

# POLICY BOOKLET.

## INTRODUCTION

Words that appear in blue bold are explained in the section headed 'Definitions'.

This Policy Booklet shows **you** the features, benefits and exclusions (things that are not covered) that apply to the policy.

### TYPE OF POLICY

Income Protection Benefit

### WHO IS COVERED

The **life insured** is covered.

### PREMIUMS

Premiums are payable monthly and start from the policy start date.

#### Guaranteed premiums

The premiums for the policy will not change unless you make changes to the policy using the options available in the section headed 'Changing your policy'.

#### Increasing cover

If **you** choose an increasing plan the premiums will increase in line with the change in the Retail Prices Index (RPI) multiplied by 1.5 subject to a maximum increase of 15% per annum.

The RPI provides an indication of inflation on a monthly basis. The RPI measures and tracks the average change in the purchase price of goods and services such as housing expenses and mortgage interest payments.

### PAYING PREMIUMS DURING THE DEFERRED PERIOD

**You** must continue to pay premiums during **your deferred period** (or **your first deferred period** if Stopped Benefit is chosen) and whilst **we** are processing **your** claim. **We** will tell **you** when **you** no longer need to pay premiums and then arrange for these to be suspended while **we** pay **your monthly benefit**. **We** will return any overpaid premiums to **you**. If **you** don't continue to pay premiums during **your deferred period**, **you** won't be able to claim a **monthly benefit** at the end of the **deferred period**.

### PAYING PREMIUMS WHEN RECEIVING A MONTHLY BENEFIT

**We** will stop taking premiums whilst **you** are being paid the **monthly benefit**.

### WHAT HAPPENS IF THE PREMIUMS ARE NOT PAID?

**We** are entitled to cancel the policy if any premiums are not paid within 30 days of their due date. If **we** cancel the policy, **your** cover will end and no further premiums will be payable. **We** will not refund any premiums already paid.

### AMOUNT OF COVER

#### Level cover

If **you** choose level cover the **monthly benefit** will stay the same unless **you** change it during the period of cover.

#### Increasing cover

If **you** choose increasing cover the **monthly benefit** will increase in line with changes in inflation on each policy anniversary with no need for further medical evidence.

The **monthly benefit**, including any increases **you** accept, will increase in line with the change in the Retail Prices Index (RPI) over a 12 month period. If **we** cannot use the RPI, **we** will use an index comparable to the RPI instead.

**We** will contact **you** at least three months before the policy anniversary to tell **you** what the increase in the **monthly benefit** and premium will be.

If the change in the RPI is less than 1% **we** will not increase the **monthly benefit**.

If the change in the RPI is more than 10% **we** will only increase the **monthly benefit** by 10% per annum.

#### Your options

Accept the increase

If **you** choose to accept the increase **you** do not need to take any action. **We** will increase the **monthly benefit** and the premium and update **your** direct debit.

a) If **your monthly benefit** increases above the maximum allowed by **your employed earnings, self-employed earnings** or if **you** are a **houseperson**, as outlined in the section headed "Payment of Claims", then the **monthly benefit** may be more than **we** will pay out if **you** make a claim.

Decline the increase

When **we** notify **you** of an increase, **we** will also give **you** the option to decline the increase. To decline an increase, **you** must complete and return the form in the letter **we** send to **you** by the date shown.

If **you** choose to decline the increase to the **monthly benefit** and premium, then **we** will withdraw the option and **you** will not be given the option to increase the **monthly benefit** in the future.

### DEFERRED PERIODS

**You** can choose from a two, four, eight, 13, 26 or 52 week **deferred period**.

If **you** choose a two week **deferred period**, subject to an initial assessment, the **monthly benefit** will start two weeks after your **deferred period** ends and then will be paid in arrears at monthly intervals.

For all other **deferred periods**, if **your** claim is accepted after **we** have assessed it both medically and financially, the **monthly benefit** will be paid in arrears at monthly intervals following the end of the **deferred period**.

If **you** choose the Stepped Benefit, **you** must choose two **deferred periods** and the stepped **monthly benefit** will become payable in two stages during a period of **incapacity**.

### NHS DENTISTS, DOCTORS, MIDWIVES, NURSES OR SURGEONS

If **you** are employed by the NHS in the UK, and are registered with the General Dentist Council (GDC) or General Medical Council (GMC), or **you** are a nurse or midwife directly employed by the NHS in the UK and registered with the Nursing & Midwifery Council (NMC) **we** can provide special terms in order to match **your** sick pay structure should **you** come to claim within **your** first 5 years of employment with the NHS.

The policy should be set up on a stepped benefit basis with a 26 and 52 week **deferred period** split, this matches **your** sick pay structure after 5 completed years of service. Should **you** need to make a claim before completing 5 years service, **we** will be able to match **your** situation at the time and start paying the **monthly benefit** when **your** NHS sick pay reduces or stops. This will not apply if **you** are an unemployed dentist, doctor, surgeon, nurse or midwife at the time of **incapacity**.

This option should only be used to cover **your** earnings through the NHS for that specific employment and will not cover any additional earnings received from a private medical practice. When calculating the **monthly benefit you** receive **we** will take into account all other income **you** receive including, for example, income from private practice, employment by GP or dental partnerships or any other healthcare businesses, as well as **your** entitlement to sick pay from **your** employer, or any other insurance policies.

In the event of a claim **you** should notify us of **your** illness or **incapacity** as soon as possible, so that **we** can obtain all the relevant and necessary evidence needed to support the claim. **We** can only provide this offering if the policy has been set up with a stepped benefit of 26 and 52 weeks. Restrictions and limits relating to the maximum allowable benefit still apply.

### HOW LONG IS COVER FOR?

The cover starts on the policy start date and ends on the earlier of:

- The **policy end date**, or
- If the policy is cancelled by **you** or **us**.

Cover will stop when the policy ends and no further premiums will be payable.

### WHAT WILL YOU BE COVERED FOR?

The **monthly benefit**, subject to the exclusions defined in the section headed 'When we will not pay a claim' will be paid if, before the **policy end date**, the **life insured** cannot work due to **incapacity** caused by an illness or an injury which results in a loss of **earnings**.

### LOW COST OPTION

If **you** have the option to choose Low Cost Option **we** will pay the **monthly benefit** for any individual claim that meets the definition of **incapacity** for a period up to either 12 or 24 months, as chosen at the start of the policy.

After any individual claim reaches the maximum benefit payment period **you** must return to work for a continuous period of 6 months before a further claim can be considered should **you** become **incapacitated** again from the same or related cause. If after any individual claim reaches the maximum benefit payment period, **you** become **incapacitated** again for an unrelated cause, there is no minimum period **you** must have returned to work for before being eligible to make a further claim. In both instances the **deferred period** will apply.

If any individual claim does not reach the maximum duration of the maximum benefit payment period and **you** become **incapacitated** for the same or related cause within 12 months **we** will consider this a linked claim (see section headed 'Linked Claims'). The **monthly benefit** payments will continue until the maximum benefit payment period is reached.

If **you** are a **houseperson**, once the maximum benefit payment period has been reached, the policy will end and **we** will stop paying the **monthly benefit** and will not collect any more premiums. This can be made up of a single claim or a number of shorter claims that equal the maximum benefit payment period in total.

### STEPPED BENEFIT

If **you** choose the Stepped Benefit **you** will have two **deferred periods** and two levels of **monthly benefit**. **You** choose these when **you** apply for the policy.

If **you** are **incapacitated**, **we** will pay **you** the lower **monthly benefit** at the end of the first **deferred period**.

If **you** continue to be **incapacitated**, the **monthly benefit** will increase at the end of the second **deferred period** and **we** will pay **you** the higher **monthly benefit** instead of the lower **monthly benefit**.

The **monthly benefit** is subject to the maximum benefit limits as specified in the section headed 'Payment of Claims'.

The stepped **monthly benefits** should be set up for no more than the difference between **your** maximum **monthly benefit** and **your** continuing monthly net income. For the purpose of the policy, continuing income includes any income payable from:

- an employer such as sick pay,
- a business including dividends
- investments if this is taken into account when determining **your** maximum **monthly benefit** level, and
- a pension, ill-health early retirement scheme or regular payments to which **you** would be entitled from any other insurance policies due to the same **incapacity** to which any claim under the policy relates. For this purpose **you** should take into account payments made direct to a lender on **your** behalf, for example payments under a mortgage payment or credit protection policy.

This specifically excludes income from savings.

### HOSPITALISATION BENEFIT

**You** become eligible for Hospitalisation Benefit if, as a direct result of **your incapacity**, **you** spend at least seven consecutive nights in hospital during **your deferred period**.

The benefit payable is one thirtieth of **your monthly benefit** for each night **you** stay in hospital up to a maximum of £150 per night. **We** will pay this from the 8th day following seven consecutive nights in hospital until the earliest of:

- Leaving hospital,
- The end of the **deferred period**,
- The end of the 13th week of stay,
- The **policy end date**, or
- **Your** death.

If **you** choose Stepped Benefit the Hospitalisation Benefit will be based on **your** lower **monthly benefit**.

**COVER PAYABLE UPON DEATH (LIFE COVER)**

If **you** die before the **policy end date we** will pay life cover equal to 12 monthly premiums.

This is a single payment based on the premiums applicable to the policy immediately prior to **your** death. Once **we** have made this payment the policy will end.

**WHEN WE WILL NOT PAY A CLAIM**

**We** won't consider a claim that arises solely from the normal effects of pregnancy. Complications of pregnancy and/or childbirth which lead to **your incapacity** are covered by **your** policy. This will need to be diagnosed and confirmed to **us** by **your** doctor or medical consultant.

Should **you** become **incapacitated** during the final 12 months of the policy, no **monthly benefit** will be payable if the **deferred period** ends after the **policy end date**.

**DEFINITION OF INCAPACITY**

To claim for the **monthly benefit you** will need to meet one of the **incapacity** definitions listed below.

**Incapacity definition: Own occupation**

If **you** are in **gainful employment** or **gainful self-employment** at the time of **incapacity we** will consider **you** to be **incapacitated** once **we** have assessed **your** claim as set out in the section headed "Assessing your claim" and are satisfied that **you** have no capacity for working in **your own occupation**, on any basis, as a direct result of **your** injury or illness.

**Incapacity definition: Activities of Daily Living**

If **you** are a **houseperson** at the time of **incapacity we** will consider **you** to be **incapacitated** once **we** have assessed **your** claim as set out in the section headed "Assessing your claim" and are satisfied that **you** are unable to undertake at least three of the tasks from the activities listed below for a sustained period and as a direct result of **your incapacity**.

<b>Walking</b>	The ability to walk more than 200 metres on a level surface.
<b>Climbing</b>	The ability to climb up a flight of 12 stairs and down again, using the handrail if needed.
<b>Lifting</b>	The ability to pick up an object weighing 2kg at table height and hold for 60 seconds before replacing the object on the table.
<b>Bending</b>	The ability to bend or kneel to touch the floor and straighten up again.
<b>Getting in and out of a car</b>	The ability to get into a standard saloon car, and out again.
<b>Writing</b>	The manual dexterity to write legibly using a pen or pencil, or type using a desktop personal computer keyboard.

**COUNTRIES WHERE COVER IS PROVIDED**

The policy will remain in force if:

- **you** reside in or travel to any part of the countries that form part of the European Union, USA, Canada, Australia, New Zealand, the Isle of Man or the Channel Islands, or
- **you** reside or travel for up to 12 consecutive months in any other part of the world. However, the **monthly benefit** provided by the policy will not be payable for more than six calendar months for **incapacity** while **you** are outside the countries listed above.

### CHANGING YOUR POLICY

This option can be used a maximum of three times per policy.

On the occurrence of specified events **you** have the option to increase the **monthly benefit** without the need for further medical information. If the following do not apply when **you** want to change **your** cover then there are alternative ways outlined in the section headed 'Other Changes'.

**You** can increase the **monthly benefit**:

- a) if **you** receive an increase of **earnings** due to change of employment or promotion,
- b) if **you** increase **your** mortgage,
- c) on every third policy anniversary date.

This option must be used within six months of the event and if **we** request relevant documents in relation to the events a), b) and c) stated above, **you** must provide them to **us**.

#### The monthly benefit can increase by

For all increases, the **monthly benefit** may only be increased on each occasion by up to 50% of the original **monthly benefit**, subject to a maximum of £833.33 per month. This is providing the **monthly benefit** does not exceed the maximum allowed as set out.

#### How we provide cover for an increase

If **you** use this option **we** will set up an additional policy in respect of the increase, which will:

- not allow **you** to increase **your** cover without additional medical evidence,
- not extend beyond **your** 70th birthday or the **policy end date** of the policy whichever is earliest,
- only be an Increasing Income Protection Plan if **you** choose increasing cover and the option to increase is accepted by **you** at all policy anniversary dates,
- not have a **deferred period** shorter than the **deferred period** of this policy.

If **you** choose Stepped Benefit the first **deferred period** of the new policy will not have a first **deferred period** shorter than the original policy.

If **you** have the option to choose the Low Cost Option, the new policy will not have a maximum benefit payment period longer than the original policy.

The additional policy will be subject to **our** premiums and terms and conditions for such policies at the time the additional policy is issued.

In circumstances where **we** no longer offer the chosen policy at the time **you** wish to use this option, **we** will offer **you** a reasonable available alternative.

#### When this option is not available

This option will not be available to **you**:

- after **your** 50th birthday,
- if a valid claim has been made,
- if **you** are **incapacitated** as defined in the section headed "Definition of Incapacity".

### OTHER CHANGES

**You** can request any of the following changes to **your** policy:

- Extend or reduce the **policy end date**,
- Decrease the **monthly benefit**,
- Increase or decrease the **deferred period**.

#### What we may need to process your request

- a) **You** consent to the changes by completing and returning a plan amendment form issued by **us**, which includes a short questionnaire about **your** health and medical history.
- b) If **you** answer 'yes' to any of the questions in the plan amendment form, **we** may require **you** to complete a full application in order to make the changes to **your** policy. Where **we** undertake a full medical and lifestyle assessment, depending on the answers there may be circumstances where **we** may not be able to offer cover to **you**.
- c) Any documents reasonably required by **us** to support **your** request.

#### How we will provide cover

**We** will confirm if the change **you** have requested means the original policy has to be cancelled and a new policy issued, which may have different terms and conditions.

Any changes **you** make may affect the premiums that are payable. **We** will confirm the change **you** have made.

### GENERAL CONDITIONS

- The policy is between **you** and **us**, and **you** may not assign, transfer, mortgage, charge or deal in any other manner with the benefit of the policy (in whole or in part).
- During the application process **we** will ask **you** questions about **your** personal circumstances and **we** may request additional information from **you** in order to make an assessment and offer **you** a policy. **You** are required to answer all of our questions honestly and accurately.
  - a) If **you** (or an agent acting on **your** behalf) deliberately or recklessly provide inaccurate information **we** are entitled to cancel the policy and refuse to pay the **monthly benefit**. In these circumstances **we** may not refund any premiums **you** have already paid.
  - b) If **you** (or an agent acting on **your** behalf) provide inaccurate information through carelessness, **we** are entitled to amend the policy to reflect the terms that would have been offered had the accurate information been known. In these circumstances:
    - i. if **we** would not have issued **your** policy had the accurate information been provided, **we** are entitled to cancel **your** policy, however **we** will refund any premiums **you** have already paid;
    - ii. if **we** would have issued **your** policy on different terms and conditions (other than those relating to premiums) had the accurate information been provided, **we** may make changes to **your** policy and treat **your** policy as if it had been issued on the different terms and conditions;
    - iii. in addition, if **we** would have issued **your** policy with higher premiums had the accurate information been provided, **we** may reduce the **monthly benefit** to reflect the higher premiums that would have applied had the accurate information been provided. The following formula will be used in these circumstances:

$$\text{New monthly benefit} = \frac{\text{Premium actually charged}}{\text{Higher premium}} \times \text{original monthly benefit}$$

- **We** can only pay **your monthly benefit** in sterling to a UK bank account in the UK. **We** won't cover the cost of transferring the benefits outside of the UK.
- When giving instructions in relation to any provision of the policy, **you** should send a copy of the Policy Booklet, clear written instructions and proof of title to the policy, to **our** principal office, see the section headed "How to contact us". **We** will notify **you** of any other evidence that **we** may reasonably require.
- If due to **incapacity you** are unable to sign the claim forms, provided this is supported by medical evidence and any other evidence which **we** may reasonably request, **we** may make payments to **you** without your signature. If payments are to be made to anyone other than **you**, that person must have a power of attorney to deal with **your** affairs. **We** will need to see the original power of attorney before **we** will pay **your monthly benefit** to them.
- All rights mentioned in the policy are conferred upon the **life insured** of the policy, or in the event of the death of the **life insured**, their successor in title, and the phrases "**you**" and "**your**" wherever used should be construed accordingly.
- **We** may make changes to these policy terms and conditions that **we** reasonably consider are appropriate due to a change in any applicable legislation, regulation or taxation. In such circumstances, **we** will notify **you** in advance of any changes being made.
- **You** cannot take out this policy if **you** haven't been registered with a doctor in the United Kingdom for at least the last two years.
- The policy is governed by English Law.
- All communication in relation to the policy will be in English.



### MAKING A CLAIM

#### Notifying us of a claim

To make a claim under the policy, please notify **us** using **our** claims contact details in the section headed 'How to Contact us'.

If **You** choose:

- A two week **deferred period**, **you** must tell **us** as soon as **your** doctor confirms **you** will be **incapacitated** for more than two weeks.
- A four week **deferred period**, **you** must tell **us** within two weeks of the start of **incapacity**.
- An eight, 13, 26 or 52 week **deferred period**, **you** must tell **us** within four weeks of the start of **incapacity**.

If **you** delay in telling **us** of a claim the **deferred period** may be deemed to have started not more than two weeks before the date **we** were notified of a claim, if **you** have a two week **deferred period**. Or four weeks before the date that **we** were notified of a claim for all other **deferred periods**.

**You** must not be working in any **occupation** during the **deferred period** and whilst the **monthly benefit** is being paid. When claiming **we** will need **your** policy number, **your** GP/Doctors contact details and **your** contact details.

### ASSESSING YOUR CLAIM

#### Two week deferred period

If **you** choose a two week **deferred period** **we** will undertake an initial assessment of **your** claim. **We** will require **you** to get **your** doctor to complete a questionnaire, which **you** may need to cover the cost for. **You** will also need to provide **us** with fit notes from **your** GP and **you** may need to undergo a telephone assessment with one of **our** Rehabilitation Team. **You** will need to provide evidence of **your earnings** to help determine how much **you** will receive during this period. In the event that **you** are unable to provide this, **we** will make payments up to the Income Guarantee. Depending on the outcome of this initial assessment, **we** will start **your monthly benefit** payments at the end of the **deferred period** and will pay them in arrears.

Following **our** initial assessment, **we** will then undertake a more detailed assessment of **your** claim in order to establish whether **we** can continue to provide benefit payments during **your** period of **incapacity**. **We** will request any relevant financial information, such as proof of **your** earnings, and medical consent to allow **us** to contact **your** doctor(s). When **we** have received all forms and **your** medical consent, **we** will request medical information from the doctor(s) treating **you** so **we** can fully assess **your** claim. If **you** are in **gainful employment** **we** will request **your** consent to allow **us** to obtain information relevant to **your** claim from **your** employer.

**We** will make **interim payments** until **our** detailed assessment has been completed or for two months, whichever is earlier. Depending on the outcome of the detailed assessment, **we** will continue making payments or stop paying **your monthly benefit**. **We** may reclaim any payments that have already been made.

If **you** do not provide any information or documentation that would reasonably be required to assess the claim, **we** will not continue to process the claim until the information or documentation is made available.

This will only apply to **your** first two claims. **We** reserve the right for any further claims to go through a full claims assessment before any **monthly benefit** can be considered, as described in the section headed 'All other deferred periods' below.

#### All other deferred periods

**We** will need some information from **you** such as details of **your incapacity**.

**We** will also request any relevant financial information, such as proof of **your** earnings and medical consent from **you** to allow **us** to contact **your** doctor(s). When **we** have received all forms and **your** medical consent, **we** will request medical information from the doctor(s) treating you so **we** can consider **your** claim. If **you** are in **gainful employment** **we** will request **your** consent to allow **us** to obtain information relevant to **your** claim from **your** employer.

If **we** accept **your** claim **we** will start **your monthly benefit** payments at the end of the **deferred period** and will pay them in monthly arrears.

If **you** do not provide any information or documentation that would reasonably be required to assess the claim, **we** will not process the claim until the information or documentation is made available.

### PAYMENT OF CLAIMS

#### Maximum monthly benefit payable

We will limit **your monthly benefit** payment as follows:

- a) If **you** are **gainfully employed** at the point of **incapacity** the total amount of **monthly benefit** payable in any one year will be limited to 60% of **your** yearly **employed earnings** up to, and including, £60,000 plus 50% of **your employed earnings** over £60,000.
- b) If **you** are **gainfully self-employed** at the point of **incapacity** the total amount of **monthly benefit** payable in any one year will be limited to 60% of **your** total yearly **self-employed earnings** up to, and including, £60,000 plus 50% of **your** yearly **self-employed earnings** over £60,000. If **you** were self-employed for 12 months or less, **we** will limit **your** total **monthly benefit** to 35% of **your** yearly **earnings** at the point of **incapacity**.

Whether you are **gainfully employed** or **gainfully self-employed** at the point of **incapacity**, the total **monthly benefit** limit includes the following sources of continuing income:

- 60% of any **gross income** from an employer such as sick pay,
- 60% of any **gross income** from a business including dividends, received from a private business to represent **your** share in net trading profit,
- 60% of any **gross income** from investments if this is taken into account by **us** in determining **your earnings** for the **monthly benefit** level,
- 60% of **gross income** from any pension or ill-health early retirement schemes due to the **incapacity** to which any claim under the policy relates, and
- any regular payments to which **you** are entitled from any other insurance policies due to the **incapacity** to which any claim under the policy relates. For this purpose **we** will take into account payments made direct to a lender on **your** behalf, for example payments under a mortgage payment or credit protection policy.

This specifically excludes:

- any income from savings.

The **earnings we** use for assessment relates to **your earnings** immediately before **your incapacity**.

The benefit **we** pay may affect **your** claim to some means-tested State benefits. Any employment related non-means tested state benefits (such as contributory Employment and Support Allowance (ESA) and Statutory Sick Pay) will not be deducted from the **monthly benefit**.

### INCOME GUARANTEE

**Your monthly benefit** at claim is calculated based on **your earnings** immediately before **you** are **incapacitated**, not **your earnings** at the start of **your** policy. This could mean that if **your earnings** go down, **you** may not receive what **you** ask for. The Income Guarantee is in place to ensure the **monthly benefit we** pay **you**, plus any continuing income **you** receive whilst **incapacitated**, provides **you** with the chosen **monthly benefit**, subject to a specified limit.

If **you** are an NHS dentist, doctor, midwife, nurse or surgeon **we** will base the Income Guarantee on the lower of £3,000 per month or **your** chosen **monthly benefit** at the start of **your** policy even if **your** earnings at the time of claim do not support this level of **monthly benefit**.

If **you** are **gainfully employed** or **gainfully self-employed we** will base the Income Guarantee on the lower of £1,500 per month or **your** chosen **monthly benefit** at the start of **your** policy even if **your earnings** at the time of claim do not support this level of **monthly benefit**.

If **you** are a **houseperson** at the time of **your incapacity you** will not qualify for the Income Guarantee

Other sources of continuing income **you** receive whilst **incapacitated**, as listed in the section headed "Payment of Claims", will be deducted from the **monthly benefit** stated in **your** Policy Booklet, or the maximum **monthly benefit** at the time of claim, whichever is greater.

If **you** are **gainfully employed** or **gainfully self-employed** and the chosen **monthly benefit** is more than £1,500 per month and the maximum **monthly benefit** at claim is less than £1,500 per month, or **you** are an NHS dentist, doctor, midwife, nurse or surgeon and the chosen **monthly benefit** is more than £3,000 per month and the maximum **monthly benefit** at claim is less than £3,000 per month, any continuing income will be deducted from the Income Guarantee.

As **your** continuing income reduces, or comes to an end, the **monthly benefit** payable during the claim will increase up to but not exceeding the Income Guarantee, including any increases already made due to indexation.

### OVERALL MAXIMUM MONTHLY BENEFIT

The overall maximum **monthly benefit** is subject to a limit of £240,000 a year whether a) or b) in the section headed "Payment of Claims" applies. This maximum limit includes the continuing income listed in the same section.

If an Increasing Income Protection Benefit Plan is chosen the maximum **monthly benefit you** can have is £14,000 per month (up to a maximum of £168,000 per year).

### IF YOU ARE A HOUSEPERSON AT THE POINT OF INCAPACITY

**We** will limit the total amount payable in any one year to the lower of 12 times the **monthly benefit** or £1,666.67 per month, less any continuing income **you** receive whilst **incapacitated** as listed in the section headed "Payment of Claims".

### LINKED CLAIMS

If, within 12 months from the date that **you** return to **your occupation**, **you** become **incapacitated** again from the same or a related cause, **we** will consider this a linked claim and will not apply the **deferred period**.

This means **we** will start payment of the **monthly benefit** immediately, subject to any restrictions **we** explain.

### CONTINUOUS COVER

Should **you** become **incapacitated** during:

a) a period of not being **gainfully employed** or **gainfully self-employed**, **you** will be entitled to receive the lower of the **monthly benefit** or £1,666.67 per month. **We** will pay this if **you** meet the definition of **incapacity** as described in the section "Definition of Incapacity" for the duration of **your incapacity**.

If **you** return to **gainful employment** or **gainful self-employment**, **your** definition of **incapacity** will return to the definition shown in the Policy Booklet.

b) any period of **statutory maternity, paternity or adoption leave**, **you** will be entitled to receive the **monthly benefit** provided **you** are in **gainful employment** or **gainful self-employment** immediately before taking this **statutory maternity, paternity or adoption leave**. The definition of **incapacity** used will be Own Occupation as stated in the Policy Booklet.

### PROPORTIONATE BENEFIT

If **you** return to **gainful employment** or **gainful self-employment** on a lower level of **earnings** than **you** received immediately before **your incapacity**, directly as a result of **your incapacity**, the proportionate **monthly benefit** will be payable.

The Proportionate Benefit will be equivalent to the reduction in **your earnings** compared to **your earnings** in the 12 months before **incapacity**.

To be eligible for Proportionate Benefit **you** must have received **monthly benefit** due to **incapacity** before resuming **gainful employment** or **gainful self-employment** on reduced **earnings**.

If **you** have the option to choose the Low Cost Option the Proportionate Benefit will not be payable if **you** return to work on a lower level of **earnings** after an individual claim has reached the maximum benefit payment period. If the claim does not reach the maximum benefit payment period payments and **you** return to work on a lower level of **earnings** the Proportionate Benefit would be payable for the remainder of the maximum benefit payment period.

### CONDITIONS

For **us** to make the **monthly benefit** payments, **you** must be under regular and appropriate medical treatment as agreed with **your** treating doctor(s) for the condition that **you** are claiming for and must comply with the treatment recommendations. This may include:

- medication,
- physiotherapy, and/or
- taking part in a rehabilitation programme, counselling or therapy.

**We** may also request that **you**:

- attend medical examinations,
- supply information relating to **your incapacity**,
- be available, if required, to meet with an appointed representative at **your** home for an interview in respect of the claim,
- undergo medical investigations (including blood tests), and/or
- produce medical and financial evidence in order to support the claim.

The claim will be reviewed on both medical and financial grounds on a regular basis. If **you** don't provide the evidence **we** ask for **we** may stop **your monthly benefit** payments.

The **monthly benefit** will be paid in arrears following the end of the **deferred period** and at monthly intervals until the earliest of:

- the end of **your incapacity**,
- the **policy end date**,
- **your** death, or
- **you** have reached the maximum claims period as specified in the section headed 'Low Cost Option' (if **you** choose the Low Cost Option).

## HOW TO CONTACT US

	Phone number	Contact Address
General Enquiries Change your policy Cancel your policy	0370 010 4080*	Legal & General Assurance Society Limited City Park The Droveaway Hove East Sussex BN3 7PY
Make a claim	0800 027 9830*	Legal & General Assurance Society Limited City Park The Droveaway Hove East Sussex BN3 7PY
Make a complaint	0370 010 4080*	Legal & General Assurance Society Limited Knox Court 10 Fitzalan Place Cardiff CF24 0TL

\***We** may record and monitor calls. Call charges will vary.

## HOW TO CANCEL THE POLICY

**You** can cancel the policy at any time. Once the policy starts **we** will provide **you** with a notice of **your** right to cancel.

If **you** cancel the policy within 30 days of receiving both the notice and the policy, **we** will refund any premiums paid. If **you** cancel the policy after 30 days, **you** will not get any money back.

If **you** cancel the policy, the cover will end and no further premiums will be payable.

## HOW TO MAKE A COMPLAINT

If **you** wish to complain about the service **you** have received from **us**, or **you** would like **us** to send **you** a copy of **our** internal complaints handling procedure, please contact **us**.

If **you** remain dissatisfied, **you** can complain to:

The Financial Ombudsman Service

Exchange Tower

London

E14 9SR

Telephone:

- 0800 023 4567
- 0300 123 9 123

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Making a complaint will not affect **your** legal rights.

## ONLINE DISPUTE RESOLUTION (ODR Platform)

The European Commission has established an Online Dispute Resolution Platform (ODR Platform)

<https://ec.europa.eu/consumers/odr/main/?event=main.home.show> that is specifically designed to help EU consumers who have bought goods or services online from a trader based elsewhere in the EU and subsequently has a problem with that online purchase. The ODR Platform will refer **your** complaint to the Financial Ombudsman Service who will pass it on to **us**.

### THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

The FSCS is designed to pay compensation if a firm is unable to pay claims, because it has stopped trading or been declared in default.

So, if **we** run into financial difficulties, **you** may be able to claim via the FSCS, for any money you've lost. However, before looking to pay compensation, the FSCS will first see if they can arrange for the continuity of **your** current policy. The FSCS may arrange for **your** policy to be transferred to another insurer or arrange for a new policy to be provided.

Most of **our** customers, including most individuals and small businesses, are covered by the FSCS. Whether or not **you** can claim, and the amount **you** could claim, will depend on the specific circumstances of **your** claim. The FSCS will pay 100% of the value of the claim.

**You** can find out more about the FSCS, including eligibility to claim, by visiting its website

**www.fscs.org.uk**

or calling

**0800 678 1100.**

The rules of the FSCS might change in the future and the FSCS may take a different approach on their application of the above, depending on what led to the failure.

### SOLVENCY AND FINANCIAL CONDITIONS REPORT (SFCR)

**We** are required to publish an annual Solvency and Financial Condition Report (SFCR) describing **our** Business and its Performance, **our** System of Governance, Risk Profiles, Valuation for Solvency Purposes and Capital Management. **Our** latest SFCR is available at: [www.legalandgeneralgroup.com/investors/library](http://www.legalandgeneralgroup.com/investors/library).

## DEFINITIONS

### Deferred period(s)

The number of consecutive weeks of **incapacity** during which no **monthly benefit** is payable and which must pass before any **monthly benefit** is paid. The **deferred period** is shown in **your** Policy Booklet. If stepped **monthly benefit** applies to **your** policy, the lower **monthly benefit** will be payable during the time between expiry of the 1st and expiry of the 2nd **deferred periods**. After the 2nd **deferred period** has expired, the higher **monthly benefit** will be payable.

### Earnings

**Your earnings** in respect of **your gainful employment** or **your gainful self-employment**.

### Employed earnings

- Pre-tax **earnings** for PAYE assessment purposes earned in the 12 months before **incapacity** as detailed on **your** P60 or previous 12 months' pay slips.
- P11D benefits provided that they are not paid during any period of **incapacity**.
- Dividends from a private limited company (if applicable) where **you** are in **gainful employment** and they:
  - represent **your** share in the net trading profit, and
  - are not paid during any period of **incapacity**.

### Gainful employment and Gainfully employed

Working for at least 16 hours per week under a written contract of employment and receiving a salary or wage.

### Gainful Self-Employment and Gainfully self-employed

Working for profit for at least 16 hours per week (either alone or with others) and being liable to pay Income Tax and/or National Insurance Contributions.

### Gross income

**Your** income before tax is deducted.

### Houseperson

**You** will be deemed a **houseperson** for the purposes of these terms and conditions if **you** do not meet **our** definition of **gainful employment** or **gainful self-employment**.

### Incapacity and Incapacitated

**Your** inability, caused by illness or injury, to carry out **your gainful employment** or **gainful self-employment**. If **you** are a **houseperson** **your** inability to carry out three of the Activities of Daily Living.

### Interim payments

A sum of money to be paid whilst **your** claim is being fully assessed. **Interim payments** will continue until **we** have completed **our** detailed assessment of **your** claim or for two months, whichever is earlier.

### Life insured

The person who is named as the **life insured** under the policy as shown in the Policy Booklet.

### Monthly Benefit(s)

The benefit chosen at the start of the policy, which may differ at the time of making a valid claim.

### Our, us or we

Legal & General Assurance Society Limited.

### Occupation

Any trade, profession or type of work resulting in a salary or wage if employed, or for profit or reward if self-employed. It is not specific to any particular employer or job description.

### Policy end date

The date that cover under the policy will end.

### Statutory maternity, paternity or adoption leave

The duration of statutory leave as set out and defined by government regulation.

### Self-employed earnings

For the purpose of the policy, **self-employed earnings** means:

- Evidence of **your** share of the annual pre-tax profit. This is the total income from the business less any expenses from running that business as permitted under HMRC guidelines.
- If **you** are self-employed for three years or more, **we** will calculate **your** yearly **earnings** based on **your** average annual pre-tax profit over three complete years prior to **incapacity**.
- If **you** are self-employed for less than three years, **we** will calculate **your** yearly **earnings** based on **your** average annual pre-tax profit during the period of self-employment prior to **incapacity**.

### You or your

The person who is named as the **life insured** in the Policy Booklet.



[www.legalandgeneral.com](http://www.legalandgeneral.com)



**Legal & General Assurance Society Limited**

Registered in England and Wales No. 00166055

**Registered office:** One Coleman Street, London EC2R5AA

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.