



Life Insurance

with optional

**SERIOUS
ILLNESS
BENEFIT**

Policy Summary



APPROVED DOCUMENT



POLICY SUMMARY

This summary sets out the key details of Royal London's Life Insurance ('Life Cover') with optional Serious Illness Benefit. It explains what the policy does and doesn't cover.

Just to be clear, this booklet is only a summary of your policy and doesn't contain the full terms and conditions. The full terms and conditions are contained in a separate booklet, which will be sent to you when your policy has started. You can also find them on our website or ask us to post you a copy.

If you have any questions, please call us on **0345 600 7788**.



We can't give you financial advice – so you should read this summary to help you decide if this policy is right for you. If you're not sure, contact a financial adviser.

You can find one in your area at www.unbiased.co.uk or by calling **0800 023 6868**. You may have to pay for financial advice so be sure to check the costs beforehand.



Your demands and needs

Royal London can only give you facts, not personalised advice. You need to use this information to decide if this policy is suitable for you.

This policy meets your demands and needs if you want cover if you die or are diagnosed with a terminal illness during the length of your policy. You want to make sure that a single cash sum or monthly payment is paid out.

If chosen, the optional Serious Illness Benefit meets your demands and needs if you want cover for a serious illness. You want to receive a single cash sum, if you are diagnosed with one of six defined serious illnesses during the length of your policy.

What is Life Cover and what are its advantages

Life Cover is a life insurance policy designed to pay out an amount of money when you die. Or if you develop a terminal illness and are expected to survive for less than 12 months.



You must meet our terminal illness definition while the policy is in place. Please see section 2 of the terms and conditions for our terminal illness definition.

Choose from three types of Life Cover

You can choose from three types of cover; level, decreasing and family income benefit. You can apply for up to £500,000 of Life Cover in total. The amount of cover you have is called your Life Payout.

Level cover stays the same over the term of your policy. It might be chosen in order to pay off an interest-only mortgage.

Decreasing cover reduces each month over the term of your policy. It has been designed to match the reducing amount owed on a repayment mortgage with a fixed interest rate of 7%. It might be chosen to pay off a repayment mortgage, but it won't be directly linked to your mortgage.

Family income benefit pays out fixed monthly payments from the point a claim is paid until the end of your policy. It can pay out up to £2,500 a month. It might be chosen to provide your family with an income.

However, you must choose the length of your policy in years only. You can't, for example, apply for a policy which is 10 years and 6 months long. If you choose family income benefit, this may affect the total Life Payout you can choose.

If you know the fixed monthly payment you would like to receive, you can work out the maximum length of the policy by using the following calculation:

$$\begin{aligned} & \text{Maximum length of policy (in whole years)} \\ & = \text{£}500,000 / (12 \times \text{the fixed monthly payments}) \end{aligned}$$

For example, if you choose family income benefit of £2,500, a policy could only last for 16 years and cover you for £480,000 in total. You couldn't be covered for £2,500 per month over 17 years, because the total cover would be £510,000 – more than the £500,000 limit.



It's important to be aware that your Life Payout doesn't increase over time – and may be affected by inflation. This means that the price of things you buy may become more expensive as time goes on, and your Life Payout may be worth less.



What is optional Serious Illness Benefit and what are its advantages?

Serious Illness Benefit is an optional type of cover that you may be able to add to your Life Cover. If you have Serious Illness Benefit, you'll pay an extra premium for this. You can't have this cover on its own.

Serious Illness Benefit is designed to pay out a single cash sum if you develop one of the illnesses described in this section. The amount you're covered for is called the Serious Illness Payout. This can't be less than £1,000. The most we'll cover you for depends on your age.

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

! You must meet the relevant medical definition while your policy is in place. And you must survive for 30 days from the date you meet the relevant medical definition before we'll pay a claim.

Your Serious Illness Payout won't change over time, and will be paid as a single payout.

The six serious illness conditions covered are:

- **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

📖 Please see section 3 of the terms and conditions for full details of the medical definitions that need to be met before we'll pay a claim.



If you have Serious Illness Benefit, you automatically also have Children's Benefit. This covers your children if they meet one of the medical definitions of the conditions listed on the previous page. It will pay out 25% of your Serious Illness Payout, up to a maximum of £25,000.

Your children are covered from the age of 30 days until they're 18 years old. If they are in, or start, full time education, this cover extends until they turn 21.

We'll pay one claim per child for each policy with Serious Illness Benefit that you have in place.

! Your child must survive for 30 days from the point their condition meets the relevant medical definition before we'll pay a claim.

📖 Please see section 3 of the terms and conditions for more information on Children's Benefit.



When we won't pay claims

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.



Please see section 2 of the terms and conditions for more information.

If illnesses don't meet our definitions

Before we pay a claim for terminal illness, it must meet our definition of a terminal illness.



Please see section 2 of the terms and conditions for our terminal illness definition.

If you have Serious Illness Benefit, we'll only pay a claim for an illness which is covered by this policy, and meets the relevant medical definition. You must survive for 30 days from the point your illness meets the relevant medical definition before we'll pay a claim.



Please see section 3 of the terms and conditions for our full medical definitions.

If you give us the wrong information

You must take care to make sure that any information you give us is correct and accurate.

If you give us wrong or inaccurate information, and this affects the cover we offer you, we may make changes to your policy. We might also cancel the policy or reject claims.



How to make a claim

If the policyholder has died, please call us on **0345 266 5400** to register a claim.

You should also call this number if you have Serious Illness Benefit and have developed a condition which is covered by this policy.

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



Find out more in section 4 of the terms and conditions booklet on page 18.

What will I pay?

You choose how much to pay. You can make monthly payments from as little as £7. Your monthly payments depend on your age, health and the amount of cover you choose. You will pay extra if you choose optional Serious Illness Benefit.



You may be able to reduce your monthly payments – see Making changes section on the next page.

If you 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 within these 60 days, then we will cancel your policy straight after the end of the 60th day.



Find out more in section 5 of the terms and conditions on page 22.

Payment holiday

If you'd like to take a break of up to 6 months from making your monthly payments, please call us on 0345 600 7788 to talk about your options. At any time after the first year of your policy you can ask us for a payment holiday. You can only take up to 2 payment holidays and these must be at least 12 months apart.

For your policy to continue after each holiday you'll have to make up the missed payments or reduce your payout amount, and start making your monthly payments again.



Find out more in section 5 of the terms and conditions on page 23

Making changes

What changes can I make?

Reduce your monthly payments

If you're struggling to keep up your monthly payments for Life Cover, we'll allow you to reduce them to as little as £7 a month.

However, if you have Serious Illness Benefit you may not be able to reduce your monthly payments to £7. This is because although we take both payments at once, the cost of Serious Illness Benefit is worked out separately.

! If you choose to reduce your monthly payments, this will reduce your Life Payout.

Any Serious Illness Payout you have can't be reduced, but you can choose to remove Serious Illness Benefit from your policy.

Reduce the length of your policy

You can choose to reduce the duration of this policy. For example, you might choose to reduce a 25-year policy to a 20-year policy. But you can't reduce its length to less than 5 years.

! If you reduce the length of your policy, Life Cover and any optional Serious Illness Benefit you have will end on the same date.

You can reduce the duration of your policy more than once, but your monthly payment can't fall below £7 per month.

What changes can't I make?

You can't make changes in the first month

You can't make any changes to your Life Cover policy within its first month.

You can't increase your cover

You can't increase your payments or your Life Payout. You also can't increase the length of time this policy is in place.

You can't add Serious Illness Benefit to a policy which has already started. And you can't increase your Serious Illness Payout once your policy has started.

📖 Find out more in section 6 of the terms and conditions booklet on page 24.

How long does my policy last?

Your policy will remain in place until the end date shown on your policy schedule, which we'll send you when you take out a policy. Or it will end sooner if you die or meet our terminal illness definition before this end date. It may also end sooner than the end date if the policy is cancelled or you miss payments.

It will not automatically end if a Serious Illness Benefit claim is paid.

Cancelling this policy

If you cancel within 30 days of the date you received your policy schedule, we'll refund any monthly payments that you have made. You can cancel after 30 days has passed, but you won't get any refund.

If you want to cancel, please call **0345 600 7788**.

📖 Find out more in section 8 of the terms and conditions booklet on page 29.

How to complain

If you want to make a complaint, please call **0345 600 7788**.

If you're not happy with our response, you may be able to take your claim to the Financial Ombudsman Service.

📖 Find out more in section 7 of the terms and conditions booklet on page 28.

Will my Payout be taxed?

Your Payout will be free from UK income tax and capital gains tax.

However, it 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 paid on your Payout.

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

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

📖 You can contact the scheme directly using the contact details set out in section 9 of the terms and conditions booklet on page 30.



**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.
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