



The Policy Review explained

Checking in with your policy's progress



Countrywide Assured

What is a Policy Review?

This is a built-in feature of your policy. It's designed to check your policy is on track to achieve its aims. These aims will vary depending on the type of policy you have with us.

For example, your policy

- i) may have a target amount to achieve on its maturity date to repay your mortgage.
- ii) may provide you with a certain amount of life cover and other protection benefits during the term of your policy, such as critical illness and accidental death benefit.

Policy Reviews take place either once a year or every five years. You'll find details of your next review in your policy review letter.

Your policy also undergoes a review when any changes are made, such as a request to increase or reduce any benefits or the target amount, or if a premium payment is missed.



If your policy is what's known as 'qualifying', any change may lead to it becoming a 'non-qualifying' one. In short, it could mean paying more tax on the money paid out to you (or your loved ones) on or before your policy's maturity date. For more details, see the 'Definition of key terms' on page 04.

We'll always let you know in writing the results of any review and any adjustments that may be needed, together with details of any options that may be available to you.

Why is a Policy Review important?

Policy Reviews are a way of checking your policy's progress and provide the opportunity to make any adjustments if needed, such as increasing your premium.

Keeping an eye on investment performance

Whatever the aims of your policy, investment performance is the key to achieving them. There is no certainty when it comes to investing or how an investment fund will perform over time. What we do know is how to be prepared for all possible outcomes. So when the funds are performing well, the chances are there won't be any need to adjust your premium or policy. Sometimes, we may even reduce your premiums if our calculations show you're paying too much at the time. But, when fund performance is not on track, we may need to react by increasing your premiums.

There are measures in place to monitor our investment performance which include a minimum performance level, usually shown as a percentage. This means that any fund falling below this amount is classified as being 'off' track. To find the minimum performance level for your fund, please call us using the number shown at the top of your policy review letter.

Managing the cost of your policy benefits

As with the cost of living, the cost of maintaining your policy benefits can also increase over time. The Policy Review helps to make sure your premium can deliver the benefits you signed up for until your next review. The date of your next review is shown in your policy review letter.

A review also provides the opportunity to make sure the premium reflects a person's age, which is another factor in calculating the cost of providing policy benefits. We recognise increasing a premium isn't popular and there are other options, which will depend on the type of policy you have with us. For example, you may or may not be able to reduce the level of life cover to keep your premium at the current amount. Your policy review letter will list all the options available to you.

Please bear in mind that the information covered by this guide is general. If you need details about your particular policy, please see your policy review letter or call us using the telephone number shown at the top of the letter.



The purpose of this guide

The purpose of this guide is to explain what's involved in a Policy Review and what it means for you.

You'll find key information and things to look out for, highlighted along the way with the help of icons – see the key below – and key words underlined, which feature on page 4 in the section 'Definition of key terms'. Details about your particular policy can be found in your policy review letter.

If you have any questions or need any help with understanding the figures in your policy review letter or the Policy Review itself, please call us using the number shown on the top of your letter, or visit our website countrywideassured.co.uk

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Key:

A key to the icons used throughout this guide.



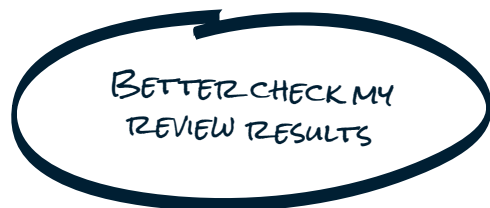
Understanding the detail of your Policy Review

Current Policy Value – for Unit Linked policies

The current value tells you how much your policy is worth on the date shown on your policy review letter. As your policy is Unit Linked, it follows the movements of the stockmarket and so its value changes daily. This means the 'current value' is not guaranteed and you may receive more or less than this amount on your policy's maturity date.

Review outcomes

Your policy review letter outlines details of the review and any changes to your premium and/or benefits that may be needed, including any options that may be available to you.



Frequently asked questions

Q Why is my premium going up?

A There are a number of reasons for this – see below 'How is my premium calculated?'. One key reason is the cost of providing your policy benefits. Increasing your premium is one way to ensure your policy is on track to achieve its target.

Q How is my premium calculated?

A Your premium is calculated by taking into account:

- your age
- fund performance
- the cost of providing protection benefit(s)
- the current and future economic outlook.

Q What do I need to do to accept the changes?

A This will depend on the type of policy you have with us. Your policy review letter will spell out what action, if any, you need to take. Otherwise we may make the changes automatically.

In some cases you'll need to select your preferred option on the form enclosed with this pack and return it to us in the envelope provided.

If we don't hear from you, we will apply the 'default' option as outlined in your policy review letter.

Q When will the new premium start?

A You'll find the start date in your policy review letter.

Q What are my options?

A Your options will depend on the type of policy you have with us. Your policy review letter will list all the options available to you.

Q What happens if I don't want to increase my premiums?

A Call us as soon as possible because in some cases we may increase your premiums automatically.

Q Can I start a new policy with you?

A It isn't possible to start a new policy with us and we recommend you speak with an independent financial adviser (IFA) to find the right policy for you. If you don't have one, visit unbiased.co.uk to find one in your area.

Q How can I find out more about my investment?

A You'll find a wealth of information on our website from fund prices to fund profiles, and details of who looks after our investment funds.

Q What is a policy guarantee?

A If your policy has a guarantee, you will receive either a guaranteed minimum fund or policy value, whichever is the higher amount. The guarantee is linked to your policy's maturity date so if you take your money before this date or make other changes to your policy, **you could lose this valuable guarantee.**

Q What is a Unit Linked fund?

A A Unit Linked fund is an investment fund that is divided into a number of equal units, The value, or price, of the units depends on the value of the investments that make up the investment fund, such as shares, bonds, property and cash.

When policyholders put money into their investment, they buy units from the company. When policyholders withdraw money from the fund, they sell their units back to the company. For more information about Unit Linked funds and how they work, see our website countrywideassured.co.uk

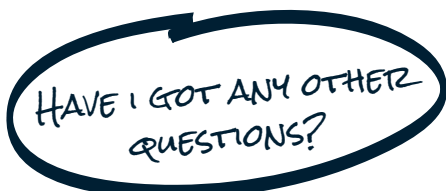
For more information or to answer any other questions you may have, visit countrywideassured.co.uk or call us on the number shown at the top of your policy review letter.

Why independent financial advice is important

A Policy Review offers an opportunity to check your current financial situation, to make sure you're making the most of your money. So we recommend you consider getting financial advice before deciding what to do with your money. Why? Because financial advisers are financial experts and authorised to give advice. There is a cost here but they know what to look for and which questions to ask when recommending where to place your savings. It's something to think about, especially if you have complex personal circumstances.

Finding a local independent adviser is easy. Visit unbiased.co.uk where you'll find the UK's biggest selection of financial advisers, solicitors and accountants.

Every adviser listed on the website is qualified, regulated by the FCA and independent of product providers.



Definition of key terms

Accidental death benefit

This benefit provides a lump sum payment to your family and loved ones should you die as a result of an accident and is paid in addition to the death benefit.

Critical illness benefit

If you are diagnosed with a specified critical illness, such as cancer, heart attack, stroke and multiple sclerosis, this benefit provides you with a cash lump sum.

Death benefit

This provides your family and loved ones with a cash lump sum should you die.

Guaranteed minimum fund value

This provides either a guaranteed minimum fund or policy value. You'll receive the higher of these two amounts. This guarantee is linked to your policy's maturity date, which means it will no longer be valid if any changes are made to the policy, such as an interruption or reduction in the regular contributions, or any money is taken out of the policy before the maturity date.

Income protection

This benefit enables you to meet your financial commitments should you be unable to work as a result of an illness or accident. It's important to check the level of benefit to make sure it reflects current income. For example, a rise and/or promotion, or job change, are reasons to review this benefit.

Qualifying policy

Put simply, a qualifying policy follows particular rules as set out by HM Revenue & Customs, some of which make this type of policy tax efficient. This means you may not be liable for any income tax on your money when it's paid to you (or your loved ones) either before or at your policy's maturity date. But if any changes are made to the policy, what was once a qualifying policy can become a non-qualifying one, i.e. you may have to pay additional tax.

Non-qualifying policy

This type of policy doesn't have the same tax advantages as a 'qualifying' one. It means there may be additional tax to pay on the investment gains from your policy, no matter when you (or your loved ones) receive your money. If you're a higher rate tax payer or these gains take you into the higher rate tax bracket, you may have to pay more tax.

Waiver of premium

If you are unable to work because of an illness or accident, this benefit will pay your policy premiums for you.

Next steps

You'll find the next steps relevant to you and your policy detailed in your policy review letter.

Any questions?


If you have any questions about your policy, call us using the telephone number shown at the top of the letter accompanying this guide.

Or go to
countrywideassured.co.uk

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 For definition of other key terms, see **countrywideassured.co.uk**