National Friendly

Income Protection

Policy Summary

Get paid a regular benefit if you can't work due to an illness or injury

keyfacts®

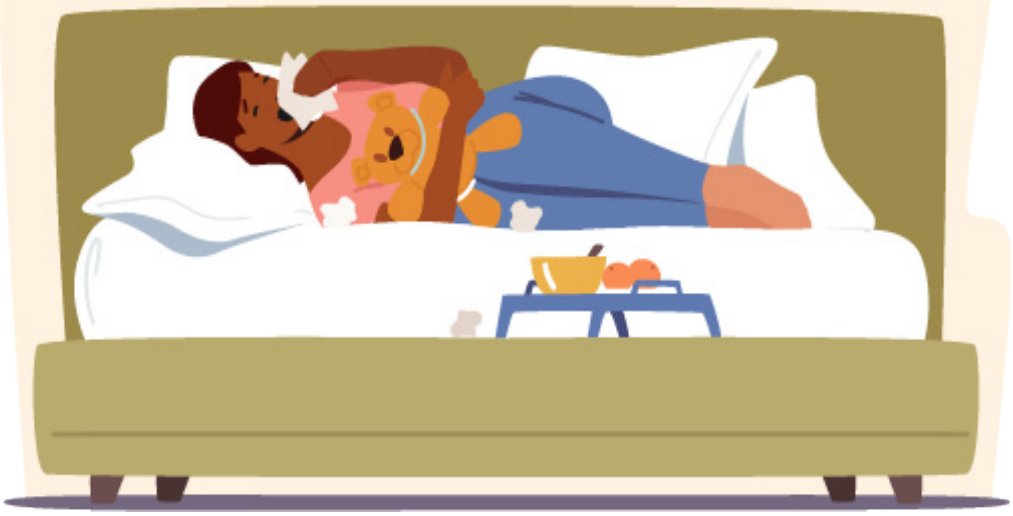
This document gives you a summary of National Friendly's Income Protection Plan so you can get an idea of whether it's right for you.

There's more detail in our Policy Conditions which you can ask us for a copy of at any time. If you take out a policy then we'll include a copy of the Policy Conditions in your welcome pack along with a reminder of your cover details in your Policy Schedule.

We've been around for over 155 years so we've got a long history of looking after our members. We want to make sure your policy meets your needs both now and in the future. We recommend you review and update your cover from time to time to make sure it's still the right level for you.

Our contact details are on the back page of this document if you need more information or have any questions. You can also speak to your financial adviser if you have one.

Who's paying your bills if you can't work?



What is Income Protection?

Income Protection is an insurance policy that helps you keep some money coming in if you can't work due to an illness or injury. To take out a policy you have to be working 16 hours a week or more. The policy will pay out a monthly benefit of up to 70% of your earnings.

The policy will pay claims for a maximum period, which could be 1, 2 or 5 years, depending on the options available to you when you join.

You can claim on this policy if you can't work due to illness or injury, as described and defined in this document. You also can't be doing any other type of work.

The policy has additional options to add a fracture benefit, accidental death cover and to provide cover whilst you are participating in what is known as hazardous pursuits.

You might choose this policy if you:

- Don't get a regular income from your main job if a health issue means you can't work
- Want assistance to help you get back to work
- Are happy to answer medical questions to apply
- Want financial help which could continue for up to 5 years

Key features of Income Protection:

- Cover up to 70% of your earnings
- Generous benefit guarantee to help you if your earnings go down after your policy starts
- Fracture cover – the option to provide an immediate lump sum should you fracture a bone
- Options to cover accidental death and riskier sports and activities
- Back to work benefit so you can ease your way back to work with financial help
- Additional assistance in your recovery from a £1,500 a year rehabilitation benefit
- Experienced and understanding claims team

But here are some of the things you need to know:

- As part of your application, you'll be asked some medical questions so we can decide the policy terms we can offer you. We may need to exclude a condition which existed when you joined, charge you a higher premium to cover it or restrict the cover choices available to you.
- We may also restrict the cover choices available to you based on your occupation, the waiting period you choose, or if your policy has a period (moratorium) before you can claim for pre-existing medical conditions – please see Tailored Terms on page 4.
- We will let you/your Intermediary know the terms of the policy so you can make an informed decision on whether you wish to proceed or not.
- You have to wait for a certain amount of time after your illness or injury first occurs before we'll start paying the benefit – this is called the waiting period and you choose how long this will be when you buy a policy.
- You can appy for maximum claim periods of 1, 2 or 5 years and the policy stops paying out on a claim after this time.
- The benefits from this policy can't be guaranteed to keep up with the cost of living.
- If you get income from other areas like other insurance policies (what we call continuing income), it may affect the amount we can pay you. We'll never make a payment that takes you above 70% of your earnings when you come to claim.
- You won't be covered for unemployment.
- You'll need to make monthly payments until your chosen retirement age. If you miss three payments, we'll close your policy and you won't get anything back.

The cover we offer you

Your cover could be restricted as part of the terms we offer you when you apply.

Some occupations carry additional claims risk which means they either can't be covered at all, or that we will restrict the cover choices you can make.

If we have made any restrictions relating to pre-existing medical conditions, these will be shown on your Policy Schedule.

Tailored Terms

We may offer you cover but under what is known as moratorium terms.

Under moratorium terms, any medical conditions, or illness/injury directly linked to such conditions, which you suffered from before taking out the policy, will be excluded from cover for a period of time and in some instances, will never be covered..

This means that any medical condition which:

- you have been aware of, **or**
- had signs or symptoms of, **or**
- have had undergone consultations, investigations, medication, monitoring, advice or treatment for in the 3 years prior to the start of your cover, will not be covered for at least the first 2 years of the policy.

So, you must go two years completely symptom-free before we will consider a claim. This means for someone who takes regular medication or has regular check-ups to manage a condition they will never be covered because they will not be two years symptom-free.

For example if you had a knee issue in the 3-year period before the policy started, you wouldn't be able to claim for any issue with that knee which recurred in the first two years of the policy.

Any sign, symptoms or treatment, as described above, of the knee injury within the first two years of the policy would mean that you wouldn't be able to claim for that injury for at least a further 2 years.

We will only offer these terms to those who have not yet reached their 50th birthday and will extend cover no further than their 65th birthday.

The maximum cover we will offer on this basis is £3,000 a month and you will only be offered maximum benefit periods of 1 or 2 years.

If we offer such terms, they will be set out on the policy schedule we issue when you join.

Key differences between Tailored Terms and standard underwriting

	Underwriting terms	
	Standard	**Tailored**
Age when applying	18-59	18-49
Claims for pre-existing medical conditions	Specific conditions excluded and shown on policy schedule	No claims allowable until symptom-free for 2 years on the policy.
Max age at which policy ends	70	65
Max benefit amount	£6,000pm	£3,000pm
Benefit periods (period of time you can claim for)	1, 2 or 5 years	1 or 2 years
Maximum Accidental Death benefit	£144,000	£72,000
Hazardous pursuits	Enhanced or standard	Standard only
Increases to cover	Subject to medical questions or under Guaranteed Insurability Options (see Policy Conditions)	Not possible first 2 years. Please contact us to discuss your options after that.

Additional benefits or services

From day 1, your policy gives you free access to valuable medical and dental health services which you can use throughout the policy. These are our Friendly GP+ and Friendly Dentist virtual services.

Friendly GP+ service:

- 24/7 GP telephone consultations, so you can talk about your symptoms at any time
- Video consultations
- Private prescriptions, though you will pay for these
- Referrals for treatment from an appropriate consultant
- Physiotherapy including an aches and pains helpline and a 30-minute assessment followed by a personalised treatment plan

For you or family members aged 16 and above:

- Health and wellbeing support
- Counselling
- Legal advice
- Financial guidance

Friendly Dentist service:

When you take out a policy, you will be given access to our dental helpline service. As policyholder, you will be provided with:

- Unlimited access to our chat dental helpline: Speak directly with qualified dentists whenever you need advice or support
- Expert-led videos on dental health: Learn tips and best practices to keep your smile healthy, from brushing techniques to lifestyle tips for oral care
- Smart educational articles: Stay informed with easy-to-read articles written by dental experts, designed to give you practical advice on maintaining your oral health

Available at extra cost:

- Emergency online dental appointments and sourcing of in-person emergency treatment where required
- Video call examinations
- Prescriptions, including those for dental antibiotics

You will need to provide some personal details, including medical details. You can access the service on an app available through App Store or Google Play, and which we will make available when you join.

This service covers the policyholder only.

The service is available 9am – 8pm 7 days a week.

Please note

As non-contractual discretionary benefits, we reserve the right to amend, improve or remove the Friendly GP+ service and/or the Friendly Dentist benefit at any time should it be necessary, and will give a minimum of 90 days' notice.

Rehabilitation benefit

Having replacement income is great, but you'll also want to get back to work as soon as you can, so we have added a benefit so you can use private healthcare services to do so.

The policy comes with a £1,500 a year rehabilitation benefit as standard which means you can access:

- Scans and tests to diagnose or support your recovery
- Physical therapy and rehabilitation treatment to aid your recovery
- Therapy to support your mental health
- Consultation fees with a specialist involved in your care

Who can take out Income Protection?

To apply for a policy you have to be:

- Aged between 18 to 59 when your policy starts or 18 to 49 if joining on Tailored Terms (see page 4 for definition)
- Working and living in the UK (this does not include the Channel Islands or the Isle of Man)
- Working at least 16 hours a week
- Able to pay for it from a UK bank account
- Registered with a UK doctor with access to at least the last 2 years of your medical records

It's also important for us to know what your occupation is. By this we mean what job you do. As there are a lot of different occupations, we'll look at yours to set the terms of your policy, including what your payments will be.

There are some occupations we aren't able to offer cover for. You can ask us or your adviser whether your occupation is covered.

Choosing the right cover for you

There are a few choices you need to make when you take out a policy. Your choices will affect the cost of your cover, as will your age and occupation.

1. The application process

You'll decide whether or not to select the terms we offer when you apply. This can mean accepting that certain pre-existing medical conditions may not be covered, either for a set period or not at all.

You'll also choose whether or not to have a policy where the monthly payments increase each year by age. See Page 8 *Paying for your policy* and *Changes to your payment*.

2. Your benefit amount

It's important to pick a benefit amount that meets your needs. By this we mean how much money you'd need each month if you couldn't work. The benefit you choose can't be more than 70% of your earnings before tax.

For maximum claim periods of 1 or 2 years, you can choose a monthly benefit of between £500 and £6,000.

If you're accepted on Tailored Terms, you can choose a monthly benefit of between £500 - £3,000 a month for maximum claim terms periods of a choice of 1 or 2 years.

If you want a maximum claim period of 5 years you can choose a monthly benefit of between £500 and £2,000.

In the event of a claim, the benefit can be paid to you as one payment or split as two payments each month.

3. Your benefit period

This is the maximum amount of time you'd want to be paid per claim. You can apply for either 1, 2 or 5 years.

4. Your waiting period

You have to be off work for a certain amount of time after your illness or injury first occurs before we'll start to pay your benefit. We call this your waiting period but it's often called the deferred period.

You can choose a waiting period of 14, 30, 60, 90, 180 or 365 days. Your waiting period will be confirmed on your Policy Schedule.

5. Your retirement age

You'll have to pick the age you want to retire when you apply for a policy. You can choose any birthday between the age of 50 and 70, but it must be at least 5 years from the date you take out the policy.

If you are accepted on Tailored Terms, your policy will not run beyond your 65th birthday.

6. Increasing cover

You can choose for your benefit amount to go up each year. Your benefit amount will go up in line with the Retail Price Index (RPI) published by the government, as long as this is between 0% and 5%. We won't put up your benefit amount by more than 5% each year and your benefit won't ever go down.

Premium basis	Premium increase each year
Level reviewable	1.5 x the RPI percentage
Age-costed reviewable	Same percentage as RPI

7. Adding Fracture Cover

This is a benefit which is only available to select when you take out the full policy. You won't be able to add it later.

You can choose to pay a little more to add cover for a number of specified bone fractures. There's no waiting period for this particular benefit, although we don't cover any claims within the first 7 days of the policy start date.

If you break a bone and have a valid claim, we'll make a one-off cash payment at the rates shown in the separate policy document which describes it.

Our definition of a fracture is:

A broken bone, the same as a crack or a break. A bone may be completely fractured or partially fractured in any number of ways (crosswise, lengthwise, in multiple pieces).

The fracture must be diagnosed by a consultant.

We won't pay for joint fatigue, for stress or hairline fractures, for micro-fractures or for avulsions/chips.

We pay for a number of different fractures, and these will be classified as:

Minor – payment £1,000

Moderate – payment £2,000

Major – payment £3,000

You won't be able to claim more than £3,000 in any policy year and so you could have up to 3 claims for minor fractures, for 1 minor and 1 moderate fracture, or for 1 major fracture a year.

8. Adding hazardous pursuits cover

Some leisure activities are covered as standard on your policy. We also have an enhanced list of what we call hazardous pursuits which are leisure activities which we consider to be riskier.

We provide an option to pay extra to cover illness or injury sustained whilst doing the activities on the enhanced hazardous pursuits list. This option is not available to those on Tailored Terms - see page 4.

Where available you can choose the following amount of cover a month for hazardous pursuits, as long as this amount isn't higher than the main benefit amount you choose.

For maximum claim periods of 1 or 2 years - £500 - £2,000 a month

For a maximum claim period of 5 years - £500 a month.

Some leisure activities are considered too risky to cover at all and so won't be on our lists.

Any sport or pastime not on our list won't be covered. You can find the list on our website at: **nationalfriendly.co.uk/IP** or you can contact us to ask for a copy.

9. Adding accidental death benefit cover

You can choose to add this benefit which pays out if you die from an accident and your death happens within 30 days of the accident.

If you choose a maximum claim period of 1 year, your accidental death benefit will be 12 times your monthly benefit. If you choose a maximum claim period of 2 years, your accidental death benefit will be 24 times your monthly benefit.

If your maximum claim period is 5 years, your accidental death benefit will be 60 times your monthly benefit.

If you die from an accident whilst doing a hazardous pursuit and you have cover for it, we'll pay 12, 24 or 60 times the monthly rate you chose as your cover for such pursuits.

Advice and questions

We aren't able to give any financial advice or recommendations but you can ask us any questions on the policy and we'll be happy to help. Or you can speak to an adviser if you want some advice.

Protecting your benefit

We'll ask what you earn when you buy a policy and we'll check your earnings when you make a claim. Usually your earnings will be higher as time goes on, but if they go down between you taking out the policy and making a claim, we might not be able to pay your full benefit. This is because the benefit amount you chose might be higher than 70% of your earnings when you claim.

You can protect up to £3,000 per month of your benefit amount and it won't cost you any more. This is called your benefit guarantee.

All you have to do is send us proof of your taxable earnings within 6 months of you taking out the policy by submitting payslips or tax returns.

Example

You choose a benefit amount of £3,500 a month. When you come to claim, your earnings have gone down, and 70% of your new earnings is now £2,800 a month.

If you provided us with proof of earnings within the first 6 months of the policy start date, we'll make sure you get payments up to £3,000 a month, even though this is more than 70% of your new earnings.

We'll ask if you're receiving any other benefits during your claim because we'll include some of these when calculating how much you get from us.

When we won't pay out

We won't be able to pay your benefit if you claim:

- Where the primary reason you are unable to work is because of a pre-existing condition excluded on your policy schedule or as part of the Tailored (moratorium) terms you accepted.
- As a result of you deliberately harming yourself
- As a result of doing something against medical advice
- For an injury or illness you got whilst participating in a criminal activity, or caused by abuse or misuse of drugs or alcohol
- As a result of any illness or injury which happened in countries (or specific areas within countries) to which the Foreign, Commonwealth and Development Office (FCDO) advises you should only travel to if it's essential, or you shouldn't travel there at all
- For an illness or injury that happened, and/or treatment received, outside of the EU or one of the countries and regions listed in the Policy Conditions

Where we start a claim for you and you're in a covered country or area, we'll expect you to return to the UK within 3 months to continue your treatment. We could stop paying your benefit if you choose to stay outside the UK.

If you're working less than 16 hours a week when you need to claim

If you're working less than 16 hours a week when your illness or injury occurs, you won't be eligible for your main benefit, unless:

- You were made redundant less than three months before, **or**
- You were on statutory maternity, paternity or adoption leave at the time.

You may be eligible for a payment of £500 a month which we call a contingency benefit. We'll pay this if you're working less than 16 hours a week and your illness or injury means you can't do the last job you were in, or affects your ability to perform the household duties you were doing before.

This payment will be made for a maximum of 12 months across the whole time you have the policy.

Paying for your policy

To make sure you stay covered, you'll need to make regular payments, the amount of which are decided at the start of your policy. These payments are called premiums.

When taking out this policy, you can choose between 2 different payment options. You cannot later change this option.

The 2 choices you have are level reviewable premiums or age-costed reviewable premiums.

Level reviewable
The payment you make on a level reviewable policy won't go up due to your age but will be reviewed every 5 years.

Age-costed reviewable
Age-costed reviewable policies change at each policy anniversary due to your age and can additionally be reviewed every 5 years.

The above descriptions assume that you keep the same benefits. If you choose an increasing benefit or later change the terms of your policy, we will adjust your payments accordingly.

We'll collect your payments by direct debit on a date that suits you. This will be confirmed on your Policy Schedule and on your Direct Debit Confirmation.

Your payments are due monthly but you can pay yearly if you'd prefer.

Changes to your payment

Your payments may go up in future under the following circumstances:

- Your payments will go up if your benefit goes up, for example if you choose cover which increases in line with RPI.
- Age-costed policies are likely to go up at each policy anniversary due to your age.
- Every 5 years, we will conduct a review of claims and costs across all policies to make sure your payments are still right for the cover level you have. Depending on what we find, we could put your payments up or down.
- We will only change your payments due to the above or if you later change your occupation and/or cover options.

We'll always let you know in plenty of time if we intend to do this.

How long you'll pay for your policy

You'll have to make your payments right up until the retirement age you choose at the start of your policy. The only time you don't have to make any payments is during a claim.

Your Policy Schedule will confirm the end date and last payment date for your policy.

Paying during a claim

Once we've started paying your claim, we'll stop taking payments from you for your policy. We'll start taking your payments again once your claim has ended. This is sometimes called waiver of premium.

What will happen if you stop your payments

You'll need to keep up your payments to make sure you stay covered. You'll lose your cover if you don't pay in the month in which a payment became due. We'll get in touch to give you the best chance of paying before you lose cover.

If you owe us 3 months' worth of payments, we'll close your policy.

Making changes to your policy

Many of the choices you make when you take out the policy can be updated if your needs change. Notable exceptions to this are that you can't change from a level benefit to an increasing benefit or add fracture cover.

It's important that your cover reflects your changing needs as time goes on. Please let us know if your circumstances change during your policy, especially if you change occupation or your earnings rise or fall significantly.

Increasing your cover or reducing the claims waiting period normally involve fresh assessment of your health but there are some life events which mean we won't ask for medical details. Please see our Policy Conditions for details of what we call our Guaranteed Insurability Options.

Please note

If you are on Tailored Terms, you will not be able to increase your level of cover for at least 2 years. Please contact us and we will discuss your options.

What you need to know about tax and other benefits

Based on our current understanding of tax rules:

- The benefits you get from this policy are free from tax and National Insurance contributions.
- You can't claim tax relief on your regular monthly payments.
- The money from the accidental death benefit may form part of your estate for inheritance tax purposes.
- The benefits you get from this policy could affect your entitlement to some means-tested state benefits. Benefits that are not means-tested shouldn't be affected. Payment under this policy may affect your ability to claim under other income replacement insurance policies.

Tax law and practice and state benefit rules could change in the future. If they do, and it affects your policy, we'll let you know.

If you want to learn more about your tax position you should get professional advice from an accountant, solicitor or financial adviser.

Claiming on your policy

If you need to make a claim, you should contact us as soon as possible after your illness or injury first occurs. You need to see a medical professional within a week, be undergoing medical care and continue to follow medical advice during your claim.

We'll give you claim forms to complete and will let you know what information we need from you. This will include proof that your illness or injury is covered under the terms outlined in our Policy Conditions. We'll also ask for proof that you were working when your illness or injury first occurred and that you're losing money as a result.

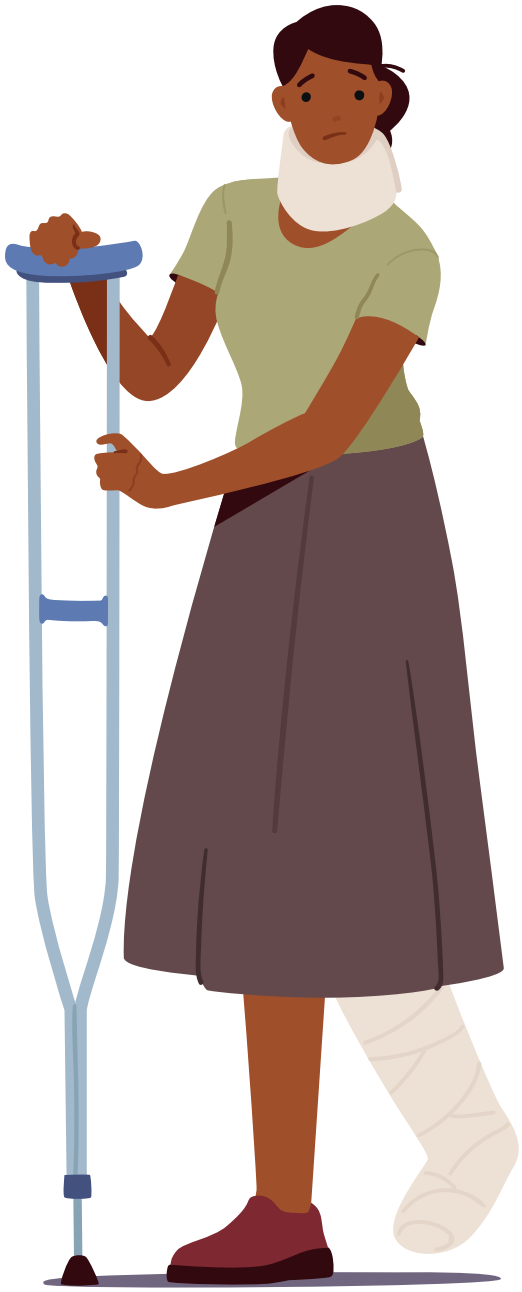
We'll ask about other income (continuing income) you might receive whilst you are off work and we'll factor this in to how much we can pay out. We won't take state benefits into account.

We won't pay an amount which when added to other income you receive, takes the total above 70% of your earnings when your illness or injury first started.

If you die as a result of an accident and your policy has the accidental death benefit, the person making a claim should contact us as soon as possible. We understand it may be a difficult time for them so we'll guide them through the claims process to make it as straightforward as possible.

We'll explain what information we need to settle the claim and make the payout. We'll always need to see proof of death and legal documents to support the claim such as a will. For claim amounts over £25,000, we'll need to see probate or letters of administration.

You just need to make sure that whoever stands to benefit from this policy has access to documentation so they know to make a claim.



Claiming more than once

If you claim from us, but you don't claim for the full term of 1, 2 or 5 years selected when you joined, and then return to work, you can claim again for the same illness or injury if it later stops you from working. We won't apply a waiting period as long as this happens again within 6 months.

A claim due to a new illness or injury will mean your waiting period of 14, 30, 60, 90, 180 or 365 days will apply.

If your claim lasts the full length of the maximum claim period you selected, you'll need to have been back at work for at least 6 months before you can claim again for the same illness or injury. If you have a new illness or injury, you will need to prove that you were fit and back at work when that illness or injury happened.

If you go back to work on lower pay

If you go back to work on less money due to restricted hours or duties, we will assess your claim.

Once we know how much you're earning, we'll pay an amount which relates to your loss of earnings so you still get money from us.

For example, if you go back on half pay, we'll pay half of the benefit we would have paid based on your earnings when your illness or injury first started.

If you want to cancel your policy

You can change your mind within 30 days of getting your welcome pack and we'll give you back any payments you've made. Just let us know if you decide it isn't right for you using the contact details on the back page.

You can cancel at any time after 30 days but you won't get any of your payments back and your cover will end. Please contact us if this is what you'd like to do. We may ask you your reasons for cancelling because we don't want you to lose the money you've paid in. But don't worry, there won't be any barriers to closing it if that's what you want.

Further Information page

If we get things wrong

We hope you never need to complain about your policy or the service we give you. But, you have the right to complain if you need to, and we'd like the chance to put things right.

You can tell us what's gone wrong by telephone, email or post.

- Phone us: **0333 014 6244** 8am-6pm Monday to Friday excluding bank holidays. Calls from UK landlines and mobiles cost no more than a call to an 01 or 02 number and will count towards any inclusive minutes.
- Email us: complaints@nationalfriendly.co.uk
- Write to us:
  Complaints Coordinator
  National Friendly
  11-12 Queen Square
  Bristol
  BS1 4NT

If your complaint meets the definition, under the guidelines set out by our regulator, the Financial Conduct Authority (FCA). We will acknowledge your complaint promptly, carry out a thorough and impartial review and keep you updated of the progress.

We will do everything we can to resolve things as quickly as possible and provide a written response within 8 weeks of receiving your complaint. The written response will inform you of the results of our review or explain why this isn't possible.

If you're not happy with our response, you may be able to refer your complaint to the Financial Ombudsman Service (FOS). This service is free and using it in no way affects your legal rights to take civil action. You can find out more information at: www.financial-ombudsman.org.uk

You can write to the FOS at **Financial Ombudsman Service, Exchange Tower, London E14 9SR**, phone them on **0800 023 4567**, or email them at: complaint.info@financial-ombudsman.org.uk

Who you're protected by

You're covered by the Financial Services Compensation Scheme (FSCS). This means in the unlikely event that we can't pay your payout, you may be able to claim compensation from them.

Full details of what you are protected for can be found at www.fscs.org.uk

Data protection

We'll only use your personal information where permitted by and in accordance with the Data Protection Act 2018. For further details on how we obtain, hold, and use your personal data, please see our privacy notice at: www.nationalfriendly.co.uk/privacy.

Further details are included in the Policy Conditions for this policy.

Who we are

National Friendly is the trading name of National Deposit Friendly Society Ltd which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Financial Services Register number is 110008. You can check this at register.fca.org.uk

The Friendly GP and Friendly Dentist services are provided by National Friendly Financial Solutions Limited, part of the National Friendly Group.

How we do things – law, language and currency

In the event of a dispute we will try to solve any disagreements quickly and efficiently. If you are not happy with the way we deal with any disagreement, and you want to take court proceedings, you must do this within the UK.

All correspondence will be in English and all currency used will be in GB pound (£).

If you need your documents in other formats

We're able to give you all documents in Braille, large print or audio.

If you'd like a copy, please contact us using the details on the back page.

Here's how you can contact us

We're here to help

You can call us on:

0333 014 6244 8am-6pm Monday to Friday excluding bank holidays.

Calls from UK landlines and mobiles cost no more than a call to an 01 or 02 number and will count towards any inclusive minutes.

Calls are recorded for training and quality purposes.

Or email us at:

info@nationalfriendly.co.uk

Or visit us at:

www.nationalfriendly.co.uk

Or mail us at:

National Friendly
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BS1 4NT

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National Friendly

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