Voluntary Life Assurance Plan

Helping you understand our policy

Technical guide 05/25

This is an important document which we suggest you keep in a safe place.

For VLAP 12-22 Policies

Using this document

What is a technical guide?

The Financial Conduct Authority is a financial services regulator. It requires us, Legal & General, to give you important information to help you decide whether our Voluntary Life Assurance Plan is right for you. You should read this document carefully so you understand what you are buying, and then keep it safe for future reference.

If there's anything you need to ask about once you've read it, you can ask us or your financial adviser.

Before you start reading

We've used plain language to make the technical guide easy to understand. You'll find explanations of any technical terms we use in the glossary, at the rear of this document. Where terms covered in the glossary appear in the main text, we've highlighted them in bold, **like this**.

We use words like 'normally' and 'usually' in this guide. This is because some of our terms will depend on the information you give us for the quote and the choices you make about the cover you want. We'll give you the exact terms and chosen options in our quote and we'll fix these at the start of the **policy**. You'll only be able to change these if we agree.

Where we've referred to 'you' or 'employer', this should be read as '**trustees**' if the **policy** is held by separate **trustees** on behalf of the employer. Where we refer to 'we', 'our' or 'us' this should be read as Legal and General Assurance Society Ltd.

We can provide cover for equity partners and members of a Limited Liability Partnership (LLP) as well as your employees. Where we've referred to 'employees' this should be read to include equity partners and members of a LLP. Where we refer to 'employer' or 'employment', this should be read to include partnerships and LLPs and the duties of an equity partner or LLP member. You can ask us, or your financial adviser, if you need more details about how the **policy** works.

Other documents

This technical guide is not part of our contract but if we've given you or your financial adviser a quote, you should read this guide alongside that quote to help you understand the **policy**.

Our quote, which is a part of the contract, may refer to some of the explanations we give in this guide.

Our full terms and conditions will be in our **policy** document. We'll send this to you after we've agreed to provide cover. You can ask us, or your financial adviser, if you would like to see a copy of our standard **policy** document terms and conditions.

See question 2.1 to find out what we need to set up your policy.

Target market and fair value assessment information for financial advisers

Our product governance webpage:

- Explains the intended target market for each of our Group Protection products
- Provides information to help financial advisers complete their own fair value assessment
- Describes how we regularly review our Group Protection products for appropriateness under our Product Lifecycle Management processes **group-protection.legalandgeneral.com/adviser/adviser-toolkit/product-governance/**

About legal & general

L&G is a leading UK financial services group and major global investor. We've been safeguarding people's financial futures since 1836, and strive to build a better society, while improving the lives of our customers and creating value for shareholders. We are one of the world's largest asset managers with £1.2 trillion of assets under management at 31 December 2025. We're a leading provider of Group Protection cover in the UK with over 90 years of expertise and knowledge. We looked after almost 10,700 group protection policies and provided protection to 2.3 million employees at the end of 2025.

Solvency and financial condition report (sfcr)

We are required to publish an annual Solvency and Financial Condition Report (SFCR) describing our Business and its Performance, our System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management. Our latest SFCR is available by searching for 'Legal & General Group PLC' at:

group.legalandgeneral.com/reporting-hub/

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Aims, commitments and risks

Its aims

Our Voluntary Life Assurance **policy** aims to:

- Provide insurance to pay a lump sum benefit when a **member** dies.
- Pay these benefits to a **plan** you've **registered** with HM Revenue & Customs (HMRC).

Offer a choice of cover for these benefits.

Your commitment

You need to make some very specific commitments for the **policy** to work properly:

- Give us all the information we ask for when you apply for a **policy** at the **monthly accounting dates** and **annual renewal dates**. We can change or cancel the **policy** if you don't give us this information.

  Please see question 4.1 for more details.
- Use a **trust** that is **registered** to pass on the benefits paid by the **policy**.
- Set up or adapt an administration system to help:
  - provide information about the benefits and how they're taxed to your employees;
  - employees select their benefit;
  - work out premiums; and
  - send payment and benefit selection details to us.

  You may also want to integrate this with your payroll system to help deduct the premiums from the **members'** earnings.
- Inform **members** that if they were to die and a lump sum benefit paid out this will count towards their **lump sum and death benefits allowance**.

  Please see question 8.0 for more details
- Keep the application forms, electronically or otherwise, and check to see if medical evidence is needed.

  Please see question 2.2 for more details.
- Tell us of a claim within the time limits set out in the **policy** and give us all the information we ask for to support the claims. Without this information we won't be able to pay the claim.

  Please see question 5.0 for more details.
- Pay the premiums by the dates we ask for them.
- Keep to all the conditions set out in the **policy**.

Risks

There are some risks you need to understand about the **policy**.

- The premiums may go up or down depending on changes in the amount of **benefit** we cover. For new **plans** we'll usually guarantee the premium rates until the next **annual renewal date** when we'll review them. Once the **plan** is established we'll usually guarantee the premium rates for up to two years. We'll tell you in our quote, and when we complete a review, when rates expire.

  Please see question 3.1 for more details.
- You may need to pay us an additional premium if the value of all premiums from one **annual renewal date** to the next is less than the minimum premium. We'll proportion the minimum premium if cover for a **plan** doesn't start or stop on an **annual renewal date**. We'll tell you the minimum premium in our quote.
- If we include an **event limit**, we'll restrict the total amount of benefit we pay for claims if caused by a catastrophe.

  Please see question 6.0 for more details.
- We won't pay benefit for an employee who commits suicide within one year of selecting that benefit.

  Please see question 6.0 for more details.
- We will stop cover if you stop paying premiums. We'll tell you in writing 14 days before we do this.
- We can end the **policy** if **registration** is withdrawn by HMRC.
- We won't pay benefit for an employee who is not eligible, or has not applied for, cover.
- If we identify a **financial crime** risk we might cancel the **policy**, withdraw a guaranteed quote or take any other reasonable action.

  Please see 'Further Information' section on page 19 for more details
- There's no option to link the lump sum benefit payable at claim to inflation.

How the policy works

- If you currently insure the **plan** elsewhere, we normally need a minimum **membership** of 100.

  For a new voluntary **plan** which isn't currently insured, we usually require a minimum potential **membership** of 2,500. We can reduce this to 500 if it's linked to another group protection policy with a compulsory level of cover.

  We may be able to insure lower levels of **membership**. However, it increases the chances of you paying a shortfall if the total premium paid by the **members** is less than our minimum premium.
- You set up a **plan** to provide the benefit to your employees. The **plan** benefits can then be insured under a **policy** issued to you. The **policy** will continue indefinitely as long as you meet its conditions, including paying premiums when they're due.
- We'll give you the specific terms and conditions in the quote. We'll guarantee the quote for three months unless we tell you otherwise.
- Please tell us if you'd like to start a **policy** so we can agree a start date with you. We'll provide cover on the basis set out in our quote. You'll need to allow plenty of time before the **policy** start date so you can tell your employees about the **plan**, or changes to an existing **plan**.
- We'll give you an application form for employees to use if they want to join the **plan** or if they want to increase their cover.
- You must keep copies of all signed application forms completed with a 'No' to all medical questions but all others should not be sent to you or retained by you. Applications with a 'Yes' to any medical question should be kept/destroyed by the employee or passed to L&G as indicated on the application form. The employee must inform you and you must update records to ensure the correct information is provided at each **monthly accounting date**.
- You, as the policyholder, need to collect premiums due for each **member** and pay them in full to us each month.
- On the **monthly accounting date** you'll need to send us your premium calculation, and the premium payment.

  Please see question 4.0 for more details.
- You'll need to tell us if you want to change the insured basis in any way, for example, include another employer in the **plan** increasing the number of **members**. We'll need to assess if we can agree to the change and we may also need to set terms and change the premium rates.
- If you make a valid claim for life assurance, we'll pay the lump sum benefit to the **trustees** of the **plan**.

  The **trustees** will be responsible for distributing the benefit in line with the **trust** and rules of the **plan**, while considering any wishes the **member** has made.

  It's not possible for **members** to assign benefit paid through a discretionary **trust**. For example, they will not be able to assign the benefit to secure a loan.

  The **scheme administrator** must tell the deceased's legal personal representatives about any benefit payments, and in some circumstances, give HMRC certain information about a **member** at the date of their death.
- You must give us all the information we need when you make a claim.
- We'll give the **policy** an **annual renewal date** to aid administration. The **annual renewal date** is when we'll review the premium rates if the premium rate guarantee has ended. We base our review on the information you supply. We'll let you know about any changes to the premium rates at least three months in advance.
- We can change or cancel the **policy** if there are changes to legislation or regulation which affect the **policy**. We'll give you more details of these in the **policy**.
- We'll give you full details of our cancellation rights in the **policy**.

If you choose to use your own **registered** plan to pass on the benefits paid by the **policy**:

- You will be the **scheme administrator** unless you appoint someone else. The **scheme administrator** will need to register the **plan** with HMRC if it's not already **registered**. They'll need to do this at least five working days before you need cover to start. We'll also need you to tell us the **registration** number. You can find details of how to register a **plan** at hmrc.gov.uk
- If you don't register the **plan**, **registered plan** tax reliefs will not be available.
- In some circumstances, the **scheme administrator** must give HMRC certain information about a **member** at the date of their death.
- The **trustees** you appoint to run the **plan** will be responsible for distributing the benefits from the **plan** to the beneficiaries and notifying the deceased's legal personal representatives of these payments. When doing so, they'll need to follow the **plan** rules and consider the **member's** wishes and circumstances.

If you choose to use our **Mastertrust**:

- We will be the **scheme administrator**.
- You'll need to ask the **members** to complete an expression of wish form, giving details of who they'd like their benefit to be paid to if they were to die. You'll need to keep the completed forms in a safe place, and send the **member's** form on to us if a claim is made upon their death.
- We will pay claims to the **trustees** of the **Mastertrust**, who will distribute the benefit in line with the **Mastertrust** rules while considering the member's wishes and circumstances when they die.
- The **scheme administrator** we've appointed will provide any necessary details to HMRC and legal personal representatives about a **member** when benefit is paid.
- Our **Mastertrust** can only include eligible employees employed by a United Kingdom-based employer. It will not include people employed by any of your associated businesses set up outside the United Kingdom.

The earliest time from which we can include an employer in our **Mastertrust** is the day we receive the completed application form. To make sure you get the tax advantages of our registered **Mastertrust** we need to receive this form before the **policy** starts.

Your questions answered

In this section we've answered some commonly asked questions to give you a bit more information about how our **policy** will work.

1.0 What should we consider when deciding what benefits to provide?

A **member** can choose benefits in whole **units** up to a maximum number of **units**. A **unit** is an amount of cover, usually £10,000 or £25,000. We'll tell you the agreed **unit** size and maximum number of **units** in our quote.

You should also consider the HMRC allowances that apply to **plans** that have been **registered**.

Please see question 1.5 for more details about other benefit limits.

1.1 Who can the policy cover?

We'll assume **membership** of the **plan** is open to all your employees who are normally working and resident in the United Kingdom. Please tell us if this isn't the case.

The eligibility conditions you choose will need to include entry ages and any service qualification. If you choose to offer the **plan** to only some of your employees, you'll need to give us a description of the group that will be eligible. You should also consider any laws on discrimination or unfair treatment. For example, those about age, equal treatment of gender and the treatment of part-time, fixed term and disabled employees.

We'll tell you the agreed eligibility conditions in our quote.

We will only start cover for each **member** from the **monthly accounting date** they meet all the following:

- The eligibility conditions.

We'll tell you the agreed eligibility conditions in the quote.

- They complete our voluntary life assurance application.

Please see question 2.2 for more details about applying for cover.

- Our medical evidence requirements.

Please see question 2.2 for more details of medical evidence.

- Our switch terms, if you're switching the insurance from another provider.

Please see question 2.4 for more details of our switch terms.

1.2 When can you include employees after the policy starts?

All employees you include must meet the **policy's** eligibility and joining conditions. When they join, an employee will need to tell you the number of **units** they've selected. We'll then start covering them from the next **monthly accounting date**.

1.3 When can members change their level of cover?

Members can increase their benefit in whole **units** at any **monthly accounting date**. We will limit increases so a **member's** total benefit is not higher than the maximum benefit. **Members** will need to fill in a new voluntary life assurance plan application form before we'll consider cover for the increased benefit. It's the same process as when the **member** applies for cover for the first time.

Members can reduce their benefit by any number of whole **units** at any time. We'll reduce the benefit at the next **monthly accounting date** after they tell you of their decision.

Members can choose to cancel their benefit at any time. The cancellation will take place at the next **monthly accounting date** after they tell you of their decision, unless the cover has terminated for any other reason.

Eligible employees can reinstate their cover after leaving the **plan** or decreasing benefit. We'll treat reinstated benefit as a cover increase. This means they will need to fill in a voluntary life assurance application and meet any medical evidence requirements.

You'll need to make sure the data you send us each **monthly accounting date** allows for changes to **members'** cover.

1.4 Will cover continue if a member is temporarily absent?

Yes, we'll continue to provide cover for temporary absence, if the eligible employee remains employed by you and you continue to pay premiums to us. We'll stop cover for a **member** if we don't receive premiums for them.

We will waive premiums for a **member** during a period of unpaid statutory maternity leave. You'll need to tell us when premiums will stop, and when the **member** is expected to return to work. We will stop waiving premiums at the earlier of:

- the day you told us the **member** is expected to return to work; and
- the day the **member** returns to work.

If cover for an employee stops during temporary absence and they return:

- within 12 months of their absence starting, we can restart cover up to the same level without a new application. You must tell us when the **member** returns and when premium payment restarts. We'll restart cover from the **monthly accounting date** after their return; or
- over 12 months after their absence started, they will need to apply for cover again. The employee will need to use the voluntary life assurance plan application form.

A **member** cannot increase their benefit during absence.

1.5 What is the maximum benefit you will cover?

The maximum benefit we can insure for a **member** is £250,000.

It's worth remembering that the full tax allowance available under a **plan** that's **registered** may not be available to a **member** if they've taken benefit from any **plan** that's **registered** during their lifetime. Additionally, other benefits paid from a **plan** that's **registered** on death such as a return of pension savings could further reduce the available allowance the **member's** beneficiaries receive.

Please see question 8 for our understanding of tax allowances and charges.

You'll need to tell us if you choose to set your own maximum benefit.

1.6 When will cover end?

a) Under normal circumstances

We will stop covering a **member** on the day before the next **monthly accounting date** when they:

- decide to cancel their cover;
- leave your employment or no longer meet the eligibility conditions;
- reach the **benefit termination date** set out in the **policy**. This is the day our cover ends and is usually the later of the **member** reaching age 65 or their **state pension age**;
- retire early; or
- stop paying premiums to us.

b) If you or we cancel the cover

All cover will end when you, or we, cancel the **policy**.

- We'll continue cover as long as the conditions we show in the **policy** are met.
- You can cancel the **policy** by giving us notice in writing.
- We'll give you 14 days' notice in writing if we have to cancel the **policy** because you haven't met its conditions. We'll give you full details of our cancellation terms in the **policy**.
- If you become subject to an effective winding up resolution or cease to carry on business, cover for all **members** will end at the end of the monthly accounting period for which premiums were last paid.
- We're not obliged to notify **members** that cover has stopped but reserve the right to do so.
- We can cancel the **policy** immediately if we identify a **financial crime** risk.

Please see page 29 for further details about our approach to **financial crime** risks.

2.0 How do we set up a policy and when do we need to give you medical evidence?

2.1 What do you need to set up the policy?

If you accept the quote, we'll let you know what information we'll need. You'll need to fill in an on boarding form pay the first premium and tell us the Pension Scheme Tax Reference (PSTR) for the **plan** within 14 days of the date we agree to provide cover. Where it isn't possible to tell what the first month's premium is within 14 days, we'll ask for a deposit premium instead.

You'll need to allow some time before the **policy** starts to let your employees know about the new **plan** or any changes to your existing **plan**.

Please also check if any employees need to give us medical evidence.

Please see question 2.2 for more details about medical evidence.

We'll give you the **policy** document when we have confirmed and finalised all the details. This is the contractual document that tells you the terms and conditions and what we will and will not cover.

Setting up a new plan with a trust

You can set up your **plan** using a suitable **trust** document. As an employer it's normal for you to be the **scheme administrator** and **trustee** of the **plan**, although you can appoint someone else to these roles.

Before you set up your **plan** we recommend you talk to your legal adviser to make sure your needs are met.

We suggest the **trustees** set up a separate bank account to receive claim payments. This will help separate the benefit payments from the normal business account. It's a legal requirement to do this if the benefit is under a pension scheme **trust**.

The HMRC usually class a non-**registered** scheme as an Employer Financed Retirement Benefits Scheme (EFRBS). This has significant tax disadvantages for you and the **members** of the **plan**. Therefore it's important you **register** the **plan** before starting cover with us.

If you are using our Mastertrust

You can choose to join our **Mastertrust**. If you do this, all insured employees become **members** of this scheme, which is **registered** with HMRC. You and your employees will benefit from the tax advantages associated with a **plan** that is **registered** with HMRC.

You will still have your own **policy**, pricing and terms and conditions, but the **Mastertrust trustees** will handle all associated management, including keeping up to date with legislation and the payment of claims.

To help the **trustees** of the **Mastertrust** decide who to pay benefit to, you'll need to ask **members** to fill in and give you an expression of wish form. You'll need to keep these in a safe place. We'll ask you for the expression of wish form along with a completed death claim form if the **member** dies.

Mastertrust isn't available for employees without a United Kingdom-based employer.

You will need to give us your signed **Mastertrust** application form before the **policy** starts.

If you are using our **Mastertrust**, you will not need to set up a separate trustee bank account. Any benefit payments will be paid to the **Mastertrust trustees** who disperse payments to the beneficiaries.

You will not need to provide a PSTR if you are using our **Mastertrust**.

2.2 What medical evidence will you need before you'll cover the members?

An employee will need to fill in our voluntary life assurance plan application form before they're considered for cover. This form is needed for an employee applying to join the **plan** or extra cover for an existing **member**. The form includes five questions about their state of health. There is a standard and simplified version of the application form and we will agree with you which version to use and provide you a copy as part of our on boarding process.

The five medical questions can be answered with a simple 'yes' or 'no'. Most people will usually be able to answer the questions and get cover without having to give further information about their state of health.

If your policy uses the simplified application form no cover is available where any medical question has a 'Yes' answer. With a standard application form any 'Yes' answer will require the application sent to L&G to review.

If an employee needs to give us more information we'll need them to fill in a member's declaration form. This asks further questions about their health and pastimes. We call our assessment of this information, **medical underwriting**.

To help employees fill in the member's declaration form, we offer a tele-interview service allowing them to fill in the form over the phone.

If they prefer to fill in the form themselves, you can find the member's declaration form in our literature library section of our website. Alternatively, you can ask us for a copy.

Depending on the information given in the member's declaration, we sometimes need to ask for more evidence. This could include a medical examination including blood or other tests. The employee will have the choice of carrying these out at home or at work by a nurse. We'll pay for the cost of the medical examination and tests if we ask for more evidence.

We'll assess all the medical evidence to decide if we can offer cover and if any **special terms** are appropriate. If we do apply **special terms**, these will apply straight away. We'll write to explain any **special terms**. If this includes an **extra premium loading** and you decide you don't want to pay this, you can cancel the cover the loading is for by telling us in writing within 30 days.

Unless we tell you otherwise, any cover we've previously accepted for a **member** won't be affected.

2.3 If you have medically underwritten a member, when will they next need to give you medical evidence?

Unless we tell you otherwise, we'll need medical evidence for each benefit increase.

2.4 What are your terms if we're switching the insurance to you from another insurer?

Our switch terms

We'll provide cover up to the same level for an existing **member**. This will be for their insured benefits just before the switch of insurance to us. We'll be able to do this without needing a completed Voluntary Life Assurance Plan application form from the **member** as long as:

- their benefit is in whole **units**;
- their total benefit is not over the maximum number of **units**;
- their insurance was for the full cover they asked for, including any requests for increases in cover; and
- their cover just before the switch isn't subject to **special terms**.

We'll usually need you to give us a copy of the previous insurer's latest letter of acceptance or fill in a Declaration – switch terms form if anyone has been subject to full medical underwriting. You must give us all the required details of previous cover when the policy starts or we may not be able to pay a claim for these members. Where acceptance letters are not provided we may ask for evidence cover had been in place in the event of a claim.

We'll also cover eligible employees joining at the **policy** start date as well as increases in benefit for existing **members** as long as:

- their benefit is in whole **units**;
- their total benefit is not over the maximum number of **units**;
- they have filled in and submitted the completed Voluntary Life Assurance Plan application form; and
- they have met any conditions relating to medical evidence.

Terms for an insured member who doesn't meet our switch terms

We're happy to consider and negotiate terms to insure any employee who doesn't meet the switch terms conditions. If you give us their full details, we'll consider if we can cover them. If we can set terms, you'll need to accept them in writing before we start their cover. To avoid a break in cover you'll need to give us these details before the switch date.

2.5 What happens if we need to make a claim before you've finished your medical assessment?

We'll give temporary cover, starting on the **monthly accounting date** from which an employee applies for cover. We'll also give temporary cover for a benefit increase from the **monthly accounting date** a **member** changes their benefit. However, there are some limits for temporary cover:

- we will not pay benefit for an employee if they die from any medical condition they were diagnosed with, or displaying symptoms of, within the five years before temporary cover starts;
- we won't give temporary cover to any employee whose cover has been refused, restricted or already has **special terms** attached;
- we won't give temporary cover to any employee who has refused to give medical evidence, either now or in the past.

Temporary cover will end if the application the employee completes shows that a **member's** declaration form isn't needed. This is because the amount of cover applied for, will be in place. If a **member's** declaration is needed, our temporary cover will end at the earliest of the date we finish our assessment or the end of 90 days.

When we can't provide temporary cover, we'll provide 'accident cover' where death is caused by an accident for the same period. We won't pay claims under accident cover if death is caused by:

- alcohol abuse;
- the influence of drugs;
- medical or surgical treatment (except treatment that is needed because of the accident);
- suicide; or
- intentional self-injury.

Temporary and accident cover will be restricted by the lower of the cover being requested and not more than £2 million.

3.0 What premiums will you charge for the cover?

The premiums we charge depend on many things, including the:

- amount of cover;
- age of each **member**;
- type of work;
- work locations; and
- claims history, if the **plan** was previously insured or self-insured.

Please see question 3.4 for more details about claims history.

A minimum premium will apply. This means if the value of all premiums calculated using the premium rate table from one **annual renewal date** to the next is less than the minimum premium, we'll ask you to pay the difference. We'll proportion the minimum premium if cover for the **plan** doesn't start or stop at an **annual renewal date**.

3.1 How is the premium worked out?

You will calculate the premium each month using the table of rates we'll provide and the **plan membership** data at each **monthly accounting date**. We'll periodically check your calculation when you send us the premium and supporting data.

The premium rates on the table are age related and increase with age.

At each **annual renewal date** you'll need to add up the premiums paid for the year and compare this against the minimum premium. If there is a shortfall, you'll need to pay us the difference up to the minimum premium straight away.

3.2 Will there be any unexpected extra premiums?

If a **member** has given us medical evidence, following our assessment, we may charge an **extra premium loading**. We'll write to tell you how much this extra premium is. It reflects the **member's** state of health or dangerous pastimes. The extra premium will be effective immediately, as will the additional benefit. If the extra premium isn't acceptable please tell us in writing within 30 days from the date of our letter to you. We'll then remove the extra premium and the related additional benefit.

We may charge a minimum premium.

Please see question 3.0 and 3.1 for more detail about our minimum premium.

3.3 How much commission will you pay our adviser?

We may pay commission to your adviser. The standard rate is 4% of the premium you pay. We can pay different levels of commission although this will affect the premium rates we charge. Our quote will show the commission rate we've allowed for.

3.4 Is there a discount for a good claims history?

Yes, we consider the past claims history for our **policy**, and any previous policies, when we work out our table of rates. A good claims history is where there are fewer claims than we statistically expect, this usually means the premiums will be lower than for a bad or average claims history.

4.0 How does the accounting work?

The **policy** has a monthly accounting period and premiums become due at each **monthly accounting date** for the next month. At each **monthly accounting date** you'll need to work out the premiums for each **member**, collect them and pay them to us.

We can accept premium payments from you by cheque or the Bankers' Automated Clearing System (BACS).

4.1 What information do you need for accounting?

At each **monthly accounting date** we'll need for each **member** their:

- name;
- gender;
- date of birth;
- age to cross reference with the table of rates;
- benefit; and
- amount of calculated premium.

When we review the table of rates ahead of an **annual renewal date** we'll also ask you for information about the occupations and geographical distribution of all **members**, and those employees eligible to join.

It's important that we know exactly who's covered under the **plan**. If you don't include an employee who you should have included on the **membership** list at the start of the **policy**, the **annual renewal date** or the monthly accounting dates, we won't pay a claim for them.

4.2 How do you adjust premiums for members who join, leave or have benefit changes during the policy year?

Premiums are worked out by reference to the **plan membership** at each **monthly accounting date**. Changes to the **membership** and benefit during the **policy** year will therefore be allowed for within each monthly account.

4.3 If you or we cancel the policy mid year, will we lose any premiums we have paid in advance?

No. We'll work out a final account for the cover we've provided up to the date the **policy** is cancelled. If an allowance needs to be made for a minimum premium in the final account, this will be proportioned to reflect the cover for part of a year. We'll either send you a refund for any overpaid premiums, or you'll have to pay any premium you owe us immediately.

5.0 How do we make a claim?

You'll just need to fill in a claim form and send it back to us within two years of the **member's** death. If we receive the claim form more than two years after the death, we have the right not to pay the claim.

Occasionally we may need you to send us additional information to confirm the death or the cover at the time of death.

If you've chosen to use our **Mastertrust**, we'll ask you to send us an Expression of Wish form the deceased **member** may have filled in and a **Mastertrust** Death Claim form. We'll pay a valid claim under the **policy** to the **trustees** appointed to run the **Mastertrust**. The **trustees** will decide who'll receive the benefit, taking into account the details given on the Expression of Wish form, the **Mastertrust** Death Claim form, and the results of any investigation into the employee's personal circumstances.

6.0 What don't you cover?

Our **policy** includes the following suicide exclusion:

- we will not pay benefit for a **member** if they commit suicide within one year of joining the **plan**;
- we will not pay benefit for any increase in cover for a **member** if they commit suicide within one year of that increase.

We will return any premiums paid for benefit affected by this exclusion.

Please see our quotation for any special circumstances that may apply to your **plan's** cover. For example, if you want cover for employees in certain overseas countries, our terms may exclude certain causes of death.

Our quotation may include an **event limit**. This means we'll restrict the total amount of benefit we pay for claims caused by a catastrophe. A catastrophe is an accident or event, or a series of accidents or events, which happen within 72 consecutive hours and causes four or more claims within six months. We'll tell you in our quote if we include an **event limit**.

We won't pay a claim if the employee is not eligible for cover.

7.0 Can you cover a member who is not based in the UK?

We'll cover employees who live and are employed in the United Kingdom while they are travelling overseas on company business.

We'll usually cover employees based overseas as long as they don't form the majority of the **members**. We'll need their full details, as we may need to give you **special terms** for their cover. We won't start covering them until we've told you our terms and they've been accepted.

In addition to any **special terms**, we'll also apply the following additional standard terms to a **member** while they are based outside the United Kingdom:

- you must pay all premiums, and we'll pay all benefit, in the UK in sterling;
- we'll fix any currency conversion rates at each **annual renewal date**.
- If you choose to use our **Mastertrust**, we will only cover eligible employees if they have an employment contract with a United Kingdom employer. We will automatically exclude employees from cover if they are employed by businesses set up outside the United Kingdom.

8.0 What tax rules apply?

Our understanding of the current tax rules for **registered plans** are as follows:

- premiums should be deducted from **member's** gross pay before PAYE is applied;
- if you choose to pay premiums without passing on the cost to the **members**, the premiums you pay to insure the **plan** benefits are tax-deductible and can be offset against your profits for tax purposes. Your premiums are not treated as a 'benefit in kind' for employees;
- Lump sum group life assurance payments from **registered** schemes, will count towards the **lump sum and death benefit allowance** of a **member** who dies. This allowance is for the total amount that can be paid as tax-free lump sums for a person both during their lifetime and when they die. The limit is introduced with a first value of £1,073,100. Most tax-free lump sums a person takes from a **registered** pension scheme during their lifetime will reduce the amount of allowance available for any lump sum benefits paid following their death. Any part of a lump sum that is above this allowance will be taxed at the highest rate of income tax of the person or persons, receiving the benefit.

You may want to get your own tax advice about the **policy** or the HMRC rules.

9.0 Can members continue their cover if they leave my employment?

No, a **member** cannot continue cover at their own expense if they stop working for you.

Further information

Providing insurance

This Voluntary Life Assurance **policy** is provided by Legal and General Assurance Society Limited. Our principal office for the purpose of the **policy** is at:

Four Central Square
Cardiff
CF10 1FS

0345 026 0094

We may record and monitor calls. Call charges will vary.

Privacy Policy

We're the sole data controller for the information we hold with respect to the **policy**, and solely responsible for its security.

To arrange and manage the **policy**, you'll need to send us personal information about your employees who are, or become, eligible for cover. This may include medical and health information. You need to satisfy yourself of a legal basis that allows you to send us these details, or consider seeking appropriate consent (explicit consent in the case of medical or health information).

Please share our full Privacy Policy with your employees so they understand what we do with the information we collect. Our full Privacy Policy is available at:

legalandgeneral.com/privacy-notice/

Questions and complaints

If you have any questions or complaints, please speak to your adviser who arranged this **policy** for you.

If you then need to speak to us, you can call us or send the details of your question or complaint to our Managing Director, Group Protection. You can find our contact details at the back of this technical guide.

If we can't settle the complaint you may be able to refer it to the Financial Ombudsman Service. You can find their contact details at the back of this technical guide.

Making a complaint won't affect your right to take legal action.

Compensation

You may be entitled to compensation from the Financial Services Compensation Scheme (FSCS) if we cannot meet our liabilities. You can find out more about the amounts and eligibility from the FSCS. Their contact details are at the back of this technical guide.

Law

The **policy** is governed by English law.

Under our standard **policy**, **members** do not have any rights under the Contracts (Rights of Third Parties Act) 1999. This means they do not have to be involved in decisions about the insurance provided by the **policy**.

References in this guide to the tax treatment of premiums and benefits are based on our current understanding of law and HMRC practice, which may change.

Language

All communications from us, including our terms and conditions, will only be available in English.

Insurance Act 2015

In the event that you breach your 'duty of fair presentation', we may, at our discretion, agree to pay a claim in full if you agree to pay an additional premium. This is conditional on the breach not being 'deliberate' or 'reckless', and occurring in a situation where we can show that we would have charged a higher or additional premium had full disclosure occurred.

Industry regulation

We're authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority. Our Financial Services Register number is 117659. You can check this by visiting the FCA's website

fca.org.uk/register

or by contacting the FCA on

0800 111 6768

This technical guide is for commercial customers as defined in the Financial Conduct Authority's Insurance: Conduct of Business sourcebook (ICOBS).

Financial Crime Risk Management

We are committed to protecting our customers and us from **financial crime** whilst meeting all our legal and regulatory obligations to complete checks on policyholders, employees or potential beneficiaries, company directors and all beneficial owners.

If in our opinion, it becomes appropriate or necessary, in order to manage our exposure to the risk of **financial crime**, we might take one or more of the following steps:

- withdraw or make changes to a quote for cover;
- cancel a **policy** by giving written notice;
- where we consider it to be reasonable in light of the level of risk of **financial crime**, immediate cancellation of cover or any **benefit** payable under the **policy**;
- and/or take any other reasonable action that we deem necessary in all the circumstances

Glossary

Our terms explained.

Annual renewal date
The anniversary date of when your **policy** starts or another yearly date that we've agreed with you.

Benefit termination date
The last day to which we'll cover a **member**.

Event Limit
A restriction we may apply to the total amount of benefits we pay which result from a catastrophe.
See question 6.0 'What don't you cover?'.

Extra premium loading
If **medical underwriting** shows an employee doesn't meet our standard criteria we may increase the premium for them. We call this increase an extra premium loading.

Financial Crime
Financial crime is defined as:

- The contravention of or the risk of any other sanction, restriction, or adverse measure pursuant to any sanctions program;
- Money laundering and terrorist financing;
- Fraud (internal and external);
- Bribery and corruption;
- Facilitation of tax evasion; and Insider dealing and market abuse.

A sanctions program is any national or international sanctions laws and regulations enacted by the United Kingdom, United States of America, the European Union or the United Nations, and such other sanctions laws and regulations enacted by any other country or body that we consider, from time to time and at our absolute discretion, would exposes us to any risk beyond a level that we consider to be reasonable.

Lifetime allowance
From 6 April 2024 the Finance Act 2024 abolishes the lifetime allowance and introduces new allowances, including a **lump sum and death benefit allowance** that applies to most lump sums paid from a **registered** plan.

Up until 6 April 2024, the lifetime allowance is the maximum amount of tax advantaged benefit that may be paid for a **member** from all the **registered** schemes they've joined.

Lump sum and death benefit allowance
The lump sum and death benefit allowance introduced by the Finance Act 2024.

This allowance is for the total amount that can be paid as tax-free lump sums from **registered** schemes for a person, both during their lifetime and when they die. Most tax-free lump sums taken during the person's lifetime will reduce the amount of allowance available for any lump sum benefits paid on death. The lump sum and death benefit allowance has been set at £1,073,100.

Mastertrust
The Legal & General Group Life Mastertrust scheme we set up and **registered** with HMRC to distribute lump sum Group Life Assurance benefits.

Medical underwriting
The process we use to assess the health and pastimes of an employee. At the end of the process we may apply **special terms**.

Member/Membership
Employees included for benefits within the **plan** and insured under the **policy**.

Monthly accounting date
This is the first day of each monthly accounting period. Normally this is the **annual renewal date** and the same day of every month afterwards.

Plan	The plan you have set up to pay the benefits promised to your employees.
Policy	The legal contract between you and us. You choose how much of the benefits you've promised to the **members** under the **plan** that you want to insure under the policy.
Registered/Registration	Voluntary life assurance **plans** can be registered with HM Revenue & Customs as an occupational pension scheme under the Finance Act 2004.
Scheme administrator	A person that takes responsibility for the day to day running of the **plan** including **registering** the **plan** with HMRC.
Special terms	Terms for cover that we cannot accept at ordinary rates. This will include **extra premium loadings**, exclusions, restrictions, postponements or where cover has been declined.
State pension age	The age at which a **member** begins to receive their United Kingdom state pension from the Government or the age at which they would have received it had they been eligible.
Trust	A document the **trustees** use to pass on the benefits paid by the **policy**.
Trustee	This is a person, firm or group, appointed to carry out what the **trust** must do. For example, make a claim under the **policy** and pass on the benefits. They must follow the laws that apply to **trusts**.
Unit	An amount of cover, usually £10,000 or £25,000. A **member** can choose different amounts of cover in whole units. We'll agree the value of the units with you before the **policy** starts.

Contact details

Group protection principal office Questions and complaints	Financial Ombudsman Service	Financial Services Compensation Scheme
Managing Director, Group Protection Legal and General Assurance Society Limited Four Central Square Cardiff CF10 1FS	If we can't resolve a complaint you may be able to refer it to: Financial Ombudsman Service Exchange Tower London E14 9SR	PO Box 300, Mitcheldean, GL17 1DY
0345 026 0094 We may record and monitor calls. Call charges will vary. Lines are open from 9am to 5pm Monday to Friday.	**0800 0234 567** or **0300 1239 123** (free for mobile phone user paying a monthly charge for calling phone numbers beginning with 01 or 02).	**020 7741 4100** or **0800 678 1100**
group.protection@landg.com	complaint.info@financial-ombudsman.org.uk	enquiries@fscs.org.uk
group-protection.legalandgeneral.com/employer	**financial-ombudsman.org.uk**	**fscs.org.uk**

Legal and General Assurance Society Limited
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Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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