

keyfacts<sup>®</sup>

## IMMEDIATE CARE FEES PLAN

Key Features



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The Financial Services Authority is the independent financial services regulator. It requires us, Liverpool Victoria Friendly Society Limited (LV=), to give you this important information to help you to decide whether our Immediate Care Fees Plan 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.

This document highlights the main features of the plan you are buying. Please read it carefully, together with your quotation, and keep it with your other plan documents. If there is anything you do not understand, or if you would like more information please speak to your Financial Adviser.

**Keep it Safe!**

If you apply for this plan, you must keep this document in a safe place as you may need to refer to it in the future.

This document is available in Braille, large print or audio tape. Please call 0800 783 7533 for further details. For Textphone first dial 18001.

## FEATURES OF THE IMMEDIATE CARE FEES PLAN

### Its aims

- To provide immediate funding for professional nursing care, for as long as care is required.
- To increase payments each year, if you choose.

### Your commitment\*

- You pay us a single lump sum at the beginning. The minimum purchase price is £10,000. There is no maximum.
- You agree to tell us of a change of care provider.
- You agree to tell us, whether we ask you or not, if at any time professional nursing care is not required either temporarily or permanently.
- We will need evidence of health from your own general practitioner and any specialist consultants, but a medical examination is not necessary.

### Important note

If you are buying this plan without meeting your adviser, for example by post, phone or internet, you should also have been provided with the terms and conditions as set out in a specimen policy document. If you have not received these, please contact your Financial Adviser.

### Risk factors

- When you receive your plan documents you will have 30 days in which you can change your mind and cancel the plan. If you cancel it at any time after that, it will have no cash-in value.
- If you no longer need privately funded care, the income can be paid directly to you. However, any income paid in these circumstances may become subject to a tax charge.
- Your entitlement to state benefits could be affected.
- Even if you choose to have your payments increase each year, the cost of care could go up by more due to inflation. If this happens, your plan may not cover increases in the cost of care. If this happens you will need to provide the difference yourself.

\* In some circumstances it will be the responsibility of the legal representative of the person in care to fulfil these commitments.

## QUESTIONS & ANSWERS

**This section answers a number of questions on the key points about the Immediate Care Fees Plan from LV=. For more information on these points or any other parts of the plan not covered here, please refer to your Financial Adviser, or ask us.**

### **What is the Immediate Care Fees Plan?**

It is a plan which, in return for a single lump sum, guarantees to make regular payments for the time you require professional nursing care. The payments start immediately and will continue for the rest of your life.

### **Can I apply for this plan?**

Anyone over the age of 50 and living in England, Scotland, Wales or Northern Ireland, is eligible for the plan provided their health is sufficiently impaired that professional nursing care is required.

Your chosen care provider must be regulated by, and registered with, the National Care Standards Commission (or other appropriate body). They will be required to sign our Contract for the Payment of Care Provider Fees before payments can start. Payments cannot be made directly to you, your family or friends.

### **How flexible is it?**

You should regularly look at your circumstances with a view to ensuring your needs continue to be met. You should always seek advice in the event of any change affecting your needs.

You can change care providers if you wish, but we do ask for advance notice, if possible, to allow us time to make arrangements with your new care provider. The new care provider must sign a Contract for the Payment of Care Provider Fees.

If you no longer require privately funded nursing care, for example because you later qualify for state support, or because you do not require nursing care altogether, then payments can be made directly to you. However, any income paid in these circumstances may become subject to a tax charge, based on your personal circumstances.

Once your plan starts you cannot change the payment basis, cash it in, or transfer the plan at any time.

### **What happens if the cost of care increases?**

If you are concerned about care costs increasing, you could, when you buy your plan, choose to have payments that increase each year. LV= offers you a range of options to choose from. Even if you decide to have payments that increase each year, care fees may increase to a level above your plan payments. If this happens you can usually take out an additional plan to cover the difference. Otherwise, you will be responsible for paying the difference yourself.

### **What will I receive from the plan?**

We use the sum you give us when you buy your plan to provide regular payments directly to your care provider's bank account.

Because the plan is only available to individuals in poor health we are able to offer much better terms than for a standard annuity.

### **How much will the plan cost?**

The amount you have to pay will depend on your age, state of health and the amount you need to provide care.

The quotation shows either the regular payments provided by a specific sum of money, or, the lump sum you will need to pay to provide a particular level of payments. The quoted benefits are guaranteed for one month from the date of your first quotation.

Once we have received the capital sum needed and your plan has started, the regular payments shown in your final quotation are guaranteed for the rest of your life.

### **When will the plan pay out?**

When your plan starts, we will start making regular payments to your care provider, on a date agreed with them.

### **When will payments stop?**

The plan will make payments for the rest of your life.

Payments will usually be made directly to your chosen care provider. If you no longer require privately funded care for a period of six months or less, for example if you have a holiday, or a stay in hospital, payments will continue to your care provider to ensure care resumes when you return.

If you no longer require privately funded nursing care on a permanent basis, you may choose to receive income payments yourself. However, any income payable in these circumstances may become subject to a tax charge.

**How will benefits be paid?**

We will make payments directly to your care provider. We will make payments monthly or four-weekly depending on your care provider's requirements.

**What happens to my benefits when I die?**

The plan comes to an end and we stop making payments.

**What are the charges?**

There are no charges other than the lump sum. However, depending on individual circumstances, solicitors and other professional advisers may charge you for their advice and work.

**Can the plan be taken out for someone else?**

An Immediate Care Fees Plan can be bought for the benefit of another person in one of two ways:

- If you are responsible for the affairs of someone else by holding a Power of Attorney, you can buy a plan for their benefit.
- If you have a relative or friend who requires immediate care but does not have enough money available at the time to buy their own plan, you can buy a plan for their benefit. This is known as a 'life of another' plan.

**Can two people benefit from a plan?**

No, we do not issue plans that cover two people or more. If a couple both require funding for immediate care provision, we can issue two individual Immediate Care Fees Plans.

**How much will the advice cost?**

Your adviser will give you details about the cost. The amount will depend on the size of the amount you pay us. We have already taken account of the cost in calculating the level of payments detailed in your quotation.

**What about tax?**

Whilst payments are made directly to a registered care provider, we will not make any deduction in respect of tax. Also, you will not be liable to pay any tax in relation to these payments.

If you no longer require care, and if payments are made to yourself or another party, the income payments may become subject to an income tax charge. If this happens you should contact your adviser for more information.

**Can I change my mind?**

When you receive your plan documents you will have 30 days in which to change your mind and cancel your plan. If you decide to cancel within this period we will return your money, less any payments we have already made. If you cancel the plan once the period has expired, we will not return your capital at any time.

- If you wish to cancel your plan, you should return the cancellation form to:

LV= Retirement Solutions  
Keynes House  
Tilehouse Street  
Hitchin  
Herts SG5 2DX

## OTHER INFORMATION

### Tax

The tax treatment of the plan will, in part, depend on your personal tax status, which may be subject to change.

Any references to taxation are based on our understanding of current legislation and HM Revenue and Customs practice, which is subject to change.

### Queries and Complaints

For further information, or if you wish to complain about any aspect of the service you have received, please contact:

LV= Retirement Solutions  
Keynes House  
Tilehouse Street  
Hitchin  
Herts SG5 2DX  
Telephone 0800 783 7533

If your complaint is not dealt with to your satisfaction, you can then refer it to the:

Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London E14 9SR  
Telephone 0845 080 1800

Making a complaint will not affect your right to take legal action. Further details of our complaints procedure can be found in our leaflet entitled 'How to complain to LV=', which is available on request.

### Law

The Law of England and Wales will apply. All communications will be in the English language

### Compensation

The Financial Services Compensation Scheme (FSCS), as established under the Financial Services and Markets Act 2000, is responsible for the payment of compensation in the event of default. In the event that LV= is unable to meet its obligations, 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 or life assurance) the first £2,000 of a claim is protected in full. Above this amount, the Scheme covers up to 90% of the value of the policy if the company goes into liquidation.

Further information about compensation arrangements is available from the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, 1 Portsoken Street, London E1 8BN Tel: 020 7892 7300 Fax: 020 7892 7301 or email ([enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)).

### LV=

LV= is a trade mark of Liverpool Victoria Friendly Society Limited. Liverpool Victoria Friendly Society Limited was founded in 1843. It is incorporated under the provisions of the Friendly Societies Act 1992.

We do not have any shareholders and, as a mutual organisation, exist wholly for the benefit of our members. Together with its subsidiary companies, we are an insurance and financial services business in the United Kingdom.

At present the Liverpool Victoria group of companies manages more than £7.5 billion on behalf of its members and customers.

The prudent management of our members' money has always been and will continue to be of utmost importance to us.

We believe that remaining mutual has a vital part to play in its ability to continue to provide members with a better future.

As a member, you will be entitled to attend our formal meetings and vote on matters when you have held your membership-conferring product for a continuous period of twelve months. Full membership terms and conditions available on request.





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