Policy Summary

Post Office Money® Life Insurance is provided by The Royal London Mutual Insurance Society Limited.

postoffice.co.uk
This booklet contains important information you need to read before you apply for Post Office Money Life Insurance provided by The Royal London Mutual Insurance Society Limited ("Royal London").

The Financial Conduct Authority is a financial services regulator. It requires us, Royal London, to give you this important information to help you decide whether the Post Office Money Life Insurance cover is right for you.

You should read this document carefully so that you understand what you are buying, and then keep it in a safe place for future reference.

This Policy Summary is a guide to your cover and exclusions provided under the Post Office Money Life Insurance. It does not provide the full terms of your policy. Full terms are contained in the Terms and Conditions and your Policy Schedule, which will be issued once your policy has started. These documents set out your contract with us. Please check your Policy Schedule carefully when you receive it for confirmation of the cover you have chosen.

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Post Office Money Life Insurance is provided by Royal London.

Any references to ‘Royal London’, ‘we’, ‘us’ or ‘our’ refer to The Royal London Mutual Insurance Society Limited, unless stated otherwise.

‘You’ and ‘your’ refer to the person whose life is covered under this policy.

Helping you decide

Royal London provides and underwrites Post Office Money Life Insurance. We can only provide factual information and cannot provide advice to you. It is your responsibility to ensure that this policy meets your needs.

If you have any doubt as to whether this policy meets your needs you should contact a financial adviser (who may charge for their services).

If you do not have a financial adviser you can get details of local financial advisers by visiting www.unbiased.co.uk

What is Post Office Money Life Insurance?

Post Office Money Life Insurance is a life assurance policy which pays an amount of money (the ‘Main Benefit Cash Sum’) if, during the term of your policy (as chosen by you), you:

- die; or
- are diagnosed with a terminal illness that meets our definition.

We call this the Main Benefit.

Our terminal illness definition is a definite diagnosis by the attending consultant of an illness that satisfies both of the following:

- the illness either has no known cure or has progressed to the point where it cannot be cured; and
- in the opinion of the attending consultant, the illness is expected to lead to death within 18 months.
An attending consultant is someone who:

- holds an appointment as a consultant or equivalent at a hospital in the UK or a comparable qualification outside the UK;
- is accepted by our Chief Medical Officer; and
- is a specialist appropriate to the cause of the claim.

If we pay the Main Benefit Cash Sum your policy will end and no further monthly payments will be payable.

If by the end of the term of the policy you are still alive and you have not been diagnosed with a terminal illness, your policy will end and you will not receive a payout.

**What other benefits can I choose?**

You can choose to add Critical Illness benefit to your policy. Critical Illness benefit pays out an amount of money (the 'Critical Illness Cash Sum') if, during the term of the policy, you are diagnosed with one of the three covered critical illnesses that meet our definition and then survive for at least 10 days after. We only cover the critical illnesses we define in our policy and no others.

**Significant features and benefits**

**What types of cover can I choose?**

You can choose from three types of cover:

- **Level Cover**, where the Main Benefit Cash Sum stays the same throughout the term of your policy;
- **Decreasing Cover**, where the Main Benefit Cash Sum decreases each month throughout the term of your policy. This cover has been designed to match the reducing amount owed on a capital and interest repayment mortgage with a fixed interest rate of 7% and with a mortgage term equal to the term of your policy; or
- **Increasing Cover**, where the Main Benefit Cash Sum (and your monthly payments) increases each year throughout the term of your policy. You will have the opportunity to reject each annual increase before it takes effect, but if you do so for two consecutive years we will change your policy to a Level Cover policy.

It's really important that you understand the different types of cover, and how they work.

The example below compares the Main Benefit Cash Sums of each of the three different types of cover throughout the term of a policy:
What is the Critical Illness benefit option?

Critical Illness benefit pays out if, during the term of the policy, you are diagnosed with one of three covered critical illnesses, that meet our definition and then survive for at least 10 days after. The ‘Critical Illness Cash Sum’ is equal to 25% of your Main Benefit Cash Sum. If you choose Increasing Cover, the Critical Illness Cash Sum (and your monthly payments) will also increase annually, unless you decide to reject an annual increase as permitted by the policy Terms and Conditions. See section 2.2 (c) of the Terms and Conditions. If you choose Level or Decreasing Cover, the Critical Illness Cash Sum will stay the same throughout the term of your policy.

Critical Illness benefit is available at an extra cost. If Critical Illness benefit applies to your policy and a successful claim is made, we will pay the Critical Illness Cash Sum. Once a claim has been paid the Critical Illness benefit will end, as well as the extra cost of this benefit. However your policy will continue as long as you continue to make your reduced monthly payments for the Main Benefit until your policy ends. The Main Benefit would still be paid out in the event of a successful claim. If you don’t make the reduced monthly payments, your policy will end and you will no longer be covered.

The illnesses covered by the Critical Illness benefit

The complete list of Critical Illnesses we cover is set out later in this section. These headings are only a guide to what’s covered. You can find the full definitions of the covered Critical Illnesses that you need to meet for a successful claim to be made in section 2.3.2 of the Terms and Conditions.

Cancer – excluding less advanced cases

Heart Attack – of specified severity

Stroke – of specified severity

The full definitions of these illnesses typically use medical terms and in some cases limit the cover. For example, some types of cancer are not covered.

All benefits

Your acceptance for the policy is dependent on your answers to our health and medical history questions at the time of application.

You must answer these questions honestly, fully and accurately, to the best of your knowledge and belief. If you do not, we may not pay any claim, and if it affects the cover that we would have offered you, including our acceptance of your policy, we may cancel or amend your policy, as explained in the ‘Significant exclusions and limitations’ section later on page 6, and further detailed in section 5 of the Terms and Conditions. You should not assume that we will write to your doctor – it is your responsibility to provide honest and accurate information when you apply.

Only one person can be covered by your policy.
### Significant exclusions and limitations

If monthly payments are not made when they are due, your policy will end 60 days after the due date of the last monthly payment you made and you won’t get anything back. Please see section 3 of the Terms and Conditions for further details.

If we pay a Critical Illness claim, your cover for the Main Benefit Cash Sum will continue as long as you make your reduced monthly payments for the Main Benefit until your policy ends. If you don’t do this, your policy will end as explained above and you will no longer be covered for the Main Benefit.

With Level Cover, the Main Benefit Cash Sum you choose is fixed. Inflation (the rising cost of goods and services) will reduce the value of your cash sum over time.

If you select Decreasing Cover in connection with a repayment mortgage, your Main Benefit Cash Sum may not be enough to pay off your outstanding mortgage in full if you:

- have a repayment mortgage with an interest rate higher than 7%;
- change the type of your mortgage; or
- change the amount and/or length of your mortgage.

If you select Increasing Cover, your monthly payments will increase every year as well as the Main Benefit Cash Sum and the Critical Illness Cash Sum (if applicable) throughout the term of your policy. Your Policy Schedule explains how your cash sum(s) and monthly payments will increase. Please see section 2.2 of the Terms and Conditions for further details.

The full definitions of the critical illnesses typically use medical terms and in some cases limit the cover. For example, some types of cancer are not covered. Please see section 2.3.2 of the Terms and Conditions for further details.

### When we won’t pay a claim

#### Death claims

We won’t pay a claim for the Main Benefit if death was a result of suicide, attempted suicide or intentional self-inflicted injury within 12 months of the commencement date of your policy. The commencement date is set out in your Policy Schedule.

#### Terminal Illness claims

We won’t pay a claim for the Main Benefit if:

- you don’t meet the definition of terminal illness, as set out in the ‘What is Post Office Money Life Insurance?’ section on page 3; or
- a terminal illness is caused by intentional self-inflicted injury within 12 months of the commencement date of your policy.

#### Critical Illness claims

We won’t pay a claim for the Critical Illness benefit if:

- you do not meet our claims requirements or definition of the covered Critical Illness;
• you are diagnosed with a Critical Illness that meets our definition but do not survive for at least 10 days thereafter;
• the illness is not one of the three covered Critical Illnesses.

All claims

We won’t pay a claim if you don’t keep your monthly payments up to date as you will no longer be covered under your policy.

It is very important that you answer our application questions honestly, fully and accurately, to the best of your knowledge and belief. We may not pay out a claim if you fail to do so.

We’ll use your answers to the health and medical history questions to decide what terms we’ll offer you. If you’re not sure if something should be included or is important enough to include, then please include it.

If, during the term of your policy or when the claim is being made, we find out the information you gave us at the point of application or claim was incorrect or incomplete, or you didn’t tell us something that would have affected the terms that we would have offered you or our acceptance of your policy, it could mean we:

• won’t pay the full Cash Sum or Critical Illness Cash Sum;
• have to amend the terms of your policy; or
• will at worst cancel your policy and not pay the Cash Sum or Critical Illness Cash Sum. We may not return the monthly payments that you have paid to us.

You should not assume that we will write to your doctor – it is your responsibility to provide honest and accurate information when you apply.

For further details please see section 5 of the Terms and Conditions.

Who can take out Post Office Money Life Insurance?

You can apply for a Post Office Money Life Insurance policy if you are:
• aged between 18 and 70 at the time of applying;
• resident in the UK at the time of applying;
• not a member of the Armed Forces, Army Reserve (previously known as the TA) or Reservists at the time of applying; and
• not older than 81 when your policy term ends.

How much cover can I have?

The maximum Main Benefit Cash Sum you can apply for is £500,000, therefore the maximum amount of Critical Illness benefit you can have is £125,000.

The minimum monthly payment you can apply for is £7.

You may be able to have more than one Post Office Money Life Insurance policy, however this is subject to our limits and the terms and conditions available at the time of applying. See ‘Can I make changes to my policy at a later date?’ section on page 9.
How long will my policy last?
This is known as the ‘term’ of your policy. You can choose for your policy to last any whole number of years between 5 and 50, but it cannot exceed your 81st birthday. Once your policy has started you may be able to reduce your term but you cannot increase it. See the “Can I make changes to my policy at a later date?” section on page 9.

How much will my policy cost?
When your policy starts, the monthly payment amount is fixed and will stay the same for the duration of the term if you choose Level or Decreasing Cover. If you choose Increasing Cover, your monthly payment amount will increase each year as explained in the ‘Significant features and benefits’ section on page 4. However, you can ask us to reduce your monthly payment amount as explained in ‘Can I make changes to my policy at a later date?’ section on page 9.

Your monthly payment will be calculated when you apply for your policy (or if you ask for it to be reduced) and will depend on:

- your age;
- the amount of payout you select;
- whether you add Critical Illness benefit;
- the term of your policy;
- your smoker status; and
- the answers you give to our health and medical history questions when you apply. Those answers are used in our underwriting process to assess whether or not we can accept your application and provide you with cover under a policy.

Charges
We allow for all charges, including the cost of providing your policy, the cost of distribution and all expenses, within your monthly payments that you pay.

How long do I pay my monthly payments for?
Your monthly payments will continue until the earliest of:

- the end of the term of your policy;
- your death; or
- our acceptance that the diagnosis of a terminal illness that you have received meets our definition of a terminal illness.

If you make a claim for terminal illness or critical illness, you should not stop paying your monthly payments until we have confirmed that your illness meets our definition.

If you make a successful critical illness claim, your Critical Illness benefit will end. We will reduce the amount of your monthly payment by removing the amount payable for the Critical Illness benefit as set out in your Policy Schedule. If you do not continue to make monthly payments for the Main Benefit your policy will end.
Can I make changes to my policy at a later date?

You cannot make any changes during the first month of your policy. After that however you can reduce your cover term, Main Benefit Cash Sum or the monthly payment. If you have Critical Illness benefit and you reduce your Main Benefit Cash Sum, your Critical Illness Cash Sum does not reduce. You can ask us to remove your Critical Illness benefit but you can’t ask us to reduce it. Once removed it can’t be added back on. Your new total monthly payment cannot be lower than £7 per month.

You will not be able to increase your cover term, Main Benefit Cash Sum or monthly payments, or add Critical Illness benefit once your policy has started.

During the period of up to 90 days between the date that you made your application and the date your policy starts, you can change the date that the policy commences, but you cannot make any other changes to the policy. If you wish to do so, you will need to cancel your application and reapply. We cannot guarantee that any application for a new policy will be accepted on the same terms as the policy that is cancelled, or at all.

If you wish to make any changes please call or write to us as shown in the ‘Contact us’ section.

You may be able to apply for another Post Office Money Life Insurance policy with us. This will be subject to the Terms and Conditions applicable at that time, your new answers to our health and medical history questions, the minimum monthly payment limit and the total amount of cover across all your Post Office Money Life Insurance policies, which cannot exceed the maximum Main Benefit Cash Sum limit. Therefore the maximum amount of Critical Illness benefit cover across all your Post Office Money Life Insurance policies is £125,000.

The maximum Main Benefit Cash Sum limit applies across all Level Cover, Decreasing Cover and Increasing Cover Post Office Money Life Insurance policies that you have with us, and is based on the initial level of cover.

For example, if you have Decreasing Cover with an initial Main Benefit Cash Sum of £300,000 in place at your policy commencement date, you will have used 60% of the £500,000 maximum cover available. You can use the remaining 40% (up to the maximum Main Benefit Cash Sum limit) towards applying for an additional Post Office Money Life Insurance policy up to a maximum Main Benefit Cash Sum of £200,000.

If you make subsequent applications for Post Office Money Life Insurance policies, which mean you would exceed the maximum Main Benefit Cash Sum limit, we will either:

- subject to our minimum monthly payment limit, reduce the Main Benefit Cash Sum of your most recent policy so you do not exceed the maximum Main Benefit Cash Sum limit; or
• If necessary, cancel your most recent policy.

We will write to you to confirm we have done this.

It is important to review the level of your cover from time to time to make sure that it remains adequate for your needs.

Your right to cancel
You can change your mind and cancel your policy at any time.

If you do cancel your policy within 30 days of receiving your policy documents, we will refund any monthly payments made.

If monthly payments due under your policy stop at any other time, your cover will stop 60 days after the due date of the last monthly payment you made and you won’t get anything back.

To cancel your policy, please call or write to us as shown in the ‘Contact us’ section.

If your policy is not cancelled, your policy will start and end as set out in the Terms and Conditions and your Policy Schedule. We will collect your monthly payments due under the policy as agreed.

Making a claim
To make a claim, our Customer Service Team should be contacted at:

Customer Services
PO Box 427
Royal London House
Alderley Road
Wilmslow
SK9 0FE

Phone: 0345 2661 483

We will need to know the policy number and details of the claim. Full details of the claims procedure can be found in the Terms and Conditions.

If your policy is under trust or you have assigned it, we will pay the Main Benefit Cash Sum and if applicable, the Critical Illness Cash Sum to the assignee or trustees (as applicable). If a claim is being made, the person making the claim must send all original documentation to us, which shows that they are entitled to receive the Main Benefit Cash Sum and if applicable the Critical Illness Cash Sum before we will pay any cash sum(s) to them. The original documentation must include any deed of assignment, trust deed, or deed altering the trust.

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 this is based on our understanding of tax legislation and 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.

Law
The law of England and Wales applies to your policy.
**Contact us**
Customer Services
PO Box 427
Royal London House
Alderley Road
Wilmslow
SK9 0FE
Phone: **0345 2661 484**

**Complaints**
If you want to make a complaint, please contact us and tell us your name, policy number and the reason for your complaint. Please contact:
Customer Services
PO Box 427
Royal London House
Alderley Road
Wilmslow
SK9 0FE
Phone: **0345 2661 484**

We always aim to resolve your complaint as quickly as possible. However if we:
- haven’t been able to satisfy your complaint; or
- haven’t sent you a final response within eight weeks;
you can then contact:
The Financial Ombudsman Service
Exchange Tower
London
E14 9SR
Phone: **0800 0234 567** (calls to this number are free on mobiles and landlines)

**Phone:** **0300 1239 123** (calls to this number cost no more than calls to 01 and 02 numbers)

Email: complaint.info@financialombudsman.org.uk

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

The Financial Ombudsman Service will usually only investigate the complaint once our internal complaints process has been completed.

A copy of our Complaints Procedure is available on request.

Making a complaint to the Financial Ombudsman Service will not affect your legal rights.

**The Financial Services Compensation Scheme (FSCS)**
Royal London is covered by the FSCS. You may be entitled to compensation from the scheme if we are unable to pay claims due to, for example, insolvency. This depends on the type of business and the circumstances of the claim.

You can get more details directly from the Financial Services Compensation Scheme online at [www.fscs.org.uk](http://www.fscs.org.uk) or by contacting:
Financial Services Compensation Scheme
PO Box 300
Mitcheldean
GL17 1DY
Phone: **0800 678 1100** or **0207 741 4100**
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