

Key features of the Adaptable Life Plan – guaranteed payments



Helping you decide

This **important document** gives you a summary of the Adaptable Life Plan – guaranteed payments. Please read this with your illustration, if you have one, **before** you decide to buy this plan and keep it for future reference.



The Financial Conduct Authority is a financial services regulator. It requires us, Zurich Assurance Ltd., to give you this important information to help you to decide whether our Adaptable Life Plan is 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.

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The Adaptable Life Plan

The Adaptable Life Plan – guaranteed payments is a whole of life assurance plan that is designed to pay out a sum of money when you die. Your adviser will help you decide if this plan is right for you.

Its aims

What this plan is designed to do

- Provide you with life cover that pays out a cash sum whenever you die.
- Pay the cash sum early if you are diagnosed with a terminal illness and are expected to live for less than 12 months.

Your commitment

What we ask you to do

- Make regular payments for the rest of your life.
- Give us all the information we ask for when you apply for the plan. Please don't assume we'll contact your doctor for any medical information we need.
- Tell us about any changes to the information you give us on your application, which occur before your plan starts. Please see 'When will the plan not pay out?' on page 7.
- Review your cover regularly, with your adviser, to make sure it continues to be right for your needs.

Risk factors

What you need to be aware of

- If you don't answer all the questions on your application fully, truthfully and accurately, we may not pay a claim.
- We will not pay a claim in the circumstances described in 'When will the plan not pay out?' on page 7.
- If you stop paying, your cover and plan will end after 30 days. We won't refund any of your payments.

Other documents you should consider reading

This document gives you key information about the plan. If you want more detail on specific points, please read the following documents. We have highlighted when they are relevant throughout this document.

Here to help at every step

Explains what happens from when you apply, to when your plan starts, and tells you what you can expect from us while you have your plan.

Adaptable Life Plan – guaranteed payments terms and conditions

Gives you the full terms and conditions that apply to the plan.

Inheritance tax protection – free cover terms and conditions

Explains how free cover works and when you are eligible for it.

They are all available from your adviser or direct from us. Our contact details are on page 11.

Questions and answers

Setting up your plan

Is the Adaptable Life Plan – guaranteed payments right for me?

It may be right for you if you want to provide a lump sum for your family or business when you die or are diagnosed with a terminal illness.

What cover does the Adaptable Life Plan – guaranteed payments provide?

The plan pays a cash sum when you die. We'll pay the cash sum early if you are diagnosed with a terminal illness, and are expected to live for less than 12 months. The plan will then end.

What optional extra benefits can I include?

You may be able to include the following optional extra benefits in your plan for an extra cost:

Waiver of payment benefit

This means we make your payments to the plan for you if you are incapacitated and can't work because of illness or injury.

Indexation

This means your life cover will increase automatically each year in line with rises in the Average Weekly Earnings Measure. Your payments will increase each year to pay for the higher cover.

You must decide at the start of your plan if you want to include any of these benefits – you can't add them later. **For more information please read 'Optional extra benefits' on page 9.**

Who can the plan cover?

The plan can cover one person or two people jointly. If it covers one person you must be aged between 16 and 83 when the plan starts.

If the plan covers two people, you can choose to have the life cover paid after one of you dies or after both of you have died. You must both be at least 16 when the plan starts. If you choose for the plan to pay out when the first person dies, the maximum age the older person can be when the plan starts is 69.

If you choose for the plan to pay out when the second person dies, the maximum age the older person can be when the plan starts is 83.

When your plan starts you must be living in the United Kingdom and intend to stay here.

How long can the plan last?

The plan will run for the whole of your life until you die or suffer a terminal illness. If the plan covers two people and will pay out when the first person dies, the plan will run until the first person dies or suffers a terminal illness. If the plan will pay out when the second person dies, it will run until the second person dies or suffers a terminal illness.

How much does the plan cost?

Your adviser will tell you how much the plan will cost you, but it will depend on the following:

- Your personal circumstances – for example, your age, health, occupation and whether you smoke.
- The amount and type of cover you choose.

You can pay monthly or yearly by direct debit. You can also pay yearly by cheque.

Does the plan include any free cover?

If you are using the plan to pay for a future inheritance tax liability, we may be able to give you free cover while we assess your application.

Full details are in the Inheritance tax protection – free cover terms and conditions.

After it starts

Can I change my plan after it starts?

Increasing your level of cover

You may be able to increase your cover later on, up to certain limits, without giving us any more details about your health or activities.

This is called the 'special event benefit' and you must be 54 or younger when you want to use it (except for increasing inheritance tax liability cover, when you must be 69 or younger). If the plan covers two people, the age limit applies to the older person. You can do this if you:

- increase your mortgage
- marry
- divorce
- enter into a civil partnership
- end a civil partnership
- become the natural parent of a child
- legally adopt a child
- increase your inheritance tax liability
- have a salary increase of 10% or more following a promotion or change of job

- increase your business assurance needs
- end the business partnership relationship between two people covered by the plan
- enter into a new commercial loan or increase an existing one.

We'll tell you on your plan schedule if we can't include this option in your plan.

Full details are in section 6 of the terms and conditions.

Can my payments change in the future?

Your payments will be guaranteed, which means they will stay the same unless you ask us to change your level of cover or you include indexation benefit.

What if I stop paying?

Your cover and plan will end 30 days after the last payment was due. You won't get back any of your payments.

How much does the plan pay out?

You decide how much cover you would like when you take the plan out.

The plan never has a cash-in value.

When will the plan not pay out?

We may not pay a claim and may cancel all cover under the plan in the following circumstances:

- You don't give us all the information we ask for when you apply for your plan or when you make a claim. Please don't assume we'll contact your doctor for any medical information we need.
- You don't tell us about any changes in the following between making your application and when your plan starts:
 - Personal health.
 - Family medical history.
 - Occupation.
 - Where you live – if you move to live outside the UK.
 - The frequency and extent of your foreign travel.
 - Any hazardous leisure activities you do.
 - Alcohol consumption.
 - Smoking habits.
 - Use of recreational drugs or drugs not prescribed for you.
- You commit suicide within 12 months of the date the plan started or was reinstated.

If we apply any additional specific exclusions we will show them on your plan schedule.

Full details are in section 2 of the terms and conditions

Will I get regular updates on my plan?

Yes, we'll send you a statement each year showing the cover you have. This will help you decide if it is still enough to meet your needs.

Cancelling your plan or making a claim

Can I change my mind and cancel?

Yes, you can. When we issue your plan documents we will send you details of how to cancel your plan. You will have 30 days from receiving these documents to do this. If you decide to cancel we will refund your money.

If you decide to cancel your plan after this time, please contact us – our details are on page 11. If you cancel your plan after the first 30 days, we won't refund any money you've paid.

You can cancel before you receive your plan documents by calling either us or your adviser.

How can I make a claim?

To make a claim, contact us or your adviser. We'll let you or your representative know what information we need so that we can process the claim as quickly as possible.

| To claim for | Telephone number Opening hours 9am to 5pm |
|---------------------------|----------------------------------------------|
| Life cover | 0870 243 0827 |
| Terminal illness benefit | 0870 850 0786 |
| Waiver of payment benefit | 0870 850 0786 |

Full details are in section 8 of the terms and conditions.

What about tax?

You won't have to pay income tax or capital gains tax on any benefits the plan pays out.

If you have taken out the plan for yourself, or the plan covers two people jointly where the life cover is paid after both of you have died, the cash sum payable on death should not form part of your estate for inheritance tax purposes, provided that the plan is written under a suitable trust. If the plan is not written in trust, the cash sum payable on death may be liable to inheritance tax. If the plan is owned by a company, taxation is more complex. Please talk to your adviser about how this affects you and what arrangements you could make.

We've based this information on our understanding of current UK law and HM Revenue & Customs practice. Future changes in law and tax practice or in individual circumstances could affect taxation.

Optional extra benefits

You can choose to include the following extra benefits in your plan for an extra cost. You must decide at the start of your plan if you want to include any of these benefits; you can't add them later. Full details are in section 3 of the terms and conditions.

- 1 Waiver of payment benefit 2 Indexation

1 Waiver of payment benefit

If you include waiver of payment benefit, we'll make your payments to the plan for you if you are incapacitated and can't perform your own occupation, or one you are reasonably suited to through education, training or experience, because of illness or injury for longer than three months.

The illness or injury must have started after the plan began and you must be incapacitated from doing the main duties of the job, or jobs, you were doing at the time you had the injury or illness that caused the incapacity.

If the plan covers you and another person, you can choose whether you want to include this benefit on either or both of you. You can't include this benefit if you:

- are aged 55 or older when the plan starts
- have not been accepted on our standard terms
- are not in paid employment when the plan starts.

When won't Zurich pay the waiver of payment benefit?

We won't pay a claim for waiver of payment benefit if:

- you haven't made all payments that were due
- you had the illness or injury that caused the incapacity before the plan started
- the benefit has less than three months to run
- you weren't in a paid job when you became incapacitated
- you have more than one paid job and you can still do the main duties of any of them
- you are not continuously disabled throughout the deferred period
- you are incapacitated from doing the main duties of your usual paid job or jobs but you can do another job for which you are reasonably suited by your education, training or experience

- the incapacity is caused by or is due to:
 - flying (travelling in an aircraft except on a licensed commercial airline)
 - hazardous sports and pastimes
 - taking part in a criminal act
 - alcohol or drug abuse
 - unreasonable failure to seek or follow medical advice
 - self-inflicted injury
 - terrorism
 - war or civil commotion
 - infection with HIV/AIDS (unless you caught it in the United Kingdom from a blood transfusion, by physical assault or at work in an eligible occupation)
- the cause of the claim arises from the circumstances detailed in any specific exclusions on your plan schedule.

When does the waiver of payment benefit stop?

The benefit stops as soon as one of the following happens:

- You no longer meet our definition of incapacity.
- You return to paid employment
- The plan anniversary after your 65th birthday.
- The plan ends after a terminal illness or death claim.

2 Indexation

If you include indexation, your life cover will increase automatically each year in line with rises in the Average Weekly Earnings Measure. Your payments will increase each year to pay for the increased level of cover.

If you decide you no longer want indexation, please write and tell us and we'll remove it.

Other information

How to complain

If you need to complain, please see the 'How to contact us' section on page 11.

You can ask us for details of our complaint handling process. If you are not satisfied with our response to your complaint, you can complain to:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR
UK

Telephone: 0800 023 4567 or 0300 123 9123

Or visit the website www.financial-ombudsman.org.uk

This service is free to you and you can find out more by contacting the Financial Ombudsman Service.

You do not have to accept a decision by the Financial Ombudsman Service and you are free to go to court instead if you wish.

Compensation

If we're unable to meet our financial obligations in full you may be entitled to help from Financial Services Compensation Scheme (FSCS). The compensation you'll receive will be based on their rules.

If you need more information, you can contact the FSCS helpline on 0800 678 1100 or 020 7741 4100, write to the address below or visit the website www.fscs.org.uk.

Financial Services Compensation Scheme
10th Floor, Beaufort House
15 St Botolph Street
London
EC3A 7QU
UK

Your adviser will recommend products that are suitable for your needs. You have a legal right to compensation if an authority decides that a recommendation was unsuitable when it was made.

Terms and conditions

This key features document gives a summary of the Adaptable Life Plan – guaranteed payments. It doesn't include all the definitions, exclusions, terms and conditions.

We'll send you a copy of the full terms and conditions when your plan starts. If you would like a copy before then, please contact us direct.

We'll let you know if there are any changes to the terms and conditions. For full details of changes we can make, see the 'changes we can make to the plan' section of the terms and conditions.

Law

The plan is governed by the law of England.

Our regulators

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. We are entered on the Financial Services Register under number 147672. You can find this on the website www.fca.org.uk. You can contact the FCA by telephone on 0800 111 6768 (freephone).

Communicating with you

Our plan documents and terms and conditions are in English and all our other communications with you will be in English.

How to contact us

If you want to contact us before you buy this plan, you can write or phone:



Write to:

Zurich Assurance Ltd
Tricentre One
New Bridge Square
Swindon
SN1 1HN
UK



Phone: 01793 514514

Monday to Friday 8.30am – 6pm (we are not open on public holidays). We may record or monitor calls to improve our service.

An answerphone is in operation outside office hours.

Keep in touch

It's important that we keep in touch so, if you change your address or any of your contact details, please let us know.

We'd like everyone to find it easy to deal with us. Please let us know if you need information about our plans and services in a different format.

All our literature is available in large print or braille, or on audiotape or CD.

If you are a textphone user, we can answer any questions you have through a Typetalk operator. Please call us on **18001 01793 514514**. Or, if you prefer, we can introduce your adviser to a sign language interpreter.

Please let us know if you would like a copy of this in large print or braille, or on audiotape or CD.

