

# Life Insurance

## Key Facts

This document explains the main points of our individual Life Insurance policies. Unless specified otherwise, it covers both **Level Term** and **Decreasing Term** policies. Please read it with your Acceptance Terms and keep it with the documents relating to your policy.

The Financial Conduct Authority is the independent financial services regulator. It requires Canada Life Limited to give you this important information to help you to decide whether a **Life Insurance** policy is right for you. You should read this document carefully so that you understand what you are buying and then keep it safe for future reference.

7 March 2019



# Key Facts

## Life Insurance

Our policy is designed to make a payment if you die during the term of the policy. If you have a Decreasing Term policy, the cover amount decreases each month over the term of the policy.

This document covers both Level Term and Decreasing Term policies. You may see our Life Insurance policies called CanProtect Level Term and CanProtect Decreasing Term in other policy documentation.



### Your cover

We will make a payment if you, or your partner (under a joint life policy):

- die, or
- are diagnosed with a terminal illness and are not expected to live more than 12 months.

### Your commitment

- To make regular monthly or yearly payments until the policy ends.
- To let us know if any information about you is incorrect.
- To answer all questions in the application honestly and take care to make sure you answer correctly.

### Risk factors

- If you stop paying, your policy will end 60 days after your last payment and the cover will end.
- If the information you or your professional adviser provided about you (for example, your age, height, weight, smoking status, medical history, hobbies and pastimes) is incorrect then the policy may not pay out or may pay a reduced amount.
- You can read the full terms and conditions in your **Policy Details** (reference ID10008) which, together with the information provided about you online, form the legally binding contract between you and us. This is based on our understanding of relevant legislation as at March 2019 and could be subject to change in the future.
- If you are in any doubt you should seek professional advice.

### What is the policy and when does it pay out?

- It is an insurance policy that makes a payment if you:
- For the Life Insurance Decreasing Term policy, the cash sum reduces each month over the life of the policy.  
Provided the rate of interest on your loan does not exceed 8%, the value of your Life Insurance Decreasing Term policy, should be sufficient to repay the loan. This assumes you take out enough insurance and your mortgage repayments are up to date.
- You can take out the policy on your own life or jointly with someone else, usually a partner, spouse or registered civil partner.
- The policy ends once the full payment has been made as a result of your death, or a terminal illness or it reaches the End date.
- We will make the payment to the person entitled to receive it.
- You can cancel the policy within 30 days of receiving the document '**Cancellation Form**' from us (see page 5).
- The policy has no saving or investment element and can not be changed for cash at any time.

## What other benefits or options are available?

### Accidental Death Benefit while we assess your application

The unexpected can happen at any time so we provide free accidental death benefit for up to 90 days while we are assessing your application, up to the time we offer terms under which we will cover you. The amount of cover is the total life cover on all your applications up to a maximum of £300,000.

The cover starts once all the application details have been submitted and ends when the first of these events happens:

- 90 days from receipt of the application details; or
- We accept, decline or postpone cover; or
- You indicate that you do not want to proceed with the application.

The benefit is paid on the death of an applicant as a result of bodily injury caused by accidental, violent and visible means. Death must occur within the 90 days period.

We will not pay any claims where the accidental death is caused by suicide, self-inflicted injury, hazardous pursuits, alcohol or drug abuse, war or civil commotion, flying (other than as a passenger in a commercially licensed aircraft) or accidents that happened before you applied.

The death benefit will only be paid once either under the Accidental Death Benefit or the policy itself.

### Waiver of premium benefit

You can add waiver of premium benefit at the start of your policy for an extra cost:

- We will pay your premiums if, before your 70th birthday or the end date if earlier, you are unable to work as a result of illness or incapacity (subject to a minimum deferred period of 13 weeks).
- When you make a claim under the waiver of premium benefit then we will assess the claim against the occupation you had when you took out the policy.
- When you no longer meet the eligibility criteria your claim will end and you will be responsible for paying premiums again.
- The waiver of premium benefit can be removed from the policy at anytime. However, once the benefit has been removed it cannot be re-added.

### Inflation-linked option

You can choose to add the inflation-linked option to Level Term plans at the start of your policy to help protect the cover amount against the effects of inflation. Each year we will give you the option to increase your cover amount by the change in the Retail Prices Index (RPI). We will limit the increase in RPI to a maximum increase of 10% and it will never go down if RPI turns negative.

Your premiums will increase at a higher percentage than the cover as the cost of providing cover gets more expensive with age.

If you decide not to increase the cover amount we won't offer to increase it again.

This option is not available to Decreasing Term policies.

### Increase options

Circumstances change over time and you may want to increase your cover. Our policy may allow you to increase it at specified events without needing to provide further information about your state of health.

Increase options are included in your policy unless our quotation (also called Personalised illustration or Acceptance Terms) states they are not included. They are only available if you are aged 54 or under when you make the increase.

At any single specified event the most you can increase by is 50% of the initial cover amount or £150,000, whichever is lower. You can increase your cover amount again at subsequent specified events up to a total maximum increase in the cover amount of £200,000.

The specified events we allow are:

- Getting married or entering into a civil partnership; or
- Birth or adoption of a child; or
- Increasing your mortgage due to moving into a new property or making home improvements; or
- An increase in your salary of 10% or more as a result of promotion, gaining a recognised professional qualification or change of employer or job.

If the increase option does not meet your needs or is not available, you may still be able to change your policy, however you will have to provide up to date information about your state of health and lifestyle.

## Questions and answers

### Is there a maximum amount of life cover I can have?

Yes, the table below shows the maximum amount of cover you can apply for based on your age at the time of your application:

Your current age(s) when you applied for the policy	Maximum guaranteed cover amount
18 – 40	£1,000,000
41 – 45	£750,000
46 – 50	£600,000
51 – 55	£400,000
56 – 60	£300,000
61 – 80	£150,000
81 and over	£0

- These limits:
  - apply across all of your Life Insurance Level Term and Decreasing Term policies but do not apply to any other Canada Life policy.
  - apply to each adult individually. For example, for two adults, both aged 50, taking out a joint life policy, the maximum cover amount would be £600,000. If the same adults took out two single life policies then the maximum amount of cover under each policy would also be £600,000.
  - do not include increases in sum assured after the policy has commenced as a result of use of the inflation-linked option or the use of an increase option.
- If at the point of making a claim it becomes evident that the total of cover, for all of your Life Insurance policies, is more than the limits shown, then we will pay the relevant limit (shown here). We will refund any overpaid premiums.

### How much will my payments be?

- Your **Acceptance Terms** show the amount you will need to pay for your chosen benefits. This cost will not increase unless your benefit increases through choice or inflation-linking (see page 3).

Your cost is based on a number of factors. These include:

- the amount of insurance
- your age(s)
- your occupation(s)
- whether you take part in a hazardous pastime
- your health and medical history
- whether you smoke or have previously smoked
- the length of time your policy lasts
- our charges
- whether you have selected the waiver of premium benefit
- whether you have selected the decreasing cover basis or not.

### What are the charges?

- The cost of providing the insurance is covered by your payments.

### What if I stop paying?

- Your policy will end 60 days after the last payment was paid. You cannot exchange the policy for cash because it is designed to provide protection insurance cover and is not a savings plan. If you decide to stop paying, the cover provided will end and the policy will stop without value.
- It is only possible to restart the policy within 30 days of it ending. You will have to make any outstanding payments.

### Can I change from yearly to monthly payments?

- You can change from yearly to monthly, or monthly to yearly, at the policy anniversary. You may also select which day of the month you want us to collect the payment. All payments must be made by Direct Debit instruction.

### What about tax?

- The claim payment is normally free from all UK Capital Gains and Income Tax.
- Death benefits may be subject to inheritance tax unless you put the policy in trust. Your professional adviser can give you more details of how this works.
- The information regarding taxation is based on our understanding of current legislation as at September 2018 which may be altered and depends on your financial and other circumstances.

### Can I change my mind?

- You have the right to change your mind and cancel the policy within 30 days of receiving the **Cancellation Form** from us.
- If you change your mind within the 30 days and do not want the policy, we will give you your money back.
- If you cancel the Policy at any time after the 30 day period you will not receive any money.

### Can I change a joint-life policy if my circumstances later change?

- You may be able to split a joint life policy into two single life policies if you divorce or your civil partnership is dissolved. This is only available if the policy has been taken out to protect a mortgage and a new mortgage is being taken out or the existing one rearranged in the name of only one of the lives being covered. The cover amount and the length of time the policy lasts under each single life policy cannot be greater than under the original joint-life policy.

### Can cover continue after a claim?

- The policy will always end after the payment of a death or terminal illness claim.
- However, if there is a claim under a joint-life policy, the person who was not the subject of the claim can ask us for a replacement policy.
- The new policy will be a single life policy on the same terms as the existing policy and the person will not need to provide any more health or lifestyle information.

### Can I change the sum assured and policy term after the policy has been started?

- If you need to change the cover amount or the length of time the policy is in force you can ask us to amend it.
- Where you increase the amount of cover, or increase the length of time the policy is in force, we will ask you to provide us with up-to-date health and lifestyle information so we can assess whether we can provide cover and on what terms.

### How do I make a claim?

- To make a claim, please contact our Customer Services Department (see page 7 – ‘How to contact us’).
- When a claim is made, we may make further enquiries about the cause of death, or the terminal illness. Failure to provide the correct information could mean a delay in the payment of a valid claim.

### Where can I find out more?

- We have more information and all our downloadable documents on our dedicated website [www.canadalife.co.uk/individual-protection](http://www.canadalife.co.uk/individual-protection)

# Data Protection Notice

Canada Life Limited (referred to as ‘Canada Life’, ‘we’, ‘us’ or ‘our’ in this DPN) takes its privacy obligations very seriously. Any personal information provided to us, as data controller, by a policyholder, joint policyholder, employer policyholder, trustee, insured person, beneficiary, claimant or member (referred to as ‘you’ or ‘your’ in this DPN), will be treated in accordance with the Data Protection Act 2018.

## Using personal information

We use personal information to undertake activities relating to the setting up, administration and renewal of our policies, products and services. This includes processing applications and handling any claims. For the majority of our business we will rely on the performance of our contractual arrangements with you as the legal basis for processing.

We do not use policyholder or member personal data for marketing purposes and we do not make your personal information available to third parties for the purpose of direct marketing.

The nature of our business is to provide investments, life and pensions cover, critical illness, income protection and employer related group products. To do this we need to use the personal information provided to carry out analysis of actuarial risks (risks of gains or losses), mortality and morbidity risks and pricing. This will be carried out in accordance with the Institute & Faculty of Actuaries’ data handling protocols.

We use underwriting software to process some applications and quotations which will use an element of automated decision making.

Exceptionally, we may rely on our legitimate interests to process your personal data. When we do, we will demonstrate compelling legitimate grounds for doing so.

## Sharing personal information

We share personal information only on the basis of the purposes for which it was collected. This notice is intended to illustrate the instances where data may be shared. However, we will share your data only for the limited and compatible purposes for which it was originally obtained:

- with other Canada Life group companies including those outside the European Economic Area (EEA);
- with any of our service providers, reinsurers and / or regulators;
- with other insurers and government agencies, including without limitation Her Majesty’s Revenue and Customs (HMRC) and Department of Work and Pensions (DWP);
- in order to prevent, detect or investigate financial crime including fraud or other criminal activity, we may share your data with other companies (including private investigators), organisations (including fraud prevention agencies and databases), public bodies (including the police) and associations and credit reference agencies;
- we will not share your medical information with anyone other than yourself without your consent. This includes your spouse, other relatives, friends or your legal or financial adviser.
- we will not share non-medical information concerning you with your spouse, other relatives, friends or your legal or financial adviser unless you provide your consent to us in writing;
- for insurance related products, with your own doctor or relevant medical professionals; and/or
- in any circumstances if permitted or required to do so by law or if we have your consent to do so.

## International Transfers

Given the global nature of our business, we use third party suppliers and outsourced services (including cloud based services), which can require transfers of personal information outside of the EEA. In doing so, we ensure that there are appropriate contractual arrangements and we will choose only those organisations with strict controls in place, via appropriate organisational and technical measures in place to protect your personal information.

## Retention of your personal data

We will keep your personal data only for so long as is necessary and for the purpose for which it was originally collected. In particular, for so long as there is any possibility that either you or we may wish to bring a legal claim under this insurance, or where we are required to keep your personal data due to legal or regulatory reasons.

## Your rights and contact details of the Information Commissioner’s Office (ICO)

You may have the right to require us to:

- provide you with further details on the use we make of your personal information or your special categories of data;
- provide you with a copy of the personal information that you have provided to us or which we hold;
- update any inaccuracies in the personal information we hold;
- delete any special category of data or personal information for which we no longer have lawful grounds to use;
- cease processing of your personal information that is based on consent, by withdrawing your consent to that particular processing;

- cease any processing based on legitimate interests grounds, unless our reasons for undertaking that processing outweigh any prejudice to your data protection rights; and
- restrict how we use your personal information whilst a complaint is being investigated.

In certain circumstances, we may need to restrict the rights listed above in order to safeguard the public interest (e.g. the prevention or detection of crime) and our interests (e.g. the maintenance of our legal responsibilities).

### Data Protection Officer (DPO)

If you have any questions, or complaints, in relation to our use of your personal information, you should first contact our DPO, on the details below:

**Canada Life Limited, Canada Life Place, Potters Bar, Hertfordshire, EN6 5BA or by email at: [dpo@canadalife.co.uk](mailto:dpo@canadalife.co.uk).**

**In the unlikely event that you are dissatisfied with our response, you have the right to take the matter up with the Information Commissioner's Office (ICO), whose address is:**

Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow Cheshire, SK9 5AF

The full version of our DPN can be found on our website, [www.canadalife.co.uk](http://www.canadalife.co.uk) or is available upon request by calling **0345 6060708**.

This DPN is dated 5th March 2018. Any future updates will be made available as described above.

## About Canada Life

### What we do

Canada Life Limited is company carrying out insurance business (also referred to as an insurance undertaking).

### Advice

Canada Life does not provide any form of financial advice or personal recommendation, whether direct or implied, in connection with the products and services we offer.

### Remuneration

Canada Life may pay some of our staff bonus payments which are linked to the number and/or value of the policies which we sell.

### Financial Strength

If you want to find out about our financial strength, including our solvency margin, you can view the Canada Life Limited Solvency and Financial Condition Report at [www.canadalife.co.uk/about-us/solvency-2](http://www.canadalife.co.uk/about-us/solvency-2)

## How to complain

If you would like to complain about any part of the service we have provided, please contact us using the details on this page.

If you are not happy with our response you can contact:

The Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London E14 9SR

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

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

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

Making a complaint will not affect your right to take legal action against us.

## Compensation

If you have a valid claim against us and we are not able to meet our responsibilities in full, you may be entitled to compensation from the Financial Services Compensation Scheme. Information about compensation arrangements and contact details are available on the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk)

## Law

English law applies to all of our Life Insurance policies.

## How to contact us

Customer Services  
Department, Canada Life Limited,  
Canada Life Place, Potters Bar,  
Herts EN6 5BA



**0345 606 0708**

lines are open  
Monday to Friday 9am – 5pm



[customer.services@canadalife.co.uk](mailto:customer.services@canadalife.co.uk)

Website: [www.canadalife.co.uk](http://www.canadalife.co.uk)



Alternatively, please contact your professional adviser.



More information is available on our website: [www.canadalife.co.uk/individual-protection](http://www.canadalife.co.uk/individual-protection)

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Canada Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority



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Life Insurance (Advised) Level Term has a comprehensive level of features and benefits.