

FPP Life Protection

Product Profile

In this document we outline the relevant product information about LV= FPP Life Protection, required for distributors. We set out the product's target market, distribution strategy, main features, limits, suitability, risks, options and costs, and the outcome of our fair value assessment.

For full details of the terms and conditions of the policy, please refer to the FPP Life Protection policy conditions.

Target market

This product is aimed at clients who have dependants who would suffer financially in the event of their death, or diagnosis of a terminal illness. It's particularly useful for people who have a financial commitment like a mortgage or loan, where their dependants would still be liable for the debt if they died.

Distribution

This product can be sold on an advised basis, face to face or over the phone, but can also be sold on a non-advised basis and bought directly online.

It's important to regularly review your clients' circumstances and protection needs to make sure their cover is appropriate.

Main features

- Pays a cash lump sum on death, or diagnosis of a terminal illness, during the term.
- Level, inflation-linked or decreasing cover.
- Guaranteed premiums.
- Waiver of Premium option.

What is not covered

- We won't pay a claim if your client dies as a result of intentionally taking their own life in the first 12 months of the policy.
- This policy is not suitable for clients who want to cover themselves against a critical illness or protect their income should they be unable to work due to accident and sickness.

Risks

- There is no cash in value at any time.
- If your client stops paying their premiums, their cover may cease.
- If your client chooses level cover, it won't keep up with inflation and could buy less in the future.

Limits and basis

- The minimum term is 5 years and maximum term 50 years. The policy must end before the person insured reaches the age of 90 (for level and decreasing cover) or age 85 (for inflation-linked cover).
- Clients can choose to take out a policy on a single or joint life basis.
- On a joint life basis, the policy will only pay out once, on the first death and will then end.
- If your client is insuring someone else an insurable interest must exist at the start of the policy. A spouse or civil partner is automatically assumed to have an insurable interest.

Eligibility

To apply clients must be:

- permanently living in the UK
- aged between 17 and 84 (for level and decreasing cover)
- aged between 17 and 79 (for inflation-linked cover).



Fair value assessment

We have assessed our FPP Life Protection cover, including options and additional benefits, as providing fair value for customers within the target market, for whom the product is suitable.

We will regularly assess the product to ensure that it continues to provide fair value and meets with the requirements of the intended target market.

What we take account of when assessing fair value

When assessing fair value, we look at:

- the target market, its needs and objectives
- the expected proportion of vulnerable customers in the target market
- the product's benefits and limitations, and what services we provide
- the distributors/channels we use
- the expected overall premium
- how much it costs to provide the product and distribute it over a reasonably foreseeable period.
- the relationship between the overall price to our customers and the quality of the product and service provided.

LV= Life Protection

This table shows you who the product is designed to meet the demands and needs of, and provides fair value for. It also shows who it is not designed for, and doesn't provide fair value for.

This product is suitable for	This product is not suitable for
<ul style="list-style-type: none"> ✓ Providing a lump sum if the insured dies, or is diagnosed with a terminal illness during the term of their policy. ✓ Those who want certainty that their premiums are guaranteed not to change (unless they ask for or have chosen inflation-linked cover). ✓ Those who are not willing/able to self-insure or do not have funds elsewhere. ✓ Those who need cover before they reach the age of 90 (for level and decreasing cover or age 85 (for inflation-linked cover) as these are the maximum ages at which the policy can end. ✓ Those who need cover for at least 5 years, as this is the minimum term for the policy. <p>Level cover is suitable for:</p> <ul style="list-style-type: none"> ✓ Those looking to protect an interest only mortgage with a policy that pays out the same lump sum throughout the length of the policy. ✓ Those looking for certainty that their amount of cover is fixed for the term of the policy. <p>Decreasing cover is suitable for:</p> <ul style="list-style-type: none"> ✓ Those looking to cover the reducing amount they owe on a capital and interest repayment mortgage or other loans. ✓ Those looking for a lump sum that decreases in line with the debt they owe on a mortgage or loan. <p>Inflation-linked cover is suitable for:</p> <ul style="list-style-type: none"> ✓ Those looking for the amount of cover to go up each year in line with the Retail Prices Index (RPI) to keep up with inflation. 	<ul style="list-style-type: none"> ✗ Those looking for a product to pay a regular benefit if they are unable to work for a period of time due to accident or sickness. ✗ Those looking for a product to pay a lump sum if diagnosed with a critical illness. ✗ Those looking for business protection to cover the loss of a key person, to provide finances to purchase shares of a director or partner in the event of their death, or to cover an interest only business loan. There are other more suitable products tailored to cover these situations. ✗ Those who want their premiums to be reviewable. ✗ Clients who don't have any financial dependants. ✗ Those who are looking to protect themselves for the rest of their life. <p>Level cover is not suitable for:</p> <ul style="list-style-type: none"> ✗ Covering any rising cost to keep up with inflation as the amount of cover will be worth less in the future. <p>Decreasing cover is not suitable for:</p> <ul style="list-style-type: none"> ✗ Covering the debt on an interest only mortgage as the amount of cover will decrease and the mortgage debt will remain the same, so the debt could be larger than the amount of cover in place. <p>Inflation-linked cover is not suitable for:</p> <ul style="list-style-type: none"> ✗ Covering a mortgage debt, as the amount of cover will increase and the mortgage debt will decrease or remain the same, so this could result in clients paying for additional cover they don't need.

What information do we use to assess fair value?

- The proportion of premiums that go towards providing the amount of cover.
- How long our claims process takes from start to finish.
- What percentage of claims we pay out and if not, why not. Information of claims stats can be found here [LVadviser.com/supporting-you/claims](https://www.lvadviser.com/supporting-you/claims)
- How many complaints there are and the proportion we uphold.

Other considerations

We consider the levels of commission we pay and, where we are able to access the details, how much distributors charge their customers for the services they provide.

Distributors will need to consider the impact of any other costs they charge when undertaking their own fair value assessments.

Options and additional benefits

Guaranteed Increase Options

Your client can increase the amount of their cover and in some cases replace their policy with a new policy without completing a full application, if certain events happen and they are eligible. If your client changes the amount of their cover using one of the options below, their premium will also change to reflect this. The premium will be based on the age and smoker status at the time of change.

Your clients can increase their cover for each of these life events:

- an increase in their mortgage as a result of moving home, or home improvements
- an increase in their rent as a result of moving into a new rental property or as a result of an increase imposed by the landlord
- marriage or civil partnership
- divorce or dissolution of civil partnership
- splitting a joint life policy on separation
- birth or legal adoption of a child
- their basic salary increases by more than 10%.

For more details and general limits, refer to the Policy Terms and Conditions.

Member benefits

By taking out this product your client will also agree to become a member of Liverpool Victoria Financial Services Limited (LV=). As LV= is a mutual we are owned by our members, which means our members have a say on how the company is run. Our members also get access to a range of benefits including a Member Care Line which offers counselling, medical advice and legal advice, as well as discounts on General Insurance products offered by LV= General Insurance Group, a subsidiary of Allianz Holdings plc. To see the full range of benefits, and any conditions that apply, visit [LV.com/members](https://www.lv.com/members). Member benefits are non-contractual and can be changed or removed at any time.

LV= Doctor Services

All new policyholders and their spouse/partner (providing they live at the same address) have access to a number of app-based medical services and advice. These services include Remote GP 24/7, Prescription Services, Second Opinion, Remote Physiotherapy, Remote Psychological Support and Discounted Health MOTs. Your client's children are also covered, up to age 16, for Remote GP 24/7, Prescription Services and Second Opinion, where your client is the parental guardian. For Remote Physiotherapy and Remote Psychological Support your client may be limited to five free sessions a year. This cap is shared between the policyholder and their spouse/partner. For more details, visit [LV.com](https://www.lv.com).

Waiver of Premium

Your client can add waiver of premium when they take out their policy, or once it is in place. We set this up as a separate policy and an additional cost. For more details, refer to the Waiver of Premium Product Profile and Waiver of Premium Policy Terms and Conditions.

Costs

The policy premium also includes a fee, which is a fixed monthly amount, to cover administration and support costs.

LV= Doctor Services is provided by Square Health Limited. This service is not regulated by the Financial Conduct Authority or Prudential Regulation Authority.

To find out more, please contact
your LV= Account Manager on



0800 678 1890



Or visit [LVadviser.com](https://www.lvadviser.com)

If you'd like us to send you this document or any future correspondence in another format, such as Braille or large print, please just let us know.

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