Pegasus Whole Of Life Plan

Plan details - September 2023

ROYAL LONDON

We give this booklet to everyone who buys a Pegasus Whole Of Life plan. It contains the plan's terms and conditions, and it tells you how your plan works. It also explains how to make a claim, keep your premiums up-to-date and how to make changes.

These terms and conditions are part of the contract between the plan owner and **Royal London** so please keep them in a safe place, as you may need them in the future. It's also important that you take time to read your plan's contract documents.

The contract between you and **Royal London** consists of your **application** to us, these terms and conditions, the cover summary for each cover that you buy and any **endorsements** to these terms and conditions that we give you. Where there's a conflict between these terms and conditions and the cover summary, the terms set out in the cover summary will apply.

Cancelling your plan

If, after taking out the plan, you feel it isn't suitable, you may cancel it by writing to us at the address shown on page 4. You have 30 days from the date you receive your cover summary and plan details to cancel your plan. If you cancel in this time, we'll refund any payments you've made to us. See page 18 for more information on cancelling your plan.

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.

Any words in **bold** are defined in section 6.

Before you start, please note:
Any use of the words 'we', 'our' or 'us' refers to **Royal London**. Any use of the words 'you' or 'your' refers to the plan owner or their legal successors except where a different meaning is given in these terms and conditions.

What's inside

Telling us about changes

Changes before your plan starts

You must tell us if there's a change to anything you put in your **application** after you've applied for your plan, but before the **date we assume risk**. These changes could be affecting you or the **person covered**. For example, a change to health, **occupation** or leisure activities. If you don't let us know about any changes we might not pay out. Or, we might change the terms of your plan or cancel it.

We'll give you a copy of your **application** form, and any other information we've been given, if you ask us. It will help if you have your plan number to hand when you contact us.

Changes after your plan starts

At any time, please remember to tell us if:

- You or the **person covered** change your name.
- You change your address.
- You change your bank account.

You can contact us in the following ways:

0345 6094 500

protectionhelp@royallondon.com

0345 6094 522

Royal London, 22 Haymarket Yards, Edinburgh, EH12 5BH

royallondon.com

If you phone us, we might record or monitor your call so we have an accurate record of anything you tell us.

1. About the cover

The Pegasus Whole of Life Plan provides Life Cover for the whole of your life. This pays out when the **person covered** dies or is diagnosed with a **terminal illness** that meets our definition.

You can also choose Waiver of Premium (Sickness). This pays your premiums if the **person covered** can't **work** or carry out a number of living tasks because of an illness or injury and they meet the requirements of our definition of **incapacitated** or they are diagnosed with a **terminal illness** that meets our definition. You'll find our definitions of **incapacitated** and **terminal illness** on pages 32 and 31 respectively.

2. Paying claims

How to make a claim

If you or your representatives want to make a claim, please call us on **0345 609 4500**. Before you call, please read through the information in this section. Please contact us as soon as possible, so we can help you as quickly as we can. It will help us if you have your plan number to hand when you contact us.

What happens when you make a claim

We'll send you a claim form – please fill it in and send it back to us. Depending on what your claim is for, we'll also ask for other information. For example:

- A birth, marriage or death certificate.
- Medical information, or medical records.
- Proof that your or the **person covered's** name has changed.

We'll pay the reasonable cost of all medical reports or evidence we ask for.

Who we'll pay

We'll pay the cover amount to the person who is legally entitled to receive it. This will depend on the circumstances at the time, whether you have nominated a beneficiary, or whether the plan that your cover is under has been assigned or put under trust. If any of these apply to you, you will already have completed a separate trust form or nomination form for these purposes.

Once we've paid the cover amount in accordance with this section, we will not be liable to anyone to make any further payment.

If the plan that your cover is under has not been assigned or written under trust one of the following will apply:

- If there are joint plan owners, we'll pay them jointly. If one of the joint plan owners has died, we'll pay the survivor of them. If both plan owners have died, we'll pay the personal representatives of the last of the plan owners to have died. If a personal representative wants to claim, they must send us an original Grant of Representation or Confirmation.
- If you are the only plan owner and any claim is paid during your lifetime, we'll pay you.
- If you are the only plan owner and any claim is paid after you die:
  - If you didn't tell us when completing the **application**

for your plan who you want to benefit from any cover amount paid after your death, we'll pay your personal representatives. If a personal representative wants to claim, they must send us an original Grant of Representation or Confirmation.

- If you told us when completing the **application** for your plan who you want to benefit from any cover amount paid after your death, we'll pay to your beneficiary or beneficiaries in the shares you've specified.
- If you've notified us of a change to your beneficiary choice, we'll pay to the beneficiary or beneficiaries you last notified us of in the shares you've specified.
- If a beneficiary has died, unless you've changed your nomination of them, we'll pay their share of the cover amount to any remaining beneficiary who survives them. If there's more than one, we'll split the share between each of them in the proportion that their own share bears to the total shares of all surviving beneficiaries.

EXAMPLE

You select three nominated beneficiaries to receive the cover amount on your death. Ian has a 50% share and Donna and Kevin have a 25% share each. Kevin dies holding a 25% share and you did not make a new nomination. On your death, we'll pay Kevin's 25% share to your surviving beneficiaries, Ian and Donna. This will be shared between them in the same ratio as their existing shares.

The formula is:

New total share =
A + (B x (A/C)), where:

A = current share of the surviving beneficiary

B = share of the beneficiary who has died

C = sum of the current shares of all surviving beneficiaries

So in the example:

Ian's new share would be:
50 + (25 x(50/(50+25))) = 66.67%

Donna's new share would be:
25 + (25 x(25/(50+25))) = 33.33%

- If there is no surviving beneficiary, we'll pay the cover amount to the intestate heirs of the last of your beneficiaries to die, as if the intestacy laws of England and Wales applied to them and in shares calculated as if there were no other property in their estate.
- We may pay to the parent or guardian of a beneficiary who is a minor and the receipt by such parent or guardian shall be a full discharge to us. The parent or guardian is responsible for ensuring that any cover amount paid to them is held or used for the benefit of the minor beneficiary.

About beneficiaries under your plan

Your cover summary will show if you have chosen to nominate beneficiaries under your plan. This will mean that we can make payment to them in the event of your death without having to wait for a Grant of Representation or Confirmation.

You can nominate up to five people as beneficiaries, but you can only nominate individuals.

You can't nominate a trust, a charity or any other organisation. If you want a charity or other organisation to benefit you may consider assigning your plan into a trust instead.

You can't make nominations you or your estate would benefit from. This means you can't nominate yourself, your estate, or make nominations to anyone in exchange for money or any other benefit. We won't be responsible for checking this and are entitled to rely on you keeping to these limits. If you don't, we can't be held responsible by any party who might be affected by that.

Neither past nor present nominated beneficiaries have any rights under the policy of any sort while you are alive.

This includes rights

- to obtain information, or
- to give or withhold consent to any changes to your beneficiary choices and their shares, or
- to any changes to the plan your cover is under.

It's important that you review your beneficiaries on a regular basis and keep us updated with any changes you wish to make, including any change of name or address.

Assignments and trusts

If the plan that your cover is under has been assigned, we'll pay the assignee. If an assignee wants to claim, they must send us the original Deed of Assignment. The plan can't be assigned if you have nominated beneficiaries for it, except to the trustees of a trust which excludes you and your estate from the benefit of the cover amount payable on your death. We're entitled to rely on your confirmation that such a trust meets this requirement unless we identify that it doesn't.

If we receive notification of an assignment into a trust permitted by these terms, any beneficiary nominations will be automatically overridden by the terms of the trust.

If the plan that your cover is under is written in trust, we'll pay the trustees. The trustees must then follow the terms of the trust to distribute the money to the chosen beneficiaries. If trustees want to claim, they must send us the original Trust Deed, and any original deeds altering the trust. We won't be responsible for checking that the trust has been properly established, validly altered or whether it has been terminated.

When we will and won't pay a claim

If the information you send is correct and complete and your claim is valid, according to these terms and conditions we'll pay your claim.

If you don't send us everything we ask for, or if the information you provide is incorrect or incomplete, we might not be able to pay your claim.

We might also stop or not pay your claim if:

- You or the **person covered** didn't answer the questions on your original **application** fully, honestly and to the best of your or their knowledge.
- You didn't tell us about a change in your or the **person covered's** circumstances between when you originally submitted your **application** and the **date we assumed risk**. This includes information about the **person covered's** health, **occupation** or leisure activities.

Claims for Life Cover

When we'll pay

- If there's one **person covered**, we'll pay a claim when the **person covered** dies or meets our definition of **terminal illness**.
- If there are two people covered and the additional features of your cover summary shows the cover is payable on the first event, we'll pay a claim if either person dies or meets our definition of **terminal illness**.
- If there are two people covered and the additional features of your cover summary shows the cover is payable on the second event, we'll pay a claim when both people have died or have met our definition of **terminal illness**.

When we won't pay

We won't pay a claim if:

- the claim is for death and it's the result of **intentional self-inflicted injury** within 12 months of the cover starting or restarting,
- the claim is for **terminal illness** and the **person covered** doesn't meet our definition of **terminal illness**, or
- it's the result of any **exclusion** shown on your cover summary.
- if the additional features section of your cover summary shows the **Underwrite Later** option applies to this cover and after completing the assessment of your **application**, we wouldn't have offered you cover.

See page [13] for full details of the **Underwrite Later** option.

You'll find our definition of **terminal illness** on page 31.

How much we'll pay

If cover is payable as a level lump sum

We'll pay the amount of cover shown on your cover summary.

If cover is payable as an increasing lump sum

We'll pay:

- the amount of cover shown on your cover summary, or
- the amount we've written to tell you following an increase, if that's greater.

We'll work out the amount of cover from the date the claim becomes payable. We won't take into account any change to the amount of cover after this date.

Claims for Waiver of Premium (Sickness)

If Waiver of Premium (Sickness) is shown on your cover summary then the following will apply.

For Waiver of Premium (Sickness) claims, if the **person covered** is living or working outside **the UK** and you want to make a claim, we might need them to return to one of the following countries: **the UK**, Australia, Austria, Belgium, Bulgaria, Canada, Channel Islands, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Greece, Hong Kong, Hungary, Iceland, Ireland, Isle of Man, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, The Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland and the USA. This doesn't apply to claims for Life Cover.

When we will and won't pay a claim

To confirm that the **person covered** meets the requirements of our definition of **incapacitated**, we might:

- ask the **person covered** to be examined by a doctor or health specialist we choose, or
- ask for any other evidence we may reasonably require, for example a report from a GP or treating consultant.

We'll pay a claim if:

- Waiver of Premium (Sickness) is shown on your cover summary,
- during the **term of the cover** the **person covered** meets the requirements of our definition of **incapacitated** for a continuous period longer than the **deferred period** shown on your cover summary, or
- during the **term of the cover** the **person covered** meets the requirement of our definition of **terminal illness**, and
- the information you send us is correct and complete, and your claim is valid according to these terms and conditions.

You'll find our definitions of **incapacitated** and **terminal illness** and the relevant requirements on pages 32 and 31 respectively.

We'll continue paying until:

- the **person covered** no longer meets the requirements of our definition of **incapacitated**,

- the **person covered** goes back to **work**,
- the **term of the cover** reaches an end, or
- the **person covered** dies.

We won't pay a claim if:

- it's the result of an **exclusion** shown on your cover summary, or
- it's the result of **intentional self-inflicted injury**, or
- the **person covered** doesn't meet the requirements of our definition of **incapacitated** or **terminal illness**.

We might also not pay or may stop paying your claim if:

- you or the **person covered** didn't answer the questions on your **application** fully, honestly and to the best of your or their knowledge and ability,
- you didn't tell us about a change in circumstances between when you originally submitted your **application** and the **date we assumed risk**. This includes information about the health, **occupation** or leisure activities of the **person covered**, or your or the **person covered's** country of residence, or
- you don't send us everything we ask for, or if the information you do provide is incorrect or incomplete.

Connected claims

A connected claim happens if:

- we start to pay a claim, but stop paying because the **person covered** no longer meets the requirements of our definition of **incapacitated**, but
- within the next 52 weeks of us stopping making payments, the **person covered** meets the requirements of our definition of **incapacitated** once again, so you want to make a further claim.

We'll treat your further claim as connected as long as:

- the **person covered** didn't go back to **work** again against their doctor's advice,
- the **person covered** meets the requirements of our definition of **incapacitated** from the same cause as the original claim, and
- the **person covered** is in the same **occupation** when the further claim starts.

A connected claim doesn't have a **deferred period**, so we'll start to pay the claim again straightaway.

How much we'll pay

If Waiver of Premium (Sickness) is shown on your cover summary we'll pay the premiums for your plan for you. You won't actually receive any payments from us, but we won't collect your premiums for your plan. If there's more than one **person covered** for Waiver of Premium (Sickness) and both meet the requirements of our definition of **incapacitated** or **terminal illness** at the same time, we'll only pay the plan premiums once.

3. Your premiums

Premium types and frequency

With a Pegasus Whole of Life plan there are two types of premiums available: Guaranteed and Reviewable. Premiums are payable for the lifetime of your plan. It's really important that you keep up-to-date with paying your premiums. Otherwise, we might have to cancel your plan.

When your premiums are due

Your first premium is due on the date your plan starts. We'll collect it on this date or shortly after, by direct debit.

If you're paying monthly

You must pay a premium every month. Your premiums are usually due on the same day of the month that your plan started. If you'd rather we collected your premiums on a different day of the month, please ask us.

You must pay a premium every year. Your premiums are usually due on the same day of the year that your plan started. If you'd rather we collected your premiums on a different day in the same month, please ask us.

What happens if you don't pay a premium

If you don't pay your first premium, your plan won't start – so you won't be covered.

If any other premium is five weeks overdue, we'll cancel your plan – so you won't be covered any more. We'll write to you to tell you that we've cancelled your plan.

What to do if we cancel your plan

If we cancel your plan because you didn't pay a premium, you can ask us to restart it.

Please get in touch and we'll tell you what we need before we can restart your plan. However, there may be times when we can't restart your plan. If this happens, we'll explain our decision to you.

When and how your premiums could change

If you choose Waiver of Premium (Sickness), this cover will end at age 90. This means your premium will automatically reduce when this cover comes to an end.

Guaranteed premiums

With a Guaranteed premium, the premium is calculated at the start of your plan and will not change unless the amount of covered is changed or you choose cover on an increasing basis (see below for more details).

If your cover is a level lump sum

As long as you pay your premiums on time and you don't make changes to your plan, your premiums won't change.

If your cover is an increasing lump sum

On each anniversary of your plan starting, your premium will increase by the rate shown in the additional features section of your cover summary, multiplied by two.

We'll tell you how much the increase will be at least a month before it takes place.

Reviewable premiums

Your premium will be unchanged for the first 10 years of your plan, but then will be reviewed on the 10th anniversary of the date your plan started and every five years thereafter.

The cost of your life cover increases with age. Reviewable premiums will therefore increase significantly at each review. When we work out how much your premiums should be, we'll look at different factors such as:

- the future level of claims we expect to pay
- the amount of money we'll pay to reinsurance companies with whom we share the costs of claims
- the number of plan owners who give up their plans early
- our expenses
- inflation
- investment returns
- taxes
- the amount of money we need to hold as financial reserves

There's no limit to the amount that your premium may increase by. The increase will be based on our consideration of the factors above. Your new premium might be higher than a guaranteed fixed premium would have been. When it goes up, you might not be able to afford your premiums. This means you may have to reduce your cover to keep your premiums lower.

With this option you may end up paying more in total premiums than you would receive when you claim.

If your cover is a level lump sum

As long as you pay your premiums on time, your premium won't change for the first 10 years of your plan. They'll be reviewed every five years after that and will go up significantly.

If your cover is an increasing lump sum

As long as you pay your premiums on time, your premium won't change for the first 10 years of your plan, apart from the changes described in this section. They'll be reviewed every five years after that and will go up significantly.

On each anniversary of your plan starting, your premium will increase by the rate shown in the additional features section of your cover summary, multiplied by two.

We'll tell you how much the increase will be at least a month before it takes place.

If you make changes to your plan, your premiums might change.

If the Underwrite Later option applies to this cover

If the additional features section of your cover summary shows the **Underwrite Later** option applies to this cover and after completion of the assessment of your **application**, our decision on the terms of your cover is different to the decision we made when your cover started, your premium may change.

See below for full details of the **Underwrite Later** option.

Underwrite Later

If the additional features section of your cover summary shows the **Underwrite Later** option applies to this cover, we have started your plan before receiving all of the medical evidence or further information we need to make a final decision.

We'll request any medical evidence or further information we need and underwriting may last for up to the first six months immediately after the date your plan started (as shown on your cover summary).

Once we have received all medical evidence or further information we need, we'll fully assess your **application** and send you final confirmation of the terms of your cover.

Until you have received final confirmation of the terms of your cover, you won't be able to make any changes to your cover. This includes being unable to increase your cover under any Cover Increase Options you may otherwise be eligible for.

If, upon full assessment of your **application**, our decision is different to the one we originally made, we may change the terms of your cover. If this happens, it could result in:

- an increase or decrease in your premiums,
- the addition or removal of one or more **exclusions** to your cover, or
- the cancellation of your cover

We'll make any change to the terms of your cover from the date your cover started. This means that if we increase your premiums, you must pay the difference between the premium you have been paying and the premium you should have paid. If we decrease your premiums, we'll refund the excess premiums to you. If we decide we can't offer you cover, or we have to defer making a decision on your plan, your cover will end immediately and we'll refund all premiums paid to us.

If you're unhappy with any changes to the terms of your cover, you have the right to change your mind and cancel your cover. If you cancel within 30 days of receiving your new cover summary, we'll refund any premiums paid to us since the date we changed the terms of your cover. If you cancel after 30 days from the date you receive your new cover summary, your cover will end and you won't get anything back.

If we haven't been able to complete our assessment of your **application** within six months of the date your plan started, we'll cancel your plan and we won't refund any premiums you've paid.

If within the first six months of the date your plan started and:

- there's one **person covered** and they die or meet our definition of **terminal illness**; or
- there are two people covered and the additional features of your cover summary shows the cover is payable on the first event and either of them dies or meets our definition of **terminal illness**; or
- there are two people covered and the additional features of your cover summary shows the cover is payable on the second event and both of them die or meet our definition of **terminal illness**; or

- the **person covered** (or if there are two people covered, either of them) has Waiver of Premium (Sickness) under your plan and meets our definition of **incapacitated** but we haven't received any medical evidence or further information we've requested in connection with your **application**, we'll continue to request that evidence or information until we've received everything we need to assess your **application**. If we can't obtain all the medical evidence or further information we originally asked for, we'll assess your **application** using the information we're able to obtain. This means we may request alternative evidence and re-assess medical evidence or further information received before the claim, but we haven't yet acted upon.

When we've fully assessed your **application**, if we don't change our initial decision, we'll assess your claim based on the terms we offered you when your plan started. If we do change our initial decision, we'll amend the terms of your cover and assess your claim based on those new terms.

This means that if we would have charged an extra premium, we'll reduce your amount of cover to reflect the amount of cover we would have offered based on the premium you've been paying. If we would have applied an **exclusion** to your cover, we'll assess whether your claim would be excluded and may not pay your claim. If we wouldn't have offered you cover, we'll cancel your plan from the date it started and we won't pay your claim. If this happens, we'll refund any premiums you've paid.

4. Changing your plan

Increasing cover

This only applies to Life Cover that's payable as an increasing lump sum.

This amount of cover will continue to increase each year on the date your plan started. The additional features in your cover summary will show whether your cover will increase by a fixed rate or by the **retail price index**.

We'll write to you at least a month before the increase takes place to tell you how much the increase will be and how much your new premium will be. If you don't want the amount of your cover to increase, you must tell us at least five days before the increase is due to take place and we'll cancel the increase. If we cancel two consecutive increases we won't offer you any further increases.

Cover Increase Options

Your plan comes with Cover Increase Options if we give you **standard terms**. This means you can increase your cover in certain circumstances, without giving us any medical information.

How it works

For personal and business Cover Increase Options, the **person covered** must be under age 55 at the time of the increase or under age 70 for inheritance tax (IHT) Cover Increase Options. If there's more than one **person covered**, both must be under age 55 or under age 70 for IHT Cover Increase Options.

You need to ask us to increase your cover within six months of the event happening.

We'll work out a new premium for your cover, and you can decide whether you want to go ahead with the increase.

Your new cover will have the same additional features as your original cover. And it will be on the terms and conditions we offer at the time of the increase.

Your premiums will be based on:

- Our pricing when we increase your cover.
- The **person covered's** age when we increase your cover.

We can't offer you Cover Increase Options if:

- We accepted your plan on non-**standard terms** – for instance, if we had to charge you a higher premium, or if we had to apply some **exclusions**.
- We're paying a claim, considering a claim, or if a medical practitioner has given the **person covered** a diagnosis or possible diagnosis that would allow you to claim.

You cannot use the Cover Increase options if the additional features section of your cover summary shows the **Underwrite Later** option applies to this cover and you have not yet received final confirmation of the terms of your cover.

See page [13] for full details of the **Underwrite Later** option.

Limits on increasing your cover

You can increase your cover amount more than once but the most you can increase your cover by for all events (under personal, business and IHT Cover Increase Options), is the lower of:

- half your original cover amount, or
- £200,000.

For personal Cover Increase Options you can increase your cover, without giving us any medical information, if the **person covered**:

- gets married or divorced, or enters into or dissolves a civil partnership, or
- has or adopts a child, or
- increases their mortgage because of moving house or making home improvements, or
- gets an increase in salary.

For IHT Cover Increase Options, you can increase your cover, without giving us any medical information, if:

- The **person covered** gets an inheritance tax increase due to the increase in the value of their estate. This option must be used every five years from the date the plan starts. If not, the option will no longer be available.
- The Government announces an increase to the IHT tax rate or a reduction in the rates bands, exemptions or reliefs. In this instance you can increase your cover by the lower of:
  - the percentage increase in the IHT liability (for the purposes of this calculation we'll assume

that the IHT liability before the changes was the same as the life cover amount), or

- the actual amount of the increase in the IHT liability as a result of the change in legislation.

For business Cover Increase Options you can increase your cover, without giving us medical information, if there's an increase:

- To your business mortgage or loan but not if there's an increase in your overdraft.
- In the value of a partner's, limited liability partnership member's or shareholder's interest in the business.
- In the value of a key person.

All we need to see is some evidence of the event:

- A certificate for the marriage, civil partnership, birth or adoption.
- A copy of the mortgage loan offer.
- A letter from the **person covered's** employer confirming an increase in salary.
- Written confirmation from the lender or a copy of the new loan offer.
- Evidence of the increase in the value of the partner's, member's or shareholder's interest.
- How the value of the key person has been calculated and we might need to see a copy of the business accounts.

Lifestyle review

If we accepted your cover on non-**standard terms** or smoker rates, and the **person covered** changes their lifestyle in a way that you think reduces the likelihood of a claim, you can ask us to review the terms for the cover. For example, perhaps the **person covered** was a smoker when the plan started but has now given up. We may need to ask for medical information.

If we can, we'll change the terms to reflect the **person covered's** new lifestyle. This may mean we could reduce your premium or remove an **exclusion**. If we can't change the terms, we'll explain why.

Any cover that was originally on non-**standard terms** won't include Cover Increase Options, even if we later review your terms.

Changing your plan in other ways

You can ask us to change your plan in other ways not included in this section. For example, you might want to increase your cover without using the Cover Increase Options, or reduce your cover. You can ask us to do this at any time.

We might need to ask the **person covered** for new medical information. We'll tell you what we need to look at when you tell us how you want to change your plan.

You can't add a new cover or increase an existing cover if you're no longer resident in **the UK**, Jersey, Guernsey or Isle of Man. If you remove a cover, you may not be able to add it back on at a later date if your circumstances have changed.

5. General terms and conditions

Source of covers

This plan is issued out of our Ordinary Long-Term Business Fund but is not eligible to participate in the profits of that fund or any other funds.

Membership of Royal London

This plan doesn't entitle you to membership of **Royal London**.

Cancelling your plan

When your plan starts you have the right to change your mind and cancel your plan. You have 30 days from the date you receive your cover summary and plan details to cancel your plan. If you cancel in this time we'll refund any premiums you've paid to us.

You can cancel your plan by writing to us. Our address is on page 4 of this booklet.

You should also contact your bank to cancel your direct debit instruction.

If your plan is jointly owned, both owners must give us written notice. If your plan is under trust, or if you've assigned your legal rights under the plan to someone else, the trustees or assignee must give us written notice.

If you cancel your plan after 30 days, it will end on the day your next premium would be due. You'll still be covered by your plan until that date. So, if you've asked us to collect your premium on a different date to the one on which it's due, we'll still collect that premium from you. We won't refund any premiums you've paid to us.

For example, if:

- your plan started on 1 February, and
- you asked us to collect your premiums on the 15th of every month, and
- if you contact us on 10 June to cancel your plan,
- we would cancel your plan from the end of that month.
- This means that we would still collect your premium on the 15th as it covers the period 1 June to 30 June.

If you don't pay your final premium:

- we'll cancel your plan from the date your final premium was due,
- you won't be covered from that date, and

- we won't pay any claim under your plan

If you cancel, we'll tell you the date on which your cover will end, and whether you need to pay a final premium.

Cash-in value

Your plan doesn't have any cash-in value at any time. So if you cancel it you won't get anything back.

Paying claims

We'll pay all claims by direct credit to a bank account or another method we agree with you.

Interest

We'll pay interest if payment of any claim is delayed by more than two calendar months after the claim event. The rate of interest will be the Bank of England base rate less 0.5% a year, with an overall minimum of 0.5% a year, calculated on a daily basis.

Exercise of discretion

We'll act reasonably and in good faith when exercising our discretion to make decisions that relate to your plan.

How we use your personal information

As a customer of **Royal London** we use your information in a number of ways. This is a notice which we are required to give you under the data protection laws. It tells you how **Royal London** will use your personal information.

In this notice we've included the uses that we feel would be most important to you. There's further information in our full privacy notice on our website.

How do you use my information?

We use your information, which may be provided by you, through your adviser or from your medical professional, in order to set up and service your plan and meet our legal obligations, such as when:

- Setting up and administering your plan.
- Completing any requests or managing any queries or claims you make.
- Verifying your identity and preventing fraud. This is usually where we have a legal obligation.
- Fulfilling any other legal or regulatory obligations.

We also use your information for activities other than plan administration or to comply with legal obligations. Where we do this we need to have a 'legitimate interest'. Activities are assessed and your rights and freedoms are taken into account to ensure that nothing we do is too intrusive or beyond your reasonable expectations. We use legitimate interests for:

- Researching our customers' opinions and exploring new ways to meet their needs – we use personal information to help us understand that our products, services and propositions suit our customers' needs and meet their expectations, as well as improving your customer experience.
- Assessing and developing our products, systems, prices and brand – we generally combine your information with other customers' in order to check if our products are priced fairly, are suitable for our customers and to check if our communications are easy to understand.
- Sending you marketing information – we don't currently send you marketing information about our products. However, we're looking to start communicating with you more frequently about your plan and also finances in general.
- Monitoring the use of our websites. You can see our cookies policy at **royallondon.com/cookies**.

If we lose touch we'll use a trusted 3rd party to find you and reunite you with your plan, if we can.

We may also monitor and record phone calls for training and quality purposes. This means we have an accurate record of what you tell us to do.

If you want further information about our use of your information for our legitimate interests, you can contact us using the details below. You also have the right to object to any processing done under legitimate interests, which means we may stop using your information in some circumstances.

Who sees and uses my personal information?

Employees of **Royal London** who need to see or work on your plan are given access to your personal information in order to support you. For example, our call centre staff will access your plan details if you call us.

In addition to our own staff we share your information with other companies so that we can administer your plan and provide our services to you. We only use trusted 3rd parties, such as:

- service providers, for example UnderwriteMe, who we **work** with to provide our automated underwriting
- ID authentication and fraud prevention agencies
- your authorised financial adviser(s)
- auditors
- reassurers
- medical agencies
- legal advisers and legal/ regulatory bodies
- other insurance providers
- external market research agencies
- Data Brokers, for example Experian, in order for us to best understand the products that would be most suited to you

We make sure the use of your information is subject to appropriate protection and we will never sell your information.

Overseas transfers

If you apply for or hold Diabetes Life Cover with us, your personal data is stored in **the UK** but can be viewed by our service provider in South Africa. We take specific steps to ensure that your data is treated securely and has the appropriate legal safeguards. If you wish to find out more there's further information in our full notice on our website.

What are my rights?

Access – You have the right to find out what personal information we hold about you.

Rectification – If any of your details are incorrect or incomplete, you can ask us to correct them for you.

Erasure – You can also ask us to delete your personal information in some circumstances.

Object – If you have concerns about how we're using your information, you have the right to object in some circumstances.

Direct marketing – You have a specific right to object to direct marketing, which we'll always act upon.

Restriction – You have the right to ask us to restrict the processing of your personal information in some circumstances.

Data Portability – In some circumstances, you can ask us to send an electronic copy of the personal information you have provided to us, either to you or to another organisation.

We also make automated underwriting decisions about you when you request a quote or make an **application**. We use the information you provide as part of the **application** to decide what price to offer you. You have a right to ask for a person to reassess any automated underwriting decisions we make. More information can be found at **royallondon.com/protectionprivacy**.

If you wish to exercise any of these rights please contact us in writing using the contact details below.

How can I find out more?

Our full privacy notice contains more detail on how we use your information, how long we keep your information for our 'lawful basis' and your rights under data protection laws.

You'll find the full notice at **royallondon.com/privacynotice** or you can call **0800 085 8352** for a recorded version or if you want this in another format.

How to contact our Data Protection Officer (DPO):

GDPR@royallondon.com

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

When we may change the terms and conditions applying to your plan or cancel your plan

We may make changes to the terms and conditions applying to your plan (including your premiums) in the circumstances set out in points 1 to 4 numbered below or we may cancel your plan in the circumstances set out in point 1.

We can separately make changes to how we use your personal information, details of which is set out on pages 19-27. We may update this notice from time to time and we'll alert you to

the important updates. It's not meant to be a legal contract between you and **Royal London** and this doesn't affect your rights under data protection laws.

We will, where appropriate, take account of actuarial advice when we do so.

We'll normally give you 90 days' written notice of a change. This may not be possible for changes which are outside our control. We'll give you as much notice as we can in such circumstances.

1. We may make changes to the terms and conditions applying to your plan (including your premiums) or cancel your plan if:

- you don't tell us about changes to any of the answers you or the **person covered** gave in your **application**, or to information provided in relation to your **application**, between the date it was completed and the **date we assume risk** on your plan,
- the **person covered** doesn't provide their consent for us to ask for medical information within six months of the start of your plan from any doctor they've consulted about their physical or mental health to check the accuracy of any statement made in, or in connection with, your **application**,
- any question answered or any statement made in, or in connection with, your **application** is inaccurate or misleading and this affects our decision of what cover we're willing to provide under your plan,
- you make a claim and we find that you've not told us something that affects your cover,
- you don't provide us with the information we request to verify the identity of any person, organisation or bank account required under legislation or regulation within 12 weeks of the date your plan starts, or
- you don't keep your plan premiums up-to-date, or
- the additional features section of your cover summary shows the **Underwrite Later** option applies to this cover and:
- we haven't been able to complete our assessment of your **application** within six months of the date your plan started, or
- we change our initial decision after fully assessing your **application** under the **Underwrite Later** option.

Please see page [13] for full details of the **Underwrite Later** option.

2. We may make changes to the terms and conditions applying to your plan (including your premiums) that we reasonably consider are proportionate in the circumstances if, because of a change in legislation, regulation or established practice in relation to such legislation or regulations, or any relevant change or circumstance beyond our control:

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

3. We may make changes to the terms and conditions applying to your plan (including your premiums) 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.

4. We may make changes to the terms and conditions applying to your plan (including your premiums) if we become aware of any error or omission in this plan details booklet. We'll only make such changes to bring the plan details booklet into line with your cover summary or the key facts document relevant to your plan.

Mis-statement of age

If when you took out your plan we were told the **person covered** is older than they really are, we'll reduce the premiums to the amount that would have been charged if we'd been told their correct age and refund any overpayment you've made.

If when you took out your plan we were told the **person covered** is younger than they really are, we'll reduce the amount of cover to the amount that would have been available if we'd been told their correct age. This means that, on a claim, we'll pay an amount which is lower than the amount shown on your cover summary.

Change of occupation

You don't need to tell us if the **person covered** changes their **occupation**. We'll assess any claim based on their **occupation** immediately before the claim event happens.

Complaints

We hope that you'll never have reason to complain, but if you do, you can contact us:


0345 6094 500


protectionhelp@royallondon.com


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

We'll always try to resolve complaints as quickly as possible. If we're unable to deal with a complaint within five working days of receiving it, we'll send you a letter to acknowledge your complaint and give you regular updates until your complaint is resolved.

We can give you more information about our complaint handling procedures on request. We're committed to resolving complaints whenever possible through our complaints procedures. If we can't resolve a matter satisfactorily, you may be able to refer your complaint to the Financial Ombudsman Service.

If you make a complaint, we'll send you a leaflet explaining the Financial Ombudsman Service. The leaflet is also available on request or you can contact the Ombudsman direct:

Financial Ombudsman Service


Exchange Tower,
Harbour Exchange Square,
London, E14 9SR


0800 0234 567
(calls to this number are now free on mobile phones and landlines)


0300 1239 123
(calls to this number cost no more than calls to 01 and 02 numbers)


complaint.info@
financial-ombudsman.org.uk


financial-ombudsman.org.uk

The Financial Ombudsman Service has been set up by law to help settle individual disputes between consumers and financial firms. They can decide if we've acted wrongly and if you've lost out as a result. If this is the case, they'll tell us how to put things right and whether this involves compensation.

Their service is independent, free of charge and we'll always abide by their decision. If you make a complaint, it won't affect your legal rights.

If we can't meet our liabilities

Your 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 the claim. Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme.

Law

The law of England and Wales applies to this plan.

Notices of assignment

If you assign any of your legal rights under the plan to someone else, we must see notice of the assignment. Please send the notice to:

Royal London,
22 Haymarket Yards,
Edinburgh EH12 5BH

An assignment could take place when you're using the plan as security for a loan or have put the plan under trust.

Rights of third parties

The terms of the Contracts (Rights of Third Parties) Act 1999 and any other legal third party rights are specifically excluded other than those of a beneficiary, under the section "Who we'll pay" (page 6), at the date of your death.

6. Definitions of the words we use

This section explains all of the words in **bold** found within the plan details.

Application

This is the **application** completed either on paper, online or over the phone containing the information that **Royal London** has used to set up the plan and includes any related information provided to **Royal London** (or to the medical examiner for **Royal London** or a third party acting on behalf of **Royal London**). Any data capture form used by your financial adviser in order to complete the online **application** doesn't form part of your **application** to **Royal London**.

Date we assume risk

The **date we assume risk** is the date **Royal London** is asked to start the plan or the actual date the plan starts, if this is later.

Deferred period

The period between the **person covered** first meeting the definition of **incapacitated** and getting their first payment from us. The **deferred period** is shown in the additional features section of your cover summary. Unless the **person covered** is diagnosed with a **terminal illness**, we won't pay a claim under any cover until the end of its **deferred period**.

Employed

The **person covered** working for remuneration under a contract of employment and paying class 1 National Insurance contributions.

Endorsements

Means documents from us to add additional information to your plan to amend existing wording which become part of the terms and conditions. We'll send an **endorsement** to you only if we've the ability to make certain types of changes to your plan.

Exclusion

Means a reason shown on your cover summary when we won't pay a claim.

Full-time

The **person covered** must be in **full-time** (more than 16 hours each week) paid **occupation**.

Incapacitated

We'll pay your premiums if Waiver of Premium (Sickness) is shown on your cover summary and the **person covered** meets one of our following four definitions of **incapacitated**.

1. Own Occupation Definition

Loss of the physical or mental ability, before age 70, through an illness or injury to the extent that the **person covered** is unable to do the material and substantial duties of their own **occupation**. The material and substantial duties are those that are normally required for, and/or form a significant and integral part of, the performance of their own **occupation** that can't reasonably be omitted or modified.

Own **occupation** means the trade, profession or type of **work** they do for profit or pay. It isn't a specific job with any particular employer and is irrespective of location and availability.

If the **person covered** isn't in **full-time** paid **occupation** immediately before the start of the period of **incapacity**, we'll assess the claim based on the **serious illness** definition.

2. Serious Illness Definitions

If the **person covered** meets any of the following definitions we'll continue to pay the cover if they're unable, before age 70, to **work** in their own **occupation** in any capacity.

- **Blindness** – permanent and irreversible loss of sight to the extent that even when tested with the use of visual aids, vision is measured at 3/60 or worse in the better eye using a Snellen eye chart.
- **Cancer** – undergoing chemotherapy or radiotherapy in hospital or having received one of those treatments in hospital within the last three months.
- **Complete dependency** – being totally incapable of caring for oneself, requiring 24 hour medical supervision in a hospital or nursing home.
- **Deafness** – permanent and irreversible loss of hearing to the extent that the loss is greater than 95 decibels across all frequencies in the better ear using a pure tone audiogram.
- **Dialysis** – undergoing dialysis in hospital or having received the treatment in hospital within the last three months.
- **Organic brain disease** – an organic brain disease or brain injury which:
  - affects the ability to reason and understand, and
  - the condition has deteriorated to the extent that continual supervision and the assistance of another person is required.

If, immediately before the start of the period of **incapacity**, the **person covered** isn't in a **full-time** paid **occupation** and doesn't meet any of the serious illness requirements, we'll assess the claim based on meeting the everyday tasks requirements.

3. Everyday Tasks Definition

Loss of the physical ability through an illness or injury, before age 70, to do at least three of the nine everyday tasks listed on page 34 and the **person covered** is unable to **work** in their own **occupation** in any capacity.

The **person covered** must need the help or supervision of another person and be unable to perform the task on their own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

The **everyday tasks** are:

- **Sitting** – sit in a chair for at least 30 minutes without unreasonable discomfort.
- **Standing** – stand and perform light tasks such as making a cup of tea, using one hand for support, for a period of at least five minutes.
- **Walking** – the ability to walk more than 200 metres on a level surface.
- **Climbing** – the ability to climb up a flight of 12 stairs and down again, using the handrail if needed.
- **Lifting** – the ability to pick up an object weighing 2kg at table height and hold for 60 seconds before replacing the object on the table.
- **Bending** – the ability to bend or kneel to touch the floor and straighten up again.
- **Getting in and out of a car** – the ability to get into a standard saloon car, and out again.
- **Maintaining an ordinary UK driving licence** – reasonable medical opinion prevents the **person covered** obtaining an ordinary UK driving licence.
- **Writing** – the manual dexterity to write legibly using a pen or pencil, or type using a desk top personal computer keyboard.

If the **person covered** is age 70 or over at the start of a period of incapacity, the living task definition will apply. If the **person covered** reaches age 70 while a cover is being paid, we'll reassess the claim at the time based on the **living tasks** definition. This might mean we stop paying the cover.

4. Living Tasks Definition

Any illness or injury which prevents the **person covered** from doing at least three out of the six **living tasks** either with or without the use of mechanical equipment, special devices or other aids and adaptations in use for disabled persons.

The six **living tasks** are:

- **Washing** – the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- **Getting dressed and undressed** – the ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
- **Feeding yourself** – the ability to feed yourself when food has been prepared and made available.
- **Maintaining personal hygiene** – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.
- **Getting between rooms** – the ability to get from room to room on a level floor.
- **Getting in and out of bed** – the ability to get out of bed into an upright chair or wheelchair and back again.

Intentional self-inflicted injury

If the cause of the claim is the **person covered's** death, **intentional self-inflicted injury** means in our reasonable opinion the most likely cause of death is that the **person covered** took their own life, whether or not specifically shown as a verdict or cause of death in a death certificate, coroner's report or other equivalent documentation.

Occupation

A trade or profession or type of **work** undertaken for profit or pay. It's not a specific job with any particular employer and is independent of location and availability.

Person covered

The person shown as such on the cover summary.

Retail price index

This is the percentage increase in **the UK** government's **retail price index** (or if that index is no longer available, such other index as we reasonably determine to be equivalent) over the 12-month period ending three months before the

anniversary of the date the plan started, subject to a minimum of 2% and a maximum of 10%.

Royal London

Royal London means the Royal London Mutual Insurance Society Limited.

Royal London Group

Royal London Group means **Royal London** and its subsidiaries.

Self-employed

The **person covered** is working:

- alone, or
- with others in partnership, or
- as a member of a limited liability partnership, and
- paying class 2 National Insurance contributions and being assessable to income tax under Part 2 of the Income Tax (Trading and Other Income) Act 2005

Standard terms

Your plan is on **standard terms** unless we've charged an extra premium or applied an **exclusion** to your cover, in which case it will be on non-**standard terms**.

Term of the cover

The period between the date your cover starts (as shown on your cover summary) and the date your cover ends. Unless the **person covered** dies, the date your cover ends is the date shown on your cover summary.

Terminal Illness

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 the illness is expected to lead to death within 12 months.

The UK

Means Scotland, England, Wales and Northern Ireland.

Underwrite Later

This is our temporary facility providing cover for up to six months from the date your plan started while we request medical evidence or further information so we can fully assess your **application**.

Work

Being **employed** or **self-employed**.

Royal London
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.

All of our printed products are produced on stock which is from FSC® certified forests.

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