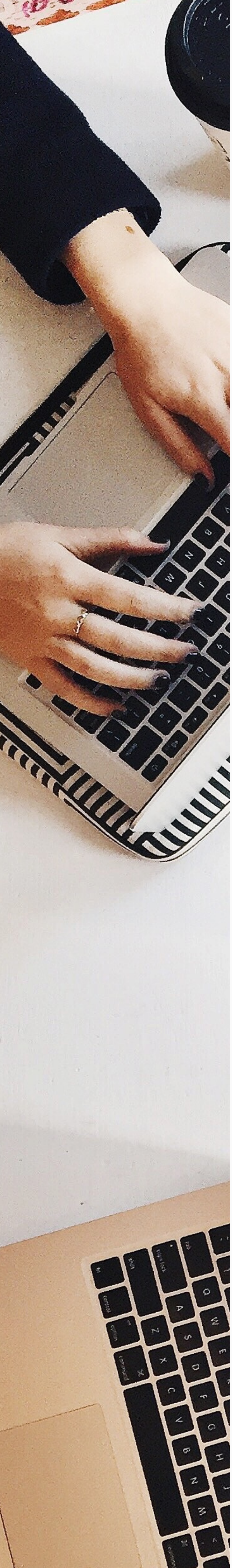


JARGON BUSTER

Your Choice Cover

01 Life Insurance

Life insurance is a contract between an individual (policyholder) and an insurance company, where the insurance company agrees to pay a specified amount of money (death benefit) to the beneficiaries upon the death of the insured person.

02 Policyholder

The person who owns the life insurance policy and pays the premiums.

03 Beneficiary

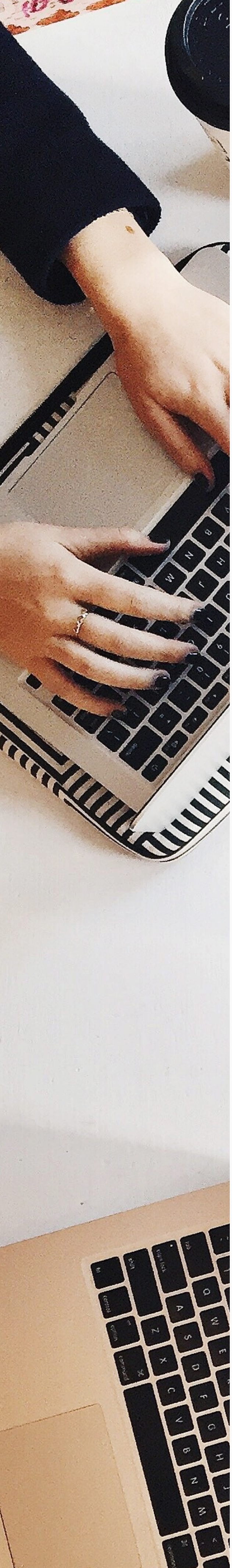
The person(s) or entity designated by the policyholder to receive the death benefit upon the insured person’s death.

04 Death Benefit

The amount of money paid out by the insurance company to the beneficiaries when the insured person passes away.

05 Premium

The payment made by the policyholder to the insurance company to maintain the life insurance coverage. Premiums can be paid monthly, annually, or in other specified intervals.



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06 Term Life Insurance

A type of life insurance policy that provides coverage for a specific period, such as 10, 20, 30 years or more. If the insured person passes away during the policy term, the death benefit is paid out to the beneficiaries.

07 Whole of Life Insurance

A type of life insurance policy that provides coverage for the entire lifetime of the insured person. It combines a death benefit with a savings component called cash value, which grows over time.

08 Underwriting

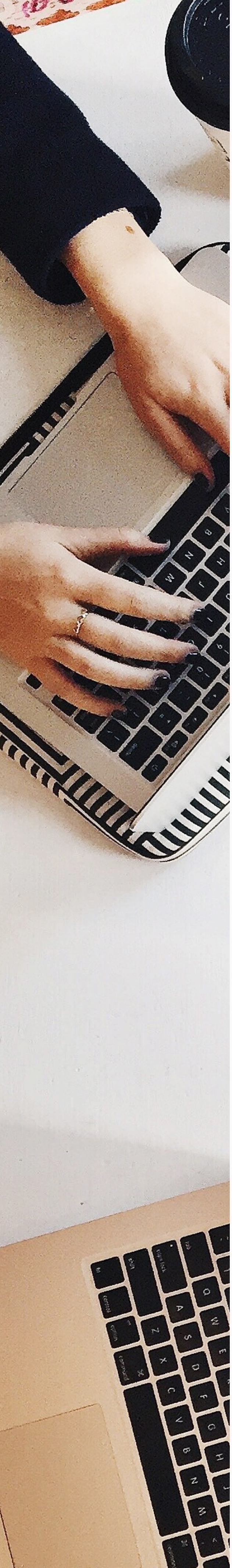
The process that insurance companies use to assess an applicant's risk and determine whether to offer coverage and at what premium rate. It typically involves reviewing the applicant's health history, medical exams, and other relevant factors.

09 Term of Policy

The length of time that the life insurance policy remains in force. It can be a specific number of years (e.g., 20-year term) or for the lifetime of the insured person (in the case of whole life insurance).

10 Waiver of Premium

A common provision in life insurance policies that provides financial protection to policyholders in case they become disabled or unable to work due to injury or illness. The insurance company waives the requirement for the policyholder to pay further premiums during the period of disability. This relieves the policyholder from the financial burden of maintaining the policy during the disability period.



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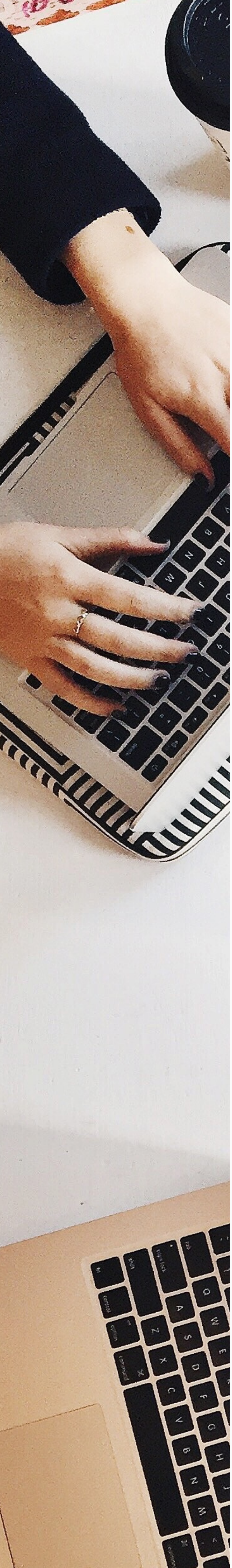
11 Why a medical application needs to be done with the client in order to get insurance

Life insurance premiums are typically based on the applicant's age, health, and other risk factors. An applicant with a higher risk of mortality, such as someone with pre-existing medical conditions or a history of certain illnesses, may be considered a higher risk and may face higher premiums. The medical application helps the insurance company accurately assess the applicant's risk level and determine appropriate pricing.



Your Choice Cover

LIFE INSURANCE UNDERSTANDING THE DIFFERENCE

01 Decreasing Term Assurance

Also known as decreasing term life insurance, is a type of life insurance policy where the sum assured (death benefit) decreases over time. It is designed to provide cover for a specific period, such as the duration of a mortgage or loan, where the amount owed decreases over time.

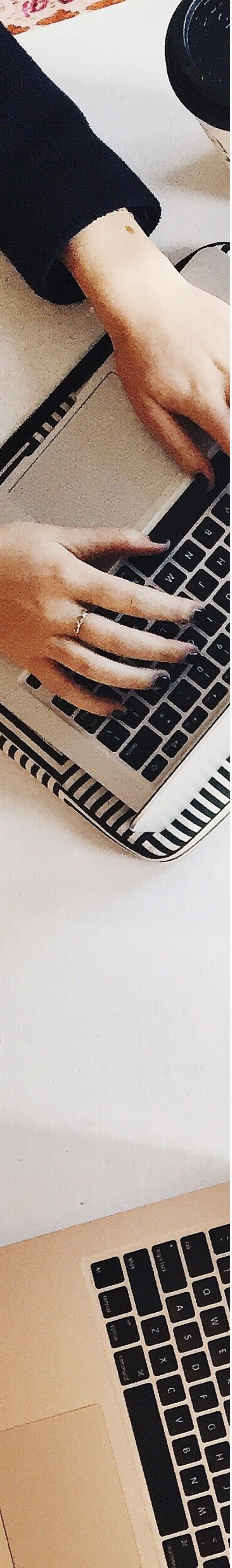
How decreasing term assurance typically works:

1. Coverage period: You select the coverage period based on your needs, such as the length of your mortgage or loan repayment term. The policy remains in force for this period.

2. Decreasing coverage: The sum assured decreases over time, usually in line with the outstanding balance of your mortgage or loan. The idea is that as you pay off your debts, the amount you need to cover decreases, so the insurance pay out decreases as well.

3. Premiums: You pay regular premiums for the duration of the policy. The premium amounts usually remain fixed throughout the term.

4. Death benefit: If you pass away during the policy term, your beneficiaries will receive the death benefit. The payout amount will be determined by the sum assured at the time of your death.



LIFE INSURANCE UNDERSTANDING THE DIFFERENCE

02 Level Term Assurance

Is a type of life insurance policy that provides a fixed sum assured throughout the policy term.

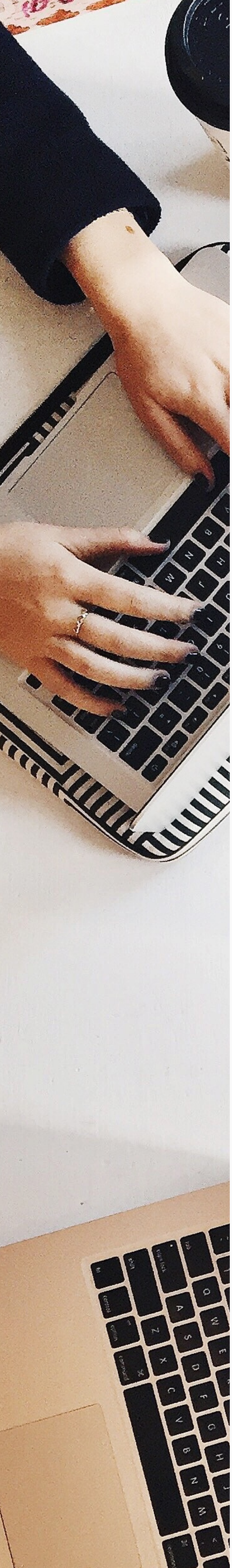
Here are some key features of level term assurance:
1. Sum Assured: The sum assured, or the death benefit, remains constant throughout the policy term. This means that if the insured person passes away during the term, the beneficiaries will receive the predetermined amount.

2. Premiums: The premiums for level term assurance are usually higher compared to decreasing term assurance because the sum assured does not decrease over time. However, the premium amounts remain fixed throughout the policy term, making it easier to budget for insurance expenses.

3. Policy Term: You can select the duration of the policy term. The coverage remains in force for the entire term, providing protection to your beneficiaries in case of your untimely death during that period.

4. Purpose: Level-term assurance is commonly used to provide financial protection for dependents, pay off debts (such as mortgages), or ensure a predetermined amount is available to support the family's financial needs in the event of the insured's death.

***Common misconception about life insurance:**
Cash Value: Level term assurance does not accumulate any cash value or savings component. It is designed to provide pure life insurance coverage without any investment element.



LIFE INSURANCE UNDERSTANDING THE DIFFERENCE

Your Choice Cover

03 Over 50's Guarenteed

Also known as over 50s life insurance or guaranteed acceptance life insurance, is a type of life insurance specifically designed for individuals who are aged 50 and above.

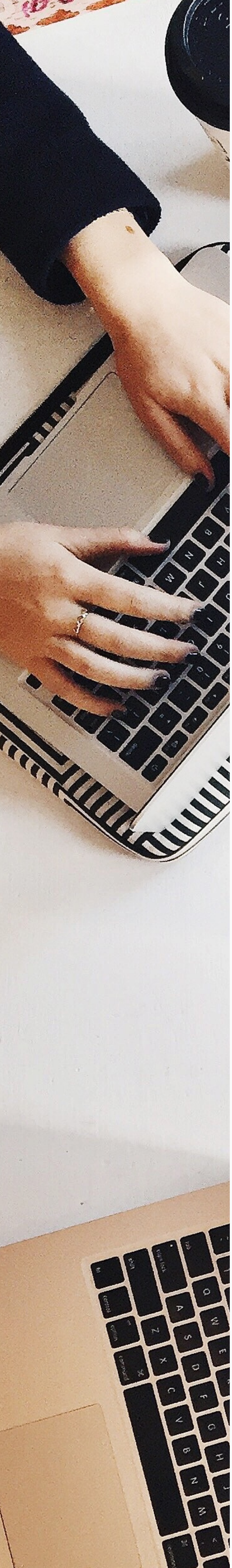
Here are some key features of over 50s guaranteed life insurance policies:

1. Guaranteed Acceptance: One of the main features of this type of policy is that it offers guaranteed acceptance, regardless of the insured person's health condition or medical history. There are usually no medical exams or health questions required to qualify for coverage.

2. Age Requirement: Over 50s guaranteed life insurance policies are specifically available to individuals who are aged 50 or older. The maximum age for eligibility may vary among insurance providers, but it is typically around 85 years.

3. Fixed Premiums: Premiums for over 50s life insurance policies are usually fixed, meaning they remain the same throughout the duration of the policy. This allows individuals to plan their budget and ensures that the premium amount does not increase as they age.

4. Sum Assured: These policies typically offer a relatively low sum assured compared to traditional life insurance policies. The sum assured may range from a few thousand to a fixed maximum amount specified by the insurance provider. This is to make the coverage affordable for individuals in this age group.



Your Choice Cover

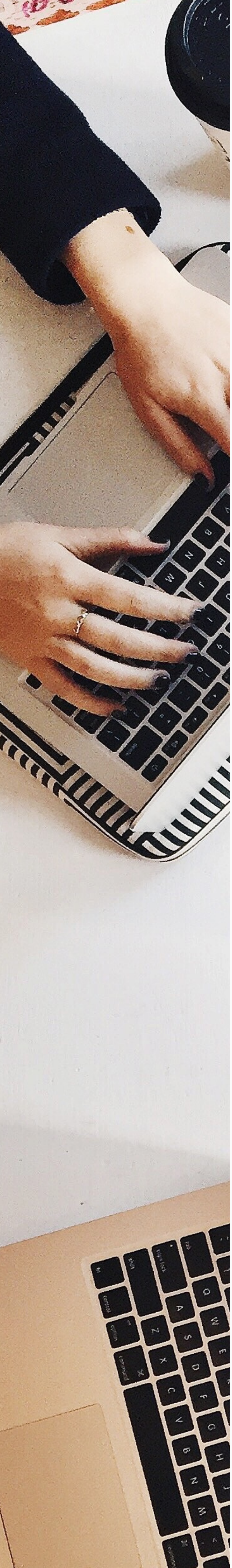
LIFE INSURANCE UNDERSTANDING THE DIFFERENCE

03 Over 50's Guarenteed

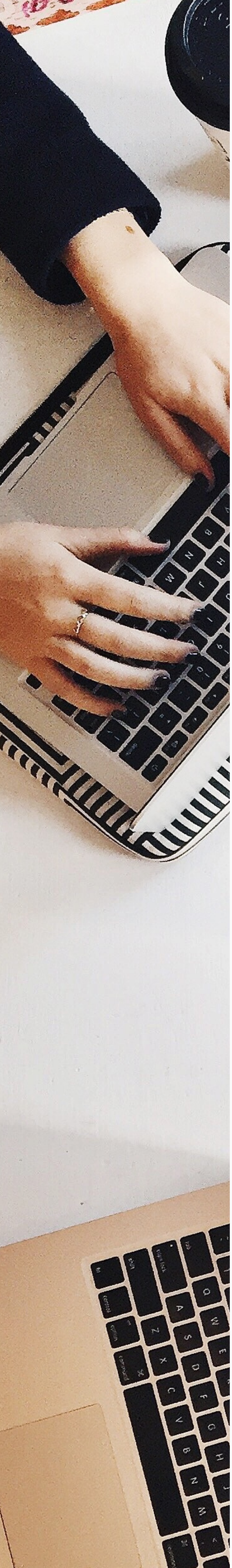
5. No Medical Underwriting: Unlike traditional life insurance policies that assess the applicant's health and medical history, over-50s guaranteed life insurance policies do not require any medical underwriting. This means that individuals with pre-existing health conditions can still obtain coverage.

6. Waiting Period: Many over 50s guaranteed life insurance policies have a waiting period, usually 6 months, one or two years before the full death benefit is paid out. If the insured person passes away during the waiting period, the policy may refund the premiums paid or provide a limited death benefit, typically a percentage of the sum assured. (This is specific per provider).

***Sum assured:** the predetermined amount of money that will be paid out to the beneficiaries or policyholder's estate upon the death of the insured individual. It is also known as the death benefit. The sum assured is the core element of a life insurance policy, and it represents the financial protection provided by the policy. When the insured person passes away, the insurance company will pay out the sum assured to the designated beneficiaries as a lump sum payment. The beneficiaries can use this amount to cover various expenses, such as funeral costs, outstanding debts, mortgage payments, or ongoing living expenses.

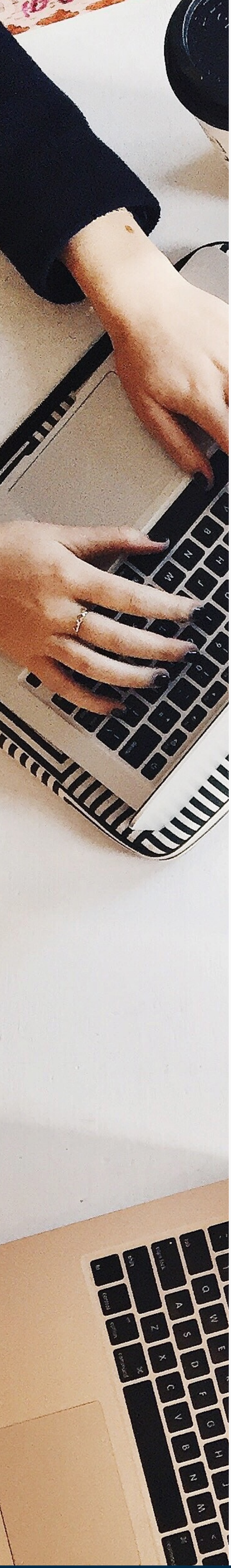


Feature	Level Term Assurance	Decreasing Term Assurance	Indexed-Linked Assurance
Purpose	Provides a fixed sum assured throughout the term.	Provides a decreasing sum assured.	Provides a sum assured linked to inflation or a specified index.
Sum Assured	Remains constant throughout the policy term.	Decreases over time.	Linked to inflation or a specified index.
Premiums	Typically, higher than decreasing term.	Usually lower than level term.	Can vary based on the indexing mechanism.
Policy Term	Can be selected (e.g., 10, 20, or 30 years)	Can be selected (e.g., 10, 20, or 30 years)	Can be selected (e.g., 10, 20, or 30 years)
Mortgage/ Loan coverage	Can cover the full amount of the mortgage/ loan.	Coverage decreases in line with the debt.	Can be adjusted based on inflation/index changes.
Cash Value	Typically, no cash value.	Typically, no cash value.	Typically, no cash value.
Pay-out On Death	Pays a fixed sum assured upon the policyholder’s death.	Pays a decreasing sum assured upon the policyholder's death.	Pays a sum assured adjusted for inflation/index.



Name:	**DOB:**
Address:	**Postcode:**

Question	Notes
Are you married/single/living with a partner	
Who would you like insurance for? single or joint policy	
Your occupation	
Full-time/part-time/ employed/ self employed	
Your annual salary?	
Your disposable income	
Your monthly budget/maximum affordability	
Any children? if so, what age?	
Mortgage or renting?	
Any loans or debts?	
Any savings for unforeseen circumstances?	



Question	Notes
Do you have a will?	
Are there any future changes? moving house, planning on having a baby, etc.	
Do you have sick pay with work?	
Do you have death in service with your job?	
Are you a UK resident?	
Why would you like life insurance?	

Notes: