



## **WITH PROFITS POLICIES QUESTIONS & ANSWERS**

### **Q: How does my policy work?**

A: Your policy is a With Profits plan. In return for the fixed premium that you pay, we guarantee to pay a fixed amount of money (Guaranteed Sum Assured). You will also receive a share in the profits from the fund, which will be added to your policy in the form of Reversionary Bonuses each year. Some policies are also subject to a Terminal Bonus. If this is applicable to your plan it will be confirmed in the product particulars document provided at the outset of the policy.

### **Q: What will I get back at the maturity of my policy?**

A: The Guaranteed Sum Assured is payable at the maturity of the policy, and also the Reversionary Bonuses that have accrued annually over the term of the plan. The Reversionary Bonuses once allocated, cannot be removed, and are therefore guaranteed to be paid at maturity. A Terminal bonus may also be applied at maturity.

### **Q: What is a Terminal Bonus?**

A: A terminal bonus may be payable at the termination of the policy, through surrender, maturity or death. It is a reflection of the With Profit Sub-Fund performance over the life of the policy. The application and calculation of a terminal bonus is dependent on the type and series of the policy.

### **Q: What would I get back if I surrendered my policy?**

A: There are a number of factors, which affect the surrender value of your policy. If you would like to know what your surrender value is, please contact the Bonus Helpline on 0870 320 8000.

### **Q: What happens if I stop paying the premiums into my policy?**

A: If you cease paying the premiums into your policy, the plan will be made paid-up. There are a number of factors, which affect the paid-up value of your policy and whether it will continue to receive a reversionary bonus. If you would like to know more details, please contact our Client Services department.

### **Q: Can I withdraw money from the policy without encashing the whole plan?**

A: Some policies allow a partial encashment of a proportion of or all of the Reversionary Bonuses allocated to the policy. If this is applicable to your contract it will be confirmed in the product particulars provided at the outset of the policy. Alternatively you can contact our Client Services department, and they will confirm if this is an option available on your plan.

### **Q: How much is payable on death?**

A: The amount payable on death is dependent on the type of plan, its status, and how long it has been in force. If you would like to know what the current death benefits are on your policy, please contact our Client Services department.

Q&As V0.2 02/09