

**keyfacts**®

INCOME PROTECTION

**KEY FEATURES OF THE  
INCOME PROTECTION  
BENEFIT PLAN.**

Please read and keep this in a safe place in case you need it later.



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## ABOUT US.

The Legal & General Group, established in 1836, is one of the UK's leading financial services companies. As at 30 June 2010, we were responsible for investing £331 billion worldwide on behalf of investors, policyholders and shareholders. We also had over 6.9 million customers in the UK for our life assurance, pensions, investments and general insurance plans.

### UNDERSTANDING THIS DOCUMENT

This key features document gives you the main points about our Income Protection Benefit Plan and should be read with your quotation. It also follows the Association of British Insurers Statement of Best Practice for Income Protection Insurance.

We've tried to give you information about our product in clear and straightforward language. Where we've had to use a technical term, we've highlighted this in **green** and given a full explanation in our glossary on page 16.

The Financial Services Authority is the independent financial services regulator. It requires us, Legal & General, to give you this important information to help you to decide whether our Income Protection Benefit Plan is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

# KEY FEATURES OF THE INCOME PROTECTION BENEFIT PLAN.

## AIMS

- To pay you a regular monthly benefit if you can't work due to incapacity caused by an illness or an injury and which results in a loss of earnings.
- If you don't work and can't carry out three of the activities listed on page 8, it can be used towards meeting some of your outgoings.

## YOUR COMMITMENT

### You must:

- Give us all the medical and other information we ask for when you apply for the policy and when you make a claim. If you don't do this we may not pay your benefit and we may cancel your policy.
- Pay all the premiums we need for the duration of the policy.
- Tell us of any claim within two weeks of becoming incapacitated if you have a four week **deferred period**, or within four weeks for all other **deferred periods**.
- Select the level of cover you need and review this regularly to make sure that you have enough for your needs, but not more than we'll pay.

## RISKS

- If you stop paying your premiums your cover will end 30 days after the first missed premium. However, if you've made a claim under your policy and are receiving a monthly benefit, you won't have to pay your premiums.
- If you don't review your cover regularly, there could come a time when your cover is not enough for your needs. Also, if your earnings do not support your chosen cover, your benefit will be reduced at the time of claim. If this happens, we won't refund any difference in premiums.
- The benefit we pay may affect your claim to some means tested state benefits. Your entitlement to Employment and Support Allowance won't be affected. However state benefit rules may change.
- The benefit we pay out under the policy may affect your claim to benefits paid out under other income protection policies.
- Your premiums will stay the same throughout your policy, unless you choose the indexation option or you increase the amount of cover later on.
- There are certain instances when we won't pay a claim. See the 'When will the policy not pay out?' section on page 10.
- The way that tax laws apply to the benefit your policy pays out may change.



Please speak to your Financial Adviser if your financial or employment circumstances change to ensure that your level of cover and policy conditions meet your needs.

# WHAT IS OUR INCOME PROTECTION BENEFIT PLAN?

Our plan is designed to pay you a regular monthly benefit if you can't work due to incapacity caused by an illness or injury, resulting in a loss of earnings.

You can select various features of the plan to make sure that the cover suits your needs.

## YOU DECIDE:

- The amount of benefit you'll need, as long as these are within the limits explained in 'The amount of benefit that can be paid' section on page 4.
  - How soon you'd like the benefit to start.
  - For how long you want the benefit to be paid.
  - For how long you want the cover to last.
  - What additional options to include in your policy.
- 
- We'll provide cover until your policy ends no matter how many claims you make.
  - We'll pay you a monthly benefit for as long as the claim is valid.
  - For a cheaper premium you can choose to take the low cost option. Please see the 'Low cost option' section on page 5 for more details.

## HOW WE REVIEW YOUR EARNINGS TO ASSESS YOUR COVER

When you choose your cover, remember that if you need to claim we'll pay benefit that is based on your **earnings** before you were incapacitated. If you are unsure how much cover you need please see your Financial Adviser.

### If you're employed

These are your pre-tax earnings for **PAYE** assessment purposes (including P11D benefits – benefits in kind, and any dividends from a private limited company) in the 12 months before you became unable to work.

### If you're self-employed

These are your share of the annual pre-tax profits. This is the total income from the business less any expenses from running that business as permitted under HM Revenue & Customs (HMRC) guidelines.

#### If you've been self-employed for more than 36 months

We'll calculate your yearly earnings based on your average yearly pre-tax profit over three completed years prior to incapacity.

#### If you've been self-employed for less than 36 months

We'll calculate your yearly earnings based on your average yearly pre-tax profit during the period of self employment prior to incapacity.

### Medical and other details we may need

When you apply we'll ask you questions about your medical history, earnings, occupation and other personal circumstances. We may also ask for additional medical evidence to support your application, which we'll pay for.

You must tell us about any pre-existing medical conditions. If you don't it may affect your claim.

# HOW DO I SELECT THE POLICY'S FEATURES SO THAT IT MEETS MY NEEDS?

This section deals with the choices you make when you first take out your policy.

## THE AMOUNT OF BENEFIT THAT CAN BE PAID

You choose the amount of benefit you'll need. While tax and national insurance are deducted from your normal earnings, they won't be deducted from the benefit we pay out.

- The amount of benefit we'll pay out is no more than 60% of your total gross **earnings** up to £30,000 per year and 50% of your **earnings** over £30,000 per year, less any other income you receive whilst incapacitated. This is the maximum benefit limit of your earnings which we'll pay out. We'll never pay benefit of more than £200,000 per year regardless of your earnings.
- If you've been self employed for less than 12 months, the maximum benefit we'll pay will be 35% of your **earnings** up to a maximum benefit of £200,000 per year.
- If you are a **houseperson** or work less than 16 hours per week, the maximum benefit we'll pay is £20,000 per year, less any other income you receive whilst incapacitated.

## WHEN BENEFIT PAYMENTS START

When you become incapacitated there will be an initial period of time when we don't pay any benefit which we call the **deferred period**. You can choose either a 4, 13, 26 or 52 weeks **deferred period**. The longer the **deferred period** is, the cheaper your premium will be. See your Financial Adviser for more details.

Your benefit payments will start one month after your **deferred period** ends and then will be paid monthly in arrears.

When you choose your **deferred period** you should take into account any earnings which you'll receive once you stop working (for example any sick pay). You should also think about how long you're prepared to live on your savings. We also offer an option of choosing two **deferred periods** and two different monthly benefits; please see the 'Stepped benefits option' section on page 6 to see if this option will be useful to you.

## HOW LONG DOES THE COVER LAST?

You can apply for cover from your 18th birthday up until your 60th birthday. You can choose when you want the policy to end but the policy should end no later than your planned retirement date. However, the policy must end after your 50th birthday but before your 70th birthday. If you're 45 or over when you take the policy out, the minimum term is 5 years.

Further details about your cover and any limitations can be found in your Policy terms and conditions (OLA 10). Your policy document is made up of the Policy schedule and the Policy terms and conditions. We may apply **exclusions** when we accept your policy, such as excluding certain medical conditions or pastimes. If this is the case these will be shown in your Policy schedule under Policy Condition 1.

# WHAT OTHER BENEFITS CAN I CHOOSE?

You can choose from a range of options to add to your policy when you first take it out. Some of these will incur an additional cost.

## LOW COST OPTION

This option provides a way of keeping the cost of your premiums down. If you meet the definition of incapacity we'll pay benefit for up to a total of five years, including any time payments are made under the Hospitalisation benefit. After the benefit has been paid for five years, your policy will end.

## INDEX LINKING TO HELP KEEP PACE WITH INFLATION

When you first take out your policy and have been accepted on our normal rates, you can opt for your benefit to increase on each policy anniversary in line with inflation. Your benefit will increase in accordance with changes in the **Retail Prices Index (RPI)** up to a maximum increase of 10% in any year. If the **RPI** increases by 1% or less in any year then we won't increase your benefit or premiums at that time.

Your monthly benefit will increase directly in line with the **RPI**. So, for example, if your monthly benefit is £1,000 and the **RPI** stands at 2%, the following formula will apply.



Monthly benefit x RPI = monthly benefit increase.

$$£1,000 \times 2\% = £20$$

So your new monthly benefit will be:

$$£1,000 + £20 = £1,020$$

Your premium however, will increase by the change in **RPI** multiplied by 1.5. So, for example, if your monthly premium is £20 and the **RPI** stands at 2%, the following formula will apply.



Premium x (RPI x 1.5) = premium increase.

$$2\% \times 1.5 = 3\%$$

$$£20 \times 3\% = £0.60$$

So your new monthly premium will be:

$$£20 + £0.60 = £20.60$$

The maximum amount the monthly benefit can increase by in one year is 10%. The maximum amount the premium could increase by in one year is 15%.

Below is a table giving examples of how indexation may affect your monthly benefit and premium over a number of years. Please note figures are for illustrative purposes only.

| EXAMPLE             | ASSUMED RATE OF RPI | MONTHLY BENEFIT | MONTHLY PREMIUM |
|---------------------|---------------------|-----------------|-----------------|
| At outset of policy | N/A                 | £1,000          | £20.00          |
| Year 1              | 2%                  | £1,020          | £20.60          |
| Year 2              | 3%                  | £1,051          | £21.53          |
| Year 3              | 2%                  | £1,072          | £22.18          |

You'll be offered this option when you first take out the policy and each year after that. If at any time you decide that you don't want to take this option then we won't offer this to you again. During a claim we'll continue to apply indexation, unless you have previously declined this option.

If this option is selected then the full terms and conditions will be included within your policy document.

## PERMANENT AND TOTAL INCAPACITY BENEFIT

If you choose this option and are diagnosed as being permanently and totally incapacitated, the monthly benefit payable at the time of a claim will increase by 20%. The increase in benefit will only be considered after you have suffered incapacity continuously for 24 months. The benefit, however, will not be subject to the maximum benefits mentioned in 'The amount of benefit that can be paid' section on page 4. This option is not available if the low cost option is selected.

## STEPPED BENEFITS OPTION

We offer an option called the stepped benefits option which allows for two **deferred periods** and two different monthly benefits within your policy. This could mean you start receiving a small amount of benefit at the start of a claim and then a higher amount of benefit later on. This option could be useful if, for example, you continue to receive a reduced income from your employer or business for the first few weeks or months of your incapacity. Please note: this option isn't available if you choose the low cost option.

## UNEMPLOYMENT COVER

If you want a policy to pay a benefit should you become unemployed, then this will need to be set up as a separate policy. Please speak to your Financial Adviser for further details.

# HOW FLEXIBLE IS THE POLICY?

## REGULAR REVIEW OF YOUR COVER

You should review your cover regularly in light of any changes in **earnings** and living costs. If you want to increase your cover by more than is allowed for in your policy you should contact your Financial Adviser.

Unless you exercise your guaranteed insurability option, as described on page 12, if you ask for any increase in cover, we'll need to carry out a fresh review of your health, **earnings**, occupation and other personal circumstances. If your request for an increase is accepted, your premiums will increase.

## CHANGING YOUR POLICY

You can request the following changes be made to your plan:

- Increasing or decreasing the **term** of the plan;
- Reducing your level of cover;
- Changing the **deferred period**;
- Changing the frequency of your premium payments (annually to monthly or monthly to annually).

These changes may affect the premiums you pay.

We'll assess all requested changes based on your circumstances at the time. We'll let you know whether we can make these changes to your policy. We'll also let you know if this change will mean that this policy will be cancelled and a new policy will be set up. A new policy may have different terms and conditions.

For further details please contact us or speak to your Financial Adviser.

## SUSPENDING YOUR COVER

We don't suspend cover but instead offer continuous cover during a career break or **maternity or paternity leave**. See the 'What other features are there?' section on page 11.

For further details please contact us or speak to your Financial Adviser.

## CHANGE OF OCCUPATION

You don't need to tell us if you change your occupation during the period of cover.

If you do make a claim, your claim will be assessed on your employment status or occupation at that time, using the relevant definition of incapacity in your policy document. See 'How we define incapacity' overleaf.

For further details please contact us or speak to your Financial Adviser.



# WHEN WILL THE POLICY PAY OUT?

## WHEN TO CLAIM

You can make a claim under your Income Protection Benefit Plan when you're unable to work because of incapacity caused by an illness or an injury, resulting in a loss of earnings. If you are a **houseperson** or on a career break, you can claim if you are unable to perform three of the six activities from the list below.

However, you won't be able to make a claim due to becoming unemployed.

If you were to become unemployed your policy will continue, but the benefit limits and the definition of incapacity we'll use, should you make a claim, will be those applied to **housepersons**. Your premiums will, however, remain the same.

## THE DEADLINE FOR CLAIMING

You must tell us within two weeks of becoming incapacitated, if you have a four week **deferred period** and by the 4th week of your incapacity for all other **deferred periods**, at the very latest. Otherwise your benefit payments could be delayed or reduced.

## HOW WE DEFINE INCAPACITY

How we assess your claim and the level of incapacity allowing you to claim will vary according to your **occupation class**. Your Financial Adviser will be able to tell you what **occupation class** you are. Alternatively you will find this on your **personal illustration**. The different **occupation classes** and definitions of incapacity available are:

- **For occupations in classes 1 and 2**

Your definition of incapacity is Own occupation. This means if, due to illness or injury, you're unable to work in your own occupation and you're not following any other occupation.

- **For occupation classes 3 and 4**

Your definition of incapacity is Own occupation but will then switch to Activities of Daily Work (ADW). For the first 12 months your definition is Own occupation as stated above. After 12 months, the definition of incapacity will switch to ADW and if in our opinion you are unable to carry out at least three of the activities in the list below.

If you're undergoing chemotherapy, radiotherapy or dialysis we'll continue to pay the benefit whilst you're unable to work in your own occupation.

- **For housepersons, if you work less than 16 hours a week, or are not working at the time of a claim**

Your definition of incapacity is Activities of Daily Living (ADL). If, due to illness or injury, and in our opinion you are unable to perform at least three of the following activities:

### Activities list

**Bending** – the ability to load and unload a standard front-loading washing machine.

**Communicating** – the ability to hear (with aids) and speak with sufficient clarity to be able to hold a conversation in a quiet room in your first language.

**Reading** – have the required eyesight to read a daily newspaper, using glasses or other visual aid if required.

**Fine motor control** – have the ability to remove five paracetamol from a blister pack.

**Walking** – the ability to walk 200 metres (on flat ground) to a local shop or bus stop for example, without stopping due to breathlessness or severe pain.

**Lifting and carrying** – the ability to lift a 2.5kg bag of potatoes from mid-shin height to waist height and carry it five metres.

To claim benefits you must be under the care of a specialist appropriate to your condition and not doing any other work.

For full details please contact your Financial Adviser.

## HOW WE ASSESS YOUR CLAIM

We'll look at the duties of your occupation when you claim, your ability to do these duties and whether adjustments can be made to help you do them.

We'll ask for evidence of your loss of **earnings** and you'll need to complete a medical authorisation form which will allow us to contact your doctor throughout the period of your claim.

## HOW LONG THE CLAIM IS PAID FOR

We'll pay your incapacity benefit for the duration of a valid claim until the first of any of the following happens:

- You recover and are no longer incapacitated;
- Your policy ends; or
- You die.

Or additionally, for the low cost option:

- Your claim has been paid for a total of five years.

## CLAIMING AGAIN AFTER RETURNING TO WORK (LINKED CLAIMS)

There is no limit to the number of claims you can make.

Whenever a claim ends you need to restart paying premiums to make sure your cover continues.

If you need to claim again for the same or related cause within 12 months of returning to work then the **deferred period** won't apply.

## RETURNING TO PART TIME OR LESS WELL PAID WORK (PROPORTIONATE BENEFIT)

If because of your incapacity you're only able to work in a less well paid position (in either the same or a different occupation), we'll pay you a reduced amount of benefit to cover your loss in **earnings**. The benefit we pay you will be reduced in proportion to the reduction in your income. See the 'Proportionate benefit' section on page 11 for full details.

## HOW BENEFITS ARE PAID

We will pay your benefit one month after the end of your **deferred period** and then after that monthly in arrears.

## PREMIUM PAYMENTS WHEN CLAIMING

Premium payments must continue to be paid during your **deferred period** and whilst your claim is being processed. We will advise you when you no longer need to pay premiums and then arrange for these to be suspended for you while we pay benefit. Any overpaid premiums will be returned to you.

## OTHER INCOME LIKELY TO REDUCE YOUR BENEFIT

We may reduce the benefit we pay out if you receive any of the following payments while you are incapacitated. We will add these payments to your monthly benefit and the proportion which exceeds the maximum benefit limits will be reduced:

- any income from an employer such as sick pay,
- any income from a business,
- any regular payments from any other insurance policies received whilst you are unable to work due to your incapacity. For this purpose we'll take into account payments made direct to a lender on your behalf, for example payments under a mortgage payment or credit protection policy. Regular payments from other insurance policies received as a result of death or critical illness will not be taken into consideration, and
- any income from investments if this was taken into account by us in determining your **earnings** for the monthly benefit level.

We won't reduce the benefit due to:

- income from savings,
- state provided Employment and Support Allowance (including Statutory Sick pay) unless when added to your monthly benefit it exceeds the maximum benefit limits, as described in the section 'The amount of benefit that can be paid' on page 4. The proportion which exceeds the maximum benefit limits will be taken into account, and
- income from a pension or ill-health early retirement scheme unless when added to your monthly benefit it exceeds the maximum benefit limits, as described in the section 'The amount of benefit that can be paid' on page 4. The proportion which exceeds the maximum benefit limits will be taken into account.

Here is an example of when state provided benefits may reduce your benefit.

You have a chosen monthly benefit of £1,000. At claim time you're eligible for Employment and Support Allowance of £396.07 per month and we assess the maximum benefit limit you would be entitled to under your IPB plan to be £1,300 per month. Your monthly benefit added to your Employment Support Allowance exceeds the maximum benefit limit by £96.07. We would therefore reduce the monthly benefit that we pay from £1,000 down to £903.93.

**If we reduce your benefit we won't refund any of your premium payments to us and your cover will remain unchanged unless you choose to reduce it.**

## CHANGE OF EMPLOYMENT STATUS

You don't need to tell us if you change your employment status during the term of the policy. However, at the time of a claim we'll base the monthly benefit and the definition of incapacity you need to meet in order to claim on your employment status immediately prior to becoming incapacitated.

## WHEN WILL THE POLICY NOT PAY OUT?

We won't pay out for any incapacity caused from or aggravated by:

- Alcohol or solvent abuse or the taking of drugs except under the direction of a registered medical practitioner
- Any other exclusions as specified in the policy document. If this applies we'll tell you before the policy starts.

## WHAT HAPPENS IF I MOVE ABROAD AFTER THE POLICY HAS STARTED?

Your policy will still pay out if you reside or travel in any of the countries of the European Union, USA, Canada, Australia, New Zealand, the Isle of Man, the Channel Islands or any other country we agree to prior to your departure.

The policy will remain in force if you reside or travel for up to 12 consecutive months in any other part of the world, but the monthly benefit will only be payable for up to six calendar months if you need to claim when travelling or residing in any other part of the world.



# WHAT OTHER FEATURES ARE THERE?

There are a number of features automatically included with your policy. These are:

## WAIVER OF PREMIUM BENEFIT

You won't have to pay premiums if you're incapacitated and receiving a monthly benefit. Your premiums will be waived for the duration of a valid claim.

## HOSPITALISATION BENEFIT

If you have to stay in hospital for more than seven consecutive nights during your **deferred period**, you'll be eligible for hospitalisation benefit. The benefit we pay out will be one-thirtieth of the monthly benefit you've chosen under the policy for each night, from the 8th day you spend in hospital. The maximum we'll pay out is £150 per night. These payments will continue until the first of the following events happens:

- you leave hospital;
- the end of the **deferred period**;
- the end of the 13th week of your hospital stay;
- you die; or
- the policy ends.

If the low cost option is chosen the benefit will also cease if the maximum of five years total claims period is reached.

If the stepped benefit option is chosen then the benefit will be based on the earliest **deferred period** and the first level of monthly benefit.

## CONTINUOUS COVER

### If unemployed or on a career break

If you become incapacitated whilst not being **gainfully employed or gainfully self-employed** then the definition of incapacity will be based on your ability to perform at least three of the activities listed on page 8.

If your benefit level is higher than that of a **houseperson**, then the monthly benefit we'll pay out will drop to that of a **houseperson**. Your premiums will stay the same and must be paid for cover to continue.

### If on maternity or paternity leave

If you become incapacitated whilst on **maternity or paternity leave**, you'll be entitled to claim providing you were **gainfully employed or gainfully self-employed** prior to being on leave, and the definition of incapacity used will be that stated in your policy document.

Once you return to **gainful employment or gainful self-employment** the definition of incapacity in the event of a claim will be restored to that stated in your policy schedule.

## PROPORTIONATE BENEFIT

This benefit provides a reduced monthly benefit should you, as a direct result of the incapacity, return to work and suffer a reduction in **earnings**. The reduced monthly benefit starts once you have returned to work.

To be eligible you must receive monthly benefit due to incapacity before resuming work on reduced **earnings**. You must be in **gainful employment or gainful self-employment** immediately before incapacity.

The reduced monthly benefit will be equivalent to the reduction in your **earnings** compared to your **earnings** in the 12 months before incapacity.

Once your **earnings** return to your pre-incapacity level or your claim ends, see 'How long the claim is paid for' section on page 9, the proportionate benefit will end.

## LIFE COVER

If you die during the **term** of your policy then we'll pay out a lump sum equal to your annual premium, or 12 times the monthly premium, being paid at the time of your death.

## INCREASING YOUR COVER (GUARANTEED INSURABILITY OPTION)

You can choose to increase your cover during your policy **term** without needing to answer any more medical questions. This is your guaranteed insurability option. You can do this:

- if your salary increases due to a promotion or change of job;
- if your mortgage amount increases; or
- on every third policy anniversary.

If you do increase your cover, your premium will also increase. This option is automatically included in your policy if your original application is accepted without a **rating** and before your 45th birthday.

You must use this option before your 50th birthday but you won't be able to use this option if you have made a claim. This option may only be exercised a maximum of three times.

The maximum amount you can increase the cover by is the lesser of 50% of the initial monthly benefit or £10,000 per annum (£833.33 per month).

If you are eligible for this benefit, the terms and conditions for exercising your guaranteed insurability option will be shown in your policy document.

# WHAT WILL MY PREMIUM PAYMENTS BE?

Your **personal illustration** will show the premium you need to pay for the cover you've chosen.

Your premium will depend on your age, sex, occupation, smoking habits, pastimes, medical history and other personal circumstances as well as the level of cover and the various features of the cover you choose. Non smokers pay lower premiums than smokers.

You can pay your premium either monthly or annually by direct debit.

## FUTURE CHANGES TO YOUR PREMIUM PAYMENTS

Your premiums are guaranteed to remain the same throughout your period of cover unless you change your policy.

## WHAT IF I STOP PAYING PREMIUMS?

If your premium remains unpaid for 30 days after its due date then your policy and cover will end. No further benefits or premiums will be payable, and you will receive no money back.

If you've made a claim under your policy and are receiving a monthly benefit, you won't have to pay your premiums. However, once your claim ends, you'll need to restart paying your premiums to make sure your cover continues.

## WHAT ARE THE CHARGES?

The premiums you pay include all the costs of administration, underwriting, commission, claims and selling expenses plus any fees payable for any medical examinations which we ask you to attend.

## DOES THE POLICY HAVE A CASH IN VALUE?

No, your policy has no **cash in value** at any time.

## WHAT IF I'M NOT SURE WHETHER THIS PRODUCT IS SUITABLE FOR ME?

If you have any doubts please contact either Legal & General or your Financial Adviser. We only advise on our own life assurance and investment products.

## MAKING A CLAIM.

If you need to make a claim, please write to us at:



Legal & General Claims Department  
City Park  
The Droeway  
Hove  
East Sussex  
BN3 7PY.



Or call freephone **0800 027 9830**. We may record and monitor calls.

When we receive notification of a claim we'll send you a claim form to complete and return. We'll then consider your claim. We may ask you to provide us with certificates or other evidence as required.



### WE'RE HERE TO HELP

If you've any queries, would like more information, or you would like this document in braille, large print or audiotape, please contact our helpdesk.



**0370 010 4080**. We may record and monitor calls. Call charges will vary.

# FURTHER INFORMATION.

## YOUR CANCELLATION RIGHTS

After we have accepted your application, we'll send you a notice of your right to cancel. By law we must send you this notice. We then give you 30 days to change your mind about starting the policy. If you do change your mind, you need to send the notice back to us at:



Life Premium Collections and Cancellations  
Legal & General Assurance Society Limited  
City Park  
The Droveaway  
Hove  
East Sussex  
BN3 7PY.

and we'll then cancel the policy. If you do this, we'll refund any premiums you have paid.

If you don't take this opportunity to cancel and you want to do so at a later stage, you will not get any money back. If you want to cancel at a later stage please write to the address above.

## COMPLAINTS

If you wish to complain about the service you've received from us, or you'd like us to send you a copy of our internal complaint handling procedure, please contact our helpdesk on **0370 010 4080**. We may record and monitor calls. Call charges will vary.

Alternatively you can write to us at:



Complaints Department  
Legal & General Assurance Society Limited  
Knox Court  
10 Fitzalan Place  
Cardiff  
CF24 0TL.

If you remain dissatisfied, you can complain to the:



Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR.



Telephone: **0845 0801800**



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

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

Making a complaint won't affect your legal rights.

## LANGUAGE

We will communicate in English throughout the **term** of this contract. The terms and conditions and all communications will only be available in English. All communications from us will normally be by letter or telephone.

## LAW

This contract is governed by English law.

## THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

The Financial Services Compensation Scheme (FSCS) is designed to pay customers compensation if they lose money because a firm is unable to pay them what they owe for any reason. Your ability to claim from the scheme and the amount you may be entitled to will depend on the specific circumstances of your claim. Most customers, including most individuals and small businesses, are covered by the scheme. You can find out more about the FSCS (including amounts and eligibility to claim) by visiting its website:



[www.FSCS.org.uk](http://www.FSCS.org.uk) or



calling 0800 678 1100

The FSCS may arrange to transfer your policy to another insurer, provide a new policy or if these are not possible, provide compensation. FSCS compensation covers payment up to 90% of the value of the claim per firm. There is no upper financial limit on the claim. However, the rules of the FSCS may change and the FSCS may take a different approach on the application of these rules to a firm depending on the circumstances of the failure of that firm.

## TAX

For Income Protection Benefit, present UK tax law and HM Revenue & Customs practice means that:

- You don't get tax relief on premiums
- You don't pay tax or National Insurance contributions on your benefits

This may change in the future. Please ask your Financial Adviser or us for more details.

## OUR REGULATOR

We are authorised and regulated by the Financial Services Authority. We are entered on their register under number 117659. You can check this at:



[www.fsa.gov.uk/register/](http://www.fsa.gov.uk/register/)



or telephone them on 0300 500 5000

or write to them at:



25 The North Colonnade  
Canary Wharf  
London  
E14 5HS.

# GLOSSARY.

AN EXPLANATION OF SOME TECHNICAL TERMS USED IN THIS KEY FEATURES CAN BE FOUND BELOW.

## GLOSSARY

|  |   |
|--|---|
| <b>Cash in value</b>                                     | Certain plans have a 'cash in value' which means that you receive some money back if you cancel your policy.  |
| <b>Deferred period</b>                                   | This is an initial period when you (as the life assured) are unable to work and when we don't pay benefit.  |
| <b>Earnings</b>  | Your <b>gainfully employed</b> earnings or <b>gainfully self-employed</b> earnings.   |
| <b>Exclusions</b>  | If we apply an exclusion to your policy, this means we won't cover you for a particular condition. If you're disabled or incapacitated due to this condition you won't be able to make a claim.                         |
| <b>Gainful employment (gainfully employed)</b>           | Working at least 16 hours per week under a contract of employment and receiving a salary or wage.   |
| <b>Gainful self-employment (gainfully self-employed)</b> | Working for profit for at least 16 hours per week (either alone or with others) and being liable to pay Income Tax and National Insurance Contributions.  |
| <b>Houseperson</b>                                       | The <b>occupation class</b> applied when you're not in paid employment.   |
| <b>Maternity or paternity leave</b>                      | As defined by Government regulation.  |
| <b>Occupation Class</b>                                  | The category we apply to your job for underwriting purposes.  |
| <b>PAYE (Pay As You Earn)</b>                            | This refers to the amount of money deducted by employers from employees' salaries on behalf of the Government to cover tax and National Insurance contributions.  |
| <b>Personal illustration</b>                             | This is the document provided before you take out your policy that details the exact policy, your premium and the options you've chosen.  |
| <b>Rating</b>  | A rating is where an additional amount is added to the policy premium because the risk is considered to be higher than that assumed when originally quoted.   |
| <b>Retail Prices Index (RPI)</b>                         | A way of measuring the impact of inflation on family budgets which is set by the Government. We use this rate to calculate any increases in your premiums and monthly benefit if you've selected the indexation option. |
| <b>Term</b>  | How long your policy lasts.   |

## i

### PLEASE NOTE

This document is a guide to our Income Protection Benefit Plan and is based on our understanding of current laws and tax rules. Further details are in your Policy Terms and Conditions. You should get expert advice about the legal and tax information in this leaflet.





**Legal & General Assurance Society Limited.**

Registered in England No. 166055

**Registered office:** One Coleman Street, London EC2R 5AA

This is also where our head office is in the UK

[www.legalandgeneral.com](http://www.legalandgeneral.com)

We are authorised and regulated by the Financial Services Authority.  
We are members of the Association of British Insurers.

W12774 01/11 Approval number: H118819 Approval date: 14/01/11