Flexible Protection Plan
Life Protection

Product Profile

In this document we outline the relevant product information about LV= Life Protection, required for distributors.
We set out the product's:

- Distribution strategy
- Target market and intended value
- Product description and main features
- Risks and what's not covered
- Additional benefits and features
- Other benefits

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

Details of the governance processes we use to oversee the design, approval and review of our products, how we monitor and assess fair value, and the outcome of our assessments is in our **Product Governance and Fair Value Outcomes** document which is on **LVadviser.com**.

Distribution

This product can be sold on an advised basis, face to face or over the phone. It 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.

Target market

Characteristics of the target market

This product is designed for people who:

- Permanently live in the UK (not including the Channel Islands or Isle of Man)
- want personal cover
- aged between 17 and 84 (for level and decreasing cover)
- aged between 17 and 79 (for inflation linked cover)
- have dependants who rely on them financially and would suffer financially in the event of their death
- have a financial commitment like a mortgage or loan, and if they died, they would want their family to have some money to pay off some or all of the debt
- may have or experience vulnerabilities at some point whilst they hold this policy with us, which can be supported.

The person insured by this policy must meet these requirements, whether this is your client or someone they are insuring.

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LV= Life Protection suitability and needs

This product would provide intended value and is suitable for customers who	This product would not provide intended value and is not suitable for customers who
✔ want a lump sum payment if the person insured dies during the policy term, to help provide financial support to their family, or to help repay some or all of any debts they have, such as a mortgage or loan. ✔ only need cover for a fixed term, between five and 50 years. ✔ don't have savings or access to other funds. ✔ need cover before they reach the age of 90 (for level and decreasing cover or age 85 (for inflation-linked cover). ✔ is insuring someone else and has an insurable interest at the start of the policy. ✔ want cover if they die anywhere in the world. ✔ understand that we won't pay a terminal illness claim if the person insured is anywhere in the world outside of the places listed in their policy conditions.	✘ want the option to cash in the cover for a refund or receive a regular benefit if they're unable to work due to illness or injury. ✘ want cover if diagnosed with a critical illness or from a specified list of illnesses. ✘ don't have any financial dependants. ✘ want cover for less than five years, or to last for more than 50 years. ✘ want to cover themselves and their spouse or partner in a joint life second death policy. ✘ want 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. ✘ want reviewable premiums. ✘ want to cover someone they do not have an insurable interest in. ✘ want cover for the whole of their life. ✘ want decreasing cover to repay 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. ✘ want decreasing cover to cover a mortgage or loan with an interest rate above 12%.

Product Description

Life Protection is designed for customers who have dependants that would suffer financially (or would be responsible for continuing to repay debts, like a mortgage) in the event that the person insured died or was diagnosed with a terminal Illness.

Main Product Features

Life Protection pays a cash lump sum on death of the person insured during the policy term, with terminal Illness cover included at no extra cost.

This cover can be taken out on an own life, joint life or life of another basis where an insurable interest exists. Your clients have the option to set up the cover as level, decreasing or inflation linked, and the premiums are guaranteed.

- **Decreasing cover**, covers the reducing amount owed on a capital and interest repayment mortgage or other loan. Pays a lump sum that decreases in- line with the debt owed on a mortgage or loan.
- **Level cover**, covers an interest only mortgage. Pays out a fixed lump sum at any point during the term of the policy.
- **Inflation linked cover**, the amount of cover goes up each year in line with the Retail Prices Index (RPI) to keep up with inflation.

The minimum term is five years, and the maximum term is 50 years, and the policy must end before the person insured reaches the age of 90 for decreasing and level cover and 85 for inflation linked cover.

Life Protection can be placed into a suitable trust, if the policy owner wishes to specify who benefits from the proceeds of the policy. Financial advice should always be provided to ensure the trust is tailored to your client's circumstances.

Waiver of Premium

Your client can add Waiver of Premium when they take out their policy, or once it is in place, this will cover the person insured. This will be a separate policy and an additional cost. For more details, refer to the Waiver of Premium Product Profile and Waiver of Premium terms and conditions.

What we need to validate a claim?

The person making the claim will need to send us the original death certificate (not a photocopy) of the person insured on this policy. If the person we're insuring on this policy is diagnosed with a terminal illness and the policy owner is making a claim we'll need a report from the doctor who diagnosed or is treating the person we're insuring.

If the policy has been written into trust the trustees will need to make the claim and provide a copy of the trust deed, as well as any associated documents or deeds that record any changes to the trust.

Risks

- There is no cash in value at any time, so your client cannot get their money back (unless they cancel their policy within the first month).
- If the policy is set up on an own life basis and not written in a trust the amount of cover paid on death will be added to the deceased's estate and may be subject to inheritance tax.
- Your client will not be covered if they stop paying their premiums.
- If your client chooses inflation linked cover the amount of cover will rise by the increase in the Retail Prices Index (RPI) and the premiums by RPI x 1.5.
- If the government changes the tax treatment of protection products like Life Protection, the amount of cover paid out on a claim, taxation of premiums or claim payments, or the premium payable for cover could change.
- If anyone named in (or involved in the sale of) the policy commits fraud, deliberate misrepresents, withholds information, or provides us with false information at any point during the lifetime of the policy we may refuse to pay a claim and cancel the policy. We will not refund any of the premiums paid.

What is not covered

- We won't pay a claim if the person insured dies as a result of intentionally taking their own life in the first 12 months of the policy.
- We won't pay the costs of returning home if the person insured dies while abroad.
- We won't pay a terminal illness claim if the person insured is diagnosed with a terminal illness anywhere in the world outside of the places listed in the policy conditions.

Additional Benefits and Features

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 change too. The premium will be based on their age and smoker status at the time of change.

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

- 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
- birth or legal adoption of a child
- their basic salary increases by more than 10%.

Please see the policy conditions for more details of all additional features and general limits.

For clients with a joint policy (with a spouse or partner), they have the option to convert their joint policy into separate ones at a later date, if necessary. This may be suitable where a relationship ends.

Costs

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

Other benefits

LV= Membership

By taking out this product your client will 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 LV= benefits. To see the full range, and any conditions that may apply, visit **LV.com/benefits**

LV= Doctor Services

All new policyholders have access to a number of medical services and advice, at no added cost. These include virtual GP consultations, prescription, second opinion services, remote physiotherapy, remote psychological services, and discounted health MOTs. For more details visit **LV.com/doctorservices**

These benefits are noncontractual and can be changed or removed at any time (conditions apply).
For more details visit **LV.com/benefits**

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



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