



LIFE  
PROTECTION



LIFE  
ESSENTIALS



CRITICAL  
ILLNESS  
PROTECTION



COMBINED LIFE  
AND CRITICAL  
ILLNESS  
PROTECTION



INCOME  
PROTECTION



CHILDREN'S  
CRITICAL  
ILLNESS  
PROTECTION

## PROTECTION MENU

# KEY FACTS

JANUARY 2024



## CONTENTS

Introduction to your key facts document  
About your policy  
What our Protection Menu aims to do  
Your commitments  
The risks  
Before your policy starts  
Your policy includes Premium Waiver

### 1. LIFE PROTECTION Page 8

- 1.1 Who can apply for Life Protection?
- 1.2 What types of cover can I have?
- 1.3 How much cover can I apply for?
- 1.4 Are there any exclusions?
- 1.5 How long can I get cover for?
- 1.6 How much does the cover pay out?
- 1.7 What is Terminal Illness cover?

### 2. LIFE ESSENTIALS Page 11

- 2.1 Who can apply for Life Essentials?
- 2.2 What types of cover can I have?
- 2.3 How much cover can I apply for?
- 2.4 Are there any exclusions?
- 2.5 How long can I get cover for?
- 2.6 How much does the cover pay out?
- 2.7 What is Terminal Illness cover?

### 3. CRITICAL ILLNESS PROTECTION Page 13

- 3.1 Who can apply for Critical Illness Protection?
- 3.2 What types of cover can I have?
- 3.3 How much cover can I apply for?
- 3.4 Are there any exclusions?
- 3.5 How long can I get cover for?
- 3.6 How much does the cover pay out?
- 3.7 What is Terminal Illness cover?
- 3.8 What is total permanent disability?

### 4. COMBINED LIFE AND CRITICAL ILLNESS PROTECTION Page 16

- 4.1 Who can apply for Combined Life and Critical Illness Protection?
- 4.2 What types of cover can I have?
- 4.3 How much cover can I apply for?
- 4.4 Are there any exclusions?
- 4.5 How long can I get cover for?
- 4.6 How much does the cover pay out?
- 4.7 What is Terminal Illness cover?
- 4.8 What is total permanent disability?

### 5. INCOME PROTECTION Page 19

- 5.1 Who can apply for Income Protection?
- 5.2 What types of cover can I have?
- 5.3 How long will you pay my claim for?
- 5.4 How much cover can I apply for?
- 5.5 Are there any exclusions?
- 5.6 How long can I get cover for?
- 5.7 How much does the cover pay out?
- 5.8 When will you start paying my claim?
- 5.9 When will you stop paying my claim?
- 5.10 Can I reduce my cover if I take an unpaid break from work?

**6. CHILDREN'S CRITICAL ILLNESS PROTECTION** Page 28

- 6.1 Who can apply for Children's Critical Illness Protection?
- 6.2 Who is covered under Children's Critical Illness Protection?
- 6.3 What types of cover can I have?
- 6.4 How much cover can I apply for?
- 6.5 Are there any exclusions?
- 6.6 How long can I get cover for my children?
- 6.7 How much does the cover pay out?
- 6.8 What is Terminal Illness cover?

**7. PAYING FOR YOUR COVER** Page 31

- 7.1 What will my cover cost?
- 7.2 Will my premiums stay the same?
- 7.3 How do I pay?
- 7.4 What if I'm unable to pay?
- 7.5 Can I reduce my cover?
- 7.6 Can I add to my cover?

**8. MAKING A CLAIM** Page 33

- 8.1 How do I make a claim?
- 8.2 What would stop you paying a claim?
- 8.3 Are any payouts you make under the policy subject to tax?
- 8.4 What if I move abroad?

**9. OTHER THINGS YOU NEED TO KNOW** Page 35

- 9.1 What if I want to complain about Guardian?
- 9.2 What if I change my mind?
- 9.3 How will you use the information I give you?
- 9.4 How do I contact you?
- 9.5 The Financial Services Compensation Scheme (FSCS)
- 9.6 The law that applies
- 9.7 Solvency II Directive information

**10. CRITICAL ILLNESS DEFINITIONS** Page 37

- 10.1 Critical illness definitions for adults' cover
- 10.2 Critical illness definitions for children's cover

If you'd like this document in a different format, such as Braille, large print or audio, please let us know.

## INTRODUCTION TO YOUR KEY FACTS DOCUMENT

This **key facts** document tells you about all the covers available on our Protection Menu. You can choose one cover, or a combination of up to 10 covers, to build a policy to suit your individual needs. Please read this along with your **quote** and discuss them with your Financial Adviser.

The table below tells you more about each cover and when it'll pay out.

	You die	You're diagnosed with a terminal illness	You're diagnosed with a critical illness	You're unable to work and your income reduces	Your child is diagnosed with a terminal illness, critical illness or dies
<b>CORE COVERS</b>					
<b>Life Protection</b> Premium life cover with enhanced features	✓	✓			
<b>Life Essentials</b> Low-cost life cover with essential features	✓	✓			
<b>Critical Illness Protection</b> Quality stand-alone cover that pays out on diagnosis of a critical or terminal illness		✓	✓		
<b>Combined Life and Critical Illness Protection</b> Quality cover that pays out on diagnosis of a critical illness or terminal illness, or death	✓	✓	✓		
<b>Income Protection</b> Flexible cover that pays out monthly until the end of the cover term, or for 2 years, if you're unable to do your own job and your income reduces				✓	
<b>OPTIONAL EXTRA</b> Can be added alongside any of the above <b>core covers</b> and can't be purchased on its own					
<b>Children's Critical Illness Protection</b> Optional cover at a fixed cost that pays out on diagnosis of a critical or terminal illness or death					✓

Please read the **policy terms and conditions** for full details. Your Financial Adviser can share these with you.

## ABOUT YOUR POLICY

Your policy will be arranged and administered by Guardian Financial Services Limited. Guardian Financial Services Limited is an appointed representative of Scottish Friendly Assurance Society Limited. Guardian Financial Services Limited is entered on the Financial Services Register under reference number 798072. Guardian Financial Services Limited is registered in England and Wales under number 11115769. Registered office: 11 Strand, London WC2N 5HR.

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## WHAT OUR PROTECTION MENU AIMS TO DO

Depending on which covers you choose, this policy aims to:

- Protect you or your family against the financial consequences of you dying or becoming terminally ill.
  - Protect you or your family against the financial consequences of you becoming critically ill.
  - Protect some of your earnings if you can't do your own job because of illness or injury.
  - Protect you or your family against the financial consequences of your children dying, becoming terminally ill or becoming critically ill.
  - Give you the flexibility to choose different types of cover for different amounts and different lengths of time, and give you the flexibility to change your policy as your life changes.
- 

## YOUR COMMITMENTS

- To answer the questions in your application fully, accurately and truthfully.
- To pay your premiums by direct debit from a personal UK bank account until the end of your policy's term.
- To regularly check that your cover amount is appropriate for your needs.
- If your application includes Income Protection, to let us know if any of the answers to the questions on your application change in the time between applying for your cover and your cover starting.

## THE RISKS

### **If you don't give us accurate information**

It's important that the information you give us in your application is accurate and complete, as we rely on it to make sure you're paying the correct amount and provide you with the correct terms and conditions.

If it isn't:

- We may reduce the amount we pay on a claim you make or not make any payment at all.
- We may amend your terms and conditions.
- We may cancel your policy completely. Where we cancel your policy, we may not refund the premiums you've paid.

If you become aware that information you've given us is inaccurate or incomplete, you must let us know as soon as you can.

### **If you stop paying your premiums**

If you don't pay your monthly premiums for any reason, your policy will lapse. This means you'll no longer be insured. No previous premiums will be refunded unless you're in the 30-day cooling-off period. However, if you're unable to pay your premiums, you may be able to claim Premium Waiver – please see page 7 for more information.

If your core cover lapses, your Children's Critical Illness Protection will also lapse.

### **If tax rules change**

Under current tax rules, any payments we make will be free from income and capital gains tax in the UK. If the government changes the tax treatment of protection policies, this could change the amount we pay you.

### **Your policy has no cash-in value**

Your policy has no cash-in value (there's no investment or savings element) and won't pay out if you reach the end of the term without a claim.

### **If you have Income Protection, the following risks also apply:**

#### **If you're receiving state benefits**

If you claim, the monthly amount we pay you may have an impact on your state benefits.

We won't change the amount we pay out if you're receiving state benefits, but the benefits you're entitled to may be reduced due to your Income Protection payout. For example, payments may reduce your universal credit entitlement.

#### **If you don't tell us your earnings have reduced**

It's important that you let us know if your earnings reduce so we can update your cover. If not, we may reduce the amount we pay you when you claim if your cover amount is more than the maximum you're allowed. Before making changes to your cover, we recommend you speak to your Financial Adviser. Please see section 5.7 for more information.

## BEFORE YOUR POLICY STARTS

Before your policy starts, you should know:

### Your policy documents will only be available online

To buy a Guardian policy, you need to have an email address and access to a device that you can use to download and view your policy documents. If you don't, please speak to your Financial Adviser as this policy might not be suitable for you.

When you take out a policy with us, we'll store your policy documents securely in your online MyGuardian account. We won't send you paper copies. We'll send you login details for your MyGuardian account when your policy starts.

It's important that you activate your MyGuardian account, read all the policy documents, and check the answers your Financial Adviser completed on your behalf. In line with section 9.2, you'll need to let us know of any mistakes before the end of the 30-day cooling-off period.

### You may be eligible for Immediate Cover

When you apply for a policy, it may not start straightaway. For example, if your application is referred to our underwriters.

If you're eligible, Immediate Cover may be able to cover you as soon as we receive your fully completed application. For full details, please go to: [guardian1821.co.uk/immediate-cover](https://guardian1821.co.uk/immediate-cover)

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## YOUR POLICY INCLUDES PREMIUM WAIVER

Premium Waiver is automatically included in your policy which means you won't have to pay your premiums if, as the person covered:

- You're unable to do your job because of illness or injury and have been off work for at least 28 consecutive days and your regular net paid income reduces by 25% or more as a result. The 25% reduction doesn't apply to Income Protection Premium Waiver claims.

If you have Life Essentials, you have to be off work for 26 consecutive weeks before Premium Waiver will apply.

OR, for all covers except Life Essentials you won't have to pay your premiums if:

- You're in employment on or after the first anniversary of your policy and you're then not working as a result of involuntarily losing your job or being made redundant. In this case we'll waive your premiums for up to 6 months.

OR:

- After the first anniversary of your policy, you start maternity or paternity leave. In these cases, we'll waive your premiums for 6 months.

Please let us know as soon as you think you'll be making a claim for Premium Waiver as we may not be able to backdate it or refund premiums. Please see section 8.1 for information on how to claim and our **policy terms and conditions** for full details.

If you claim Premium Waiver on your core cover, this will cover your Children's Critical Illness Protection premiums too.

## 1. LIFE PROTECTION

Life Protection pays out the amount you're covered for if you die, or if you're diagnosed with a terminal illness as defined in the **policy terms and conditions**.

---

### 1.1 WHO CAN APPLY FOR LIFE PROTECTION?

You can apply for cover if you meet all of the following:

- You're aged between 18 and 64.
  - You have a personal UK bank account.
  - You've lived in the UK for the last 2 years, with the right to remain in the UK.
  - Your permanent home is in the UK.
  - You've been registered with a UK doctor for the last 2 years.
- 

### 1.2 WHAT TYPES OF COVER CAN I HAVE?

You can choose from 4 types:

#### **Level Cover**

The amount you're covered for is fixed for the length of your cover.

#### **Increasing Cover**

The amount you're covered for will go up in line with inflation (based on the retail price index) on each cover anniversary, capped at a total of £20 million. The maximum amount of life cover you can have with us is £20 million across all life covers.

Your premiums will also go up to reflect the extra cover. The increase is calculated as the inflation increase multiplied by 1.5.

You can skip an increase. If you skip 3 consecutive increases, we'll remove the Increasing Cover option and change your cover to Level Cover for the remainder of the term.

#### **Decreasing Cover**

The amount you're covered for goes down on a monthly basis, consistent with the capital amount outstanding on a repayment mortgage paying interest at 8% a year.

#### **Family Income Benefit**

The amount you're covered for will be paid as a monthly income.



### 1.3 HOW MUCH COVER CAN I APPLY FOR?

You can choose from £25,000 to £15 million for Level, Increasing or Decreasing Cover. This maximum is the same for Family Income Benefit and will be calculated by multiplying the annual cover amount by the selected term.

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### 1.4 ARE THERE ANY EXCLUSIONS?

There are no exclusions on our Life Protection.

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### 1.5 HOW LONG CAN I GET COVER FOR?

You can choose how long to be covered for. Your age might influence your decision.

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	Minimum term	Maximum term	Maximum age at end
Level Cover and Increasing Cover	1 year	72 years	90 years
Decreasing Cover and Family Income Benefit	5 years	72 years	90 years

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### 1.6 HOW MUCH DOES THE COVER PAY OUT?

We'll pay the amount of cover you've chosen as a lump sum, assuming the claim conditions are met. If you've chosen Family Income Benefit, we'll pay it in monthly instalments.

#### Who we'll pay

If you claim on your cover, we'll pay the amount covered to the person covered, executors, nominated beneficiaries or trustees.

Please see the **policy terms and conditions** for full details.

## 1.7 WHAT IS TERMINAL ILLNESS COVER?

Terminal Illness cover pays out the full amount of Life Protection you're covered for if:

- You're diagnosed as being terminally ill and, in the opinion of your attending UK Consultant, the illness is expected to lead to your death within 12 months.

OR

- You have a definite diagnosis by a UK Consultant of any illness that satisfies one of the following conditions:
  - **Cancer** – incurable stage 4, or equivalent.
  - **Motor neurone disease** – definite diagnosis and permanent clinical impairment of one of the listed motor neurone diseases.
  - **Parkinson-plus syndrome** – definite diagnosis and permanent clinical impairment of one of the listed Parkinson-plus syndromes.
  - **Creutzfeldt-Jakob disease (CJD)** – definite diagnosis.

Please see the **policy terms and conditions** for full details.

## 2. LIFE ESSENTIALS

Life Essentials pays out the amount you're covered for if you die, or if you're diagnosed with a terminal illness as defined in the **policy terms and conditions**.

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### 2.1 WHO CAN APPLY FOR LIFE ESSENTIALS?

You can apply for cover if you meet all of the following:

- You're aged between 18 and 64.
  - You have a personal UK bank account.
  - You've lived in the UK for the last 2 years, with the right to remain in the UK.
  - Your permanent home is in the UK.
  - You've been registered with a UK doctor for the last 2 years.
- 

### 2.2 WHAT TYPES OF COVER CAN I HAVE?

You can choose from 3 types:

#### **Level Cover**

The amount you're covered for is fixed for the length of your cover.

If you choose Level Cover, you can't change to Increasing Cover later.

#### **Increasing Cover**

You can choose Increasing Cover only when you buy your cover – you can't add it at a later date.

The amount you're covered for will go up in line with inflation based on the consumer price index including owner occupiers' housing cost (CPIH) on each cover anniversary, capped at a total of £20 million. The maximum amount of life cover you can have with us is £20 million across all life covers. If your cover is £20 million when you apply, you won't be able to choose increasing cover.

Your premiums will also go up to reflect the extra cover. The increase is calculated as the inflation increase multiplied by 1.5.

You can skip an increase. If you skip 3 consecutive increases, we'll remove the Increasing Cover option and change your cover to Level Cover for the remainder of the term. Once we've removed the Increasing Cover option, you can't add it back on later.

#### **Decreasing Cover**

The amount you're covered for goes down on a monthly basis, consistent with the capital amount outstanding on a repayment mortgage paying interest at 8% a year.

### 2.3 HOW MUCH COVER CAN I APPLY FOR?

You can choose from £25,000 to £15 million for Level, Increasing or Decreasing Cover.

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### 2.4 ARE THERE ANY EXCLUSIONS?

We won't pay a claim if your death is due to suicide or as a result of intentional self-inflicted injury in the first 12 months of the policy.

Any other exclusions that apply to you will be detailed on your **cover summary**.

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### 2.5 HOW LONG CAN I GET COVER FOR?

You can choose how long to be covered for. Your age might influence your decision.

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	Minimum term	Maximum term	Maximum age at end
Level Cover and Increasing Cover	1 year	72 years	90 years
Decreasing Cover	5 years	72 years	90 years

---

### 2.6 HOW MUCH DOES THE COVER PAY OUT?

We'll pay the amount of cover you've chosen as a lump sum, assuming the claim conditions are met.

#### Who we'll pay

If you claim on your cover, we'll pay the amount covered to the person covered, executors, nominated beneficiaries or trustees.

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### 2.7 WHAT IS TERMINAL ILLNESS COVER?

Terminal Illness cover pays out the full amount you're covered for if you're diagnosed as being terminally ill and, in the opinion of your attending UK Consultant, your illness:

- has no known cure or has progressed to the point where it can't be cured, and
- is expected to lead to your death within 12 months.

## 3. CRITICAL ILLNESS PROTECTION

Critical Illness Protection pays out if you meet our critical illness, total permanent disability or terminal illness definition (whichever happens first) as defined in the **policy terms and conditions**.

It pays out if you meet any of the critical illness definitions listed in the policy and survive for 14 days from diagnosis.

Some conditions will pay 100% of the amount you're covered for (called full payouts).

Some will pay a smaller amount (called additional payouts), leaving the amount covered in place so you're still able to claim the full 100% at a later time.

If you need to have one of the surgeries specified under Surgery Cover, we'll pay part of the amount you're covered for in advance of the surgery. After we've paid a claim, your cover will continue with the cover amount reduced by the amount we paid out before the surgery.

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### 3.1 WHO CAN APPLY FOR CRITICAL ILLNESS PROTECTION?

You can apply for cover if you meet all of the following:

- You're aged between 18 and 64.
  - You have a personal UK bank account.
  - You've lived in the UK for the last 2 years, with the right to remain in the UK.
  - Your permanent home is in the UK.
  - You've been registered with a UK doctor for the last 2 years.
- 

### 3.2 WHAT TYPES OF COVER CAN I HAVE?

You can choose from 4 types:

#### **Level Cover**

The amount you're covered for is fixed for the length of your cover.

#### **Increasing Cover**

The amount you're covered for will go up in line with inflation (based on the retail price index) on each cover anniversary, capped at a total of £3 million. The maximum amount of critical illness cover you can have with us is £3 million across all critical illness covers.

Your premiums will also go up to reflect the extra cover. The increase is calculated as the inflation increase multiplied by 1.5.

You can skip an increase. If you skip 3 consecutive increases, we'll remove the Increasing Cover option and change your cover to Level Cover for the remainder of the term.

### Decreasing Cover

The amount you're covered for goes down on a monthly basis, consistent with the capital amount outstanding on a repayment mortgage paying interest at 8% a year.

### Family Income Benefit

The amount you're covered for will be paid as a monthly income.

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## 3.3 HOW MUCH COVER CAN I APPLY FOR?

You can choose from £10,000 to £3 million for Level, Increasing or Decreasing Cover. If you choose £3 million of cover, you won't be able to select Increasing Cover. This maximum is the same for Family Income Benefit and will be calculated by multiplying the annual cover amount by the selected term.

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## 3.4 ARE THERE ANY EXCLUSIONS?

We have no general exclusions on our Critical Illness Protection. Any exclusions that apply to you will be detailed on your **cover summary**.

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## 3.5 HOW LONG CAN I GET COVER FOR?

You can choose how long to be covered for. Your age might influence your decision.

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Minimum term	Maximum term	Maximum age at end
5 years	52 years	70 years

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## 3.6 HOW MUCH DOES THE COVER PAY OUT?

We'll pay the amount of cover that applies to your terminal illness, total permanent disability or critical illness claim, assuming the claim conditions are met. If you've chosen Family Income Benefit, we'll pay it in monthly instalments.

### Full payout

A full payout means we'll pay 100% of the amount you're covered for. A summary of the critical illness definitions we cover is set out in section 10.1.

### Additional payout

An additional payout means we'll pay between 10% and 25% of the amount (depending on the illness), or £50,000, whichever is lower. A summary of the critical illness definitions we cover is set out in section 10.1.

If we've paid a claim for an additional payout, the amount you're covered for doesn't change. This means your full amount of cover remains in place should you suffer a further critical illness, and you carry on paying your premiums. See section 10.1 for more information.

If you've chosen Family Income Benefit, we'll pay the **additional payout** as a lump sum, leaving the original monthly income intact should you need to claim again in the future.

### Surgery Cover

If you make a claim for Surgery Cover, once you've been placed on a UK waiting list, we'll make a payment of 25% of the amount covered or £50,000, whichever is less. We'll reduce your cover amount by the amount advanced.

If you've chosen Family Income Benefit, we'll pay the Surgery Cover as a lump sum which will reduce the monthly income should you need to claim again in the future.

### Who we'll pay

If you claim on your cover, we'll pay the amount covered to the person covered or trustees.

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## 3.7 WHAT IS TERMINAL ILLNESS COVER?

Terminal Illness cover pays out the full amount you're covered for if you're diagnosed as being terminally ill and, in the opinion of your attending UK Consultant, the illness is expected to lead to your death within 12 months.

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## 3.8 WHAT IS TOTAL PERMANENT DISABILITY?

Total permanent disability pays out the full amount you're covered for if:

- You're unable to do your own occupation ever again, or
- You're unable to perform 3 of more activities of daily living as described in the **policy terms and conditions** ever again, or
- You meet our definition of mental incapacity, or
- You're diagnosed by a Consultant Psychiatrist with bipolar affective disorder, schizophrenia, schizo-affective disorder or paranoid (delusional) psychosis.

Your **cover summary** will show the total permanent disability definition that applies to you.

Please see the **policy terms and conditions** for full details of when you can claim.

## 4. COMBINED LIFE AND CRITICAL ILLNESS PROTECTION

Combined Life and Critical Illness Protection pays out if you meet our critical illness, total permanent disability or terminal illness definition, or you die, (whichever happens first) as defined in the **policy terms and conditions**.

Critical illness cover pays out if you meet the critical illness definitions listed in the cover.

Some of the definitions will pay 100% of the amount you're covered for (called full payouts).

Some will pay a smaller amount (called additional payouts), leaving the amount covered in place so you're still able to claim the full 100% at a later time.

If you need to have one of the surgeries specified under Surgery Cover, we'll pay part of the amount you're covered for in advance of the surgery. After we've paid a claim, your cover will continue with the cover amount reduced by the amount we paid out before the surgery.

---

### 4.1 WHO CAN APPLY FOR COMBINED LIFE AND CRITICAL ILLNESS PROTECTION?

You can apply for cover if you meet all of the following:

- You're aged between 18 and 64.
  - You have a personal UK bank account.
  - You've lived in the UK for the last 2 years, with the right to remain in the UK.
  - Your permanent home is in the UK.
  - You've been registered with a UK doctor for the last 2 years.
- 

### 4.2 WHAT TYPES OF COVER CAN I HAVE?

You can choose from 3 types:

#### **Level Cover**

The amount you're covered for is fixed for the length of your cover.

#### **Increasing Cover**

The amount you're covered for will go up in line with inflation (based on the retail price index) on each cover anniversary, capped at a total of £3 million. The maximum amount of critical illness cover you can have with us is £3 million across all critical illness covers.

Your premiums will also go up to reflect the extra cover. The increase is calculated as the inflation increase multiplied by 1.5.

You can skip an increase. If you skip 3 consecutive increases, we'll remove the Increasing Cover option and change your cover(s) to Level Cover for the remainder of the term.



### Decreasing Cover

The amount you're covered for goes down on a monthly basis, consistent with the capital amount outstanding on a repayment mortgage paying interest at 8% a year.

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## 4.3 HOW MUCH COVER CAN I APPLY FOR?

You can choose from £10,000 to £3 million for Level, Increasing or Decreasing Cover. If you choose £3 million of cover, you won't be able to select Increasing Cover.

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## 4.4 ARE THERE ANY EXCLUSIONS?

We have no general exclusions on our Combined Life and Critical Illness Protection. Any exclusions that apply to you will be detailed on your **cover summary**.

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## 4.5 HOW LONG CAN I GET COVER FOR?

You can choose how long to be covered for. Your age might influence your decision.

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Minimum term	Maximum term	Maximum age at end
5 years	52 years	70 years

---

## 4.6 HOW MUCH DOES THE COVER PAY OUT?

We'll pay the amount of cover that applies to your terminal illness, critical illness or total permanent disability claim, assuming the claim conditions are met.

### Full payout

A full payout means we'll pay 100% of the amount you're covered for. A summary of the definitions we cover is set out in section 10.1.

### Additional payout

An additional payout means we'll pay between 10% and 25% of the amount (depending on the illness), or £50,000, whichever is lower. A summary of the definitions we cover is set out in section 10.1.

If we've paid a claim for an additional payout, the amount you're covered for doesn't change. This means your full amount of cover remains in place should you suffer a further critical illness, and you carry on paying your premiums. See section 10.1 for more information.

### **Surgery Cover**

If you make a claim for Surgery Cover, once you've been placed on a UK waiting list, we'll make a payment of 25% of the amount covered or £50,000, whichever is less. We'll reduce your cover amount by the amount advanced.

### **Who we'll pay**

If you claim on your cover, we'll pay the amount covered to the person covered, executors, nominated beneficiaries or trustees.

You can find the full critical illness definitions in the **policy terms and conditions**.

---

## **4.7 WHAT IS TERMINAL ILLNESS COVER?**

Terminal Illness cover pays out the full amount you're covered for if you're diagnosed as being terminally ill and, in the opinion of your attending UK Consultant, the illness is expected to lead to your death within 12 months.

---

## **4.8 WHAT IS TOTAL PERMANENT DISABILITY?**

Total permanent disability pays out the full amount you're covered for if:

- You're unable to do your own occupation ever again, or
- You're unable to perform 3 or more activities of daily living as described in the **policy terms and conditions** ever again, or
- You meet our definition of mental incapacity, or
- You're diagnosed by a Consultant Psychiatrist with bipolar affective disorder, schizophrenia, schizo-affective disorder or paranoid (delusional) psychosis.

Your **cover summary** will show the total permanent disability definition that applies to you.

## 5. INCOME PROTECTION

Income Protection pays you a monthly or weekly amount if, due to illness or injury, you can't do your own job and your earnings are reduced.

Own job means the actual job you do, regardless of your trade or profession.

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### 5.1 WHO CAN APPLY FOR INCOME PROTECTION?

You can apply for cover if you meet all of the following:

- You're aged between 18 and 59.
  - You're in paid work for at least 16 hours a week.
  - You have a personal UK bank account.
  - You've lived in the UK for the last 2 years, with the right to remain in the UK.
  - Your permanent home is in the UK, and you intend to stay in the UK until the end of your cover term.
  - You've been registered with a UK doctor for the last 2 years.
- 

### 5.2 WHAT TYPES OF COVER CAN I HAVE?

You can choose from 2 types:

#### **Level Cover**

The amount you're covered for is fixed for the length of your cover.

If you choose Level Cover, you can't change to Increasing Cover later.

#### **Increasing Cover**

The amount you're covered for will go up in line with inflation based on the consumer price index including owner occupiers' housing cost (CPIH), to a maximum of 10%, on each cover anniversary, capped at a total of £250,000 a year. The maximum amount of income protection cover you can have with us is £250,000 a year across all income protection covers.

It's important to make sure the annual increases to your cover don't mean that your cover amount exceeds the maximum amount of cover you're allowed. If it does, you may not be able to claim the full amount of cover you've been paying for. See section 5.4 for more information.

Your premiums will also go up to reflect the extra cover. The increase is calculated as the inflation increase multiplied by 1.5.

You can skip an increase. If you skip 3 consecutive increases, we'll remove the Increasing Cover option and your cover amount and monthly premium will remain level for the rest of the cover term.

Once we've removed the Increasing Cover option, you can't add it back on later.

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### 5.3 HOW LONG WILL YOU PAY MY CLAIM FOR?

You can choose your payment period, which is the length of time that we can pay your claim while you remain eligible, as explained in section 5.9. There are 2 options:

- **2-year payment period:** Cover that can pay out for up to 2 years for each claim.

For example, if you chose a 20-year term and we started paying your claim in year 5, we could pay your claim for up to 2 years and stop paying it in year 7. You'd still be covered for the remaining 13 years (if you continued to pay your monthly premiums) and could make further claims. If a new claim is for the same condition, you'd need to be fully back at work for at least 6 months before you claimed again. If it's for a new condition, your deferred period would apply.

- **Full-term payment period:** Cover that can pay out from when you're unable to work until the end of your cover term.

For example, if you chose a 20-year term and we started paying your claim in year 5, we could pay your claim for the remaining 15 years.

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### 5.4 HOW MUCH COVER CAN I APPLY FOR?

Income protection policies don't allow you to take out more cover than you currently earn after tax and National Insurance contributions. However, you can choose the amount of cover you want from £2,500 to £250,000 a year. If you choose £250,000 of cover, you won't be able to select Increasing Cover.

The amount you choose is based on your annual earnings (this is what you earn each year before any tax or National Insurance deductions). We can only offer you cover for a proportion of your annual earnings as we need to allow for tax and National Insurance.

We can cover you for:

- 65% of your annual earnings up to £60,000.
- 50% of annual earnings over £60,000 and up to £100,000.
- 45% of any annual earnings over £100,000.

These examples show you how to calculate the amount of cover you can apply for:

	Example 1 Annual earnings of £55,000	Example 2 Annual earnings of £70,000	Example 3 Annual earnings of £125,000
65% of annual earnings up to £60,000	$£55,000 \times 65\% =$ £35,750	$£60,000 \times 65\% =$ £39,000	$£60,000 \times 65\% =$ £39,000
50% of annual earnings over £60,000 and up to £100,000	Not applicable	$£10,000 \times 50\% =$ £5,000	$£40,000 \times 50\% =$ £20,000
45% of annual earnings over £100,000	Not applicable	Not applicable	$£25,000 \times 45\% =$ £11,250
Maximum monthly amount of cover you can have	$£35,750/12 =$ £2,979 a month	$£44,000/12 =$ £3,667 a month	$£70,250/12 =$ £5,854 a month

The figures in this table are for illustration purposes, and rounded up to the nearest pound. The actual amount we pay when you claim may differ as our calculation will be based on the number of days in each month.

## 5.5 ARE THERE ANY EXCLUSIONS?

We have no general exclusions on our Income Protection. Any exclusions that apply to you will be detailed on your **cover summary**.

## 5.6 HOW LONG CAN I GET COVER FOR?

You can choose how long to be covered for, although there may be some restrictions depending on your job. Your current age and the age you plan to retire might influence your decision.

Minimum term	Maximum term	Maximum age at end
5 years	52 years	70 years

## 5.7 HOW MUCH DOES THE COVER PAY OUT?

The amount we pay out is based on your earnings just before you're unable to do your own job. Your Income Protection payouts will never pay you more than the maximum you're allowed, shown below.

When you claim, if, since your cover started, your earnings have:

- Stayed the same or increased, we'll pay you the amount shown on your **cover summary** subject to any deductions we'll make if you have continuing income.
- Reduced, we might need to reduce your cover amount and pay you the maximum we're allowed to pay, subject to any deductions we'll make if you have continuing income.

The maximum we're able to pay is:

- 65% of your annual earnings up to £60,000.
- 50% of annual earnings over £60,000 and up to £100,000.
- 45% of any annual earnings over £100,000.

See the example in section 5.4 for how to calculate how much we're able to pay.

### **Deductions we'll make to the cover we pay you**

You might carry on getting income after you stop working. This could include sick pay, other insurance that pays when you're unable to work, income from a business you own or ill-health early retirement pension payments. We deduct income like this when working out your payout, as this income may take you over your maximum cover amount.

We'll deduct:

- 65% of any continuing income or profit (including dividends, bonuses and benefits in kind).
- 65% of ill-health early retirement pensions.
- 100% of payments from similar insurance policies (as these are paid to you tax-free).

We don't make any deduction for state benefits or income from your investments.

Any payments we make to you may affect a claim on other income protection policies you or your employer have. Also, any state benefits you're entitled to may be reduced due to your Income Protection payouts. For example, payments may reduce your universal credit entitlement.

State benefits can change at any time.

The example below shows how we'll calculate the deductions to the maximum cover you're allowed, and how it affects your cover if you've chosen less than the maximum.

	Example 1	Example 2
	The maximum cover you're allowed based on your earnings is £3,000 a month	The maximum cover you're allowed based on your earnings is £3,000 a month
	You choose the maximum cover amount allowed: £3,000 a month	You choose below the maximum cover amount allowed: £1,800 a month
<b>Payments from other insurance products: £500 a month</b>	We'll deduct 100% of this £500 a month from your maximum cover We'll deduct £500 a month	We'll deduct 100% of this £500 a month from your maximum cover We'll deduct £500 a month
<b>Payments from ill-health retirement pensions: £500 a month</b>	£500 a month We'll deduct 65% of this £500 a month from your maximum cover We'll deduct £325 a month	£500 a month We'll deduct 65% of this £500 a month from your maximum cover We'll deduct £325 a month
<b>Payments from continuing earnings or profits: £500 a month</b>	£500 a month We'll deduct 65% of this £500 a month We'll deduct £325 a month	£500 a month We'll deduct 65% of this £500 a month We'll deduct £325 a month
<b>Amount we'll pay you</b>	£3,000 – £500 – £325 – £325 (the maximum cover minus the continuing income) = £1,850 a month is the maximum we can pay you We'll pay £1,850 a month, which is below your cover amount due to your continuing income	£3,000 – £500 – £325 – £325 (the maximum cover minus the continuing income) = £1,850 a month is the maximum we can pay you We'll pay you £1,800 a month, which is your full cover amount

The figures in this table are for illustration purposes, and rounded up to the nearest pound. The actual amount we pay when you claim may differ as our calculation will be based on the number of days in each month.

### Minimum Cover Guarantee

Income Protection includes our Minimum Cover Guarantee to protect you against a future drop in earnings. If, when you claim, your earnings mean we can't pay you the full cover amount, we'll apply our Minimum Cover Guarantee.

If your cover amount is higher than £1,500 a month, the amount we'll pay you won't be less than £1,500, subject to deductions we make for continuing income.

If your cover amount is less than £1,500 a month, the guarantee will still apply and we'll pay the cover amount on your **cover summary**, subject to deductions we make for continuing income.

Continuing income includes sick pay, other insurances that pay when you're unable to work, income from a business you own or ill-health early retirement pension payments.

To qualify for the guarantee, you must have been working at least:

- 24 hours a week if you're self-employed or
- 30 hours a week if you're employed at the time you became unable to do your own job.

We'll ask you for evidence of this when you claim.

### Cover Uplift

If, when you claim, the maximum cover you're allowed is within 10% of your cover amount, we'll apply our Cover Uplift to meet the shortfall.

For example, if the maximum amount of cover you're allowed is £950, and your cover amount is £1,000, we'll pay you £1,000.

We won't apply the Cover Uplift if we've already used the Minimum Cover Guarantee.



#### Checking your cover when your earnings reduce

As the amount we're able to pay you when you claim is directly aligned with your current earnings, it's important to regularly review the amount of cover you have so you're not paying for cover you can't claim for. If your earnings increase or decrease, we recommend you speak to your Financial Adviser who will be able to offer you guidance on the best approach for your needs.

If your earnings have reduced, you can reduce your amount of cover and reduce your monthly premiums. We won't refund any premiums you've paid for cover over the maximum you're allowed to have.

### Hospital Cover

If, during your deferred period, you're admitted as an in-patient to a UK hospital for 7 consecutive nights or more due to your illness or injury, we'll pay you £150 for every night, up to 90 consecutive days.

These payments will continue until you leave hospital, your deferred period ends, you've been in hospital for more than 90 nights, your cover ends or you die, whichever happens first.

There are some reasons for being in hospital that we won't pay out for. For example, elective psychiatric admission or treatment for alcohol abuse and/or drug abuse. Please see the **policy terms and conditions** for full details.

### Who we'll pay

If you claim on your cover, we'll pay you as the person covered.

Please see the **policy terms and conditions** for full details.



## 5.8 WHEN WILL YOU START PAYING MY CLAIM?

### Your choice of deferred period

You can choose how long to leave it before we start paying your claim. This is called your deferred period. You can choose 4, 8, 13, 26 or 52 weeks.

Your deferred period starts from the day you become unable to do your own job. During the deferred period, we can assess your claim so that the first payment we make to you at the end of your deferred period isn't delayed.

Once your deferred period has ended, we have all the information we need, and we've accepted your claim, we'll start paying your monthly or weekly amount within 30 days.

We won't pay a claim, if when you make a claim, your chosen deferred period is the same as, or longer than, your remaining cover term.



### **We'll waive your monthly premiums after 28 days**

Your Income Protection includes Premium Waiver as standard. Which means we'll start waiving your monthly premiums 28 days after you become unable to do your job, regardless of your chosen deferred period or whether your earnings have reduced. **It's important you tell us as soon as you're unable to work so you can benefit from Premium Waiver as soon as possible.**

Please see the **policy terms and conditions** for full details.

### Handling tiered sick pay

If you get tiered sick pay from your employer, you can choose different covers with different cover amounts and different deferred periods all within one policy.

For example, if you receive full pay for 26 weeks and then half pay for 26 weeks, you can take out 2 Income Protection covers: one with a 26-week deferred period and another with a 52-week deferred period, and tailor the cover amounts to make up the shortfall to the maximum allowed.

This example shows you how to apply for the cover that suits you.

Example based on annual earnings of £45,000	Full sick pay for 6 months	Half-pay for months 7–12	No sick pay from month 13
We can pay 65% of £45,000 which equals £29,250 £29,250 a year = £2,437.50 a month	No cover needed as earnings not reduced	<b>Cover 1</b> <ul style="list-style-type: none"> <li>● £1,219 a month</li> <li>● 26-week deferred period</li> </ul> <p>How we calculate that maximum cover allowed: £45,000 x 65% = £29,250</p> <p>Less 65% of half-pay (£22,500) = £14,625</p> <p>£29,250 – £14,625 =</p> <p>The maximum we can pay is:</p> <p>£14,625 a year/ £1,219 a month</p>	<b>Cover 2</b> <ul style="list-style-type: none"> <li>● £1,219 a month</li> <li>● 52-week deferred period</li> </ul> <p>How we calculate that maximum cover allowed: £45,000 x 65% = £29,250</p> <p>Less £14,625 (payment from cover 1)</p> <p>£29,250 – £14,625 =</p> <p>The maximum we can pay is:</p> <p>£14,625 a year/ £1,219 a month</p>

The figures in this table are for illustration purposes, and rounded up to the nearest pound. The actual amount we pay when you claim may differ as our calculation will be based on the number of days in each month.

### You can choose when you receive your payout

Income Protection payments are made in arrears. You can choose to receive your payments weekly or monthly, and choose the day each week or date each month you'd like us to pay you – we'll discuss this with you when we're ready to pay your claim. Depending on what date you choose, your first payment might be a partial payment, with full payments being made each month after.

### Return-to-work payment

If, when you return to work, you're only well enough to do your job part-time and your earnings are still reduced, or you're only able to do a different, lower-paid job, you may be eligible for a return-to-work payment. This is a proportion of the amount we paid you immediately before your return.

Please see the **policy terms and conditions** for full details.

### If you're not in a paid job

If you've not been in a paid job for more than 3 months when you become incapacitated, we'll assess your claim against your ability to meet our activities of daily working definition explained in our **policy terms and conditions**. If you're assessed against (a) in the activities of daily working definition, you'll need to be unable to do 3 or more of the 6 activities listed.

We'll pay your cover amount, or £1,500 a month, whichever is less, subject to any deductions we'll make for continuing income as explained in section 5.7.

For full details of activities of daily working, read our **policy terms and conditions**.

## 5.9 WHEN WILL YOU STOP PAYING MY CLAIM?

Income Protection pays out until whichever of the following happens first:

- You no longer meet our definition of incapacity.
  - You return to work and your total income (from your job and any other continuing income we take into account) is more than the maximum we're allowed to pay. See section 5.4 for full details.
  - You reach the end of your chosen payment period or cover term.
  - You die.
- 

## 5.10 CAN I REDUCE MY COVER IF I TAKE AN UNPAID BREAK FROM WORK?

After your cover has been in force for 12 months, you can request an unpaid work break. You can reduce your cover and monthly premium while you're on the unpaid work break if, for example, you take a sabbatical or unpaid parental leave.

You can reduce your cover to 10% of your cover amount, or a minimum of £2,500 a year, whichever is higher. Your monthly premiums will also reduce. The reduced premiums and cover will start from the date you start your break, which must be for at least 3 months and up to a maximum of 12 months.

At the end of your unpaid work break, we'll automatically revert to your cover amount and monthly premium from immediately before you started your break. If your circumstances have changed after your unpaid work break, you can contact us to change your cover. We recommend you speak to your Financial Adviser.

Please see the **policy terms and conditions** for full details.

## 6. CHILDREN'S CRITICAL ILLNESS PROTECTION

Children's Critical Illness Protection pays out if your child meets our critical illness or terminal illness definition as defined in the **policy terms and conditions**.

You can add it at the start of your policy or later, in conjunction with a core cover.

We won't pay out for a condition or related condition – or in the case of funeral cover a condition or related condition that caused death – if, before you took out the policy or added the children's cover:

- The eligible child was already having symptoms relating to, was awaiting investigations or being investigated for, or had been diagnosed with, the condition.
- Either parent had sought counselling or medical advice in relation to the eligible child being affected by the condition.
- Either parent was aware of an increased risk of the eligible child being affected by the condition.

The cover will only pay out the full payout and the additional payout once for each child. If we've paid an additional payout amount for a child, the child remains covered for a full payout.

Cover will end for a child once we make a full payout, with the exception of funeral cover which will remain in place while the premiums continue to be paid. The claim won't affect any other cover and, if you have other eligible children, the cover will remain in force and still cover them.

It pays out if your child meets the definition of any of the conditions listed in the cover and survives for 14 days from diagnosis. Full payout conditions will pay 100% of the cover amount. Additional payout conditions will pay a smaller amount, leaving the amount covered in place so you're still able to claim the full 100% at a later time.

If your child needs to have one of the surgeries specified under Surgery Cover, we'll pay 100% of the amount your child is covered for in advance of the surgery when they're placed on a UK waiting list.

It also pays out £10,000 if your child is stillborn at any stage after 24 weeks' gestation or dies before the age of 23.

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### 6.1 WHO CAN APPLY FOR CHILDREN'S CRITICAL ILLNESS PROTECTION?

You need to apply for, or already have, a core cover to include Children's Critical Illness Protection.

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### 6.2 WHO IS COVERED UNDER CHILDREN'S CRITICAL ILLNESS PROTECTION?

Children's Critical Illness Protection covers all eligible children. This is all your natural, step or adopted children and those for whom you have parental responsibility or become a legal guardian. They'll be covered from birth to a maximum of 23 years old (see section 6.6 for more information), and there's no limit on the number of children covered.

### 6.3 WHAT TYPES OF COVER CAN I HAVE?

You can choose from 2 types:

#### Level Cover

The amount you're covered for is fixed for the length of your cover.

#### Increasing Cover

If you select Increasing Cover with your core cover, we'll also apply this increase to your Children's Critical Illness Protection.

The amount you're covered for will go up in line with inflation (based on the retail price index) on each cover anniversary. Your premiums will also go up to reflect the extra cover. The increase is calculated as the inflation increase multiplied by 1.5.

If you skip an increase on your core cover, this will also apply to your Children's Critical Illness Protection.

If you have Level Cover, Decreasing Cover or Family Income Benefit on your core cover, your Children's Critical Illness Protection will default to Level Cover.

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### 6.4 HOW MUCH COVER CAN I APPLY FOR?

You can choose any amount from £10,000 up to a maximum of the amount you choose for your own cover, up to a maximum of £100,000.

If the only core cover on your policy is Income Protection, the maximum you can have is the annual adult cover amount, multiplied by the cover term, up to a maximum of £100,000.

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### 6.5 ARE THERE ANY EXCLUSIONS?

Before we can consider a claim for the following conditions, the cover must have been continuously in force for a minimum of 9 months before the eligible child was born:

- Cerebral palsy
- Cystic fibrosis
- Down's syndrome
- Hydrocephalus
- Muscular dystrophy
- Spina bifida

There are no further general exclusions. Any exclusions that apply to you will be detailed on your **cover summary**.

## 6.6 HOW LONG CAN I GET COVER FOR MY CHILDREN?

Children's Critical Illness Protection covers each eligible child from birth until their 23rd birthday.

Eligible children will no longer be covered when your core cover ends, they reach the maximum age, you're no longer their legal guardian or you cancel this cover.

You can cancel at any time by contacting us. You won't be able to reinstate your Children's Critical Illness Protection once it's been cancelled.

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## 6.7 HOW MUCH DOES THE COVER PAY OUT?

We'll pay the amount of cover that applies to your child's death, terminal illness or critical illness claim, assuming the claim conditions are met.

### Full payout

A full payout means we'll pay 100% of the amount your child is covered for. A summary of the critical illness definitions we cover is set out in section 10.2.

If you make a claim for Surgery Cover on your Children's Critical Illness Protection, we'll pay the full amount of cover once your child has been placed on a UK waiting list for a specified surgery.

### Additional payout

An additional payout means we'll pay between 10% and 25% of the amount (depending on the illness), or £50,000, whichever is lower. A summary of the critical illness definitions we cover is set out in section 10.2.

If we've paid a claim for an additional payout, the amount you're covered for doesn't change. This means your full amount of cover remains in place should your child suffer a further critical illness and you carry on paying your premiums. See section 10.2 for more information.

### Funeral cover

If an eligible child is stillborn at any stage after a 24-week gestation period or dies before they reach their 23rd birthday, we'll pay out £10,000 as a contribution towards funeral costs in addition to any other payments made.

### Who we'll pay

If you claim on Children's Critical Illness Protection, we'll pay the policyholder.

You can find the full critical illness definitions in the [policy terms and conditions](#).

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## 6.8 WHAT IS TERMINAL ILLNESS COVER?

We'll pay the full amount covered on your Children's Critical Illness Protection if, after their first birthday, a child is diagnosed as being terminally ill and, the illness or condition leading to the terminal prognosis is diagnosed after this date and, in the opinion of the attending UK Consultant, the illness is expected to lead to death within 12 months.

## 7. PAYING FOR YOUR COVER

### 7.1 WHAT WILL MY COVER COST?

The premiums you pay depend on several factors including your age, health, lifestyle, the type of cover you choose and the term you select. You can find full details on your **quote** and your **cover summary**.

Premiums for your Children's Critical Illness Protection will depend on how much cover you select for your children. You can find full details on your **quote** and on your **cover summary**.

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### 7.2 WILL MY PREMIUMS STAY THE SAME?

We guarantee your premiums won't increase during the term of your policy unless you increase the cover you already have, choose Increasing Cover or add a new cover.

We guarantee the cost of your Children's Critical Illness Protection won't change unless you've asked for Increasing Cover on your core cover.

---

### 7.3 HOW DO I PAY?

You need to pay monthly by direct debit from a personal UK bank account that's held in your name and for which you're the authorised signatory. You'll be asked to complete the mandate during your application.

We'll collect your Children's Critical Illness Protection premiums at the same time as your core cover premiums.

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### 7.4 WHAT IF I'M UNABLE TO PAY?

You need to pay your premiums every month. If you stop paying, your cover will lapse and you'll no longer be insured.

If you want to cancel your policy, you can do so at any time by letting us or your Financial Adviser know. You can then stop paying your premiums. Your cover will stop, and you'll no longer be insured.

If you cancel your core cover, we'll also have to cancel your Children's Critical Illness Protection. You won't be able to reinstate your Children's Critical Illness Protection once it's been cancelled.

Premium Waiver is automatically included in your policy which means you may not have to pay your premiums if you're unable to do your job and your income reduces, or for up to 6 months if you involuntarily lose your job or you start maternity or paternity leave. See page 7 for more information.

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## 7.5 CAN I REDUCE MY COVER?

You can reduce the amount you're covered for or your policy term at any time, as long as you don't go below the minimums shown in the **policy terms and conditions**.

Let your Financial Adviser know or contact us directly if you'd like to reduce your cover amount or term. We'll adjust your premiums and issue a new **cover summary** showing your new cover.

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## 7.6 CAN I ADD TO MY COVER?

There are 2 ways you can add to the amount you're covered for:

- A new application. This may be subject to a full underwriting process, and you'll pay the premium rates that apply at the time.
- Using your Guaranteed Increase Options. If you have what we call a key life event – such as getting married or having a baby – you can add to your cover without having to give us any additional medical information. You must take up this option within 12 months of the event happening. For full details, please see your **policy terms and conditions**. To check if you have Guarantee Increase Options on your policy, please see your **cover summary**.

Adding to your cover will mean your premiums go up.

If you didn't include Children's Critical Illness Protection at outset, you can add it at any time. Please see section 6 for more information.



## 8. MAKING A CLAIM

### 8.1 HOW DO I MAKE A CLAIM?

If you need to make a claim or think you may have a claim, you can contact your Financial Adviser or call our Claims Team on **0808 173 1821**. They'll tell you how to claim and offer as much help and guidance as they can at what can be a very difficult time.

If you die within the policy term, a nominated beneficiary (for example, a member of your family), a trustee of your policy (if it's in trust), or the executor of your estate should phone our Claims Team on **0808 173 1821**.

Alternatively, you can contact us:

 [claims@guardian1821.co.uk](mailto:claims@guardian1821.co.uk)

 Guardian Financial Services, Forbury Works, 37–43 Blagrove Street, Reading RG1 1PZ

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### 8.2 WHAT WOULD STOP YOU PAYING A CLAIM?

We want to pay your claim as quickly as we can, but we can't do this if:

- You don't consent to us gathering all the information we need to assess your claim.
- Your premiums aren't up to date.
- Your policy has been cancelled.
- Your policy has lapsed. (If you stop paying premiums, your cover will stop after 30 days.)
- Your core cover has been cancelled or has lapsed.
- Your claim doesn't meet the policy definitions (for example, type of illness) shown in your policy.
- Your claim is subject to any exclusions shown on your **cover summary**.
- You haven't answered the questions in your application honestly, accurately and reasonably.

If you have Income Protection, we also wouldn't pay your claim if, when you make a claim:

- Your earnings haven't reduced to the qualifying amount.
  - Your chosen deferred period is the same as, or longer than, your remaining cover term.
- 

### 8.3 ARE ANY PAYOUTS YOU MAKE UNDER THIS POLICY SUBJECT TO TAX?

Under current tax rules, any payouts we make on your policy will be free from income tax in the UK. However, if you die and a large claim amount is paid into your estate, your overall tax liability might change (inheritance tax may be affected). This is based on our understanding of current tax law and practice which may change in the future. We recommend you speak to your Financial Adviser or solicitor if you'd like to know more.

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## 8.4 WHAT IF I MOVE ABROAD?

If you have Life Protection, Life Essentials, Critical Illness Protection, Combined Life and Critical Illness Protection or Children's Critical Illness Protection, you'll still be covered by your policy if you move abroad after it's started, but you'll need to keep your UK bank account to pay the premiums.


If you have Income Protection, there are some restrictions to the countries you can move to and still be covered. See the **policy terms and conditions** for full details.

## 9. OTHER THINGS YOU NEED TO KNOW

### 9.1 WHAT IF I WANT TO COMPLAIN ABOUT GUARDIAN?

We hope you'll never need to complain about us, but if you do, we'll do our best to resolve your complaint as quickly as possible. To find out how to make a complaint, please follow our step-by-step process at [guardian1821.co.uk](https://guardian1821.co.uk).

#### To contact us:

 0808 123 1821


 [heretohelp@guardian1821.co.uk](mailto:heretohelp@guardian1821.co.uk)


 Guardian Financial Services, Forbury Works, 37-43 Blagrove Street, Reading RG1 1PZ


We prefer to sort out any complaints ourselves, but you can ask for help from the Financial Ombudsman in the following circumstances:

- If we've not been able to resolve your complaint.
- If we've not sent you a final response within 8 weeks.

#### To contact the Financial Ombudsman:

 0800 0234 567 (free from UK landlines and mobiles) or  
0300 123 9123 (calls cost no more than 01 and 02 calls)

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

 Financial Ombudsman Service, Exchange Tower, London E14 9SR

If you contact us or the Ombudsman to complain, it won't affect your right to take legal action.

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### 9.2 WHAT IF I CHANGE MY MIND?

You have 30 days from the date you receive your policy or the policy start date, whichever is later, to change your mind and cancel your policy. If you tell us within that time that you want to cancel, we'll refund any money you've paid and terminate your cover.

This is called the cooling-off period. To cancel during the cooling-off period, just email us on [heretohelp@guardian1821.co.uk](mailto:heretohelp@guardian1821.co.uk).

Even after 30 days, you can cancel your policy at any time by letting us know at [heretohelp@guardian1821.co.uk](mailto:heretohelp@guardian1821.co.uk) and cancelling your direct debit mandate. If you tell us after 30 days, you won't get any money back as the policy has no investment value.

You may be able to cancel one type of cover within your policy without having to cancel other types you hold.

You can cancel your Children's Critical Illness Protection without affecting your core covers but you won't be able to reinstate it.

### 9.3 HOW WILL YOU USE THE INFORMATION I GIVE YOU?


Your information will be held by Guardian Financial Services Limited in accordance with the requirements of the UK General Data Protection Regulation and all other applicable laws and regulations relating to personal data for the purpose of providing insurance and handling claims or complaints.

You can find more information about this and our privacy policy at [guardian1821.co.uk/privacy-policy](https://guardian1821.co.uk/privacy-policy).

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### 9.4 HOW DO I CONTACT YOU?

On most occasions your Financial Adviser, who recommended us to you, will have the answers to your questions. However, you're welcome to contact us at any time. To contact us:

 **0808 123 1821**

 **[heretohelp@guardian1821.co.uk](mailto:heretohelp@guardian1821.co.uk)**

 **Guardian Financial Services, Forbury Works, 37-43 Blagrove Street, Reading RG1 1PZ**

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### 9.5 THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

The FSCS is designed to pay compensation if a firm is unable to pay claims because it has stopped trading or been declared in default. So, if Scottish Friendly Assurance Society Limited run into financial difficulties, you may be able to claim through the FSCS for any money you've lost.

The FSCS will pay 100% of the value of the claim and there's no upper limit to the amount of the payment. You can find out more about the FSCS, including eligibility to claim, by visiting its website.

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

**To find out more about the FSCS:**

 **[fscs.org.uk](https://fscs.org.uk)**

 **0800 6781100**

 **Financial Services Compensation Scheme, PO Box 300, Mitcheldean GL17 1DY**

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### 9.6 THE LAW THAT APPLIES

Our policies are governed by the laws of England and Wales and are based on current law and precedent, which may change in the future.

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### 9.7 SOLVENCY II DIRECTIVE INFORMATION

Under this directive, we must provide you with a solvency and financial condition report which you can access at <https://www.scottishfriendly.co.uk/about-us/solvency-two>.

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## 10. CRITICAL ILLNESS DEFINITIONS

### 10.1 CRITICAL ILLNESS DEFINITIONS FOR ADULTS' COVER

#### Full payout

If you're diagnosed with one of the following illnesses or conditions, we'll pay 100% of the amount of cover specified on your **cover summary**. Please see the **policy terms and conditions** for full details.

**Aorta graft surgery** – for disease or trauma

**Aplastic anaemia** – with permanent bone marrow failure

**Bacterial meningitis**

**Benign brain tumour** – resulting in permanent symptoms or undergoing defined treatments

**Benign spinal cord tumour**

**Blindness** – permanent and irreversible

**Cancer** – excluding less advanced cases

**Cardiac arrest** – with insertion of a defibrillator

**Cardiomyopathy** – of specified severity

**Cauda equina syndrome** – resulting in permanent symptoms

**Chronic severe rheumatoid arthritis** – resulting in permanent symptoms

**Coma** – requiring life support system

**Coronary artery bypass grafts** – undergoing surgery

**Creutzfeld-Jakob disease**

**Crohn's disease** – with one surgical intestinal resection

**Deafness** – permanent and irreversible

**Dementia including Alzheimer's** – resulting in permanent symptoms

**Drug resistant epilepsy** – requiring specified surgery

**Encephalitis** – resulting in permanent symptoms

**Gastro-intestinal stromal tumour (GIST)**

**Heart attack**

**Heart failure** – of specified severity

**Heart valve replacement or repair**

**HIV** – caught from a work accident, assault or blood transfusion

**Intensive care benefit** – requiring mechanical ventilation for 7 consecutive days

**Interstitial lung disease** – permanent and irreversible

**Kidney failure** – requiring permanent dialysis

**Liver failure** – end stage

**Loss of hand or foot** – permanent physical severance

**Loss of speech** – total, permanent and irreversible

**Major organ transplant** – from another person

**Motor neurone disease** (and specified diseases) – including Kennedy's – resulting in permanent clinical impairment

**Multiple sclerosis** – previous or current clinical impairment

**Neuroendocrine tumours**

**Neuromyelitis optica (Devic's disease)** – previous or current clinical impairment

**Open heart or structural heart surgery** – with thoracotomy

**Paralysis of limb** – total and irreversible

**Parkinson's disease** – with permanent clinical impairment

**Parkinson-plus syndromes** – with permanent clinical impairment

**Peripheral vascular disease** – resulting in surgery

**Pneumonectomy** – undergoing surgery

**Primary pulmonary arterial hypertension** – of specified severity

**Pulmonary artery surgery** – with surgery

**Respiratory failure** – advanced stage

**Spinal stroke** – resulting in permanent symptoms

**Stroke** – symptoms lasting 24 hours

**Surgical removal of an eye ball** – injury or disease

**Systemic lupus erythematosus** – of specified severity

### Additional payout

If you're diagnosed with one of the following illnesses or conditions, we'll make an additional payout. We'll pay 25% of the amount you're covered for or £50,000, whichever is less. The exception being for low-risk non-melanoma skin cancer which pays 10% of the amount you're covered for, up to a maximum of £50,000.

We'll pay additional payouts more than once, but not for the same condition twice, with the exception of carcinoma in situ which can be claimed multiple times so long as the site of each carcinoma in situ is different. The amount covered would remain intact should you need it in the future for a further claim.

**Angioplasty** – corrective procedure required

**Brain abscess** – with surgery

**Carcinoma in situ** – specified types requiring surgery to remove the tumour

**Carcinoma in situ of the breast** – requiring surgery to remove the tumour

**Carotid artery stenosis** – 50% stenosis

**Central retinal artery or vein occlusion** – permanent visual impairment

**Cerebral aneurysm** – surgery or radiotherapy required

**Cerebral arteriovenous malformation** – surgery or radiotherapy required

**Connective tissue disorder** – resulting in loss of the ability to do one of the specified activities

**Endovascular procedure** – 50% stenosis

**Low-grade prostate cancer** – of specified severity

**Non-melanoma skin cancer** – low risk qualifies for a 10% payout; high risk qualifies for a 25% payout

**Third degree burns** – 10% surface of the body or 20% of the face's surface area

**Total colectomy** – treated with permanent ileostomy

**Traumatic brain injury** – resulting in neurological symptoms

**Ulcerative colitis** – with one surgical resection

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

**Pituitary tumour** – surgery or radiotherapy required

**Serious Accident Cover** – hospitalisation for 28 consecutive days or more

**Significant visual impairment** – permanent and irreversible

**Spinal aneurysm** – requiring treatment

**Spinal arteriovenous malformation** – requiring treatment

**Syringomyelia or syringobulbia** – surgery required

**Testicular cancer of low grade** – requiring surgery to remove at least one testicle

**Third degree burns** – 5% of the body surface

**Type 1 insulin-dependent diabetes mellitus** – requiring permanent insulin usage

**Surgery Cover**

If you're included on a UK waiting list for specified surgeries, we'll pay an amount in advance. We'll pay 25% of the amount you're covered for or £50,000, whichever is less.

The amount covered (on your **cover summary**) will be reduced by the amount we've paid in advance of the surgery.

Please see the **policy terms and conditions** for full details.

**10.2 CRITICAL ILLNESS DEFINITIONS FOR CHILDREN'S COVER****Full payout**

If your child is diagnosed with one of the following illnesses or conditions, we'll pay 100% of the amount of cover specified on your **cover summary**.

Please see the **policy terms and conditions** for full details.

**Aorta graft surgery** – for disease or trauma

**Aplastic anaemia** – with permanent bone marrow failure

**Bacterial meningitis**

**Benign brain tumour** – resulting in permanent symptoms or undergoing defined treatments

**Benign spinal cord tumour**

**Blindness** – permanent and irreversible

**Cancer** – excluding less advanced cases

**Cardiac arrest** – with insertion of a defibrillator

**Cardiomyopathy** – of specified severity

**Cauda equina syndrome** – resulting in permanent symptoms

**Cerebral palsy** – cover in place for at least 9 months before the child was born

**Chronic severe rheumatoid arthritis** – resulting in permanent symptoms

**Coma** – requiring life support system

**Coronary artery bypass grafts** – undergoing surgery

**Creutzfeld-Jakob disease**

**Crohn's disease** – with one surgical intestinal resection

**Cystic fibrosis** – cover in place for at least 9 months before the child was born

**Deafness** – permanent and irreversible

**Dementia including Alzheimer's** – resulting in permanent symptoms

**Down's syndrome** – cover in place for at least 9 months before the child was born

**Drug resistant epilepsy** – requiring specified surgery

**Encephalitis** – resulting in permanent symptoms

**Gastro-intestinal stromal tumour (GIST)**

**Heart attack**

**Heart failure** – of specified severity

**Heart valve replacement or repair**

**HIV** – caught from a work accident, assault or blood transfusion

**Hydrocephalus** – cover in place for at least 9 months before the child was born

**Intensive care benefit** – requiring mechanical ventilation for 7 consecutive days

**Interstitial lung disease** – permanent and irreversible

**Kidney failure** – requiring permanent dialysis

**Liver failure** – end stage

**Loss of hand or foot** – permanent physical severance

**Loss of speech** – total, permanent and irreversible

**Major organ transplant** – from another person

**Motor neurone disease** (and specified diseases) – including Kennedy’s – resulting in permanent clinical impairment

**Multiple sclerosis** – previous or current clinical impairment

**Muscular dystrophy** – cover in place for at least 9 months before the child was born

**Neuroendocrine tumours**

**Neuromyelitis optica (Devic’s disease)** – previous or current clinical impairment

**Open heart or structural heart surgery** – with thoracotomy

**Paralysis of limb** – total and irreversible

**Parkinson’s disease** – with permanent clinical impairment

**Parkinson-plus syndromes** – with permanent clinical impairment

**Peripheral vascular disease** – resulting in surgery

**Pneumonectomy** – undergoing surgery

**Primary pulmonary arterial hypertension** – of specified severity

**Pulmonary artery surgery** – with surgery

**Respiratory failure** – advanced stage

**Spina bifida** – cover in place for at least 9 months before the child was born

**Spinal stroke** – resulting in permanent symptoms

**Stroke** – symptoms lasting 24 hours

**Surgery Cover** – inclusion on a UK waiting list for specified surgeries

**Surgical removal of an eye ball** – injury or disease

**Systemic lupus erythematosus** – of specified severity

**Third degree burns** – 10% surface of the body or 20% of the face’s surface area

**Total colectomy** – treated with permanent ileostomy

**Traumatic brain injury** – resulting in neurological symptoms

**Ulcerative colitis** – with one surgical resection

### Additional payout

If your child is diagnosed with one of the following illnesses or conditions, we’ll make a maximum of one additional payout for each child. We’ll pay 25% of the amount they’re covered for. The exception being for low-risk non-melanoma skin cancer which pays 10% of the amount they’re covered for. The amount covered (on your **cover summary**) would remain intact should you need it in the future for a further claim.

**Angioplasty** – corrective procedure required

**Brain abscess** – with surgery

**Carcinoma in situ** – specified types requiring surgery to remove the tumour

**Carcinoma in situ of the breast** – requiring surgery to remove the tumour

**Carotid artery stenosis** – 50% stenosis

**Central retinal artery or vein occlusion** – permanent visual impairment

**Cerebral aneurysm** – surgery or radiotherapy required

**Cerebral arteriovenous malformation** – surgery or radiotherapy required

**Connective tissue disorder** – resulting in loss of the ability to do one of the specified activities

**Endovascular procedure** – 50% stenosis

**Low-grade prostate cancer** – of specified severity

**Non-melanoma skin cancer** – low risk qualifies for a 10% payout; high risk qualifies for a 25% payout

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



**Pituitary tumour** – surgery or radiotherapy required

**Serious Accident Cover** – hospitalisation for 28 consecutive days or more

**Significant visual impairment** – permanent and irreversible

**Spinal aneurysm** – requiring treatment

**Spinal arteriovenous malformation** – requiring treatment

**Syringomyelia or syringobulbia** – surgery required

**Testicular cancer of low grade** – requiring surgery to remove at least one testicle

**Third degree burns** – 5% of the body surface

**Type 1 insulin-dependent diabetes mellitus** – requiring permanent insulin usage

Please see **policy terms and conditions** for full details.



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