



TERMS AND CONDITIONS

Life Insurance

**TERMS AND CONDITIONS:
LIFE INSURANCE**

Provided by The Royal London Mutual Insurance Society Limited (“Royal London”)

Please keep this document in a safe place so you can refer back to it if you need to.

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Terms and conditions

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TERMS AND CONDITIONS OF LIFE INSURANCE

The Life Insurance policy is a contract between the Life Assured and Royal London based on an Application made by the Life Assured. These Terms and Conditions are part of the contract between the Life Assured and Royal London and should be kept in a safe place. The contract consists of the following documents:

- the Policy Schedule;
- these Terms and Conditions; and
- any Endorsements to these Terms and Conditions that we give you (together referred to as the **Terms**).

Words in **bold** are explained in section 1 .

1 Definitions

Application: the application form you completed online or over the phone containing the information we have used to set up your **Policy**.

Attending Consultant: someone who:

- holds an appointment as a Consultant or equivalent at a hospital in the UK or a comparable qualification outside the UK;
- is accepted by our Chief Medical Officer; and
- is a Specialist appropriate to the cause of the claim.

Cash Sum: the amount of cover provided under the **Policy**, and is shown on your **Policy Schedule**.

Claim Confirmation Date: the date of the **Life Assured's** death or diagnosis of a **Terminal Illness**.

Commencement Date: the first day of cover, and is shown on your **Policy Schedule**.

Cover Term: the time between the **Commencement Date** and the **End Date** inclusive of these dates, and is shown on your **Policy Schedule**.

End Date: the last day of cover, and is shown on your **Policy Schedule**.

Endorsements: documents adding additional information to your **Policy** to amend existing wording which become part of the **Terms**. We will send an endorsement to you only if we have the ability to make certain types of changes to your **Policy**.

Life Assured: the person whose life is covered by this **Policy**.

Policy: your Life Insurance policy with Royal London.

Policy Schedule: the document that shows the cover you have.

Premium Payment Date: the date you are due to pay us a premium.

Premium Payment Dates will be at monthly intervals on the date shown in the **Policy Schedule**.

Terminal Illness: 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**, the illness is expected to lead to death within 12 months.

Terms: these Terms and Conditions, any additional conditions included

in the **Policy Schedule** and any **Endorsements** to these Terms and Conditions that we give you.

'We', 'Royal London', 'our', and 'us' refer to The Royal London Mutual Insurance Society Limited.

'You' and 'your' refer to the Life Assured.

2 Policy benefits and exclusions

2.1 Eligibility

At the **Commencement Date** you must be:

- aged between 18 and 60 (inclusive);
- resident in the UK; and
- not a member of the Armed Forces, the Territorial Army or Reservists.

2.2 Types of cover

There are three types of cover:

(a) Level Cover

If you have chosen Level Cover, the single **Cash Sum** will stay the same for the **Cover Term**.

(b) Decreasing Cover

If you have chosen Decreasing Cover, the single **Cash Sum** will decrease each month throughout the **Cover Term**. This cover has been designed

to match the reducing amount owed on a capital and interest repayment mortgage with a fixed interest rate of 7% and with the term of the mortgage equal to your **Cover Term**.

If you have taken out this cover in connection with a repayment mortgage, and the interest rate on your mortgage is higher than 7% or if you change the type, the length or the amount of your mortgage, the **Cash Sum** may not be enough to repay your mortgage in full.

Your **Policy Schedule** will show the **Cash Sum** at each **Policy** anniversary. If a claim is made, we will calculate the **Cash Sum** due on the **Claim Confirmation Date**.

(c) Family Income Benefit

If you have chosen Family Income Benefit, fixed monthly **Cash Sums** are paid from the **Claim Confirmation Date** to the **End Date** of the **Policy**.

Your **Policy Schedule** will show the type of cover, the **Cover Term** and the **Cash Sum** you have chosen.

2.3 When cover starts and ends

Your **Policy** will start on the **Commencement Date** and end on:

- payment of the **Cash Sum**; or
- the **End Date** if no **Cash Sum** becomes payable under the **Policy**.

Cover will stop when the **Policy** ends and no further premiums will be payable.

2.4 Payment of the Cash Sum

The **Cash Sum** is paid if, during the **Cover Term** the **Life Assured**:

- dies; or
- is diagnosed with a **Terminal Illness**.

We will pay one **Cash Sum** where you have chosen Level Cover or Decreasing Cover.

We will pay a monthly **Cash Sum** where you have chosen Family Income Benefit.

The maximum **Cash Sum** you can apply for with a single Life Insurance policy is:

- £250,000 for Level Cover;
- £250,000 for Decreasing Cover; or
- £1,750 monthly **Cash Sum** for Family Income Benefit.

Please also see section 7 for further information on the **Cash Sum** limits where you wish to apply for an additional Life Insurance **Policy**.

2.5 When a claim may not be paid

We will not pay the **Cash Sum** if, in the first year of the **Policy**:

- death is caused by suicide or intentional self-inflicted injury; or
- a **Terminal Illness** is caused by intentional self-inflicted injury.

Suicide or intentional self-inflicted injury resulting in death means that in our reasonable opinion, the most likely cause was that the **Life Assured**

took their own life, whether or not specifically shown as a verdict or cause of death in a death certificate or coroner's report or other equivalent documentation.

Intentional self-inflicted injury resulting in **Terminal Illness**, means that in our reasonable opinion the most likely cause was a result of a deliberate act by the **Life Assured**.

In this event, the **Policy** will be cancelled.

If you did not answer our questions in the **Application** honestly and in full to the best of your knowledge and belief, and this would have affected the terms that we would have offered you, including our acceptance of your **Policy**, this could mean we:

- won't pay the full amount of your **Cash Sum**; or
- have to amend the terms of your **Policy**; or
- will at worst cancel your **Policy** and not pay the **Cash Sum**, and you may not receive back any premiums that you have paid to us.

3 Payment of premiums

Premiums are due from the **Commencement Date** and should be paid each month by Direct Debit on the **Premium Payment Dates**. Premiums will continue until:

- the end of the **Cover Term**; or
- the **Claim Confirmation Date**, whichever is sooner.

Premiums will also end if the cover is cancelled.

If a premium is not paid on the **Premium Payment Date**, we will allow a period of grace of 30 days starting from the **Premium Payment Date** of the first unpaid premium.

If the outstanding premium is not paid by the last day of the grace period, the **Policy** will be cancelled from the day after the last day of grace period of the first unpaid premium. You will no longer be covered under the **Policy**. No further premiums will be payable and we will not refund any premiums already paid.

Any **Cash Sum** payable as the result of a death or **Terminal Illness** claim occurring during the grace period will be reduced by the amount of any unpaid premium.

4 How to make a claim

The person making the claim must contact us as follows:

Customer Services
PO Box 409
Royal London House
Alderley Road
Wilmslow
SK9 0EG

Phone: **0345 266 5400**

We'll then send out a claim form, which should be completed and returned to us.

Premiums must continue to be paid until we accept the claim.

4.1 Our claims requirements

We will ask you for information and documentation that we reasonably require to assess the claim. We will not be able to pay a claim until, in our reasonable opinion, we have received accurate or complete information.

When a claim is made we may need one or more of the following:

(a) Our requirements – all claims:

- reasonable and satisfactory proof of the correct date of birth of the **Life Assured**, for example the original birth certificate;
- evidence of a change of name, for example marriage certificate or civil partnership document;
- medical evidence relating to the **Life Assured** as we may reasonably require, which may include full medical records;
- to check the **Policy** has not been cancelled;
- to check the **Policy Schedule** has been returned to us, if we ask for it.

(b) Our additional requirements – Death claims

We will need to be provided with reasonable and satisfactory proof of the death of the **Life Assured** during the **Cover Term**. If death is in the UK this will be the original death certificate. If death is outside the UK we may request further evidence as we reasonably require.

(c) Our additional requirements – Terminal Illness claims

We will need to be provided with reasonable and satisfactory proof that the **Life Assured** has been diagnosed with a **Terminal Illness** and that the definition has been met. This may include reports from the **Attending Consultant**.

4.2 Payment of the Cash Sum

If the claim requirements have been met, we will pay the **Cash Sum** due under the **Policy** to the person(s) legally entitled to receive it.

If the **Policy** has been assigned, we'll pay the **Cash Sum** to the assignee. Assignees must send us the original deed of assignment before we'll pay the **Cash Sum** to them. We'll return this when we pay the claim. It is your responsibility to ensure evidence of the assignment is sent to us, otherwise we may not be able to make payment to the assignee.

If the **Policy** is under trust, we'll pay the **Cash Sum** to the trustees. The trustees must then follow the terms of the trust to distribute the money to the chosen beneficiaries. Trustees must send us the original trust deed and any deeds altering the trust before we'll pay the **Cash Sum** to them. We'll return any trust documents when we pay the claim.

In all other circumstances, we will pay the **Cash Sum** to the **Life Assured** or, if the **Life Assured** has died, to their personal representatives. We may ask

that the personal representatives send us an original Grant of Representation or Confirmation before we'll pay the **Cash Sum** to them. We'll return this when we pay the claim.

After the claim requirements have been met, we will:

- refund any premiums paid for the **Policy** since the **Claim Confirmation Date**; and
- end the **Policy**. We will add interest to the **Cash Sum** or to any return of premiums if the payment has been delayed by more than 2 months from the **Claim Confirmation Date**. The rate of interest we will use is the Bank of England base rate less 0.5% per annum, with an overall minimum of 0.5% per annum, calculated on a daily basis.

We'll pay a claim by direct credit to a UK bank account within 10 working days after our claim requirements have been met. We can agree alternative methods of payment with the person(s) making the claim.

5 **General Terms and Conditions**

You must take care to ensure that any information you provide is correct and accurate to the best of your knowledge and belief. If you think any of the information you have provided to us is incorrect, you should notify us immediately.

If you give us incorrect information or were not eligible to apply for a **Policy** (as set out in section 2.1) at the **Commencement Date**, we may change your **Policy** only as explained in section 2.5.

The **Policy** doesn't entitle you to Membership of the Royal London Mutual Insurance Society Limited.

The **Policy** doesn't have a cash value at any time.

6 **How we use your personal information and verify your identity**

The Royal London Mutual Insurance Society Limited may obtain personal information (including sensitive personal information) either from you directly, or with your consent from other sources, such as an identity authentication agency. We will use your personal information for:

- providing and developing our products and services;
- improving our customer care;
- verifying your identity and preventing fraud;
- research and analysis;
- marketing;
- legal and regulatory reasons; and
- administering your **Policy**.

We'll keep your personal information for a reasonable time and we may also share information about you with other companies within the Royal London Group, our service providers and agents and with third parties such as auditors, underwriters, reinsurers, medical agencies, identity authentication and fraud prevention agencies, other financial institutions and legal and regulatory bodies.

Your personal data may be processed in countries outside the European Economic Area. This processing will be carried out by experienced and reputable organisations and only on terms which safeguard the security of your data and comply with the requirements of the Data Protection Act 1998.

We may contact you by mail, phone, email or other electronic messaging with further offers, promotions and information about our products and services that may be of interest to you. We won't do this where you've indicated on your **Application** that you don't want to receive these communications.

If you would like to receive our marketing communications by some but not all of the above methods or if you have changed your mind on receiving marketing communications please contact us (please see the '**Contact us**' section).

We may carry out an electronic check to verify your identity. We will use a reputable reference agency who will access a range of data sources including information from the Electoral Register to carry out identity checks. Although we will retain a record of this search, we will not share this information outside of the Royal London Group.

We may monitor and record phone calls and retain these for the purposes of training and quality assurance and to ensure that we have an accurate record of your instructions.

If you provide us with information about another person, you confirm that they've appointed you to act for them to consent to the processing of their personal data and that you've informed them of our identity and the purposes (as set out above) for which their personal data (including sensitive personal data) will be processed.

You have the right to ask for a copy of the information that we hold on you, for which we're entitled to charge a small fee. You can ask us to correct any inaccuracies in your information or if you have any questions how we'll use your personal information, please write to:

Data Protection Manager
Royal London
PO Box 409
Alderley Road
Wilmslow
SK9 0EG

7 Making changes to the Terms and Conditions applying to the Policy or cancelling the Policy

7.1 Your ability to make changes

You can reduce your **Cash Sum** and the monthly premium payable by contacting us (please see the '**Contact us**' section). The new total premium cannot be lower than our minimum premium which is £5 per month.

You will not be able to increase the **Cash Sum** or premium payable for your **Policy** once it has started.

You can apply for another Life Insurance policy. Our acceptance of your application will be subject to:

- the terms and conditions applicable at that time (a copy of which will be provided to you). Further premiums will apply;
- minimum cover and premium amounts; and
- maximum cash sum limits, which apply to the total amount of cover across all your Life Insurance policies.

The minimum cover and premium amounts for additional policies are as follows:

- the cash sum for Level Cover and Decreasing Cover is £10,000; or
- the monthly premium for Family Income Benefit is £1 per month.

The maximum cash sum limits are as follows:

- £250,000 for Level and Decreasing Cover; or
- £1,750 per month for Family Income Benefit.

The maximum cash sum limits apply across all Level Cover, Decreasing Cover and Family Income Benefit policies.

For example, if Decreasing Cover with an initial cash sum of £150,000 is in place, you will have used 60% of the £250,000 maximum cover available. You can use the remaining 40% (up to the maximum cash sum limit) towards applying for an additional policy. If you select a Level Cover or Decreasing Cover policy, the maximum cash sum would be

£100,000. If you select a Family Income Benefit policy, the maximum would be £700 per month (40% of the £1,750 maximum monthly cover available).

If you make subsequent applications which mean you would exceed these maximum limits, we will either:

- subject to our minimum monthly premium, reduce the cash sum of your most recent policy so you do not exceed the maximum cover amount; or
- if necessary cancel your most recent policy.

We will write to you to confirm we have done this.

7.2 Changes to your personal details

Please tell us if:

- you stop being resident in the UK. It could mean that you won't be able to make changes to your cover; or
- you change your name, address or bank account.

7.3 Your ability to cancel your Policy

You can cancel your **Policy** at any time.

If you change your mind and cancel your **Policy** within 30 days of the **Commencement Date**, we will refund any premiums you have paid. If you cancel your **Policy** at any other time, your cover will stop and you won't get anything back.

To cancel your **Policy** please call or write to us (please see the ‘**Contact us**’ section).

If you do not cancel within 30 days of the **Commencement Date**, your **Policy** will start and end as set out in these terms and conditions and your **Policy Schedule**. We will collect premiums as agreed.

7.4 Our ability to make changes to the Terms or cancel your Policy

If during the **Cover Term** there are changes in legislation or regulation or any relevant change in circumstances beyond our control and:

- it becomes impracticable or impossible to give effect to the terms and conditions applying to your **Policy**; or
- failing to make the change could, in our reasonable opinion, result in Royal London’s customers not being treated fairly; or
- the way that we’re taxed or the way that your **Policy** is taxed is changed,

which directly affect the **Terms** applying to your **Policy**, we may with immediate effect make changes to the **Terms** (including your premiums) that we reasonably consider are proportionate in the circumstances. We will inform you in writing in advance of any changes being made where we are able to do so but if that is not possible, we will let you know as soon as we reasonably can.

We may make changes to the **Terms** applying to your **Policy** that we reasonably consider won’t adversely affect you. These may include, for example, changes needed to reflect new services or features that we wish to make available to you.

We may make changes to these terms and conditions if we become aware of any error or omission in these terms and conditions. We’ll only make such changes to bring these terms and conditions into line with your **Policy Schedule** or the policy summary document.

8 Complaints

We hope that you’ll never have reason to complain, but if you do, please contact us and tell us your name, **Policy** number and the reason for your complaint. Please contact:

Customer Services
PO Box 409
Royal London House
Alderley Road
Wilmslow
SK9 0EG

Phone: **0345 600 7788**

We’ll always try to resolve your complaint as quickly as possible.

However if we:

- haven’t been able to satisfy your complaint; or
- haven’t sent you a final response within eight weeks

you can then contact:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Phone: **0800 023 4567**
(free from a UK landline)

Phone: **0300 123 9 123**
(free for mobile phone users who pay a monthly charge for calls to numbers starting with 01 or 02)

Email: [**complaint.info@financial-ombudsman.org.uk**](mailto:complaint.info@financial-ombudsman.org.uk)

Website: [**www.financial-ombudsman.org.uk**](http://www.financial-ombudsman.org.uk)

The Financial Ombudsman Service will usually only investigate the complaint once our internal complaints process has been completed.

A copy of our Complaints Procedure is available on request.

Making a complaint to the Financial Ombudsman Service will not affect your right to take legal action.

9 Tax

The proceeds from your **Policy** are free from UK income tax and capital gains tax under current tax rules. The amount paid on your death may form part of your estate, which may be subject to Inheritance Tax. How tax could affect you, will depend on your individual circumstances. If you are unsure of your tax position you should seek professional advice.

The Government may change the tax position described at any time.

10 The Financial Services Compensation Scheme (FSCS)

Royal London is covered by the FSCS. You may be entitled to compensation if we are unable to pay claims due to, for example, insolvency. This depends on the type of business and the circumstances of the claim.

You can get more details by visiting www.fscs.org.uk or by contacting:

**Financial Services
Compensation Scheme
10th Floor, Beaufort House
15 St Botolph Street
London
EC3A 7QU**

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

11 Assignment

If you choose to transfer ownership and assign your legal rights under the **Policy** to another person, by assigning or placing the **Policy** in trust, we must see notice of the assignment or trust deed. Please send the notice or trust deed to the address detailed in the '**Contact us**' section.

You should seek professional advice before assigning or placing your **Policy** in trust.

12 Contact Us

**Customer Services
PO Box 409
Royal London House
Alderley Road
Wilmslow
SK9 0EG**

Phone: **0345 600 7788**

13 Law

The law of England and Wales applies to the **Policy**.

14 Rights of Third Parties

No term of this contract is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to this contract but this doesn't affect any right or remedy of a third party which may exist or be available otherwise than under that Act.

15 Language

All communications between us will be in English.

If you would like this information in large print,
in braille or 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. It provides life assurance and pensions and is a member of the Association of British Insurers and the Association of Financial Mutuals. Registered in England and Wales number 99064. Registered office: 55 Gracechurch Street, London, EC3V 0RL.