ROYAL LONDON

PLAN DETAILS FOR **THE PERSONAL MENU PLAN**

April 2016

Protection | Personal Menu

WE GIVE THIS BOOKLET TO EVERYONE WHO BUYS A PERSONAL MENU PLAN. IT CONTAINS THE PLAN'S TERMS AND CONDITIONS, AND IT TELLS YOU HOW YOUR PLAN WORKS. IT ALSO EXPLAINS HOW TO MAKE A CLAIM, KEEP YOUR PREMIUMS UP-TO-DATE AND HOW TO MAKE CHANGES.

These terms and conditions are part of the contract between the plan owner and **Royal London** so please keep them in a safe place, as **you** may need them in the future.

The contract between **you** and **Royal London** consists of **your application** to **us**, these terms and conditions, the cover summary for each cover that **you** buy and any **endorsements** to these terms and conditions that **we** give **you**. Where there's a conflict between the terms and conditions and the cover summary, the terms set out in the cover summary will apply.

Cancelling your plan

If, after taking out the plan, **you** feel it isn't suitable, **you** may cancel it by writing to **us** at the address shown on page 4. If **you** do this within 30 days of it starting, **we'll** return any premiums **you've** paid. If **you** cancel after the first 30 days, **we** won't refund any of the premiums.

If **you** would like this booklet or any other information in large print, in braille or on cassette or CD, please call 0345 6094 500.

Before you start, please note…

Any words in **bold** are defined in section 7.

WHAT'S INSIDE

TELLING US ABOUT CHANGES

Changes before your plan starts

You must tell **us** if there's a change to anything in **your application** after **you've** applied for **your** plan, but before the **date we assume risk**. These changes could be affecting **you** or the **person covered**. For example, a change to health, **occupation** or leisure activities. If **you** don't let **us** know about any changes **we** might not pay out. Or, **we** might change the terms of **your** plan or cancel it.

We'll give **you** a copy of **your** application form, and any other information **we've** been given, if **you** ask **us**. It will help if **you** have **your** plan number to hand when **you** contact **us**.

Changes at any time

At any time, please remember to tell **us** if:

- **you** or the **person covered** stop being resident in **the UK**, Jersey, Guernsey or the Isle of Man
- **you** or the **person covered** change **your** name
- **you** change **your** address
- **you** change **your** bank account

You can:

- Phone **us** on 0345 6094 500
- Email **us** at protectionhelp@royallondon.com
- Fax **us** on 0345 6094 522
- Write to **us** at Royal London, 1 Thistle Street, Edinburgh EH2 1DG
- Visit **us** at **royallondon.com**

If **you** phone **us**, **we** might record or monitor **your** call so **we** have an accurate record of anything **you** tell **us**.

1. SUMMARY OF THE MAIN COVERS

You choose which covers to have in your plan, depending on what you need.

Income Protection

This pays you an income if the person covered can't work because of an illness or injury and they meet our definition of incapacitated.

Unemployment Cover

This pays you an income if the person covered is made redundant or unemployed through no fault of their own, or if they have to give up work to become a carer for a relative full-time.

Life Cover

This pays out if the person covered either dies or is diagnosed with a terminal illness that meets our definition.

Critical Illness Cover

This pays out if the person covered is diagnosed with a critical illness we cover that meets our definition, or if they meet our definition of total permanent disability.

Life or Critical Illness Cover

This pays out if the person covered either dies or is diagnosed with a terminal illness or critical illness we cover that meets our definition, or if they meet our definition of total permanent disability.

Waiver of Premium (Sickness)

This pays your plan premiums if the person covered can't work or carry out a number of living tasks because of an illness or injury and they meet our definition of incapacitated.

Waiver of Premium (Unemployment)

This pays your plan premiums if the person covered is made redundant or unemployed, or they give up work to become a carer for a relative full-time.

You'll find claim definitions for these covers in section 5.

2. HOW YOUR PLAN WORKS

Paying claims

How to make a claim

If **you** or **your** representatives want to make a claim, please call **us** on 0345 609 4500. Before **you** call, please read through the information below. Please contact **us** as soon as possible, so **we** can help **you** as quickly as **we** can. It will help **us** if **you** have **your** plan number to hand when **you** contact **us**.

If **you're** living or working outside **the UK** and want to make a claim, **we** might need **you** to return to one of the countries listed opposite. This doesn't apply to claims for Life Cover or Unemployment Cover.

- The UK
- Australia
- Austria
- Belgium
- Bulgaria
- Canada
- Channel Islands
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Gibraltar
- Greece
- Hong Kong
- Hungary
- Iceland
- Ireland
- Isle of Man
- Italy
- Japan
- Latvia
- Liechtenstein
- Lithuania
- Luxembourg
- Malta
- The Netherlands
- New Zealand
- Norway
- Poland
- Portugal
- Slovakia
- Slovenia
- South Africa
- Spain
- Sweden
- Switzerland
- USA

For Unemployment Cover claims **you** must be resident in **the UK**, Jersey, Guernsey or the Isle of Man.

What happens when you make a claim

We'll send **you** a claim form – please fill it in and send it back to **us**. Depending on what **your** claim is for, **we'll** also ask for other information. For example:

- a birth, marriage or death certificate
- medical information, or medical records
- proof that **your** income has changed
- paperwork about **your** mortgage
- proof that **your** name has changed

We'll pay the reasonable cost of all medical reports or evidence **we** ask for.

Who we'll pay

We'll pay the cover amount to the person who is legally entitled to receive it. This will depend on **your** claim, **your** circumstances at the time, and whether the plan has been assigned or put under trust.

We usually pay the plan owner or, if they've died, their personal representatives. If a personal representative wants to claim, they must send **us** an original Grant of Representation or Confirmation. If there are two plan owners **we'll** pay them jointly. If one of them has died, **we'll** pay the survivor of them.

If the plan has been assigned, **we'll** pay the assignee. If an assignee wants to claim, they must send **us** the original Deed of Assignment.

If the plan is under trust, **we'll** pay the trustees. The trustees must then follow the terms of the trust to distribute the money to the chosen beneficiaries. If trustees want to claim, they must send **us** the original Trust Deed, and any original deeds altering the trust.

When we will and won't pay a claim

If the information **you** send is correct and complete, and **your** claim is valid according to these terms and conditions, **we'll** pay **your** claim.

If **you** don't send **us** everything **we** ask for, or if the information **you** provide is incorrect or incomplete, **we** might not be able to pay **your** claim. If **we've** already started paying it, **we** might stop until correct and complete information has been provided.

We might also stop or not pay **your** claim if:

- **you** or the **person covered** didn't answer the questions on **your application** fully, honestly and to the best of **your** or their knowledge
- **you** didn't tell **us** about a change in circumstances between when **you** originally submitted **your application** and **the date we assumed risk**. This includes information about the **person covered's** health, **occupation** or leisure activities

Rules that apply to all types of cover

We'll pay a claim for a cover if:

- the cover is shown on **your** cover summary
- the claim is made during the term of that cover
- any **deferred period** shown on **your** cover summary has passed

We won't pay a claim if:

- it's the result of an **exclusion** shown on **your** cover summary
- it's the result of **intentional self-inflicted injury**, unless it's a claim for unemployment or death more than 12 months after the cover starting or restarting.

Claims for incapacity

This applies if **you** have Income Protection or Waiver of Premium (Sickness).

When we'll pay

We'll pay a claim if the **person covered** meets **our** definition of incapacitated for a continuous period longer than the **deferred period** shown on **your** cover summary. **You'll** find the definition of incapacitated in section 5.

We'll continue paying until:

- the **person covered** no longer meets the definition of incapacitated
- the **person covered** goes back to **work**
- the **cover payment period** ends – if one's shown in the additional features of **your** cover summary
- the cover ends, or
- the **person covered** dies

To confirm that the **person covered** meets our definition, **we** might:

- ask the **person covered** to be examined by a doctor or health specialist **we** choose
- ask for any other evidence **we** may reasonably require.

When we won't pay

If **we** don't get medical information that **we** ask for, **we** might not pay **your** claim.

If there's more than one **person covered** for Waiver of Premium (Sickness) and both meet **our** definition at the same time **we'll** only cover the plan premiums once.

Connected claims

A connected claim happens if **we** start to pay a claim, and the **person covered** then goes back to **work** but has to stop **work** again within the next 52 weeks.

We'll treat **your** further claim as connected as long as:

- the **person covered** didn't go back to **work** again against their doctor's advice
- the **person covered** meets **our** definition of incapacitated from the same cause as the original claim; and
- the **person covered** is in the same **occupation** when the further claim starts

A connected claim doesn't have a **deferred period**, so **we'll** start to pay the claim again straightaway.

How your cover payment period affects a connected claim

If the additional features of **your** cover summary shows **you** have a **cover payment period, we'll** only pay a connected claim for the remainder of this period if the **person covered** returns to **work** before this period ends.

This remainder is the difference between **your cover payment period** and how long in months **we** paid **your** claim before the **person covered** went back to **work**. For example, **if your cover payment period** is 24 months and **we've** paid **your** claim for eight months, **we'll** pay for another 16 months if the **person covered** has to stop **work** again and they meet **our** definition of incapacitated.

If the **person covered** goes back to **work** after the end of the **cover payment period**, **we** won't pay any further claim for any cause until the **person covered** has been back at **work** for at least 52 continuous weeks.

Claims for unemployment

This applies if **you** have Unemployment Cover or Waiver of Premium (Unemployment).

We'll pay a claim if the **person covered** is made unemployed through no fault of their own, or they have to give up **work** to become a carer for a **relative full-time**. **You'll** find the definition of unemployed in section 5.

We'll continue paying until:

- the **cover payment period** ends, if one's shown in the additional features of your cover summary
- the cover ends
- the **person covered** goes back to **work**
- the **person covered** no longer meets the definition of unemployed; or
- the **person covered** dies

We won't pay if:

- the **person covered** knew when they took out the cover, or could reasonably be expected to have known, that they were going to be made redundant, or that they were going to become a carer for a **relative full-time**
- the **person covered** lost their job because of misconduct, including taking part in industrial action, failing to meet their employer's standards or anything else that made their employer take disciplinary action against them
- the **person covered** chose to become unemployed or be made redundant, resigning for whatever reason, retiring, leaving their employment voluntarily or accepting early retirement in lieu of unemployment, unless they did so to become a carer for a **relative full-time**
- the **person covered** becomes unemployed, or is notified that they'll become unemployed, within eight weeks of the cover starting or the **date we assume risk on the plan** whichever is later
- part of the claim is for increased cover, when **we** accepted that increase less than eight weeks ago, or it's been in force for less than eight weeks
- the **person covered** wasn't continuously **employed** or **self-employed** for at least six consecutive months when the cover started
- the **person covered's work** when they claim is temporary, seasonal, casual (including for an employment agency) or regularly involves unemployment.

Connected claims

A connected claim happens if **we** start to pay a claim, and the **person covered** then goes back to **work** but has to stop **work** again within the next three months.

We'll treat **your** further claim as connected as long as:

- the **person covered** meets **our** definition of unemployed.

A connected claim doesn't have a **deferred period**, so **we'll** start to pay the claim again straightaway.

How your cover payment period affects a connected claim

If the additional features of **your** cover summary show **you** have a **cover payment period, we'll** only pay a connected claim for the remainder of this period if the **person covered** goes back to work before this period ends.

If **we** stop paying Unemployment Cover or Waiver of Premium (Unemployment), then the **person covered** becomes unemployed again within three months, **we'll** pay for the remainder of the **cover payment period**.

The remainder is the difference between **your cover payment period** and how long in months **we** paid **your** claim before the **person covered** went back to **work**. For example, if **your cover payment period** is 24 months and **we've** paid **your** claim for eight months, **we'll** pay for another 16 months if the **person covered** meets **our** definition of unemployed.

Claims for death and terminal illness

This applies if **you** have Life Cover or Life or Critical Illness Cover.

We'll pay a claim if the **person covered** dies or is diagnosed with a terminal illness that meets **our** definition. **You'll** find the definition of terminal illness in section 5.

We won't pay a claim for death if it's the result of **intentional self-inflicted injury** within 12 months of the cover starting or restarting.

Claims for critical illness

This applies if **you** have Critical Illness Cover or Life or Critical Illness Cover.

We'll pay a claim if the **person covered** (or if there are two people covered, either of them) is diagnosed with a critical illness or total permanent disability – if total permanent disability is shown on **your** cover summary – that meets **our** definition. **You'll** find the definitions of critical illness and total permanent disability in section 5.

We'll pay out once and then the cover will stop.

We won't pay a claim under Critical Illness Cover if the **person covered** dies within 14 days of meeting one of the critical illness or total permanent disability definitions.

Claims for Additional Conditions Cover

This applies if **you** have Critical Illness Cover or Life or Critical Illness Cover.

We'll pay a claim for Additional Conditions Cover if the **person covered** is diagnosed with an additional condition that meets **our** definition. If **we** pay this claim this won't affect the amount of **your** Critical Illness Cover or Life or Critical Illness Cover. **You'll** find the definition of additional conditions in section 5.

We'll pay out once for each additional condition. If there is more than one **person covered we'll** pay out once for each of them.

We won't pay a claim for an Additional Conditions Cover if the **person covered** dies within 14 days of meeting one of the additional conditions definitions. **You'll** find the additional conditions definitions in section 5.

If the **person covered** meets a critical illness definition in section 5, **we won't** accept a claim under Additional Conditions Cover.

Claims for Children's Critical Illness Cover

This applies if **you** have Critical Illness Cover or Life or Critical Illness Cover.

We'll pay a claim if a **child** of the **person covered** (or if there are two people covered a **child** of either of them) meets a definition of a critical illness or total permanent disability. **You'll** find the definitions of critical illness and total permanent disability in section 5.

If **we** pay this claim it won't affect the amount of the Critical Illness Cover or Life or Critical Illness Cover.

We won't pay if:

- **You** were aware of an increased risk of the **child** suffering the critical illness before the start date of the plan, or before the latest restart (for example if the parents had received counselling or medical advice in relation to the critical illness before the plan started);
- symptoms relating to the critical illness had arisen before the start date of the plan or before the latest restart;
- the **child** was born before the cover started and had already suffered a children's critical illness unless:
  - treatment for the condition has been completed; and
  - the **child** has been discharged from follow-up for the condition; and
  - the **child** has not consulted any medical practitioner or received further treatment or advice for the condition within the last 5 years;
- the **child** dies within 14 days of meeting the critical illness definition or total permanent disability definition in section 5;
- the **child** is over the age of 21 years when the claim event occurs;
- the **child** doesn't meet the definition of critical illness or total permanent disability; or
- it's the result of **intentional self-inflicted injury** defined in section 5.

Additional Conditions Cover is not included in Children's Critical Illness Cover.

If **your** Critical Illness Cover or Life or Critical Illness Cover is cancelled or comes to an end, Children's Critical Illness Cover will no longer apply.

How much we'll pay

Your cover summary shows how much **we'll** pay for a claim for each cover. All regular payments are made **in arrears**. **We** work out the amount of cover from the date the claim becomes payable. **We** won't take into account any change to the amount of cover after this date.

Income Protection

If cover is payable as level regular payments

We'll pay 1/12th of the lower of:

- the amount of cover shown on **your** cover summary, or

- the **pre-incapacity earnings** of the **person covered** multiplied by 55% (the maximum percentage of **pre-incapacity earnings** shown in the additional features of **your** cover summary).

If cover is payable as increasing regular payments

We'll pay 1/12th of the lower of:

- the amount of cover shown on **your** cover summary or the amount **we've** written to tell **you** following an increase, whichever is greater, or
- the **pre-incapacity earnings** of the **person covered** multiplied by 55% (the maximum percentage of **pre-incapacity earnings** shown in the additional features of **your** cover summary).

This amount of cover will continue to increase each year on the date the plan started. The additional features in **your** cover summary will show whether **your** cover will increase by a fixed rate or by the **retail price index**.

The cover will increase each year and will continue to increase yearly, as long as the maximum cover amount of £250,000 has not been reached. If the maximum is reached, **we** won't allow any more increases to the cover amount. If **you** selected the maximum cover amount of £250,000 when **your** plan started, **your** plan will increase on the first anniversary of the plan starting only.

If 55% of the **person covered's** pre-incapacity earnings is lower than the cover amount or the amount it has increased to if **you** have increasing cover, we'll pay the lower of:

- 55% of the pre-incapacity earnings subject to a minimum of £1500; or
- the amount shown on the cover summary or the amount it has increased to if **you** have increasing cover.

If the person covered isn't in work when you claim

If the **person covered** isn't in **work** when **you** claim, **we** won't pay more than £1500 each month.

If the person covered has other income

We'll reduce the amount **we** pay so that the total income **you** receive equals the lower of £1500 or the cover amount **you've** chosen if:

- **you** have any other plan with **us** or with any other company which provides what **we** judge to be similar covers, or
- the **person covered** continues to receive **earnings** from any other form of employment or self-employment while they meet the definition of incapacitated in section 5, and
- the income from this plan together with the income from those other sources would exceed 55% of **pre-incapacity earnings**.

Similar covers include ones that, if the **person covered** meets the definition of incapacitated, replace all or part of their **pre-incapacity earnings**.

How much we'll pay if the person covered goes back to their own occupation part-time

If **we've** been paying a claim, and the **person covered** goes back to **work** in their own **occupation** part-time, with reduced earnings as a direct result of their illness or injury, **we'll** pay a reduced amount. Here's how **we** work this out:

$$\frac{(\text{pre-incapacity earnings} - \text{reduced earnings}) \times \text{normal cover}}{\text{pre-incapacity earnings}}$$

In this formula, 'normal cover' means the amount **we'd** pay if the **person covered** continues to meet the definition of incapacitated and isn't working. Where the reduced earnings vary, the amount **we'll** pay will also vary. **We'll** need evidence of the reduced earnings.

We'll pay this reduced amount provided that the **person covered**:

- goes back to **work** for less than 30 hours a week, and
- worked more than 30 hours a week before their incapacity, and
- has earnings from part-time **work** which are less than their earnings when they met the definition of incapacitated.

We'll continue to pay a reduced amount based on this formula until:

- the **person covered** goes back to working their full contractual hours (**full-time work**)
- the earnings from their part-time **work** are more than their **pre-incapacity earnings**
- the **cover payment period** ends – if one's shown in the additional features on **your** cover summary
- the cover ends, or
- the **person covered** dies.

How much we'll pay if the person covered goes back to work in a different occupation

If the **person covered** meets the definition of incapacitated but goes back to **work** in a different **occupation** with lower earnings, **we'll** pay a reduced amount. **We** work this out using the same formula and conditions as the 'part-time' section opposite.

We'll keep paying this amount until:

- the **person covered** no longer meets the definition of incapacitated
- the **person covered's** earnings from the different **occupation** are more than their **pre-incapacity earnings**
- the **cover payment period** ends – if one's shown in the additional features of **your** cover summary
- the cover ends, or
- the **person covered** dies.

We work out the amount of cover on the date the **person covered** met the definition of incapacitated. **We** won't take into account any change to the amount of cover after this, apart from changes covered in the previous page.

Unemployment Cover

We'll pay the amount of cover shown on **your** cover summary, monthly **in arrears**.

Cover is payable as level regular payments

We'll pay 1/12th of the lower of:

- the amount of cover shown on **your** cover summary, or
- the **person covered's pre-unemployment earnings** multiplied by 55% (the maximum percentage of **pre-unemployment earnings** shown in the additional features of **your** cover summary).

If cover is payable as increasing regular payments

We'll pay 1/12th of the lower of:

- the amount of cover shown on **your** cover summary or the amount **we've** written to tell **you** following an increase, whichever is greater, or

- the **person covered's pre-unemployment earnings** multiplied by 55% (the maximum percentage of **pre-unemployment earnings** shown in the additional features of **your** cover summary).

This amount of cover will continue to increase each year on the date the plan started. The additional features in **your** cover summary will show whether **your** cover will increase by a fixed rate or by the **retail price index**.

The cover will increase each year and will continue to increase yearly, as long as the maximum cover amount of £36,000 has not been reached. If the maximum is reached, **we** won't allow any more increases to the cover amount. If **you** selected the maximum cover amount of £36,000 when **your** plan started, **your** plan will increase on the first anniversary of the plan starting only.

Life Cover, Critical Illness Cover and Life or Critical Illness Cover

If cover is payable as a level lump sum or level regular payments

We'll pay the amount of cover shown on **your** cover summary. For level regular payments, **we'll** pay this in equal monthly payments until **your** cover ends.

If cover is payable as an increasing lump sum or increasing regular payments

We'll pay:

- the amount shown on **your** cover summary, or
- the amount **we've** written to tell **you** following an increase, if that's greater.

This amount of cover will continue to increase each year on the date the plan started. The additional features in **your** cover summary will show whether **your** cover will increase by a fixed rate or by the **retail price index**.

If cover is payable as a decreasing lump sum, and the additional features show that the mortgage repayment guarantee applies

We'll pay a lump sum equal to the amount outstanding under the loan or mortgage at the date the claim becomes payable, less any arrears of capital and interest, if:

- **you** took out this cover in connection with a capital and interest loan or mortgage
- the term of the loan or mortgage is the same as the **term of the cover** when the cover started
- the amount of the loan or mortgage was the same as the amount of cover shown on **your** cover summary when the cover started, and
- **you** change the amount or term of the loan or mortgage and **you** also change the amount of cover and/or the **term of the cover** by the same amount.

You'll be liable for any arrears, as they're not covered under this plan.

If:

- any of the above don't apply to **you**, or
- the loan or mortgage repayments have been suspended for a while, reduced or increased, other than because of an interest rate change, or
- **you've** repaid the loan or mortgage already when **you** claim

we'll pay **you** a decreasing lump sum.

This decreasing lump sum will be equal to the amount that would have been outstanding on a capital and interest loan or mortgage if this loan or mortgage:

- was equal to the amount of cover when the cover started
- had a term equal to the **term of the cover**
- had a yearly interest rate equal to 6%, and
- had equal monthly repayments made between the date the cover started and the date the claim becomes payable

As a result, the amount of cover will decrease each month. The amount of cover may not be enough to pay off the loan or mortgage if the interest rate of the loan or mortgage has changed.

If cover is payable as a decreasing lump sum, and the additional features in the cover summary show that a mortgage interest rate applies

We'll pay the amount that would have been outstanding on a loan or mortgage if this loan or mortgage:

- was equal to the amount of cover on the date cover started
- had a term equal to the **term of the cover**
- had a yearly interest rate equal to that shown in the additional features on the cover summary, and
- had equal monthly repayments made between the date the cover started and the date the claim becomes payable

As a result, the amount of cover will decrease each month. The amount of cover may not be enough to pay off the loan or mortgage if the interest rate of the loan or mortgage has changed.

Getting a lump sum instead of regular payments

If **your** cover is payable as regular payments, **you** or **your** personal representatives can ask **us** to pay a commuted value instead. A commuted value is the amount **we'll** pay **you** as a lump sum straightaway instead of making regular payments. **We'll** consider **your** request when **you** make a claim or while **we're** paying a claim.

We'll work out the commuted value by first of all multiplying the regular monthly payment by the number of months left until **your** cover ends. **We'll** then reduce this amount fairly and reasonably to reflect the fact that **you'll** be getting all the regular payments early. If **you** ask **us** to work out a commuted value, **we'll** tell **you** how much this reduction would be. The commuted value will be less than the total amount of the regular payments.

Additional Conditions Cover

You have this cover automatically if **you** have either of these main covers:

- Critical Illness Cover
- Life or Critical Illness Cover

We'll pay whichever of the following amounts is lower:

- if the main cover is payable as a lump sum, 25% of the amount of cover at the date **we** accept the Additional Conditions Cover claim; or
- if the main cover is payable as regular payments, 25% of the amount of cover at the date **we** accept the Additional Conditions Cover claim, multiplied by the remaining full years of the **term of the cover;** or
- £25,000.

We'll pay Additional Conditions Cover as a lump sum. The additional conditions definitions are in section 5.

If **your** plan includes more than one main cover, the limits above apply to the total amount of all these covers. **We'll** make only one payment for each **person covered** for each additional condition. The limits above apply to all plans **you** have with **us** that include similar Additional Conditions Cover.

We'll work out the amount of cover as at the date the claim becomes payable. This means that if **your** main cover is payable as a decreasing lump sum, the amount of Additional Conditions Cover will be based on the amount **your** main cover has decreased to at the date the claim becomes payable. Any change to the amount of cover after this time won't be taken into account.

If **we** pay an Additional Conditions Cover claim, **we** won't pay any further claim for that condition in respect of that **person covered**, but **you** may still make a claim in relation to that **person covered** for any of the other additional conditions.

Children's Critical Illness Cover

You have this cover automatically if **you** have either of these main covers:

- Critical Illness Cover
- Life or Critical Illness Cover

We'll pay the lower of:

- if the main cover is payable as a lump sum, 50% of the amount of cover at the date **we** accept the Children's Critical Illness Cover claim; or
- if the main cover is payable as regular payments, 50% of the amount of cover at the date **we** accept the Children's Critical Illness Cover claim, multiplied by the remaining full years of the **term of the cover**; or
- £25,000.

If **your** plan includes more than one main cover, or **you** have more than one plan with **us** covering the same person, and these main covers or plans provide similar Children's Critical Illness Cover, the limits on page 16 apply to all **your** main covers and plans. **We'll** make only one payment for any **child**.

If **your** plan includes more than one main cover for different people, or **you** have more than one plan with **us** for different people, and these provide similar Children's Critical Illness Cover, the limits above apply to all **your** main covers and plans. **We'll** make only one payment for any **child** in respect of each **person covered**.

We'll work out the amount of cover at the date **we** pay the claim. This means that if **your** main cover is payable as a decreasing lump sum, **we'll** base the amount of Children's Critical Illness Cover on the cover **you** have on the date **we** pay **your** claim. **We** won't take into account any change to the amount of cover after this.

Waiver of Premium

Waiver of Premium (Sickness)

We'll pay **your** plan premiums for **you** if the **person covered** meets **our** definition of incapacitated defined in section 5 for longer than the **deferred period**, during the **term**

of the cover. If there's more than one **person covered** and both people covered meet **our** definition of incapacitated at the same time, **we'll** only cover the premium once.

We'll continue paying until:

- the **person covered** no longer meets **our** definition of incapacitated;
- the **person covered** goes back to **work**;
- the cover ends; or
- the **person covered** dies.

We may ask the **person covered** to be examined by a doctor or health specialist of **our** choice. **We** may ask for any other evidence **we** reasonably need to consider the claim, or to confirm that the **person covered** still meets the definition of incapacitated.

Waiver of Premium (Unemployment)

We'll pay **your** plan premiums for **you** if the **person covered** meets **our** definition of unemployed defined in section 5 during the term of **your** cover.

We'll continuing paying until the **person covered**:

- no longer meets our definition of unemployed;
- the cover ends;
- goes back to **work**; or
- dies.

3. YOUR PREMIUMS

More about premium types and frequency

It's really important that **you** keep up to date with paying **your** premiums. Otherwise, **we** may have to cancel **your** plan.

When your premiums are due

Your first premium is due on the date **your** plan starts. **We'll** collect it on this date or shortly after, by direct debit or another means **we've** agreed with **you**.

Your last premium is due on the date shown on **your** cover summary.

If you're paying monthly

You must pay a premium every month from **your** first premium to **your** last. **Your** premiums are usually due on the same day of the month that **your** plan started. If **you'd** rather **we** collected **your** premiums on a different day of the month, please ask **us**.

If you're paying yearly

You must pay a premium every year from **your** first premium to **your** last. **Your** premiums are usually due on the same day of the year that **your** plan started. If **you'd** rather **we** collected **your** premiums on a different day in the same month, please ask **us**.

What happens if you don't pay a premium

If **you** don't pay **your** first premium, **your** plan won't start – so **you** won't be covered.

If any other premium is five weeks overdue, **we'll** cancel **your** plan – so **you** won't be covered anymore. **We'll** write to **you** to tell **you** that **we've** cancelled **your** plan.

What to do if we cancel your plan

If **we** cancel **your** plan because **you** didn't pay a premium, **you** can ask **us** to restart it. Please get in touch and **we'll** tell **you** what **we** need before **we** can restart **your** plan. However, there may be times when **we** can't restart **your** plan. If this happens, **we'll** explain **our** decision to **you**.

When and how your premiums could change

Guaranteed premiums

If your cover is level lump sum, decreasing lump sum, or level regular payments

As long as **you** pay **your** premiums on time, **your** premiums won't change. This is true for as long as **your** cover lasts.

If your cover is increasing lump sum or increasing regular payments

Your premium will increase once a year, on the anniversary of **your** plan starting. The increase will be based on:

- how much **your** cover is increasing by
- the age of the **person covered** when the increase starts
- how long **your** cover has to go
- the premium rates **we** used when **your** cover started
- any additional premium **you** pay if **we** didn't accept **your** plan on **standard terms**

We'll tell **you** how much the increase will be at least a month before it takes place.

Reviewable premiums

Critical Illness Cover and Life or Critical Illness Cover

If **you** choose this option, **your** premiums will stay the same for five years. After this time, **we'll** review them every five years. They could go up or down after each review, depending on a number of factors.

When **we** first work out how much **your** premiums should be, **we'll** look at different factors such as:

- the future level of claims **we** expect to pay
- the amount of money **we'll** pay to reinsurance companies with whom **we** share the costs of claims
- the number of plan owners who give up their plans early
- **our** expenses
- inflation
- investment returns
- taxes
- the amount of money **we** need to hold as financial reserves

When **we** review **your** premiums, **we'll** look at these factors again. If their combined effect has been positive for **us**, **we** might be able to make **your** premiums cheaper. If not, **your** premiums may stay the same or **increase**.

If **we** change **your** premiums, **we'll** do this on the anniversary of **your** plan starting. **We'll** tell **you** at least a month in advance if this is going to happen.

Unemployment Cover and Waiver of Premium (Unemployment)

The factors used to review **your** premiums are the same as explained above. **Your** premium won't change during the first year. **We'll** then review premiums for Unemployment Cover and Waiver of Premium (Unemployment) every year and **your** premium could go up or down depending on the factors set out opposite.

Your Unemployment Cover and Waiver of Premium (Unemployment) premiums will include insurance premium tax (IPT). **The UK** government can change the rate of tax at any time. **We'll** change **your** premium to take into account any change in this tax.

If you have reviewable premiums, they could change significantly. Your new premium will always be a fair reflection of all the different factors **we've** looked at. There's no limit to what the change might be, so it may be much more than **your** original premium. Of course, when **we** tell **you** how much **your** new premiums will be, **you're** free to cancel or reduce **your** cover if **you** want to. **You** can ask **us** to do this using the contact details in on page 4.

4. CHANGING YOUR PLAN

Increasing cover

This only applies to any cover that's payable as an increasing lump sum or increasing regular payments.

This amount of cover will continue to increase each year on the date the plan started. The additional features in **your** cover summary will show whether **your** cover will increase by a fixed rate or by the **retail price index**.

If the date cover started is not the same day in the year as the date the plan started, the first increase will take place on the first anniversary of the date the plan started after this cover has been in force for 12 months.

We'll write to **you** at least a month before the increase takes place to tell **you** how much the increase will be and how much **your** new payment will be. If **you** don't want the amount of **your** cover to increase, **you** must tell **us** at least five days before the increase is due to take place and **we'll** cancel the increase. If **we** cancel two consecutive increases **we** won't offer **you** any further increases.

If, as a result of an increase, the total amount of cover on all plans **you** have with **us** would be more than the maximum amounts shown below, **your** cover won't increase. **We'll** tell **you** if this happens.

Maximum amounts

- Income Protection – £250,000 a year
- Unemployment Cover – £36,000 a year
- Critical Illness Cover – £3,000,000
- Life or Critical Illness Cover – £3,000,000

When working out **your** total amount of cover **we** include:

- all cover **you** have in this plan and any other plan **you** have with **us**
- the current amount of any cover payable as a decreasing lump sum
- the commuted value of any cover payable as regular payments.

How **we** calculate a commuted value is explained in section 2.

Cover Increase Options

Your plan comes with Cover Increase Options. This means **you** can increase **your** cover in certain circumstances, without giving **us** any medical information.

How it works

The following covers come with cover increase options if **we** gave **you standard terms**:

- Income Protection
- Unemployment Cover
- Life Cover
- Critical Illness Cover
- Life or Critical Illness Cover

You can increase **your** cover, without giving **us** any medical information, if the **person covered**:

- gets married or divorced, or enters into or dissolves a civil partnership
- increases their mortgage
- has or adopts a **child**
- gets an increase in salary.

All **we** need to see is some evidence of the event: the certificate for the marriage, civil partnership, birth or adoption, or a copy of **your** mortgage loan offer, or a letter from **your** employer confirming an increase in salary.

You need to ask **us** to increase **your** cover within six months of the event happening. And the **person covered** must be under 55 at the time – if there are two people covered, both of them must be under 55. **We'll** work out a new premium for **your** cover, and **you** can decide whether **you** want to go ahead with the increase.

Limits on increasing your cover

You can increase **your** cover more than once.

The total **you** can increase **your** cover by is the **lowest** of:

- half **your** original cover amount;
- £200,000 for cover payable as a lump sum; or
- £10,000 a year for cover payable as a regular payments.

If **you** have more than one type of cover or more than one plan on the life of the same **person covered** with **us**, the limits apply to all of them added together – not separately to each of them.

Income Protection and Unemployment Cover come with some extra limits, so that the total increase is no more than the lower of:

- the maximum percentage of **pre-incapacity earnings we** originally agreed to cover
- **our** maximum cover amount for each of these on page 20

Your new cover will have the same additional features as **your** original cover.

And it will be on the terms and conditions **we** offer at the time of the increase. It must last at least as long as **our** minimum term at that time, but no longer than the time remaining on **your** original cover. So if the time remaining on **your** original cover is less than **our** minimum term, **you** can't increase **your** cover in this way.

Your premiums will be based on:

- the terms **we** applied to **your** original plan – or, at the time of any restart
- **our** pricing when **we** increase **your** cover
- the **person covered's** age when **we** increase **your** cover

We can't offer **you** Cover Increase Options if:

- **we** accepted **your** plan on non-standard terms – for instance, if **we** had to charge **you** a higher premium, or if **we** had to apply some **exclusions**
- **we're** paying a claim, considering a claim, or if a medical practitioner has given the **person covered** a diagnosis or possible diagnosis that would allow **you** to claim
- If **you** claimed under **our** definition of incapacitated, **you** can't use Cover Increase Options within 12 months of **us** stopping your payments
- **you're** not resident in **the UK**, Jersey, Guernsey or Isle of Man

You won't be able to increase any of the covers if the **person covered's** already suffering from an illness or condition covered by the plan for which **you** have or have not yet submitted a claim.

Renewable option

This option is only available if **you** have chosen

- Life Cover
- Life or Critical Illness Cover
- Critical Illness Cover

and **your** cover summary shows that the **term of these covers** is renewable. **You** have an option to choose a renew period of five or 10 years depending on the term **you** chose when **your** covered started.

How it works

You'll still have an end date for **your** plan, but just before the end date **we'll** ask **you** if **you** want to renew **your** cover. **We'll** ask **you** to confirm that **you** want to renew **your** cover at least a month before **your** original cover ends. All **you** have to do is tell **us** at least five days before **your** cover ends that **you** want to use this renewable option. The **person covered** doesn't need to answer any medical questions. If **you** don't tell **us** that **you** want to take out new cover using the option then at the cover end date **your** original cover will end and **you** won't be able to claim after that date.

If the age of the **person covered** at the end of the term would be more than the maximum **we** allow at that time, the new cover will have a term equal to the whole number of years between the **cover end date** and the date the **person covered** reaches the maximum age. If this term is less than **our** minimum term, **you** can't use this option and **your** cover will **end** on the date shown on **your** cover summary.

Your premiums will be based on:

- the terms **we** applied to **your** original plan – or, at the time of any restart
- **our** pricing when **you** applied for **your** original cover; and
- the **person covered's** age when the new cover starts.

Your new cover will have the same additional features as **your** original cover. And it will be on the terms and conditions **we** offer at that time.

Joint Life Separation – splitting your plan

You can use this option if **you** and **your** partner have taken out **your** plan on a joint-life basis to cover **your** mortgage and **you** and **your** partner are the people covered. **You** can change **your** plan into two separate single life plans if **you** separate and as a result:

- **you** rearrange **your** mortgage to be in the name of **you** or **your** partner only; or
- either of **you** takes out a new mortgage on a new house.

Your new single life plan

The covers in **your** new single life plan will be the same **you** had under **your** old plan. So, if **you** had Life or Critical Illness Cover, **your** new plan will have that too.

We'll base **your** new premium on:

- the terms **we** applied to **your** original plan – or, at the time of any restart
- **our** pricing at the time **you** took out **your** original cover
- the **person covered's** age at the time **you** took out **your** original plan.

Your new plan will have:

- the terms **we** applied to **your** original plan – or, at the time of any restart

- the same additional features, extra premiums or **exclusions** as **your** original plan, and
- a cover amount that's no greater than the amount **you** had when **you** asked **us** to separate **your** plan.

It must last at least as long as **our** minimum term, but no longer than the time remaining on **your** original cover. So, if the time remaining on **your** original cover is less than **our** minimum term, **we** can't separate **your** plan.

Setting up your new plans

Both **you** and **your** partner must agree to separate **your** plan in this way. **We'll** need confirmation that **your** mortgage has been rearranged – either written confirmation from the lender, or a copy of the new loan offer. Each of **your** plans must begin within six months of rearranging **your** mortgage or taking a new one out, whichever **you** choose to do.

Joint Life Reinstatement

This only applies:

- to a cover when more than one person is covered; and
- **we've** paid a claim for Life Cover, or for Critical Illness Cover, or for Life or Critical Illness Cover (the original cover).

In this situation, **you** may take out a new cover which is the same type as the original cover.

Reinstating your cover

This new cover will only be for the **person covered** on the original cover who wasn't the cause of the claim. They'll have to agree to this new cover being taken out.

We'll base **your** new premium on:

- the terms **we** applied to **your** original cover – or, at the time of any restart
- **our** pricing when **you** applied for **your** original cover, and
- the **person covered's** current age when **you** take up the option

Your cover will have:

- the same terms and conditions **we** applied to **your** original cover
- the same additional features, extra premiums or **exclusions** as the original cover, and
- a cover amount that's no greater than the cover **you** had when **we** paid the claim.

Your reinstated cover must last at least as long as **our** minimum term, but no longer than the time remaining on **your** original cover. So, if the time remaining on **your** original cover is less than **our** minimum term, **we** can't reinstate **your** cover.

You can only reinstate **your** cover once.

Lifestyle review

If **we** accepted one of **your** covers on non-standard terms or charged smoker rates, and the **person covered** changes their lifestyle in a way that **you** think reduces the likelihood of a claim, **you** can ask **us** to review the terms for that cover. For example, perhaps the **person covered** was a smoker when the plan started but has now given up.

If **we** can, **we'll** change the terms to reflect the **person covered's** new lifestyle. This may mean **we** could reduce **your** premium or remove an **exclusion**. If **we** can't change the terms, **we'll** explain why.

Any cover that was originally on non-standard terms won't include Cover Increase Options, even if **we** later review **your** terms. **We** may need to ask for medical information.

Changing your plan in other ways

You can ask **us** to change **your** plan in other ways not included in this section. For example, **you** might want to add a new cover or reduce an existing cover. **You** can ask **us** to do this at any time. **We** might need to ask the **person covered** for new medical information. **We'll** tell **you** what **we** need to look at when **you** tell **us** how **you** want to change **your** plan.

You can't add a new cover or increase an existing cover if **you're** no longer resident in **the UK**, Jersey, Guernsey or Isle of Man. If **you** remove a cover **you** may not be able to add it back on at a later date if **your** circumstances have changed.

5. CLAIMS DEFINITIONS

This section includes all the definitions relating to claims.

For **us** to accept the **person covered's** diagnosis as evidence of a claim, it must be:

- made by a consultant at a hospital within the geographical limits shown in section 2
- made by a specialist in an area of medicine appropriate to the cause of the claim
- the first and unequivocal diagnosis of the critical illness; and
- confirmed by **our** chief medical officer.

In this section the words below have the following meanings:

Appropriate medical specialist

For the purposes of this plan is a consultant employed at a hospital within geographical limits shown in section 2 who is a specialist in an area of medicine appropriate to the cause of the claim.

Neurological deficit with persisting clinical symptoms

Symptoms of dysfunction in the nervous system that are present on clinical examination. Symptoms that are covered include:

- Numbness
- Hyperaesthesia (increased sensitivity)
- Paralysis
- Localised weakness
- Dysarthria (difficulty with speech)
- Aphasia (inability to speak)
- Dysphagia (difficulty in swallowing)
- Visual impairment
- Difficulty in walking
- Lack of coordination
- Tremor
- Seizures
- Dementia
- Delirium
- Coma

The following are not covered:

- an abnormality seen on brain or other scans without definite related clinical symptoms;
- neurological signs occurring without symptomatic abnormality, e.g. brisk reflexes without other symptoms;
- symptoms of psychological or psychiatric origin.

Ordinary UK driving licence

A group 1 licence as defined in the The Motor Vehicles (Driving Licences) Regulations 1999 as amended by The Motor Vehicles (Driving Licences) (Amendment) Regulations 2012, The Motor Vehicles (Driving Licences) Regulations (Northern Ireland) 1996 and any future amendment to the legislation which defines a group 1 licence.

Permanent

Expected to last throughout life with no prospect of improvement, irrespective of when the cover ends or the **person covered** expects to retire.

Additional Conditions

We'll pay if the **person covered** meets **our** definition of one of the following Additional Conditions.

Accident hospitalisation – requiring a hospital stay for 28 consecutive days

An accident that results in physical injury which requires the **person covered** to stay in hospital for 28 consecutive days or more on the advice of an appropriate medical specialist.

For the above definition the following is not covered:

- an accident as a result of drug or alcohol intake or other self-inflicted means.

Carcinoma in situ of the breast – with surgery to remove the tumour

Carcinoma in situ of the breast positively diagnosed with histological confirmation by biopsy together with the undergoing of surgery to remove the tumour.

Carcinoma in situ of the cervix uteri – requiring trachelectomy (removal of the cervix) or hysterectomy

Carcinoma in situ of the cervix uteri diagnosed with histological confirmation by biopsy together with the undergoing of trachelectomy or hysterectomy to remove the tumour.

For the above definition, the following are not covered:

- loop excision, laser surgery, conisation and cryosurgery.

Carcinoma in situ of the oesophagus – with surgery to remove the tumour

A diagnosis of carcinoma in situ of the oesophagus positively diagnosed with histological confirmation by biopsy together with undergoing of surgery to remove the tumour.

For the above definition the following is not covered:

- treatment other than surgery

Carcinoma in situ of the testicle – requiring orchidectomy

A definite diagnosis of carcinoma in situ of the testicle (also known as intratubular germ cell neoplasia unclassified or ITGCNU) supported by histological evidence, which has been treated surgically with an orchidectomy (complete removal of the testicle).

Carcinoma in situ of the urinary bladder

A definite diagnosis of carcinoma in situ of the urinary bladder supported by histological evidence.

For the above definition, the following are not covered:

- non-invasive papillary carcinoma;
- stage Ta urinary bladder carcinoma;
- all other forms of non-invasive carcinoma.

Low grade prostate cancer – of specified severity

Tumours of the prostate histologically classified as having a Gleason score between 2 and 6 inclusive, provided the tumour has progressed to at least clinical TNM classification T1N0M0, and the tumour has been treated by one of the following:

- complete removal of the prostate;
- external beam or interstitial implant radiotherapy;
- hormone therapy; or
- brachytherapy/radiotherapy.

For the above definition, the following is not covered:

- prostate cancers where the treatment is not one of the specified treatments listed above, or requires observation only.

Ovarian tumour of borderline malignancy/low malignant potential – with surgical removal of an ovary

An ovarian tumour of borderline malignancy/low malignant potential that has been positively diagnosed with histological confirmation and has resulted in surgical removal of an ovary.

For the above definition, the following is not covered:

- removal of an ovary due to cyst.

Partial loss of sight – permanent and irreversible

Permanent and irreversible loss of sight and visual field, to the extent that even when tested with the use of visual aids, the visual acuity is less than or equal to 0.25 (6/24) in the better eye using a Snellen eye chart and the visual field in the better eye upon testing is reduced to 40 degrees or less of an arc, as certified by an ophthalmologist.

Third degree burns – covering at least 10% but less than 20% of the body's surface area or at least 25% but less than 50% of surface area of the face

Burns that involve damage or destruction of the skin to its full depth through to the underlying tissue and covering at least 10% and less than 20% of the body's surface area, or at least 25% and less than 50% of the surface area of the face which for the purpose of this definition includes the forehead and ears.

Critical Illness definitions

We'll pay if the **person covered** meets **our** definition of one of the following critical illnesses.

Alzheimer's disease – resulting in permanent symptoms

A definite diagnosis of Alzheimer's disease by a consultant neurologist, psychiatrist or geriatrician. There must be permanent clinical loss of the ability to do all of the following:

- remember;
- reason; and
- perceive, understand, express and give effect to ideas.

For the above definition, the following are not covered:

- other types of dementia.

Aorta graft surgery – for disease or traumatic injury

The undergoing of surgery for disease or trauma to the aorta with excision and surgical replacement of a portion of the diseased or damaged aorta with a graft. The term aorta includes the thoracic and abdominal aorta but not its branches.

For the above definition, the following is not covered:

- any other surgical procedure, for example the insertion of stents or endovascular repair.

Aplastic anaemia – permanent

A definite diagnosis by a consultant haematologist of permanent bone marrow failure which results in anaemia, neutropenia and thrombocytopenia requiring treatment with at least one of the following:

- blood transfusion;
- marrow stimulating agents;
- immunosuppressive agents;
- bone marrow transplant.

For the above definition, the following is not covered:

- other forms of anaemia.

Bacterial meningitis – resulting in permanent symptoms

A definite diagnosis of bacterial meningitis by a consultant neurologist resulting in permanent neurological deficit with persisting clinical symptoms.

For the above definition, the following is not covered:

- all other forms of meningitis other than those caused by bacterial infection

Benign brain tumour – resulting in permanent symptoms

A non-malignant tumour or cyst originating from the brain, cranial nerves or meninges within the skull, resulting in any of the following:

- permanent neurological deficit with persisting clinical symptoms; or
- undergoing invasive surgery to remove all or part of the tumour; or
- undergoing either stereotactic radiosurgery or chemotherapy treatment to destroy tumour cells.

For the above definition, the following are not covered:

- tumours in the pituitary gland;
- tumours originating from bone tissue; and
- angioma and cholesteatoma.

Blindness – permanent and irreversible

Permanent and irreversible loss of sight to the extent that even when tested with the use of visual aids, vision is measured at 6/60 or worse in the better eye using a Snellen eye chart, or visual field is reduced to 20 degrees or less of an arc, as certified by an ophthalmologist.

Cancer – excluding less advanced cases

Any malignant tumour positively diagnosed with histological confirmation and characterised by the uncontrolled growth of malignant cells and invasion of tissue.

The term malignant tumour includes:

- leukaemia;
- sarcoma;and
- lymphoma (except cutaneous lymphoma – lymphoma confined to the skin).

For the above definition the following are not covered:

- all cancers which are histologically classified as any of the following:
  - pre-malignant;
  - non-invasive;
  - cancer in situ;
  - having borderline malignancy; or
  - having low malignant potential;
- malignant melanoma that is confined to the epidermis (outer layer of skin).
- any non-melanoma skin cancer (including cutaneous lymphoma) that has not spread to lymph nodes or metastasised to distant organs.
- all tumours of the prostate unless histologically classified as having a Gleason score of 7 or above, or having progressed to at least TNM classification T2bN0M0.

Cardiac arrest – with insertion of a defibrillator

Sudden loss of heart function with interruption of blood flow around the body resulting in unconsciousness and either of the following devices being surgically inserted:

- Implantable Cardioverter-Defibrillator (ICD); or
- Cardiac Resynchronisation Therapy with Defibrillator (CRT-D).

The following are not covered:

- insertion of a pacemaker; and
- insertion of a defibrillator without cardiac arrest.

Cardiomyopathy – of specified severity

A definite diagnosis by a consultant cardiologist of cardiomyopathy resulting in permanent loss of the ability to perform physical activities to at least Class III of the New York Heart Association (NYHA) classification. This means there is marked limitation of activities, with less than ordinary activity causing fatigue, palpitations or shortness of breath.

The diagnosis must also be evidenced by:

- electrocardiographic changes; and
- echocardiographic abnormalities.

The evidence must be consistent with the diagnosis of cardiomyopathy.

For the above definition, the following are not covered:

- all other forms of heart disease and/or heart enlargement;
- myocarditis; and
- cardiomyopathy related to alcohol or drug abuse.

Chronic lung disease – of specified severity

Confirmation by a consultant physician of chronic lung disease resulting in all of the following:

- the need for continuous daily oxygen therapy on a permanent basis
- FEV1 being less than 40% of normal, and
- Vital Capacity less than 50% of normal.

Coma – with associated permanent symptoms

A state of unconsciousness with no reaction to external stimuli or internal needs with associated permanent neurological deficit with persisting clinical symptoms.

For the above definition, the following are not covered:

- medically induced coma; and
- coma secondary to alcohol or drug abuse.

Coronary artery bypass grafts

The undergoing of surgery on the advice of a consultant cardiologist to correct narrowing or blockage of one or more coronary arteries with bypass grafts.

For the above definition, the following are not covered:

- balloon angioplasty;
- atherectomy;
- rotablation;
- insertion of stents; and
- laser treatment.

Creutzfeldt-Jakob disease (CJD) – resulting in permanent symptoms

A definite diagnosis of Creutzfeldt-Jakob disease by a consultant neurologist. There must be permanent clinical loss of the ability to do all of the following:

- remember;
- reason; and
- perceive, understand, express and give effect to ideas.

For the above definition, the following are not covered:

- other types of dementia (these are covered under the dementia definition).

Deafness – permanent and irreversible

Permanent and irreversible loss of hearing to the extent that the loss is greater than 95 decibels across all frequencies in the better ear using a pure tone audiogram.

Dementia – resulting in permanent symptoms

A definite diagnosis of dementia by a consultant neurologist, psychiatrist or geriatrician. There must be permanent clinical loss of the ability to do all of the following:

- remember;
- reason; and
- perceive, understand, express and give effect to ideas.

Encephalitis – resulting in permanent symptoms

A definite diagnosis of encephalitis by a consultant neurologist resulting in permanent neurological deficit with persisting clinical symptoms.

For the above definition the following are not covered:

- myalgic encephalomyelitis and chronic fatigue syndrome.

Heart attack – of specified severity

Death of heart muscle, due to inadequate blood supply, that has resulted in all of the following evidence of acute myocardial infarction:

- the characteristic rise of cardiac enzymes or Troponins; and
- new characteristic electrocardiographic changes or other positive findings on diagnostic imaging tests.

The evidence must show a definite acute myocardial infarction.

For the above definition, the following are not covered:

- other acute coronary syndromes; and
- angina without myocardial infarction.

Heart valve replacement or repair

The undergoing of surgery on the advice of a consultant cardiologist to replace or repair one or more heart valves.

HIV infection – caught from a blood transfusion, a physical assault or at work

Infection by Human Immunodeficiency Virus resulting from:

- a blood transfusion given as part of medical treatment;
- a physical assault; or
- an incident occurring during the course of performing normal duties of employment;

after the start of the plan and satisfying all of the following:

- the incident must have been reported to appropriate authorities and have been investigated in accordance with the established procedures;
- where HIV infection is caught through a physical assault or as a result of an incident occurring during the course of performing normal duties of employment, the incident must be supported by a negative HIV antibody test taken within 5 days of the incident;
- there must be a further HIV test within 12 months confirming the presence of HIV or antibodies to the virus;
- the incident causing infection must have occurred in one of the countries listed on page 6.

For the above definition, the following is not covered:

- HIV infection resulting from any other means, including sexual activity or drug abuse.

Intensive care – requiring mechanical ventilation for 10 consecutive days

Any sickness or injury resulting in the **person covered** requiring continuous mechanical ventilation by means of tracheal intubation for 10 consecutive days (24 hours per day) or more in an intensive care unit in a **UK** hospital.

For the above definition the following are not covered:

- sickness or injury as a result of drug or alcohol intake or other self-inflicted means;
- intensive care requiring mechanical ventilation for a **child** under the age of 90 days.

Kidney failure – requiring permanent dialysis

Chronic and end stage failure of both kidneys to function, as a result of which regular dialysis is permanently required.

Liver failure – irreversible

A definite diagnosis, by a consultant physician, of irreversible end stage liver failure due to cirrhosis resulting in all of the following:

- permanent jaundice;
- ascites; and
- encephalopathy.

For the above definition, the following is not covered:

- liver failure secondary to alcohol or drug abuse.

Loss of hand or foot – permanent physical severance

Permanent physical severance of a hand or foot at or above the wrist or ankle joint.

Loss of independent existence – resulting in permanent symptoms

Any condition that:

a) permanently prevents the **person covered** from doing at least 3 out of the 6 living tasks either with or without the use of mechanical equipment, special devices or other aids and adaptations in use for disabled persons; or

b) causes mental failure.

The six living tasks are:

- **Washing** – the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- **The ability to dress and undress** – the ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
- **Feeding yourself** – the ability to feed yourself when food has been prepared and made available.
- **Maintaining personal hygiene** – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.
- **Getting between rooms** – the ability to get from room to room on a level floor.
- **Getting in and out of bed** – the ability to get out of bed into an upright chair or wheelchair and back again.

Loss of speech – permanent and irreversible

Total permanent and irreversible loss of the ability to speak as a result of physical injury or disease.

Major organ transplant – from another donor

The undergoing as a recipient of a transplant from another donor of bone marrow or of a complete heart, kidney, liver, lung, or pancreas, or a whole lobe of the lung or liver, or inclusion on an official **UK** waiting list for such a procedure.

For the above definition, the following is not covered:

- transplant of any other organs, parts of organs, tissues or cells.

Motor neurone disease – resulting in permanent symptoms

A definite diagnosis of one of the following motor neurone diseases by a consultant neurologist:

- Amyotrophic lateral sclerosis (ALS)
- Primary lateral sclerosis (PLS)
- Progressive bulbar palsy (PBP)
- Progressive muscular atrophy (PMA)

There must also be permanent clinical impairment of motor function.

Multiple sclerosis – with past or present symptoms

A definite diagnosis of multiple sclerosis by a consultant neurologist. There must be clinical impairment of motor or sensory function, or a diagnosis of multiple sclerosis supported by findings of clinical objective evidence on Magnetic Resonance Imaging (MRI).

Multiple system atrophy – resulting in permanent symptoms

A definite diagnosis of multiple system atrophy confirmed by a consultant neurologist. There must be evidence of disease progression and permanent clinical impairment of:

- motor function with associated rigidity of movement, or
- the ability to coordinate muscle movement, or
- bladder control and postural hypotension.

Neuromyelitis optica (Devic's disease)

A definite diagnosis of neuromyelitis optica by a consultant neurologist. There must be current clinical impairment of motor or sensory function, which must have persisted for a continuous period of at least 3 months.

Open heart surgery – with surgery to divide the breastbone

The undergoing of surgery requiring median sternotomy (surgery to divide the breastbone) on the advice of a consultant cardiologist to correct any structural abnormality of the heart.

Paralysis of limbs – total and irreversible

Total and irreversible loss of muscle function to the whole of a limb.

Parkinson's disease – resulting in permanent symptoms

A definite diagnosis of Parkinson's disease by a consultant neurologist.

There must be permanent clinical impairment of motor function with either associated tremor or muscle rigidity.

For the above definition, the following are not covered:

- Parkinsonian syndromes/Parkinsonism.

Pneumonectomy – removal of a complete lung

The undergoing of surgery on the advice of an appropriate medical specialist to remove an entire lung for disease or traumatic injury suffered by the **person covered**.

For the above definition the following are not covered:

- removal of a lobe of the lungs (lobectomy);
- lung resection or incision.

Primary pulmonary hypertension – of specified severity

A definite diagnosis of primary pulmonary hypertension by a consultant cardiologist or specialist in respiratory medicine. There must be clinical impairment of heart function resulting in the permanent loss of ability to perform physical activities to at least Class III of the New York Heart Association classification of functional capacity.

For the above definition, the following is not covered:

- pulmonary hypertension secondary to any other cause i.e. not primary.

Progressive supranuclear palsy – resulting in permanent symptoms

A definite diagnosis by a consultant neurologist of progressive supranuclear palsy. There must be permanent clinical impairment of motor function.

Pulmonary artery graft surgery – with surgery to divide the breastbone

The undergoing of surgery requiring median sternotomy (surgery to divide the breastbone) on the advice of a consultant cardiologist for disease of the pulmonary artery to excise and replace the diseased pulmonary artery with a graft.

Spinal stroke – of specified severity

Death of spinal cord tissue due to inadequate blood supply or haemorrhage within the spinal column resulting in permanent neurological deficit with persisting clinical symptoms.

Stroke – of specified severity

Death of brain tissue due to inadequate blood supply or haemorrhage within the skull resulting in all of the following:

- definite evidence of death of tissue or haemorrhage on a brain scan; and
- neurological deficit with persisting clinical symptoms lasting at least 24 hours.

For the above definition, the following are not covered:

- transient ischaemic attack
- death of tissue of the optic nerve or retina/eye stroke.

Systemic lupus erythematosus – with severe complications

A definite diagnosis of systemic lupus erythematosus by a consultant rheumatologist resulting in either of the following:

- permanent neurological deficit with persisting clinical symptoms; or
- permanent impairment of kidney function with a glomerular filtration rate (GFR) below 30ml/min.

Third degree burns – covering 20% of the body's surface area or 50% loss of surface area of the face

Burns that involve damage or destruction of the skin to its full depth through to the underlying tissue and covering at least 20% of the body's surface area or 50% loss of surface area of the face which for the purpose of this definition includes the forehead and ears.

Total permanent disability – of specified severity

The additional features section of **your** cover summary shows which definition applies to **your** total and permanent disability cover.

Own occupation total permanent disability

Becoming permanently disabled according to all of the requirements of one of the following four definitions:

1. Total permanent disability – unable before age 65 to do your own occupation ever again

Loss of the physical or mental ability through an illness or injury before age 65 to the extent that **person covered** is unable to do the essential duties of their own occupation ever again. The essential duties are those that are normally required for, and/or form a significant and integral part of, the performance of the **person covered's** own occupation that cannot reasonably be omitted or modified.

Own occupation means the trade, profession or type of **work** the **person covered** does for profit or pay. It is not a specific job with any particular employer and is irrespective of location and availability.

The appropriate medical specialist must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or the **person covered** expects to retire.

For the above definition, disabilities for which the appropriate medical specialist cannot give a clear prognosis are not covered.

2. Total permanent disability – unable before age 65 to do 3 specified working tasks ever again

The appropriate medical specialist must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or the **person covered** expects to retire.

The **person covered** must need the help or supervision of another person and be unable to perform the task on their own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

Loss of the physical ability through an illness or injury before age 65 to do at least 3 of the 6 working tasks listed below ever again.

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

3. Total permanent disability – unable to look after yourself ever again

The appropriate medical specialist must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or the **person covered** expects to retire.

The **person covered** must need the help or supervision of another person and be unable to perform the task on their own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

Loss of the physical ability through an illness or injury to do at least 3 of the 6 living tasks listed below ever again.

- **Washing** – the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- **The ability to dress and undress** – the ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
- **Feeding yourself** – the ability to feed yourself when food has been prepared and made available.
- **Maintaining personal hygiene** – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.
- **Getting between rooms** – the ability to get from room to room on a level floor.
- **Getting in and out of bed** – the ability to get out of bed into an upright chair or wheelchair and back again.

4. Total permanent disability – mental incapacity

Irreversible mental incapacity due to an organic brain disease or brain injury supported by evidence of progressive loss of ability to:

- remember;
- reason; and
- perceive, understand, express and give effect to ideas;

which causes a significant reduction in mental and social functioning, requiring the continuous supervision of the **person covered**.

Working tasks total permanent disability

Becoming permanently disabled according to all of the requirements of one of the following three definitions:

1. Total permanent disability – unable before age 65 to do 3 specified working tasks ever again

The appropriate medical specialist must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or the **person covered** expects to retire.

The **person covered** must need the help or supervision of another person and be unable to perform the task on their own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

Loss of the physical ability through an illness or injury before age 65 to do at least 3 of the 6 working tasks listed below ever again.

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

2. Total permanent disability – unable to look after yourself ever again

The appropriate medical specialist must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or the **person covered** expects to retire.

The **person covered** must need the help or supervision of another person and be unable to perform the task on their own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

Loss of the physical ability through an illness or injury to do at least 3 of the 6 living tasks listed below ever again.

- **Washing** – the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- **The ability to dress and undress** – the ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
- **Feeding yourself** – the ability to feed yourself when food has been prepared and made available.
- **Maintaining personal hygiene** – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.
- **Getting between rooms** – the ability to get from room to room on a level floor.
- **Getting in and out of bed** – the ability to get out of bed into an upright chair or wheelchair and back again.

3. Total permanent disability – mental incapacity

Irreversible mental incapacity due to an organic brain disease or brain injury supported by evidence of progressive loss of ability to:

- remember;
- reason; and
- perceive, understand, express and give effect to ideas;

which causes a significant reduction in mental and social functioning, requiring the continuous supervision of the **person covered**.

Living tasks total permanent disability

Becoming permanently disabled according to all of the requirements of either of the following definitions:

1. Total permanent disability – unable to look after yourself ever again

Loss of the physical ability through an illness or injury to do at least 3 of the 6 living tasks listed below ever again.

The appropriate medical specialist must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or the **person covered** expects to retire.

The **person covered** must need the help or supervision of another person and be unable to perform the task on their own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

- **Washing** – the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- **The ability to dress and undress** – the ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
- **Feeding yourself** – the ability to feed yourself when food has been prepared and made available.
- **Maintaining personal hygiene** – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.
- **Getting between rooms** – the ability to get from room to room on a level floor.
- **Getting in and out of bed** – the ability to get out of bed into an upright chair or wheelchair and back again.

2. Total permanent disability – mental incapacity

Irreversible mental incapacity due to an organic brain disease or brain injury supported by evidence of progressive loss of ability to:

- remember;
- reason; and
- perceive, understand, express and give effect to ideas;

which causes a significant reduction in mental and social functioning, requiring the continuous supervision of the **person covered**.

Total permanent disability for Children's Critical Illness Cover

We'll pay if the **child** is diagnosed as suffering total permanent disability. All diagnoses must:

- be made by a consultant employed at a hospital within the geographical limits shown in section 2 who is a specialist in an area of medicine appropriate to the cause of the claim;
- be the first and unequivocal diagnosis of total permanent disability; and
- be confirmed by **our** chief medical officer.

Total permanent disability means the **child** becoming permanently disabled through illness or injury to the extent that for a period of 12 consecutive months the **child** has been confined to their home, a hospital or similar institution and has required medically supervised constant care and attention.

The disability must be expected to last throughout the **child's** life without prospect of improvement.

Traumatic brain injury – resulting in permanent symptoms

Death of brain tissue due to traumatic injury resulting in permanent neurological deficit with persisting clinical symptoms.

Incapacitated

We'll pay if the **person covered** meets one of **our** four definitions of incapacitated.

1. Own Occupation definition

Loss of the physical or mental ability, before age 70, through an illness or injury to the extent that the **person covered** is unable to do the material and substantial duties of their own occupation. The material and substantial duties are those that are normally required for, and/or form a significant and integral part of, the performance of their own occupation that can't reasonably be omitted or modified.

Own occupation means the trade, profession or type of work they do for profit or pay. It isn't a specific job with any particular employer and is irrespective of location and availability.

If the **person covered** isn't in **full-time** paid **occupation** immediately before the start of the period of incapacity, **we'll** assess the claim based on the serious illness definition.

2. Serious Illness definitions

If the **person covered** meets any of the following definitions **we'll** continue to pay the cover if they're unable, before age 70, to **work** in their own occupation in any capacity.

- **Blindness** – permanent and irreversible loss of sight to the extent that even when tested with the use of visual aids, vision is measured at 3/60 or worse in the better eye using a Snellen eye chart.
- **Cancer** – undergoing chemotherapy or radiotherapy in hospital or having received one of those treatments in hospital within the last 3 months.
- **Complete dependency** – being totally incapable of caring for oneself, requiring 24 hour medical supervision in a hospital or nursing home.
- **Deafness** – permanent and irreversible loss of hearing to the extent that the loss is greater than 95 decibels across all frequencies in the better ear using a pure tone audiogram.
- **Dialysis** – undergoing dialysis in hospital or having received the treatment in hospital within the last 3 months.
- **Organic brain disease** – an organic brain disease or brain injury which:
  - affects the ability to reason and understand; and
  - the condition has deteriorated to the extent that continual supervision and the assistance of another person is required.
- **Terminal illness** – a definite diagnosis by the attending consultant of an illness that satisfies both of the following:
  - The illness either has no known cure or has progressed to the point where it cannot be cured; and
  - In the opinion of the attending consultant, the illness is expected to lead to death within 12 months.

If the **person covered** isn't in **full-time** paid **occupation** and doesn't meet any of the serious illness definitions immediately before the start of the period of incapacity, **we'll** assess the claim based on the everyday tasks definition.

3. Everyday Tasks definition

If the **person covered** is unable to do 3 of the following 9 tasks, **we'll** pay the cover whilst they're unable, before age 70, to work in their own occupation in any capacity.

Loss of the physical ability through an illness or injury to do at least 3 of the 9 everyday tasks listed below.

The **person covered** must need the help or supervision of another person and be unable to perform the task on their own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

The everyday tasks are:

- **Sitting** – sit in a chair for at least 30 minutes without unreasonable discomfort.
- **Standing** – stand and perform light tasks such as making a cup of tea, using one hand for support, for a period of at least 5 minutes.
- **Walking** – the ability to walk more than 200 metres on a level surface.
- **Climbing** – the ability to climb up a flight of 12 stairs and down again, using the handrail if needed.
- **Lifting** – the ability to pick up an object weighing 2kg at table height and hold for 60 seconds before replacing the object on the table.
- **Bending** – the ability to bend or kneel to touch the floor and straighten up again.
- **Getting in and out of a car** – the ability to get into a standard saloon car, and out again.
- **Maintaining an ordinary UK driving licence** – reasonable medical opinion prevents the **person covered** obtaining an ordinary **UK** driving licence.
- **Writing** – the manual dexterity to write legibly using a pen or pencil, or type using a desk top personal computer keyboard.

If the **person covered** is age 70 or over at the start of a period of incapacity the living task definition will apply. If the **person covered** reaches age 70 while a cover is being paid, **we'll** reassess the claim at the time based on the living tasks definition. This might mean **we** stop paying the cover.

4. Living Tasks Definition (Waiver of Premium (Sickness) only)

If the **person covered** is unable to do 3 of the following 6 living tasks **we'll** pay the cover.

Any illness or injury which prevents the **person covered** from doing at least 3 out of the 6 living tasks either with or without the use of mechanical equipment, special devices or other aids and adaptations in use for disabled persons.

The six living tasks are:

- **Washing** – the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- **Getting dressed and undressed** – the ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
- **Feeding yourself** – the ability to feed yourself when food has been prepared and made available.
- **Maintaining personal hygiene** – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.

- **Getting between rooms** – the ability to get from room to room on a level floor.
- **Getting in and out of bed** – the ability to get out of bed into an upright chair or wheelchair and back again.

Terminal Illness

We'll pay if the **person covered** meets **our** definition of terminal illness.

Terminal illness – where death is expected within 12 months.

- the illness either has no known cure or has progressed to the point where it cannot be cured; and
- in the opinion of the attending consultant the illness is expected to lead to death within 12 months

Unemployed

We'll pay if the **person covered** meets **our** definition of unemployed

Unemployed or unemployment means:

1. the **person covered** has been made redundant, left **work** to become a **full-time** carer for a **relative** or dismissed from his employment, other than where the redundancy was voluntary or the dismissal was due to any of the following:

- misconduct, including fraud or dishonesty;
- breach of contract;
- the failure of the **person covered** to meet the standards or targets laid down by his employer;
- the **person covered's** participation in industrial action;
- any other circumstances that result in the **person covered's** employer taking disciplinary action against him; or

2. the **person covered's** fixed term employment contract has either not been renewed or has been terminated, provided that unemployment will only be deemed to have occurred under a fixed term contract other than at its natural expiry if:

- if has been renewed at least once during the term of the plan with the same employer provided there is no period between the contracts when the **person covered** has not been **employed** and the **person covered** has been in employment for a total unbroken period of 12 months or more;
- it has been renewed at least twice during the term of the plan with the same employer provided there is no period between the contracts when the **person covered** was not **employed** and the **person covered** has been in employment for a total unbroken period of six months or more; or

3. the **person covered's** fixed term contract, which has not been renewed at least once during the term of the plan, is terminated during the term of the contract. In this case, unemployment will be deemed to cease not later than the original expiry date of the fixed term contract; or

4. the **person covered** was **self-employed**, has ceased to trade and his business is being, or has been, wound up or put in the hands of a liquidator due to the financial inability of the business to continue trading; or

5. the **person covered** was a partner in a partnership which has been dissolved due to the financial inability of the partnership to continue trading, other than where the **person covered** has only stopped trading temporarily; and
6. the **person covered** is registered with the Department for Education and Employment (the Employment Service or Social Security Agency in Northern Ireland, the Channel Islands and The Isle of Man) or appropriate Government office in **the UK**, the Channel Islands or The Isle of Man, and is in receipt of any appropriate benefits; and
7. the **person covered** is actively seeking alternative employment appropriate to his education and training; and
8. the **person covered** is not doing any **work** for payment or reward, is available for **work** and is in receipt of appropriate National Insurance Credits or equivalent benefit.

6. GENERAL TERMS AND CONDITIONS

Source of covers

This plan is issued out of **our** Ordinary Long-Term Business Fund but is not eligible to participate in the profits of that fund or any other funds.

Unemployment Cover and Waiver of Premium (Unemployment) will be provided by UK General Insurance Limited on behalf of Surestone Insurance dac.

UK General Insurance Limited is authorised and regulated by the Financial Conduct Authority. The firm is on the Financial Services Register, with registration number 310101. It is registered in England and Wales with company number 04506493 and has its registered office at Cast House, Old Mill Business Park, Gibraltar Island Road, Leeds, LS10 1RJ. Surestone Insurance dac is an insurance company established in Ireland, with registration number E340407 and has its registered office at Alexandra House, The Sweepstakes, Ballsbridge, Dublin 4, Ireland.

Royal London Marketing Limited will make this insurance available as a cover under the plan on behalf of UK General Insurance Limited and Surestone Insurance dac.

Royal London Marketing Limited is authorised and regulated by the Financial Conduct Authority. The firm is on the Financial Services Register, with registration number 302391. It is registered in England and Wales with company number 4414137 and has its registered office is at 55 Gracechurch Street, London, EC3V 0RL. Royal London Marketing Limited is part of the **Royal London Group**.

You can check the authorisations of UK General Insurance Limited, and Royal London Marketing Limited at **fca.org.uk/register** or by calling the FCA on 0800 111 6768.

We reserve the right to withdraw Unemployment Cover and Waiver of Premium (Unemployment) or alter their terms if Surestone Insurance dac is unable to continue to provide this cover on the current terms. If this happens **we'll** try to find an alternative provider, but if **we** can't, the cover will be cancelled or altered from the next anniversary of the date cover started. **We'll** give **you** 30 days written notice of any change of insurance provider and **we'll** tell **you** at least 90 days before **we** cancel the cover or alter its terms.

Membership of Royal London

This plan doesn't entitle **you** to membership of **Royal London**.

Cancelling your plan

When **your** plan starts **you** have the right to change **your** mind and cancel **your** plan. **You** have 30 days from the date **you** receive **your** cover summary and plan details to cancel **your** plan. If **you** cancel in this time **we'll** refund any payments **you've** made to **us**.

You can cancel **your** plan by writing to **us**. **Our** address is on page 4 of this booklet.

You should also contact **your** bank to cancel **your** direct debit instruction.

If **your** plan is jointly owned, both owners must give **us** written notice. If **your** plan is under trust, or if **you've** assigned **your** legal rights under the plan to someone else, the trustees or assignee must give **us** written notice.

If **you** cancel **your** plan after 30 days, it will end on the day **your** next premium would be due. **You'll** still be covered by **your** plan until that date. So, if **you've** asked **us** to collect **your** premium on a different date to the one on which it's due, **we'll** still collect that premium from **you**. **We** won't refund any premiums **you've** paid to **us**.

For example if:

- **your** plan started on 1 February,
- **you** ask **us** to collect **your** premiums on the 15th day of each month, and
- on 10 April **you** ask **us** to cancel **your** plan,
- **we'll** collect **your** premium due on 1 April because this became payable before **you** asked **us** to cancel **your** plan
- **we'll** collect this on 15 April because **you've** asked **us** to collect **your** premiums on that day, and
- **we'll** cancel **your** plan on 1 May because this is the first day on which **your** next premium would be due.

If **you** don't pay **your** final premium:

- **we'll** cancel **your** plan from the date **your** final premium was due,
- **you** won't be covered from that date, and
- **we** won't pay any claim under **your** plan.

If **you** cancel, **we'll** tell **you** the date on which **your** cover will end, and whether **you** need to pay a final premium.

Cash-in value

Your plan doesn't have any cash-in value at any time. So if **you** cancel it **you** don't get anything back.

Paying claims

We'll pay all claims by direct credit to a bank account or another method **we** agree with **you**.

Interest

We'll pay interest if payment of any claim is delayed by more than two calendar months after the claim event. The rate of interest will be the Bank of England base rate less 0.5% a year, with an overall minimum of 0.5% a year, calculated on a daily basis.

Exercise of discretion

We'll act reasonably and in good faith when exercising our discretion to make decisions that relate to **your** plan.

How we use your personal information and verify your identity

We (The Royal London Mutual Insurance Society Limited and **our** businesses and divisions) may obtain personal information either from **you** directly, or with **your** consent, from **your** approved intermediary or from other sources such as **your** doctor or an identification agent.

We'll use your personal information (including sensitive personal information) for the following purposes:

- Providing and developing **our** products and services
- Improving our customer care
- Verifying **your** identity and fraud prevention

- Research and analysis
- Marketing
- Legal and regulatory reasons
- Administering **your** plan

We'll keep **your** personal information for a reasonable time and **we** may also share information about **you** with other companies within the **Royal London Group**, **your** approved intermediary, **our** service providers and agents and with third parties such as auditors, underwriters, reinsurers, medical agencies, identity authentication and fraud prevention agencies, other financial institutions and legal and regulatory bodies.

Your personal data may be processed in countries outside the European Economic Area. This processing will be carried out by experienced and reputable organisations and only on terms which safeguard the security of **your** data and comply with the requirements of the Data Protection Act 1998.

We may contact **you** by mail, phone, fax, email or other electronic messaging either directly or through **your** approved intermediary with further offers, promotions and information about **our** products and services that may be of interest to **you**. By providing **us** with this information **you** consent to being contacted by these methods for these purposes.

We may also share **your** information with carefully selected third parties, who may contact **you** by mail, phone, fax or electronic messaging to let **you** know about products and services which they believe may be of interest to **you**. By providing **us** with this information **you** consent to being contacted by these methods for these purposes.

We may carry out an identity authentication check to verify **your** identity. This involves checking the details **you** supply against those held on any databases that may be accessed by the reputable third party company which carries out **our** checks. This includes information from the Electoral Register and fraud prevention agencies.

We'll use scoring methods to verify **your** identity. A record of this search will be kept and may be used to help other companies verify **your** identity. **We** may also pass information to financial and other organisations involved in money laundering and fraud prevention to protect **ourselves** and **our** customers from theft and fraud. If **you** give **us** false or inaccurate information and **we** suspect fraud, **we'll** record this and share this information with other organisations.

We may monitor and record phone calls and retain these for the purposes of training and quality assurance and to ensure that **we** have an accurate record of **your** instructions.

If **you** provide **us** with information about another person, **you** confirm that they've appointed **you** to act for them to consent to the processing of their personal data and that **you've** informed them of **our** identity and the purposes (as set out on page 45 and 46) for which their personal data (including sensitive personal data) will be processed.

You have the right to ask for a copy of the information that **we** hold on **you**, for which **we're** entitled to charge a small fee. **You** can ask **us** to correct any inaccuracies in **your** information.

If **you** have any questions about how **we'll** use **your** personal information, or if **you** would like to receive **our** marketing communications by some but not all of the above methods, please:


0345 6094 500


protectionhelp@royallondon.com

0345 6094 523


Royal London, 1 Thistle Street, Edinburgh EH2 1DG

When we may change the terms and conditions applying to your plan or cancel your plan

We may make changes to the terms and conditions applying to **your** plan (including **your** premiums) in the circumstances set out in clauses 1 to 4 below or **we** may cancel **your** plan in the circumstances set out in section 1. **We** will, where appropriate, take account of actuarial advice when **we** do so.

We'll normally give **you** 90 days' written notice of a change. This may not be possible for changes which are outside **our** control. **We'll** give **you** as much notice as **we** can in such circumstances.

1. **We** may make changes to the terms and conditions applying to **your** plan (including **your** premiums) or cancel **your** plan if:
   - **you** don't tell **us** about changes to any of the answers **you** or the **person covered** gave in the **application**, or to information provided in relation to **your application**, between the date it was completed and the **date we assume risk** on **your** plan;
   - the **person covered** doesn't provide their consent for **us** to ask for medical information within six months of the start of **your** plan from any doctor they have consulted about their physical or mental health to check the accuracy of any statement made in, or in connection with, **your application**;
   - any question answered or any statement made in, or in connection with, **your application** is inaccurate or misleading and this affects **our** decision of what cover **we're** willing to provide under **your** plan;
   - **you** make a claim and **we** find that **you** or the **person covered** haven't told **us** something that affects **your** cover;
   - **you** don't keep **your** plan premiums up-to-date.
2. **We** may make changes to the terms and conditions applying to **your** plan (including **your** premiums) that **we** reasonably consider are proportionate in the circumstances if, because of a change in legislation, regulation or established practice in relation to such legislation or regulations, or any relevant change or circumstance beyond **our** control:
   - it becomes impracticable or impossible to give full effect to the terms and conditions applying to **your** plan;
   - failing to make the change could, in our reasonable opinion, result in **Royal London's** policyholders not being treated fairly; or
   - the way that **we're** taxed or the way that **your** plan is taxed is changed.

3. **We** may make changes to the terms and conditions applying to **your** plan (including **your** premiums) that **we** reasonably consider won't adversely affect **you**. These may include, for example, changes needed to reflect new services or features that **we** wish to make available to **you**.
4. **We** may make changes to the terms and conditions applying to **your** plan (including **your** premiums) if **we** become aware of any error or omission in this plan details booklet. **We'll** only make such changes to bring the plan details booklet into line with **your** cover summary or the key facts document relevant to **your** plan.

Contract

The Personal Menu Plan is a contract between **you** and **Royal London** based on **your application** to **us**. These terms and conditions are part of the contract between **you** and **us** and should be kept in a safe place. The contract consists of these terms and conditions, the cover summary for each cover that **you** buy and any **endorsements** to these terms and conditions that **we** give **you**. Where there's a conflict between the terms and conditions and the cover summary, the terms set out in the cover summary will apply.

Mis-statement of age

If when **you** took out **your** plan **we** were told the **person covered** is older than they really are, **we'll** reduce the payments to the amount that would have been charged if **we'd** been told their correct age and refund any overpayment **you've** made.

If when **you** took out **your** plan **we** were told the **person covered** is younger than they really are, **we'll** reduce the amount of cover to the amount that would have been available if **we'd** been told their correct age. This means that, on a claim, **we'll** pay an amount which is lower than the amount shown on **your** cover summary.

Change of occupation

You don't need to tell **us** if the **person covered** changes their **occupation**. **We'll** assess any claim based on their **occupation** immediately before the claim event happens.

Complaints

We hope that **you'll** never have reason to complain, but if **you** do, **you** can write to **us** at:

Royal London, 1 Thistle Street, Edinburgh EH2 1DG

0345 6094 500

protectionhelp@royallondon.com

We'll always try to resolve complaints as quickly as possible. If **we're** unable to deal with a complaint within five working days of receiving it, **we'll** send **you** a letter to acknowledge **your** complaint and give **you** regular updates until **your** complaint is resolved.

We can give **you** more information about **our** complaint handling procedures on request.

We're committed to resolving complaints whenever possible through **our** complaints procedures. If **we** can't resolve a matter satisfactorily, **you** may be able to refer **your** complaint to the Financial Ombudsman Service.

If **you** make a complaint **we'll** send **you** a leaflet explaining the Financial Ombudsman Service. The leaflet is also available on request or **you** can contact the Ombudsman direct at the following address:

Financial Ombudsman Service
ExchangeTower
Harbour Exchange Square London
E14 9SR

0800 0234 567
(calls to this number are now free on mobile phones and landlines)

0300 1239 123
(calls to this number cost no more than calls to 01 and 02 numbers)

complaint.info@financial-ombudsman.org.uk

financial-ombudsman.org.uk

The Financial Ombudsman Service has been set up by law to help settle individual disputes between consumers and financial firms. They can decide if **we've** acted wrongly and if **you've** lost out as a result. If this is the case they'll tell **us** how to put things right and whether this involves compensation.

Their service is independent, free of charge and **we'll** always abide by their decision. If **you** make a complaint, it won't affect **your** right to take legal proceedings.

If we can't meet our liabilities

Your plan is covered by the Financial Services Compensation Scheme. **You** may be entitled to compensation if **we're** unable to pay claims due to, for example, insolvency. This depends on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme.

Law

The law of England and Wales applies to this plan.

Notices of assignment

If **you** assign any of **your** legal rights under the plan to someone else, **we** must see notice of the assignment. Please send the notice to:

Royal London, 1 Thistle Street,
Edinburgh EH2 1DG

An assignment could take place when **you're** using the plan as security for a loan or have put the plan under trust.

Rights of third parties

No term of this contract is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to this contract but this doesn't affect any right or remedy of a third party which may exist or be available otherwise than under that act.

7. DEFINITIONS OF THE WORDS WE USE

This section explains all of the words in **bold** and found within the plan details.

Application

This is the **application** completed either on paper online or over the phone containing the information that **Royal London** has used to set up the plan and includes any related information provided to **Royal London** (or to the medical examiner for **Royal London** or a third party acting on behalf of **Royal London**). Any data capture form used by **your** financial adviser in order to complete the online **application** doesn't form part of **your application** to **Royal London**.

Child

- the **person covered's** natural **child** from birth to 21 years;
- any **child** of the **person covered** who is legally adopted from birth to 21 years;
- any **child** who resides with and is financially dependent on the **person covered** from birth to 21 years.

Cover payment period

The length of time **we** pay **your** claim.

Date we assume risk

The **date we assume risk** is the later of:

- the date **you** or anyone acting on **your** behalf contacts **us** to ask **us** to start **your** plan; or
- the date cover starts shown on **your** cover summary.

Deferred period

The period between the **person covered** first meeting the definition of incapacitated and getting **your** first payment from **us**. The **deferred period** is shown in the additional features section of **your** cover summary. **We** won't pay a claim under any cover until the end of its **deferred period**.

Employed

The **person covered** working for remuneration under a contract of employment and paying class 1 National Insurance contributions.

Endorsements

Means documents used to add additional information to **your** plan to amend existing wording which become part of the terms and conditions. **We'll** send an **endorsement** to **you** only if **we've** the ability to make certain types of changes to **your** plan.

Exclusion

Means a reason shown on **your** cover summary when **we** won't pay a claim.

Full-time

The **person covered** must be in **full-time** (more than 16 hours each week) paid **occupation**.

In arrears

Means **we'll** make **our** payments to **you** at the end of the month during a claim.

Intentional self-inflicted injury

If the cause of the claim is the **person covered's** death, **intentional self-inflicted injury** means in **our** reasonable opinion the most likely cause of death is that the **person covered** took their own life, whether or not specifically shown as a verdict or cause of death in a death certificate, coroner's report or other equivalent documentation.

If the cause of the claim is anything other than the **person covered's** death, **intentional self-inflicted injury** means any injury they've suffered that is in **our** reasonable opinion a result of the **person covered's** own deliberate act.

Occupation

A trade, profession or type of **work** undertaken for profit or pay. It's not a specific job with any particular employer and is independent of location and availability.

Person covered

The person shown as such on the cover summary.

Pre-incapacity or pre-unemployment earnings

If the **person covered** is **employed** this means their total pre-tax earnings for PAYE assessment purposes in the 12 months before they became incapacitated or unemployed. This may include:

- the taxable value of any of the following benefits shown on form P11D that will be lost as a result of their incapacity:
  - living accommodation where they live and pay council tax
  - company car when used for private use
  - car fuel which is provided for use with their company car
  - beneficial loans including loans for travel tickets
  - insurance such as critical illness insurance, private medical insurance and accident and travel insurance
- regular bonuses and commission received by them
- dividends received by them from a private limited company in which they and no more than three other shareholders are **employed** as **full-time** working directors. The dividend amount must:
  - represent their share in the net trading profit of that company from its normal regular business,
  - be consistent with the trading position of the company, and
  - stop being paid as a result of incapacity.
- the salary received by the **person covered's** spouse or cohabiting partner where they're **employed** by the same company as them.

  Their salary would need to be a nominal amount (up to a maximum of £6,500 a year), and they would not contribute towards generating the profit of the company. The spouse's or cohabiting partner's salary must cease on the **person covered's** incapacity or unemployment.

  Any salary, dividends or any form of private disability benefits being received by the **person covered's** spouse or cohabiting partner when they're incapacitated or unemployed will be treated as continuing income for the **person covered** for claims assessment purposes.

Income from savings and investments isn't included in **our** definition of **pre-incapacity** or **pre-unemployment earnings**.

If the **person covered** is **self-employed** this means their total share of pre-tax profit from their trade profession or vocation for the purposes of Part 2 of the Income Tax (Trading and Other Income) Act 2005 for the 12 months before they became incapacitated.

If the **person covered's** earnings vary significantly from one year to another, for example because they are made up mainly of commission or bonuses, **we'll** use their average earnings over the last three years before the claim.

Income received from savings and investments won't be included.

Relative

Means spouse, civil partner as detailed by the Civil Partnership Act 2004, domestic partner, parent or **child**, related to the **person covered** by blood, law, marriage or domestic partnership, or a permanent member of their household.

Retail price index

This is the percentage increase in **the UK** government's **retail price index** (or if that index is no longer available, such other index as **we** reasonably determine to be equivalent) over the 12-month period ending three months before the anniversary of the date the plan started, subject to a minimum of 2% and a maximum of 10%.

Royal London

The Royal London Mutual Insurance Society Limited.

Royal London Group

Royal London Group means the Royal London Mutual Insurance Society Limited and its subsidiaries.

Self-employed

The **person covered's** working:

- alone;
- or with others in partnership;
- or as a member of a limited liability partnership; and
- paying class 2 National Insurance contributions and being assessable to income tax under Part 2 of the Income Tax (Trading and Other Income) Act 2005.

Standard terms

Your plan is on **standard terms** unless **we've** charged an extra premium or applied an **exclusion** to **your** cover.

Term of the cover

The period between the date cover starts and the date cover ends.

The UK

Means Scotland, England, Wales and Northern Ireland.

We or us or our

Means **Royal London**.

Work

Being **employed** or **self-employed**.

You or your

Means the plan owner or their legal successors except where a different meaning is given in a these terms and conditions.

Royal London
1 Thistle Street, Edinburgh EH2 1DG
royallondon.com

All literature about products that carry the Royal London brand is available in large print format on request to the Marketing Department at Royal London, 1 Thistle Street, Edinburgh EH2 1DG.
All of our printed products are produced on stock which is from FSC® certified forests.

April 2016 44G0923/1