Flexible Protection Plan

Combined Life and Enhanced Critical Illness Cover

Product Profile

In this document we outline the relevant product information about LV= Combined Life and Enhanced Critical Illness cover, 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.

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
- are between 17 and 64 years of age for level and decreasing cover
- are between 17 and 59 years of age for inflation linked cover.
- have dependants who rely on them financially and would suffer financially in the event of their death or diagnosis of a specified critical illness
- have a financial commitment like a mortgage or loan, and if they died or were diagnosed with a critical illness, 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.

PROTECTION

LV= Combined Life and Enhanced Critical Illness 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 or is diagnosed with a specified critical illness 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. ✔ understand they will only be covered for the critical illnesses and specified definitions within their policy documents and no others. ✔ do not need cover after they reach age 80 (for level and decreasing cover) and age 70 (for inflation linked cover). ✔ only need cover for a fixed term, between five and 50 years. ✔ want children's critical illness cover from birth to age 23. ✔ want the option to add more comprehensive children's cover which includes child specific illnesses and pregnancy complications for the person insured. ✔ wants to insure someone else and has an insurable interest at the start of the policy.	✘ 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 to be covered for any illness they are diagnosed with, rather than a specified list of conditions. ✘ want the cover to protect a business and 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. Business Protection is more suited to cover these situations. ✘ want cover for less than five years, or to last for more than 50 years. ✘ do not have any financial dependants. ✘ wants to cover someone they do not have an insurable interest in. ✘ want decreasing cover to cover a mortgage or loan with an interest rate above 12%. ✘ want cover for the whole of their life. ✘ have paid off their mortgage or have sufficient funds or savings which means they no longer need cover.

Product Description

Combined Life and Enhanced Critical Illness 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 one of the critical illnesses we specify.

Combined Life and Enhanced Critical Illness is part of the LV= Flexible Protection Plan, which has been designed to be suitable for customers who may wish to take out other policies with us that protect against the financial implications of being unable to work due to illness or injury.

Main product features

Combined Life and Enhanced Critical Illness pays a lump sum on death before the end date of the policy, or earlier if the person insured is diagnosed with one of the critical illnesses we specify.

The critical illnesses we specify are split into different types:

- **Full payment conditions,** where we pay the full amount of cover in the event of a claim, these form the majority of conditions listed in the policy conditions.
- **Enhanced claim payments,** where will pay twice the amount of cover in the event of a claim, up to a maximum of £200,000. There are 17 conditions highlighted within the policy conditions which enhanced claim payments apply.
- **Additional payment conditions,** where we pay 50% of the amount of cover in the event of a claim, up to a maximum of £30,000, but the cover continues in full.

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.

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

The minimum term is five years, and the policy must end before the person insured reaches the age of 80 for level and decreasing cover and 70 for inflation linked cover.

Clients can choose to take out a policy on an own life or life of another basis where an insurable interest exists. Life and Enhanced Critical Illness can be placed into a suitable trust, if the policy owner wishes to specify who benefits from the proceeds of the policy.

If your client is insuring someone else, they must meet these requirements.

Children's Critical Illness cover

Once the youngest child reaches age 23 your client must tell us to remove the Enhanced children's cover, otherwise they will continue to pay for an option they cannot use.

We provide two kinds of children's cover with our Combined Life and Enhanced Critical Illness cover, standard and enhanced.

- Standard children's cover is automatically included (at no added cost) for your client's children for all of our critical illnesses except total permanent disability, diabetes mellitus type 1 and the enhanced children's critical illness conditions. It covers your client's children from birth until their 23rd birthday.
- Enhanced children's cover can be chosen at outset and comes at an additional cost. This covers your client's children for all of the critical illnesses except total permanent disability, diabetes mellitus type. However, they are covered for an additional 10 child specific conditions including child's diabetes type 1. For more information, please see the Policy Conditions.

Children's cover pays out on diagnosis of a critical illness and there is no survival period requirement for children. If your client's child dies during the term of the policy, we will pay £5,000 towards the cost of their funeral. This is in addition to any payment made for a claim on one of the listed children's critical illness conditions.

Total permanent disability (TPD) — only available as part of an advised sale.

This can be included for an additional cost at outset, when bought through a financial adviser. Advice is needed to explain that this product will cover your client if an illness or injury leaves them unable to do the main aspects of their normal occupation and they are never expected to be able to do them again.

Waiver of Premium

Your client can add Waiver of Premium when they take out their policy, or once it is in place, only when bought through a financial adviser. This will be a separate policy for an additional cost. For more details please refer to the Waiver of Premium product profile and Waiver of Premium policy conditions.

What we need to validate a claim?

When making a death claim on this policy, the person or trustee making the claim will need to send us the original death certificate (not a photocopy). When making a critical illness claim on this policy, we'll need evidence from the doctor (or the medical practitioner) who is treating the life insured confirming that they've been diagnosed with a critical illness. We may also need to get medical reports from their doctor, if we do, we'll send a consent form to complete.

We don't know exactly what evidence we'll need until a claim is made, as all claims are looked at individually. If we need any further information from them, we'll write to them to explain what we need and why we need it.

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).
- Your client will not be covered if they stop paying their premiums.
- Your client is only covered for the conditions and definitions specified in the policy conditions.
- 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.
- To make a claim, your client must survive for at least 14 days after being diagnosed with a critical illness (this doesn't apply to death claims or claims for children's cover).
- If your client chooses level cover, it won't keep up with inflation and could buy less in the future.
- 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.

What's not covered

- Your client is only covered for the conditions and definitions specified in the policy conditions.
- If we pay out a lump sum payment before the end date, the policy will end unless it was for an additional payment condition, children's cover, or one of the specified pregnancy complication payments included under enhanced children's cover.
- Children of the person insured are not covered for conditions listed in enhanced children's cover unless your client has chosen Life and Enhanced Critical Illness with enhanced children's cover.
- We won't pay a claim if your client dies as a result of intentionally taking their own life in the first 12 months from the start date of their policy. If this happens, we'll cancel the policy and refund all the premiums paid.
- We won't pay a claim for anything listed as exclusions on the policy schedule.
- We won't pay a terminal illness or critical illness claim if the person insured is diagnosed anywhere in the world outside of the places listed in the policy conditions.

Additional Benefits and Features

The product offers the following additional bespoke features for example:

- **Additional Payments** – we'll pay an amount equal to the lower of 50% of cover or £30,000. If a claim is paid for an additional payment, your client's full amount of cover remains in place. Additional payment conditions cover 38 conditions.
- **Enhanced Payments** – we'll pay twice the amount of cover. The maximum payment your client can receive on top of their amount of cover is limited to £200,000.
  - Ten of our full payment conditions are covered if the cause of their claim was as a direct result of an accident.
  - Four of our full payment conditions are covered if your client is under 55 years of age at the time they are diagnosed with the illness or condition.
  - If your client meets our definition for a major organ transplant, liver failure or severe lung disease.
- **Junior option** – any child covered under the policy can choose to start a new Life and Critical Illness policy with us (providing we have not paid a children's critical illness claim for them), without having to go through medical underwriting. This must be within six months of their 23rd birthday, they'll have the option to take out up to 50% of your clients cover up to:
  - £25,000 (standard children's cover).
  - £35,000 (enhanced children's cover).

For more information, see the policy conditions.

- **Cost of diagnosis of cancer** – is a payment we make if our customer meets the criteria for any of the cancers covered by this policy (which is not listed as an exclusion in their policy schedule). We'll pay them £1,000 when we receive evidence of their cancer diagnosis, to help them with any associated costs (for example, travel or childcare). This payment also applies to the person insured's child.
- **Pregnancy complication cover** – applies only if your client chooses enhanced children's cover. This includes cover for six pregnancy related conditions which pays £5,000 per pregnancy if the person insured is diagnosed with one of the specified pregnancy complications listed in the policy conditions. Claims for pregnancy complications won't affect the total cover amount and the policy will continue.

Guaranteed increase options

Your client can increase their amount of cover and in some cases replace their policy with a new policy without completing a full application, following certain events (if they are eligible). If your client changes their amount of cover (using one of the options below) their premium will also change to reflect this.
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:

- an increase in their mortgage because of moving home, or home improvements
- an increase in their rent because of moving into a new rental property or 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. 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, private prescriptions, second opinion services, remote physiotherapy, remote psychological services, and discounted health MOTs.

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

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 about the LV= Flexible Protection Plan, please contact your LV= Account Manager on

0800 678 1890

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.

Liverpool Victoria Financial Services Limited: County Gates, Bournemouth BH1 2NF.

46174-2025 04/26

PROTECTION