

Insurance Services



Co-op Over 50 Life Insurance

Terms and Conditions

Co-op Over 50 Life Insurance is provided,
underwritten and administered by
The Royal London Mutual Insurance Society Limited.

coop.co.uk/insurance

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1. Welcome to Co-op Over 50 Life Insurance

Co-op Over 50 Life Insurance is a contract between you and The Royal London Mutual Insurance Society Limited, the provider of this product.

Co-op Insurance Services have introduced you to Royal London and will receive single commission payment at the start of this policy. The amount of commission that Co-op Insurance Services receive is a fixed percentage of the total payments you make to Royal London in one year.

These terms and conditions contain all the details of your Co-op Over 50 Life Insurance, and outline your relationship with Royal London. So please keep this booklet in a safe place as you may need it in the future.

Your demands and needs


We can only give you facts, not personalised advice. You need to use this information to decide if this policy is suitable for you.

This policy meets the demands and needs of someone aged between 50 and 80, who wants to make sure that a Payout of up to £10,000 is paid out when they die.

Our agreement with you

Wherever we say 'you' or 'your' in this booklet, we mean the person covered by this policy, who is also known as the policyholder.

Wherever we say 'we', 'us' or 'our', we mean The Royal London Mutual Insurance Society Limited, which we'll refer to just as Royal London.

 Your policy schedule, the information that you provided in your application and these terms and conditions (including any changes) make up your legal agreement with Royal London.

Your policy schedule contains the details of your cover, such as the amount you pay each month and the amount we'll pay for a claim. It is sent to you at the start of your policy and if your policy is amended.

 Full information on Making Changes can be found on page 11.

Royal London is a mutual insurance company, which means it is owned by some of its customers. These are our members. Purchasing a Co-op Over 50 Life Insurance policy does not make you a member of Royal London.

Who can take out this policy?

To take out a Co-op Over 50 Life Insurance policy, you must be eligible for a policy. This means you must be between 50 and 80 years old and a UK resident at the time your policy started.

Please make sure we have the right details

You need to check your policy schedule when you receive it to make sure that all the information we hold about you is correct. If you spot any errors, or have any questions about your policy, please call us on **0345 268 6081**.

If you gave us an incorrect date of birth, or incorrectly stated that you were a UK resident when buying your policy, we may be unable to pay a claim and may cancel your policy.


If because of your age we would have offered you a policy for a different amount, we'll change the amount your policy will pay out, to reflect your correct age. If you'd paid too much for your cover because of the error, we'd also refund any overpayments.

2. How does my Co-op Over 50 Life Insurance work?

Your Co-op Over 50 Life Insurance pays out an amount of money when you die. We call this the Payout. The amount we'll pay out for a claim depends on when you die, as explained below.

You can find the value of your full Payout by checking your policy schedule, which is sent to you when we accept your application.

If you die after the second year we'll pay the full Payout if all of your monthly payments have been made. You agreed with us how much to pay each month when you bought your policy.

 Please see the section about what happens if I stop paying on page 6 for more information.

If you die within the first two years, you'll only receive the full Payout if your death is accidental, as explained below.

If you die during the first two years


Accidental death

If you die within the first two years of this policy as a result of an accident, we'll pay the full Payout. When we say 'accident', we mean an event that causes physical injury which could not have been predicted and was not intentional.

If you commit suicide, within the first two years, this wouldn't be counted as an accidental death and we'll return all the payments you have made up to that point.

Non-accidental death


If you die within the first two years of your policy and it wasn't because of an accident, we'll return all the monthly payments you've made up to that point.


 For example, if your monthly payments were £20 and you made six payments before you died, we'd refund the £120 you'd paid us.

How long will I pay for?

Your first payment has to be made when your policy starts. You'll then make monthly payments until the first anniversary of your policy on or after your 90th birthday or until you die - whichever is sooner.

The first anniversary of your policy on or after your 90th birthday will be shown as the 'Final Payment Date' on your policy schedule.

 Depending on how long you live, it's possible you could end up paying more in total for your policy than it pays out when you die.

 It's important to be aware that your Payout doesn't increase over time - and may be affected by inflation. This means that the price of things, may become more expensive as time goes on, and your final Payout may be worth less.

How do I pay for my policy?

Your policy has to be paid for by monthly Direct Debit by you or another person on your behalf. It is your responsibility to ensure that payments are made.


We'll collect payments each month until the Final Payment Date, or until you die if that is earlier. We'll also stop taking payments if your policy is cancelled.

What happens if I miss a payment?

If you miss a payment, you'll have 60 days starting from the date of the missed payment to pay it. If you pay the full amount within this period your policy won't be affected.

If you die within this 60-day period, any claim we pay would be reduced by the amount of any unmade payments. So if we were supposed to pay out £3,050 after your death, you'd missed a payment of £10 and you die within 60 days, we'd pay £3,040 instead.

If you're struggling to make payments, please get in touch. You can ask us to reduce your monthly payments, but this means we'll reduce your Payout.

 Please see the section about making changes on page 11 for more information

What happens if I stop paying?

If you miss a payment you'll have 60 days starting from the date of the missed payment to pay it. If the missed payment is not paid back within 60 days, our next step will depend on how long your payments have been made for.

We calculate the number of payments that you'll make between the start of your policy and your Final Payment Date. We call this the 'Payment Term'.

If you've made less than 35% of payments due during the Payment Term, we'll cancel your policy. You won't get any payments back and you'll no longer qualify for a Payout when you die.

If you've made at least 35% of payments due during the Payment Term, your policy will still qualify for a Payout when you die, under our Payout Promise feature - which is explained below. In either case, once 60 days have passed after a missed monthly payment, you can't start making payments again, or make up missed payments.

Payout Promise

We'll pay out on our Payout Promise feature on the following terms:

- 35% of your full Payout when you die once you've made at least 35% of payments due during the Payment Term;
- If you are then still making payments, Payout Promise continues at 35% until you reach 75% of payments due during the Payment Term;
- 75% of your full Payout when you die once you've made at least 75% of payments due during the Payment Term;
- If you are then still making payments, Payout Promise continues at 75% until you reach 100% of payments due during the Payment Term.

Payout Promise example (35%)

If you took out a policy on your 70th birthday, you agree to make monthly payments until your 90th birthday.

That's 20 years, or 240 months.

Expected monthly payments = 240

Let's say your full Payout would be £3,500.

Full Payout = £3,500

If you then stopped making payments after 7 years, which is 35% of the Payment Term, you'll have then made 84 payments.

Payments made = 84

We'd calculate your Payout Promise by first, dividing the payments made by the expected monthly payments.

$84 \div 240 = 0.35$

We then multiply this number by the Full Payout amount expected.

$0.35 \times \text{£}3,500 = \text{£}1,225$

That gives a Payout Promise of £1,225 which we'd pay out when you die, even though you don't make any more payments.

If your monthly payments stop or your policy is cancelled and you qualify for Payout Promise, we'll contact you to let you know how much this will be.

Payout Promise example (75%)

If you took out a policy on your 70th birthday, you agree to make monthly payments until your 90th birthday.

That's 20 years, or 240 months.

Expected monthly payments = 240

Let's say your full Payout would be £3,500.

Full Payout = £3,500

If you then stopped making payments after 15 years, which is 75% of the Payment Term, you'll have then made 180 payments.

Payments made = 180


We'd calculate your Payout Promise by first, dividing the payments made by the expected monthly payments.

$180 \div 240 = 0.75$

We then multiply this number by the Full Payout amount expected.

$0.75 \times \text{£}3,500 = \text{£}2,625$

That gives a Payout Promise of £2,625 which we'd pay out when you die, even though you don't make any more payments.

 Please see your policy schedule for details of when you'll be eligible for Payout Promise along with you specific Payout Promise amounts.

3. How to make a claim

If the person covered by this policy – also known as the policyholder – has died, then please call **0345 268 6082** to register a claim.

We'll then send out a claim form, which will need to be filled in and returned to us.

What happens next?

Once we've received the claim form, we may ask for more information. We won't be able to pay a claim until we've received all the information we need.

Documents we may need to see include:

- Proof of the policyholder's death such as the original death certificate
- The original birth certificate of the policyholder
- Evidence of a change of name – for example, a marriage certificate

Depending on the claim, we may need to see other documents. But we'll only ask for things that we reasonably need to approve the claim. For example, medical records in the case of an accidental death claim in the first two years.

Who do we pay the claim to?

We'll pay the claim to the people who are legally entitled to receive it. This is often the policyholder's personal representatives.

i A 'personal representative' is a person in charge of the policyholders' estate.

i 'Estate' is the term used to describe a person's collective belongings and debts after their death.

We may need to see the original grant of representation (or grant of confirmation in Scotland) before we pay the claim. This is a document issued by a court, which proves who the personal representatives of the estate are.

How we pay the claim

Once we've approved a claim, we'll normally pay the money into a UK bank account within 10 working days. We can also arrange to send a cheque.

If we've received any payments since the death of the policyholder, we'll also refund these when we pay the claim.

And if the payment of the claim, or the return of any additional payments, is delayed by more than two months, we'll add interest to the amount we pay.

The rate we use is the Bank of England base rate minus 0.5%, subject to a minimum interest rate of 0.5%. Interest is calculated on a daily basis.

If this policy was placed in trust

A trust is a legal arrangement which allows a policy to be held by someone else – the 'trustees'. The trustees are chosen by the policyholder.

If you choose to place your policy in trust, you must send a copy of the trust deed to: Customer Services, PO Box 445, Royal London House, Alderley Road, Wilmslow SK9 0GB.

If your policy is placed in a trust, we'll make the Payout to the trustees. The trustees would then follow the trust's instructions to distribute the Payout to the people who will benefit from the trust.

We'll need to see the original trust deed – which is a document that lays out the rules of the trust – before paying the claim. We'll also need to see any documents which change the trust deed.

If this policy has been assigned to someone else

If this policy is assigned to someone else, we'll pay the claim to the person this policy has been assigned to. This can only be done with a deed of assignment.

To assign a policy, you must send a notification of the assignment to: Customer Services, PO Box 445, Royal London House, Alderley Road, Wilmslow SK9 0GB.

We'll need to see the original deed of assignment before paying the claim.

Will my Payout be taxed?

Your Payout will be free from UK income tax and capital gains tax. However, it may form part of your estate when you die – so inheritance tax may have to be paid on this.

Please bear in mind that tax rules may change in the future, which could affect the taxes paid on your Payout.

If you're unsure of your tax position you should seek professional advice, you may be charged for this service.

4. Making changes

To make changes, please call **0345 268 6081**.


Changes we need to know about

You need to let us know if you change your name, address or bank account. If you leave the UK to live in another country permanently, it could mean that you can't make changes to this policy.

Reducing your monthly payments

If you're struggling to keep up your monthly payments, we'll allow you to reduce them to as little as £3.95 a month. But this will reduce the amount that we pay out when you die. If you already pay £3.95 or less, you cannot reduce your monthly payments further.

If you reduce your monthly payments it will also affect any Payout Promise you might qualify for.

 Please see the section about Payout Promise on page 6 for more information.

Can I increase my monthly payments?

You can't increase your payments or the full Payout of your policy. However, you may be able to take out further Co-op Over 50 Life Insurance policies.

Any additional Co-op Over 50 Life Insurance policy taken out will be subject to the terms and conditions applicable to that policy at the time it is taken out.

The most we'll pay across all Co-op Over 50 Life Insurance policies you hold is £10,000. You can't make monthly payments of more than £100 to us.

We'll cancel policies or reduce your monthly payments if they'd break these limits.

How we can make changes


Our aim is never to make changes to your policy. However, we may have to do so for the following reasons:

- In circumstances beyond our control – such as a change in law, taxation or regulation or where we need to comply with a legal or regulatory decision or recommendations.
- To correct an error where it is reasonable to do so – such as if something is missing from your policy terms which mean that there is an inconsistency with your policy schedule or the policy summary document.
- To allow for changes in the way we administer Co-op Over 50 Life Insurance policies where we consider it necessary to do so. For example, where it becomes impractical or impossible for us to provide your policy as is; or if it could result in our customers being treated unfairly.
- Where we want to make a new service or feature available to you, or make a reasonable change that won't be unfavorable to you.

Wherever possible, we'll do our best to give you advance notice before we make a change. If any change is to your disadvantage, we'll aim to tell you in writing 30 days before we make it. If that's not possible, we may have to give you less notice but we'll let you know as soon as we reasonably can.

We may send you a letter that sets out the changes to your policy terms, which will also form part of your legal agreement with us. You may hear us call this an 'endorsement letter'.

If we make a change to your policy that you are not happy with you may cancel your policy.

 This section doesn't affect our ability to make changes to how we handle your personal information. For full details explaining how your personal information will be used see the Co-op Insurance Services and Royal London Privacy Notices in your Welcome Pack or online at: over50s.co-opinsurance.co.uk/secure/direct/consumer/legal/privacy

Payment Holiday

If you'd like to take a break from making your monthly payments, please call us on **0345 268 6081** and we can talk to you about your options.

At any time after the first year of your policy, you can ask us for a payment holiday. You can only take up to 2 payment holidays and these must be at least 12 months apart.

Taking a payment holiday means you can have a break of up to six months from making your monthly payments and your policy will still continue. After each payment holiday you will have the option to make up all the missed payments, otherwise we'll reduce your Payout by the amount of missed payments.

If your Payout changes, we'll let you know how much we'll reduce it by and we'll send you an updated policy schedule. You must restart your monthly payments for your policy to continue after your payment holiday.

If your Payout amount reduces because of a payment holiday, it will also affect the amount of any Payout you might qualify for under our Payout Promise.

If we accept a claim during a payment holiday the Payout amount will be reduced by the amount of any unmade monthly payments.

You cannot take out another Co-op Over 50 Life Insurance policy or make any changes to your current policy during a payment holiday.

If a policy has been placed in trust we would take a payment holiday instruction from the trustees. If the policy has been assigned to someone else, known as the assignee, then the payment holiday instruction would need to be given by the assignee.

Payment Holiday example

If you are 65 years old, paying £20 month with a Payout of £3,850 and take a 6 month payment holiday.

$$6 \times £20 = £120$$

$$£3,850 - £120 = £3,730$$

At the end of your payment holiday your Payout would be reduced to £3,730

You can however chose to pay back the missed payments instead of reducing your Payout.

$$6 \times £20 = £120$$

You'd have to pay us £120 at the end of your payment holiday for your policy to continue.

5. Making a complaint

We hope that you never have a reason to complain about your Co-op Over 50 Life Insurance. If you do, we'd like to put things right. Please contact us using the details below.

If you write to complain, please supply your policy number.

Phone: 0345 268 6083

Email:
customer.relations@royallondon.com

Post:
PO Box 445, Royal London House, Alderley Road, Wilmslow SK9 0GB

We'll do our best to resolve your complaint within eight weeks. If we don't, or if you aren't satisfied with our final response to the complaint, you can then contact the Financial Ombudsman Service.

This is an impartial service. It can examine your complaint and make a legally binding decision on what we should do.

Financial Ombudsman Service contact details

Phone: 0800 023 4567
or **0300 123 9123.**

Post:
The Financial Ombudsman Service, Exchange Tower, London E14 9SR

Email:
complaint.info@
financial-ombudsman.org.uk

Website:
www.financial-ombudsman.org.uk

Using the Financial Ombudsman Service doesn't affect your legal rights.

If you, or your personal representatives, are not happy with the Ombudsman's decision, you may still be able to take legal action against Royal London.

The law of England and Wales applies to this policy. Any legal claims relating to this policy will be heard in the courts of England and Wales.

Only Royal London and you or your personal representatives have the right to enforce any part of this contract.

6. Cancelling my policy

You can cancel your policy at any time by calling **0345 268 6081**.

You can also email **co-op-servicing@royallondon.com** to cancel. Please send your request from the email address you supplied to us when you took out your policy.

Alternatively, you can write to us at: PO Box 445, Royal London House, Alderley Road, Wilmslow SK9 0GB.


Cancelling within 30 days

If you cancel within 30 days of the date you received this booklet and your policy schedule, we'll refund any payments you've made.

If you cancel after 30 days have passed, you won't get a refund.

Cancelling after making at least 35% of your payments

If you cancel and have paid at least 35% of payments due during the Payment Term, you'll qualify for our Payment Promise.

 Please see the section about Payout Promise on page 6 for more information.

7. How is my policy protected?

Your policy is covered by the Financial Services Compensation Scheme (FSCS).

In the unlikely event that Royal London was unable to pay claims because it had stopped trading, you should be able to claim from the FSCS. You can find out more by visiting www.fscs.org.uk or contacting the scheme directly using the details below.

Post:

Financial Services Compensation Scheme, PO Box 300, Mitcheldean GL17 1DY

Phone: 0800 678 1100
or **0207 741 4100**.

8. Where can I find out about Royal London's financial situation?

We want to provide you with clear information about Royal London's financial position, so we have created a Solvency and Financial Condition Report. In it, you'll find more details about Royal London's business and company performance. The report is produced annually and you can access it at royallondon.com/solvency

We're happy to provide your documents
in a different format, such as Braille, large print
or audio, please call us on **0345 268 6081**

Co-op Insurance Services acts as an Introducer for Co-op Over 50 Life Insurance. Co-op Insurance Services is a trading name of Co-op Insurance Services Limited; registered in England and Wales with registration number 4390. Registered address is 1 Angel Square, Manchester, M60 0AG. Co-op Insurance Services Limited is authorised and regulated by the Financial Conduct Authority under register number 779364.

Co-op Over 50 Life Insurance is provided, underwritten and administered by The Royal London Mutual Insurance Society.

The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firm is on the Financial Services Register, registration number 117672 Registered in England and Wales number 99064.

Registered office: 55 Gracechurch Street, London, EC3V 0RL.

Co-op Insurance Services Limited is not part of The Royal London Group.