Please read this document carefully as it contains important information about this plan.
About this booklet

This booklet gives you an overview of the cover you have with the VitalityLife Essentials plan, and the features that may be available to you later on. However it doesn’t explain every detail or the full terms of your cover. You can find the full terms in the VitalityLife Essentials plan provisions.

If you still have questions about our VitalityLife Essentials plan after reading these documents, please contact your financial adviser if you have one, or call us on 0345 601 0072.
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Your VitalityLife Essentials plan

What is the VitalityLife Essentials plan?

The VitalityLife Essentials plan is an insurance plan that helps protect you and your family from the financial impact of death. This plan is underwritten by Vitality Life Limited.

As well as protecting you if things go wrong, the healthy living programme helps you lead a healthy life. As part of your plan you get access to a range of discounts and rewards to encourage you to look after your health. You also have the chance to control your future premiums - without changing your cover.

Who can take out a VitalityLife Essentials plan?

You can apply for a VitalityLife Essentials plan as long as you are:

- Aged between 16 and 75
- A UK resident - this excludes the Channel Islands and the Isle of Man

How long does my plan run for?

When you take out your plan, you decide whether you want it to be on a whole of life or fixed term basis.

The minimum term we can insure you for is five years. For fixed term Life Cover, we can only cover you up to your 90th birthday. For whole of life Life Cover, there is no maximum term.

Your plan may end earlier than the expiry of your term if, for example, you cancel the plan, a person covered is removed from the plan, or you die. For more about how your plan can end, see provision F in the plan provisions.

You will pay premiums on a regular basis throughout the whole term of your plan. So when you decide on your term, you should think about whether you will be able to pay your premiums for that whole time.

How does the plan work?

When you start your plan we set up a plan account for you.

For a single life plan, the amount of your plan account will be the same as your Life Cover.

For a joint life plan, the amount of your plan account will be the same as the amount of Life Cover held by the first person covered.

The amount of Life Cover you have is in each case expressed as a percentage of your plan account. So we use the plan account to calculate how much we will pay you if you make a claim for Life Cover.

For more about the plan account, see provision A.1 in the plan provisions.

Can I take the plan out with someone else?

You can take out a VitalityLife Essentials plan jointly with someone else. This is called a joint life plan.

If you have chosen a joint life first death plan the person you take your plan out with can choose their own covers and cover amounts, but they will share your plan account. Your plan will stop when one of you dies.

If you have chosen a joint life second death plan the other person must have the same cover amount. Your plan will stop after both of you have died.

Is the amount of cover fixed forever?

You can choose for your Life Cover to stay level if you want. Or you can choose for it to increase or decrease.

Level cover

If you choose for your Life Cover to stay level it means that your sum assured is designed to stay the same over the life of your plan. It will only change because of action you take, such as you making a claim or changing a cover.

If you choose for your cover to stay level, inflation may affect its relative value in the future. We recommend...
that you review your level of cover from time to time to make sure it continues to meet your needs. You may want a financial adviser’s help with this. They may charge you for any advice.

**Indexed cover**

If you choose indexed cover, your cover will increase annually on each plan anniversary, in line with the Retail Prices Index (RPI) rounded to the next 0.25%. Each increase is limited to a minimum of 0% and a maximum of 10%.

If your cover lasts for the whole of your life then the increases will be applied automatically until the plan anniversary immediately before your 80th birthday. (If your plan is a joint life plan this will be based on the younger of the two people covered.) At this point we will write to you and ask you to confirm whether you want your cover to continue to be indexed. If you do not tell us that you want your cover to be indexed we will automatically change it to level cover.

Your plan account cannot exceed £20,000,000, including any increases as a result of indexation.

**Decreasing cover**

If you choose decreasing cover, your cover will decrease over the life of your plan. It decreases in the same way that the outstanding capital on a repayment mortgage would if the mortgage had a 7% annual equivalent interest rate.

**How much do I pay for my plan?**

By now you should have received a quote which shows you what your premiums will be, based on your personal circumstances and requirements.

The minimum monthly premium we allow is £8. The minimum annual premium is £96.

**How do you work out my premiums?**

When you take out your plan, we work out your premiums based on the following factors:

- The types of cover you choose
- The amount of cover you choose
- The term you choose for your cover
- Your age
- Your health and medical history
- Your occupation
- Whether you participate in any dangerous activities
- Any lifestyle habits that could affect how likely you are to claim - including smoking

We’ll consider these same factors whenever you ask to change your cover.

**How do I pay my premiums?**

You pay your plan premiums either monthly or annually, in advance. Your selected payment frequency is shown in your Plan Schedule. If you have selected monthly, your plan premiums will be paid for by direct debit. If you have selected annually, the plan premium will be paid for by either direct debit, Electronic Fund Transfer (EFT) or Telegraphic Transfers (TT).

**What happens if I stop paying my premiums?**

If you stop paying your premiums, your cover will also stop. Because premium rates increase with age, it is very likely that your cover will be more expensive if you start it again. Plus we may need to underwrite your request.

Your plan does not have any cash value, so you won’t get anything back if you stop paying your premiums. We recommend you seek financial advice if you are considering stopping your policy.

**Will my premiums change over time?**

Your premiums may change over time, depending on:

- What type of premium you choose - either guaranteed or reviewable
- Whether you make any changes to your cover
- Whether your premiums are indexed
Your VitalityLife Essentials plan

• Whether you make any claims
• Whether you have chosen Vitality Optimiser
• Whether you have chosen Premium Optimiser or Interest Rate Optimiser

The types of premium you can choose

Guaranteed premiums
A guaranteed premium is one that will only change over the term of your cover as a result of choices that you make. These choices include changing your cover amount or term, having indexed cover, choosing Vitality Optimiser or whether you have chosen Premium Optimiser or Interest Rate Optimiser.

Premium Optimiser
Premium Optimiser is only available if you have selected Whole of Life Cover, or Whole of Life Cover with LifestyleCare Cover, and guaranteed premiums. For more about guaranteed premiums see provision D2 in the plan provisions.

With Premium Optimiser your initial Whole of Life Cover, or Whole of Life Cover with LifestyleCare Cover, premium starts lower than an equivalent Whole of Life premium that does not include Premium Optimiser.

At each plan anniversary your Whole of Life Cover, or Whole of Life Cover with LifestyleCare Cover, premium will increase by 2.5%.

We will apply any change in your Whole of Life Cover, or Whole of Life Cover with LifestyleCare Cover, premium as a result of Premium Optimiser before any change as a result of indexation or your Vitality status. Your Plan Schedule indicates whether you have chosen Premium Optimiser.

Interest Rate Optimiser
Interest Rate Optimiser is only available if you have selected Whole of Life Cover, or Whole of Life Cover with LifestyleCare Cover, and guaranteed premiums.

With Interest Rate Optimiser your initial Whole of Life Cover, or Whole of Life Cover with LifestyleCare Cover, premium starts lower than an equivalent Whole of Life Cover, or Whole of Life Cover with LifestyleCare Cover, premium that does not include Interest Rate Optimiser.

At each plan anniversary your Whole of Life Cover, or Whole of Life Cover with LifestyleCare Cover, premium will increase. The actual amount by which your premium will increase due to Interest Rate Optimiser will depend on the long term interest rate that is published on the first working day of the calendar quarter 65 days before your plan anniversary e.g. 1st January. The long term interest rate is the 20 year rate from the Bank of England’s UK government liability nominal spot rate curve.

The Plan Schedule we have provided indicates whether your plan includes Interest Rate Optimiser. For more information about Interest Rate Optimiser please see provision D1.6 in the plan provisions or visit vitality.co.uk/wholeoflife.

Reviewable premiums
If you have reviewable premiums, we will review them periodically and potentially change them. When we review your premiums, we look at them in terms of emerging claims experience. We do not look at your individual circumstances such as your health.

Indexed premiums
If you have chosen indexed cover, the amount your sum assured can increase by is linked to the Retail Prices Index (RPI) rounded to the next 0.25% and limited to 10% each year. However your premiums will rise by the RPI plus 2.5% (or RPI plus 5% after you reach age 80), to reflect your increasing age. The plan schedule we have provided indicates how your premiums may change, based on a predicted future rate of inflation.

How your Vitality Status affects your plan premiums
For more about how your Vitality Status can affect your premium see ‘How Vitality rewards you for being healthy’ below and provision E in the plan provisions. The plan schedule we have provided indicates whether your plan includes Vitality Optimiser. If your plan includes Vitality Optimiser your initial plan premium will be lower than for an equivalent plan without Vitality Optimiser and your premium may
increase, stay the same, or decrease each year depending on your Vitality Status.

If your plan does not include Vitality Optimiser it will include Premium Discounts instead. With Premium Discounts you get the chance to reduce your premiums - without reducing your cover.

**Can I make changes to my cover during the term of my plan?**

The VitalityLife Essentials plan is designed to be flexible. Once you've set a plan up, you can still:

- Add or increase covers
- Remove or reduce covers
- Remove a person covered from a joint life plan
- Add a person to a single life plan
- Split a joint life plan into two single life plans
- Change the fixed term of your covers
- Remove Vitality Optimiser, Premium Optimiser or Interest Rate Optimiser

If you change any of your covers, your premium will change too. The change in your premium may not be in proportion to the change you’ve made to your cover. This is because we may base your premium on your age at the time you make the change.

When you add or increase covers, we will usually ask for new medical evidence.

**How does Life Cover work?**

**Life Cover**

If you die while you’re covered, Life Cover pays a lump sum to whoever is entitled to receive the benefit.

It will also pay a lump sum if you’re diagnosed with a terminal illness, and your life expectancy is no more than 12 months.

If you have a joint life first death plan, your Life Cover stops after we pay a claim for the death of one of the people covered. If you have a joint life second death plan, we will pay a claim for life cover after both people covered have died.

**LifestyleCare Cover**

If you have a single life plan with Life Cover that lasts for the whole of your life you can choose to add LifestyleCare Cover. This allows you to access some or all of your Life Cover if you are unable to look after yourself and you meet one of the definitions that we cover. For a full list of these please see Appendix 1 of the plan provisions. You can use the lump sum that we pay to you for any purpose. Any cover that isn’t paid out to you as a result of a claim for LifestyleCare Cover will be paid when you die.

The amount we pay out will depend on your amount of cover and how severe your condition is. There are two severity levels - Severity Level 1 and Severity Level 2.

When we make payments under LifestyleCare Cover your remaining Life Cover and LifestyleCare Cover reduce by the amount we have paid. This works differently if you have chosen LifestyleCare Cover Protector.

There are two types of LifestyleCare Cover Protector - LifestyleCare Cover Protector (level 1) and LifestyleCare Cover Protector (level 1 and 2).

If you have chosen LifestyleCare Cover Protector (level 1) and we make a payment for a Severity Level 1 condition, the payment will not affect the amount that is available for future Life Cover or LifestyleCare Cover claims. If we pay you a claim under Severity Level 2, LifestyleCare Cover will be removed from your plan and the amount of your Life Cover will reduce by the amount we have paid you.

If you have chosen LifestyleCare Cover Protector (level 1 and 2) and we make a payment for a Severity Level 1 condition, the payment will not affect the amount that is available for future Life Cover or LifestyleCare Cover claims. If you meet the definition for a Severity Level 2 condition and you survive for at least 14 days we will pay your remaining LifestyleCare Cover amount. LifestyleCare Cover will be removed from your plan. The amount of your Life Cover will not reduce.
**Waiver of Premium on Incapacity**

Waiver of Premium on Incapacity means that you do not have to pay plan premiums when the conditions for the waiver are met:

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<td>Waiver of Premium on Incapacity</td>
<td>We will waive your plan premiums if you become incapacitated, and your incapacity meets one of our definitions. We offer people different definitions depending on whether they are in paid work and what kind of work they do. For more about this, see provision C2 in the plan provisions.</td>
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You will pay an extra premium for Waiver of Premium on Incapacity.

**How Vitality rewards the person covered for being healthy**

The healthy living programme helps the person covered improve their health - and saves you money at the same time. It encourages them to be healthy by offering discounts with a range of health partners. They start on Bronze status. By taking steps to look after their health, they can increase their status to Silver, Gold or even Platinum. The higher their status the greater the discounts and rewards.

You can take out Vitality Plus or Vitality Optimiser at your plan’s start date, or within three months of your plan’s start date. Outside of this period, you cannot add Vitality Optimiser, and Vitality Plus can only be added at each anniversary of the plan. You are only eligible for Vitality Optimiser under this plan if you also have Vitality Plus. If you cancel Vitality Plus, we will remove Vitality Optimiser from your plan. If Vitality Optimiser is removed, your premiums will change.

If you remove Vitality Optimiser from your Plan, your Vitality Plus will remain in place, unless you cancel it separately.

Some Vitality rewards and benefits are only available to those who are over the age of 18. For more information about Vitality Plus, please see your separate terms and conditions for the healthy living programme.

**The Vitality commitment**

The healthy living programme will give you access to discounts and rewards for the duration of your plan. Because your plan could last many years, we the discounts and rewards offered to you may need to be revised from time to time.

As new opportunities and technologies emerge, the way you are rewarded for being healthy will change over time. The discounts and rewards depend on the relationships with third party providers and the range of services these providers offer.

Please refer to the separate terms and conditions for more information on the healthy living programme. This includes changes to the way you are awarded Vitality points, the eligible activities, incentives and partners offered, and how your Vitality Status could change as a result. If you’re not satisfied with the changes, you may cancel your plan.

**How do I make a claim?**

**Telling us about a claim**

If a claim needs to be made under your cover, we need you to tell us as soon as possible.

You can call us on: 0345 601 0072

Or you can write to us at: VitalityLife, Stirling, FK9 4UE

**What we need before we can settle a claim**

We may need you or your representative to send your plan schedule back to us. Please make sure this is easily accessible.

For some claims, we may need to assess your incapacity using a set of functional activity tests.

For each type of cover, we describe what we need before we can settle a claim in the individual cover sections of the plan provisions.
For the purposes of complying with our Anti-Money Laundering obligations, we may require a claim recipient to give us satisfactory proof of their identity.

**Who will we pay the benefit to?**

We will pay any benefits to the person legally entitled to receive them.

Any cash sum we pay out under your plan will be free of personal income tax and capital gains tax. However, this may change if tax rules change.

If the cash sum forms part of your estate, it may not be free of inheritance tax. If you would like to put your plan in trust, you should talk to a solicitor.

**Are there any significant exclusions I should be aware of?**

You can find full details of all the exclusions in the plan provisions. Here are some that we would like to draw your attention to:

We won’t pay a claim for Life Cover if one of the persons covered dies as a result of suicide within 12 months of:

- The start date of the Life Cover
- The date you added that person to the plan
- The date the plan was re-instated if it has been suspended because your premiums were not paid

If the illness, condition or procedure you are claiming for is a direct or indirect consequence of an excluded condition, then we won’t pay any benefit under Waiver of Premium on Incapacity or LifestyleCare Cover.

We won’t pay any benefit under Waiver of Premium on Incapacity if the person making the claim is permanently based outside the UK or permitted countries.

If the person making the claim is temporarily based outside the UK or permitted countries, we’ll only waive a maximum of 12 months’ premiums for Waiver of Premium on Incapacity.

For more about exclusions to your cover, see provision D5.5 in the plan provisions.

**Impact on means tested benefits**

Payments of benefits from this plan, including LifestyleCare Cover may affect your entitlement to receive means tested benefits from the government or your local authority. We recommend that you seek professional advice if you are concerned about this.

**Can I cancel my plan if I change my mind?**

You can cancel your plan at any time.

If you cancel it within 30 days of receiving your plan details, we’ll refund your premiums, as long as you haven’t made a claim. To do this, you need to write to us at:

**VitalityLife, Stirling, FK9 4UE**

Or you can call us on 0345 601 0072

If you cancel your plan after 30 days, we won’t refund your premiums. You can either contact us to cancel it, or just cancel your direct debit.
Other Information

How to make a complaint

Our commitment to you
We understand that sometimes things can go wrong. You are important to us, so if you have reason to complain we want to know. We will try to resolve your complaint quickly in a professional and helpful way.

How to contact us
You can contact us by letter, phone or email. It will help if you give your name, address and plan number. Either send us a secure message via our Member Zone, or call us on the number shown on your certificate of insurance.

Or you can write to us at:
VitalityLife Customer Services, Stirling, FK9 4UE

How we will deal with your complaint
The time it takes to resolve your complaint will depend on how complex it is and how much investigation we have to do. We will always try to resolve your complaint as quickly as possible, keeping you informed of our progress.

We will:

• Acknowledge your complaint promptly
• Tell you who is dealing with your complaint so contacting us is easier. This person will be a trained complaint handler not directly involved with your case before the complaint
• Fully investigate your complaint and send you a detailed report about our findings. We will clearly explain the reasons behind our decision and what action we will take to put things right, if appropriate
• Update you every four weeks if the investigation is not complete and explain the reason for the delay

What to do if you are still not happy with the outcome
We want to resolve complaints to your satisfaction whenever possible. If we cannot reach agreement with you, you can refer your complaint to the Financial Ombudsman Service.

The Financial Ombudsman Service is an impartial adjudicator and provides a free, independent service for resolving disputes with financial services firms. If you are going to ask the Financial Ombudsman to review your case, you should do so within six months of our giving you our final decision on your complaint. You can contact the Financial Ombudsman in the following ways:

The Financial Ombudsman Service, Exchange Tower, London E14 9SR
Enquiry line: 0800 023 4567 | Fax number: 020 7964 1001
Website: www.financial-ombudsman.org.uk | Email: complaint.info@financial-ombudsman.org.uk

If you contact the Financial Ombudsman Service, this does not affect your right to take legal action if you are dissatisfied with and do not accept the outcome of the review.
Making a full disclosure

When you take out your plan, you have a responsibility to give us the information we ask for. That’s because we rely on this information to assess your risk and work out your premiums. If any of the information you give us is incomplete, incorrect or untrue, it’s likely that we’ll reduce the value of any claims you make. In some circumstances we may not pay your claim at all. We may also cancel your plan altogether. So, if you realise that you haven’t made a full disclosure to us, please let us know as soon as you can. Then we can help you to get a valid insurance contract back in place.

Compensation

We are covered by the Financial Services Compensation Scheme. This means that you may be entitled to financial help up to 90% of the value of your loss if we cannot meet our obligations.

For more information about the Financial Services Compensation Scheme, please contact them by email: enquiries@fscs.org.uk or by phone: 0800 678 1100.
VitalityLife is a trading name of Vitality Corporate Services Limited. Vitality Life Limited (registration number 03319079) is the insurer that underwrites the VitalityLife plan. Vitality Corporate Services Limited (registration number 05933141) arranges and administers VitalityLife plans.
Vitality Corporate Services Limited is authorised and regulated by the Financial Conduct Authority. Vitality Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
Calls may be recorded/monitored to help improve customer service.
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