monday to Friday, excluding bank holidays.

We use the details you give us to work out if we can give you cover. If you carelessly gave us wrong or inaccurate information, this can affect the cover we offer you. So we may have to make changes to your policy. This could mean you have a lower payout amount. Or we may cancel your policy or the Serious Illness Benefit.

If we cancel either the Life Cover or the Serious Illness Benefit because you carelessly gave us wrong or inaccurate information, we wouldn't pay any claims. We would, however, refund any monthly payments you'd made for the cancelled cover.

If you deliberately or recklessly give us wrong or inaccurate information, we may cancel your policy. We may do this if:

- We offered you a policy you were not eligible for; or
- The wrong or inaccurate information affected the cover we offered you.

By 'recklessly', we mean that you gave us information without caring about whether it was correct or not. If we cancel your policy for any of these reasons, we would not pay any claims, and we would not refund any monthly payments.

02

How does my Life Insurance work?

Your Life Cover pays out an amount of money. It will pay out if either of the following happens:

- If you die.
- If you are diagnosed with a terminal illness, as long as the policy is in place and we accept a claim on this policy.

We call this the Life Payout. You Choose the Life Payout amount when you take out a Life Cover policy.

The maximum Life Payout you can have across all Royal London Life Insurance policies depends on your age on the date that your policy starts.

<u>Age when policy started</u>	<u>Life payout up to</u>
18 – 34	£750,000
35 – 39	£650,000
40 – 44	£500,000
45 – 49	£475,000
50 – 54	£350,000
55 – 59	£225,000
60 – 70	£100,000

Your policy schedule will show your Life Payout.



Important information: be aware that your Life Payout will not increase over time. Whether the Life Payout will be enough may depend on things like inflation which means the price of things you buy may be more expensive as time goes on. You should consider this when taking out the policy and review it regularly.



For more information on terminal illness please see page 8. Once we have paid a claim for Life Cover or terminal illness, your policy will end. This means we'll stop collecting payments.

Types of Life Insurance

We offer two types of Life Cover: Level cover and Decreasing cover. These are explained below. Your policy schedule will show you which type of cover you have.

Level cover

If you have Level cover, your Life Payout will stay the same throughout your policy term. You can find out the value of your Life Payout by checking your policy schedule.



Please note: - It's important that you review your cover regularly to make sure it is still suitable for you. Your policy schedule shows how much your Life Payout is worth at each policy anniversary.

Decreasing cover

If you have Decreasing cover, your Life Payout will decrease each month. It can be used for any purpose and tends to be used to cover a debt that reduces over time.

Decreasing cover is designed with capital and interest repayment mortgages in mind. But it is not directly linked to your mortgage. If your mortgage interest rate is higher than 7%, the policy may not fully repay your mortgage.

Decreasing cover policies typically cost less than level cover policies as the Life Payout reduces throughout your policy term.

With both types of Life Cover, your monthly payments will remain the same throughout the policy term.



Please note: - The Life Payout may not be enough to pay off all of a repayment mortgage. This could happen if the mortgage rate rises above 7% or if your mortgage length or amount changes. It's important that you review your cover regularly to make sure it is still suitable for you. Your policy schedule shows how much your Life Payout is worth at each policy anniversary.

Terminal illness

We will pay out on your Life Cover if you're diagnosed with a terminal illness. We will pay out as long as that terminal illness meets our definition (see below) and your policy is in place.

When we say 'terminal illness', we mean an illness which has no known cure, or has progressed to the point where it cannot be cured. The Consultant (a specific type of medical specialist) treating you for your terminal illness must hold the medical opinion that you have 12 months or less to live.

The Consultant must specialise in a field relating to the illness being claimed for. And they must either be employed at a hospital in the UK, or have comparable qualifications outside the UK.

Our Chief Medical Officer must accept the medical opinion of the Consultant before we will pay a claim.

We call this the 'terminal illness definition'.

If you have Level cover, we'll pay your Life Payout when you meet our definition of terminal illness.

If you have Decreasing cover, we'll calculate what to pay you for a terminal illness claim using the date you met our definition. Not the date we pay the claim.

Once we have paid a claim for a terminal illness, your policy will end. Your Serious Illness Benefit will also end.

What's not covered

Suicide in the first year

During the first year of your policy, which begins on the start date shown on your policy schedule, we won't pay a claim for suicide. We also wouldn't pay a claim if your death is a result of your own intentional actions. This would include if you attempt suicide and survive, but later die from complications relating to your attempt. This would also apply in the first year of your policy were you to suffer a terminal illness as a result of your own intentional actions.

We will, using our reasonable opinion, decide the most likely cause of death or terminal illness. Based on that we will decide whether to pay a claim.

We won't necessarily rely on what is shown on a death certificate or coroner's report – or an equivalent of these.

If we reasonably believed you'd died or suffered a terminal illness as a result of your intentional actions, we would cancel the policy and not pay any claim. We also wouldn't refund any payments you had made to us.

03

How does optional Serious Illness Benefit work?

Serious Illness Benefit is an optional cover. You'll pay extra each month for Serious Illness Benefit and this will be included in your monthly payment. Your policy schedule will show you if you have this cover.

Serious Illness Benefit covers you:

- If you develop one of the illnesses described in this section.
- You meet the relevant medical definition and your policy is in place.

To be eligible to claim, you must survive for 30 days from the date you meet the relevant medical definition. You can find our medical definitions in this section.

If you have Serious Illness Benefit, you also automatically have Children's Benefit – see page 16.

If you choose Serious Illness Benefit, you'll also choose the amount of cover you want when you take out a policy. We call this the Serious Illness Payout, and it cannot be less than £1,000.

The maximum amount of cover you can have depends on your age on the date that your policy starts.

Age when policy started	Serious Illness Payout up to
18 – 44	£350,000
45 – 49	£275,000
50 – 70	£125,000

Your policy schedule will show your Serious Illness Payout.

Serious Illness Benefit will remain in place until the end date shown on your policy schedule, unless we pay a terminal illness or Life Cover claim before this date. Once we have paid your Serious Illness Payout, your Serious Illness Benefit will end.

Your Life Cover will continue so you must keep making monthly payments for your Life Cover. Your monthly payments will be less because you'll no longer be paying for Serious Illness Benefit. We'll tell you at the time how much you'll pay from that point.

Your Serious Illness Payout is fixed and will be paid as a single payout.

What's covered?



There are six types of serious illness which are covered, and these are explained in the section below. To be clear, we won't pay all claims if you're diagnosed with one of these conditions. You need to meet our medical definitions while the policy is in place. These are explained in full in the 'Serious Illness Benefit: Medical Definitions' section on page 11.

Our full definitions contain some medical terms. You might be unsure whether you meet any of our definitions. If you are you may want to take this booklet to your doctor, or call us on **0345 266 5400**.

Serious illnesses covered by Serious Illness Benefit

There are six types of serious illnesses covered:

- **CANCER – but not early stage cases**
- **HEART ATTACK – where your heart becomes less efficient as a pump**
- **STROKE – which causes permanent damage to your nervous system**
- **MULTIPLE SCLEROSIS – with persisting symptoms**
- **BENIGN BRAIN TUMOUR – requiring treatment or causing permanent damage to your nervous system**
- **DEMENTIA – resulting in permanent symptoms**

Having one of these conditions doesn't mean we'll automatically pay a claim. Before we pay a claim:

- Your condition needs to meet one of our medical definitions and the policy has to be in place.
- You must survive for 30 days from when your condition meets the relevant medical definition. Our medical definitions are on page 11.

Serious Illness Benefit: Medical Definitions

We need to be very specific about what is and isn't covered by Serious Illness Benefit. This means that we use some medical terms in our definitions. We have also explained them in plain English to help you understand what is covered.



This explanatory text can be found in the boxes below the medical definitions. It does not change or replace the medical definitions that have to be met.

All medical conditions covered by this policy will be diagnosed using the recognised UK standards. We'll use the standards which are in place at the time a claim is made. This means your cover will keep up to date with new medical knowledge and practices as these develop.

If you're unsure whether your illness is covered, please show these medical definitions to your doctor who will be able to help.

CANCER – but not early stage cases

Cancer that has progressed to at least pathological TNM classification equivalent of stage 2 as diagnosed by an oncologist or pathologist. The term cancer includes leukaemia, lymphoma and sarcoma.

The following will not be paid under this definition:

- Small cancers that are only present in the organ in which they started.
- Benign tumours.
- All cancer of the skin except cancerous moles (melanoma) that have spread beyond the skin.



Not all cancers are the same. The TNM classification of cancer staging describes the severity of an individual's cancer. This is based on the size of the original tumour as well as the extent to which the cancer has spread through the body.

Some cancers are classed as early stage or less advanced. They are more easily treatable and less likely to invade tissue and spread to other areas of the body.

These are not covered by this policy.

Cancers that have progressed to stage 2 and beyond are typically larger in size and may have started to spread to other parts of the body. They are likely to have a larger impact on an individual life and are usually treated with a combination of surgery, radiotherapy, chemotherapy and other drug therapies. **These are covered by this policy.**

HEART ATTACK – where your heart becomes less efficient as a pump

A heart attack diagnosed by a consultant cardiologist, which has resulted in the permanent reduction of the heart's efficiency as a pump. The reduction in efficiency is measured by ejection fraction at least one month after the heart attack. The ejection fraction must be 45% or less.



Some heart attacks are more severe than others and will have a longer lasting impact on an individual's health and wellbeing. The ejection fraction is an important measurement in determining how well your heart is pumping. It can be used to determine the impact after a heart attack.

Damage to the muscle of the heart sustained during a heart attack impairs the heart's ability to pump blood and therefore reduces the ejection fraction.

Normal ejection fraction levels are at 50% and above. **This policy will pay out if as a result of the heart attack the ejection fraction has reduced to 45% or less.**

STROKE – which causes permanent damage to your nervous system

A stroke diagnosed by an appropriate medical consultant which has resulted in lasting impairment to the nervous system. The lasting impairment is measured using the Modified Rankin Scale at least one month after the stroke. The Modified Rankin Scale must be at level 2 or above.



The impact of a stroke depends on its size and where in the brain the stroke takes place. For example, someone who has a small stroke may experience only minor effects such as weakness of an arm or leg. But someone who has a more severe stroke may be left paralysed on one side, lose his or her ability to speak or, in severe cases, die.

The Modified Rankin Scale is a commonly used and internationally accepted scale for measuring the effects of a stroke. It measures how well a person can carry out daily activities after suffering neurological damage – including from a stroke. ‘Neurological damage’ means damage to the nervous system, which may include the brain.

This policy pays out when the impact of a stroke is deemed to be to at least level 2 which is defined as having a:

Slight disability – Able to look after own affairs without assistance, but unable to carry out all previous activities.

MULTIPLE SCLEROSIS – with persisting symptoms

A definite diagnosis of multiple sclerosis by a consultant neurologist which has resulted in clinical impairment of motor or sensory function.



Multiple sclerosis is a disease of the central nervous system. It causes the body's immune system to attack the protective covering (called 'myelin') which surrounds nerve fibres. When this happens, nerve fibres become less efficient at sending information from the brain to the rest of the body.

The impact of multiple sclerosis can be wide-ranging, affecting any part of the body. Each person with the condition is affected differently. Co-ordination, speech, muscle power and sensation can be affected by multiple sclerosis.

BENIGN BRAIN TUMOUR – requiring treatment or causing permanent damage to your nervous system

A non-malignant tumour or cyst originating from the brain, cranial nerves or meninges within the skull, resulting in any of the following:

- Invasive surgery or stereotactic radiosurgery to destroy or remove all or part of the tumour.
- Chemotherapy treatment to destroy tumour cells.
- Lasting impairment to the nervous system measured using the Modified Rankin Scale at level 2 or above.

The following will not be paid under this definition:

- Tumours of the pituitary gland.



Benign brain tumours don't invade other tissues or spread to other areas of the body. But they can be harmful because they increase pressure in the skull. This can cause permanent brain and nerve damage. There are a number of different treatments for benign brain tumours depending on the position of the tumour and the severity of the symptoms.

This policy will pay out if you must undergo at least one of the specific treatments stated. Or it will pay out if the tumour is causing a lasting impairment to the nervous system to at least level 2 of the Modified Rankin Scale.

The Modified Rankin Scale is a commonly used and internationally accepted scale for measuring how well a person can carry out daily activities after suffering neurological damage. 'Neurological damage' means damage to the nervous system, which may include the brain.

This policy pays out when the neurological impact of the tumour is deemed to be to at least level 2 which is defined as having a:

Slight disability – Able to look after own affairs without assistance, but unable to carry out all previous activities.

DEMENTIA – resulting in permanent symptoms

A definite diagnosis of dementia, which may include Alzheimer's disease, by a consultant neurologist, psychiatrist or geriatrician. The dementia must result in the permanent clinical loss of the ability to do all of the following:

- remember;
- reason; and
- perceive, understand, express and give effect to ideas.



Dementia is a term used to describe the clinical effects caused by a number of different diseases. All of these diseases affect the brain. They cause a progressive loss of memory and mental ability. This eventually makes it impossible for the affected person to perform even the simplest everyday tasks without help.

Children's Benefit

If you have Serious Illness Benefit, you automatically also have Children's Benefit.

- You can't take out Children's Benefit as a standalone cover.
- If your Serious Illness Benefit ends, so does Children's Benefit.
- Children's Benefit will pay out if any of your children develop a condition covered by Serious Illness Benefit.
- We will only pay one claim per child for each policy with Serious Illness Benefit that you have in place.
- Their condition must meet the relevant medical definition while the policy is in place.
- Your child must survive for 30 days from the date their condition meets the relevant medical definition before we'll pay a claim.

For our medical definitions please refer to 'Serious Illness: Medical Definitions' section on page 11.

All of your natural, step and legally adopted children who are between 30 days and 18 years old are covered automatically by Children's Benefit. All other children between 30 days and 18 years old who live with you now or in the future, and are financially dependent on you, are also covered.

If any of your children are in, or start, full-time education (for example, university), they will be covered until they turn 21.

The amount we'll pay out for an accepted Children's Benefit claim will always be 25% of your Serious Illness Payout, up to a maximum of £25,000.

For example, if you had £80,000 of Serious Illness Benefit, you'd have £20,000 of Children's Benefit. If you had £120,000 of Serious Illness Benefit, you'd have £25,000 of Children's Benefit.

If we pay a Children's Benefit claim, your Serious Illness Benefit and Life Cover will continue as long as you keep making your monthly payments.

Children's Benefit will end if we have paid a claim for terminal illness on your policy.

What's not covered under Children's Benefit

Conditions your child had before they were covered

We won't pay claims for Children's Benefit if the symptoms of a covered condition were apparent, or the condition was diagnosed, before you take out a policy.

We also won't pay claims if the symptoms of a covered condition were apparent, or the condition was diagnosed, before the child was covered by this policy.

04

How to make a claim

Please call us on 0345 266 5400 to make a claim. You should call this number:

- If you have Serious Illness Benefit and have developed a condition which is covered by our Serious Illness Benefit.
- If you have terminal illness.
- If the policyholder has died.

We'll then send out a claim form, which needs to be filled in and returned to us.

Lines are open 8am to 6pm Monday to Friday, excluding bank holidays.

What happens next?

Death and terminal illness

Once we've received the claim form, we may ask for more information. We won't be able to pay a claim until we've received all the information we need.

Documents we may need to see include:

- Proof of the policyholder's death such as the original death certificate.
- The original birth certificate of the policyholder.
- Proof of a change of name – for example, a marriage or civil partnership certificate.
- Medical evidence, which may include full medical records.

Depending on the claim, we may need to see other documents. But we'll only ask for things that we reasonably need to approve the claim. For example the policyholder's will or other legal documents.

Serious Illness Benefit and Children's Benefit claims

For Serious Illness Benefit claims, we may need to see any of the documents mentioned above. We'll also need reasonable proof that your medical condition meets our definition. For example, this might be a medical certificate, this must be from a specialist in the relevant area of medicine. And they must work in one of the locations listed below:

- | | | | |
|-------------------|-------------|-------------------|----------------|
| • UK | • Estonia | • Isle of Man | • Norway |
| • Australia | • Finland | • Italy | • Poland |
| • Austria | • France | • Japan | • Portugal |
| • Belgium | • Germany | • Latvia | • Slovakia |
| • Bulgaria | • Gibraltar | • Liechtenstein | • Slovenia |
| • Canada | • Greece | • Lithuania | • South Africa |
| • Channel Islands | • Hong Kong | • Luxembourg | • Spain |
| • Cyprus | • Hungary | • Malta | • Sweden |
| • Czech Republic | • Iceland | • The Netherlands | • Switzerland |
| • Denmark | • Ireland | • New Zealand | • USA |

Living or working outside the UK? We may need you to return to one of these locations before we can pay the claim.

Who do we pay the claim to?

We'll pay the claim to the people who have a legal right to receive it.

For a Life Cover claim, this is often the policyholder's personal representatives. In the case of a claim for terminal illness, we'll pay the policyholder directly. And if we accept a claim on Serious Illness Benefit or Children's Benefit, we'll pay the policyholder.

A 'personal representative' is a person in charge of the policyholder's estate. 'Estate' is the term used to describe a person's collective belongings and debts after their death.

We may need to see the original grant of representation (or grant of confirmation in Scotland) before we pay the claim. This is a document issued by a court, which proves who the personal representatives of the estate are.

How we pay the claim

Once we've approved a claim, we'll normally pay the money into a UK bank account within 10 working days. Alternatively, you can ask us to send a cheque.

If we've received any payments since the death of the policyholder, we'll also refund these when we pay the claim. If we accept a claim for a terminal illness or Serious Illness Benefit, we'd refund any payments you'd made for your cover while we were assessing the claim.

If a payment is delayed by more than two months we'll add interest. These payments could be relating to a serious illness, terminal illness or Life Payout, or a return of any extra payments.

The rate we use is the Bank of England base rate minus 0.5% per year, with a minimum rate of 0.5% per year. Interest is calculated on a daily basis.

If this policy has been placed in trust

A trust is a legal arrangement which allows a policy to be held by someone else – these are known as the 'trustees'. The trustees are chosen by the policyholder.

If you choose to place your policy in trust, you must send a copy of the trust deed to:

**Royal London House
Alderley Park
Congleton Road
Nether Alderley
Macclesfield
SK10 4EL**

If your policy is placed in a trust, we'll take directions from, and pay claims for death to, the trustees. But for accepted terminal illness, Serious Illness Benefit or Children's Benefit claims we'll pay the policyholder.

The trustees would then follow the trust's instructions to distribute the money from a death claim to the people who will benefit from the trust.

We'll need to see the original trust deed before paying the claim. This is a document that lays out the rules of the trust. We'll also need to see any documents which change the trust deed.

If this policy has been assigned to someone else

If this policy has been assigned, we'll pay the claim to the person or organisation which this policy has been assigned to. This can only be done with a deed of assignment.

To assign a policy, you must send a notification of the assignment to:

**Royal London House
Alderley Park
Congleton Road
Nether Alderley
Macclesfield
SK10 4EL**

We'll need to see the original deed of assignment before paying the claim.

Will claim payments be taxed?

Your Life Payout, Serious Illness Payout and Children's Benefit will be free from UK income tax and capital gains tax.

However, Life Payouts may form part of your estate when you die – so inheritance tax may have to be paid.

Please bear in mind that tax rules may change in the future, which could affect the taxes you pay.

If you're unsure of your tax position you should seek professional advice.



05

How do I pay for my policy?

You must pay for your policy by monthly Direct Debit. It is your responsibility to ensure that all payments are made.

Your monthly payments won't change, unless:

- You choose to reduce your Life Cover;
- You choose to remove any Serious Illness Benefit you have; or
- If we accept a Serious Illness Benefit claim.

We'll collect payments each month in advance. We will collect these until the end date shown on your policy schedule. Or until we pay a claim for death, or terminal illness if that is earlier.

We'll also stop taking payments if your policy is cancelled.

What happens if I miss a payment or stop paying?

If you miss a payment, you'll have 60 days starting from the date of the missed payment to pay it. If you pay the full amount within this period your policy won't be affected.

If you miss a payment and it is not paid back within these 60 days, then we'll cancel your policy. This will happen immediately after the end of the 60th day. You won't get a refund, you'll no longer be covered and you won't be able to restart the policy.

If we accepted a claim during this 60-day period, we would take off the amount of any unmade payment. For example, your Life Payout might be £100,000. If you died during the 60-day period after missing two £30 payments (£60 in total), we'd pay £99,940.

If you're struggling to make payments, please get in touch. You can ask us to reduce your monthly payments or shorten your policy term. But this would mean your cover is reduced in line with these changes.



Please see the section about making changes on page 23 for more information.

Payment holiday

If you'd like to take a break from making your monthly payments, please call us on 0345 600 7788 and we can talk to you about your options. At any time after the first year of your policy, you can ask us for a payment holiday. Lines are open 8am to 6pm Monday to Friday, excluding bank holidays.

Taking a payment holiday means you can have a break of up to six months from making your monthly payments. Your policy will still continue. However, you will have to make up all the missed payments at the end of the payment holiday. Or you could choose to reduce your Life Payout amount. If you do this we'll work out how much to reduce your Life Payout amount by. This will depend on how many monthly payments have been missed. We will let you know how much we'll reduce it by before making the change to your Life Payout amount. We will then send you an updated policy schedule. You must restart your monthly payments for your policy to continue after your payment holiday.

You can have a maximum of two payment holidays during the length of your policy. But only one payment holiday can be taken within any twelve month period.

We can accept a claim during a payment holiday. But the Life Payout amount will be reduced by the amount of any unmade monthly payments.

During a payment holiday you cannot:

- take out another Royal London Life Insurance policy; or
- make any changes to your current policy.



06

Making changes

You can make changes to your Life Cover in several ways:

Reducing the length of your Life Cover

- You can choose to reduce the length of this policy. For example, you may want to reduce your 25 year policy down to 20 years.
- You can't reduce its length down to less than 5 years.
- If you reduce the length of your policy, it will affect both your Life Cover and Serious Illness Benefit. Both will end on the new end date shown on your revised policy schedule.
- You can reduce the length of your policy down more than once, but your monthly payment can't fall below £7 per month.
- You can't increase the length of this policy.

Reducing the amount of Life Cover you have

- You can choose to reduce your Life Cover Payout amount, which also means your monthly payments will be less.
- If you reduce your Life Cover Payout amount, this will not affect any Serious Illness Benefit you have.
- You can reduce your cover more than once, but your monthly payments can't fall below £7 per month.

For example.

A 30-year old policyholder took out Life Cover under an existing policy of £480,000 and now, at age 35, wants to reduce the Life Payout amount to £375,000.

A 55-year old policyholder took out Life Cover under an existing policy of £480,000 and now, at age 60, wants to reduce the Life Payout amount to £375,000.

In both cases this is possible, as long as the monthly payment doesn't fall below the minimum amount of £7. The only difference is that the 60-year old policyholder would not have to reduce the cover to £100,000 – the maximum Life Payout across all Royal London Life Insurance policies that now applies.

Changing the Serious Illness Benefit option

- You can remove Serious Illness Benefit from your policy if you have it. This will reduce your monthly payments, but it's important to remember that your minimum monthly payment must be £7 per month.
- You can't reduce your Serious Illness Payout once your policy is in place.
- You can't add the Serious Illness Benefit option to a policy that has already been taken out.
- But you may apply for a new Life Cover policy with the Serious Illness Benefit option.

Can I increase my cover?

You can't increase your Life Cover or Serious Illness Benefit at any time. However you may be able to take out further Life Cover policies with Royal London.

The maximum Life Payout you can have across all Royal London Life Insurance policies depends on your age on the date that your policy starts.

Age when policy starts	Life payout up to
18 – 34	£750,000
35 – 39	£650,000
40 – 44	£500,000
45 – 49	£475,000
50 – 54	£350,000
55 – 59	£225,000
60 – 70	£100,000

Your policy schedule will show your Life Payout.

For example.

A 30-year old policyholder took out Life Cover under an existing policy of £400,000 and now, at age 45, needs more cover. The policyholder may apply for more cover by taking out a further Life Cover policy with Royal London. The maximum amount of additional cover the policyholder can apply for under a further Life Cover policy with Royal London is £75,000 as the Life Payout applicable across all Royal London Life Insurance policies is now £475,000 (see above table).

If the policyholder was now aged 50, additional cover under a further Life Cover policy with Royal London wouldn't be available. This is because the £400,000 of cover under the existing policy is already more than the £350,000 maximum amount of Life Payout that now applies across all Royal London Life Insurance policies (see above table). The policyholder would not need to reduce the existing Life Cover of £400,000 to £350,000.

If you have Decreasing cover, we'll use the cover you had on the start date of the policy to work out this limit.

We will reduce your monthly payments, or if necessary, cancel policies if your cover exceeds these limits. We would start by reducing or cancelling the most recent policy you had taken out. If we do this, we will write to you to let you know.

Any additional Life Cover policies taken out will be subject to the terms and conditions that apply to that policy at the time. A copy of the relevant terms and conditions will be given to you.

Please call us on 0345 600 7788 if you want to discuss making changes to your policy. If you make any changes to your policy, we will send you an updated policy schedule to confirm these.



You can reduce the amount of Life Cover at any time, but you can't increase the amount of Life Cover on the same policy.

Changes we need to know about

You need to let us know if you:

- Change your name
- Change your address
- Change your bank account

If you leave the UK to live in another country permanently, it could mean that you can't make changes to this policy.

How we can make changes

Our aim is never to make changes to your policy. However, we may have to do so for the following reasons:

- In circumstances beyond our control – such as changes in law, taxation or regulation or where we need to follow legal or regulatory decisions or guidelines.
- To correct an error where it is reasonable to do so. For example, if something is missing from your policy terms which mean that there is an inconsistency with your policy schedule or the policy summary document.
- To allow for changes in the way we administer Life Insurance policies where we consider it necessary to do so. For example, where it becomes impractical or impossible for us to provide your policy as is; or if it could result in our customers being treated unfairly.
- Where we want to make a new service or feature available to you, or make a reasonable change that won't be unfavourable to you.

Wherever possible, we'll do our best to give you advance notice before we make a change. If any change is to your disadvantage, we'll aim to tell you in writing 30 days before we make it. If that's not possible, we may have to give you less notice but we will let you know as soon as we reasonably can.

We may send you a letter that sets out the changes to your policy terms, which will also form part of your legal agreement with us. You may hear us call this an 'endorsement letter'.

If we make a change to your policy that you are not happy with, you may cancel your policy.



This section doesn't affect our ability to make changes to how we handle your personal information. For details explaining how your personal information will be used see page 30.

How to complain

We hope that you never have a reason to complain about your policy. If you do, we'd like to put things right. Please contact us using the details below.

Please have your policy number to hand.

Phone: **0345 600 7788**

Email: **customer.relations@royallondon.com**

Post: **Royal London House
Alderley Park
Congleton Road
Nether Alderley
Macclesfield
SK10 4EL**

Lines are open 8am to 6pm Monday to Friday, excluding bank holidays.

We'll do our best to resolve your complaint within eight weeks. If we don't, or if you aren't satisfied with our final response to the complaint, you can then contact the Financial Ombudsman Service.

This is an impartial service. It can examine your complaint and make a legally binding decision on what we should do.

Financial Ombudsman Service contact details

Phone: **0800 023 4567**

(calls to this number are free on mobile phones and landlines) or
0300 123 9123

(calls to this number cost no more than calls to 01 and 02 numbers).

Post: **The Financial Ombudsman Service
Exchange Tower
London
E14 9SR**

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

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

Using the Financial Ombudsman Service doesn't affect your legal rights.

If you, or your personal representatives, are not happy with the Ombudsman's decision, you may still be able to take legal action against Royal London.

The law of England and Wales applies to this policy. Any legal claims relating to this policy will be heard in the courts of England and Wales.

Only Royal London and you or your personal representatives have the right to enforce any part of this contract.

08

Cancelling your policy

You can cancel your policy at any time by calling **0345 600 7788**. Lines are open 8am to 6pm Monday to Friday, excluding bank holidays.

If you cancel your life insurance policy, all cover, including any Serious Illness Benefit and Children's Benefit will end. You may not cancel your Life Cover and keep your Serious Illness Benefit by itself. But you can cancel your Serious Illness Benefit without cancelling your Life Cover.

Alternatively, you can write to us to cancel at:

**Royal London House
Alderley Park
Congleton Road
Nether Alderley
Macclesfield
SK10 4EL**

Cancelling within 30 days

If you cancel within 30 days of the date you receive your welcome pack, we'll refund any payments you've made.

Cancelling after 30 days

If you cancel after 30 days from the date you receive your welcome pack, you won't get any refund.

How is my policy protected?

Your policy is covered by the Financial Services Compensation Scheme (FSCS).

In the unlikely event that Royal London was unable to pay claims because it had stopped trading, you should be able to claim from the FSCS. You can find out more by visiting www.fscs.org.uk or by contacting the scheme directly using the details below.

Post: **Financial Services Compensation Scheme**
PO Box 300
Mitcheldean
GL17 1DY

Phone: **0800 678 1100** or **0207 741 4100**



10

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



11

How is my personal information used?

Just so you know, your personal information is safe with us – we have a privacy policy on it. It tells you how we use your information and who it may be shared with. You can read the privacy policy online at royallondon.com/legal/privacy or contact us on **0800 085 8352**.



**If you would like this information in large print,
in braille or on a CD, please call 0345 600 7788.**

The Royal London Group consists of The Royal London Mutual Insurance Society Limited and its subsidiaries. The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firm is on the Financial Services Register, registration number 117672. Registered in England and Wales number 99064.
Registered office: 80 Fenchurch Street, London, EC3M 4BY.