

Personal Menu Plan **Income Protection**

Plan details - September 2025

We give this booklet of terms and conditions to everyone who buys income protection under the Personal Menu Plan. It tells you how your cover works and explains how to make a claim, keep your premiums up-to-date and how to make changes to your cover.

These terms and conditions are part of the contract between you and **Royal London**. Please keep them in a safe place, as you may need them in the future.

The contract between you and **Royal London** consists of your **application** to us, these terms and conditions, your cover summary (which is sent to you along with your terms and conditions, and includes details of each cover that you buy from us) and any **endorsements** to these terms and conditions that we give you. Where there's a conflict between these terms and conditions and your cover summary, the terms set out in your cover summary will apply.

Cancelling your plan

If, after taking out the plan, you feel it isn't suitable, you may cancel it by writing to us at the address shown on page 4. If you do this within 30 days of receiving your cover summary and plan details, we'll return any premiums you've paid. If you cancel after the first 30 days, we won't refund any of your premiums. For information on cancelling your cover, see page 23.

We're happy to provide your documents in a different format, such as Braille, large print or audio, just ask us when you get in touch.

Any words in **bold** are defined in Section 4.

Before you start, please note:

Any use of the words 'we', 'our' or 'us' refers to **Royal London**. Any use of the words 'you' or 'your' refers to the plan owner or their legal successors except where a different meaning is given in these terms and conditions.

What's inside

Section 1

<u>How your cover works</u>	<u>5</u>
<u>How to make a claim</u>	<u>5</u>
<u>What happens when you make a claim</u>	<u>7</u>
<u>Who we'll pay</u>	<u>7</u>
<u>When we will and won't pay a claim</u>	<u>7</u>
<u>How much we'll pay</u>	<u>13</u>
<u>Your premiums</u>	<u>18</u>
<u>When and how your premiums could change</u>	<u>18</u>

Section 2

<u>Changing your cover</u>	<u>19</u>
<u>Increasing cover</u>	<u>19</u>
<u>Cover Increase Options</u>	<u>19</u>
<u>Lifestyle Flexibility</u>	<u>21</u>
<u>Changing your cover in other ways</u>	<u>22</u>

Section 3

<u>General terms and conditions</u>	<u>23</u>
<u>Source of covers</u>	<u>23</u>
<u>Membership of Royal London</u>	<u>23</u>
<u>Cancelling your cover</u>	<u>23</u>
<u>Cash-in value</u>	<u>24</u>
<u>Paying claims</u>	<u>24</u>
<u>Interest</u>	<u>24</u>
<u>Exercise of discretion</u>	<u>24</u>
<u>How we use your personal information</u>	<u>25</u>
<u>When we may change the terms and conditions applying to your cover or cancel your cover</u>	<u>27</u>
<u>Contract</u>	<u>29</u>
<u>Mis-statement of age</u>	<u>29</u>
<u>Complaints</u>	<u>29</u>
<u>If we can't meet our liabilities</u>	<u>30</u>
<u>Law</u>	<u>30</u>
<u>Notices of assignment</u>	<u>30</u>
<u>Rights of third parties</u>	<u>30</u>

Section 4

<u>Definitions of the words we use</u>	<u>31</u>
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Telling us about changes

Before your cover starts

You must tell us if there's a change to anything in your **application** in the time after you've applied for your cover, but before the **date we assume risk**. These changes could be affecting you or the **person covered**. For example, a change to health, **occupation** or leisure activities of the **person covered** or a change to your or the **person covered's** country of residence. If you don't let us know about any changes we might not pay out if you make a claim. Or, we might change the terms of your cover or cancel it.

We'll give you a copy of your **application** and any other information we've been given, if you ask us. It will help if you have your plan number to hand when you contact us.

Changes at any time

At any time, please remember to tell us if any of the following change:

- you stop being resident in **the UK**, Jersey, Guernsey or the Isle of Man
- your name, or the name of the **person covered**
- your address
- your bank account.

You can contact us using the details below. If you phone us, we might record or monitor your call so we have an accurate record of anything you tell us.



0345 6094 500



protectionhelp@royallondon.com



0345 6094 522



Current address: **Royal London**, 22 Haymarket Yards, Edinburgh EH12 5BH

From 15th September 2025:
Royal London, Waverley Gate
2-4 Waterloo Place,
Edinburgh EH1 3EG



royallondon.com

1. How your cover works

Income Protection is designed to pay out if the **person covered** can't **work** because of an illness or injury and they meet the requirements of our definition of **incapacitated**, or they're diagnosed with a **terminal illness** that meets our definition. You'll find our definitions of **incapacitated** and **terminal illness** on pages 34 and 39 respectively. Income Protection is not designed to pay out if the **person covered** becomes **unemployed** for any other reason.

If you have Income Protection we automatically include the following additional benefits:

- Fracture Cover,
- Hospitalisation Payment,
- Additional Payment on Death, and
- Back to Work Payment.

If you make a claim for one of these additional benefits, it doesn't affect your main cover – you can still make an Income Protection claim in the future.

How to make a claim

If you or your representatives want to make a claim, please call us on **0345 6094 500**.

Please contact us as soon as possible, so we can help you as quickly as we can. It will help us if you have your plan number to hand when you contact us. Before you call, please read through the information below.

We reserve the right to restrict Income Protection Cover claims to certain parts of the world. This means that if the **person covered** is living or working outside **the UK** and you want to make a claim, we might need the **person covered** to return to one of the countries listed below. We will also accept evidence from other countries if, in our assessment, the evidence is comprehensive enough and of a sufficient standard for us to properly assess the claim.

- | | |
|-------------------|-------------------|
| • The UK | • Isle of Man |
| • Australia | • Italy |
| • Austria | • Japan |
| • Belgium | • Latvia |
| • Bulgaria | • Liechtenstein |
| • Canada | • Lithuania |
| • Channel Islands | • Luxembourg |
| • Cyprus | • Malta |
| • Czech Republic | • The Netherlands |
| • Denmark | • New Zealand |
| • Estonia | • Norway |
| • Finland | • Poland |
| • France | • Portugal |
| • Germany | • Slovakia |
| • Gibraltar | • Slovenia |
| • Greece | • South Africa |
| • Hong Kong | • Spain |
| • Hungary | • Sweden |
| • Iceland | • Switzerland |
| • Ireland | • USA |

If you are not habitually resident in **the UK**, this might limit the options and features available to you under your plan. We may need to change, reduce, or remove any of the options and features available to you under your plan. We will tell you if an option or feature is not available when you request it.

For example, if you move from **the UK**, this might limit the options and features available to you under your plan.

Where a legal or regulatory prohibition or restriction applies to any of the following:

- you;
- the **person covered**;
- any beneficiary or beneficial owner of the plan;
- the payer of the plan;
- your plan; or
- the **Royal London Group**,

we may take one of the following steps:

- suspend or restrict the
- use of your plan;
- not accept premiums for your plan;
- not make payments from your plan;
- not give full effect to the terms and conditions applying to your plan; or
- as a last resort, cancel your plan.

We will take this action where we reasonably consider that not doing so will:

- cause, or be reasonably likely to cause, us to breach any law or regulation; or
- result in action from a government, regulator or law enforcement agency, department, or authority, in any jurisdiction.

For example, if you, the **person covered**, any beneficiary or beneficial owner of the plan, the payer of the plan, your plan or the **Royal London Group** are exposed to any sanctions, prohibitions or restrictions under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America, this might change, reduce, or remove the options and features available to you under your plan.

If we need to change, reduce, or remove the options and features available to you under your plan, we'll explain our reasons for doing so. However, there may be occasions where we cannot contact you if it would be inappropriate to engage with you, or where there are legal or security reasons which restrict us from providing a reason or telling you beforehand.

What happens when you make a claim

Please provide any information we ask you for. Depending on what your claim is for, we'll also ask for other information, including the following:

- a birth, marriage, registration of civil partnership or death certificate
- medical information, or medical records
- the **person covered's** earnings
- proof of change of name.

We'll pay what we consider to be the reasonable cost of all medical reports or evidence we ask for.

For more information on making a claim please refer to your welcome booklet which was sent out with your plan details.

Who we'll pay

We'll pay the cover amount to the person who is legally entitled to receive it.

This will depend on the circumstances at the time, and whether the plan that your cover is under has been assigned or put under trust. If any of these apply to you, you will already have completed a separate trust form or nomination form for these purposes.

We usually pay the owner of the plan the cover is under or, if they've died, their personal representatives. If a personal representative wants to claim, they must send us an original Grant of Representation or Confirmation. If there are joint plan owners, we'll pay them jointly. If one of the joint plan owners has died, we'll pay the survivor of them.

If the plan that your cover is under has been assigned, we'll pay the assignee. If an assignee wants to claim, they must send us the original Deed of Assignment.

If the plan that your cover is under is written in trust, we'll pay the trustees. The trustees must then follow the terms of the trust to distribute the money to the chosen beneficiaries. If trustees want to claim, they must send us the original Trust Deed, and any original deeds altering the trust. We won't be responsible for checking that the trust has been properly established, validly altered or whether it has been terminated.

When we will and won't pay a claim

Claims for Income Protection

To confirm that the **person covered** meets the requirements of our definition of **incapacitated**, we might:

- ask the **person covered** to be examined by a **doctor** or health specialist we choose, or
- ask for any other evidence we may reasonably require, for example a report from a GP or treating consultant.

We'll pay a claim if:

- Income Protection is shown on your cover summary,
- during the **term of the cover** the **person covered**
 - meets the requirements of our definition of **incapacitated** for a continuous period longer than the **deferred period** or
 - meets the requirements of our definition of **terminal illness**, and

- the information you send us is correct and complete, and your claim is valid according to these terms and conditions.

You'll find our definition of **incapacitated**, **terminal illness** and their relevant requirements on pages 34 and 39.

We'll continue paying until:

- the **person covered** no longer meets the requirements of our definition of **incapacitated**,
- the **person covered** goes back to **work**,
- the **cover payment period** ends – if one's shown in the additional features of your cover summary,
- the **term of the cover** reaches an end, or
- the **person covered** dies.

We won't pay a claim if:

- it's the result of an **exclusion** shown on your cover summary,
- it's the result of **intentional self-inflicted injury**, or
- the **person covered** doesn't meet the requirements of our definition of **incapacitated**.

We might also not pay or may stop paying your claim if:

- you or the **person covered** didn't answer the questions on your **application** fully, honestly and to the best of your or their knowledge and ability,

- you didn't tell us about a change in circumstances between when you originally submitted your **application** and the **date we assumed risk**. This includes information about the health, **occupation** or leisure activities of the **person covered**, or your or the **person covered's** country of residence, or

- you don't send us everything we ask for, or if the information you do provide is incorrect or incomplete.

Connected claims

A connected claim happens if:

- we start to pay a claim, but stop paying because the **person covered** no longer meets the requirements of our definition of **incapacitated**, but
- within the next 52 weeks of us stopping making payments, the **person covered** meets the requirements of our definition of **incapacitated** once again, so you want to make a further claim.

We'll treat your further claim as connected as long as:

- the **person covered** didn't go back to **work** again against their **doctor's** advice,
- the **person covered** meets the requirements of our definition of **incapacitated** from the same cause as the original claim, and
- the **person covered** is in the same **occupation** when the further claim starts.

A connected claim doesn't have a **deferred period**, so we'll start to pay the claim again straightaway.

How your cover payment period affects a connected claim

If the additional features of your cover summary shows you have a cover payment period, we'll pay a connected claim for the remainder of this cover payment period only if the **person covered** returns to **work** before this cover payment period ends.

This remainder is the difference in time between the length of your cover payment period and how long in months we paid your original claim for before the **person covered** went back to **work**.

EXAMPLE

Connected claim within a cover payment period

If you took out cover with a payment period of two years and we pay your claim for eight months before you return to **work**, then you're eligible to claim again for a further 16 months if you have to stop **work** again, as a result of a connected claim.

If the **person covered** goes back to **work** after the end of the cover payment period, we won't pay any connected claims under this cover until the **person covered** has been back at **work** for at least 26 continuous weeks.

EXAMPLE

Connected claim after the end of a cover payment period

If you took out cover with a payment period of two years and we pay your claim for the full cover payment period of two years, your payments will stop.

If you return to **work** we would only consider a connected claim if you have been back at **work** for six months or more. If you became **incapacitated** after just four months after starting **work** again as a result of the same reason as your previous claim, we would not be able to pay out as a connected claim.

Unconnected Claims

If another claim is made and is not a connected claim we will pay out at the end of that cover's **deferred period** regardless of how long the **person covered** has been back at **work** during the **term of the cover** the **person covered**:

- meets the requirements of our definition of **incapacitated** for a continuous period longer than the **deferred period** shown on your cover summary, or
- meets the requirements of our definition of **terminal illness**; and
- the information you send us is correct and complete, and
- your claim is valid according to these terms and conditions.

Claims for Fracture Cover

To make a claim for Fracture Cover you or the **person covered** must:

- tell us you want to claim as soon as possible,
- provide evidence of the bone fracture, such as the hospital discharge summary or a letter from the **person covered's** GP, and
- provide any additional information that we may reasonably request, such as information relating to the cause of the claim or the answers to the questions in your original **application**.

We'll pay a claim if:

- Income Protection is shown on your cover summary,
- during the **term of the cover** the **person covered** is diagnosed with a bone fracture, and
- the information you send us is correct and complete, and your claim is valid according to these terms and conditions.

You'll find our definition of bone fracture and the relevant requirements on page 32.

We'll only pay two Fracture Cover claims for the **person covered** and only pay once for each bone fracture type within any 12 month period. A 12 month period runs from the start date of your Income Protection and each subsequent 12 month anniversary thereafter.

We won't pay a claim for Fracture Cover if the bone fracture is:

- the result of an **exclusion** shown on your cover summary,
- the result of **intentional self-inflicted injury**, or
- classified as fatigue, stress or hairline.

We might also not pay your claim if:

- you or the **person covered** didn't answer the questions on your **application** fully, honestly and to the best of your or their knowledge and ability,
- you didn't tell us about a change in circumstances between when you originally submitted your **application** and the **date we assumed risk**. This includes information about the health, **occupation** or leisure activities of the **person covered**, or your or the **person covered's** country of residence, or
- you don't send us everything we ask for, or if the information you do provide is incorrect or incomplete.

We'll pay Fracture Cover claims directly into the account from which premiums are being paid, unless you tell us otherwise.

Claims for Hospitalisation Payment

To make a claim for Hospitalisation Payment you or the **person covered** must:

- tell us you want to claim as soon as possible,
- provide evidence of the **person covered** being hospitalised, such as the hospital discharge summary or a letter from the **person covered's** GP, and
- provide any additional information that we may reasonably request, such as information relating to the cause of the claim or the answers to the questions in your original **application**.

We'll pay a claim if:

- Income Protection is shown on your cover summary,
- during the **term of the cover** the **person covered** is hospitalised due to **incapacity** for more than 6 consecutive nights during the **deferred period**, and
- the information you send us is correct and complete, and your claim is valid according to these terms and conditions.

We'll only pay a claim for Hospitalisation Payment for the **person covered** for a maximum of 90 nights during the **term of the cover**.

We won't pay a claim for Hospitalisation Payment if:

- it's the result of an **exclusion** shown on your cover summary, or
- it's the result of **intentional self-inflicted injury**.

We might also not pay your claim if:

- you or the **person covered** didn't answer the questions on your **application** fully, honestly and to the best of your or their knowledge and ability,
- you didn't tell us about a change in circumstances between when you originally submitted your **application** and the **date we assumed risk**. This includes information about the health, **occupation** or leisure activities of the **person covered**, or your or the **person covered's** country of residence, or
- you don't send us everything we ask for, or if the information you do provide is incorrect or incomplete.

We'll pay a Hospitalisation Payment claim directly into the account from which premiums are being paid, unless you tell us otherwise.

Connected claims

A connected claim happens if:

- we start to pay a claim, but stop paying because the **person covered** leaves hospital, but
- within the **deferred period**, the **person covered** is hospitalised once again, so you want to make a further claim.

We'll treat your further claim as connected as long as:

- the **person covered** didn't leave hospital against their **doctor's** advice,
- the **person covered** is hospitalised from the same cause as the original claim.

We'll start to pay a connected claim again straightaway.

Claims for Additional Payment on Death

We'll pay a claim if:

- Income Protection is shown on your cover summary,
- during the **term of the cover** the **person covered** dies, and
- the information you send us is correct and complete, and your claim is valid according to these terms and conditions.

We won't pay a claim if:

- it's the result of an **exclusion** shown on your cover summary,
- it's the result of **intentional self-inflicted injury**, unless it's a claim for death more than 12 months after your cover starts or restarts.

Claims for Back to Work Payment

We'll pay a claim if:

- Income Protection is shown on your cover summary and this has a **deferred period** of 13, 26 or 52 weeks,
- we've been paying a claim for Income Protection and the **person covered** recovers sufficiently to go back to **work** in their own **occupation** or another **occupation**, in a capacity that means they are no longer suffering any loss of earnings, and
- the information you send us is correct and complete, and your claim is valid according to these terms and conditions.

We'll only pay this once we have stopped paying the claim under Income Protection. This includes any amount we pay because the **person covered** goes back to **work** in their own **occupation** part time or goes back to **work** in a different **occupation** with lower earnings.

If we pay any subsequent claim under Income Protection, we'll only pay a Back to Work Payment following the subsequent claim ending if we start paying the subsequent claim more than six months after we paid a Back to Work Payment on the previous claim.

Maintaining Own Occupation at Claim Stage

If your plan is accepted on an Own Occupation basis, and you are now in-between jobs, or not currently working – for example, if you are a contractor in-between contracts, and you become **incapacitated** within 3 months from when your employment ended, your claim will still be assessed against the Own Occupation definition. If your employment ended more than 3 months prior to the date you became **incapacitated**, you would be assessed under our Serious Illness definition. For more details on our Own Occupation or Serious Illness definitions, please check page 34.

This will not come into effect if:

- you have left your role voluntarily, or your employment contract ended as a result of disciplinary action or
- if you didn't meet the requirements of own **occupation** prior to **incapacity**, for example if you worked less than 16 hours per week.

How much we'll pay

Claims for Income Protection

If your cover is payable as level regular payments

We'll pay 1/12th of the lower of:

- the amount of cover shown on your cover summary, or

- if the **person covered** meets our definition of a **doctor** or **surgeon**, the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings subject to a minimum of £3,500 each month, or
- if the **person covered** doesn't meet our definition of a **doctor** or **surgeon**, the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings subject to a minimum of £1,750 each month, or
- if the **person covered** is on maternity, parental or adoption leave at the time of **incapacity** and the child was born up to 52 weeks before **incapacity**, the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings in the 12 months before their leave started, subject to a minimum of £1,750 each month.

If your cover is payable as increasing regular payments (this will be detailed in your cover summary if this applies to you)

We'll pay 1/12th of the lower of:

- the amount of cover shown on your cover summary or the amount we've written to tell you following an increase, whichever is greater, or
- if the **person covered** meets our definition of a **doctor** or **surgeon**, the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings subject to a minimum of £3,500 each month, or

- if the **person covered** doesn't meet our definition of a **doctor** or **surgeon**, the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings subject to a minimum of £1,750 each month, or
- if the **person covered** is on maternity, parental or adoption leave at the time of **incapacity** and the child was born up to 52 weeks before **incapacity**, the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings in the 12 months before their leave started, subject to a minimum of £1,750 each month.

Your amount of cover will continue to increase each year on the date the plan your cover is under started. The additional features in your cover summary will show whether your cover will increase by a fixed rate or by the retail price index. If you select this option your premiums will also increase each year. This is explained further on page 19.

Your amount of cover will increase each year and will continue to increase yearly, as long as the maximum amount of cover of £250,000 is not reached. If the maximum amount of cover is reached, we won't allow any more increases to your amount of cover. If you selected the maximum amount of cover of £250,000 when your cover started, your cover will increase once only, on the first anniversary of the plan starting.

If the **person covered** isn't in **work** when you claim

We won't pay more than £1,750 each month.

If the **person covered** has other income
If:

- you have any other plan with us or any other company that would replace all or part of the **person covered's pre-incapacity** earnings at the time they meet the requirements of our definition of **incapacitated**, or
- the **person covered** continues to receive income from any form of employment or self-employment while they meet the requirements of our definition of **incapacitated** on page 34; and
- the income from this cover together with the income from those other sources, would exceed the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings,

we'll reduce the amount we pay so that the total income you receive equals the higher of:

- the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings, and
- the lower of:
 - £1,750 each month, if the **person covered** doesn't meet our definition of a doctor or surgeon, or
 - £3,500 each month, if the **person covered** meets our definition of a doctor or surgeon, or
 - the cover amount you've chosen as shown on your cover summary.

EXAMPLE

If the **person covered** has other income

If the maximum annual benefit is £24,000 and your cover summary shows a benefit of this amount, we'll normally pay a monthly benefit of £2,000 after the **deferred period** has ended. But if the **person covered** continues to receive earnings from their employer of £1,200 after tax each month, we'll reduce the amount we pay to £800 each month until their continuing earnings stop.

If the **person covered** goes back to their own occupation part-time

If we've been paying a claim, and the **person covered** goes back to **work** in their own **occupation** part-time, with reduced earnings as a direct result of their illness or injury, we'll pay a reduced amount. Here's how we work this out:

$$\frac{(A - B) \times C}{A}$$

A = pre-incapacity earnings
B = reduced earnings
C = normal cover

In this formula, 'normal cover' means the amount we'd pay if the **person covered** continued to meet the requirements of our definition of **incapacitated** and doesn't go back to **work**. Where the reduced earnings amount varies, the amount we'll pay will also vary. We'll need to see evidence of the reduced earnings amount.

We'll pay this reduced amount provided that the **person covered**:

- goes back to **work** for less than 30 hours a week,
- worked more than 30 hours a week before meeting the requirements of our definition of **incapacitated**, and
- has earnings from part-time **work** which are less than their earnings when they met the requirements of our definition of **incapacitated**.

We'll continue to pay a reduced amount based on this formula until:

- the **person covered** goes back to working their full contractual hours,
- the earnings from their part-time **work** in their own **occupation** are more than their **pre-incapacity** earnings,
- the cover payment period ends – if one's shown in the additional features in your cover summary,
- the **term of the cover** reaches an end, or
- the **person covered** dies.

If the **person covered** goes back to work in a different occupation

If the **person covered** meets the requirements of our definition of **incapacitated** but goes back to **work** in a different **occupation** with lower earnings, we'll pay a reduced amount. We work this out using the same formula and conditions as set out in the 'How much we'll pay if the **person covered** goes back to their own **occupation** part-time' section.

We'll continue to pay a reduced amount based on this formula until:

- the **person covered** no longer meets the requirements of our definition of **incapacitated**,
- the **person covered's** earnings from the different **occupation** are more than their **pre-incapacity** earnings,
- the cover payment period ends – if one's shown in the additional features in your cover summary,
- the **term of the cover** reaches an end, or
- the **person covered** dies.

We work out the amount of cover on the date the **person covered** met the requirements of our definition of **incapacitated**. We won't take into account any change to the amount of cover after this, apart from changes covered in the previous page.

Claims for Fracture Cover

Fracture of the collar bone	£1,000
Fracture of one or more ribs	£1,000
Fracture of the cheekbone	£1,500
Fracture of the shoulder blade	£1,500
Fracture of the sternum	£1,500
Fracture of the wrist	£1,500
Fracture of the hand (excluding fingers and thumbs)	£1,500
Fracture of the foot (excluding toes)	£1,500
Fracture of the jaw	£2,000
Fracture of the vertebra	£2,000
Fracture of the pelvis	£2,000
Fracture of the ankle	£2,000
Closed fracture of the skull	£2,500
Fracture of the arm	£2,500
Fracture of the lower leg	£2,500
Open fracture of the skull	£4,000
Fracture of the upper leg	£4,000
Fracture of the knee	£4,000

We'll pay the amount shown in the above table for each type of bone fracture during the **term of the cover**.

If the **person covered** is diagnosed with more than one type of bone fracture at the same time, we'll pay for multiple bone fractures up to a maximum of £4,000 for each claim.

If your plan includes more than one Income Protection cover or you have more than one plan with us that provides Income Protection for the same person, the limits above apply to all Income Protection covers and plans you have with us. We'll make only one payment for each **person covered** for each bone fracture.

Claims for Hospitalisation Payment

We'll pay £100 for each night the **person covered** is hospitalised after the sixth consecutive night, during the **deferred period** subject to a maximum number of 90 nights during the **term of the cover**.

If your plan includes more than one Income Protection cover or you have more than one plan with us that provides Income Protection cover for the same person, the limits above apply to all Income Protection covers and plans you have with us. We'll make only one payment for each **person covered** for each incidence of hospitalisation.

Claims for Additional Payment on Death

If your premiums are payable monthly, we'll pay an amount equal to 12 times the monthly premium for Income Protection being paid at the date the **person covered** dies, plus the plan charge shown on your cover summary for the plan your cover is under during the **term of the cover**.

If your premiums are payable yearly, we'll pay an amount equal to the yearly premium for Income Protection being paid at the date the **person covered** dies, plus the plan charge shown on your cover summary for the plan your cover is under during the **term of the cover**.

Claims for Back to Work Payment

If the additional features section of your cover summary shows a cover payment period, one month after the **person covered** returns to **work**, we'll pay 25% of the normal cover; and two months after the **person covered** returns to **work**, we'll pay 10% of the normal cover.

For claims for Back to Work Payment, 'normal cover' means the monthly amount we were paying immediately before the **person covered** returns to **work**.

If the additional features section of your cover summary doesn't show a cover payment period, one month after the **person covered** returns to **work**, we'll pay 50% of the normal cover; and two months after the **person covered** returns to **work**, we'll pay 25% of the normal cover.

What's the maximum amount of income we will pay out?

You can cover up to 65% of your first £60,000 of pre-tax earnings, plus up to 50% of the remainder, up to a maximum of £250,000 a year. We then take off other payments you may be receiving, such as the payments from any other Income Protection, income from employment or self employment that you continue to receive, or accident and sickness policies that you may have. This is the maximum monthly claim amount we can pay you.

When we pay a claim we check to see if your amount of cover is more than the maximum amount we could pay you. If your income has dropped since your policy started you may find the amount we pay you is less than the amount of cover you are paying for. We won't refund any premiums, so it's important to check each year to make sure your amount of cover reflects the income you are insuring it against.

If you tell us that your income has dropped or you have stopped **working** we may be able to reduce the amount you pay to reflect your reduced cover. If you don't tell us, your payment amount will stay the same so this means you could end up paying for cover that you can't claim for and you won't be eligible for a refund.

We will never pay you more than your amount of cover.

How do payments in claim from this policy affect state benefits?

We won't reduce payments from this policy to reflect any state benefits you may be entitled to. However, payments made from this policy may affect the amount of state benefits you might receive. For example, payments from this policy may reduce your Universal Credit entitlement, unless you're using the money to fund your regular mortgage payments.

Your premiums

It's really important that you keep up to date with paying your premiums.

When your premiums are due

Your first premium is due on the date your cover starts. We'll collect it on this date or shortly after, by direct debit. Your last premium is due on the date shown on your cover summary. We'll tell you before we collect the first premium.

If you're paying your premiums monthly

You must pay a premium every month from the date your first premium is due to your last. Your premiums are usually due on the same day of the month that your plan started. If you'd rather we collected your premiums on a different day of the month, please ask us.

If you're paying your premiums yearly

You must pay a premium every year from the date your first premium is due to your last. Your premiums are usually due on the same day of the year that your plan started. If you'd rather we collected your premiums on a different day in the same month, please ask us.

What happens if you don't pay a premium

If you don't pay your first premium, your plan won't start – so you won't be covered.

If any other premium is five weeks overdue, we'll cancel the plan your cover is under – so you won't be covered at all any more. We'll write to you to tell you that we've cancelled your plan.

What to do if we cancel your plan

If we cancel your plan because you didn't pay a premium, you can ask us to restart it. We'll need you to tell us if there has been a change to the health, **occupation** or leisure activities of the **person covered** since your plan start date, so there may be times when we can't restart your plan. If this happens, we'll explain our decision to you.

When and how your premiums could change

If your cover is level regular payments

As long as you pay your premiums on time, your premiums won't change for the **term of the cover**.

If your cover is payable as increasing regular payments

On each anniversary of your plan starting, your premium will increase by the rate shown in the additional features section of your cover summary, multiplied by 1.2. We'll tell you how much the increase will be at least a month before it takes place.

2. Changing your cover

Increasing cover

This only applies where you have chosen your amount of cover to be payable as increasing regular payments.

The amount of cover will increase each year on the anniversary of the date your plan started, which will be shown on your cover summary. The additional features in your cover summary shows whether your cover will increase each year by a fixed rate or by the retail price index. As your amount of cover increases, your premiums will also increase.

We'll write to you at least a month before the increase takes place to tell you how much the increase in your amount of cover will be and how much your new premium will be. If you don't want your amount of cover or your premium to increase, you must tell us at least five days before the increase is due to take place and we'll cancel the increase. If we cancel two consecutive increases we won't offer you any further increases to your amount of cover.

If, as a result of an increase, the total amount of Income Protection on all plans that you have with us would be more than £250,000 a year, your cover won't increase. We'll tell you if this happens. When working out your total amount of cover we include all cover you have under the plan that this cover is under, as well as any other plan you have with us.

If you add a new cover to your plan, your new cover may start on a different day than your plan started. The date your original plan started can be found on your original cover summary. Where this happens, the first increase in your amount of cover for your additional cover will be on the first anniversary of your plan start date which comes after this additional cover has been in force for 12 months.

Cover Increase Options

Your cover comes with Cover Increase Options if we give you **standard terms**. This means you can increase your amount of cover in certain circumstances without giving us any medical information.

How it works

You can increase your amount of cover, without giving us any medical information, if the **person covered**:

- gets married or divorced, or enters into or dissolves a civil partnership,
- takes out their first mortgage,
- suffers an increase in rent as a result of moving into a new rental property or as a result of an increase imposed by their landlord,
- increases their mortgage,
- has or adopts a child, or
- gets an increase in salary.

All we need to see is some evidence of the event.

What we may need to see

- the marriage, civil partnership, divorce, birth or adoption certificate
- a copy of their mortgage loan offer
- a copy of their new rental agreement, and details of their previous rental amount (for example, their previous rental agreement or a bank statement showing the payments)
- a letter from their employer confirming an increase in salary

You need to ask us to increase your cover within six months of the event happening. And the **person covered** must be under the age of 60. We'll work out a new premium for your cover, and you can then decide whether you want to go ahead with the increase.

Limits on increasing your cover

You can increase your cover more than once. The total amount you can increase your cover by over the term of your plan, across all events, is £24,000 a year.

The maximum amount you can increase your cover by, for a single event, is limited to the following amounts:

If your increase is because of an increase in rent, the maximum amount you can increase your cover by is the lowest of:

- half your original amount of cover,
- the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings less the total amount of cover you have before the increase,
- the maximum amount of cover we offer at the time of the increase less the total amount of cover you have before the increase, or
- the monthly amount of the increase in rent multiplied by 12.
- £12,000 a year.

If your increase is because of any other event, the maximum amount you can increase your cover by is the lowest of:

- half your original amount of cover,
- the **maximum annual benefit** available based on the **person covered's pre-incapacity** earnings less the total amount of cover you have before the increase,
- the maximum amount of cover we offer at the time of the increase less the total amount of cover you have before the increase, or
- £12,000 a year.

If you have more than one type of cover or more than one plan with us on the life of the same **person covered**, the limits apply to all of them added together – not separately to each cover or plan.

Your new cover will have the same additional features as your original cover, which are shown on your cover summary. Your new cover will be on the terms and conditions that we offer at the time of the increase. It must last at least as long as our minimum term at that time, but no longer than the time remaining on your original cover.

You can find the end date of your original cover on your cover summary that we sent to you at the time you took out your original plan. So, if the time remaining on your original cover is less than our minimum term at that time, you can't increase your cover in this way.

Your new premiums will be based on:

- the same terms we applied to your original cover – or the terms that applied if your cover has been restarted,
- our pricing when we increase your cover, and
- the age of the **person covered** when we increase your cover.

We can't offer you Cover Increase Options if:

- we didn't accept your cover on **standard terms** – so if we had to charge you a higher premium, or if we had to apply some **exclusions**,
- we're paying a claim, considering a claim, or if a medical practitioner has given the **person covered** a diagnosis or possible diagnosis that would allow you to make a claim,

- you've made a claim under our definition of **incapacitated** under this cover, you can't use Cover Increase Options within 12 months of us stopping your payments,
- this plan was taken out under a cover increase option, or
- you're not resident in **the UK**, Jersey, Guernsey or Isle of Man.

Flexibility Options

Lifestyle Flexibility

If we accepted your cover on **non-standard terms** or charged rates based on your smoker status, or you've changed your lifestyle in a way that you think reduces the likelihood of a claim, you can ask us to review the terms for that cover.

For example, perhaps:

- the **person covered** had an **exclusion** for a hazardous hobby that they no longer do.
- the **person covered** has lost weight and kept it off.
- the **person covered** stopped smoking.

Job Flexibility

If the **person covered** has changed their **occupation** and you think this reduces the likelihood of a claim, you can ask us to change their **occupation** or review the terms of your cover. You can also ask us to change the **deferred period** to suit a change in circumstances.

For example, perhaps:

- The **person covered** has changed to an **occupation** involving less manual activities.
- the **person covered** now has a new job with a different sick pay arrangement and you wish to change the **deferred period** to match.

Please note that if the **person covered** is continuing to receive income at the end of the chosen **deferred period** this could affect your claim. See page 14 for full details.

If you are using either the lifestyle flexibility option or the job flexibility option, we may need to ask for medical information about the **person covered**, or see proof of the change before we make any changes to the terms of your cover.

If we can, we'll change the terms of your cover to reflect the change in lifestyle or employment of the **person covered**. This may mean we could reduce your premium or remove an **exclusion**. If we can't change the terms of your cover, we'll explain why.

During a review of the **person covered's** lifestyle or employment we can also apply an **exclusion** as well as removing one. For example, we might be asked to review the extra premium we charged because of the **person covered's** body mass index as they have now lost weight, but after the plan started, they've taken up diving. We could therefore reduce the premium, but we would apply a diving **exclusion**. You'll always have the option not to take up the lifestyle or job flexibility option and continue with your plan as it is.

Please note that there is no requirement to tell us about any changes to the **person covered's** lifestyle or employment after your cover starts (e.g. if they start smoking or change to a more hazardous **occupation**).

If we do review your terms, cover that wasn't originally on **standard terms** cannot be changed to include Cover Increase Options.

Changing your cover in other ways

You can ask us to change your cover in other ways not included in this section. For example, you might want to add a new cover to your plan or reduce an existing cover.

You can ask us to do this at any time. If you want to add a new cover to your plan, we'll need to ask the **person covered** for new medical information.

You can't add a new cover to your plan or increase an existing cover if you're no longer resident in **the UK**, Jersey, Guernsey or Isle of Man. If you remove a cover you may not be able to add it back on at a later date if your circumstances or the circumstances of the **person covered** have changed.

3. General terms and conditions

Source of covers

This cover is issued out of our Ordinary Long-Term Business Fund but is not eligible to participate in the profits of that fund or any other funds.

Membership of Royal London

Neither your cover nor the plan that it is under, entitles you to membership of **Royal London** or participation in profit share.

Cancelling your cover

When your cover starts you have the right to change your mind and cancel your cover. If you do so within 30 days of receiving your cover summary and plan details, we'll refund any premiums you've paid to us. If you cancel after 30 days, your cover will end and you won't get anything back.

You can cancel your cover or the plan that it is under by contacting us. Our address is on page 4 of this booklet. You may also want to contact your bank to cancel your direct debit instruction. You should only do this if you intend to cancel all of the covers under your plan. If you intend to only cancel some of your covers, we'll automatically reduce the amount we collect once those covers have been cancelled.

If the plan that your cover is under is jointly owned, both owners must give us notice. If you've put your plan under trust, or if you've assigned your legal rights under your plan to someone else, the trustees or assignee must give us written notice that they wish to cancel.

If you cancel your cover, or the plan that your cover is under, after 30 days, your cover will end on the day your next premium would be due. You'll still be covered until that date. So, if you've asked us to collect your premium on a different date to the one on which it's due, we'll still collect that premium from you.

Because you are cancelling after the 30 day cancellation period, we won't refund any premiums you've paid to us for the cover you're cancelling.

If you cancel, we'll tell you the date on which your cover will end, and whether you need to pay a final premium.

If you don't pay your final premium:

- we'll cancel your cover from the date your final premium was due,
- you won't be covered from that date, and
- we won't pay any claim under your plan.

EXAMPLE

IF

- your cover started on 1 February,
- you ask us to collect your premium on the 15th day of each month, and
- on 10 April ,for example, you ask us to cancel your cover,

THEN

- we'll collect your premium due on 1 April because this became payable before you asked us to cancel your cover,
- we'll collect this on 15 April because you've asked us to collect your premium on that day, and
- we'll cancel your cover on 1 May because this is the first day on which your next premium would be due.

Cash-in value

Your cover, and the plan that it is under, have no cash-in value at any time. This means that if you cancel your cover or the plan that it is under, after the 30 day cancellation period, you won't get anything back.

Paying claims

We'll pay all claims by direct credit to a bank account or another method we agree with you.

Interest

We'll pay interest if payment of any claim is delayed by more than two calendar months after the claim event. The rate of interest will be the Bank of England base rate less 0.5% a year, with an overall minimum of 0.5% a year, calculated on a daily basis.

Exercise of discretion

We'll act reasonably and in good faith when exercising our discretion to make decisions that relate to your cover.

How we use your personal information

As a customer of **Royal London** we use your information in a number of ways. This is a notice which we are required to give you under the data protection laws. It tells you how **Royal London** will use your personal information.

In this notice we've included the uses that we feel would be most important to you. There's further information in our **full privacy notice on our website**.

How do you use my information?

We use your information, which may be provided by you, through your adviser or from your medical professional, in order to set up and service your plan and meet our legal obligations, such as when:

- Setting up and administering your plan.
- Completing any requests or managing any queries or claims you make.
- Verifying your identity and preventing fraud. This is usually where we have a legal obligation.
- Fulfilling any other legal or regulatory obligations.

We also use your information for activities other than plan administration or to comply with legal obligations. Where we do this we need to have a 'legitimate interest'. Activities are assessed and your rights and freedoms are taken into account to ensure that nothing we do is too intrusive or beyond your reasonable expectations. We use legitimate interests for:

- Researching our customers' opinions and exploring new ways to meet their needs – we use personal information to help us understand that our products, services and propositions suit our customers' needs and meet their expectations, as well as improving your customer experience.

- Assessing and developing our products, systems, prices and brand – we generally combine your information with other customers' in order to check if our products are priced fairly, are suitable for our customers and to check if our communications are easy to understand.
- Sending you marketing information – we don't currently send you marketing information about our products. However, we're looking to start communicating with you more frequently about your plan and also finances in general.
- Monitoring the use of our websites. You can see our cookies policy at **royallondon.com/cookies**.

If we lose touch we'll use a trusted 3rd party to find you and reunite you with your plan, if we can.

We may also monitor and record phone calls for training and quality purposes. This means we have an accurate record of what you tell us to do.

If you want further information about our use of your information for our legitimate interests, you can contact us using the details on page 27. You also have the right to object to any processing done under legitimate interests, which means we may stop using your information in some circumstances.

Who sees and uses my personal information?

Employees of **Royal London** who need to see or work on your plan are given access to your personal information in order to support you. For example, our call centre staff will access your plan details if you call us.

In addition to our own staff we share your information with other companies so that we can administer your plan and provide our services to you. We only use trusted 3rd parties, such as:

- Service providers, for example UnderwriteMe, who we work with to provide our automated underwriting.
- ID authentication and fraud prevention agencies.
- Your authorised financial adviser(s).
- Auditors.
- Reassurers.
- Medical agencies.
- Legal advisers and legal/regulatory bodies.
- Other insurance providers.
- External market research agencies.
- Data Brokers, for example Experian, in order for us to best understand the products that would be most suited to you.

We make sure the use of your information is subject to appropriate protection and we will never sell your information.

Overseas transfers

Depending on the plan you have, some of your personal information might be processed outside of the European Economic Area (EEA). For more information see the full privacy notice on our website.

What are my rights?

- **Access** – You have the right to find out what personal information we hold about you.
- **Rectification** – If any of your details are incorrect or incomplete, you can ask us to correct them for you.
- **Erasure** – You can also ask us to delete your personal information in some circumstances.
- **Object** – If you have concerns about how we're using your information, you have the right to object in some circumstances.
- **Direct marketing** – You have a specific right to object to direct marketing, which we'll always act upon.
- **Restriction** – You have the right to ask us to restrict the processing of your personal information in some circumstances.
- **Data Portability** – In some circumstances, you can ask us to send an electronic copy of the personal information you have provided to us, either to you or to another organisation.

We also make automated underwriting decisions about you when you request a quote or make an **application**. We use the information you provide as part of the **application** to decide what price to offer you. You have a right to ask for a person to reassess any automated underwriting decisions we make. More information can be found at **royallondon.com/protectionprivacy**.

If you wish to exercise any of these rights please contact us in writing using the contact details opposite.

How can I find out more?

Our full privacy notice contains more detail on how we use your information, how long we keep your information for our 'lawful basis' and your rights under data protection laws.

You'll find the full notice at **royallondon.com/privacynotice** or you can call **0800 085 8352** for a recorded version or if you want this in another format.

How to contact our Data Protection Officer (DPO):



GDPR@royallondon.com



Royal London,
Royal London House,
Alderley Park, Congleton
Road, Nether Alderley,
Macclesfield SK10 4EL

When we may change the terms and conditions applying to your cover or cancel your cover

We may make changes to the terms and conditions applying to your cover (including your premiums) in the circumstances set out in the paragraphs numbered 1 to 4 on page 28.

We can separately make changes to how we use your personal information, details of which is set out on pages 24 - 27.

We may update this notice from time to time and we'll alert you to the important updates. It's not meant to be a legal contract between you and **Royal London** and this doesn't affect your rights under data protection laws.

We will, where appropriate, take account of actuarial advice when we make any changes.

We may cancel your cover in the circumstances set out in paragraph 1.

We'll normally give you 90 days' written notice of a change. This may not be possible for changes which are outside our control. We'll give you as much notice as we can in such circumstances.

1. We may make changes to the terms and conditions applying to your cover (including your premiums) or cancel your cover if:

- you don't tell us about changes to any of the answers you or the **person covered** gave in the **application**, or to information provided in relation to your **application**, between the date it was completed and the **date we assume risk** on your cover,
- the **person covered** doesn't provide their consent for us to ask for medical information within six months of the start of your cover from any **doctor** they have consulted about their physical or mental health to check the accuracy of any statement made in, or in connection with, your **application**,
- any question answered or any statement made in, or in connection with, your **application** is inaccurate or misleading and this affects our decision on the cover we're willing to provide,
- you make a claim and we find that you or the **person covered** haven't told us something that affects your cover,
- you don't provide us with the information we request to verify the identity of any person, organisation or bank account required under legislation or regulation within 12 weeks of the date your plan starts, or
- you don't keep your premiums up-to-date.

2. We may make changes to the terms and conditions applying to your cover (including your premiums) that we reasonably consider are proportionate in the circumstances if, because of a change in legislation, regulation or established practice in relation to such legislation or regulations, or any relevant change or circumstance beyond our control:

- it becomes impracticable or impossible to give full effect to the terms and conditions applying to your cover,
- failing to make the change could, in our reasonable opinion, result in **Royal London's** policyholders not being treated fairly, or
- the way that we're taxed or the way that the plan that your cover is under is taxed is changed.

3. We may make changes to the terms and conditions applying to your cover (including your premiums) that we reasonably consider won't adversely affect you. These may include, for example, changes needed to reflect new services or features that we wish to make available to you.

4. We may make changes to the terms and conditions applying to your cover (including your premiums) if we become aware of any error or omission in this plan details booklet. We'll only make such changes to bring the plan details booklet into line with your cover summary or the key facts document relevant to your cover.

Contract

The Personal Menu Plan is a contract between you and **Royal London** based on your **application** to us. These terms and conditions are part of the contract between you and us and should be kept in a safe place. The contract consists of your **application**, these terms and conditions, your cover summary for each cover you buy and any **endorsements** to these terms and conditions that we give you. Where there's a conflict between the terms and conditions and your cover summary, the terms set out in your cover summary will apply.

Mis-statement of age

If when you took out your cover we were told the **person covered** is older than they really are, we'll reduce your premiums to the amount that you would have been charged if we'd been told their correct age, and refund any overpayment you've made. If when you took out your cover we were told the **person covered** is younger than they really are, we'll reduce the amount of cover to the amount that would have been available if we'd been told their correct age. This means that, on a claim, we'll pay an amount which is lower than the amount shown on your cover summary.

Complaints

We hope that you'll never have reason to complain, but if you do, you can contact us using the information on page 4.

We'll always try to resolve complaints as quickly as possible. If we're unable to deal with a complaint within three working days of receiving it, we'll send you a letter to acknowledge your complaint and give you regular updates until your complaint is resolved.

We can give you more information about our complaint handling procedures on request.

We're committed to resolving complaints whenever possible through our complaints procedures. If we can't resolve a matter satisfactorily, you may be able to refer your complaint to the Financial Ombudsman Service.

If you make a complaint we'll send you a leaflet explaining the Financial Ombudsman Service. The leaflet is also available on request or you can contact the Ombudsman directly using the information below.

Financial Ombudsman Service



Exchange Tower,
Harbour Exchange Square,
London E14 9SR



0800 0234 567
(calls to this number are now free on mobile phones and landlines)



0300 1239 123
(calls to this number cost no more than calls to 01 and 02 numbers)



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



financial-ombudsman.org.uk

The Financial Ombudsman Service has been set up by law to help settle individual disputes between consumers and financial firms. They can decide if we've acted wrongly and if you've lost out as a result. If this is the case they'll tell us how to put things right and whether this involves compensation. Their service is independent, free of charge and we'll always abide by their decision. If you make a complaint, it won't affect your legal rights.

If we can't meet our liabilities

Your plan is covered by the Financial Services Compensation Scheme. You may be entitled to compensation if we're unable to pay claims due to, for example, insolvency. This depends on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme **www.fscs.org.uk**.

Law

The law of England and Wales applies to your cover and the plan that it is under.

Notices of assignment

If you assign any of your legal rights relating to the plan that your cover is under to someone else, we must see notice of the assignment. Please send the notice to the address on page 4.

An assignment could take place when you're using the plan as security for a loan or have put the plan your cover is under in trust.

Rights of third parties

No term of your contract is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to your contract but this doesn't affect any right or remedy of a third party which may exist or be available otherwise than under that Act.

4. Definitions of the words we use

This section explains all of the words in **bold** found within this booklet.

Application

This is the application to **Royal London** completed either on paper, online or over the phone containing the information and the answers to the questions that we have used to set up your cover and includes any related information provided to us (or to the medical examiner for **Royal London** or a third party acting on behalf of **Royal London**). Any data capture form used by your financial adviser in order to then complete your online **application** doesn't form part of your **application**.

Appropriate medical specialist

For the purposes of this cover is a consultant employed at a hospital within the geographical limits listed below who is a specialist in an area of medicine appropriate to the cause of the claim.

- **The UK**
- Australia
- Austria
- Belgium
- Bulgaria
- Canada
- Channel Islands
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Gibraltar
- Greece
- Hong Kong
- Hungary
- Iceland
- Ireland
- Isle of Man
- Italy
- Japan
- Latvia
- Liechtenstein
- Lithuania
- Luxembourg
- Malta
- The Netherlands
- New Zealand
- Norway
- Poland
- Portugal
- Slovakia
- Slovenia
- South Africa
- Spain
- Sweden
- Switzerland
- USA

Bone fracture

Bone fracture means any of the following types of fracture:

- Fracture of the collar bone
- Fracture of one or more ribs
- Fracture of the cheekbone
- Fracture of the shoulder blade
- Fracture of the sternum
- Fracture of the wrist
- Fracture of the hand (excluding fingers and thumbs)
- Fracture of the foot (excluding toes)
- Fracture of the jaw
- Fracture of the vertebra
- Fracture of the pelvis
- Fracture of the ankle
- Closed fracture of the skull
- Fracture of the arm
- Fracture of the lower leg
- Open fracture of the skull
- Fracture of the upper leg
- Fracture of the knee

Cover payment period

The length of time we'll pay your claim. This is shown on your cover summary.

Date we assume risk

The date we assume risk is the date **Royal London** is asked to start the plan your cover is under or the actual date the plan your cover is under starts, if this is later.

Deferred period

The period of time between when the **person covered** first meets the requirements of our definition of **incapacitated** and when you will receive your first payment from us. The **deferred period** is shown in the additional features section of your cover summary.

If:

- the **person covered** meets our definition of an **NHS medical** professional, and
- your cover summary shows a **deferred period** of 52 weeks,

the **deferred period** ends when their earnings reduce in accordance with their length of service, but only in respect of any earnings subject to a sick pay structure that matches that of the NHS at the time the **person covered** first meets our definition of **incapacitated**.

In this situation, this will supersede the **deferred period** shown on your cover summary.

Deferred periods for NHS medical professionals

If you are an **NHS medical professional**, the sick pay you receive is based on your length of service as shown in the table below:

	Full Pay	Half Pay
During the 1st year of service	1 month	2 months
During the 2nd year of service	2 months	2 months
During the 3rd year of service	4 months	4 months
During 4th and 5th year of service	5 months	5 months
After 5 years of service	6 months	6 months

If you have chosen a **deferred period** of 52 weeks we'll start paying your claim sooner than this, when the **person covered's** pay first reduces to half pay. For example, if the **person covered** has been **working** for the NHS for 2 and a half years, we'll start paying your claim after 4 months.

Unless you have a connected claim (see pages 8 and 11) or the **person covered** is diagnosed with a **terminal illness**, we won't pay a claim until the end of the **deferred period**.

Doctor

For the purposes of this policy, we define a doctor as someone who is

- **employed in the UK** as a doctor, and
- is registered (or provisionally registered) with the General Medical Council, and
- has a current licence to practise in **the UK**.

Employed

The **person covered** working for remuneration under a contract of employment and, if in **the UK**, paying class 1 National Insurance contributions.

Endorsements

Means those documents used to add additional information to your cover to amend existing wording which become part of the terms and conditions of your cover. We'll send an endorsement to you only if we've the ability to make certain types of changes to your cover.

Exclusion

Means a reason shown on your cover summary when we won't pay a claim.

Full-time

Means the **person covered** is in a full-time (more than 16 hours each week) paid **occupation**.

Incapacitated or Incapacity

We'll pay if the **person covered** meets the requirements of our definition of **incapacitated** or **incapacity**.

For the purpose of the requirements, own **occupation** means the trade, profession or type of **work** that the **person covered** does for profit or pay. It isn't a specific job with any particular employer and is irrespective of location and availability.

1. Own Occupation

Loss of the physical or mental ability, before age 70, through an illness or injury to the extent that the **person covered** is unable to do the material and substantial duties of their own **occupation**. The material and substantial duties are those that are normally required for, and/or form a significant and integral part of, the performance of their own **occupation** that can't reasonably be omitted or modified.

If, immediately before the start of the period of **incapacity**, the **person covered** isn't in **full-time work**, we'll assess the claim based on meeting the serious illness requirements.

2. Serious Illness

If, before age 70, the **person covered** meets any of the following definitions, we'll pay the claim if they're unable to **work** in their own **occupation** in any capacity.

- **Blindness** – **permanent** and irreversible loss of sight to the extent that even when tested with the use of visual aids, vision is measured at 3/60 or worse in the better eye using a Snellen eye chart.

- **Cancer** – undergoing chemotherapy or radiotherapy in hospital or having received one of those treatments in hospital within the last 3 months.
- **Complete dependency** – being totally incapable of caring for oneself, requiring 24 hour medical supervision in a hospital or nursing home.
- **Deafness** – **permanent** and irreversible loss of hearing to the extent that the loss is greater than 95 decibels across all frequencies in the better ear using a pure tone audiogram.
- **Dialysis** – undergoing dialysis in hospital or having received the treatment in hospital within the last 3 months.
- **Organic brain disease** – an organic brain disease or brain injury which:
 - affects the ability to reason and understand; and
 - the condition has deteriorated to the extent that continual supervision and the assistance of another person is required.

If, immediately before the start of the period of **incapacity**, the **person covered** isn't in a **full-time paid occupation** and doesn't meet any of the serious illness requirements, we'll assess the claim based on meeting the everyday task requirements.

3. Everyday Tasks

If, before age 70, the **person covered** is unable to do 3 of the following 9 tasks, we'll pay the claim whilst they're unable to **work** in their own **occupation** in any capacity.

Loss of the physical ability through an illness or injury to do at least 3 of the 9 everyday tasks listed below.

The **person covered** must need the help or supervision of another person and be unable to perform the task on their own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

The everyday tasks are:

- **Sitting** – sit in a chair for at least 30 minutes without unreasonable discomfort.
- **Standing** – stand and perform light tasks such as making a cup of tea, using one hand for support, for a period of at least 5 minutes.
- **Walking** – the ability to walk more than 200 metres 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.
- **Maintaining an ordinary UK driving licence** – reasonable medical opinion prevents the **person covered** obtaining an **ordinary UK driving licence**.
- **Writing** – the manual dexterity to write legibly using a pen or pencil, or type using a desk top personal computer keyboard.

Intentional self-inflicted injury

Means any injury the **person covered** has suffered that is in our reasonable opinion the result of a deliberate act by the **person covered**.

Maximum annual benefit

The maximum annual benefit is the lower of:

- 65% of the first £60,000 of the **person covered's pre-incapacity** earnings plus 50% of their **pre-incapacity** earnings above £60,000, and
- £250,000.

EXAMPLE

If the **person covered** has pre-**incapacity** earnings of £65,000 each year, the maximum annual benefit would be calculated as

$$65\% \times £60,000 + 50\% \times (£65,000 - £60,000) = £41,500$$

If the **person covered** has pre-**incapacity** earnings of £14,500 each year, the maximum annual benefit would be calculated as

$$65\% \times £14,500 = £9,425$$

NHS medical professional

For the purposes of this policy, we define an **NHS medical** professional as someone who:

- is **employed** as a medical professional in **the UK** and whose sick pay arrangements match the NHS sick pay arrangements, and
- is registered (or provisionally registered) with the General Medical Council, General Dental Council or the Nursing & Midwifery Council, and
- if a **doctor** or **surgeon**, has a current licence to practise in **the UK**.

Occupation

Means a trade, profession or type of **work** undertaken for profit or pay. It's not a specific job with any particular employer and is independent of location and availability.

Ordinary UK driving licence

Means a group 1 licence as defined in The Motor Vehicles (Driving Licences) Regulations 1999 as amended by The Motor Vehicles (Driving Licences) (Amendment) Regulations 2012, The Motor Vehicles (Driving Licences) Regulations (Northern Ireland) 1996 and any future amendment to the legislation which defines a group 1 licence.

Permanent

Expected to last throughout life with no prospect of improvement, irrespective of when the cover ends or the **person covered** expects to retire.

Person covered

The person named as such on your cover summary.

Pre-incapacity earnings

If the **person covered** is **employed** this means their total pre-tax earnings for PAYE assessment purposes in the 12 months before they became **incapacitated**.

This may include:

- the taxable value of any of the following benefits shown on form P11D that will be lost as a result of the **person covered's incapacity**:
 - living accommodation where they live and pay council tax
 - company car when used for private use
 - car fuel which is provided for use with their company car

- beneficial loans including loans for travel tickets
- insurance such as critical illness insurance, private medical insurance and accident and travel insurance
- regular bonuses and commission received by them.
- dividends received by them from a private limited company in which they and no more than three other shareholders are **employed** as **full-time** working directors. The dividend amount must:
 - represent their share in the net trading profit of that company from its normal regular business,
 - be consistent with the trading position of the company, and
 - stop being paid as a result of **incapacity**.
- the salary or dividends received by the **person covered's** spouse or cohabiting partner where the **person covered** is **employed** by the same company as them. The spouse or cohabiting partner of the **person covered** must not be generating any profit for the company and their salary would need to be a nominal amount, no more than the income tax personal allowance at the point of claim.

As of tax year 2025/2026 the allowance is £12,570 per year. This may change in future tax years. Up to date allowance figures can be found at www.gov.uk/income-tax-rates.

Any dividend amount received by a spouse or cohabiting partner must:

- represent their share in the net trading profit of that company from its normal regular business,
- be consistent with the trading position of the company, and
- stop being paid as a result of the **person covered's incapacity**.

Any salary, dividends or any form of private disability benefits being received by the **person covered's** spouse or cohabiting partner when the **person covered** meets the requirements of our definition of **incapacitated** will be treated as continuing income for the **person covered** for claims assessment purposes.

If the **person covered** is an **NHS medical** professional and is on sabbatical this means their total pre-tax earnings for PAYE assessment purposes which are subject to a sick pay structure that matches the NHS sick pay structure in the 12 months before their sabbatical started.

Fixed Costs Flexibility for Self Employed

If the **person covered** is **self-employed** this means:

- their total share of pre-tax profit from their trade, profession or vocation for the purposes of Part 2 of the Income Tax (Trading and Other Income) Act 2005 for the 12 months before they became **incapacitated**, and

- their share of the amount of any regular or fixed payment the **person covered** is required to make:
 - by legislation,
 - by regulation,
 - under a contract to purchase goods or receive services, or
 - in respect of a loan, mortgage or credit agreement used to purchase premises, plant, machinery, raw materials or equipment,

that is necessary for the continuous operation of their trade, profession or vocation and has been paid for at least the last 12 months at the time the **person covered** first met the requirements of our definition of **incapacitated**, but only for so long as the **person covered** remains liable for those payments. This means that if the **person covered** is no longer liable for one or more of these payments, we'll reduce the amount that can be included as pre-**incapacity** earnings accordingly and we may reduce how much we'll pay.

The following amounts are not included. Any amount payable:

- to or for the benefit of a person **employed** by the **person covered** under a contract of employment,
- in respect of national insurance or any tax other than:
 - business rates,
 - vehicle excise duty in respect of a vehicle used for the purposes of the **person covered's** trade, profession or vocation,

- insurance premium tax, or
- value added tax, or
- in respect of any contract to purchase goods or receive services, loan, mortgage or credit agreement entered into or renewed after the **person covered** first met the requirements of our definition of **incapacitated**.

If the **person covered's** earnings vary significantly from one year to another, for example because they are made up mainly of commission or bonuses, we'll use their average earnings over the last three years immediately before the claim.

Income received from savings and investments aren't included in our definition of pre-**incapacity** earnings.

To understand the total amount we will pay when utilising the fixed costs element, please refer to the 'How much we will pay' section on page 13.

Retail price index

This is the percentage increase in the **UK** government's retail price index (or if that index is no longer available, such other index as we reasonably determine to be equivalent) over the 12-month period ending three months before the anniversary of the date the plan your cover is under started, subject to a minimum of 2% and a maximum of 10%.

Royal London

The Royal London Mutual Insurance Society Limited.

Royal London Group

Royal London and its subsidiaries.

Self-employed

The **person covered** working:

- alone,
- or with others in partnership,
- or as a member of a limited liability partnership, and
- if in **the UK**, paying class 2 National Insurance contributions and being assessable to income tax under Part 2 of the Income Tax (Trading and Other Income) Act 2005.

Sabbatical

A career break of no more than 12 months whereby:

- the **person covered** meets our definition of an **NHS medical professional**,
- more than 12 months have passed since the cover began, and
- the **person covered** has been working for the NHS for at least 12 consecutive months prior to the sabbatical.

Standard terms

Your cover is on **standard terms** unless we've charged an extra premium or applied an **exclusion** to your cover.

Surgeon

For the purposes of this policy, we define a surgeon as someone who is

- **employed** in **the UK** as a surgeon, and
- is registered (or provisionally registered) with the General Medical Council, and
- has a current licence to practise in **the UK**.

Term of the cover

The period between the date your cover starts (as shown on your cover summary) and the date your cover ends. Unless the **person covered** dies, the date your cover ends is the date shown on your cover summary.

Terminal Illness

Terminal illness – where death is expected within 12 months.

A definite diagnosis by the attending consultant of an illness that satisfies both of the following:

- the illness either has no known cure or has progressed to the point where it cannot be cured, and
- in the opinion of the attending consultant the illness is expected to lead to death within 12 months.

For us to accept the diagnosis of the **person covered** as evidence of a claim, it must be:

- made by an **appropriate medical specialist**
- the first and unequivocal diagnosis of the illness, and
- confirmed by our chief medical officer.

The UK

Means Scotland, England, Wales and Northern Ireland.

Work

Being **employed** or **self-employed** or, if the **person covered** is an **NHS medical professional**, being on sabbatical.



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**We're happy to provide your documents in
a different format, such as braille, large print or audio,
just ask us when you get in touch.**

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