



50 Plus Plan Policy Summary



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In this summary, we try to help you by giving you the ‘key facts’ of the plan. It doesn’t set out the full terms and conditions – you will find these in our ‘Plan Conditions’ document. 50 Plus is provided by Liverpool Victoria Friendly Society Limited, which is part of LV=.

You can get this and other documents from us in Braille, large print or on audio by contacting us.

What am I covered for?

Our plan is designed to provide a one-off cash payment when you die. This cash could be used to help pay for funeral expenses, any loans or bills you may still have to pay, or perhaps to leave a gift for your loved ones.



What you’re covered for in the first 12 months

You’re covered if you die as the result of an accident within 90 days of it happening.

However, there are some things we don’t consider as accidents, such as those caused directly or indirectly by you drinking alcohol. We’ve not listed them all here as this is a summary. However, we’ve explained them in full in condition A1 of the plan conditions.



What you’re not covered for in the first 12 months

You’re not covered if you die for any other reason, such as illness, disease or natural causes.

For a handy table which takes you through the exclusions in detail, see condition A1 of the plan conditions.



What you're covered for after 12 months

You're covered, no matter what causes your death. This means that you're covered if you die from an illness, disease, natural causes, or anything else.

Can I apply?

You can apply if you're:

- permanently living in the UK; and
- are between 50 and 80 years old.

What do I pay?

This depends on your age and the amount of cover you choose. The minimum premium is £7 a month, and the maximum is £100. If you have more than one plan or any other similar guaranteed life cover plans with LV=, the maximum premium is for all your plans added together. However there is also a minimum amount of cover of £1,000. So depending on your age you may not be able to get £1,000 of cover for the minimum premium of £7 a month.

How much cover can I have?

The minimum amount of cover you can apply for is £1,000 and the maximum is £25,000. If you have more than one plan or any other similar guaranteed life cover plans with LV=, the maximum cover is for all your plans added together.

The amount of cover included in your plan is fixed and so is the premium. We promise that we'll never reduce your cover!

When you are deciding how much cover you need, don't forget that, as the cost of goods and services goes up, the cover in your plan will stay the same. This means that the same amount of money will buy less in the future.



Example

The average cost of a funeral in the UK in September 2013 was £3,541. If the average cost of a funeral continues to rise at the same rate as it has over the past ten years, then by 2018 the average cost of a funeral will be £4,830. And by 2023, it could rise to as much as £6,587. This means that if you take out cover of £3,541 now, it's unlikely that it will be enough to pay for a funeral in ten years time.

(Source: Average cost of a funeral – LV= Cost of a Funeral Research September 2013. Average increase in funeral cost – Compound Average Growth Rate 6.40% 2003 to 2013).

If you need help to work out how much you can apply for, please call us on 0800 085 8811 (for textphone, dial 18001 first). We may record and/or monitor your calls for training and audit purposes. Or, you can get a quote online at www.LV.com.

Will my premium change in the future?

Your premium is guaranteed when your plan starts – we promise never to increase it.

When does my plan start and end?

It starts as soon as we've processed your application. The start date will be shown on your plan schedule which we'll send you as soon as we've processed your application. It doesn't have a fixed date for when it ends – you're covered for the whole of your life.

How long do I pay premiums for?

You pay a premium every month by direct debit until the plan anniversary on or after your 90th birthday. After this, you won't have to pay any more premiums, but your cover will continue for the rest of your life.

We hope you live a long and healthy life. However, if you do, the total amount you pay in premiums may actually be more than the amount of cover included in your plan.

But don't forget, your plan ends when a claim is made. This means that after your death, no further premiums will need to be paid.



Example

Dorothy takes out a 50 Plus plan which will pay a one-off cash payment of £3,693 when she dies. Her plan starts on her 64th birthday, and she pays £20 a month for this cover. If Dorothy lives to more than 90 years old (when she will stop paying premiums), she'll have paid £6,240 in premiums, which is more than would be paid out if she died. We've worked this out as £20 a month x 12 (months in a year) x 26 (years where premiums are due).

Can I increase my cover after my plan starts?

No, you can't increase your cover under this plan. However, you can take out more than one 50 Plus plan with us if you want to, as long as your total cover and premiums aren't more than the maximum limits, and you're eligible to apply for a new plan.



Example

Mary is 60 years old. She has a 50 Plus plan which will pay a one-off cash payment of £20,000 when she dies.

She wants to apply for another plan for £10,000. Unfortunately, the most Mary can apply for is £5,000, as this would take her total cover to the maximum cover of £25,000.

These limits apply only to your LV= plans and any other similar guaranteed life cover plans you have with LV=. They apply because we have guaranteed to accept you, even though we don't know what your health is like. These limits don't affect any other types of life cover you take out with us, or another provider.

What happens if I die in the first 12 months?

If you die in the first 12 months you might not be covered. If you're not covered, we think it's only fair to return the premiums you've paid, without interest.

How will I know if I have enough cover in the future?

It's a good idea to check your plan each year to make sure you have enough cover, as your financial or personal circumstances might change. Remember that your cover is fixed when your plan starts. Rising costs for things like funerals will mean that the amount of cover you choose now will buy less in the future.

Can I change my mind?

Yes, you can change your mind and cancel your plan at any time. If you cancel your plan within 30 days of it starting, we'll refund your premiums. If you cancel at any other time, your cover will end and you won't get anything back. **Your plan has no cash-in value at any time.**

To cancel your plan please call us on 0845 640 5273 (for textphone dial 18001 first). We may record and/or monitor your calls for training and audit purposes. Or you can write to us at LV=, Pynes Hill House, Rydon Lane, Exeter, EX2 5SP.

What about claiming?

We understand that this will be a stressful time for your friends and family, so we've tried to make this as easy as we can.

The person claiming can do so at any time after your death. However, we do recommend that they let us know about a claim as soon as possible, so we can pay them quickly. They can make a claim by phoning 0800 756 5869 (for textphone dial 18001 first). We may record and/or monitor your calls for training and audit purposes. Or, they can write to us at Claims Department, LV=, Pynes Hill House, Rydon Lane, Exeter EX2 5SP.

Will there be any tax to pay after I die?

If you've a spouse or civil partner when you die, and we pay your cover to them, then there shouldn't be any tax to pay. If your spouse or civil partner has already died then there probably won't be any tax to pay unless your house and everything you own (known as your 'estate') is worth more than £650,000. Otherwise if your estate is worth more than £325,000 there may be some inheritance tax to pay when you die. These limits apply for the tax years 2013/14 to 2017/18.

The following example may help you work out how much inheritance tax would need to be paid when you die.



Example

Ted is divorced. He owns his own home, worth £240,000. His personal belongings – including antique furniture, a car, and his designer watch – are worth £50,000 in total. Ted also has savings of £67,000 and a 50 Plus plan with cover of £3,000. He has no debts.

When Ted dies in May 2013, he leaves everything to his son, James, in his will.

Ted's total estate is worth £360,000.

$(£240,000 + £50,000 + £67,000 + £3,000)$.

As this is more than £325,000 James will have to pay inheritance tax on part of Ted's estate.

The amount which inheritance tax applies to is £35,000.

$(£360,000 - £325,000)$.

Inheritance tax is currently 40%. So James will have to pay £14,000 $(£35,000 \times 40\%)$. inheritance tax **before** he receives the money and property from Ted's estate.

Inheritance tax can be pretty complicated. If you think your estate might be affected, it's a good idea to ask a solicitor or a financial adviser about it.

Income tax and capital gains tax won't apply to the cash payments we make.

How much tax you pay depends on your personal circumstances. Any references we make to taxation are based on our understanding of current legislation and HM Revenue & Customs practice, which can change.

How do I complain?

If you have a complaint about any part of the service you receive from us, it's important that we know about it, so we can help put things right. You can let us know by calling us on 01202 292333 (for textphone, dial 18001 first). Or, you can write to us at: Box 2, LV=, County Gates, Bournemouth. BH1 2NF. Your complaint will be dealt with promptly and fairly and in line with the Financial Conduct Authority's requirements, and if you want more information on how we handle complaints, please contact us.

We hope that we will be able to resolve any complaint that you have, but if you aren't happy with the outcome you can refer your complaint to the Financial Ombudsman Service. If you make a complaint it won't affect your right to take legal action.

What would happen if LV= got into financial trouble and was not able to pay out?

We've been in business since 1843, and take great care to manage our affairs sensibly. If we ever did get into financial trouble and couldn't honour our commitments, you would be entitled to compensation from the Financial Services Compensation Scheme.

The compensation you could get depends on the type of product you have. For this type of plan, the scheme covers 90% of the claim. The scheme's first responsibility is to seek continuity rather than to pay compensation.

For more information go to www.fscs.org.uk or call 0800 678 1100 or 0207 741 4100.

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Liverpool Victoria Friendly Society Limited: County Gates, Bournemouth BH1 2NF.

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