

# Business Menu Plan

# **Key Person Income Protection**

Plan details - April 2024

We give this booklet of terms and conditions to everyone who buys income protection under the business menu plan. It tells you how your cover works and explains how to make a claim, keep your premiums up-to-date and how to make changes to your cover.

These terms and conditions are part of the contract between you, the plan owner and **Royal London**. 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, your cover summary (which will detail each cover that you buy from us) and any **endorsements** to these terms and conditions that we give you.

Where there's a conflict between these terms and conditions and your cover summary, the terms set out in your 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 receiving your cover summary and plan details, we'll return any premiums you've paid. If you cancel after the first 30 days, we won't refund any of your premiums. For information on cancelling your cover, see page 17.

We're happy to provide your documents in a different format, such as Braille, large print or audio, just ask us when you get in touch.

Any words in **bold** are defined in Section 4.

### Before you start, please note:

Any use of the words 'we', 'our' or 'us' refers to **Royal London**. Any use of the words 'you' or 'your' refers to the plan owner or their legal successors except where a different meaning is given in these terms and conditions.

# What's Inside

## Section 1

### How your cover works

- 5 | How to make a claim
- 6 | What happens when you make a claim
- 6 | Who we'll pay
- 6 | When we will and won't pay a claim
- 9 | How much we'll pay
- 11 | Your premiums
- 12 | When and how your premiums could change

## Section 2

### Changing your cover

- 13 | Increasing cover
- 13 | Cover Increase Options
- 15 | Lifestyle review
- 16 | Changing your cover in other ways

## Section 3

### General terms and conditions

- 17 | Source of covers
- 17 | Membership of Royal London
- 17 | Cancelling your cover
- 17 | Cash-in value
- 18 | Paying claims
- 18 | Interest
- 18 | Exercise of discretion
- 18 | How we use your personal information
- 22 | When we may change the terms and conditions applying to your cover or cancel your cover
- 23 | Contract
- 23 | Mis-statement of age
- 24 | Complaints
- 25 | If we can't meet our liabilities
- 25 | Law
- 25 | Notices of assignment
- 25 | Rights of third parties

## Section 4

### Definitions of the words we use

# Telling us about changes

## Before your cover starts

You must tell us if there's a change to anything in your **application** in the time after you've applied for your cover, 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 of the **person covered** or a change to your or the **person covered's** country of residence. If you don't let us know about any changes we might not pay out if you make a claim. Or, we might change the terms of your cover or cancel it.

We'll give you a copy of your **application** 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 any of the following change:

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

You can contact us using the details below. If you phone us, we might record or monitor your call so we have an accurate record of anything you tell us.

 0345 6094 500

 [protectionhelp@royallondon.com](mailto:protectionhelp@royallondon.com)

 0345 6094 522

 **Royal London**, 22 Haymarket  
Yards, Edinburgh, EH12 5BH

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

# 1. How your cover works

Key Person Income Protection is designed to pay out if, during the **term of the cover** the **person covered** can't **work** because of an illness or injury and they meet the requirements of our definition of **incapacitated**, or the **person covered** is diagnosed with a **terminal illness** that meets our definition. You'll find our definitions of **incapacitated** and **terminal illness** and the relevant requirements on pages 27 and 30 respectively.

Key Person Income Protection is not designed to pay out if the **person covered** becomes unemployed for any other reason.

## How to make a claim

If you or your representatives want to make a claim, please call us on **0345 6094 500**.

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. Before you call, please read through the information below.

We reserve the right to restrict Key Person Income Protection claims to certain parts of the world. This means that if the **person covered** is living or working outside **the UK** and you want to make a claim, we might need the **person covered** to return to one of the countries listed below. We may also accept evidence from other countries if, in our assessment, the evidence is comprehensive enough and of a sufficient standard for us to properly assess the claim.

- **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

## What happens when you make a claim

Please provide any information we ask you for. Depending on what your claim is for, we'll also ask for other information, including the following:

- a birth, marriage or death certificate
- medical information, or medical records
- proof of change of name.

We'll pay what we consider to be 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 the circumstances at the time, and whether the plan that your cover is under has been assigned or put under trust.

We usually pay the owner of the plan the cover is under 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 joint plan owners, we'll pay them jointly. If one of the joint plan owners has died, we'll pay the survivor of them. If the plan that your cover is under 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 that your cover is under is written in 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. We won't be responsible for checking that the trust has been properly established, validly altered or whether it has been terminated.

## When we will and won't pay a claim

### Claims for Key Person Income Protection

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

- ask the **person covered** to be examined by a doctor or health specialist we choose, or

- ask for any other evidence we may reasonably require, for example a report from a GP or treating consultant.

We'll pay a claim if:

- Key Person Income Protection is shown on your cover summary,
- during the **term of the cover** the **person covered**:
  - meets the requirements of our definition of **incapacitated** for a continuous period longer than the **deferred period** shown on your cover summary, or
  - meets the requirements of our definition of **terminal illness**, and
- the information you send us is correct and complete, and your claim is valid according to these terms and conditions.

You'll find our definitions of **incapacitated**, **terminal illness** and their relevant requirements in section 4.

We'll continue paying until:

- the **person covered** no longer meets the requirements of our definition of **incapacitated**,
- the **person covered** goes back to **work**,

- the **cover payment period** shown on your cover summary ends,
- the **term of the cover** reaches an end, or
- the **person covered** dies.

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**, or
- the **person covered** doesn't meet the requirements of our definition of **incapacitated**.

We might also 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 and ability,
- 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 health, **occupation** or leisure activities of the **person covered** or your or the **person covered's** country of residence, or

- you don't send us everything we ask for, or if the information you do provide is incorrect or incomplete.

## Connected claims

A connected claim happens if:

- we start to pay a claim, but stop paying because the **person covered** no longer meets the requirements of our definition of **incapacitated**, but
- within the next 52 weeks of us stopping making payments, the **person covered** meets the requirements of our definition of **incapacitated** once again, so you want to make a further claim.

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 the requirements of 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 straight away.

## How your cover payment period affects a connected claim

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

This remainder is the difference in time between the length of your **cover payment period** and how long in months we paid your original claim for 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 the claim for another 16 months if the **person covered** has to stop **work** again and they meet the requirements of our definition of **incapacitated** and we can treat the claim as a connected claim.

If the **person covered** goes back to **work** after the end of the **cover payment period**, we won't pay any connected claims under this cover until the **person covered** has been back at **work** for at least 26 continuous weeks.

## Unconnected Claims

If another claim is made and is not a connected claim we will pay out at the end of that cover's **deferred period** regardless of how long the **person covered** has been back at **work** if:

- during the **term of the cover** the **person covered**
  - meets the requirements of our definition of **incapacitated** for a continuous period longer than the **deferred period** shown on your cover summary, or
  - meets the requirements of our definition of **terminal illness**, and
  - the information you send us is correct and complete, and your claim is valid according to these terms and conditions.

## How much we'll pay

### If your 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 profit** attributable to the **person covered** multiplied by 75% (the maximum percentage of **pre-incapacity profit** shown in the additional features of your cover summary).

### If your 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 profit** attributable to the **person covered** multiplied by 75% (the maximum percentage of **pre-incapacity profit** shown in the additional features of your cover summary).

Your amount of cover will continue to increase each year on the date the plan your cover is under 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 you select this option your premiums will also increase each year. This is explained further on page 13.

Your cover will increase each year and will continue to increase yearly throughout and beyond any claim, as long as the maximum cover amount of £250,000 has not been reached. If the maximum cover amount is reached, we won't allow any more increases to your amount of cover. If you selected the maximum cover amount of £250,000

when the plan your cover is under started, your cover will increase once only, on the first anniversary of the plan starting.

## If you have other plans for key person income protection

We'll reduce the amount we pay so that the total income you receive equals 75% of the **pre-incapacity profit** attributable to the **person covered** as shown on your cover summary. For example, if you have any other plan with us, or with any other company, that would, if the **person covered** were to meet the requirements of our definition of **incapacitated**, provide an income exceeding 75% of **pre-incapacity profit** attributable to the **person covered**.

## 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 hours as a direct result of their illness or injury, we'll pay a reduced amount. Here's how we **work** this out:

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

In this formula, 'normal cover' means the amount we'd pay if the **person covered** continued to meet the requirements of our definition of **incapacitated** and doesn't go back to **work**. Where the reduced profits vary, the amount we'll pay will also vary. We'll need to see evidence of the reduced profit amount.

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

- goes back to **work** for less than 30 hours a week,
- worked more than 30 hours a week before meeting the requirements of our definition of **incapacitated**, and
- the profit attributable to the **person covered** is less than the profit attributable to them when they met the requirements of our 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,
- the profit attributable to the **person covered's** part-time **work** in their own **occupation** is more than the **pre-incapacity profit** attributable to them,

- we've paid this reduced amount of cover for a period of 12 months,
- the **person covered** is no longer **employed** by the business to who's profits the **person covered** contributes,
- the business who's profits the **person covered** contributes to stops trading,
- the **cover payment period** ends,
- the **term of the cover** reaches an end, or
- the **person covered** dies,

whichever is the earliest.

We **work** out the amount of cover on the date the **person covered** met the requirements of our 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.

## Your Premiums

It's really important that you keep up to date with paying your premiums.

### When your premiums are due

Your first premium is due on the date your cover starts. We'll collect it on this date or shortly after, by direct

debit. Your last premium is due on the date shown on your cover summary. We'll tell you before we collect the first premium.

### If you're paying your premiums monthly

You must pay a premium every month from the date your first premium is due 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 your premiums yearly

You must pay a premium every year from the date your first premium is due 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 the plan your cover

is under – so you won't be covered at all any more. 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. We'll need you to tell us if there has been a change to the health, **occupation** or leisure activities of the **person covered** since your plan start date, so 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**

If your cover is level regular payments  
As long as you pay your premiums on time, your premiums won't change for the **term of the cover**.

## **If your cover is payable as increasing regular payments**

On each anniversary of your plan starting, your premium will increase by the rate shown in the additional features section of your cover summary, multiplied by 1.2. We'll tell you how much the increase will be at least a month before it takes place.

## 2. Changing your cover

### Increasing cover

This only applies where you have chosen your amount of cover to be payable as increasing regular payments.

The amount of cover will increase each year on the anniversary of the date your plan started, which will be shown on your cover summary. The additional features in your cover summary shows whether your cover will increase each year by a fixed rate or by the **retail price index**. As your amount of cover increases, your premiums will also increase.

We'll write to you at least a month before the increase takes place to tell you how much the increase in your amount of cover will be and how much your new premium will be. If you don't want your amount of cover or your premium 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 to your amount of cover.

If, as a result of an increase, the total amount of Key Person Income Protection on all plans that you have with us would be more than £250,000 a year, your cover won't increase. We'll tell you if this happens. When working

out your total amount of cover we include all cover you have under the plan that this cover is under, as well as any other plan you have with us.

If you add a new cover to your plan, your new cover may start on a different day than your plan started. The date your original plan started can be found on your original cover summary.

Where this happens, the first increase in your amount of cover for your additional cover will be on the first anniversary of your plan start date which comes after this additional

### 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

You can increase your cover, without giving us any medical information, if there's an increase:

- in the value of a key person
- to your business mortgage or loan but not if there's an increase in your overdraft

- in the value of a partner's, limited liability partnership member's or shareholder's interest in the business.

All we need to see is some evidence of the event:

- how the value of the key person has been calculated and we might need to see copies of the business accounts
- written confirmation from the lender or a copy of the new loan offer
- evidence of the increase in the value of partner or shareholder interest.

You need to ask us to increase your cover within six months of the event happening. The **person covered** must be under 60 at the time. 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 amount you can increase your cover by over the term of your plan, across all events, is £24,000 a year.

The maximum amount you can increase your cover by, for a single event, is limited to the following amounts:

- half your original cover amount, or
- £12,000 a year.

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.

Key Person Income Protection comes with some extra limits, so that the total amount of cover you have is no more than the lower of:

- the maximum percentage of **pre-incapacity profit** we originally agreed to cover, and
- our maximum cover amount.

### Limits for an increase in the value of a key person

You can increase your cover by a maximum of:

- five times the amount of increase in salary, or
- twice the increase in gross profits attributable to that person subject to the limits above.

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 for **incapacity**, 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.

## Flexibility Options

### Lifestyle Flexibility

If we accepted your cover on **non-standard terms** or charged rates based on your smoker status, or you've changed your 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** had an **exclusion** for a hazardous hobby that they no longer do
- the **person covered** has lost weight and kept it off
- the **person covered** stopped smoking.

We may need to ask for medical information about the **person covered** or see proof of the change before we make any changes to the terms of your cover.

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

During a review of the **person covered's** lifestyle we can also apply an **exclusion** as well as removing one. For example, we might be asked to remove a rating for BMI as the **person covered** has lost weight, but since they took out the plan, they've taken up diving. We could therefore remove the BMI rating, but we would apply a diving **exclusion**. You'll always have the option not to take up the lifestyle flexibility option and continue with your plan as it is.

Please note that there is no requirement to tell us about any changes to the **person covered's** lifestyle after your cover starts (e.g. if they start smoking or take up a dangerous hobby).

If we do review your terms, cover that wasn't originally on **standard terms** cannot be changed to include Cover Increase Options.

## Changing your cover in other ways

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

You can't add a new cover to your plan 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 or the circumstances of the **person covered** have changed.

## 3. General terms and conditions

### Source of covers

This cover 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.

### Membership of Royal London

Neither your cover nor the plan that it is under, entitles you to membership of **Royal London** or participation in profit share.

### Cancelling your cover

When your cover starts you have the right to change your mind and cancel your cover.

If you do so within 30 days of receiving your cover summary and plan details, we'll refund any premiums you've paid to us. If you cancel after 30 days, your cover will end and you won't get anything back.

You can cancel your cover or the plan that it is under by contacting us. Our address is on page 4 of this booklet. You may also want to contact your bank to cancel your direct debit instruction. You should only do this if you intend to cancel all of the covers under your plan. If you intend to only cancel some of

your covers, we'll automatically reduce the amount we collect once those covers have been cancelled.

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

If you cancel your cover, or the plan that your cover is under, after 30 days, your cover will end on the day your next premium would be due. You'll still be covered 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. Because you are cancelling after the 30 day cancellation period, we won't refund any premiums you've paid to us for the cover you're cancelling.

If you cancel, we'll tell you the date on which your cover will end, and whether you need to pay a final premium. If you don't pay your final premium:

- we'll cancel your cover 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.

## EXAMPLE

### IF

- your cover started on 1 February,
- you ask us to collect your premium on the 15th day of each month, and
- on 10 April, for example, you ask us to cancel your cover,

### THEN

- we'll collect your premium due on 1 April because this became payable before you asked us to cancel your cover,
- we'll collect this on 15 April because you've asked us to collect your premium on that day, and
- we'll cancel your cover on 1 May because this is the first day on which your next premium would be due.

## Cash-in value

Your cover, and the plan that it is under, have no cash-in value at any time. This means that if you cancel your cover or the plan that it is under, after the 30 day cancellation period, you won'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 cover.

## How we use your personal information

As a customer of **Royal London** we use your information in a number of ways. This is a notice which we are required to give you under the data protection laws. It tells you how **Royal London** will use your personal information.

In this notice we've included the uses that we feel would be most important to you. There's further information in our full privacy notice on our website.

## How do you use my information?

We use your information, which may be provided by you, through your adviser or from your medical professional, in order to set up and service your plan and meet our legal obligations, such as when:

- Setting up and administering your plan.
- Completing any requests or managing any queries or claims you make.
- Verifying your identity and preventing fraud. This is usually where we have a legal obligation.
- Fulfilling any other legal or regulatory obligations.

We also use your information for activities other than plan administration or to comply with legal obligations. Where we do this we need to have a 'legitimate interest'. Activities are assessed and your rights and freedoms are taken into account to ensure that nothing we do is too intrusive or beyond your reasonable expectations. We use legitimate interests for:

- Researching our customers' opinions and exploring new ways to meet their needs – we use personal information to help us understand

that our products, services and propositions suit our customers' needs and meet their expectations, as well as improving your customer experience.

- Assessing and developing our products, systems, prices and brand – we generally combine your information with other customers' in order to check if our products are priced fairly, are suitable for our customers and to check if our communications are easy to understand.
- Sending you marketing information – we don't currently send you marketing information about our products. However, we're looking to start communicating with you more frequently about your plan and also finances in general.
- Monitoring the use of our websites. You can see our cookies policy at [royallondon.com/cookies](https://royallondon.com/cookies).

If we lose touch we'll use a trusted 3rd party to find you and reunite you with your plan, if we can.

We may also monitor and record phone calls for training and quality purposes. This means we have an accurate record of what you tell us to do. If you want further information about our use of

your information for our legitimate interests, you can contact us using the details below. You also have the right to object to any processing done under legitimate interests, which means we may stop using your information in some circumstances.

## Who sees and uses my personal information?

Employees of **Royal London** who need to see or **work** on your plan are given access to your personal information in order to support you.

For example, our call centre staff will access your plan details if you call us.

In addition to our own staff we share your information with other companies so that we can administer your plan and provide our services to you. We only use trusted 3rd parties, such as:

- Service providers, for example UnderwriteMe, who we **work** with to provide our automated underwriting.
- ID authentication and fraud prevention agencies.
- Your authorised financial adviser(s).
- Auditors.
- Reassurers.

- Medical agencies.
- Legal advisers and legal/regulatory bodies.
- Other insurance providers.
- External market research agencies.
- Data Brokers, for example Experian, in order for us to best understand the products that would be most suited to you.

We make sure the use of your information is subject to appropriate protection and we will never sell your information.

## Overseas transfers

Depending on the plan you have, some of your personal information might be processed outside of the European Economic Area (EEA). For more information see the full privacy notice on our website.

## What are my rights?

- **Access** - You have the right to find out what personal information we hold about you.
- **Rectification** - If any of your details are incorrect or incomplete, you can ask us to correct them for you.

- **Erasure** - You can also ask us to delete your personal information in some circumstances.
- **Object** - If you have concerns about how we're using your information, you have the right to object in some circumstances.
- **Direct marketing** - You have a specific right to object to direct marketing, which we'll always act upon.
- **Restriction** - You have the right to ask us to restrict the processing of your personal information in some circumstances.
- **Data Portability** - In some circumstances, you can ask us to send an electronic copy of the personal information you have provided to us, either to you or to another organisation.

We also make automated underwriting decisions about you when you request a quote or make an **application**. We use the information you provide as part of the **application** to decide what price to offer you. You have a right to ask for a person to reassess any automated underwriting decisions we make. More information can be found at [royallondon.com/protectionprivacy](https://royallondon.com/protectionprivacy).

If you wish to exercise any of these rights please contact us in writing using the contact details opposite.

## How can I find out more?

Our full privacy notice contains more detail on how we use your information, how long we keep your information for our 'lawful basis' and your rights under data protection laws.

You'll find the full notice at [royallondon.com/privacynotice](https://royallondon.com/privacynotice) or you can call **0800 085 8352** for a recorded version or if you want this in another format.

## How to contact our Data Protection Officer (DPO):



[GDPR@royallondon.com](mailto:GDPR@royallondon.com)



Royal London,  
Royal London House,  
Alderley Park, Congleton  
Road, Nether Alderley,  
Macclesfield, SK10 4EL

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

We may make changes to the terms and conditions applying to your cover (including your premiums) in the circumstances set out in the paragraphs numbered 1 to 4 on pages 22 - 23.

We can separately make changes to how we use your personal information, details of which is set out on pages 18 - 21. We may update this notice from time to time and we'll alert you to the important updates. It's not meant to be a legal contract between you and Royal London and this doesn't affect your rights under data protection laws.

We will, where appropriate, take account of actuarial advice when we make any changes.

We may cancel your cover in the circumstances set out in paragraph 1.

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 cover (including your premiums) or cancel your cover 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 cover,
- the **person covered** doesn't provide their consent for us to ask for medical information within six months of the start of your cover 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 on the cover we're willing to provide,
- you make a claim and we find that you or the **person covered** haven't told us something that affects your cover, or
- you don't provide us with the information we request to verify the identity of any person, organisation

or bank account required under legislation or regulation within 12 weeks of the date your plan starts, or

- you don't keep your premiums up-to-date.

**2.** We may make changes to the terms and conditions applying to your cover (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 cover,
- 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 the plan that your cover is under is taxed is changed.

**3.** We may make changes to the terms and conditions applying to your cover (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 cover (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 cover.

## Contract

The Business 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 your **application**, these terms and conditions, your cover summary for each cover 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 your cover summary, the terms set out in your cover summary will apply.

## Mis-statement of age

If when you took out your cover we were told the **person covered** is older than they really are, we'll reduce your

premiums to the amount that you 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 cover 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.

## Complaints

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



0345 6094 500



[protectionhelp@royallondon.com](mailto:protectionhelp@royallondon.com)



Royal London, 22 Haymarket Yards, Edinburgh, EH12 5BH

We'll always try to resolve complaints as quickly as possible. If we're unable to deal with a complaint within three 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:

### Financial Ombudsman Service



Exchange Tower,  
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](mailto:complaint.info@financial-ombudsman.org.uk)



[financial-ombudsman.org.uk](http://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 legal rights.

## 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 [www.fscs.org.uk](http://www.fscs.org.uk).

## Law

The law of England and Wales applies to your cover and the plan that it is under.

## Notices of assignment

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



Royal London, 22 Haymarket  
Yards, Edinburgh, EH12 5BH

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

## Rights of third parties

No term of your contract is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to your 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.

## 4. Definitions of the words we use

This section explains all of the words in **bold** found within this booklet.

### Application

This is the application to **Royal London** completed either on paper, online or over the phone containing the information and the answers to the questions that we have used to set up your cover and includes any related information provided to us (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 then complete your online **application** doesn't form part of your **application**.

### Appropriate medical specialist

For the purposes of this cover is a consultant **employed** at a hospital within the geographical limits listed opposite who is a specialist in an area of medicine appropriate to the cause of the claim.

### Cover payment period

The length of time we'll pay your claim. This is shown on your cover summary.

- **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

### 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 cover, or the plan that your cover is under, or
- the date cover starts as shown on your cover summary.

## Deferred period

The period of time between when the **person covered** first meets the requirements in our definition of **incapacitated** and when you will receive your first payment from us. The **deferred period** is shown in the additional features section of your cover summary. Unless you have a connected claim (see page 8) or the **person covered** is diagnosed with a **terminal illness** that meets our definition, we won't pay a claim until the end of the **deferred period**.

## Employed

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

## Endorsements

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

## Exclusion

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

## Full-time

Means the **person covered** is in a full-time (more than 16 hours each week) paid **occupation**.

## Incapacitated or incapacity

We'll pay if the **person covered** meets the requirements of our definition of **incapacitated**.

For the purpose of the requirements, own **occupation** means the trade, profession or type of **work** that the **person covered** does for profit or pay. It isn't a specific job with any particular employer and is irrespective of location and availability.

### 1. Own Occupation

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

## 2. Serious Illness

If, before age 70, the **person covered** meets any of the following definitions, we'll pay the claim if they're unable 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.

If, the **person covered** isn't in a **full-time paid occupation** immediately before they meet our serious illness requirements and doesn't meet any of the serious illness requirements, we'll assess the claim based on meeting the everyday tasks requirements.

## 3. Everyday Tasks

If, before age 70, the **person covered** is unable to do 3 of the following 9 tasks, we'll pay the claim whilst they're unable 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.

### **Intentional self-inflicted injury**

Means any injury the **person covered** has suffered that is in our reasonable opinion the result of a deliberate act by the **person covered**.

### **Occupation**

Means 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.

### **Ordinary UK driving licence**

Means a group 1 licence as defined in 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.

## Person covered

The person named as such on your cover summary.

## Pre-incapacity profit

Means the average annual gross profit of the business over the three financial years immediately before the **person covered** became **incapacitated** or was diagnosed with a **terminal illness** that meets our definition.

## 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** and its subsidiaries.

## Standard terms

Your cover 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 your cover starts (as shown on your cover summary) and the date your cover ends. Unless the **person covered** dies, the date your cover ends is the date shown on your cover summary.

## 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.

## The UK

Means Scotland, England, Wales and Northern Ireland.

## Work

Being **employed**.



**Royal London**  
**royallondon.com**

**We're happy to provide your documents in  
a different format, such as braille, large print or audio,  
just ask us when you get in touch.**

All of our printed products are produced on stock which is from FSC® certified forests.

The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firm is on the Financial Services Register, registration number 117672. It provides life assurance and pensions. Registered in England and Wales number 99064. Registered office: 80 Fenchurch Street, London, EC3M 4BY. Royal London Marketing Limited is authorised and regulated by the Financial Conduct Authority and introduces Royal London's customers to other insurance companies. The firm is on the Financial Services Register, registration number 302391. Registered in England and Wales number 4414137. Registered office: 80 Fenchurch Street, London, EC3M 4BY.