

## General Information Leaflet

# Endowment, Whole of Life, Flexible Savings Plan, Flexible Protection Plan and Maximum Investment Plan

**BEFORE MAKING ANY DECISIONS REGARDING YOUR PLAN, WE RECOMMEND YOU SEEK INDEPENDENT FINANCIAL ADVICE. A FINANCIAL ADVISER WILL INFORM YOU OF THE FEE THAT THEY CHARGE FOR THIS SERVICE.**

### Plan types

These plans provide life cover and a savings element. They are qualifying plans for income tax purposes and usually provide tax free benefits on death.

### Values

When you take your investments, the amount will be worked out using unit prices applicable at that time and will be based on units purchased by premiums paid up to that date. Unit prices can go down as well as up.

The value can be calculated by obtaining unit prices from our website, and multiplying them by the number of units held. The units held are shown on Annual Statements and statements of value are available on request. If you need any help with this do get in touch.

Unit-linked funds are managed by Aberdeen Standard Investments and J P Morgan Asset Management.

### Switching Funds

There is no charge for switching funds. We reserve the right to introduce a charge at any in the future but we will let you know when any charge comes into effect.

There are 13 unit-linked funds, and there is no restriction on the number of funds you can invest in. The details are shown on our website.

From 17 June 2019 the Fund of Investment Trusts and the Property Fund were closed to new premiums. Any existing investments in these funds will remain.

### Premiums

Premiums must be maintained as stated in the policy.

For plans which were invested in the with-profits fund prior to 1 January 2020, if the policy falls into arrears the plan would be forcibly surrendered and the surrender value would be paid.

For those plans which have always been unit-linked, the plan will be made paid up and no future premiums can be paid. For Flexible Protection Plans at the next maturity date the maturity value, if any, would be payable.

### Premium Charges

No premium charges apply and 100% of your premium is used to purchase units.

### Deduction for providing cover

If the value of the units in the unit-linked fund(s) each month is lower than the Guaranteed Minimum Death Benefit, an amount will be deducted from the value of the units to reflect the cost of providing this benefit.

### Annual Charges and Citicodes

These annual charge rates are not guaranteed, but can only increase in limited defined circumstances.

Fund Name	AMC	Citicode	Underlying Investment Name
Multi-Asset Cautious	0.75%	QRAU	JPM Multi-Asset Cautious
Multi-Asset Moderate	0.75%	QRAS	JPM Multi-Asset Moderate
Multi-Asset Growth	0.75%	QRAW	JPM Multi-Asset Growth
Sterling Corporate Bond	0.75%	QRAY	JPM Sterling Corporate Bond
European Equity Life (formerly European)	0.75%	EU32	ASI European Equity Enhanced Index JPM Europe (Ex-UK) Research Enhanced Index Equity
Asia Pacific Equity Life (formerly Far Eastern)	0.75%	EU12	ASI Asia Pacific Equity Enhanced Index JPM Asia Pacific Equity
UK Government Bond Life (formerly Gilt & Fixed Interest)	0.50%	EU14	ASI (AAM) Sterling Government Bond JPM UK Government Bond
Global Equity Life (formerly International)	0.75%	EU30	ASI World Equity Enhanced Index JPM Global Research Enhanced Index Equity
Managed Life	0.75%	EU15	Mandate managed by Aberdeen Standard Investments JPM Multi-Asset Moderate
Money Market Life (formerly Money)	0.50%	EU09	ASI Liquidity Fund (Luc) - Sterling JPM Sterling Liquidity
US Equity Life (formerly North American)	0.75%	EU10	ASI North American Equity Enhanced Index JPM US Research Enhanced Index Equity
UK Equity Life Formerly Pelican)	0.75%	EU16	ASI UK Equity Enhanced Index JPM UK Equity Core
UK FTSE All Share Tracker Life	0.50%	EU94	ASI UK All Share Tracker JPM UK Equity Index

"A guide to how we manage our unit-linked funds" is available on our website which also includes unit-linked fund prices, performance and factsheets.

### Death Benefits

The amount payable on death is the greater of the value of the units and the Guaranteed Minimum Death Benefit.

For joint life last survivor plans, the sum is payable on the death of the second of the lives assured to die. For joint life first death plans, the sum is payable on the first of the lives assured to die.

### Reviews and options

#### Endowments

**Low Cost Mortgage Plans and Flexible Mortgage Plans** - approximately every two years the plans are assessed to check whether the maturity value is on target to repay the original mortgage amount.

**Childs option policies** - these contain the option for the child to effect a new policy on maturity.

### **Flexible Protection Plans and Maximum Investment Plans**

The plan is reviewed regularly to ensure the level of premium is sufficient for the level of life cover.

The plan runs for 10 years. At each 10th anniversary, and every 10th anniversary thereafter, there is the option to take the maturity value or extend the plan for a further 10 years. This will depend on the outcome of the review, as detailed below.

If you wish to continue the plan, you must tell us before the maturity date, otherwise the option to extend is lost. The only option then would be to take the maturity value. The option to continue is not available if the plan has been previously made paid up.

Reviews are carried out when the plan matures on each 10th anniversary of the plan. The plan may also be reviewed at other times. This will usually be on every 5th plan anniversary or, if a life assured has reached age 65, annually on the plan anniversary.

If a change is needed for the next 10 year period, the following options will be available:

- a) Reduce the life cover while keeping the current premium, or
- b) Increase the premium to maintain the life cover at the current level or a specified amount.

We will let you know if any change is required and ask you to choose which option you require before the anniversary date. The plan will be extended for a further 10 years from the date of any change.

If you have the Maximum Investment Plan we still carry out reviews to check no changes are needed. We will let you know should if any action is required.

For plans effected before 24 February 1988 which were originally unit-linked there is a nominal premium option. At the 10<sup>th</sup> anniversary, and every 10 years thereafter, you have the option of paying a reduced premium of £3.00 per annum or £0.50 per month. No further units are purchased by your premium but the plan will continue to remain invested. The reduced level of life cover will depend upon the age of the lives assured; we would confirm the new level of life cover if this option is available.

Partial surrenders may be taken from the plan with no income tax liability. You may take a minimum of £100, leaving a minimum of £100 in the plan.

### **Protection Option - Available on any anniversary**

On any anniversary you may alter the life cover benefit provided by the same premium. This is subject to minimum and maximum limits and the investment content would be affected by any change. Any increase will be subject to satisfactory medical evidence being provided.

This option is not available for Maximum Investment Plans.

### **Whole of Life plans**

Some Whole of Life plans which were originally unit-linked contain continuation options which are detailed in the policy schedule. There may also be the option for some of these policies to pay a nominal premium as explained under Flexible Protection Plans above. We will write with more information on these options ahead of the option date.

### **Surrenders**

We will require a completed Surrender Request Form signed by all legal owners. We may also require the following items:

- Evidence of Identity for each legal owner
- The original policy schedule
- All deeds and documents affecting ownership of the plan

### **Endowments - 2<sup>nd</sup> hand market**

An alternative to surrendering the policy is to trade the policy on the second hand endowment market. This alternative may provide you with a financial benefit when compared to surrendering the policy. You may want to seek professional advice from an Independent Financial Adviser who may charge a fee for this service.

### **Partial Surrender - Only available for Flexible Protection Plans effected after 14 April 1992 and Whole of Life policies paying the nominal premium (see above)**

Partial withdrawals can be made. The life cover and the premium you pay would be reduced proportionately.

### **Important tax information - Flexible Protection Plans**

From 6 April 2013, HM Revenue & Customs introduced new rules applying to qualifying life plans. These rules restrict the tax relief available for new qualifying plans or those that have their term extended. The restriction limits the amount of premiums payable into all qualifying plans held by a beneficiary to £3,600 in any 12 month period.

The leaflet "Qualifying Life Assurance Policies - Liability to Income Tax" provides further information.

### **Other information**

These were formerly Equitable Life plans. All UK and Channel Island with-profits plans were enhanced and converted to unit-linked plans and transferred to Utmost Life and Pensions Limited on 1 January 2020.

We do not pay commission or loyalty bonuses to Independent Financial Advisers or any other third party.

We do not currently offer a facility for you to manage your savings online.

This information is based on our understanding of current legislation and HM Revenue and Customs regulations, as at the date of production.

#### **Our Contact Details:**

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

**Address**      Utmost Life and Pensions  
Walton Street  
Aylesbury  
Bucks  
HP21 7QW

**Telephone**   0330 159 1530   or   +44 1296 386242   if you live abroad  
We are open from 09:00 until 17:00 Monday to Friday.

**Fax**            0845 835 5765   or   +44 1296 386243   if you live abroad

**Email**         [enquiries@utmost.co.uk](mailto:enquiries@utmost.co.uk)

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