

Policy Booklet



Illness and Injury Insurance

Introduction

Words that appear in bold are explained in the section headed 'Definitions'.

The Policy Booklet shows **you** the features, benefits and exclusions (things that are not covered) that apply to the policy.



About your policy

Type of policy

Illness and Injury Insurance

Who is covered?

The **life insured** is covered.

Premiums

Premiums are payable monthly and start on the **policy start date**.

The premiums for the policy will not change unless **you** make changes to the policy.

Paying premiums during the waiting period

You must continue to pay premiums during **your waiting period** and whilst **we** are processing **your** claim. **We** will tell **you** when **you** no longer need to pay premiums and then arrange for these to be suspended while **we** pay **your monthly benefit**. **We** will return any overpaid premiums to **you**. If **you** don't continue to pay premiums during **your waiting period**, **you** won't be able to claim a **monthly benefit** at the end of the **waiting period**.

Paying premiums when receiving the monthly benefit

We will stop taking premiums whilst **you** are being paid the **monthly benefit**.

What happens if the premiums are not paid?

We are entitled to cancel the policy if any premiums are not paid within 30 days of their due date. If **we** cancel the policy, **your** cover will end and no further premiums will be payable. **We** will not refund any premiums already paid.

Amount of cover

The **monthly benefit** will stay the same unless **you** change it during the period of cover.

Waiting period

This policy will have a four week **waiting period**, which is the amount of time **you** will need to be **incapacitated** and unable to work where no **monthly benefit** will be paid. If **your** claim is accepted after **we** have assessed it both medically and financially, the **monthly benefit** will be paid monthly in arrears. This means that the first payment will be made four weeks after the **waiting period** ends.

You must tell us of any claim within two weeks of becoming **incapacitated**. If **you** don't do this **we** may not backdate **your** claim.

What you're covered for

The **monthly benefit**, subject to the exclusions defined in the section headed 'When we will not pay a claim' will be paid if, before the **policy end date**, the **life insured** cannot work due to **incapacity** caused by an illness or an injury which results in a loss of **earnings**.

Definition of incapacity

To claim for the **monthly benefit you** will need to meet one of the **incapacity** definitions listed below.

Incapacity definition: Own occupation

If **you** are in **gainful employment** or **gainful self-employment** at the time of **incapacity we** will consider **you** to be **incapacitated**. Once **we** have assessed **your** claim as set out in the section headed 'Assessing your claim' and are satisfied that **you** have no capacity for working in **your** own occupation, on any basis, as a direct result of **your** illness or injury.

Incapacity definition: Activities of Daily Living

If **you** are **unemployed** or a **houseperson** at the time of **incapacity we** will consider **you** to be **incapacitated**. Once **we** have assessed **your** claim as set out in the section headed 'Assessing your claim' and are satisfied that **you** are unable to undertake at least three of the tasks from the activities listed below for a sustained period and as a direct result of **your incapacity**.

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

When we will not pay a claim

We won't consider a claim that arises solely from the normal effects of pregnancy. Complications of pregnancy and/or childbirth which lead to **your incapacity** are covered by **your** policy. This will need to be diagnosed and confirmed to **us** by **your** doctor or medical consultant.

Should **you** become **incapacitated** during the final 12 months of the policy, no **monthly benefit** will be payable if the **waiting period** ends after the **policy end date**.

How long is cover for?

The cover starts on the **policy start date** and ends on the earlier of:

- the **policy end date**
- **your** death, or
- if the policy is cancelled by **you** or **us**.

Cover will stop when the policy ends and no further premiums will be payable.

How long will the monthly benefit be paid?

We will pay the **monthly benefit** for any individual claim that meets the definition of **incapacity** for a limited benefit period up to 12 months.

After any individual claim reaches the maximum benefit payment period **you** must return to work for a continuous period of 6 months before a further claim can be considered should **you** become **incapacitated** again from the same or related cause. If after any individual claim reaches the maximum benefit payment period, **you** become **incapacitated** again for an unrelated cause, there is no minimum period **you** must have returned to work for before being eligible to make a further claim. In both instances the **waiting period** will apply.

If any individual claim does not reach the maximum duration of the maximum benefit payment period and **you** become incapacitated for the same or related cause within 12 months **we** will consider this a linked claim. The **monthly benefit** payments will continue until the combined duration of all such linked claims reaches the limited benefit period. See section headed 'Linked claims' for more information.

If **you** are **unemployed** or a **houseperson** at the time of a claim, once the **monthly benefit** has been paid for 12 months **you** must return to work for a continuous period of six months before any further claim can be made.

Changing your policy

This option can be used a maximum of three times per policy.

On the occurrence of specified events **you** have the option to increase the monthly benefit without the need for further medical information. If the following do not apply when **you** want to change **your** cover then there are alternative ways outlined in the section headed 'Other changes'.

You can increase the **monthly benefit**:

- a) if **you** receive an increase of **earnings** due to change of employment or promotion
- b) if **you** increase **your** mortgage or **your** rent increases by reason of an increase imposed by the **landlord** or moving in to a new rental property, or
- c) on every third policy anniversary date.

This option must be used within six months of the event and if **we** request relevant documents in relation to the events a), b) and c) stated above, **you** must provide them to **us**.

The monthly benefit can increase by

For all increases, the **monthly benefit** may only be increased on each occasion by up to 50% of the original **monthly benefit**, subject to a maximum of £833.33 per month. This is providing the **monthly benefit** does not exceed the maximum allowed as set out.

How we provide cover for an increase

If **you** use this option **we** will set up an additional policy in respect of the increase, which will:

- not allow **you** to increase **your** cover without additional medical evidence, or
- not extend beyond **your** 60th birthday or the **policy end date** of the policy whichever is earliest.

The new policy will not have a maximum benefit payment period longer than the original policy.

The additional policy will be subject to **our** premiums and terms and conditions for such policies at the time the additional policy is issued.

In circumstances where **we** no longer offer the chosen policy at the time **you** wish to use this option, **we** will offer **you** a reasonable available alternative.

When this option is not available

This option will not be available to **you**:

- after **your** 50th birthday
- if a valid claim has been made
- if **you** are incapacitated as defined in the section headed 'Definition of incapacity'.

Other changes

You can request to decrease the **monthly benefit** at any time.

How we will provide cover

We will confirm if the change **you** have requested means the original policy has to be cancelled and a new policy issued, which may have different terms and conditions. Any changes **you** make may affect the premiums that are payable. **We** will confirm the change **you** have made.

General conditions

- The policy is between **you** and **us**, and **you** may not assign, transfer, mortgage, charge or deal in any other manner with the benefit of the policy (in whole or in part).
- During the application process **we** will ask **you** questions about **your** personal circumstances and **we** may request additional information from **you** in order to make an assessment and offer **you** a policy. **You** are required to answer all of **our** questions honestly and accurately.
 - a) If **you** (or an agent acting on **your** behalf) deliberately or recklessly provide inaccurate information **we** are entitled to cancel the policy and refuse to pay the **monthly benefit**. In these circumstances **we** may not refund any premiums **you** have already paid.
 - b) If **you** (or an agent acting on **your** behalf) provide inaccurate information through carelessness, **we** are entitled to amend the policy to reflect the terms that would have been offered had the accurate information been known. In these circumstances:
 - i. if **we** would not have issued **your** policy had the accurate information been provided, **we** are entitled to cancel **your** policy, however **we** will refund any premiums **you** have already paid.
 - ii. if **we** would have issued **your** policy on different terms and conditions (other than those relating to premiums) had the accurate information been provided, **we** may make changes to your policy and treat **your** policy as if it had been issued on the different terms and conditions.
 - iii. in addition, if **we** would have issued **your** policy with higher premiums had the accurate information been provided, **we** may reduce the **monthly benefit** to reflect the higher premiums that would have applied had the accurate information been provided. The following formula will be used in these circumstances:
New **monthly benefit** = $\frac{\text{Premium actually charged}}{\text{Higher premium}} \times \text{original monthly benefit}$
- **We** can only pay **your monthly benefit** in sterling to a UK bank account in the UK. **We** won't cover the cost of transferring the benefits outside of the UK.
- When giving instructions in relation to any provision of the policy, **you** should send a copy of the Policy Booklet, clear written instructions and proof of title to the policy, to **our** principal office, see the section headed 'How to contact **us**'. **We** will notify **you** of any other evidence that **we** may reasonably require.
- If due to **incapacity you** are unable to sign the claim forms, provided this is supported by medical evidence and any other evidence which **we** may reasonably request, **we** may make payments to **you** without **your** signature. If payments are to be made to anyone other than **you**, that person must have a power of attorney to deal with **your** affairs. **We** will need to see the original power of attorney before **we** will pay **your monthly benefit** to them.
- All rights mentioned in the policy are conferred upon the **life insured** of the policy, or in the event of the death of the **life insured**, their successor in title, and the phrases '**you**' and '**your**' wherever used should be construed accordingly.
- **We** may make changes to these policy terms and conditions that **we** reasonably consider are appropriate due to a change in any applicable legislation, regulation or taxation. In such circumstances, **we** will notify **you** in advance of any changes being made.
- **You** cannot take out this policy if **you** haven't been registered with a GP in the United Kingdom for at least the last two years.
- **You** can only purchase one Illness and Injury Insurance policy and **you** must not have any other form of income replacement plan that pays benefit whilst ill or **incapacitated** and unable to work.
- The policy is governed by English Law.
- All communication in relation to the policy will be in English.

Countries where cover is provided

The policy will remain in force if:

- **you** reside in or travel to any part of the countries that form part of the European Union, USA, Canada, Australia, New Zealand, the Isle of Man or the Channel Islands, or
- **you** reside or travel for up to 12 consecutive months in any other part of the world. However, the **monthly benefit** provided by the policy will not be payable for more than six calendar months for **incapacity** while **you** are outside the countries listed above.



Claims

Making a claim

To make a claim under the policy, please notify **us** using **our** claims contact details in the section headed 'How to contact us'.

You must tell **us** within two weeks of the start of **incapacity**.

If **you** delay in telling **us** of a claim the **waiting period** may be deemed to have started not more than four weeks before the date **we** were notified of a claim.

You must not be working in any occupation during the **waiting period** and whilst the **monthly benefit** is being paid. When claiming **we** will need **your** policy number, **your** GP/Doctors contact details and **your** contact details.

Assessing your claim

We will need some information from **you** such as details of **your incapacity**.

We will also request any relevant financial information, such as proof of **your earnings** and medical consent from **you** to allow **us** to contact **your** doctor(s). When **we** have received all forms and **your** medical consent, **we** will request medical information from the doctor(s) treating **you** so **we** can consider **your** claim. If **you** are in **gainful employment** **we** will request **your** consent to allow **us** to obtain information relevant to **your** claim from **your** employer.

If **we** accept **your** claim **we** will start **your monthly benefit** payments at the end of the **waiting period** and will pay them in monthly arrears.

If **you** do not provide any information or documentation that would reasonably be required to assess the claim, **we** will not process the claim until the information or documentation is made available.

Payment of claims

The **monthly benefit** will be paid monthly in arrears following the end of the **waiting period** and at monthly intervals until the earliest of:

- the end of **your incapacity**
- the **policy end date**
- **your** death, or
- any individual claim reaches 12 months.

Maximum monthly benefit payable

We will limit **your monthly benefit** payment as follows:

- a) If **you** are **gainfully employed** at the point of **incapacity** the total amount of **monthly benefit** payable in any one year will be limited to the lesser of 60% of **your** yearly employed **earnings** or £2,000 a month.
- b) If **you** are **gainfully self-employed** at the point of **incapacity** the total amount of **monthly benefit** payable in any one year will be limited to 60% of **your** total yearly self-employed **earnings** up to, and including, £40,000. If **you** were self-employed for 12 months or less, **we** will limit **your** total **monthly benefit** to 35% of **your** yearly **earnings** at the point of **incapacity**.

The **earnings** **we** use for assessment relates to **your earnings** immediately before **your incapacity**.

The benefit **we** pay may affect **your** claim to some means-tested State benefits. Any employment related non-means tested state benefits (such as contributory Employment and Support Allowance (ESA) and Statutory Sick Pay) will not be deducted from the **monthly benefit**.

Overall maximum monthly benefit

The overall maximum **monthly benefit** is subject to a limit of £2,000 (£24,000 a year).

If you are unemployed or a houseperson at the point of claim

We will limit the total amount payable in any one year to the lower of 12 times the **monthly benefit** or £1,000 a month.

Linked claims

If, within 12 months from the date that **you** return to your occupation, **you** become incapacitated again from the same or a related cause, **we** will consider this a linked claim and will not apply the **waiting period**.

This means **we** will start payment of the **monthly benefit** immediately, subject to any restrictions **we** explain.

Continuous cover

- a) Should **you** become **incapacitated** whilst **unemployed** or when considered a **houseperson**, **you** will be entitled to receive the lower of the **monthly benefit** or £1,000 a month. **We** will pay this if **you** meet the definition of **incapacity** as described in the section 'Definition of incapacity' for the duration of **your incapacity**. If **you** return to gainful employment or gainful self-employment, **your** definition of **incapacity** will return to the definition shown in the Policy Booklet.
- b) Should **you** become **incapacitated** in any period of statutory maternity, paternity or adoption leave, **you** will be entitled to receive the **monthly benefit** provided **you** are in **gainful employment** or **gainful self-employment** immediately before taking this statutory maternity, paternity or adoption leave. The definition of **incapacity** used will be Own Occupation as stated in the Policy Booklet.

Proportionate benefit

If **you** return to **gainful employment** or **gainful self-employment** on a lower level of **earnings** than **you** received immediately before **your incapacity**, directly as a result of **your incapacity**, the proportionate **monthly benefit** will be payable.

The Proportionate Benefit will be calculated based on the percentage reduction in **your earnings** in the 12 months before **incapacity**.

$$\frac{\text{Old salary} - \text{New salary}}{\text{Old salary}} \times \text{Maximum monthly benefit payable}$$

To be eligible for Proportionate Benefit **you** must have received **monthly benefit** due to **incapacity** before resuming **gainful employment** or **gainful self-employment** on reduced **earnings**.

The Proportionate Benefit will not be payable if **you** return to work on a lower level of **earnings** after an individual claim has reached 12 months. If the claim does not reach 12 months and **you** return to work on a lower level of **earnings** the Proportionate Benefit would be payable for the remainder of the maximum benefit payment period.

Conditions for payment

For **us** to make the **monthly benefit** payments, **you** must be under regular and appropriate medical treatment as agreed with **your** treating doctor(s) for the condition that **you** are claiming for and must comply with the treatment recommendations. This may include:

- medication
- physiotherapy, and/or
- taking part in a rehabilitation programme, counselling or therapy.

We may also request that **you**:

- attend medical examinations
- supply information relating to **your incapacity**
- be available, if required, to meet with an appointed representative at **your** home for an interview in respect of the claim
- undergo medical investigations (including blood tests), and/or
- produce medical and financial evidence in order to support the claim.

The claim will be reviewed on both medical and financial grounds on a regular basis. If **you** don't provide the evidence **we** ask for **we** may stop **your monthly benefit** payments.



How to contact us

	Phone number/Email	Contact address
General enquiries Change your policy Cancel your policy	0370 010 4080*	Legal & General Assurance Society Limited City Park, The Drove Hove East Sussex, BN3 7PY
Make a claim	0800 027 9830*	Legal & General Assurance Society Limited City Park, The Drove Hove East Sussex, BN3 7PY
Make a claim	0800 027 9830*	Legal & General Assurance Society Limited Knox court 10 Fitzalan Place Cardiff, CF24 0TL

*We may record and monitor calls. Call charges will vary.

How to cancel the policy

You can cancel the policy at any time. Once the policy starts **we** will provide **you** with a notice of **your** right to cancel.

If **you** cancel the policy within 30 days of receiving both the notice and the policy, **we** will refund any premiums paid. If **you** cancel the policy after 30 days, **you** will not get any money back.

If **you** cancel the policy, the cover will end and no further premiums will be payable.

How to make a complaint

If **you** wish to complain about the service **you** have received from **us**, or **you** would like **us** to send **you** a copy of **our** internal complaints handling procedure, please contact **us**.

If **you** remain dissatisfied, **you** can complain to:

The Financial Ombudsman Service, Exchange Tower, London, E14 9SR

Telephone: 0800 023 4567 | 0300 123 9123

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

Website: www.financial-ombudsman.org.uk

Making a complaint will not affect **your** legal rights.

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 **we** run into financial difficulties, **you** may be able to claim via the FSCS, for any money you've lost. However, before looking to pay compensation, the FSCS will first see if they can arrange for the continuity of **your** current policy. The FSCS may arrange for **your** policy to be transferred to another insurer or arrange for a new policy to be provided.

Most of **our** customers, including most individuals and small businesses, are covered by the FSCS. Whether or not **you** can claim, and the amount **you** could claim, will depend on the specific circumstances of **your** claim. The FSCS will pay 100% of the value of the claim.

You can find out more about the FSCS, including eligibility to claim, by visiting its website:

www.fscs.org.uk

or calling 0800 678 1100.

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

Solvency and Financial Conditions Report (SFCR)

We are required to publish an annual Solvency and Financial Condition Report (SFCR) describing **our** Business and its Performance, **our** System of Governance, Risk Profiles, Valuation for Solvency Purposes and Capital Management. **Our** latest SFCR is available at: www.legalandgeneralgroup.com/investors/library



Definitions

Earnings

Your earnings in respect of **your gainful employment** or **your gainful self-employment**.

Employed earnings

- Pre-tax earnings for PAYE assessment purposes earned in the 12 months before **incapacity** as detailed on **your** P60 or previous 12 months' pay slips.
- P11D benefits provided that they are not paid during any period of **incapacity**.
- Dividends from a private limited company (if applicable) where **you** are in **gainful employment** and they:
 - represent **your** share in the net trading profit, and
 - are not paid during any period of **incapacity**.

Gainful employment and gainfully employed

Working for at least 16 hours per week under a written contract of employment and receiving a salary or wage.

Gainful self-employment and gainfully self-employed

Working for profit for at least 16 hours per week (either alone or with others) and being liable to pay Income Tax and/or National Insurance Contributions.

Gross income

Your income before tax is deducted.

Houseperson

A person who has not been **gainfully employed** or **gainfully self-employed** for a period of at least three months, during which time they have been looking after their home or caring for their children.

Incapacity and incapacitated

Your inability, caused by illness or injury, to carry out your **gainful employment** or **gainful self-employment**. If you are unemployed or a houseperson at the time of a claim, your inability to carry out three of the Activities of Daily Living.

Landlord

The person(s) who owns the property that the rental agreement applies to.

Life insured

The person who is named as the **life insured** under the policy as shown in the Policy Booklet.

Monthly benefit

The benefit chosen at the start of the policy, which may differ at the time of making a valid claim.

Occupation

Any trade, profession or type of work resulting in a salary or wage if employed, or for profit or reward if self-employed. It is not specific to any particular employer or job description.

Policy end date

The date that cover under the policy will end.

Policy start date

The start date of the policy.

Statutory maternity, paternity or adoption leave

The duration of statutory leave as set out and defined by government regulation.

Self-employed earnings

For the purpose of the policy, **self-employed earnings** means:

- Evidence of **your** share of the annual pre-tax profit. This is the total income from the business less any expenses from running that business as permitted under HMRC guidelines.
- If **you** are self-employed for three years or more, **we** will calculate **your** yearly earnings based on **your** average annual pre-tax profit over three complete years prior to **incapacity**.
- If **you** are self-employed for less than three years, **we** will calculate **your** yearly earnings based on **your** average annual pre-tax profit during the period of self-employment prior to **incapacity**.

Unemployed

A period of at least one month when **you** have not physically undertaken any duties of any **occupation**.

Waiting period

The number of consecutive weeks of **incapacity** during which no **monthly benefit** is payable and which must pass before any **monthly benefit** is paid.

You or your

The person who is named as the **life insured** in the Policy Booklet.

legalandgeneral.com

Legal & General Assurance Society Limited

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We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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