

A cash lump sum for your family when they need it most

Interview Insight

Club Together member, Sheila Mayne met with Adrian Clark, Legal & General's Chief Operating Officer to find out more about their Over 50s Life Insurance Plans and ask the important questions she felt other members would like answered.



Need to Know:



Sheila Mayne:

- Lives in South Devon
- Enjoys participating in local charity work

Sheila: What are the Legal & General Over 50s Life Insurance Plans, what do they cover and why should I be interested?

Adrian: Primarily, you should be interested as our cover provides some peace of mind that you have left a cash lump sum for your loved ones when you are no longer around. Your family could use this towards your funeral or any other outstanding bills. Or it could even be left as a nest egg for your grandchildren. You pay your choice of a monthly premium, up to £50, and we will pay a cash lump sum if you die two years after your plan starts. But, if you die within the first two years, all the premiums that

you have paid are refunded, unless you die as a result of an accident, in which case we will pay the full plan benefit.

Sheila: I have heard of Legal & General, but why should I trust you?

Adrian: We are very proud to be the UK's number one protection provider with a helpful UK call centre. The Legal & General group was established in 1836 and is now one of the UK's leading financial services companies. Innovative and financially very strong, we are able to constantly evolve our products to ensure they match the requirements of the market place. Without blowing my own trumpet, we've consistently been voted the best, winning numerous awards in recent years for our protection business. Legal & General Assurance Society Limited is also highly rated for financial strength amongst UK insurance companies.

Sheila: What are the benefits of taking out one of the over 50's plans with Legal & General rather than using another financial services company?

Adrian: Good question, we know budgets are tight, so we are offering an exclusive offer on our Over 50 plans to Club Together members. You can leave a higher cash sum compared to the amount normally available to the general public, without paying a higher premium. So, if you were a 64 year old woman paying £16 a month, a cash lump sum of £3,141 would be paid out, compared to £3,105, which would be offered to the general public. Also, when you take out cover with Legal & General, you have the reassurance of being with the UK's number one protection provider†, based on new individual protection sales in 2009, and have been for the past five years.

“We are the UK's number one protection provider† based on new individual protection sales in 2009 and have been for 5 years running – so you can be confident you're in good hands.”

Sheila: Is a medical required?

Adrian: Absolutely not – you don't even need to answer any medical questions. Guaranteed acceptance means exactly that, provided you are aged 50 to 80 and a UK resident when you apply, you are guaranteed to be accepted. So you don't need to worry about being declined due to health problems.

Sheila: Will my premiums rise as I get older?

Adrian: With the Fixed Plan you have the certainty of fixed monthly premiums and a fixed cash lump sum when you die, so you always know what you'll be paying,

allowing you to budget with confidence. And the even better news is you stop paying premiums when you reach age 90, but the cover continues for the rest of your life. If you decide to protect your cash lump sum against inflation and choose our Increasing Plan your cash lump sum and premium will be reviewed each year, so in that case it may increase.

Sheila: What about existing clients? Or are you only interested in new customers?

Adrian: Not at all, our existing customers are extremely important and are very highly valued. We currently have over seven

million* customers in the UK across our life assurance, pensions, investments and general insurance products. If, as an existing customer, you decide that as your circumstances change you need different requirements from your cover, you can give us a call and we'll be happy to try and help.

Sheila: What happens if I cannot keep up with the monthly premium payments?

Adrian: First of all we have tried to make premiums affordable, starting them from just £5 a month. The Fixed Plan premiums remain the same for the full time of the policy, so it's easier to budget for. If you do stop paying premiums, the cover will end and you won't get anything back, so it's important to choose a level of premium that you can afford from the start. Remember premiums on the Increasing Plan may rise.

†Swiss Re Term and Health Watch Report 2010

*Figures correct as at 31 December 2010

Sheila: How is the payout at the end of the policy calculated?

Adrian: The cash lump sum paid on death depends on your age, gender and individual circumstances. That's why it can make sense to take out a policy now, as premiums get more expensive as you get older. We have a simple rates table that shows, based on your age and the premium you can afford, what the cash lump sum will be.

Sheila: As the cash lump sum becomes part of my Estate, will Inheritance Tax be payable?

Adrian: After taking out an Over 50s Life Insurance Plan you may want to place it in a trust. This will ensure the benefit of your plan is given to those you wish to receive it, without having to pay inheritance tax on it. A trust is a way of giving away something of value for the benefit of others, but without giving them full access to and control over the policy.

Sheila: How do you support the family through the process?

Adrian: Our friendly staff will talk your family through the next steps and will always be on hand to answer any

“Our friendly staff will talk your family through the next steps.”

questions. We aim to manage all of our claims with compassion and competence. All of our claims

staff are trained by the Samaritans in communicating with bereaved family members.

Sheila's opinion

Honesty

I found Adrian to be very honest and straight- talking. He explained all of the key points about the policy very clearly.

Price

Legal & General seems to be very competitive in the market place and the Fixed Plan would provide me with a fixed monthly premium – meaning I could keep track of my payments.

Service

They have a very friendly UK Customer Call Centre – I met the team and listened to some calls, and it seemed to me to be an extremely helpful service. A really friendly bunch!

Recognition

They acknowledge Club Together members by offering us a premium which will provide us with a slightly higher sum assured than is currently on offer to the general public. Plus £50 M&S vouchers - I can't complain at that!

Information

There is lots of information available - from the call centre and from the brochures available. They even offer their information in large print and Braille if needed, so they have really considered their customers' needs.



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