

Financial Underwriting Questionnaire

Financial evidence is required to support Life and Critical Illness applications for large sums assured. This is so the underwriter can assess whether the type and amount of cover applied for is appropriate. For this purpose the definition of a large sum assured is where the life to be assured or the applicant is applying for a sum assured in excess of £800,000 Life cover or £500,000 Critical Illness cover. Under these sums assured, financial evidence will generally not be requested unless total cover in the market exceeds £1,000,000 Life cover or £600,000 Critical Illness cover.

Full details of our minimum requirements can be found on page 1 of this questionnaire.

For business protection, where the policy is to be owned by a company or business, the questionnaire should be completed and signed by an authorised official of the company other than the life to be assured (for example a Director or the Company Secretary).

If you need more space to write your answers, please use the section headed Additional Information.

Financial evidence requirements

- These are Friends Life's minimum requirements and we reserve the right to ask for additional information if deemed necessary
- The sums assured below relate to total cover in the market per life
- For keyperson cover, the sums assured below relate to total keyperson cover in the market on all key employees
- For share purchase or partnership agreement cover, the sums assured below relate to total share purchase or partnership agreement cover in the market on all shareholders

PERSONAL PROTECTION

Life cover	Critical Illness cover	Evidence requirements
£1,500,001 to £2,500,000	£800,001 to £1,000,000	Family protection <ul style="list-style-type: none"> • Financial Underwriting Questionnaire (Part 1 and Part 2, Section A) • Independent evidence of taxable earned income (eg latest P60, latest tax assessment, statement from employer, last 3 months' payslips) Loan or mortgage cover <ul style="list-style-type: none"> • Financial Underwriting Questionnaire (Part 1 and Part 2, Sections A and B)* • Independent evidence of taxable earned income (eg latest P60, latest tax assessment, statement from employer, last 3 months' payslips) • Copy of the loan/mortgage offer Inheritance tax cover (Critical Illness cover not available) <ul style="list-style-type: none"> • Financial Underwriting Questionnaire (Part 1 and Part 2, Sections A and C) • Independent evidence of taxable earned income (eg latest P60, latest tax assessment, statement from employer, last 3 months' payslips)
Over £2,500,000	Over £1,000,000	<ul style="list-style-type: none"> • Cover of this level is rarely justified. Individual consideration

*Not required if copy of loan/mortgage offer is received and cover is £2,000,000 Life Cover or £1,000,000 Critical Illness Cover or less.

KEYPERSON PROTECTION

Life cover	Critical Illness cover	Evidence requirements
£1,000,001 to £2,000,000	£500,001 to £800,000	<ul style="list-style-type: none"> • Financial Underwriting Questionnaire (Part 1 and Part 3, Sections A and B)
Over £2,000,000	£800,001 to £1,000,000	<ul style="list-style-type: none"> • Financial Underwriting Questionnaire (Part 1 and Part 3, Sections A and B) • Copy of the last 2 years' reports and accounts • In the case of a new business, copy of the business plan to include projections • Copy of the life to be assured's CV • Copy of the life to be assured's service agreement
	Over £1,000,000	<ul style="list-style-type: none"> • Cover of this level is rarely justified. Individual consideration

COMMERCIAL LOAN PROTECTION

Life cover	Critical Illness cover	Evidence requirements
£1,000,001 to £2,000,000		<ul style="list-style-type: none"> • Financial Underwriting Questionnaire (Part 1 and Part 3, Sections A and C)*
Over £2,000,000	£800,001 to £1,000,000	<ul style="list-style-type: none"> • Financial Underwriting Questionnaire (Part 1 and Part 3, Sections A and C)* • Copy of the last 2 years' reports and accounts • In the case of a new business, copy of the business plan to include projections • Copy of the loan/mortgage offer
	Over £1,000,000	<ul style="list-style-type: none"> • Cover of this level is rarely justified. Individual consideration

*Not required if copy of loan/mortgage offer is received and cover is £2,000,000 Life Cover or £1,000,000 Critical Illness Cover or less.

SHARE PURCHASE OR PARTNERSHIP AGREEMENT PROTECTION

Life cover	Critical Illness cover	Evidence requirements
£1,000,001 to £2,000,000	£500,001 to £800,000	<ul style="list-style-type: none"> • Financial Underwriting Questionnaire (Part 1 and Part 3, Sections A and D)
Over £2,000,000	£800,001 to £1,000,000	<ul style="list-style-type: none"> • Financial Underwriting Questionnaire (Part 1 and Part 3, Sections A and D) • Copy of the last 2 years' reports and accounts • In the case of a new business, copy of the business plan to include projections • Copy of the share purchase agreement
	Over £1,000,000	<ul style="list-style-type: none"> • Cover of this level is rarely justified. Individual consideration

Part 1 (To be completed for all applications)

Full name of life to be assured

Application number

For Personal Protection, please go to Part 2 below and for Business Protection go to Part 3 on page 4

Part 2: Personal Protection**Please complete Section A below and then Section B or C as appropriate****The questionnaire should be completed and signed by the life to be assured****If you need more space to write your answers, please use the section headed Additional Information on page 3**

Section A (To be completed for all personal protection applications)

1 Do you receive any investment income or other unearned income?

 Yes No

If Yes, please provide details of the source and the annual amount received

2 Do your assets exceed £10,000 in total?

 Yes No

If Yes, please provide details

Assets	Value

3 Do your liabilities exceed £10,000 in total?

 Yes No

If Yes, please provide details

Liabilities	Value

4 Do you have any dependants?

 Yes No

If Yes, please provide details to include relationship and age

5 Where the total sum assured for Life cover exceeds £1,500,000 or Critical Illness cover exceeds £800,000, please provide:

- **Independent evidence of taxable earned income (for example latest P60, latest tax assessment, statement from employer, last 3 months' payslips)**

Section B: Loan or mortgage cover (To be completed for all personal loan or mortgage cover applications)

- 1 What is the repayment method of the loan or mortgage (eg interest only, capital & interest)?
- 2 Is the loan conditional upon the issue of this policy? Yes No
- 3 Where the total sum assured for Life cover exceeds £1,500,000 or Critical Illness cover exceeds £800,000, please provide:
 - **A copy of the loan/mortgage offer**

Section C: Inheritance tax cover (To be completed for all inheritance tax cover applications)

- 1 What is the estimated liability to inheritance tax? £
- 2 a) Is this liability in respect of a lifetime gift? Yes No
- b) If Yes, what was the value and date of the gift Value £ Date
- 3 a) Is this liability in respect of the residual estate on death? Yes No
- b) If Yes, what is the estimated net worth and composition of the estate?

Additional Information

Declaration

I declare that the answers I have given are, to the best of my knowledge and belief, true and I have not withheld any fact.

I agree that this questionnaire will form part of my application for insurance to Friends Life and that failure to disclose a fact or the giving of false information may invalidate any future claim.

I agree Friends Life will use the information I give for administration, underwriting, claims, research and statistical purposes. I agree Friends Life may pass information to reinsurance companies and any agency appointed by Friends Life for these purposes. (These agencies may be located in countries outside the United Kingdom that do not have laws to protect your information. Details of the companies and countries involved in your case will be provided on request. Friends Life will remain responsible for making sure that the information is held securely).

I also agree that Friends Life may pass the information to third parties for the prevention of crime or detection of fraud, enabling assets to be rightfully claimed or where required by law or regulation.

Signature of life to be assured

Part 3: Business Protection

Please complete Section A below and then Section B, C or D as appropriate

Where the policy is to be owned by a company or business, the questionnaire should be completed and signed by an authorised official of the company other than the life to be assured (eg a Director or the Company Secretary)

If you need more space to write your answers, please use the section headed Additional Information on page 6

Section A (To be completed for all business protection applications)

1 Please provide the following information:

a) Name of company or business

b) Nature of business

c) Number of employees

d) Date business established

e) Date life to be assured joined the business

f) Position held by life to be assured

2 Please provide details of turnover, gross profit and net profit before tax for the last 3 years. If the business is only recently established, please provide projections

Year	Turnover	Gross profit	Net profit before tax
	£	£	£
	£	£	£
	£	£	£

3 If a gross or net loss has been reported in the last 3 years, please provide a brief explanation for this

4 a) Where the total sum assured for Life cover exceeds £2,000,000 or Critical Illness cover exceeds £800,000 or there has been a gross or net loss reported in the last 3 years, we will request a copy of the last 2 years' reports and accounts from the Registrar of Companies. Will these be available (ie have the accounts been submitted for the last two years' trading)?

 Yes

 No

 Not applicable

b) If No and the above limits have been exceeded or a loss has been reported in the last 3 years, please provide:

- **A copy of the last 2 years' reports and accounts or in the case of a new business, a copy of the business plan to include projections**

Section B: Keyperson cover (To be completed for all keyperson cover applications)

1 What special knowledge or qualities does the life to be assured have and why is the company so dependent on them?

2 Does the company have any existing keyperson insurance in force either on the life to be assured or any other key personnel or does it intend to effect any such policies? Yes No

If Yes, please provide details

Employee's name	Employee's position in the company	Type of cover (Life or Critical Illness)	Sum assured	Reason for cover

3 Where the total sum assured for keyperson Life cover exceeds £2,000,000 or Critical Illness cover exceeds £800,000, please provide:

- **A copy of the life to be assured's CV**
- **A copy of the life to be assured's service agreement**

Section C: Commercial loan cover (To be completed for all commercial loan cover applications)

1 What is the repayment method of the loan or mortgage (eg interest only, capital & interest)?

2 What is the reason for the loan?

3 What is the reason for the choice of the life to be assured to be covered under this policy?

4 Is the loan conditional upon the issue of this policy? Yes No

5 Are any other loans in existence? Yes No

If Yes, please provide details

6 Where the total sum assured for Life cover exceeds £2,000,000 or Critical Illness cover exceeds £800,000, please provide:

- **A copy of the loan offer**

Section D: Share purchase or partnership agreement cover (To be completed for all share purchase or partnership cover applications)

- 1 What share of the business/partnership is held by the life to be assured? %
- 2 What is the current value of the business/partnership? £
- 3 Who performed this valuation and what is their professional status?
- 4 How many partners/shareholders are there in the business/partnership?
- 5 Are policies being effected on the lives of other partners/shareholders? Yes No
- If Yes, please provide details. If No, please provide reason
- 6 Is there a 'double option' agreement in place or is it intended to complete such an agreement? Yes No
- If No, please give details of any obligation which exists which gives rise to the need for this policy
- 7 Where the total sum assured for share purchase or partnership Life cover exceeds £2,000,000 or Critical Illness cover exceeds £800,000, please provide:
- **A copy of the share purchase agreement**

Additional Information

Declaration

I declare that the answers I have given are, to the best of my knowledge and belief, true and I have not withheld any fact.

I agree that this questionnaire will form part of my application for insurance to Friends Life and that failure to disclose a fact or the giving of false information may invalidate any future claim.

I agree Friends Life will use the information I give for administration, underwriting, claims, research and statistical purposes. I agree Friends Life may pass information to reinsurers and any agency appointed by Friends Life for these purposes. (These agencies may be located in countries outside the UK that do not have laws to protect your information. Details of the companies and countries involved in your case will be provided on request. Friends Life will remain responsible for making sure that the information is held securely.)

I also agree Friends Life may pass the information to third parties for the prevention of crime or detection of fraud, enabling assets to be rightfully claimed or where required by law or regulation.

Signature

Date

Status in the company or business

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Friends Life Limited

Registered Office: Pixham End, Dorking, Surrey RH4 1QA

Incorporated company limited by shares and registered in England and Wales number 4096141

Authorised and regulated by the Financial Services Authority

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