

Policy Summary of Friends Life Individual Protection Income Protection Cover

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This policy summary gives you important information about the Friends Life Individual Protection Income Protection Cover to help you decide whether this cover is right for you.

You should read this summary carefully and keep it in a safe place afterwards.

This policy summary does not contain the full terms and conditions and exclusions of cover.

You can find these in the Income Protection Cover membership handbook, and please also refer to your registration certificate, which will be issued when your membership commences.

Please ask us if you would like to see copies of these documents.

If you decide to buy this cover it will form part of your Friends Life membership.

The provider of this product is Friends Life and Pensions Limited.

What is Friends Life Individual Protection Income Protection Cover?

The purpose of this cover is to provide you with a regular income if you are in paid work and, during the term of the cover, because of illness or injury you are unable to work, resulting in a loss of earnings.

It will also provide you with a regular income if you are not in paid work, during the term of the cover, and because of illness or injury you are unable to carry out certain activities of daily living.

We will start to pay your benefit after you become unable to work or are unable to carry out the activities of daily living and your deferred period ends.

You can choose any of the following deferred periods: 1 month, 2 months, 3 months, 6 months, 12 months or 24 months.

This is covered in full detail in the 'What you are covered for' section of the Income Protection Cover **membership handbook**.

What are the features and benefits of the Friends Life Individual Protection Income Protection Cover?

The maximum amount of benefit is 65 per cent of the first £10,000 of your gross annual earnings and 55 per cent of everything over that, up to a maximum of £150,000 a year. This includes any continuing earnings or benefits as detailed in the Income Protection Cover **membership handbook**.

When can I claim?

If you are in a paid occupation and have an 'own occupation' definition we will treat you as being incapacitated if you are unable, due to illness or injury, to perform the material and substantial duties of your own occupation.

If you are in a paid occupation and have a 'suited occupation' definition we will treat you as being incapacitated if you are unable, due to illness or injury, to do the material and substantial duties of your own occupation and any occupation you are suited to as a result of your education, training or experience.

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If you are not in paid employment you will be considered incapacitated if you are unable, as a result of illness or injury, to complete two of the five activities described in the Income Protection Cover **membership handbook**.

Your occupation definition will be shown on your registration certificate if you take out a membership.

How much can I claim?

If you are in a paid occupation and become incapacitated, at the end of your deferred period we will pay you the lower of:

- the benefit on your registration certificate or;
- 65 per cent of the first £10,000 and 55 per cent of everything above this amount of your annual gross pre-incapacity earnings minus any continuing earnings or continuing benefits, up to a maximum of £150,000 a year.
- Income protection could impact your eligibility for means tested benefits.

Further information on gross income, continuing earnings and continuing benefits can be found in the Income Protection Cover **membership handbook**.

If you are not in a paid occupation we will pay you the lower of the benefit shown on your registration certificate or £1,300 a month. Your deferred period will be the longer of three months or the deferred period on your registration certificate. Inflation will reduce the value of your cover.

Benefit guarantees

If as a result of the calculation in the 'How much can I claim?' section above, the benefit you are entitled to is lower than the benefit on your registration certificate and it is lower than £1,500 per month, we will adjust the benefit to the lower of the benefit on your registration certificate or £1,500 per month, less any continuing earnings and continuing benefits.

If as a result of the calculation in the 'How much can I claim?' section above, the benefit you are entitled to is less than ten per cent lower than the benefit on your registration certificate and it is higher than £1,500 per month we will adjust your benefit payment for the duration of the claim to be the same as the benefit on your registration certificate, less any continuing earnings and continuing benefits.

Additional benefits

The following additional benefits are automatically included in your cover:

- Career break – allows you to maintain a level of protection if you take time out of your occupation.
- Family carer benefit – pays up to £1,500 a month for 12 months if your spouse, civil partner or child requires full time care.

- Guaranteed insurability options – allows you to increase the benefit without medical underwriting up to age 55 years.
- Hospital in-patient benefit – pays up to £200 per night for up to 90 nights if you are hospitalised for more than six nights.
- Maternity cover – allows you to maintain your cover whilst you are on maternity leave.
- Proportionate benefit – pays a top up benefit should illness or injury stop you returning to your previous occupation and you instead return to a new occupation on a lower salary.
- Rehabilitation benefit – pays a top up benefit for up to 12 months if you were to make a gradual return to your occupation.
- Therapy benefit – pays up to £200 per year for specific treatments.
- Trauma benefit – pays up to £40,000 if you suffer one of six traumatic events.

Income Protection Cover is provided for the duration of the membership no matter how many claims are made, subject to certain conditions.

Further information regarding these benefits is available in the 'What you are covered for' section in the Income Protection Cover **membership handbook**.

Types of cover

You can choose from:

- Fixed term cover.

Your cover can last for a term of between 5 and 52 years.

- Term to retirement cover.

Your cover can last until any age between 50 and 70.

Further information regarding these covers is available in the 'Your membership' section of the Income Protection Cover **membership handbook**.

Premium options

There are two premium options available to choose from:

- Guaranteed premiums.
- Reviewable premiums.

Guaranteed premiums will not change. Reviewable premiums may change on every fifth anniversary of the start of your membership.

The amount of premium you pay will depend on the options you select.

Further information about the premiums is available in the 'Premium options' section of the Income Protection Cover **membership handbook**.

Premium waiver

We will waive your premium three months after you become incapacitated if your deferred period is three months or more.

If your deferred period is less than three months your premiums will be waived when your deferred period ends. This will continue until you are no longer incapacitated.

Additional options

- Limited benefit period – you can choose to receive benefits for up to two years, as a single continuous period or a series of shorter periods totalling 24 months. You can make multiple claims of up to two years. Provided you return to work for six months between limited benefit claims you can claim again for the same incapacity.
- Indexation – allows the main benefit to increase by either three per cent, five per cent, Retail Price Index or Average Weekly Earnings on each anniversary of the cover. Increasing the benefit will also result in the premium rising.

The following options will increase your premium:

- Fracture cover – pays up to £2,100 a year of cover if you suffer one of a list of 18 specified fractures.
- Global Treatment – allows you to access treatment outside the UK if you or your child is diagnosed with one of a number of specified serious illnesses or requires one of a list of medical procedures.

Further information regarding these options is available in the 'Additional options' section of the Income Protection Cover **membership handbook**.

Further information about the Global Treatment additional option can be found in the Global Treatment **Terms and Conditions**.

How long does the Individual Protection Income Protection Cover last?

The cover can last from between 5 and 52 years, although it must end before you reach 70.

You can take a policy out if you are aged from 18 to 59 and live in the UK or the Channel Islands (for the purposes of Friends Life Individual Protection policies the Channel Islands means Guernsey and Jersey only).

Your cover will end if:

- you stop paying your premiums. The membership has no cash in value at any time.

- your cover reaches the end of its term
- you die.

What doesn't this plan cover you for?

We may not pay a claim if:

- You do not answer all of our questions truthfully and accurately at the time you apply for your cover and when you claim. Additional terms apply which can be found in the 'What you are covered for' section of the Income Protection Cover **membership handbook**.
- Your claim is excluded by any special conditions which will have been agreed with you at the time you applied.
- If your illness or injury occurs outside the United Kingdom or any of the list of countries in the Income Protection Cover **membership handbook**, we may not pay your claim. See the Income Protection Cover **membership handbook** for further details.

We will not pay fracture cover claims in the following circumstance:

- If you have multiple fractures we will only pay one of your choosing.

Additional terms apply to fracture cover, which can be found in the 'Additional options' section of the Income Protection Cover **membership handbook**.

We will not pay Global Treatment claims in the following circumstances:

- Any treatment that is not arranged by Best Doctors as a result of the claim process set out in the 'Making a claim' section of the Global Treatment **Terms and Conditions**.
- Any medical expenses incurred within the UK.
- Any treatment for your child if the symptoms first arose, the underlying condition was first diagnosed or either parent received counselling or medical advice in relation to the condition before the start date, the legal adoption or legal guardianship of the child.

Additional terms and claim processes apply to Global Treatment, see the Global Treatment **Terms and Conditions**.

Should I review my Individual Protection Income Protection Cover?

You should regularly review your cover to make sure that it meets your demands and needs.

Changing your mind?

You can cancel your membership at any time.

If you change your mind about taking out this cover within 30 days;

- of the day when your membership starts, or
- the day when you receive your Income Protection Cover **membership handbook** and your registration certificate

you will receive a full refund of the premiums you have paid.

If you pay your premium annually and you cancel after 30 days then we will give you a pro-rata refund.

Please see the 'Your rights to cancellation' section in the Income Protection Cover **membership handbook**.

How to claim

If you need to make a claim, please contact us using the details below as soon as you can.

We may need to access your medical records to consider a claim.

You can call us on **0845 641 6610** or write to us at:

Friends Life Individual Protection – Claims department
PO Box 569 - Friends Life Centre
Bristol BS43 9FE.

Getting in touch

Remember your financial adviser will normally be your first point of contact.

If you have any questions you can:

Call us on **0845 600 3122**. Calls may be recorded and may be monitored.

Or write to us at:

Friends Life Individual Protection
PO Box 569
Friends Life Centre
Bristol BS34 9FE.

How to complain

Please contact our **Customer Relations Team** using the **contact details in the 'Getting in touch' section of this document**.

Friends Life and Pensions Limited

An incorporated company limited by shares and registered in England and Wales, number 475201.
Registered office: Pixham End, Dorking, Surrey RH4 1QA. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Telephone 0845 600 3122 – calls may be recorded. www.friendslife.co.uk

Friends Life is a registered trade mark of the Friends Life group.

To see our procedures for dealing with complaints, **please ask for our 'We Listen' leaflet**.

If you are not satisfied with our response you can contact:

Financial Ombudsman Service
Exchange Tower
London E14 9SR.

Telephone **0800 023 4567** or **0300 123 9123**.

Website **www.financial-ombudsman.org.uk**

Email **complaint.info@financial-ombudsman.org.uk**

Making a complaint won't affect your legal rights.

Compensation

If a financial adviser recommends this plan, you have a legal right to compensation if the Financial Ombudsman Service decides it wasn't suitable for your needs at the time.

We are covered by the Financial Services Compensation Scheme (FSCS). If we cannot meet our obligations you may be entitled to compensation under the scheme. For this type of plan, the scheme covers at least 90 per cent of the claim. In the first instance the scheme would seek to continue your cover with an alternative provider.

For further information see **www.fscs.org.uk**

Alternatively, you can contact the FSCS on **0207 741 4100** or **0800 678 1100**.

Law and language

Both you and we have the right to choose the choice of law in relation to the membership. We have chosen for the membership to be governed by the laws of England and Wales, which will apply unless your membership documents or terms and conditions show otherwise. Your membership documents, terms and conditions and all other communications will be in English.

This document is available in other formats. If you would like a Braille, large print or audio version of this document, please contact us.

The logo for FriendsLife, with 'Friends' in white and 'Life' in blue, set against a dark blue rectangular background.