

**keyfacts**®

INSURANCE

## KEY FEATURES OF:

FAMILY PROTECTION PLANS

MORTGAGE PROTECTION PLANS

This is an **important document** which you should keep in a safe place.

Legal & General working in association with:

**EVERY  
DAY  
MATTERS.®**

Sainsbury's Bank



# USING THIS DOCUMENT.

## WHAT ARE KEY FEATURES?

The Financial Conduct Authority, the independent financial services regulator requires us, Legal & General, to give you this important information to help you decide whether our Mortgage and Family Protection Plans are right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

All references to 'us', 'our' and 'we' in this document indicate Legal & General.

## OTHER DOCUMENTS

You should read this document alongside your Personal Illustration. You can also ask for:

- A copy of the Policy Terms and Conditions; and/or
- Our Guide to Critical Illness Cover (if relevant).

If you are visually impaired, and would like this document in Braille, large print or audiotope, copies are available from our Helpdesk.

## ABOUT LEGAL & GENERAL

The Legal & General Group, established in 1836, is one of the UK's leading financial services companies. As at 31 December 2013, we were responsible for investing £452 billion worldwide on behalf of investors, policy owners and shareholders. We also had over 7.9 million customers in the UK for our life assurance, pensions, investments and general insurance plans.

## AIMS

Our protection plans are designed to help protect against the impact of death, terminal illness or critical illness (if chosen) on you and your family.

Your policy could be used to help pay off your outstanding mortgage or to help protect your family's lifestyle and everyday living expenses.

Your policy is designed to cover you:

- If you die before the end of your policy.
- If you take out a plan that includes Critical Illness Cover, and you are diagnosed with one of the critical illnesses we cover before the end of your policy.
- If you are diagnosed as being terminally ill, and in the opinion of your hospital consultant and our medical officer, the illness is expected to lead to death within 12 months.

For Family and Mortgage Protection Plans, we'll pay out a lump sum in full once. After this happens, your policy will end and you'll no longer have any cover.

You can decide if you want your policy to cover one or two people (Joint Life Cover).

For Joint Life Cover, we'll only pay the lump sum out once. This will be when the first person dies or has a valid claim before the end of their policy. We have a replacement cover option which could allow the other person covered to take out a new single life plan, ensuring they still have some protection in place.

## YOUR COMMITMENT

- You must give us accurate information when we're setting up your policy as your policy may not pay out if we don't receive full and honest answers to the questions asked at application. Please don't assume that we'll contact your doctor to find out your full medical details.
- You need to let us know if any information you gave us in your application changes before your policy starts.
- You pay us premiums for the life of your policy. You can pay them either monthly or annually. If you stop paying them, your cover will come to an end 30 days after the last premium was due.

## RISKS

- You are not covered if you intentionally take your own life within the first year of your policy.
- We won't pay out if your terminal illness or critical illness (if chosen) doesn't meet our definition; and for any exclusions we apply to your policy which we will tell you about in your Policy Schedule.
- We will not pay out if you reach the end of your policy without making a valid claim.
- Terminal Illness Cover can't be claimed after your death or within the 12 months immediately before the end of your policy, or if the length of your policy is less than two years.
- For Mortgage Protection, your policy may not completely pay off your outstanding mortgage unless you ensure that your amount of cover is adjusted to match any new mortgage arrangements.
- If you have decreasing cover you must also check that the interest rate applied to your mortgage does not become higher than the interest rate applied to your policy.
- If you have Reviewable Premiums, which we review every five years, your premiums may increase and go up to a level you can't afford. This means that you may need to reduce your amount of cover to keep your premiums the same which may result in you having less cover than you need.

# ▶ QUESTIONS AND ANSWERS.

## WHAT BENEFITS ARE AVAILABLE?

The following benefits may be available. Some of these benefits are subject to age and other restrictions.

### ACCIDENTAL DEATH BENEFIT

Automatically included at no extra cost.



#### WHAT IS COVERED?

We'll cover you from when we receive your application, for up to 90 days or until we accept, postpone or decline your application. This means that if you die due to an accident during this time, we'll pay out the amount you've asked to be insured for, up to a maximum of £300,000 for all applications.

The benefit will be paid out if the person covered sustains bodily injury caused by accidental, violent, external and visible means which is the sole cause of death and if the death occurs within 90 days of such an accident.



#### WHAT IS NOT COVERED?

The benefit will not be paid out if death occurs from:

- Self-inflicted injury, including intentionally taking own life.
- Taking part or attempting to take part in a dangerous sport or pastime.
- Taking part or attempting to take part in any aerial flight other than as a fare paying passenger on a licensed airline.
- Committing, attempting or provoking an assault or criminal offence.
- War (whether declared or not), riot or civil commotion.
- Taking alcohol or drugs (unless these drugs were prescribed by a registered doctor in the United Kingdom).

- Accidents that have occurred prior to application.

We don't provide this benefit:

- If we have been told that the application is to replace an existing policy with us while cover is still provided under the existing policy.
- From the date you tell us that you no longer want the application to proceed.

If you make a claim under Accidental Death Benefit, we'll only pay out once. This will be either under the Accidental Death Benefit, Free Life Cover or the protection plan itself.

### WAIVER OF PREMIUM

Optional – must be chosen at the start of your policy and will be at an additional cost.



#### WHAT IS COVERED?

You won't have to pay your premiums after 26 weeks if you're too ill or incapacitated, due to sickness or injury, to do your normal job. If you're not in work we'll use Specified Work Tasks (page 9) to assess your claim.



#### WHAT IS NOT COVERED?

You won't be able to add Waiver of Premium to your policy at the start if:

- You are 55 years old or over when your application is accepted.
- After assessment, we have had to increase your premium.
- An exclusion has been applied.

Please see the Policy Terms and Conditions for further information.

## MORTGAGE PROTECTION PLANS ONLY.

If you are taking out a mortgage protection plan to help pay off an outstanding mortgage, you will need to choose between Level or Decreasing Cover.

- Level Cover provides the same lump sum throughout the length of your policy.
- For Decreasing Cover, the amount of cover reduces roughly in line with the way a repayment mortgage decreases.

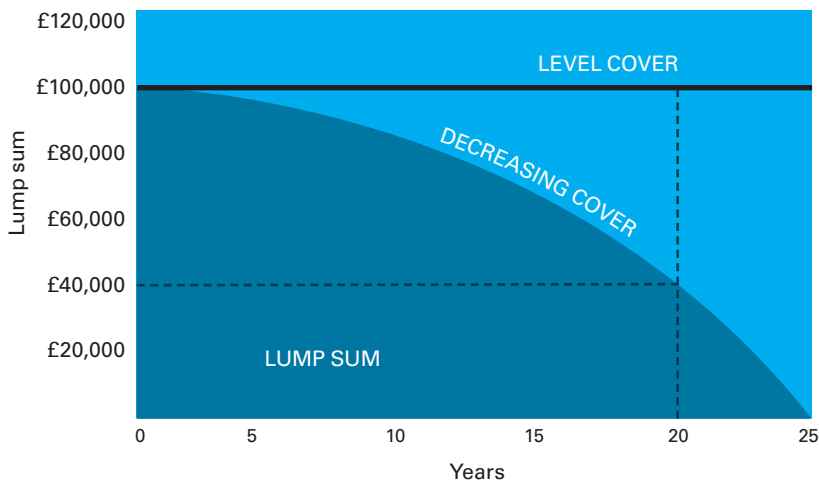
Your premiums will remain the same during the length of your policy unless you make any changes.

If you choose Decreasing Cover, your amount of cover for Terminal Illness Cover and/or Critical Illness Cover (if chosen) will also decrease.

You need to ensure that your amount of cover matches your outstanding mortgage. Your policy may not completely pay off your outstanding mortgage, if you:

- Change the mortgage you have in any way and you don't adjust your cover or length of policy to match your new arrangements.
- Choose Decreasing Cover and the interest rate on your mortgage becomes higher than the rate applied to your policy.

### LEVEL COVER VS DECREASING COVER COMPARISON



The graph above compares a policy that covers £100,000 over 25 years and shows the differences between Level and Decreasing Cover. In this example, if a claim is made after 20 years, the payment provided under a Decreasing policy would be £40,000, whereas a Level policy would pay £100,000.

These figures are for illustrative purposes only. You can find the interest rate for your cover in your Personal Illustration and your Policy Schedule.

# ▶ PRODUCT RANGE.

DETAILS	PRODUCT			
	Life Cover	Life Cover	Life and Critical Illness Cover	Life and Critical Illness Cover
	Level	Decreasing	Level	Decreasing
Pays out in the event of death or terminal illness	✓	✓	✓	✓
Pays out in the event of critical illness	✗	✗	✓	✓
Pay out	Lump Sum	Lump Sum	Lump Sum	Lump Sum
Maximum age for buying a plan	77 years	74 years	67 years	64 years
Minimum length of the plan	1 year	5 years	2 years	5 years
Maximum length of the plan	40 years	40 years	40 years	40 years
Your plan must end before age	80	80	70	70
Guaranteed* or Reviewable** Premiums	Guaranteed	Guaranteed	Guaranteed or Reviewable	Guaranteed or Reviewable

The minimum age to take out a plan is 18. The plan must not end before your 29th birthday.

\* Guaranteed Premiums stay the same for the length of your policy, unless you make changes to your policy.

\*\* You may be given the option to choose Reviewable Premiums. If you aren't given the choice then we'll give you Guaranteed Premiums. We will confirm your premium type on your Policy Schedule. If you have Reviewable Premiums, your premiums are reviewed every five years and may go up, go down or stay the same. If you can't afford the new premium you may need to reduce the amount of cover to match what you can afford. Your state of health is not a factor at review. Please see the Policy Terms and Conditions if you would like further information on how we review your premiums.

## EXTRA BENEFITS FOR MORTGAGE PROTECTION PLANS ONLY.

The following benefits may be available if you take out a mortgage protection plan. Some of these benefits are subject to age and other restrictions.

### SMOOTHMOVE

Automatically included, at no extra cost.

SmoothMove is provided by Inter Partner Assistance, which is part of one of the largest international emergency assistance groups.



#### WHAT IS COVERED?

SmoothMove will start the day of your house move and provides a 24 hour home emergency service. It will continue to support you for home emergencies for up to three months following your move and includes free legal advice.



#### WHAT IS NOT COVERED?

Please see separate SmoothMove Policy Terms and Conditions.

### FREE LIFE COVER

Automatically included, at no extra cost.



#### WHAT IS COVERED?

We'll cover you if you die between exchange of contracts and completion of your property purchase for a maximum of 90 days, provided you are accepted on standard terms for one of our Mortgage Protection plans and we have everything we need to start your policy.

Your Free Life Cover will end as soon as your policy starts.

For a UK resident, you'll be covered for the lower of your proposed lump sum or the amount of your mortgage, up to a maximum of £300,000.

If you live in Scotland, you'll be covered between completion of missives and your date of entry.



#### WHAT IS NOT COVERED?

You won't be accepted for Free Life Cover if you are 55 years old or over when your application is accepted.

You won't be covered if you have another policy covering the same mortgage.

If you make a claim under Free Life Cover, we'll only pay out once. This will be either under Free Life Cover, Accidental Death Benefit or the protection plan itself.

## CRITICAL ILLNESSES COVERED.

If you choose a plan that includes Critical Illness Cover then you will be covered for the illnesses shown below. For a claim to pay out, your illness must meet Legal & General's definition and it must be verified by a consultant at a hospital in the UK, who is a specialist in an area of medicine appropriate to the cause of your claim. Please check the full definitions found in the Guide to Critical Illness Cover and Policy Terms and Conditions to make sure that you understand exactly what is covered, as in some instances cover may be limited.

- **Alzheimer's disease** – *resulting in permanent symptoms.*
- **Aorta graft surgery** – *requiring surgical replacement.*
- **Aplastic anaemia** – *with permanent bone marrow failure.*
- **Bacterial meningitis** – *resulting in permanent symptoms.*
- **Benign brain tumour** – *resulting in either surgical removal or permanent symptoms.*
- **Blindness** – *permanent and irreversible.*
- **Cancer** – *excluding less advanced cases.*
- **Cardiac arrest** – *with insertion of a defibrillator.*
- **Cardiomyopathy** – *of specified severity.*
- **Coma** – *resulting in permanent symptoms.*
- **Coronary artery by-pass grafts** – *with surgery to divide the breastbone or anterolateral thoracotomy.*
- **Creutzfeldt-Jakob disease (CJD)** – *resulting in permanent symptoms.*
- **Deafness** – *permanent and irreversible.*
- **Dementia** – *resulting in permanent symptoms.*
- **Encephalitis** – *resulting in permanent symptoms.*
- **Heart attack** – *of specified severity.*
- **Heart valve replacement or repair** – *with surgery.*
- **HIV infection** – *caught from a blood transfusion, physical assault or accident at work.*
- **Kidney failure** – *requiring dialysis.*
- **Liver failure** – *of advanced stage.*
- **Loss of hand or foot** – *permanent physical severance.*
- **Loss of speech** – *permanent and irreversible.*
- **Major organ transplant.**
- **Motor neurone disease** – *resulting in permanent symptoms.*
- **Multiple sclerosis** – *where there have been symptoms.*
- **Multiple system atrophy** – *resulting in permanent symptoms.*
- **Open heart surgery** – *with median sternotomy.*
- **Paralysis of a limb** – *total and irreversible.*
- **Parkinson's disease** – *resulting in permanent symptoms.*
- **Primary pulmonary hypertension** – *of specified severity.*
- **Progressive supranuclear palsy** – *resulting in permanent symptoms.*
- **Removal of an eyeball** – *due to injury or disease.*
- **Respiratory failure** – *of advanced stage.*
- **Stroke** – *resulting in symptoms lasting at least 24 hours.*
- **Systemic lupus erythematosus** – *with severe complications.*
- **Third degree burns** – *covering 20% of the surface area of the body or 20% of the face or head.*
- **Total and Permanent Disability** – *of specified severity. See 'What is Total and Permanent Disability?' on page 9.*
- **Traumatic head injury** – *resulting in permanent symptoms.*



### WHAT IS TOTAL AND PERMANENT DISABILITY?

We'll cover you for the loss of physical or mental ability, due to an illness or injury, to do either your own occupation or at least three of the six Specified Work Tasks listed below ever again.

The definition that applies to you will be shown in your Policy Schedule and will depend on your occupation, employment status and whether you are paid for your work.

#### Specified Work Tasks

**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.

**Writing** – The manual dexterity to write legibly using a pen or pencil, or type using a desktop personal computer keyboard.

## ▶ ADDITIONAL COVER PROVIDED WITH YOUR CRITICAL ILLNESS COVER.

- **Carcinoma in situ of the breast** – *treated by surgery.*
- **Low grade prostate cancer** – *requiring treatment.*

### ✓ WHAT IS COVERED?

We'll pay out 25% of your amount of cover up to maximum of £25,000.

These payments are in addition to your main policy. Your amount of cover and premiums will not be affected if we make an additional payment to you and we will still pay out in case of terminal illness, critical illness or death.

### ✗ WHAT IS NOT COVERED?

We will only pay out once for each Additional Cover.

Please check the full definitions found in the Guide to Critical Illness Cover and Policy Terms and Conditions to make sure that you understand exactly what is not covered.

## WHAT EXTRA BENEFITS ARE INCLUDED WITH YOUR CRITICAL ILLNESS COVER?

### CRITICAL ILLNESS COVER FOR YOUR CHILDREN



#### WHAT IS COVERED?

We will cover a relevant child\* or any children you have in the future if, before the end of the policy, they're diagnosed with one of the critical illnesses we cover, including Additional Cover (except Total and Permanent Disability). They are covered from when they're 30 days old to their 18th birthday (or 21st birthday if they're in full-time education).

For a valid claim, we'll pay out 50% of your amount of cover up to a maximum of £25,000. These payments are in addition to your main policy. Your amount of cover and premiums will not be affected if we make an additional payment to you.

We'll pay out one claim per relevant child\* under your policy. Once two claims in total have been made, children's cover will end. If you have more than one Critical Illness policy with us, we'll pay out an overall maximum of £50,000 for that child.



#### WHAT IS NOT COVERED?

Your children will not be covered for:

- Total and Permanent Disability.
- Any condition that was present at birth.
- Where the symptoms arose before the relevant child\* was covered.
- If death occurs within 14 days of diagnosis of one of the critical illnesses that we cover.

\* Relevant child – a natural child, legally adopted child or stepchild of the person covered, who is at least 30 days old and younger than 18 (21 years old if in full-time education).

### ADDITIONAL BENEFITS INCLUDED WITH CHILDREN'S CRITICAL ILLNESS COVER

**Child Accident Hospitalisation Benefit** – pays £5,000 if a relevant child\* is admitted to hospital with physical injuries for a minimum of 28 consecutive days immediately following an accident.

**Child Funeral Benefit** – contributes £4,000 towards the funeral of a relevant child\*.

**Childcare Benefit** – if we have paid a claim for Critical Illness under this policy, and you have a natural child, legally adopted child or stepchild under 5 years old, we will pay up to £1,000 towards childcare with a registered childminder.

**Family Accommodation Benefit** – for every night a relevant child\* spends in hospital, in the three months immediately following diagnosis of one of the critical illnesses covered, we will pay £100 per night up to a maximum of £1,000.

These payments are in addition to your main policy. Your amount of cover and premiums will not be affected if we make an additional payment to you.

For further details, please read the Policy Terms and Conditions.

### ACCIDENTAL HOSPITALISATION BENEFIT



#### WHAT IS COVERED?

We will pay £5,000 if you are in hospital with physical injuries for a minimum of 28 consecutive days, immediately following an accident.



#### WHAT IS NOT COVERED?

We will pay out once for each person covered. This benefit will not be payable if a valid claim has been made for Terminal Illness Cover or Critical Illness Cover.

# FURTHER INFORMATION.

## HOW DO WE SET YOUR PREMIUMS?

Your premium depends on several factors. If you take part in dangerous activities, or have a pre-existing medical problem, we might need to charge an extra premium or exclude a specific condition or dangerous activity from your cover.

If you have Reviewable Premiums, we'll assess any premium changes fairly and we won't look at your personal circumstances. The factors we look at are:

- number, timing and cost of claims we've paid and claims we expect to pay in the future;
- insurance industry claims experience;
- expected impact of future medical advances; and
- changes to applicable laws, regulation or tax treatment.

There is no limit to how much your premium may change. If your premium is within 5% of your current premium we won't make any changes. We'll write to you at least three months in advance of the change, explaining the outcome of the review and your options.

- If your premium changes your direct debit will automatically be updated.
- If your premium goes up, you may choose to keep your premiums the same by reducing your amount of cover. You must tell us within 30 days of receiving a review letter from us if you would like to do this. However, you should ensure that the new amount of cover still meets your needs.

## CAN I INCREASE MY COVER?

Yes, you can increase your cover. Usually, changes to your amount of cover will be assessed at the time. However, if the 'Guaranteed Insurability Option' is shown in your Policy Schedule then you can increase your cover, if there are certain changes in your life, without the need to provide us with further medical information. Please see your Policy Terms and Conditions for further information.

## CAN I MAKE CHANGES?

Yes, you can make changes to your policy. Please talk to us and we'll consider your request and let you know if what you're asking for is possible and what your new premium will be.

If you make any changes to your policy then a new policy may be set up and different terms and conditions could apply.

## WHAT HAPPENS IF I MOVE ABROAD AFTER THE POLICY HAS STARTED?

If you move abroad during the length of your policy, please check your Policy Terms and Conditions, as your cover may be affected.

## WHAT ARE THE CHARGES?

The premiums you pay include all the costs of administration, underwriting, commission, claims and selling expenses plus any fees payable for any medical examinations which we ask you to attend.

## IS THIS PRODUCT SUITABLE FOR ME?

If you have any doubts about the policy's suitability for you, please call us. We are only able to advise on our own products.

## WHAT IF I WANT TO CANCEL?

You can cancel your policy at any time. When you first take out your policy we'll send you a cancellation notice. If you cancel within 30 days, we'll refund any premiums you've paid. If you cancel your policy at a later stage, you will not get any money back.

## ARE PAY OUTS TAXED?

Any pay out that we make should be free from UK Income Tax and Capital Gains Tax. The Government may change this tax position at any time. You might have to pay Inheritance Tax on Life Cover pay outs. It may be possible to avoid this by setting up an appropriate trust.

## WHY USE A TRUST?

A trust for a policy has many practical and financial benefits. For example:

**Inheritance Tax** – It should help to ensure that any money paid out from the policy would not be part of the estate of the person covered, helping to minimise Inheritance Tax.

**Quicker payout** – It should help to ensure that the money paid out from the policy can be paid to the right people quickly, without the need for lengthy legal processes.

**Control of funds** – A trust can control when the money from the policy will be paid out. This can ensure that children receive some financial support from the money, but do not have full access to it.

For more information on setting up a trust please contact us.

## HOW DO I CLAIM OR CANCEL?

Claims/Cancellations Department  
Legal & General Assurance Society Limited  
City Park  
The Drove  
Hove  
East Sussex BN3 7PY

For Life claims:  
**0800 137 101\***  
life.claims@landg.com

For Critical Illness claims:  
**0800 068 0789\***  
health.claims@landg.com

For Waiver of Premium claims:  
**0800 027 9830\***  
health.claims@landg.com

## WHO REGULATES LEGAL & GENERAL?

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. We are entered on their register under number 117659. You can check this at [www.fca.org.uk](http://www.fca.org.uk) or telephone them on **0800 111 6768**.

Please note this leaflet also complies with the ABI Statement of Best Practice for Critical Illness Cover.

## THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. Whether or not you are able to claim and how much you may be entitled to will depend on the specific circumstances at the time. For further information about the scheme please contact the FSCS at: [www.fscs.org.uk](http://www.fscs.org.uk) or call then on: **0800 678 1100**.

## HOW DO I COMPLAIN?

If you have a complaint about our service or would like a copy of our internal complaint handling procedure, please contact us at:

Legal & General Assurance Society Limited  
Knox Court  
10 Fitzalan Place  
Cardiff CF24 0TL

**0845 071 1439\***

Making a complaint doesn't affect your legal rights. If you're not happy with the way we handle your complaint, you can talk to the Financial Ombudsman Service at:

Exchange Tower  
Harbour Exchange Square  
London E14 9SR

**0800 023 4567** (free for people phoning from a fixed landline)

**0300 123 9 123** (calls to this number are charged at the same rate as 01 or 02 numbers on mobile phone tariffs)

[complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

For General Enquiries please call our Helpdesk on:

**0370 010 4080\***

Monday to Friday 8.30am to 6pm. Saturday 9am to 1pm.

\*Call charges will vary. We may monitor or record calls.

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[www.legalandgeneral.com](http://www.legalandgeneral.com)

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