EXPLAINING
THE SKANDIA PLAN

FOR INFORMATION ONLY.

THIS PRODUCT IS CLOSED TO NEW CUSTOMERS

ReAssure

CONTENTS AT A GLANCE

This brochure gives details about how The Skandia Plan works and its benefits and options.

Please note, folllowing our name change in 2014, Skandia became ReAssure.

All references in your terms and conditions to Skandia Life refer to products provided by ReAssure Life Limited.

GLOSSARY

This section explains some of the words we use to describe the plan.

Cover
The cash sum we will pay when you die or, if you have chosen to include total disability benefit, when you become disabled. Also known as the sum assured.

Life insurance
An insurance policy that is designed to pay out a cash sum when you, or others covered by it, die.

Non standard terms
When we need to increase the amount you pay for your cover, or exclude a benefit from the cover, because the person covered has a medical condition or a dangerous job or pastime.

Paid up plan
A plan which has a remaining fund value, but for which regular payments are no longer made. The cover continues until the plan's value is zero.

Fund Value
The cash value of your plan sometimes referred to as the 'surrender value' or 'plan value'. We use your premium to buy units in the investments funds chosen by you. It's possible for these funds to build up a cash value over time.

Plan and policy
What you buy is a plan, which is made up of two or more policies. If you want to withdraw money from the plan, or reduce the amount you pay, we will cancel one or more policies.ⓘ

ⓘ See **'Cashing in all or part of your plan'** on page **15** for more details.

Premiums
The regular payments you make each month or year to pay for your cover.

Qualifying status
The special status given to some life insurance plans by HM Revenue & Customs (HMRC), which determines whether payments we make are taxable or tax free.ⓘ

ⓘ See **'Qualifying status'** on page **19** for more details.

Review
The annual 'review date' is the anniversary of the start of your plan. It is an opportunity to ensure that your cover still meets your needs and to make changes to your premium or cover. We will review your premiums and you may need to increase them to keep the same level of cover. We may ask you to increase your premium at any review date to ensure that they are enough to maintain your cover. An alternative to increasing your premium is to reduce your level of cover.

Ten-year review
This is the first time after your plan starts that we check your plan to see if your payments are sufficient to keep the same level of cover for the next five years.

Fund management groups
These are investment management companies that use the expertise of specialist fund managers to run their portfolio of funds on behalf of both private and institutional investors.
Examples are Fidelity, BlackRock and Invesco Perpetual.

Units
Your regular payments are invested in the funds you have chosen. Each fund is made up of investments from a large number of customers. Your share of that fund is represented by the 'units' linked to that fund that are allocated to your plan. Each unit has a value which can change daily. The overall unit value of your plan is referred to as your 'fund value'.

Rates
These are basic costs of life cover, for people of different ages and gender, on which we base the cost of your life cover.

QUICK REFERENCE GUIDE

Premium guarantee	Your regular premiums are guaranteed to remain the same for the first ten years of the plan provided you pay all the premiums and do not change the amount of your cover. This guarantee is not affected by changes in plan charges or by the performance of the investment funds you choose. After ten years your plan will be reviewed and your premium may need to be increased.ⓘ ⓘ See **'Setting and reviewing your premiums'** on page **6** for more details.
Minimum increase to your premium	£2 a month or £20 a year.
Minimum that ReAssure can reduce your cover	When reviewing your plan, there is a minimum level that ReAssure can reduce your cover to. This is 75% of the premiums that are due to be paid from when you started your plan, up until your 75th birthday.
Minimum that you can choose to reduce your cover	The minimum that you can choose to reduce your cover to is 75% of the premiums due to be paid from the date you make a change to your plan, up to your 75th birthday.
Maximum Level of cover	The maximum level of cover you could have when the plan started was £5 million. The maximum level you can increase to is £15 million. We will not offer any further increase in cover if you reach this level.
How many people can the plan cover?	The plan can cover: • one person, or • two people, to pay out: – when the first dies, or – after both have died.
The plan owners	The plan can have one or two owners.
Reduced rates for non-smokers	If you smoke, your premiums will be higher than for a non-smoker.
Will you need to have a medical?	You will not have to answer any questions about your health or have a medical if you increase your cover. We may need some medical information if you stop paying your premiums and then ask to reinstate your plan.
What might stop us paying a claim?	We may not be able to pay your claim if you did not answer all of the questions on your application form honestly.ⓘ ⓘ See **'What might stop us paying a claim'** on page **18** for more details.
Can you cash in your plan?	Yes, you can cash it in either entirely or partly if you have more than one policy. If you have chosen to pay the lowest possible premiums for your level of cover, or your chosen funds have not performed well, your plan may have little or no value.ⓘ ⓘ See **'Cashing in all or part of your plan'** on page **15** for more details.
What happens if you stop paying the premiums?	After 30 days, we will make your plan 'paid up'. If it has a fund value, your life cover will carry on until it reaches zero value at which point your plan and your cover will end.

THE SKANIDA PLAN

Its main purpose

The main objective of The Skandia Plan is to provide life insurance.

The Skandia Plan is a life assurance contract that can provide cover for the whole of your life. It pays out a cash lump sum when the person or both people covered by the plan, known as the lives assured, die.

The premiums you pay are reviewable and you may need to increase them in the future in order to keep the same level of cover. The amount of the increase and when you will need to increase may depend on how the plan was set up, the underlying fund performance and any changes made to the plan since.ⓘ

ⓘ See **'Reviewing your premium'** on page **6**

The fund value

We use your premium to buy units in the investment funds chosen by you. It's possible for your plan to build up a fund value over time. This fund value is used to pay for some of the charges including the cost of the life cover, which increases with age. You can choose a level of premium that invests more, or less in your plan. The lower your premium, the less we can invest to build up a value.

In the early days the premium was likely to be much higher than the cost of cover so that a fund value could be built. Over time it is possible for the cost of life cover to exceed the premium, in which case the fund value would be reduced more quickly.

If your plan has a fund value, the money can be withdrawn from the plan by cancelling one or more of the individual policies that make up your plan. When you withdraw money the amount of your cover is likely to reduce, or stop entirely.ⓘ

ⓘ See **'Cashing in all or part of your plan'** on page **15** for more details.

THE LEVELS OF COVER

When you started the plan you will have chosen one of the following:

- **Maximum cover:** your premium is calculated to sustain your cover for the first ten years and less is invested to build up the value of your plan.You are likely to have to increase your premuim significantly at the ten-year review and further into the future. After the first ten years we calculate the minimum premium to last for a further five years. This means you will need to increase your premium approximately every five years to keep your cover unchanged.

- **Standard cover** (whole of life) - premiums are higher so more is invested to build your plan's value.

  We work out how much you need to pay to potentially keep the same level of premiums throughout your life, making assumptions about how much your chosen investments will grow. However, you will need to pay more in the future if:

  – your funds do not grow as much as assumed

  – the growth assumption of your funds change

  – you change your funds to ones which grow at a different rate

  – the rates which dictate the costs of your cover increase.

- **Minimum cover -** this gives you the highest level of investment into the fund value of your plan with the lowest level of cover allowed for the plan to remain 'qualifying'.

- You can also choose, at any review date, to put your plan at any level between the minimum and maximum as described above. This is done by changing your premium or cover.

  We recommend that you review your plan regularly to ensure that it continues to meet your needs.

SETTING AND REVIEWING YOUR PREMIUMS

The premium guarantee

Your premium is guaranteed for the first ten years of the plan. After ten years, we will review your premium to make sure it will continue to cover the costs of the amount of cover you have chosen.

You may have been asked to pay a higher than normal amount depending on your health, or if you are in a risky occupation or take part in dangerous pastimes. This is known as 'non-standard terms'.

Reviewing your premium

We may review your premium each year to make sure it will continue to cover the cost of the amount of cover you have chosen. This is because as you get older the cost of the life cover increases and over time the cost could become larger than the premium you are paying.

If your premium continues to cover the cost for at least a further year you won't have to do anything. We'll write to you giving you your options and to give you the opportunity to increase the cover should you want to.

If it no longer covers the cost, you will need to make a change to either your premium or cover.

You can see the different options in the review options section of this guide.

Choosing to make a change to your premium before a change is required can help to reduce the size of any increases required in the future.

How we calculate the new premium

When we review your premium we base the new premium on the following factors at the time of the review:

- the amount of cover
- an estimated rate of growth for your funds
- the fund value of your plan
- the future cost of cover (which is based on age, gender and health related information provided to us at outset)
- any extra options.

We will also take into account any change in the cost of the life cover that may have occurred since the last review.

We don't ask you anything more about your health.

The new premium we offer you is estimated to stay the same for a minimum of five years before another change required. We cannot guarantee it will last five years because:

- we can only estimate the growth of your funds. If they grow more than estimated we may not need to review your premium in five years' time. If they grow less than estimated we may need to review your premium sooner

Your minimum level of cover

Please note that there are two minimum levels of cover:

- There is a minimum level that we can reduce your cover to when reviewing your plan. This is explained in Term 18 of your terms and conditions. This minimum is 75% of the premiums payable from the date your plan started, up to the 75th birthday of the relevant life assured.
- There is a minimum level that applies when you choose to make an alternative change to your plan. This amounts to 75% of the premiums payable from the review date that the change is applies, up to the 75th birthday of the relevant life assured. This is explained in Term 16 of your terms and conditions.

If your cover level is at the minimum amount, we will not ask you to increase your premium, or reduce your level of cover in the future.

If you would like details on how much your minimum cover level is, please contact us.

Annual review options

The options available to you at your review will depend on how long your premium continues to cover the cost of your cover.

The table below shows the options available to you and what happens if we don't hear back from you before your review is due to take effect.

If you have the total disability benefit, or the waiver of premium benefit on your plan, you will also get the option to remove this benefit.

How long your premium is predicted to last	New premium and cover options in your review pack	Other options available to you	What we will do if we do not hear from you
Less than a year	• Increase the premium to keep the same level of cover for a further five years • Reduce the cover to keep the same level of premium for a further five years	• Increase the sum assured by RPI * for an increased premium • Increase the sum assured by 10% for an increased premium • Stop or reduce premiums • Make an alternative change • Close your plan	Cover will automatically reduce to keep the premium unchanged
1-4 years	• Increase the premium to keep the same level of cover for a further five years • Reduce the cover to keep the same level of premium for a further five years	• Increase the sum assured by RPI* for an increased premium • Increase the sum assured by 10% for an increased premium • Do nothing • Stop or reduce premiums • Make an alternative change • Close your plan	Your plan will remain unchanged
Over 5 years	• Increase the cover by RPI* for an increased premium	• Increase the premium and keep the same level of cover to make the plan last longer • Reduce the cover and keep the same level of premium to make the plan last longer • Increase the sum assured by 10% for an increased premium • Do nothing • Stop or reduce premiums • Make an alternative change • Close your plan	Your plan will remain unchanged

* RPI – this is based on the increase in the Retail Prices Index over the previous 12 months.

Automatic increase option:

If you applied for the automatic increase option at outset, you will have a slightly different type of review pack. The options available to you and what happens if we don't hear back from you before your review date is explained above.

Please be aware that if you no longer require your cover to be automatically increased each year, you can choose to remove the option from your plan*, you will still have the option to review your plan each year in line with the options shown in the 'annual review options' section above. The only difference will be that we will require confirmation if you wish to make a change to your plan.

New premium and cover options in your review pack	Other options available to you	If we do not hear from you	If you remove the automatic increase option
• Increase the cover by RPI for an increased premium	• Increase the premium and keep the same level of cover to make the plan last longer • Reduce the cover and keep the same level of premium to make the plan last longer • Increase your cover by up to 10% for an increased premium • Stop or reduce your premiums • Make an alternative change • Cancel the automatic increase	Your premium and cover will be automatically increased at your review date	If you do not wish to take up the options offered in your review pack you can cancel the automatic increase option. The option will be permanently removed from your plan*.The following would happen: • If your premium is no longer enough to pay for you cover, you will need to either increase your premium or reduce your cover. If we don't hear back from you we will reduce your cover. • If your plan is lasting for a year or more, your premium and cover will stay the same

How the fund value affects your charges and premium

The growth of your funds and your fund value can have a big affect on your plan.

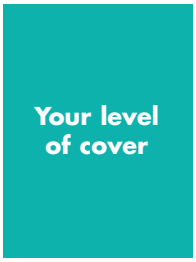
Whether your plan builds a fund value is affected by:

- The growth achieved by your chosen funds
- The level of cover you chose
- The charges for your cover

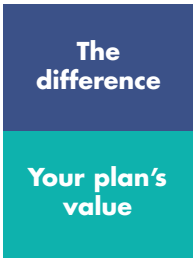
The fund value affects the amount we charge for the life cover. We only charge you for the difference between the amount of cover (sum assured) and the fund value. You may see the difference referred to as the 'sum at risk'.

For example, if your cover was £100,000 and your fund value was £10,000 we would charge you for £90,000; the difference between the two.

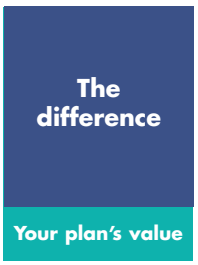
The fund value is therefore an important factor when we review your premium.



This is the amount we pay when you die, irrespective of your plan's value.



If you chose to pay a larger premium and the funds in your plan have performed well, their value will have built up. The difference will be smaller and you may not need to increase your premium at a review.



If you chose to pay a small or minimum premium, or your funds have not performed as well as we expected, the difference will be greater and your premiums may need to increase.

YOUR FUND CHOICE

Your financial adviser can help you choose from over 500 unit-linked funds. They cover a wide spread of UK and overseas investments, including shares, Government stocks, fixed interest securities, such as gilts,corporate bonds and Eurobonds and/or commercial property.

ReAssure's unit-linked funds invest on behalf of clients in a wide range of underlying retail funds or collective investment schemes (CIS), such as unit trusts or open-ended investment companies (OEICs).

The price of units in an ReAssure unit-linked fund will not mirror the price of the underlying collective investment scheme but the fund will perform broadly in line with it. If the value of underlying collective investment scheme rises or falls, so will the price of ReAssure's unit-linked funds.

Each fund in our range is made up of units, the value of which is calculated daily. We work out the value of your plan daily, based on the total number of units you have in each unit-linked fund. As the value of the underlying fund rises or falls, so will the value of our unit-linked funds and your plan.

You can, at any time:

- Switch some or all of your plan value between funds and fund management groups
- Leave your plan value in your existing funds and just change the fund choice for your future premiums (often referred to as a redirection).

We make no charge for switches or redirections.

We reserve the right to delay any switch between funds, or cashing-in all or part of the plan, for up to two weeks to protect all the investors in the fund. If the fund holds property, either directly or indirectly, we may delay the switch or surrender by up to a year, as it may be difficult to sell the property in the short term.

REDUCING YOUR COVER

If you no longer need the same level of cover there are a number of options available to you:

1) You can choose to reduce your cover and keep your premium unchanged. Doing this will pay the cost of your cover for longer, meaning you can keep the new level of cover and premiums unchanged for longer. This can only be done at your review date.

2) You may want to reduce your cover whilst increasing your premium. This will also mean the new level of cover and premiums will remain unchanged for longer. This can only be done at your review date.

3) If you want to significantly reduce your cover, you may be able to surrender one or more of the individual policies that make up your plan.

   3a) If you want a specific cover level then you can only do this at the review date. We recommend that you consider how long you want the cover to last so that we can adjust the premium accordingly.ⓘ

   3b) If you want to reduce your cover outside of the review period you will not be able to request a specific amount. Only the cover, premium and fund value attached to the policy being surrendered will be removed from your plan.

ⓘ See **'Cashing in all or part of your plan'** on page **15** for more details.

If you need a specific amount of cover, a specific premium amount, or if you need your plan to last for a specific period of time, we can help calculate the options available to you. We recommend you seek financial advice to ensure the plan meets your needs.ⓘ

ⓘ You can find our contact details on page **20**

REDUCING YOUR PREMIUM

You can voluntarily reduce your premium at any time by surrendering (cashing in) one or more of the policies in your plan. You may wish to do this if you want to reduce your spending.

The amount you can reduce your premium by will depend on how many policies you have and how your premium and cover are distributed across the policies.

Each individual policy has a premium amount, cover amount, and potentially a fund value attached to it. Surrendering a policy will remove the premium, cover and any fund value of that policy from the total of the plan.

If your plan has a fund value when you reduce your premium we will pay you the fund value of the policy being surrendered, reducing the total fund value of your plan.

Example:

Below is an example of a plan made up of 5 policies, totalling a premium of £25, cover of £50,000 and a value of £5,000.

Before the reduction

Policy	Premium	Cover	Value
1	£5.00	£10,000	£1,000
2	£5.00	£10,000	£1,000
3	£5.00	£10,000	£1,000
4	£5.00	£10,000	£1,000
5	£5.00	£10,000	£1,000
Plan totals:	**£25.00**	**£50,000**	**£5,000**

Example:

In this example the premium can be reduced in increments of £5. If the premium is reduced by £10 two policies (in this case, policies 4 and 5) will be surrendered.

The £2,000 value attached to policies 4 and 5 will be paid out.

After the reduction

Policy	Premium	Cover	Value
1	£5.00	£10,000	£1,000
2	£5.00	£10,000	£1,000
3	£5.00	£10,000	£1,000
Plan totals:	**£15.00**	**£30,000**	**£3,000**

Reducing to a specific premium

If you want to reduce your premium to a specific amount you may not be able to achieve this by surrendering policies alone. You may need to surrender a policy and increase the premiums on the remaining policies. We may need to adjust the cover to ensure your premium continues to cover the cost of your cover for a minimum of five years. This can only be requested at your review date.

Example:

In the previous example the premium was reduced by £10 by surrendering two policies.

If a reduction in premium of £7.50 was required we would still need to surrender two policies, resulting in a reduction of £10, and apply an increase of £2.50 across the remaining three policies.

After the reduction

Policy	Premium	Cover	Value
1	£5.83	£10,000	£1,000
2	£5.83	£10,000	£1,000
3	£5.84	£10,000	£1,000
Plan totals:	**£17.50**	**£30,000**	**£3,000**

Important note

The examples of premium reductions are basic examples to explain the process. Whether these options are available to you will depend on whether your premium continues to cover the cost of your cover, and for how long, at the time you request a change.

If you are thinking of changing your premium or cover it is best to contact us, or your financial adviser, first to discuss the options available to you.

INCREASING THE COVER OF YOUR PLAN

Because the cost of living goes up (otherwise known as inflation) you may wish to increase your level of cover, especially if you keep your plan for many years. We offer you the chance to increase your cover each year without telling us anything more about your health.

You can increase your cover by the increase in RPI (UK Retail Prices Index) over the last 12 months.

If you want to increase your cover by a higher amount, you can ask us to do so, up to a maximum of 10%.

If we accepted you on non-standard terms the same terms will apply to the extra premium for your increase in cover.

Your premium may increase by a higher percentage than your cover, particularly as you get older.

Guaranteed increase options

The Skandia Plan also includes a number of special increase options, so you can get more cover when any of the specific events listed below happen. You can use these options provided we did not ask you to pay on non-standard terms. These increase options are guaranteed to be available without the need for further medical information, provided the requirements are met.

You can use each option as many times as you need to, provided the total increases are not more than the maximum allowed for each event. Each time, we shall need to see the appropriate documents which show that the event has happened.

The request to exercise this option must be in the same policy year as the event happened.

The table below shows the events covered, and by how much you can increase your cover when any of them happens to you.

Event	Available to age	Maximum cover increase
If you get married or enter into a civil partnership (as defined by the Civil Partnership Act 2004)*	55	£30,000
If you give birth to or adopt a child*	55	£15,000 for each child £60,000 total
If you increase your mortgage*	55	The lower of the increase in the mortgage and £30,000
If, when you retire, you lose life assurance cover that was part of your company pension scheme	Within 3 months of Retirement date	The lower of: • the level of life cover no longer available from the company pension scheme, and • £50,000
If the value of your assets (your 'estate') increases and gives you a higher potential liability to inheritance tax after you die	No age limit	The lower since the last plan anniversary of: • the increase in potential liability, and • the greater of 10% and the increase in inflation
Increase in inheritance tax liability – if the Government changes rates or rate bands	No age limit	The increased liability due to the change in legislation
If you are using your plan for partner or shareholder protection and the value of your share in the business rises	59	The lower of: • the increase in the value of the share of the business, and • the greater of 10% and the increase in inflation

* If you use any of these options between plan anniversary dates, we will increase your cover, but we will not increase your premiums or charges until the next anniversary date. After the next anniversary date you will need to pay the increased premium to keep the increased cover. We will tell you what the increase in premium will be to keep your increased cover for a minimum of five years. If you need your increased level of cover for a longer period of time, please let us know.

Please note that your plan will continue to be reviewable.

If you have life cover in other Skandia or ReAssure policies, the maximum overall increase to your cover from any of these options may not be more than the highest available in any one plan.

OPTIONAL BENEFITS AT AN EXTRA COST

You may have chosen to add one or both of the additional benefits below, for an extra cost, when you first started the plan.

If we have insured any of the people covered by your plan on non-standard terms, you will not have been able to add either of these options to your plan.

These options cannot be added after the plan has started.

Total disability benefit

If you chose this option, we will pay the full amount of your cover if you become totally, permanently and irreversibly disabled. You can make a claim any time before your 60th birthday.

You can make a claim when an accident or illness means that you will never again be able to do any paid work. If we accept your claim, we will make the payment six months after the event or diagnosis which gives rise to the claim.

If you chose this option and your plan was set up to covers two people and it will pay out when the first of them dies, both will be covered for total disability.

If your plan was set up to covers two people and will pay out after both have died, you will not have been able to add this benefit.

Your plan will end once we have paid a claim for total disability.

Waiver of premium cover

If you chose to add this cover to your plan, we will pay the premiums for you if you cannot work due to an accident or illness. You can make a claim any time before your 60th birthday (for women) or your 65th birthday (for men).

You will need to pay your premiums for the first six months following the event or diagnosis of the illness which has stopped you working. After that, you will not need to pay premiums until the first of the following happens:

- your 60th birthday (for women) or your 65th birthday (for men)
- you no longer meet the definition of having a disability
- you surrender your plan
- you claim for total disability.

If you have used the inflation option to increase your cover each year, we will continue to increase your cover each year while you remain unable to work.

Your cover will not end when you make a waiver of premium claim and we will continue to review your plan.

Removing the options

If you no longer want the total disability benefit or waiver of premium benefits they can be removed from your plan and we will no longer charge you for the benefits.

If you remove an option, you cannot add it again later.

If you miss paying a premium for your plan, the cover for both of these options may end after 30 days, even if your plan is 'paid up' and your life cover continues.

CASHING IN ALL OR PART OF YOUR PLAN

When we set up your plan, we will have divided it into two or more different policies. This is so that you can, in the future, cash in part of it without cancelling the whole plan. Cashing in is also known as surrendering.

You can cash in all or part of your plan whenever you wish, and we will not make a without any charge on the value of your plan if you do so. Cashing in is also known as surrendering. If you have cashed in policies and only have one policy left, cashing in that remaining policy will mean your plan and therefore your cover will end.

You can find your surrender value (the total amount you can cash in), in your annual statement. Alternatively you can contact us to find out the value of each policy within your plan or to find out the latest value at any point throughout the year. However, because your plan is primarily designed to provide life cover it may have little or no fund value.

You can get the forms on our website or by contacting us.

STOPPING PREMIUMS

Missed payments

If you miss a premium you will have 30 days to make a payment. If you haven't paid after 30 days one of the following will happen:

- If your plan has a fund value the life cover can continue, but any waiver of premium or total disability benefit may end. We will continue to deduct the charges from the fund value. This is referred to as being 'paid up'. If the fund value is reduced to zero as a result, the plan and the cover will stop.
- If your plan has no fund value it will lapse and all cover will end.

You may be able to reinstate your cover and start paying premiums again within 13 months of the first missed premium, subject to your health at the time. We'll tell you what information we'll need to do this when you contact us.

Choosing to stop paying

You can choose to stop paying the premiums at any time.

If your plan has a fund value it may be possible to stop paying premiums and keep your life cover for a period of time by making your plan 'paid up'.

When a plan is made 'paid up' you stop paying your premium and the entire cost of your cover is taken from your fund value. This will reduce the value more quicly than if you were still paying premiums.

When the fund value is no longer enough to cover the cost of your cover the plan and your life cover will end.

If you choose to make your plan paid up but later decide you want to pay your premiums again you can ask us to reinstrate your payments. This must be within 13 months of making your plan paid up.

We will need to ask you questions about your health and depending on your answers we may not be able to reinstate your payments.

THE CHARGES AND ALLOCATION RATES

Charges

The charges you pay are to cover the cost of your life cover, any additional benefits you chose, and for administering your plan. Details of which charges apply to your plan and how much we are charging can be found in the annual statement that we send to you.

Charge for life cover

The cost of life cover is based on the risk of the person covered dying. As that person ages the risk increases and so does the cost.

The amount you pay each month for life cover will therefore depend on your age and also, the amount of cover and the value of your plan. We only charge you for the difference between the amount of cover (sum assured) and the fund value. The higher the fund value, the lower this charge will be for that month. If your plan's value is more than your cover, we will not make this charge.ⓘ

ⓘ See **'How the fund value affects your charges and premium'** on page **6**

Total disability cover

The charge for life cover is increased by 40% if you include this option in your plan.ⓘ

ⓘ See **'Optional benefits at an extra cost'** on page **14**

Waiver of premium cover

If you add this option, we will reduce the amount we regularly invest for you by 2% for each person covered. For example, without this cover, if you pay £50 a month, we will invest 100% of your premiums. If you add waiver of premium cover, we will only invest 98%, and if your plan covers two people with this benefit, the rate will drop to 96%.ⓘ

ⓘ See **'Allocation rates'** on page **16**

Annual management charge

This charge is 0.75% of the value of your plan and it is built into the fund pricing.

We re-credit some of this charge by adding units to your fund each month.

For example:

- Annual management charge: 0.75%
- Monthly charge: 0.75% ÷12 = 0.0625%
- Fund value on the day we re-credit: £2,750
- Value of units re-credited: £2,750 x 0.0625% = £1.72

Fund management charges

These are the charges made by the fund managers of each individual fund, to pay for managing the assets such as stocks and shares which make up the fund. The charges may change in the future, for example due to a change in the mix of assets in the fund, the fund manager, or the rate of VAT.

Bid offer spread

This is the difference between the 'offer' price, which is the price we use when we buy units for your plan, and the lower 'bid' or selling price, which is the one we use to calculate your fund value. The difference is 5%. You therefore only pay the higher price when units are bought.

There is no charge if you decide to switch or cash in all or part of your plan.

Allocation rates

The amount of your premium that gets used to buy units in your plan (the allocation rate) varies depending on the size of your premium. It ranges from 95% to 103% of your premium. You can find your allocation rate in the summary section of your annual statement. You can find the full table of allocation rates in your original terms brochure, or you can contact us for details.

Reviewable Rates

The underlying rates used to calculate the charges for the life cover are reviewable, meaning they may need to change in the future depending on our claims experience.

CHANGES SINCE YOU TOOK OUT THE PLAN

Over the years we have made some changes to your plan.

	When you took out the plan	Now
Setting-up charge	We made this charge when we set up your plan, and each time you increased your premium or cover. The amount of the charge was based on your age, your level of cover and premium, and if your premium was monthly or yearly.	We no longer apply a charge when you make an increase.
Maintenance charge	This monthly charge covered the cost of administering your plan. The amount we charged depended on the changing cost of administering your plan and whether you increased your premium at your review dates.	From 1 January 2018 we stopped applying this charge.

MAKING A CLAIM

Please contact us as soon as possible after any event that could give rise to a claim. We will provide a claim form and details of the information we will need.

Heritage Claims
Old Mutual House
Portland Terrace
Southampton
SO14 7AY

Phone: 0808 171 2570

Email: claims@reassurelife.co.uk

WHAT MIGHT STOP US PAYING A CLAIM

We aim to pay as many claims as possible, as quickly as possible.

If you did not answer all the questions in the application form completely and accurately, it may mean that your claim is not valid and we will not be able to pay it.

EXCLUSIONS

If your plan includes total disability benefit or waiver of premium we will be unable to pay a claim if it was caused, either directly or indirectly, or accelerated by any of these:

- self-inflicted injury
- using alcohol or drugs other than as prescribed by your doctor
- participation in any criminal act
- war, riot or commotion
- injury while taking part in steeplechasing, polo, horse racing, motor sport, mountaineering or potholing
- flying other than as a fare-paying passenger
- pregnancy or childbirth

We will also not pay a claim for either of these options if you change your occupation to one we consider more dangerous. You must let us know within 30 days if you make such a change.

We will not accept a claim if you visit or live in any country, other than those listed below, for more than 3 months in any 12 month period:

Australia	Great Britain	Portugal
Austria	Gibraltar	Republic of Ireland
Belgium	Isle of Man	Spain
Canada	Italy	Sweden
Channel Islands	Luxembourg	Switzerland
Denmark	Netherlands	United States of America
Finland	New Zealand	
France	Northern Ireland	
Germany	Norway	

We will cancel your cover for these two options if you move outside the United Kingdom and the Republic of Ireland permanently.

PUTTING YOUR POLICY IN TRUST

If you do not put your policy in a suitable trust, when we pay the cash lump sum it will become part of your 'estate'. That is the total value of all your assets, for example your house, car, and personal possessions. If your estate is large enough when you die, inheritance tax will be due on it. The value of your life assurance payment may mean that tax is payable when it would not have been without the cash sum, and that tax of 40% will be due on the payment.

Putting your policy in a suitable trust means that you give it to people you choose to look after it (the trustees) and, after you die, they will give the money to the people you want it to go to (the beneficiaries). The money does not become part of your estate, so no inheritance tax will be due on it. Putting the policy in trust can also mean that your family receives it sooner, as they do not have to wait until all the legal formalities are completed on your estate.

Your financial adviser can give you more information about putting your policy in trust, whether it is the right thing for you to do, and the best type of trust for you to use.

QUALIFYING STATUS

The Skandia Plan is a 'qualifying policy'. A qualifying policy is one where any money you receive from investment growth is usually free from personal income and capital gains tax.

HMRC now imposes a limit of £3,600 on the total amount an individual can pay into all their qualifying policies each year and receive preferential tax treatment. That means, if you have other qualifying policies as well as this one, the total payments to this plan and those combined should not exceed £3,600.

This limit does not include any policy that was taken out before 21 March 2012 and has not been changed in any way since that date or increases made to the policy using the automatic increase option.

Although it is compulsory to complete a statement form each time you make a relevant change to your policy, such as increasing or decreasing, if you never pay a total of more than £3,600 a year into all qualifying policies you own, the status of your policy will not change.

If you make a change and the premiums you pay into all of your qualifying policies exceed £3,600, you may have to pay income tax on the fund growth when your plan ends.

You should speak to your financial adviser if you are planning on making any changes to your policy.

OTHER INFORMATION

Contact details

If you need any further information about your plan, please contact your financial adviser. If you wish to contact us directly, you can do so by:

ReAssure
Old Mutual House
Portland Terrace
Southampton
SO14 7EJ

Phone: 0808 171 2600 (free)

E-mail: ask@reassurelife.co.uk

Regulatory protection

Under Financial Conduct Authority (FCA) rules, we classify all our customers as 'retail clients' which means you benefit from the highest level of regulatory protection.

Complaint procedures

Customer satisfaction is very important to us at ReAssure, but if you do have any cause to complain about the services provided, either by your financial adviser or by us, clear procedures are laid down by the FCA to ensure that your complaint is dealt with fairly. If your complaint relates to the advice you have been given, you should write in the first instance to your financial adviser. If it concerns the service you have received from us, please write to us at the address above, and we will do everything we can to resolve the problem.

If you are not satisfied with the response you receive, you can complain to:

Financial Ombudsman Service
Exchange tower
London
E14 9SR
Complaining to the ombudsman will not affect your legal rights.

Policyholder protection

The Financial services Compensation scheme (FSCS) acts as a safety net for customers of financial services providers. If ReAssure Life Limited cannot meet its liabilities, the FSCS may arrange to transfer your policy to another insurer, provide a new policy or, if these actions are not possible, provide compensation. For long-term insurance (such as pension plans and life insurance), the level of compensation you can receive from the scheme is as follows:

The scheme covers payment to 100% of the value of a policy in liquidation.

Further information about compensation arrangements is available from the Financial Services Compensation scheme website **www.fscs.org.uk.**

ReAssure
PO Box 37
Old Mutual House
Portland Terrace
Southampton
SO14 7AY
T: 0808 171 2600

Your investment may fall or rise in value and you may not get back what you put in.

www.reassure.co.uk

ReAssure Life Limited, Registered Office: Windsor House, Telford Centre, Telford, Shropshire, TF3 4NB.

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