

# Preparing for your upcoming appointment

Your guide to equity release





## What's in this brochure?

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# Thanks for choosing Legal & General to review your later life mortgage

You've received this pack ahead of your upcoming call with one of our advisers. To find out who might be calling you, check out our adviser bio also included in this pack.

They'll call to find out more about you and what you want from your later life mortgage, to understand which of our products will help meet your needs.

## **This pack is designed to:**

- give you more information about our range of mortgages
- help you understand more about the process if you decide to take out a mortgage with us
- help you prepare for your call with your adviser

There's no obligation to proceed, and no costs involved unless you take out a later life mortgage with us.

## **Who is Legal & General?**

When you come to Legal & General, you can be confident that you're speaking to one of the UK's leading financial services providers; as a group we've been helping our customers for over 185 years.

Our mortgage service is provided in two parts: Legal & General Home Finance (LGHF) provides our mortgages, and Legal & General Financial Advice (LGFA) advises customers on the best products, if any, that are suitable.

# What is a later life mortgage?

Later life mortgages allow you to release equity from your home without having to move. With property values rising over the years, it's possible your home is worth more than you paid for it. Later life mortgages allow you to release this money for a variety of uses.

Many people choose a later life mortgage to get more out of their retirement. This could mean paying off an existing mortgage, boosting your income, funding home improvements and adaptations, or helping loved ones with expenses that are out of their reach, such as buying their first home. However, gifting money comes with its own rules and might be subject to inheritance tax. Your adviser can give you Information on this.



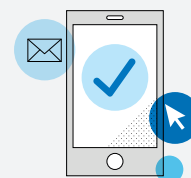
Available exclusively to homeowners aged 55 and over (50 for the Payment Term Lifetime Mortgage)



Loan is repaid from the sale of your home when last borrower dies or moves into long-term care



We have a range of products to suit different needs



Our advisers will help you find the most suitable product for you. If we think a later life mortgage isn't right for you, we'll tell you

## Our later life mortgages

Our range of later life mortgages are designed to suit the different needs of our customers. Our advisers will review your needs against our products and make their recommendation.

### Flexible Lifetime Mortgage (FLTM)

With a Flexible Lifetime Mortgage there's no need to make any monthly interest payments, but you can choose to make partial repayments if you want to manage the amount owed on the loan and interest (limits apply).

You don't have to pay anything until you or the last remaining borrower dies or moves into long-term care.

### Optional Payment Lifetime Mortgage (OPLM)

With the Optional Payment Lifetime Mortgage, you can choose to save interest by making fixed monthly payments on some or all of the interest amount on your loan. You can stop interest payments at any time, but you won't be able to restart them.

### Payment Term Lifetime Mortgage (PTLM)

With our PTLM, you'll have to pay the interest off monthly by Direct Debit for a pre-agreed payment term, which cannot extend beyond retirement or your 75th birthday, whichever is sooner. As a last resort, your home may be repossessed if you don't keep up repayments.

### Retirement Interest Only Mortgage (RIO)

A type of residential mortgage, with a Retirement Interest Only Mortgage (RIO) you only pay the interest each month. This means the amount you owe doesn't increase over time. You don't need to repay the full amount of the loan until you or the last remaining borrower dies or moves out of your home into long-term care. As a last resort, your home may be repossessed if you do not keep up with payments.

**Our later life mortgages allow you to borrow some of your home's value while you still live there. For customers aged 55 and over (50 for the Payment Term Lifetime Mortgage). Its a loan secured on your home.**

# How do our later life mortgages compare?

Our products include many features and guarantees	FLTM	OPLM	PTLM	RIO
You'll get a fixed interest rate for the life of the loan. Any future borrowing, if available, will be based on the current interest rate available at the time.	✓	✓	✓	✓
Affordability assessment required. For our PTLM, it's worth noting that at least one of the applicants must be working.	✗	✗	✓	✓
You will still own your own home. As a last resort, your home may be repossessed if you do not keep up the monthly repayments on the PTLM and RIO mortgage	✓	✓	✓	✓
The mortgage lasts until the last remaining borrower dies, or moves out of the home into long-term care. The loan is then repaid from the sale of your home.	✓	✓	✓	✓
You have the option to make Optional Partial Repayments where you can repay up to 10% of the loan with no early repayment charges (ERC). For OPLM and PTLM, this is only available after you've stopped making monthly payments.	✓	✓	✓	✓
Our No Negative Equity Guarantee – You'll never have to pay back more than the amount the property sells for, provided it's sold for the best price reasonably obtainable and meets the lifetime mortgage's terms and conditions. <ul style="list-style-type: none"> <li>For PTLM the Guarantee won't apply to missed monthly interest payments and the interest on them.</li> <li>For RIO, if the sale of your property doesn't cover the outstanding mortgage, we'll ask your beneficiaries to settle the balance.</li> </ul>	✓	✓	✓	✗
Inheritance protection – Taking out a later life mortgage reduces the amount of inheritance you can leave. If it's important to you to leave something for your loved ones after you're gone, rather than before, we offer Inheritance Protection on our lifetime mortgages. This safeguards a percentage of your home's value, by reducing the amount you can borrow.	✓	✓	✓	✗
You move home and take the mortgage with you. As long as the new property meets our acceptability criteria.	✓	✓	✓	✓
Take a large lump sum, then smaller ad hoc sums as and when you need to.	✓	✓	✗	✗

✓ Included ✓ Partial (with limitations) ✗ Not included

## There are many benefits to taking out a later life mortgage, but there may be cheaper ways to borrow.

Before our adviser makes their recommendation, they'll look at your situation and in some cases, run a free means-tested benefit check to see if releasing funds will affect any payments you're receiving. They'll tell you about potential alternatives that may be cheaper.

# Associated costs

Unlike some other providers, we don't charge any fees for the advice you receive from us. Instead the product provider pays us for arranging your mortgage.

When taking out a later life mortgage, you'll need to appoint a specialist solicitor who can act on your behalf and provide you with independent legal advice. Legal costs associated with a later life mortgage can vary from solicitor to solicitor.

We don't provide legal advice, however we have negotiated preferential rates with Forever Legal, to make sure that any associated costs are competitive. If you choose to use Forever Legal, then remember it is independent of Legal & General, who don't receive any payment for introducing you to them.



Forever Legal is a specialist law firm with expertise in providing legal services for the over-55s. If you need professional legal advice on your later life mortgage transaction, or you want to protect yourself and your family with a new or updated Power of Attorney or Will, it can help.

Forever Legal prides itself on its outstanding customer service. Covering the whole of the UK, they offer face to face meetings and will be on hand to assist you with any questions you might have, and with no restrictions on time you will feel fully informed at the end of your appointment.

Find out more about how Forever Legal can help you through your later life mortgage journey, by visiting its website at [foreverlegal.co.uk](https://foreverlegal.co.uk)

Alternatively you can look to source your own, by visiting the [Equity Release Council](#) website. If you choose your own, it's important to check it is a later life mortgage specialist.

## What you can expect to pay as part of your mortgage

Any costs will depend on the product you choose – we've included an idea of the amounts you can expect to pay, but the costs are dependent on the product that best suits your needs. For some products, there are no associated costs.

You can choose to pay the costs when you apply for your mortgage, or have them added on to your mortgage. If you choose to add the costs on, it will increase the amount you owe and you will pay interest at the same rate as your loan.

Your adviser will explain all costs to you, but here's a brief overview of what you might expect.



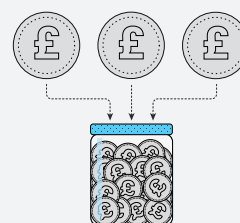
### Arrangement fee

This is sometimes known as an application fee or product fee. Some products come with their own application or product fees. Your adviser will explain all you need to know.



### Home valuation fee

You may be charged a valuation fee, which depends on the value of your property.



### Debt consolidation

This only applies to our Retirement Interest Only Mortgage. There is a £30 fee for each debt we consolidate for you.



# Have you considered setting up a Lasting Power of Attorney or making a Will?

A Lasting Power of Attorney is a legal document that lets someone you appoint, act on your behalf when/if you're unable to, or when you no longer wish to make your own decisions. This should be someone you choose and trust. This is because they will make important decisions regarding your health and finances.

Without this in place, loved ones must follow a lengthy and costly process with the Court of Protection to gain these permissions, which can cause stress and worry at what is often a difficult time.

Lasting Power of Attorney can take effect as soon as it's needed, meaning your chosen attorney can step in without delay.

A Will is a legal document that allows you to state what should happen to your assets (your money, property, investments and possessions) as well as your children – if they're under 18 – after you have passed away.

Making a Will clarifies your wishes and enables you to give your loved ones financial protection after you die.

By making a Will you can:

- appoint people you trust to look after your children under 18 years old (called Guardians)
- appoint people you trust to carry out the terms of your Will (called Executors)
- name the people or charities you want to benefit from your estate (called Beneficiaries)
- leave gifts of specific items or fixed sums of money (called Legacies)
- state your funeral wishes
- create Trusts to help preserve wealth for future generations, protect against residential care costs or help vulnerable or disabled beneficiaries

At Legal & General we're committed to supporting our customers in achieving their goals, and in keeping with our values, we want to ensure you get value for money from a trusted provider.

Legal & General has an agreement with Co-op Legal Services, which has a fixed-fee Will Writing service and will offer you a 10% discount on its standard fees for both writing Wills and setting up a Lasting Power of Attorney.

Legal & General don't receive any payment for introducing you to them.

You can contact Co-op Legal Services on its dedicated Legal & General phone number: **0330 0417 879**.

When you call Co-op Legal Services, it will take full responsibility for the service it provides to you. It charges you for the help and advice it gives and Legal & General will not receive any fees or commission for referring you.



# The later life mortgage process

Here's what you can expect if you decide to release the money from your home with one of our later life mortgages.

1

## You've already spoken to our customer service team

They've arranged your appointment with an adviser and sent you this guide.



2

## Using this guide

Flick to page 12: you'll notice we've given you some homework before stage 3. We'd like you to gather some information about your income and expenditure, so we can understand what product will suit your needs.



3

## Getting to know you

Your adviser will get to know what you want to use your later life mortgage for, so they can make sure the product recommended meets your needs, now and in the future. There's no obligation to proceed at this point.



4

## Our recommendations

Your adviser will come back with a recommendation based on your requirements, and leave you to decide if you would like to proceed with the application or not.



5

## Completing your application

Your adviser will get back in contact and if you're happy to proceed, they'll complete your application with you, so you know you're in safe hands.



6

## Property valuation

This will be done by an independent surveyor. You may have to make some repairs. These will be on significant issues, or something that could cause future issues if not fixed, as a condition of the loan.



7

## Mortgage offer

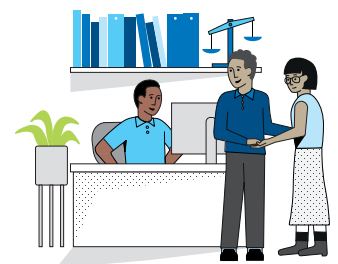
After we've reviewed your application, we'll send you an offer confirming the amount you can borrow.



8

## Legal checks

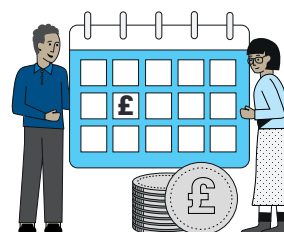
It's important to appoint a solicitor to make the necessary legal checks for you. You should also consider using a solicitor who specialises in equity release. If you don't have one, see page 6 to find out about Forever Legal.



9

## Getting your money

You'll typically receive your money by BACS from your solicitor. This can be 8-12 weeks, but timescales vary dependent on your circumstances.





# Involving family and friends

Taking out a later life mortgage is a big decision, and you may want additional support. That's why we welcome you to include family members and friends on your adviser calls, so you can feel reassured you're getting the right advice.



## Lillian's later life mortgage

“ I bought my home in 2016. It had been an old chapel originally and I wanted to refurbish it so that it was eco-friendly and my forever home. The cost of doing it concerned me until I started looking at lifetime mortgages.

Having a lifetime mortgage has given me the independence and freedom to do the house up as I wanted, long lasting, and eco-friendly. It's also given me that freedom of not worrying about money.

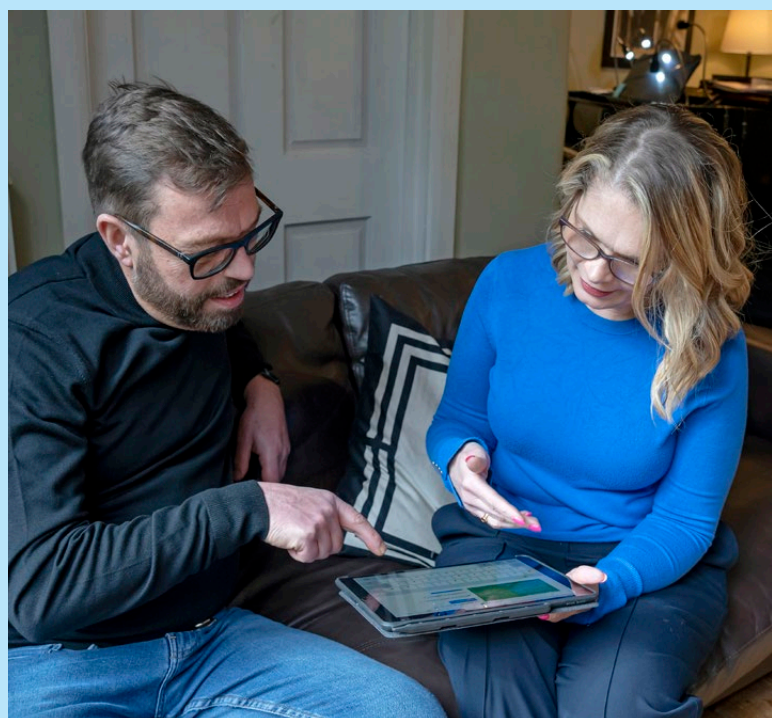
## Robert's later life mortgage

“ Three years ago, I started to think about what I was going to do when my interest-only mortgage ended.

I looked online and discovered Legal & General – they were fabulous! Kate helped me through everything. She felt like a friend actually. She was able to look at my life and find out exactly what I need, and I felt very safe in her hands.

It's wonderful to know that I can stay here the rest of my life, without paying anything, and then the debt being paid at the end of my life, is fantastic.

It takes the pressure off, and allows me to continue having a great quality of life.







## Preparing for step 3 in the process and getting the most from your call

There are a few things to consider ahead of your call with your adviser.

Your adviser will use the call to understand your financial situation and what you want to achieve with a later life mortgage. It's important to gather your financial paperwork in advance, such as payslips, pension statements, benefit statements, any mortgage redemption statements you may have and a summary of your monthly outgoings, so that you can get the most out of your call.

The next page will help you gather the information you need. Don't worry if you don't have all the answers, we can help on the call.

Your adviser will phone before your scheduled meeting to introduce themselves. You will have received an adviser bio with this pack, so you know exactly who to expect. Our advisers will never hurry you; they'll go at the pace that suits you. They're rewarded for great customer service, not sales.

Once the adviser has got to know you and your situation, they'll go away and investigate the right products for you.

### Our recommendations

During your second call, your adviser will take you through their recommendations. You can ask plenty of questions to make sure you understand everything.

It's our job to understand if a later life mortgage is the right solution for you, and to recommend a product that best suits your needs. If we don't have a suitable product for you, we'll introduce you to Later Life Market Solutions, part of Legal & General Financial Advice, which has access to products from other financial services providers.

We record all conversations you have with us, for your peace of mind and protection.

### Did you know?

You can include your family or friends on any of your calls with us. We want you to feel comfortable that you're making the right choice.



# Gathering your information

Take a look at the tables below and on the next page, and fill them in as best you can. This will help you prepare for your call and have the paperwork/answers to the questions your adviser will ask.

**It's our job to make sure it meets your needs now and for the future, so the more information you can have ready for the call, the better we can help you.**

What would you like to release the money for? eg home improvements	Amount	Immediate uses for the money? (0-18 months)	Future uses for the money? (18 months +)

## Financial status

List your monthly income, excluding your pension income.

Name eg you/your partner	Type eg salary, rental income	Net amount eg £200	Frequency eg monthly

## Pension income

List your monthly pension income.

Type eg state pension	Net amount eg £200	Frequency eg monthly

### Future pension income

If you aren't already receiving your pension, list your expected monthly pension income.

Type eg ABC retirement	Monthly income eg £200	Fund value

### Outstanding debts and loans

Include any existing mortgages and any other debts you may have.

Applicant eg joint	Lender eg ABC Lending	Type eg credit card	Secured/ unsecured eg unsecured	Amount eg £1,000	Monthly payment eg £100	Interest rate eg 9.9%	Early repayment charge eg none

### Expenditure

List your household expenditure by category. This section shouldn't include any existing mortgage or other debts.

Category eg council tax, utilities, insurance, maintenance/service charges	Amount eg £200	Frequency eg monthly
<b>Total</b>		



# Joining your video call

If you've requested a video call, below are easy instructions on how to join. Just look out for the email from us with your video call link.

You can join the call from a web browser, your mobile or your tablet. You don't even have to download an app.

If you're still struggling to join the video call, your adviser will call you on the phone and help you to connect.



1

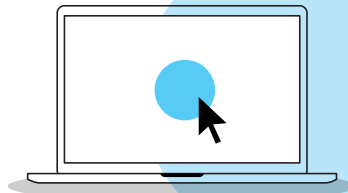
Open your email invite and click **Start Meeting**.

2

Webex starts preparing to connect you to your meeting.

Select **Join from your browser**.

Click **Open Webex**. If the prompt doesn't appear click **Launch Meeting** instead.



3

Type in your **name** and **email address** to enter the video call.



4

Smile! You're almost ready to meet your adviser.

Check that the audio is connected to the computer and you aren't on mute!

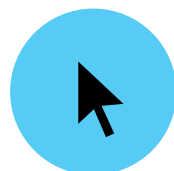
Please join with your video on, by clicking **Start video**.



5

Click **Join Meeting**.

You're ready to start your L&G journey.



# Frequently asked questions

We know you'll have lots of questions – here are some of the most common ones we get from our customers.

## Can I use a later life mortgage to pay off an existing mortgage balance?

Yes, and many of our customers do. You'll need to make sure the amount you're eligible to borrow will completely pay off your current mortgage balance – including any early repayment charges. If you have other savings, investments or sources of income, you could use them as full or part payment towards this.

## Will I still own my home?

Yes, your property stays in your name and the loan is secured against it. With our later life mortgages, you can stay in your home until you die or move into long-term care, as long as you meet the terms and conditions of your mortgage. If you want to move home, you will need to speak to your later life mortgage provider before you make any decisions.

If you can't keep up your monthly payments on a RIO or PTLM, as a last resort your home may be repossessed.

## Are there any hidden charges?

We won't hide any charges. Instead, we'll explain all costs to you when we speak, and give you a personalised quote that clearly shows these costs. You'll have the opportunity to read everything in your own time.

## Can I move to a new house?

Yes, you can take your later life mortgage with you to a new home, so long as it meets Legal & General's lending criteria. We'll need to give our consent, and you'll have to pay a valuation fee and any legal costs.

## I want to leave an inheritance – will that be affected?

Taking out a later life mortgage reduces the amount of inheritance you can leave. If it's important to you to leave something for your loved ones after you're gone, rather than before, we offer Inheritance Protection on our Lifetime Mortgages. This safeguards a percentage of your home's value, by reducing the amount you can borrow.

It's worth noting that if your home is valued above the inheritance tax threshold, there may be a large inheritance tax charge due to your family when you pass away. If you choose to gift some of the money you release, you may be able to give your family their inheritance early while you're still around to see them enjoy it. Depending on how you gift the money, they may have to pay inheritance tax in the future.

## Will my family have to pay income tax on the gift I give them?

This depends on what they do with the cash. If they make any income from that cash gift, even if it's interest earned in a savings account, they may be liable to pay tax on it.

## Will my family be left a debt to pay?

**Lifetime Mortgage** – No. Our No Negative Equity Guarantee means that they'll never have to pay back more than the amount the property is sold for, as long as it's sold for the best price reasonably obtainable and the terms and conditions of the mortgage have been met.

**Payment Term Lifetime Mortgage** – The No Negative Equity Guarantee will not apply to any missed monthly interest payments and the interest on them. If the sale of the property doesn't cover the outstanding payments, we look to your beneficiaries to settle the balance.

**Retirement Interest Only Mortgage** – If the sale of the property doesn't cover the outstanding mortgage, we look to your beneficiaries to settle the balance.

## What is rolled-up interest?

It's simply interest charged on interest.

Our lifetime mortgages have rolled up interest. This means, if you decide not to pay some or all of the monthly interest on your mortgage loan, the mortgage loan amount will increase, along with the interest that's charged each month.

For RIO and PTLM (during the payment term) there is no rolled-up interest because there are interest payments required each month. For PTLM, once the payment term has come to an end, interest will roll-up.

## What is an early repayment charge?

An early repayment charge is a fee you pay to your mortgage lender, if you want to pay your full loan back earlier than agreed.

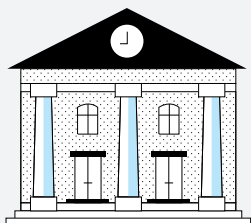
## What will happen to my means-tested benefits and tax position?

Your tax position and any means-tested benefits you receive are usually conditional on your income or wealth status. A later life mortgage alters your financial position, which means you may no longer meet the qualifying criteria. Your adviser will be able to explain if or how your means-tested benefits or tax position could be affected. Before our adviser makes a recommendation, they'll run a free means-tested benefit check, to see if releasing funds will affect any payments you're receiving. They'll let you know if there are cheaper ways for you to borrow.

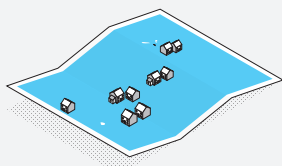
# Why choose us?

At Legal & General, we put our customers at the heart of what we do. We know retirement planning can feel overwhelming, so we do everything we can to create a friendly, personalised experience for you.

## How we help



We've been helping our customers for over 185 years



We're one of the UK's leading financial services providers



Since 2015 we've lent £6.38bn\* to over 113,000\*\* later life mortgage customers



We provide specialist, no-obligation later life mortgage advice with no upfront fees

## Our Flexible and Optional Payment Lifetime Mortgages are award-winning



Moneyfacts Best Equity Release Provider in 2021



Later Life Lender of the Year 2021

We're members of the Equity Release Council, a trade body established in 1991 to help protect people taking out equity release.

At the start the PTLM isn't fully Equity Release Council compliant. That's because, as a last resort, we may repossess your home if you don't make the monthly interest payments. This conflicts with the ERC's "right to remain in your property" standard. Once you reach the end of your payment term and stop having to pay interest on your PTLM, it then complies with all Equity Release Council standards.

[equityreleasecouncil.com](http://equityreleasecouncil.com)





# Further information

Should you choose to take out one of our later life mortgages, the information on the following pages is everything you need to know.

For the call, we simply want to gather information, so that we can tell you if a later life mortgage is the right choice for you.

- Our privacy notice (last updated April 2024)  
For our most up-to-date privacy notice please visit:  
[legalandgeneral.com/privacy-notice](https://legalandgeneral.com/privacy-notice)
- Legal & General's advice services for mortgage products
- Terms and conditions for Legal & General's mortgage product advice services

# Legal & General's advice services for mortgage products

## Who we are and what we do

We are Legal & General Financial Advice Limited (LGFA), part of the Legal & General Group, headed by Legal & General Group plc.

We're a financial advisory business and the scope of our advice is restricted to mortgage products offered by Legal & General Home Finance Limited (LGHF), a mortgage lender within the Legal & General Group. This means that we will only advise you on Legal & General mortgage and not on similar products which may be available in the wider market.

## What happens if we can't find a suitable Legal & General mortgage for you

If we aren't able to recommend a suitable Legal & General mortgage product for you, we may introduce you to our chosen partner who will help you to find a suitable mortgage product in the wider market or if you'd prefer to find your own provider, Unbiased can help you find a local advisor. We don't receive any fees, commissions or other benefits for introducing you to our chosen partner.

## What will you have to pay for our services?

You're not required to pay us any fees or charges for the services we provide to you. The fees for our services are paid for by LGHF. You may however be required to pay fees to other parties in connection with entering into a mortgage with LGHF. Your Welcome Pack includes examples and explanations of such fees.

## Who regulates us?

We're authorised and regulated by the Financial Conduct Authority (FCA). Our Firm Reference Number is 839860. We're authorised, among other things, to advise and arrange regulated mortgage contracts.

You can obtain a full list of our permissions from the Financial Services Register at [fca.org.uk/register](https://www.fca.org.uk/register), or by contacting the FCA on **0800 111 6768**.

## If you have a complaint

If you have a complaint about any part of our services, or you'd like us to send you a copy of our complaint handling procedure, please contact us by:

- writing to Legal & General Financial Advice Limited – Complaints, PO Box 17225, Solihull B91 9US
- freephone on **0808 163 7601**
- email at [Complaints.LGFA@landg.com](mailto:Complaints.LGFA@landg.com)

## We're covered by the Financial Services Compensation Scheme (FSCS)

You may be entitled to compensation from the FSCS if we cannot meet our obligations to you, depending on the circumstances of the claim.

Mortgage advice is covered where an eligible person has experienced financial loss as a result of bad mortgage advice provided by a firm which has failed, with an upper limit of £85,000 per eligible person, per firm.

Further information about compensation scheme arrangements is available from the FSCS. You can find out more about the FSCS in the following ways:

- visit [fscs.org.uk](https://www.fscs.org.uk)
- call **0800 678 1100**
- write to the FSCS at 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU



# Terms and conditions for Legal & General's mortgage product advice services

## 1. Background

- 1.1 This Document sets out the terms and conditions under which we provide our Services to you. You should carefully read this Document.
- 1.2 If you don't understand something in this Document, we'll happily explain it or provide more information.

## 2. Definitions

- 2.1 Capitalised words and terms in this Document are explained in Section 20. Section 20 also includes some general provisions about how we and you should interpret this Document.
- 2.2 When we refer to we, us and our in this Document, we're referring to Legal & General Financial Advice Limited (also called LGFA) and this includes anyone we might transfer our business to in the future.
- 2.3 When we refer to you or your in this Document, we're referring to all potential borrowers under an LGHF Mortgage product that we recommend and also each potential borrower separately. If you die, or become bankrupt, or anyone is appointed to manage your affairs, references in this Document to you also include any personal representative, any executor and any person appointed to manage your affairs (including for example by way of a Power of Attorney or a Court Appointed Deputy).

## 3. Services we provide

- 3.1 We'll provide you with financial advice on Lifetime mortgages offered by LGHF only. We will recommend one of their Mortgage products if we believe that it is suitable for you. If we don't have a suitable product for you, we may introduce you to our chosen partner who will help you to find a suitable mortgage product in the wider market or if you'd prefer to find your own provider, Unbiased can help you find a local advisor.
- 3.2 As part of providing our Services to you, we must consider the impact a Mortgage may have on you, including:
  - any entitlement you may have to means-tested benefits,
  - your tax position, and
  - alternative methods of raising the required funds.
- 3.3 If we recommend a Mortgage to you, **our recommendation will be valid for a period of six months** from the date of the recommendation letter,

unless there is material change in any of the information you provided your Adviser. Please let your Adviser know if any of the information captured within the recommendation letter or the Fact Find Document changes or is no longer correct, as this may impact the suitability of their recommendation.

- 3.4 Our recommendation letter will state a mortgage rate for the Mortgage we recommend for you. It is important to understand that **the interest rate included in the recommendation letter is not guaranteed and may change**. It is based on the product terms and rates available at the time we make our recommendation to you. **Please note that our recommendation letter is not an offer of loan** – that will be provided to you separately by LGHF, the mortgage lender.
- 3.5 If you confirm verbally that you want to proceed with the recommendation, we'll submit an application on your behalf for the lender to consider. We'll update you regularly on the status of your application.
- 3.6 Following the application, LGHF will provide you with a formal offer of loan, including a proposed interest rate which will remain available for a specified validity period. It is important to understand that **the interest rate in your offer of loan may no longer be available if you are not able to complete the mortgage within the validity period set out in the formal offer from the lender**. If this happens then you may be offered a different interest rate by the lender.
- 3.7 If you decide you don't want to receive advice or you reject our advice, we won't be able to help you apply for a Mortgage.
- 3.8 If we recommend a Payment Term Lifetime Mortgage, we may also refer you to other parts of the Legal & General Group that can provide you with information or advice about insurance products that you may wish to consider alongside your Mortgage product.

## 4. Services we don't provide

- 4.1 We don't provide an on-going advisory service. We will advise you on your suitability for a Mortgage but after we have done that we will not continue to review your circumstances.
- 4.2 We don't provide legal, tax, accounting, wealth planning, debt or any other advice outside the scope of the Services as described in Section 3 above. You're responsible for obtaining or arranging your own professional legal, tax, accounting and wealth

management advice if any of these are appropriate during the advice and application process.

- 4.3 We don't advise on any type of insurance or arrange insurance on your behalf. This means we won't be able to help you obtain an insurance policy for your Property, and you'll need to arrange any insurance yourself (although where appropriate we may refer you to another part of the Legal & General Group who can provide you with advice or information about protection products).
- 4.4 We understand that some of our customers may use a Mortgage product to obtain funding to pay for their care needs. Please be aware that we are not able to provide any advice regarding the amount of funding required to meet your short or long-term care needs or arrangements. If you require financial advice on funding your care needs, you should speak to an Independent Financial Adviser. Please visit [unbiased.co.uk](https://www.unbiased.co.uk) for further guidance.

## 5. Referral to third parties

- 5.1 In some cases we may need more information about your means-tested benefits and tax allowance in order to advise you properly. In that case we may refer you to an appropriate source of information (e.g. the Pension Service, HM Revenue & Customs or Citizens Advice) so that you can get the information we need. If we do this, you agree to obtain the information that we have asked for and share it with us.
- 5.2 The Services we provide you and the recommendations we make are for your benefit only. They cannot be relied on by any other person who isn't party to this Document.
- 5.3 Only you and we may enforce the terms of this Document. It cannot be enforced by any third party (but please note that 'you' and 'we' has an extended meaning in these terms, which is explained in sections 2.2 and 2.3 above).

## 6. What you pay

- 6.1 You're not required to pay us any fees or charges for the Services we provide to you.
- 6.2 The fees for our Services are paid for by the lender. See Section 7 for more information on how we're paid.
- 6.3 You may however be required to pay fees to other parties in connection with entering into a Mortgage.
- 6.4 We don't charge you to speak with us over the phone, but you may be charged a standard call rate by your telephone provider in line with your tariff/plan.

## 7. Remuneration we receive

- 7.1 We receive a payment from the lender if you complete on a Mortgage we recommend to you. This is called a "procurator fee". We calculate this fee as a percentage of the loan amount under the Mortgage. Further details and the exact amount of the procurator fee we receive

will be shown in the Key Facts Illustration or European Standardised Information Sheet (ESIS). This will be explained to you by your Adviser during your Recommendation Meeting.

- 7.2 If you take out a Lifetime Mortgage which includes a Drawdown Facility, we may receive a further fee from the lender for any Drawdowns you make. This will be explained to you by your Adviser during your Recommendation Meeting.

## 8. What you must do

- 8.1 You're responsible for communicating openly with us and providing full and accurate information in relation to your circumstances and objectives.
- 8.2 If your circumstances change or you expect them to change while we're providing Services to you then you must tell us and provide details immediately.
- 8.3 If you don't give us all relevant information relating to your personal and financial circumstances then there is a risk that the Services that we provide won't be suitable for you.

## 9. How we communicate with you

- 9.1 We may communicate with you by telephone, post, email, text message, video conferencing or in some cases in person. If you choose to use an interpreter, we are not party to your agreement with the interpreter or responsible for their services. The service provided by the interpreter you choose will be subject to a separate privacy notice and terms and conditions which they should provide to you.
- 9.2 If you give us verbal instructions, we may require you to confirm those instructions to us in writing or by email.
- 9.3 All communication and Documents that we provide to you will be in English.

## 10. Financial crime

- 10.1 We're required by anti-money laundering regulations to verify the identity of all our customers and to obtain certain information from our customers which relates to the service we are providing to them. We must also ensure that the information we hold is up to date.
- 10.2 Throughout our relationship, we may use electronic identification verification systems and perform ongoing checks on you to make sure we comply with our obligations under the anti-money laundering regulations.
- 10.3 You agree to provide us with any information we may reasonably require (including hard-copy evidence of your identity) in order to verify your identity and to help us comply with our obligations under the anti-money laundering regulations.
- 10.4 We will decline to advise you if we are prevented from doing so by laws relating to financial crime or sanctions.

## 11. Record keeping

11.1 Your personal information and the advice we provide you will be kept in accordance with our internal retention policies. The length of time we keep your personal information and the advice we provide will be based on the minimum retention periods required by law or regulation. We'll keep your personal information after this time only if there's a legitimate and provable business reason to do so. We'll process your information as set out in Section 13.

## 12. Giving you our recommendation

12.1 Please note that if we make projections on the long-term cost of a mortgage we will make the assumptions set out in the bullet points below. It is important to note that any change to these assumptions will result in a change to the total overall cost of borrowing.

- We will assume that no overpayments will be made during the term of the Mortgage.
- For Lifetime Mortgages, we will assume that no Drawdowns will be taken.
- For both Lifetime Mortgages and Retirement Interest Only Mortgages we will assume that no further advances will be taken. The term of the Mortgage is based on either the average life expectancy of a person your age; or a potentially reduced life expectancy which is due to a diagnosed medical condition that has been disclosed to us. For joint applicants the longest life expectancy of either applicant will be used. The actual long-term costs of a Mortgage may differ if the term of the Mortgage is longer or shorter than this life expectancy.
- Cost projections are based on monthly interest accrual, if full interest is not repaid each month, the interest will compound until repaid.
- For any existing debts, cost comparisons between these debts and Lifetime Mortgages/ Retirement Interest Only Mortgages are based only on the debts still to be paid, and not the full amount borrowed.
- We will assume that all information provided by you at the point we provide advice to you is correct and remains up to date, unless you tell us otherwise.

## 13. Using your information

13.1 We'll act as a data controller in relation to any personal data that you provide to us. This means that we will decide for which purposes and how any personal information is processed. We will process all personal data relating to you in accordance with this Document and our privacy notice. A copy of our current Privacy Notice is online at [legallandgeneral.com/privacy-notice](https://legallandgeneral.com/privacy-notice). We will need to share your personal data with the lender to help set up and service your mortgage, including information on changes to your financial circumstances and lifestyle events which may affect your continued eligibility for certain mortgages.

## 14. Termination of Services

- 14.1 You or we may terminate the Services under this Document at any time, without penalty, by giving seven business days' notice in writing to the other party. If we stop providing Services, Sections 3, 5.1 and 12 of this Document will no longer apply, while the remaining terms of this Document will continue to apply to our relationship. This means Sections 1-2, 4, 5.2 and 5.3, 6-11 and 13-20 will continue to apply after the Document ends (e.g. we'll continue to comply with our record-keeping obligations even after we've stopped providing Services to you).
- 14.2 Unless otherwise agreed between you and us in writing, when the Services are terminated we'll immediately stop working on any application being prepared for you or, if possible, withdraw any application already submitted to the lender on your behalf. If it is not possible to withdraw your application, we'll refer you to the lender to discuss your options.
- 14.3 If we've submitted an application on your behalf, you will not be bound to complete a Mortgage with the lender. However, if you withdraw from an application that has already been submitted, you may be still liable to pay certain fees relating to your application to the lender (e.g. a valuation or product fee) or to a third party (e.g. a conveyancer). Any fees that you are committed to paying as part of making an application will be listed in the Key Facts Illustration or European Standardised Information Sheet (ESIS) provided to you by your Adviser. If you have any questions about fees, you should speak to your Adviser.
- 14.4 You're not required to pay us any fees or charges for the Services we provide to you. This includes when the Services terminate, although you'll still have to pay any third-party fees and charges that you incurred.
- 14.5 If you wish to cancel your application, you can do this by contacting your Adviser, or calling us on **0808 163 7601**. You can also send a letter to Legal & General Financial Advice, PO Box 17225, Solihull, B91 9US stating that you wish to cancel your application.

## 15. Complaints

- 15.1 If you have a complaint about any part of our Services, or you'd like us to send you a copy of our complaint handling procedure, please contact us by:
- writing to Legal & General Financial Advice Limited – Complaints, PO Box 17225, Solihull, B91 9US
  - freephone on **0808 163 7601**
  - email at [Complaints.LGFA@landg.com](mailto:Complaints.LGFA@landg.com)

## 16. Financial Services Compensation Scheme (FSCS)

- 16.1 We're covered by the FSCS. You may be entitled to compensation from the FSCS if we cannot meet our obligations to you under this Document, depending on the circumstances of your claim.
- 16.2 Mortgage advice is covered for where an eligible

person has experienced financial loss as a result of bad mortgage advice provided by a firm which has failed, with an upper limit of £85,000 per eligible person, per firm.

16.3 Further information about compensation scheme arrangements is available from the FSCS. You can find out more about the FSCS in the following ways:

- visit [fscs.org.uk](https://www.fscs.org.uk)
- call **0800 678 1100**
- write to the FSCS at 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU

## 17. Sending notices to you

17.1 If we need to communicate with you, we'll do so by telephone, post or email using the contact details you provide to us.

## 18. Law that applies to this Document

18.1 This Document is governed by English law and any dispute or claim relating to it will be a matter of English law. The courts of England and Wales will have jurisdiction to settle any such disputes or claims.

## 19. Our right to make changes to this Document

19.1 We may make fair and reasonable changes to this Document without your consent in the future provided that we have a good reason for doing so. For example, we may need to update these terms for the following reasons:

- to make changes which are to your benefit (including, for instance, to make any new services available to you or to make these terms clearer or fairer),
- to comply with any change in the law, regulatory requirements or codes of practice,
- to comply with any new or amended recommendations, requirements or a decision by any court, ombudsman, regulator or similar body, to provide for any change to our technology or other systems used in connection with the Services we provide to you, and
- to correct any mistakes.

19.2 If we make any changes to the terms set out in this Document, including for the reasons specified above, we will endeavour to give a minimum of 30 days' written notice in advance wherever possible. We may not be able to notify you in advance where changes are urgently required, e.g. in order to meet our regulatory obligations.

19.3 If we make a change and you do not wish to accept it then you are always entitled to terminate your relationship with us as explained in Section 14 above.

## 20. Interpretation and defined terms

20.1 Any reference to you includes any personal representative, any executor and any person appointed to manage your affairs (including by way of a Power of

Attorney or a Court Appointed Deputy) if you die or become bankrupt or someone appointed to manage your affairs. Any reference to us includes anyone we might transfer our business to in the future.

20.2 Any reference to any provision of any law includes that provision as updated or altered at any time.

20.3 References to any document include all variations, replacements and amendments to that document.

20.4 Any phrase introduced by the terms "including", "include", "in particular" or a similar expression should be understood as an example only.

20.5 Capitalised terms in this Document have the following meanings:

**Adviser** means a financial adviser representing LGFA for the purpose of providing regulated advice on Mortgages in accordance with this Document;

**Document** refers to all of the terms and conditions contained in this Document explaining the basis on which LGFA will provide our Services;

**Drawdown** means any additional borrowing under the Drawdown Facility;

**Drawdown Facility** means the facility LGHF provides you under your Lifetime Mortgage (if such a facility is available to you);

**European Standardised Information Sheet (ESIS)** means the Document named "European Standardised Information Sheet" prepared by the lender which sets out the costs and features of the Retirement Interest Only Mortgage you're considering applying for from the lender. This will be provided to you (if suitable) by your Adviser during your Recommendation Meeting;

**FCA** means the Financial Conduct Authority, or any successor body carrying out similar functions;

**FCA Handbook** means the handbook of rules and guidance published by the FCA and updated from time to time;

**Financial Services Register** means the Financial Services Register or a successor register, an online public record maintained by the FCA as updated from time to time;

**FSCS** means the Financial Services Compensation Scheme;

**Key Facts Illustration** means the Document named "Key Facts Illustration" prepared by the lender which sets out the costs and features of the Lifetime Mortgage you're considering applying for from the lender. This will be provided to you by your Adviser during your Recommendation Meeting;

**LGFA** means Legal & General Financial Advice Limited (Company Number 11901252), registered address: One Coleman Street, London EC2R 5AA;

**LGHF** means Legal & General Home Finance Limited (Company Number 04896447), registered address: One Coleman Street, London EC2R 5AA. LGHF is the lender for all L&G Mortgage products;

**Mortgage** means any mortgage offered by LGHF that

we may advise you on, which may include a Lifetime Mortgage, a Retirement Interest Only Mortgage or a Payment Term Lifetime Mortgage;

**Lifetime Mortgage** means a mortgage product provided by LGHF which is a lifetime mortgage according to the definition in the Glossary of the FCA Handbook. Broadly, this is a mortgage available to customers above a certain age, which lasts until the occurrence of certain life events (for instance, it may last for the rest of your life or until you move into long-term residential care) and the amount you owe is usually paid back from the proceeds of the sale of your property.

**Payment Term Lifetime Mortgage** is a particular type of Lifetime Mortgage where you must make monthly interest-only payments throughout an initial payment term which will end on your intended retirement date or your 75th birthday (whichever is the earlier date). At the end of the payment term, you must stop making monthly interest-only payments and instead the mortgage converts to full interest roll-up. As with all Lifetime Mortgages, this mortgage lasts until the occurrence of certain life events (for instance, it may last for the rest of your life or until you move into long term residential care) and the amount you owe is usually paid back from the proceeds of the sale of your property.

**Privacy Notice** means the Legal & General Group plc privacy notice as amended from time to time relating to the processing of personal data about you which can be found at [legalandgeneral.com/privacy-notice](https://legalandgeneral.com/privacy-notice)

**Property** means the property on which the Mortgage is or will be secured;

**Recommendation Meeting** means any meeting or call between you and your Adviser to provide you with our recommendation;

**Retirement Interest Only Mortgage** means a mortgage product provided by LGHF which is a retirement interest only mortgage according to the definition in the Glossary of the FCA Handbook. Broadly, this is a mortgage available to a customer above a certain age, which lasts until the occurrence of certain life events (for instance, it may last for the rest of your life or until you move into long-term residential care). Because it is an interest only mortgage, you only pay interest until the mortgage ends at which point the loan is repaid when your property is sold;

**Services** means the financial advice services we provide to you under this Document which are described in Section 3 of this Document.



# Call us free on 0808 163 7601

Our team of specialist Customer Service Agents can talk you through all your options from the comfort of your own home.

Monday to Friday, 8.30am–8pm.

We may record and monitor calls.

You can also email us at  
[Enquiry.LGFA@landg.com](mailto:Enquiry.LGFA@landg.com)

Please remember, we won't ask you to send any personal details. Please do not use email to share these details.



## Easier-to-read information

Please call us on **03330 048 444** if you are visually impaired and would like this document in Braille, large print, audio tape or CD.

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