



Relevant Life Plans from Vitality



What is a Relevant Life Plan?

A Relevant Life Plan pays your employee's family a lump sum if they were to pass away while employed. It is a tax-efficient and cost effective alternative - for both you and your employees - to a 'death in service' benefit.

With a Relevant Life Plan, you're making your employees feel more valued. Plus, your business can benefit as a whole, as your employees are likely to be more engaged, take less time off sick and therefore be more productive.

Who are Relevant Life Plans for?

They work well for these types of people in your company:



Company directors

Provides a valuable tax benefit if their life insurance premiums are paid by your company.



Key employees

A Relevant Life Plan can provide individual levels of cover so is ideal if you only want to reward a few employees or provide variable cover.



Relevant Life Plans with VitalityLife

We provide plans that are relevant to the needs of your business and that pay out when you and your employees need it. We also take a unique approach to insurance by integrating wellness into our products through the Vitality Programme. We offer Relevant Life Plans that provide access to discounts and rewards that encourage you and your employees to be healthy.



Defaqto 5 Star Rating
Critical Illness Cover 2024



Defaqto 5 Star Rating
Life Cover 2024

The benefits of a VitalityLife Relevant Life Plan a-glance

Benefits for you

✓ **Tax efficient** | A tax deductible business expense and no National Insurance contributions

✓ **A great employee benefit for small businesses** | Life cover and access to a great range of discounts and rewards

✓ **More affordable cover** | When you add Optimiser, you could receive up to 25% lower than our standard premium dependent on the individuals' age and the length of the term

✓ **Cash lump sum payouts are not subject to Income or Inheritance Tax**



Benefits for your employees

✓ **Tax efficient** | No National Insurance contributions

✓ **Access to a range of discounts and rewards** | To help your employees to look after their health

✓ **Cash lump sum payment** | For terminal illness as well as death

✓ **Can be used as a top-up to death in service benefit**



Building your Relevant Life Plan with Vitality

1

Choose your plan and term type

All of our Relevant Life Plans start with selecting the life cover amount and term¹. With our life cover you're able to choose from either a Guaranteed or Reviewable Premium Basis. In addition, our Relevant Life Plans can be:

- **Level**
- **Indexed²**

2

The Vitality Programme

As well as the highest levels of cover, you and your employees can earn rewards for healthy habits, so you can still benefit without even having to claim.

+

Trusts

In order to make the most of the tax relief benefits that a Relevant Life Plan provides, you should put the plan into a Discretionary Trust³.





1 Choose your plan term and type

Plan term

As well as being able to choose from a Guaranteed or Reviewable Premiums, you're able to choose from:



Level

The cover amount remains consistent throughout the duration of your plan.



Indexed²

The cover amount rises each year in line with inflation. This ensures that your cover maintains its value in real terms.



Guaranteed Insurability Options

This lets you increase your employees' cover when certain events happen, without the need to give us information about the health of the insured person. These events could be a change in marital status, children, mortgage, promotion or a change in job.

2 The Vitality Programme

With our Relevant Life Plans, you get access to our Vitality Programme that gives access to discounts and rewards which encourage you and your employees to take steps towards a healthier future - and rewards you with real financial benefits. It means you and your employees can get something back for your premiums, without even having to claim.

Optimiser

You can add our Optimiser to your Relevant Life Plan which provides you with a premium up to 25% lower than our standard premium on fixed-term cover - dependent on the individuals age and the length of the term.

Two reward levels, based on your premium

Depending on your monthly premium, your employees will enjoy the benefits of either Vitality Select or Vitality Plus.

Stay on Bronze	Reach Silver	Reach Gold	Reach Platinum
+2.5%	+1.5%	+0.5%	0%

Good to know

Employees can take their plan to a new employer at any point in the plan term or replace it with a personal protection plan.

Employees must be between 17 and 70 and resident in the UK.

Minimum cover term of one year. Cover must end before 75th birthday.

Minimum monthly protection premiums apply.

No upper cover limit, as long as cover is justifiable - typically 25 times salary (depending on age).

See the VitalityLife Relevant Life Plan provisions for full terms and conditions.



Vitality Select

If your monthly premium is below £45 per month per adult for single Life Plans:

- Your employees will receive access to a number of discounts and rewards
- Available at no extra cost.

Vitality Plus

If your monthly premium is above £45 per month per adult for single Life Plans:

- Your employees will receive access to our extended range of discounts and rewards
- We'll include an additional fee of £4.75 per month, per adult.

The Vitality Programme is based on three simple steps:



Understand your health

When you and your employees join Vitality, they should register on our Member Zone at vitality.co.uk/member and take the online Health Review. We use what they tell us to set them some goals and suggest some of our partners to help achieve them. They'll also be able to find out their Vitality Age - our scientific calculation that assesses the impact of their lifestyle on their health.



Get healthier

We give your employees discounts and rewards on things that can help them get healthier. We have established partnerships that offer your employees rich benefits which make accessing a healthy lifestyle easier - from healthy foods, to health screens.



Be rewarded

When your employees do healthy things, we give them Vitality points. These count towards their Vitality status. The more Vitality points they earn, the higher their status becomes. Everyone starts at Bronze and then they can work their way up through Silver, Gold and finally Platinum.



Trusts

What's a Trust?

A trust is a legal arrangement that allows the owner(s) of an asset, for example a life insurance plan, to gift that asset without giving the intended recipient(s) total control and legal ownership of it.

What are the benefits of putting a plan into Trust?

- When a Plan is held in a valid trust, it's not subject to Inheritance Tax (IHT) as part of the settlor's taxable estate
- The plan proceeds are paid directly to the Trustees, meaning faster payment of the benefits to the beneficiaries
- Our Trusts are split trusts, meaning the settlor has the ability to retain some benefits from the plan whilst being able to gift others

How can a Trust be used with a Relevant Life Plan?

For the business and employees to enjoy the tax benefits the plan offers, put it into a *Discretionary Trust*. The Trust owner is the business and the life assured is the employee. All employees are eligible, including shareholding directors of limited companies. However, business owners such as sole traders, equity partners, or LLP members are not eligible.



5 key reasons to choose a Relevant Life Plan with Vitality

1



Affordable cover

With our Optimiser, you receive up to 25% lower than our standard premium dependent on the individuals' age and the length of the term.

2



It's tax efficient

When you take out a Relevant Life Plan for an employee within your business you make tax savings of nearly 50%, in the form of a tax deductible business expense and no National Insurance contributions.

3



Helping your business to attract and retain talent

A great employee benefit for small businesses - they get great life cover and access to our range of health and reward partners.

4



Flexible continuation options

We offer three continuation options, all without extra underwriting, enabling employees to replace cover with a personal protection plan (if they're under 65).

5



The Vitality Programme

Everyone gets access to the Vitality Programme, which encourages our members to take steps towards a healthier future and rewards them with real financial benefits. That means you can get something back for your premiums, without even having to claim.



Find out more.

To find out more about our Relevant Life Plans, speak to your financial adviser or visit vitality.co.uk/business/life-insurance/relevant-life-cover.

¹Minimum one year term. Cover must end before 75th birthday. ²If you choose an indexed plan, at each plan anniversary your cover will increase by Retail Prices Index (RPI). Premiums will increase by RPI plus 2.5%. ³The owner is the business and the life assured is the employee. All employees are eligible (including shareholding directors of limited companies) but not business owners such as sole traders, equity partners, or LLP members.

Details correct as April 2024. VitalityLife is a trading name of Vitality Corporate Services Limited. Registered number 05933141. Registered in England and Wales. Registered office at 3 More London Riverside, London, SE1 2AQ. Vitality Corporate Services Limited is authorised and regulated by the Financial Conduct Authority. VL B 0058_J7822_04/24