

Income Protection Cover

Policy conditions

Reference
PN59 12.09

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Important

Please contact us at the start of a period of incapacity otherwise your claim may be delayed or refused. We give more information in Condition 19.

1 Introduction

1.1 About your Income Protection Cover policy

Your **policy** is a legal contract between you and Friends Provident Life Assurance Limited.

Insurance provides cover for events that occur by chance or accident. This **policy** does not provide cover for events that you deliberately bring about.

Please read your **policy conditions** and **policy schedule** carefully. You should keep them in a safe place as they will be needed if you claim under your **policy**.

If you transfer your rights under your **policy**, or under any of its benefits, your **policy** will end immediately and no benefits will be payable.

1.2 What 'you', 'your', 'we', 'us' and 'our' mean

You and your

The **life insured**.

We, us and our

Friends Provident Life Assurance Limited.

1.3 General definitions we use in this document

Various expressions used in this document are in **bold**, the meanings for these are shown below.

Benefits in kind

These are any benefits you receive from your **employment** that are shown on HM Revenue & Customs form P11D.

Confirmation schedule

This is a document we sent you showing the answers you gave to our questions when you applied for your **policy**.

Continuing houseperson's income

This is your income during a **period of incapacity**, as fully defined in Condition 6.1.2, that we take into account when considering a claim for houseperson's benefit.

Continuing income

This is your income during a **period of incapacity**, as fully defined in Condition 3.1.3, that we take into account when considering a claim for income protection benefit.

Deferred period

This is the first part of a **period of incapacity** for which no benefit is payable, other than hospitalisation benefit. Your **policy schedule** shows how long this period is.

Dividends

These are any dividends that you receive from a private limited company in which you and no more than three other shareholders are employed as full-time working directors.

Effective date

The date we show in your **policy schedule** from which **premiums** are payable. It may be before the **risk date**. We also use it to calculate when **policy years** begin.

Employment

This is each and every **paid occupation** that you are engaged in immediately before a **period of incapacity**.

Expiry date

This is the latest date on which your **policy** can end and is shown in your **policy schedule**.

Full-time employment

This is an occupation where you receive taxable earned income and in which you are actively engaged and normally work 16 or more hours a week on a regular basis.

Hospital

This means premises recognised as a hospital or nursing home by local or state health authorities in any of the countries listed in Condition 22.4.2.

Life insured

This is the person we show in your **policy schedule** who legally owns the **policy** and whose life is covered by the **policy**.

Paid occupation

An occupation that is of financial value whether or not you receive payment, profit or reward.

Pension scheme

This means a pension scheme registered under Part 4, Chapter 2, Finance Act 2004.

Period of incapacity

This is a period throughout which you are incapacitated due to illness or injury.

We use two measures of **period of incapacity** for income protection benefit and pension contribution protection benefit, and these are defined in Condition 3.1.1 and Condition 3.1.2. The measure of **period of incapacity** we use for houseperson's benefit and houseperson's pension contribution benefit is defined in Condition 6.1.1. We explain which definition will apply to these benefits under Conditions 3.2.1, 6.2.1, 7.1.1 and 8.1.1.

For income protection benefit and pension contribution protection benefit we will always apply Condition 6.1.1 if you are not in **full-time employment** immediately before any **period of incapacity**.

Policy

The legal contract detailed in your **policy schedule** and these **policy conditions**.

Policy conditions

The general terms and conditions set out in this document.

Policy schedule

The document that makes the **policy conditions** personal to you and sets out the cover we provide, what it costs and how long it lasts.

Policy year

A year starting on the **effective date** or its anniversary.

Pre-incapacity earnings

This is your total taxable earned income, as fully defined in Condition 3.1.4, before a **period of incapacity** that we take into account when considering a claim for income protection benefit.

Premium

The amount we show in your **policy schedule** that you must pay to us on each **renewal date**.

Renewal dates

The dates we show in your **policy schedule** on which you must pay us the **premium**.

Retail Prices Index (RPI)

This is a domestic indicator of inflation in the United Kingdom. It measures the average change from month to month in the prices of goods and services purchased in the United Kingdom.

Risk date

The date we show in your **policy schedule** when your cover and benefits actually start.

Salisbury office

Friends Provident Life Assurance Limited
UK House
72-122 Castle Street
Salisbury
SP1 3SH

2 Premiums

2.1 Payment of premiums

2.1.1 **Premiums** are payable as shown in your **policy schedule**. A **premium** must be paid on the **effective date** and on each **renewal date** after that. All **premiums** are payable until the **expiry date** by direct debit.

2.1.2 If increasing cover is shown in your **policy schedule**, the amount of **premium** will increase by either 5% compound or in line with the **Retail Prices Index** on each anniversary of the **effective date**, whichever is specified.

2.2 Non-payment of premiums

2.2.1 If any **premium** stays unpaid 30 days after its due date the cover and benefits under your **policy** will end without payment.

2.2.2 If the cover ends for this reason, you can apply to us within the following 12 months to restart the cover. We will need satisfactory evidence of your state of health and any other factors affecting the insurance risk. We will write to you to tell you whether we can restart cover or not. If we decide to offer the cover on different terms to those we originally offered, which may include an increase in **premiums** and/or an exclusion, we will need to receive your signed acceptance of the revised terms before we restart the cover.

To restart the cover, you must also pay all unpaid **premiums**.

2.3 Restriction of benefits

2.3.1 There will be no refund of **premiums** if benefits are restricted under:

- Conditions 3.2.6 to 3.2.9;
- Conditions 6.2.5 to 6.2.7;
- Conditions 7.1.6 to 7.1.8; or
- Conditions 8.1.5 or 8.1.6.

3 Income protection benefit

You can claim this benefit if you are in **full-time employment** immediately before a **period of incapacity** and your **policy schedule** says it is included.

This benefit pays out a regular income when a **period of incapacity** continues after the end of the **deferred period**, subject to the **policy** terms and conditions.

3.1 Definitions which apply to this benefit

These definitions apply for the purposes of Condition 3.

3.1.1 The following definition of **period of incapacity** applies if your **policy schedule** states that it applies.

A **period of incapacity** means a period throughout which you are:

- totally unable to perform the main and substantial duties of your **employment** due to illness or injury, other than a deliberately self-inflicted injury; and
- not engaged in a **paid occupation**.

If your **employment** consists of two or more **paid occupations**, you will not be classed as incapacitated if you have the ability to perform the main and substantial duties of one or more of those occupations.

Main and substantial duties are the essential duties of an occupation that take a significant part of your time and that neither you nor an employer can reasonably omit or adjust. When deciding if you are able to perform the duties of your occupation, we look at the standard duties for your occupation type rather than the particular duties for your own specific job. Availability of work is not a factor in deciding whether you are able to perform your occupation.

3.1.2 The following definition of **period of incapacity** applies if your **policy schedule** states that it applies.

A **period of incapacity** means a period throughout which you satisfy the following incapacity assessment criteria:

- normally and routinely unable because of illness or injury, other than a deliberately self-inflicted injury, to perform two or more of the following five tests without the help of another person, but with the use of appropriate assistive or corrective aids or appliances:

- 1 Walking
Able to walk 200 metres on the flat without having to stop or suffering severe discomfort
- 2 Bending
Able to get into or out of a standard saloon car and able to bend or kneel to pick up something from the floor and straighten up
- 3 Communicating
Able to answer the telephone and take a message
- 4 Reading
Having the eyesight required to be able to read a daily newspaper
- 5 Writing
Having the physical ability to write legibly using a pen or pencil

OR

- unable because of illness or injury, other than a deliberately self-inflicted injury, to conduct an independent basic existence, which means being confined to the home or hospital or being unable to cook, do light housework and dress yourself;

OR

- shown to be suffering a psychotic or well-defined mental illness which is medically uncontrollable despite treatment by a Consultant Psychiatrist.

3.1.3 **Continuing income** means income that you receive or become entitled to or waiver of a regular payment due from you during a **period of incapacity**. We treat the weekly equivalent amounts from the following sources as **continuing income**:

- regular payments from any other insurances against incapacity due to illness or injury;
- the waiver under any other insurance against incapacity due to illness or injury of any regular payment due from you. It does not include premiums waived under policies of life assurance or **pension schemes**. We also would not include payments under insurances which fund **pension scheme** contributions during incapacity where the insurer makes payments directly to the administrator or provider of the pension arrangement;
- credit repayment instalments paid or waived due to incapacity under mortgage payment protection policies and under any other form of loan, finance or credit protection policies;

- any continuing salary, commission, pension (unless the pension was already being paid to you before you started your **policy**) or other income, including **dividends** and **benefits in kind**, arising from all **paid occupations** in which you have ever engaged; and
- any State benefits, credits and allowances arising from incapacity by illness or injury to which you are entitled (but excluding any amounts that relate to dependants and Disability Living Allowance).

Continuing income is the amount you are entitled to receive less any tax which is payable on it. If it is not possible to establish the actual tax liability, we will estimate it, on a basis that we consider reasonable, using tax rates current at the time and make any necessary adjustments when the actual income tax liability is known.

3.1.4 **Pre-incapacity earnings** means earnings from all your **paid occupations** in the 52 weeks immediately before the **period of incapacity**.

If you are employed this means:

- your taxable earnings in the United Kingdom in the 52 weeks immediately before the **period of incapacity**. These are your pre-tax earnings for PAYE assessment purposes as shown on HM Revenue and Customs form P60;
- your taxable earnings outside the United Kingdom in the 52 weeks immediately before the **period of incapacity**. These are your pre-tax earnings as assessed for income tax or its equivalent, and agreed by the tax authorities in the relevant country;
- **benefits in kind** received by you in the 52 weeks immediately before the **period of incapacity**; and
- **dividends** received by you in the 52 weeks immediately before the **period of incapacity** which represent your share in the net trading profit of the company from the company's normal regular business during those 52 weeks.

If you are self-employed this means:

- your taxable earnings in the United Kingdom in the 52 weeks immediately before the **period of incapacity**. This is your income chargeable to tax under Part 2, Income Tax (Trading and Other Income) Act 2005 (in other words, your share of pre-tax profit after deduction of trading expenses) as assessed for income tax and agreed by HM Revenue and Customs; and

- your taxable earnings outside the United Kingdom in the 52 weeks immediately before the **period of incapacity**. These are your pre-tax earnings as assessed for income tax or its equivalent, and agreed by the tax authorities in the relevant country.

Your income from savings, drawings and investments, except for **dividends** as described above, is not included as **pre-incapacity earnings**.

3.2 Benefit

3.2.1 Your **policy schedule** states whether the **period of incapacity** will be as defined in Condition 3.1.1 or Condition 3.1.2.

3.2.2 The income protection benefit shown in your **policy schedule** (limited where appropriate by Conditions 3.2.6 to 3.2.9) is payable from the end of the **deferred period** for any **period of incapacity** that starts:

- after the **risk date**; and
- before the **expiry date**.

We will continue to pay the income protection benefit until whichever happens first:

- the end of the **period of incapacity**;
- your death; and
- the **expiry date**;

as long as:

- you were actively engaged in **full-time employment** immediately before the **period of incapacity**;
- the requirements of Condition 19 are met;
- any exclusions shown in your **policy schedule** do not apply;
- we are not entitled to cancel your **policy** under Condition 21;
- we are not entitled to cancel your **policy** under Condition 22.3.2; and
- your **policy** has not ended for any other reason.

3.2.3 You will not be entitled to income protection benefit for any period during which you engage in a **paid occupation** but you may qualify for proportionate benefit or rehabilitation benefit.

3.2.4 If you are not actively engaged in **full-time employment** immediately before a **period of incapacity**, you may be able to claim houseperson's benefit under Condition 6 if you meet the definition of **period of incapacity** (as detailed in Condition 6.1.1) and any other requirements for that benefit.

3.2.5 You will not be entitled to income protection benefit at the same time as any other benefit under your **policy** other than pension contribution protection benefit.

3.2.6 The amount of benefit that we pay will be the lower of:

- the income protection benefit specified in your **policy schedule**; or
- the total weekly benefit limit described below less your **continuing income**.

The total weekly benefit limit is calculated by taking:

- 70% of the first £10,000 of your **pre-incapacity earnings**, plus
- 60% of the next £20,000, plus
- 50% of the next £120,000, plus
- 40% of anything over £150,000

and dividing the total by 52.

3.2.7 We will recalculate the amount of benefit payable as described in Condition 3.2.6:

- whenever there is a change in your **continuing income**;
- if increasing cover, as detailed in Condition 13, is included in your **policy**, whenever there is an increase in cover; or in any event
- at least every three years;

using revised figures as appropriate.

When we recalculate the amount we can pay you, we will adjust your **pre-incapacity earnings** figure to reflect changes in the **Retail Prices Index** since the date your incapacity started.

3.2.8 This condition applies if you are entitled to claim benefit under any other policy with us or any other company in the Friends Provident group of companies that includes:

- income protection;
- houseperson's benefit;
- permanent health insurance; or
- any similar benefit.

We will calculate the amount we will pay under this **policy** and those other policies in a strict date order, based on the dates on which cover started for each policy. We will firstly assess how much we can pay under the policy with the earliest risk date then the policy with the next earliest risk date and so on taking into account benefit from any previous policies as **continuing income**.

3.2.9 This condition applies if as a result of your incapacity your employer is entitled to claim benefit under any other policy with us, any other company in the Friends Provident group of companies or any other insurer, that includes:

- income protection;
- houseperson's benefit;
- permanent health insurance; or
- any similar benefit.

The benefits under such policies will be treated as **continuing income** when assessing a claim under this **policy**, no matter when the cover started under those policies.

3.2.10 If we limit your income protection benefit under Conditions 3.2.6 to 3.2.9, then we will pay as pension contribution protection benefit the amount which we reduced the income protection benefit by for as long as that benefit remains limited, subject to the **policy** terms and conditions.

4 Proportionate benefit

This benefit applies only if your **policy schedule** says income protection benefit is included.

This benefit pays out a regular income if you are still medically unfit to perform the main and substantial duties of your **employment** after the end of the **deferred period** but you take up a different less well-paid occupation, subject to the **policy** terms and conditions.

4.1 Benefit

4.1.1 You are entitled to proportionate benefit after the end of the **deferred period** provided:

- you qualify, in every respect, for income protection benefit other than you are engaged in a **paid occupation** which is different to your **employment**; and
- your earnings in that **paid occupation** are less than your **pre-incapacity earnings**.

4.1.2 Your entitlement to benefit continues for so long as you continue to meet both the criteria in Condition 4.1.1. Your entitlement to benefit will, in any event, cease on the earlier of:

- your death; or
- the **expiry date**.

4.1.3 We calculate the amount of proportionate benefit payable using the following formula.

$$\frac{\text{pre-incapacity earnings} - \text{new earnings}}{\text{pre-incapacity earnings}} \times \text{income protection benefit}^* = \text{proportionate benefit}$$

* We use the amount of income protection benefit (as detailed in Condition 3.2) that you would be entitled to if you were eligible to claim income protection benefit disregarding your new earnings. We will also reduce the amount of **continuing income**, used in our calculations, to take account of any State benefits, credits or allowances that you lose by taking up your new occupation.

Example of how we calculate the amount of proportionate benefit payable:

weekly amount of income protection benefit entitled to receive = £300

weekly **pre-incapacity earnings** = £520

weekly earnings from new occupation = £210

$$\frac{£520 - £210}{£520} \times £300 = £179$$

The weekly amount of proportionate benefit payable is therefore £179.

4.1.4 We will recalculate the amount of benefit payable as described in Condition 4.1.3:

- whenever there is a change in your **continuing income**;

- if increasing cover, as detailed in Condition 13, is included in your **policy**, whenever there is an increase in cover; or in any event

- at least every three years;

using revised figures as appropriate.

When we recalculate the amount we can pay you, we will adjust your **pre-incapacity earnings** figure to reflect changes in the **Retail Prices Index** since the date your incapacity started.

4.1.5 You will not be entitled to proportionate benefit at the same time as any other benefit under your **policy**.

4.1.6 If as a result of Condition 4.1.3 we cannot pay benefit for 52 weeks, your claim will end. There will be no further entitlement to benefit without having suffered a new **period of incapacity**.

5 Rehabilitation benefit

This benefit applies only if your **policy schedule** says income protection benefit is included.

This benefit pays out a regular income if you return to your **employment** in a reduced capacity and for lower earnings because of your continuing partial incapacity, following a period when we have paid you either income protection benefit or proportionate benefit, subject to the **policy** terms and conditions.

5.1 Benefit

5.1.1 You are entitled to rehabilitation benefit if immediately after a **period of incapacity**, during which we have paid you income protection benefit or proportionate benefit, you return to your **employment** and as a direct result of continuing partial incapacity resulting from illness or injury, other than a deliberately self-inflicted injury:

- you remain restricted in the scope of your occupational activities;
- you continue to earn less than your **pre-incapacity earnings**; and
- you continue to require regular supervision and treatment by a registered medical practitioner.

5.1.2 Your entitlement to benefit continues for so long as you continue to meet the criteria in Condition 5.1.1. Your entitlement to benefit will, in any event, cease on the earlier of:

- your death; or
- the **expiry date**.

5.1.3 We calculate the amount of rehabilitation benefit payable using the following formula.

$$\frac{\text{pre-incapacity earnings less new earnings}}{\text{pre-incapacity earnings}} \times \text{income protection benefit*} = \text{rehabilitation benefit}$$

* We use the amount of income protection benefit (as detailed in Condition 3.2) that you would be entitled to if you were eligible to claim income protection benefit disregarding your new earnings. We will also reduce the amount of **continuing income**, used in our calculations, to take account of any State benefits, credits or allowances that you lose by taking up your new occupation.

Example of how we calculate the amount of rehabilitation benefit payable:

weekly amount of income protection benefit entitled to receive		=	£300
weekly pre-incapacity earnings		=	£520
weekly earnings from new occupation		=	£210
<hr/>			
$\frac{£520 - £210}{£520}$	x	£300	= £179

The weekly amount of rehabilitation benefit payable is therefore £179.

5.1.4 We will recalculate the amount of benefit payable as described in Condition 5.1.3:

- whenever there is a change in your **continuing income**;
- if increasing cover, as detailed in Condition 13, is included in your **policy**, whenever there is an increase in cover; or in any event
- at least every three years;

using revised figures as appropriate.

When we recalculate the amount we can pay you, we will adjust your **pre-incapacity earnings** figure to reflect changes in the **Retail Prices Index** since the date your incapacity started.

5.1.5 You will not be entitled to rehabilitation benefit at the same time as any other benefit under your **policy**.

5.1.6 If as a result of Condition 5.1.3 we cannot pay benefit for 52 weeks, your claim will end. There will be no further entitlement to benefit without having suffered a new **period of incapacity**.

6 Houseperson's benefit

This benefit applies if your **policy schedule** says it includes income protection benefit and you are not in **full-time employment** when you become incapacitated.

This benefit pays out a regular income when a **period of incapacity** continues after the end of the **deferred period**, subject to the **policy** terms and conditions.

6.1 Definitions which apply to this benefit

These definitions apply for the purposes of Condition 6.

6.1.1 A **period of incapacity** means a period throughout which you satisfy the following incapacity assessment criteria:

- normally and routinely unable because of illness or injury, other than a deliberately self-inflicted injury, to perform two or more of the following five tests without the help of another person, but with the use of appropriate assistive or corrective aids or appliances:

- 1 Walking
Able to walk 200 metres on the flat without having to stop or suffering severe discomfort
- 2 Bending
Able to get into or out of a standard saloon car and able to bend or kneel to pick up something from the floor and straighten up
- 3 Communicating
Able to answer the telephone and take a message
- 4 Reading
Having the eyesight required to be able to read a daily newspaper
- 5 Writing
Having the physical ability to write legibly using a pen or pencil

OR

- unable because of illness or injury, other than a deliberately self-inflicted injury, to conduct an independent basic existence, which means being confined to the home or hospital or being unable to cook, do light housework and dress yourself;

OR

- shown to be suffering a psychotic or well-defined mental illness which is medically uncontrollable despite treatment by a Consultant Psychiatrist.

6.1.2 **Continuing houseperson's income** means income that you receive or become entitled to or waiver of a regular payment due from you during a **period of incapacity**. We treat the weekly equivalent amounts from the following sources as **continuing houseperson's income**:

- regular payments from any other insurance against incapacity due to illness or injury;
- credit repayment instalments paid or waived due to incapacity under mortgage payment protection policies and under any other form of loan, finance or credit protection policies; and
- any pension (unless the pension was already being paid to you before you started your **policy**) arising from all **paid occupations** in which you have ever engaged.

Continuing houseperson's income is the amount you are entitled to receive less any tax which is payable on it. If it is not possible to establish the actual tax liability, we will estimate it, on a basis that we consider reasonable, using tax rates current at the time and make any necessary adjustments when the actual income tax liability is known.

6.2 Benefit

6.2.1 The **period of incapacity** defined in Condition 6.1.1 will always apply to this benefit.

6.2.2 Houseperson's benefit is payable from the end of the **deferred period** for any **period of incapacity** that starts:

- after the **risk date**; and
- before the **expiry date**.

We will continue to pay houseperson's benefit until whichever of the following happens first:

- the end of the **period of incapacity**;
- your death; and
- the **expiry date**;

as long as:

- your **policy schedule** shows that income protection benefit applies to your **policy**;

- you are not actively engaged in **full-time employment** immediately before the **period of incapacity**;
- the requirements of Condition 19 are met;
- any exclusions shown in your **policy schedule** do not apply;
- we are not entitled to cancel your **policy** under Condition 21;
- we are not entitled to cancel your **policy** under Condition 22.3.2; and
- your **policy** has not ended for any other reason.

6.2.3 Increasing cover under Condition 13 does not apply to houseperson's benefit. The houseperson's benefit will only increase if, during the course of a claim, your **continuing houseperson's income** reduces and this allows more benefit to be paid under Conditions 6.2.5 to 6.2.7.

6.2.4 You will not be entitled to houseperson's benefit at the same time as any other benefit under your **policy** other than houseperson's pension contribution protection benefit.

6.2.5 The amount of houseperson's benefit that we pay will be the lower of:

- the income protection benefit specified in your **policy schedule**; or
- £300 a week less any **continuing houseperson's income**.

6.2.6 We will recalculate the amount of benefit payable as described in Condition 6.2.5 whenever there is a change in your **continuing houseperson's income** using revised figures as appropriate.

6.2.7 This condition applies if you are entitled to claim benefit under any other policy with us or any other company in the Friends Provident group of companies that includes:

- income protection;
- houseperson's benefit;
- permanent health insurance; or
- any similar benefit.

We will calculate the amount we will pay under this **policy** and those other policies in a strict date order, based on the dates on which cover started for each policy. We will firstly assess how much we can pay under the policy with the earliest risk date then the policy with the next earliest risk date and so on taking into account benefit from any previous policies as **continuing houseperson's income**.

- 6.2.8 If the amount of houseperson's benefit we pay is less than the income protection benefit shown in the **policy schedule** then we will pay the difference as houseperson's pension contribution protection benefit, subject to the **policy** terms and conditions.

7 Pension contribution protection benefit

You can claim this benefit if you are in **full-time employment** immediately before a **period of incapacity** and your **policy schedule** says it is included.

This benefit pays your regular **pension scheme** contributions when a **period of incapacity** continues after the end of the **deferred period**, subject to the **policy** terms and conditions.

7.1 Benefit

- 7.1.1 Your **policy schedule** states whether the **period of incapacity** will be as defined in Condition 3.1.1 or Condition 3.1.2.

- 7.1.2 Pension contribution protection benefit is payable from the end of the **deferred period** for any **period of incapacity** that starts:

- after the **risk date**; and
- before the **expiry date**.

We will continue to pay pension contribution protection benefit until whichever happens first:

- the end of the **period of incapacity**;
- the **pension scheme** ceases to accept contributions;
- your retirement;
- your death; and
- the **expiry date**;

as long as:

- you are actively engaged in **full-time employment** immediately before the **period of incapacity**;
- you, your spouse or registered civil partner are a member of a **pension scheme** immediately before the **period of incapacity**;
- the **pension scheme** agree to accept the contributions;
- the requirements of Condition 19 are met;
- any exclusions shown in your **policy schedule** do not apply;
- we are not entitled to cancel your **policy** under Condition 21;
- we are not entitled to cancel your **policy** under Condition 22.3.2; and
- your **policy** has not ended for any other reason.

- 7.1.3 You will not be entitled to pension contribution protection benefit for any period during which you engage in a **paid occupation**.

- 7.1.4 If you are not already engaged in **full-time employment** immediately before a **period of incapacity**, you will be able to claim houseperson's pension contribution protection benefit under Condition 8 if you meet the requirements for that benefit.

- 7.1.5 We will use any benefit to pay your pension contributions directly to an arrangement, or arrangements, under **pension schemes** of which you are a member. We can also pay contributions to **pension scheme** arrangements under which your spouse or registered civil partner is a member.

- 7.1.6 The pension contribution protection benefit we pay will be the lower of:

- the pension contribution protection benefit specified in your **policy schedule** plus any amount of benefit payable in accordance with 3.2.10;
- the maximum pension contribution you would be permitted to pay, after deducting basic rate income tax, if you had no earnings; or
- in respect of your spouse or registered civil partner, the maximum pension contribution they would be permitted to pay, after deducting basic rate income tax, if they had no earnings.

7.1.7 This condition applies if you are also entitled to claim benefit under any other policy with us or any other company in the Friends Provident group of companies that includes:

- income protection;
- houseperson's benefit;
- permanent health insurance;
- pension contribution protection benefit or pension waiver; or
- any similar benefit.

We will calculate the amount we will pay under this **policy** and those other policies in a strict date order, based on the dates on which cover started for each policy. We will firstly assess how much we can pay under the policy with the earliest risk date then the policy with the next earliest risk date and so on taking into account benefit from any previous policies as **continuing income**.

7.1.8 This condition applies if as a result of your incapacity your employer is entitled to claim benefit under any other policy with us, any other company in the Friends Provident group of companies or any other insurer, that includes:

- income protection;
- houseperson's benefit;
- permanent health insurance;
- pension contribution protection benefit or pension waiver; or
- any similar benefit.

The benefits under such policies will be treated as **continuing income** when assessing a claim under this **policy**, no matter when the cover started under these policies.

7.1.9 If we limit your pension contribution protection benefit under Conditions 7.1.6 to 7.1.8 then we will pay as income protection benefit the amount by which we reduced the pension contribution protection benefit for as long as that benefit remains limited, subject to the **policy** terms and conditions.

8 Houseperson's pension contribution protection benefit

This benefit applies if your **policy schedule** says it includes pension contribution protection benefit and you are not in **full-time employment** immediately before a **period of incapacity**.

8.1 Benefit

8.1.1 The **period of incapacity** defined in Condition 6.1.1 will always apply to this benefit.

8.1.2 Houseperson's pension contribution protection benefit is payable from the end of the **deferred period** for any **period of incapacity** that starts:

- after the **risk date**; and
- before the **expiry date**.

We will continue to pay houseperson's pension contribution protection benefit until whichever happens first:

- the end of the **period of incapacity**;
- the **pension scheme** ceases to accept contributions;
- your retirement;
- your death; and
- the **expiry date**;

as long as:

- you are not actively engaged in **full-time employment** immediately before the **period of incapacity**;
- you, your spouse or registered civil partner are a member of a **pension scheme** immediately before the **period of incapacity**;
- the **pension scheme** agree to accept the contributions;
- the requirements of Condition 19 are met;
- any exclusions shown in your **policy schedule** do not apply;
- we are not entitled to cancel your **policy** under Condition 21;
- we are not entitled to cancel your **policy** under Condition 22.3.2; and
- your **policy** has not ended for any other reason.

- 8.1.3 You will not be entitled to houseperson's pension contribution protection benefit for any period during which you engage in a **paid occupation**.
- 8.1.4 We will use any benefit to pay your pension contributions directly to an arrangement, or arrangements, under **pension schemes** of which you are a member. We can also pay contributions to **pension scheme** arrangements under which your spouse or registered civil partner is a member.
- 8.1.5 The houseperson's pension contribution protection benefit we pay will be the lowest of:
- the pension contribution protection benefit specified in your **policy schedule** plus any amount of benefit payable in accordance with Condition 6.2.8;
 - the maximum pension contribution you are permitted to pay after deducting income tax relief; or
 - in respect of your spouse or registered civil partner, the maximum pension contribution they would be permitted to pay, after deducting basic rate income tax, if they had no earnings.
- 8.1.6 This condition applies if you are also entitled to claim benefit under any other policy with us or any other company in the Friends Provident group of companies that includes:
- income protection;
 - houseperson's benefit;
 - permanent health insurance;
 - pension contribution protection benefit, houseperson's pension contribution protection benefit or pension waiver; or
 - any similar benefit.

We will calculate the amount we will pay under this **policy** and those other policies in a strict date order, based on the dates on which cover started for each policy. We will firstly assess how much we can pay under the policy with the earliest risk date then the policy with the next earliest risk date and so on taking into account benefit from any previous policies as **continuing houseperson's income**.

- 8.1.7 If we limit your houseperson's pension contribution protection benefit under Conditions 8.1.5 or 8.1.6 then we will pay as houseperson's benefit the amount by which we reduced the houseperson's pension contribution protection benefit for as long as that benefit remains limited, subject to the **policy** terms and conditions.

9 Hospitalisation benefit

This benefit pays out a cash sum if you are admitted to **hospital** as an in-patient for a continuous period of more than seven consecutive days during the **deferred period**, subject to the **policy** terms and conditions.

9.1 Benefit

- 9.1.1 You are entitled to hospitalisation benefit if during a **period of incapacity** you are admitted to **hospital** and remain an in-patient for a continuous period of more than seven days during the **deferred period**.
- 9.1.2 Hospitalisation benefit is payable for your eighth complete day in **hospital** and for each successive day that you are required to stay in **hospital** until, and including, the earliest of:
- the last complete day of your stay in **hospital**;
 - the 91st complete day of your stay in **hospital**;
 - the date on which the **deferred period** ends;
 - the date of your death; and
 - the **expiry date**.
- 9.1.3 The daily amount of hospitalisation benefit payable will be the lower of:
- one seventh of the benefit shown in your **policy schedule**; or
 - £150;

for each complete day of your stay in **hospital**.

The overall maximum that we will pay to you under this benefit is £150 a day and this will take account of this **policy** and any similar policies with us or any other company in the Friends Provident group of companies where you are the **life insured**.

- 9.1.4 Where hospitalisation benefit is payable under any earlier policies with us or any other company in the Friends Provident group of companies, where you are the **life insured**, then:

- if the benefit payable under those policies exceeds £150 a day, there will be no hospitalisation benefit payable under this **policy**; or
- if the benefit payable under those policies is less than £150 a day, the hospitalisation benefit payable under this **policy** will be payable to the extent that, when added to the benefit under any earlier policies, it does not exceed £150 a day.

9.1.5 You must continue to pay the **premiums** under your **policy** during a claim for hospitalisation benefit.

9.1.6 You will not be entitled to hospitalisation benefit if your claim is directly or indirectly due to mental or functional nervous disorders or any non-specific chronic viral infection or chronic fatigue syndrome.

10 Waiver of premium

10.1 We will waive any **premiums** that become due during a period where we are making payments of any benefit other than hospitalisation benefit.

11 Linked periods of incapacity

11.1 We will link together any **period of incapacity** if it starts within 52 weeks of the end of a previous period during which:

- income protection benefit;
- houseperson's benefit;
- pension contribution protection benefit;
- houseperson's pension contribution protection benefit; or
- proportionate benefit;

was payable or during a period of entitlement to rehabilitation benefit and all such periods arise from the same cause.

11.2 Where the requirements of Condition 11.1 are met the claim arising from the linked **period of incapacity** will be assessed in accordance with the appropriate conditions for the benefit being claimed with the exception that:

- we will make up the shortfall of 52 weeks earnings by taking the proportion of the **pre-incapacity** earnings figure used in the previous claim; and
- the **deferred period** will not apply.

12 Increaseable insurance option

This option applies only if your **policy schedule** says your **policy** includes it.

This option allows you to increase your cover on certain future dates, without having to give us any further details of your health, occupation or pastimes, subject to the **policy** terms and conditions.

12.1 The option

12.1.1 When the option is available you may start a new policy, of the same type as this **policy**, on your life without having to provide us with any further evidence of insurability. The new policy will be issued on the terms set out in Condition 12.2.

12.1.2 The option is available at the 3rd, 6th, 9th, 12th, 15th and 18th anniversaries of the **effective date**. The option is not available within 10 years of the **expiry date** of this **policy**.

12.1.3 To take up this option you must request and complete an application form that we will provide. We must receive the completed application, and you must start the new policy, within 30 days after the date on which the option was available.

12.2 Terms of new policies

12.2.1 The total amount of income protection benefit and pension contribution protection benefit under a new policy cannot be more than 30% of that under this **policy**, current at the time you take up the option. A new policy will not be available if the premium would be less than the minimum amount referred to in Condition 12.2.3.

12.2.2 Premiums and benefits under the new policy will be payable in the same way as under this **policy**.

12.2.3 Except where we say otherwise in Condition 12.2, the new policy will be subject to our standard terms and conditions that apply at the time it starts and that are appropriate to your age then. The standard terms and conditions, which may include a minimum amount of income protection benefit, pension contribution protection benefit, premium and period for which cover will last, will be available on request.

12.2.4 The deferred period under a new policy cannot be shorter than that under this **policy**.

12.2.5 The expiry date under a new policy cannot be later than that under this **policy**.

12.2.6 Any new policy will not include:

- the increasable insurance option; or
- any other options which allow you to increase benefits or take out further policies;

but you may include increasing cover, as set out in Condition 13, if it is included in this **policy**.

12.2.7 If you take out a new policy:

- during a **period of incapacity**;
- within six months after such a period ends; or
- when we are paying you a rehabilitation benefit;

you will not be entitled to any benefit under the new policy until you have recovered and are actively engaged in **full-time employment** for six months.

12.2.8 The new policy will include any special terms or conditions that apply to this **policy**.

13 Increasing cover

This cover applies only if your **policy schedule** says your **policy** includes it.

This cover increases the amount of cover and **premium** on your income protection benefit and pension contribution protection benefit every year, subject to the **policy** terms and conditions.

13.1 The cover

13.1.1 The income protection benefit, pension contribution protection benefit and **premium** will increase automatically on each anniversary of the **effective date**.

13.1.2 Your **policy schedule** says whether this increase is:

- at the rate of 5%; or
- in line with movements in the **Retail Prices Index**.

All increases will be on a compound basis.

13.1.3 We will send you details of each increase:

- if you pay monthly **premiums**, approximately 25 days before it takes effect; or
- if you pay yearly **premiums**, approximately 90 days before it takes effect.

13.1.4 If you instruct us not to proceed with an increase:

- no further increases in the income protection benefit, pension contribution protection benefit or **premium** will be allowed; and

- the income protection benefit, pension contribution protection benefit and **premium** will then remain unaltered.

13.1.5 The amount of benefit that we will pay following an increase under this option, will always be subject to Conditions 3.2.6 to 3.2.9, 6.2.3, and 7.1.6 to 7.1.8. The amount of your cover will increase but this may not increase the amount of benefit we can pay in the event of a claim.

13.2 Increases at 5%

This table shows how a weekly income protection benefit or pension contribution protection benefit which starts at £10 would increase at a yearly rate of 5% compound.

Policy year	Income protection benefit (£)	Policy year	Income protection benefit (£)
1	10.00	24	30.72
2	10.50	25	32.25
3	11.03	26	33.86
4	11.58	27	35.56
5	12.16	28	37.33
6	12.76	29	39.20
7	13.40	30	41.16
8	14.07	31	43.22
9	14.77	32	45.38
10	15.51	33	47.65
11	16.29	34	50.03
12	17.10	35	52.53
13	17.96	36	55.16
14	18.86	37	57.92
15	19.80	38	60.81
16	20.79	39	63.85
17	21.83	40	67.05
18	22.92	41	70.40
19	24.06	42	73.92
20	25.27	43	77.62
21	26.53	44	81.50
22	27.86	45	85.57
23	29.25	46	89.85

Where the weekly amount of income protection benefit or pension contribution protection benefit is more than £10, the above figures should be increased proportionately.

13.3 Retail Prices Index increases

- 13.3.1 The actual rate of increase that we will apply will be based on the movement of the **Retail Prices Index** over the most recent 12 month period that it is practical for us to use. Any increase will be subject to a maximum of 10% and a minimum of 0% at each anniversary.

14 Conversion option

This option applies only if your **policy** includes income protection benefit.

This option allows you to replace your **policy** with a new policy owned by your employer, without having to give us any further details of your health, occupation or pastimes subject to the **policy** terms and conditions.

14.1 The option

- 14.1.1 This option allows you to replace your **policy** with a new policy, without having to give us any further evidence of insurability, if:
- you are or become an employee of a company or a partnership; and
 - the company or partnership have a requirement to take out an income protection policy on your life.
- 14.1.2 The replacement policy will be based on your life and issued in the name of the company or partnership.

14.2 Terms of replacement policies

- 14.2.1 The deferred period, expiry date, income protection benefit and premium under the replacement policy will be identical to those under this **policy** current at the time you take up the option subject to Condition 14.2.2.
- 14.2.2 We may reduce the income protection benefit under the replacement policy to the maximum amount allowable, based on your earnings, for such a new policy at the time you take up the option.

If we do reduce the income protection benefit under this condition, the premium will also be similarly reduced.

15 Career break option

This option allows you to suspend your cover for up to five years if you take a career break subject to the **policy** terms and conditions.

15.1 The option

- 15.1.1 This option allows you to suspend all of your permanent health and income protection policies with us or any other company in the Friends Provident group of companies (in this condition we refer to these as the suspended policies) for a maximum period of five years, if you cease **full-time employment**. All obligations and liabilities under the suspended policies will also be suspended.
- 15.1.2 To take up this option you must apply to us by completing and returning the relevant application form.
- 15.1.3 If you take out this option, we will issue you with a career break option policy on your life.
- 15.1.4 We will take account of your health, occupation, pastimes and residence when we assess the terms that will apply to your career break option policy. We guarantee to offer terms that are at least as favourable to you as those under your most recent policy of this type with us.
- 15.1.5 The career break option policy will be subject to our standard terms and conditions, that apply to a policy of that type, at the time it starts.
- 15.1.6 We will not suspend your policies and start your career break option policy until you have accepted the terms that we offer.

15.2 Terms of career break option policies

- 15.2.1 The career break option policy will provide you with either, or both of, houseperson's benefit and houseperson's pension contribution protection benefit. You can select the amounts of these benefits subject to Conditions 15.2.2, 15.2.3 and 15.2.4.
- 15.2.2 The houseperson's benefit under the career break option policy cannot be more than the lower of:
- £300 a week; or
 - the total of the sums insured under the suspended policies.

15.2.3 The houseperson's pension contribution protection benefit under the career break option cannot be more than:

- the pension contribution protection benefit specified in your **policy schedule** plus any amount of benefit payable in accordance with Condition 6.2.8;
- the maximum pension contribution you are permitted to pay after deducting income tax relief; or
- in respect of your spouse or registered civil partner, the maximum pension contribution they would be permitted to pay, after deducting basic rate income tax, if they had no earnings.

15.2.4 The total of any houseperson's benefit and houseperson's pension contribution protection benefit under a career break option policy cannot be more than the total of the insured benefits under the suspended policies.

15.2.5 You may instruct us to restart the suspended policies, with immediate effect, within five years of the start date of the career break option policy. We must receive such instructions in writing at our **Salisbury office**. The career break option policy will be cancelled at the same time as your suspended policies are restarted.

The suspended policies will be restarted on their original terms and conditions, including any increases in benefits and **premiums** that would have taken place during the period of suspension.

15.2.6 If we do not receive your instructions to cancel the career break option policy and restart the suspended policies within five years of the start date, then the career break option policy will continue and you will no longer be able to restart the suspended policies. The suspended policies will then be cancelled.

15.2.7 If you restart the suspended policies and a claim is made within 52 weeks of the restart, we will use the greater of your **pre-incapacity earnings**:

- during the 52 week period before you started your career break option policy; and
- for the 52 weeks before the current incapacity;

for the purposes of the claim, provided you returned to the same occupation and duties that you had followed in the 52 week period immediately before you started your career break option policy.

Where we use your **pre-incapacity earnings** during the 52 week period before you started your career break option policy, we will adjust those earnings in line with any changes in the **Retail Prices Index** that have occurred in the intervening period.

16 Doctors' sabbatical leave

16.1 Definitions which apply to this benefit

16.1.1 Doctor means a person in **full-time employment** as a doctor either:

- in the United Kingdom National Health Service; or
- working as a general medical practitioner in the United Kingdom.

16.1.2 Sabbatical leave means a period during which a doctor has:

- in advance applied to their employer or practice partner(s), to take sabbatical leave and no longer perform their duties; and
- their employer or practice partner(s) has formally granted in writing such a period of leave.

A period of sabbatical leave cannot begin within 52 weeks of the end of a previous period of such leave for the purposes of this **policy**.

16.2 Benefit

16.2.1 If you are a doctor, you will be treated as remaining in **full-time employment** for the duration of any period of sabbatical leave not exceeding two years.

16.2.2 For the period of sabbatical leave, employment will mean each and every **paid occupation** in which you were engaged immediately before the start of your sabbatical leave.

16.2.3 If there is a **period of incapacity** during your sabbatical leave, your **pre-incapacity earnings** will be based on the 52 weeks immediately before the start of this leave.

17 NHS doctors' sick pay initiative

17.1 If at the start of a **period of incapacity** you are a doctor in the United Kingdom National Health Service (NHS) and have been in that role for less than five years, then the **deferred period** will cease as follows:

- if the **deferred period** shown in your **policy schedule** is 26 weeks, then it ceases when full NHS sick pay stops; or
- if the **deferred period** shown in your **policy schedule** is 52 weeks, then it ceases when half NHS sick pay stops.

18 If you stop your policy

18.1 You can tell us to stop your **policy** at any time. If you do, no further **premiums** will be payable and all cover will stop. You may find:

- you are unable to get new cover to replace any cover that has stopped; or
- any new cover costs more or is subject to exclusions.

18.2 Your **policy** will not have any cash value.

19 Claims and notifications

19.1 Notifying a claim

19.1.1 If the **deferred period** is thirteen weeks or more, you must tell us in writing within four weeks of the start of a **period of incapacity** unless the claim is for hospitalisation benefit.

19.1.2 If the **deferred period** is four weeks, you must tell us in writing within two weeks of the start of a **period of incapacity** unless the claim is for hospitalisation benefit.

19.1.3 If you do not tell us as specified under Conditions 19.1.1 or 19.1.2, we will treat your incapacity as having started on the date that we receive your notification and the **deferred period** will start on that date. We may use an earlier date if we are satisfied the nature of the incapacity prevented you from telling us.

19.2 Other claims conditions

19.2.1 We will send you a claim form. You must complete and return this to us within three weeks of its date of issue. There will be no entitlement to benefit for any period more than one month before we receive the completed claim form.

19.2.2 You must continue to pay your **premiums** until:

- we tell you that we admit liability for the claim; and
- the **deferred period** has ended.

19.2.3 There will only be entitlement to benefit, other than hospitalisation benefit, after the **deferred period** has ended.

19.2.4 We pay one-seventh of the benefit for each day of entitlement under:

- income protection benefit;
- pension contribution protection benefit;
- houseperson's benefit;
- houseperson's pension contribution protection benefit;
- proportionate benefit; or
- rehabilitation benefit.

We pay these benefits monthly in arrears.

19.2.5 We will only pay the benefit if, and when, we are satisfied that the claim is valid. As often as we decide, we will ask for evidence to support your claim. Payment of your claim is dependent on this evidence being produced. Evidence of a claim that we need may include but is not limited to:

- evidence through examination by a medical examiner we name that you continue to be incapacitated;
- any other medical tests or investigations our Chief Medical Officer considers appropriate;
- evidence you are attending an appropriate medical practitioner and are receiving medical treatment in accordance with NHS Best Practice;
- your medical records;

- evidence of employment and the duties of your employment;
- your occupational health and/or human resources records;
- evidence of **pre-incapacity earnings, continuing income** and **continuing houseperson's income**;
- evidence that you have been granted sabbatical leave, its start date and that you remain on such leave; and
- evidence of your age.

19.2.6 Any money we pay will be in pounds sterling from the Paying Office we state in your **policy schedule**.

19.2.7 Pregnancy is not an illness. We will therefore not consider any claim that arises solely from the normal effects of pregnancy.

19.2.8 You must tell us in writing immediately if:

- your doctor stops issuing you with medical certificates stating that you are unable to work;
- State benefits, credits or allowances being paid because of incapacity are stopped or reduced for any reason;
- you return to paid or unpaid work or engage in rehabilitation or attend a work training programme; or
- you are travelling or residing abroad, outside your normal place of residence, during your claim.

19.2.9 Payment of pension contribution protection benefit or houseperson's pension contribution protection benefit is also subject to:

- details of all pension contributions made by you and your spouse or registered civil partner;
- you designating the **pension scheme** or schemes to which benefit will be made in accordance with Conditions 7.1.5 or 8.1.4. You can but do not have to designate a **pension scheme** arrangement with us and you can designate a maximum of two other **pension schemes**. If you designate more than one **pension scheme**, you must also tell us the amount of benefit to be applied to each. We will pay any benefit directly to the provider of the specified **pension scheme(s)**.

20 Stopping full-time employment

20.1 If you are not actively engaged in **full-time employment** immediately before a **period of incapacity**, you can only be entitled to houseperson's benefit, houseperson's pension contribution protection benefit and hospitalisation benefit. You will not be entitled to income protection benefit, pension contribution protection benefit, proportionate benefit or rehabilitation benefit.

20.2 If you stop **full-time employment** and do not take out the career break option, the **premium** payable will remain on the same basis as shown in your **policy schedule**.

21 Our right to cancel your policy

21.1 Information provided to us

21.1.1 We have the right to cancel your **policy** if we find out at any time that information given by you, or on your behalf, is not true, not accurate or not complete.

21.1.2 The information referred to in Condition 21.1.1 means:

- all information given to us at our request, or at the request of a doctor or nurse acting on our behalf, up to the **risk date**; and
- all information given to us correcting or adding to the information shown on a **confirmation schedule**;

that affects our decision to provide cover or the terms of that cover.

21.1.3 We have the right to cancel your **policy** under Condition 21.1 even if the information is not connected to the cause of a claim.

21.2 Changes before the risk date

21.2.1 We also have the right to cancel your **policy** if we find out at any time that you have failed to tell us of any changes in your health or circumstances that:

- happened before the **risk date**;
- would have led to any of the information referred to in Condition 21.1.2 being different if given on the **risk date**; and
- would have affected our decision to provide cover or the terms of that cover.

21.2.2 The changes referred to in Condition 21.2.1 include you:

- having or expecting to have doctor, hospital or clinic consultations, treatment as an in-patient or out-patient or a blood test for any reason;
- having a symptom of any type that you have been asked about in the application;
- taking up any hazardous sport or pastime, or intending to do so;
- working or travelling abroad, or intending to do so; or
- changing country of residence, or intending to do so;

and changes in:

- your family history; or
- your occupation or the duties of that occupation.

21.2.3 We have the right to cancel your **policy** under Condition 21.2 even if the information or change is not connected to the cause of a claim.

21.3 Information given when applying to restart your policy

21.3.1 We also have the right to cancel your **policy** if we restart your **policy** under Condition 2.2.2 and later find out that:

- any statement you made to us for that purpose, or that was made on your behalf, was not true, not accurate or not complete;
- the answer to a question in any letter or questionnaire we sent to you, or any person acting for you, was not true, not accurate or not complete; or
- the answer to a question asked by any doctor or nurse acting on our behalf was not true, not accurate or not complete;

where the statement or answer would have affected our decision to restart cover or the terms of that cover.

21.3.2 We have the right to cancel your **policy** under Condition 21.3 even if the information is not connected to the cause of a claim.

21.4 Information given when making a claim

21.4.1 If in connection with a claim for any benefit you:

- make an untrue statement about a material fact;
- deliberately omit to disclose a material fact; or
- provide false or falsified evidence of a material fact;

then we will reject any pending claim and cancel your **policy**.

21.4.2 A material fact is anything that is likely to influence our assessment of a claim including:

- the cause, nature, scope and degree of any illness, accident or incapacity;
- the treatment received or recommended for any illness, accident or incapacity;
- occupation details including the duties of your occupation;
- **pre-incapacity earnings;**
- **continuing income;**
- details of other insurance claims, personal injury claims or compensation claims arising from incapacity;
- any work performed during a claim, whether paid or unpaid; and
- place of residence.

21.5 Transfer of your policy rights

21.5.1 If you transfer your rights under your **policy**, or under any of its benefits, we will immediately cancel your **policy**.

21.6 Termination of policy

21.6.1 If we have the right to cancel your **policy** under Condition 21 then no benefit will be payable in respect of the period from when that right arose.

22 General

22.1 Changed circumstances

22.1.1 We may change the terms of your **policy** to reflect any changes in taxation, insurance or other law affecting our obligations under it.

22.2 Events or circumstances beyond our control

22.2.1 We will not be liable to pay you, or any other person, any compensation for loss caused by events or circumstances beyond our control. This includes loss caused by any delay in carrying out our obligations caused by restrictions imposed on us by law or regulation.

22.3 Proof of age

22.3.1 Before paying any claim we must receive proof your date of birth given in the application is correct.

22.3.2 If we find you were born earlier than the date of birth given, we will adjust the benefits under your **policy** to those we would have offered had we known the correct age from the start. If we would not have offered terms, we will cancel your **policy** and refund any **premiums** paid without interest.

22.3.3 If we find you were born later than the date of birth given, we will calculate what your **premium** would have been had we known the correct age at the start of your **policy**. We will then refund any overpayment with interest.

The amount of interest will depend on the interest rates we are using at the time. We will not pay interest if it is below our minimum. Details of our current interest rate and minimum payment will be available on request.

If we pay interest, we will take off income tax as law requires.

22.4 Residence and travel

22.4.1 You may travel or live anywhere in the world without affecting your cover under your **policy** but your right to benefit is:

- restricted to a maximum of 26 weeks in any 52 week period; and
- subject to an overall maximum of 52 weeks;

when you are travelling or living outside the countries listed in Condition 22.4.2.

22.4.2 The countries referred to in Condition 22.4.1 are:

- Andorra
- Australia
- Austria
- Belgium
- Canada
- Channel Islands
- Cyprus
- Denmark
- Finland
- France
- Germany
- Gibraltar
- Greece
- Iceland
- Isle of Man
- Italy
- Liechtenstein
- Luxembourg
- Malta
- Netherlands
- New Zealand
- Norway
- Portugal
- Republic of Ireland
- San Marino
- Spain
- Sweden
- Switzerland
- the United Kingdom
- the United States of America
- the Vatican State.

22.5 Rights of other parties

22.5.1 We and you are the parties to this contract and we do not intend anyone else to have direct or indirect contractual rights under it.

22.6 Sending instructions to us

22.6.1 You should send any instructions, notifications or requests to our **Salisbury office**. They should be in writing, in English and include any documents, information or agreements we may need.

22.7 The law that applies to your policy

22.7.1 We show the law that applies to your **policy** in your **policy schedule**.

Friends Provident Life Assurance Limited

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