bright grey®

**Protection.** We make it personal

## Plan details for the Personal Protection Menu (February 2015)

# This booklet sets out the terms and conditions of your plan – how it works, what you can expect us to do, and what we expect you to do.

Bright Grey is a division of Royal London. The Royal London Group consists of The Royal London Mutual Insurance Society Limited and its subsidiaries.

These terms and conditions are part of the contract between you and Royal London, on behalf of Bright Grey. The contract is governed by the following documents:

- This booklet
- Each cover summary we give you which refers to the plan details for the Personal Protection Menu (February 2015)
- Any endorsements to these terms and conditions that we give you

All of these documents are proof of the terms of the contract and are important. Please keep them in a safe place.

We give this booklet to everyone when they buy a Personal Protection Menu plan. Not only will it give you all the details about the covers you've bought, it will also give you important information about keeping your payments up-to-date, what to do if you want to make a change, and how to go about making a claim. It gives details of your plan, subject to any additional features shown in your cover summary. It can also be used by customers who are thinking about buying a Personal Protection Menu plan and want more detailed information.

**What you'll find in this document**

# SECTION A:
# About the Personal Protection Menu

In this section we tell you about your plan, the options available and how to tell us about changes

This section of the plan details gives you an overview of the different covers that make up the Personal Protection Menu and what options are available for these covers. Unlike the rest of the booklet, it's not part of the plan's legally binding terms and conditions.

## A1 Telling us about changes

Please remember to tell us if:

- You stop being resident in the UK
- You change your name
- You change your address
- You change your bank account

It's also important that you tell us if there's a change to any of the answers to the questions within the application (including in relation to your health, occupation or leisure activities) between completing this form and the date we assume risk on your plan. We'll give you a copy of your application form, 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.

You can:

- Phone us on 0845 6094 500
- Email us at help@brightgrey.com
- Fax us on 0845 6094 523
- Write to us at Customer Care Team, Bright Grey, 2 Queen Street, Edinburgh, EH2 1BG
- Visit us at www.brightgrey.com

If you call us, we may record or monitor your call so we have an accurate record of your instructions.

Please contact us as soon as possible if you're claiming on a cover so that we can deal with your claim as quickly as possible.

## A2 The covers

The Personal Protection Menu offers a range of covers. You can choose just one cover, or a combination, to suit your own particular situation. And as your needs change, you'll be able to add or remove or adapt your covers so that they provide exactly what you need.

| The cover | When it pays out |
|---|---|
| **Life Cover** | **If someone dies or is diagnosed with a terminal illness that meets our definition.** |
| **Critical Illness Cover** | **If someone is diagnosed with a critical illness or Total Permanent Disability that meets our definition.** |
| **Life or Critical Illness Cover** | **If someone dies, or is diagnosed with a terminal illness, critical illness or Total Permanent Disability that meets our definition.** |
| **Income Cover for Sickness** | **If someone can't work because of illness or injury and meets our definition of incapacitated.** |
| **Payment Cover for Sickness** | **If someone can't work because of illness or injury and meets our definition of incapacitated, we'll make their plan payments for them. We automatically add this if you choose Income Cover for Sickness.** |

If you're deciding what cover you need, the first thing to do is choose one or more covers from the list above. You can find all the details about these covers in this booklet. Once you've chosen your covers, you can apply using just one application form. The covers you've chosen will then be grouped into one plan. Your plan will represent the protection you have with Bright Grey.

In some circumstances, we'll set up multiple covers using separate plan numbers. Each one will also be detailed on a separate cover summary (this is the document we send you confirming the cover you've bought).

## A3 The options

Many of the covers you can choose for your Personal Protection Menu include different options to make your plan even more flexible. These are shown in the table below and on the next page.

| What can vary | The options | Life Cover | Critical Illness Cover | Life or Critical Illness Cover | Income Cover for Sickness | Payment Cover for Sickness | What the options mean |
|---|---|---|---|---|---|---|---|
| **Which person is covered, and when we pay the cover** | **Single life** | ● | ● | ● | ● | ● | **'Single life' means only one person is covered.** |
| | **Joint life first event** | ● | ● | ● | | ● | **'Joint life' means 2 people are covered.**<br>**'First event' means we'll only pay the first time the event happens.** |
| **Term of cover** | **1-72 years** | ● | | | | ● | **How long the cover lasts for.** |
| | **1-50 years** | | | ● | | | |
| | **5-50 years** | | ● | | | | |
| | **5-48 years** | | | | ● | | |
| **Maximum amount of cover** | **£10,000,000*** | ● | | | | | **You can apply for any amount up to whichever is the lower of the amounts shown.**<br>* If your cover is payable as regular payments, any commuted value can't be more than the amount shown. The commuted value is the amount we'd pay you as a lump sum instead of regular payments, if you ask us to. The commuted value depends on the amount of the payment and the term of cover you choose. The higher the payment and the longer the term, the higher the commuted value will be.<br>**O = Only if you have chosen increasing cover.** |
| | **£3,000,000*** | | ● | ● | | | |
| | **£1,200,000** | | O | O | | | |
| | **50% of pre-tax earnings** | | | | ● | | |
| | **£12,500 each month** | | | | ● | | |
| | **£1,400 each month if not working** | | | | ● | | |
| **Maximum age when the cover starts** | **59** | | | | ● | | **The oldest the person covered can be when the cover starts (attained age).** |
| | **69** | | ● | ● | | | |
| | **88** | ● | | | | ● | |
| **Maximum age when the cover ends** | **65** | | | | ● | | **The oldest the person covered can be when the cover ends (attained age).** |
| | **84** | | ● | ● | | | |
| | **89** | ● | | | | ● | |

## A3 The options – continued

| What can vary | The options | Life Cover | Critical Illness Cover | Life or Critical Illness Cover | Income Cover for Sickness | Payment Cover for Sickness | What the options mean |
|---|---|---|---|---|---|---|---|
| Payment of the cover | Level lump sum | ● | ● | ● | | | 'Lump sum' means the cover is paid as a single amount. |
| | Increasing lump sum, increasing by a selected rate (2-5%) | ● | ● | ● | | | 'Increasing' means the cover will go up each year by the rate agreed. |
| | Increasing lump sum, increasing by retail price index (RPI) (2-10%) | ● | ● | ● | | | |
| | Decreasing lump sum | ● | ● | ● | | | 'Decreasing' means the cover will go down each month in line with a repayment mortgage that has an annual interest rate shown on your cover summary (0-15%). |
| | Decreasing lump sum, decreasing in line with the mortgage repayment guarantee | ● | ● | ● | | | Providing the term and amount of your cover is the same as the term and amount of your mortgage, we'll pay your outstanding mortgage. |
| | Level income | ● | ● | ○ | ● | | 'Income' means the cover is paid as a regular payment each month. |
| | Increasing income, increasing by a selected rate (2-5%) | ● | ● | ○ | ● | | ○ = Only available if your payments are reviewable. |
| | Increasing income, increasing by retail price index (RPI) (2-10%) | ● | ● | ○ | ● | | |

## A3 The options – continued

| What can vary | The options | Life Cover | Critical Illness Cover | Life or Critical Illness Cover | Income Cover for Sickness | Payment Cover for Sickness | What the options mean |
|---|---|---|---|---|---|---|---|
| Whether payments change or not | Guaranteed payments | ● | ● | ● | ● | ● | 'Guaranteed' means your payments into the plan won't change unless your cover changes. |
| | Reviewable after 5 years | | ● | ● | | | 'Reviewable' means we can review your payments and may change them. |
| Definition of Total Permanent Disability or incapacitated (section D) | Own occupation | | ● | ● | ● | ● | 'Own occupation' means the essential duties of your own occupation (see section D). |
| | Working tasks | | ● | ● | | | 'Working tasks' means common tasks to do with work (see section D). |
| | 1 year own occupation | | | | ● | ● | '1 year own occupation' means the essential duties of your own occupation paid for the first 12 monthly payments of cover together with the serious illness and everyday tasks definitions (see section D). |
| Deferred period | 4, 13, 26 or 52 weeks | | | | ● | ● | The time before we'll start paying a claim if you're not working because of illness or injury. |
| Cover payment period | Throughout | | | | ● | ● | The length of time we pay your claim. |
| | 1 year | | | | ● | | |
| | 2 years | | | | ● | | |
| Cover increase options (section C3.2) | Marriage | ● | ● | ● | ● | | If we accept your plan on standard terms, you can increase your cover without any medical evidence if any of these events happen. The increase is subject to the limits set out in section C3.2. |
| | Increase in mortgage | ● | ● | ● | ● | | |
| | Birth or adoption of a child | ● | ● | ● | ● | | |

## A3 The options – continued

| What can vary | The options | Life Cover | Critical Illness Cover | Life or Critical Illness Cover | Income Cover for Sickness | Payment Cover for Sickness | What the options mean |
|---|---|---|---|---|---|---|---|
| Joint life separation option (section C3.3) | Included automatically on joint plans used for mortgage protection | ● | ● | ● | | ● | You can replace a joint plan with 2 single plans if you and your partner separate or divorce. |
| Joint life reinstatement option (section C3.4) | Included automatically on joint life covers | ● | ● | ● | | | If there's a claim for one person, the other person can replace that cover within 3 months of the claim being paid. |
| Life Cover reinstatement option (section C3.5) | You can choose whether to add this to your plan | | | O | | | 12 months after a claim for critical illness you can reinstate your Life Cover without any medical evidence.<br><br>O = Only available if your payments are reviewable. |
| Additional Conditions Cover | Included automatically if you choose Critical Illness Cover or Life or Critical Illness Cover | | ● | ● | | | Pays up to £15,000 if the person covered is diagnosed with an additional condition. |
| Children's Critical Illness Cover | Included automatically if you choose Critical Illness Cover or Life or Critical Illness Cover | | ● | ● | | | Pays up to £25,000 if any of your children are diagnosed with a critical illness or Total Permanent Disability. |

# SECTION B:
# Paying claims

## B1.1 When we'll pay a claim

| What's shown in your cover summary | When we'll pay a claim |
|---|---|
| **If your cover summary shows you have** Life Cover | We'll pay a claim if the person covered (or if there are 2 people covered, either of them), dies or meets our definition of terminal illness (defined in section D) during the term of the cover. |
| **If your cover summary shows you have** Critical Illness Cover | We'll pay a claim if, during the term of the cover, the person covered (or if there are 2 people covered, either of them):<br>• meets our definition of any of the critical illnesses listed in section D; or<br>• meets our definition of Total Permanent Disability (defined in section D), if Total Permanent Disability is shown on your cover summary. |
| **If your cover summary shows you have** Life or Critical Illness Cover | We'll pay a claim if, during the term of the cover, the person covered (or if there are 2 people covered, either of them):<br>• dies or meets our definition of terminal illness (defined in section D);<br>• meets our definition of any of the critical illnesses listed in section D; or<br>• meets our definition of Total Permanent Disability (defined in section D), if Total Permanent Disability is shown in your cover summary. |
| **If your cover summary shows that you have Critical Illness Cover, or Life or Critical Illness Cover (each a main cover), your cover automatically includes** Additional Conditions Cover | We'll pay a claim if, during the term of the main cover, the person covered (or if there are 2 people covered, either of them):<br>• meets our definition of any of the additional conditions listed in section D.<br><br>Payment of Additional Conditions Cover doesn't affect the amount of any main cover. |
| **If your cover summary shows that you have Critical Illness Cover, or Life or Critical Illness Cover (each a main cover), your cover automatically includes** Children's Critical Illness Cover | We'll pay a claim if, during the term of the main cover, a child of the person covered (or if there are 2 people covered, a child of either of them):<br>• meets our definition of any of the critical illnesses listed in section D; or<br>• meets our definition of Total Permanent Disability (defined in section D).<br><br>Payment of Children's Critical Illness Cover doesn't affect the amount of any main cover. |

After we've paid a claim for Life Cover, Critical Illness Cover, or Life or Critical Illness Cover, the cover is cancelled and we won't make any further payment.

## B1.1 When we'll pay a claim – continued

| What's shown in your cover summary | When we'll pay a claim |
|---|---|
| **If your cover summary shows you have Income Cover for Sickness** | We'll start paying this cover if the person covered meets our definition of incapacitated (defined in section D) for a continuous period longer than the deferred period shown in your cover summary, during the term of your cover.<br><br>We'll continue paying this cover until the earliest of the following events happens:<br>• the person covered no longer meets our definition of incapacitated;<br>• the person covered returns to any work;<br>• the cover payment period ends, if one is shown in the additional features of your cover summary;<br>• the cover ends; or<br>• the person covered dies.<br><br>We may ask the person covered to be examined by a doctor or relevant allied health specialist of our choice. We may ask for any other reasonable evidence we need to consider the claim, or to confirm that the person covered remains incapacitated.<br><br>**Connected claims**<br>A connected claim happens if we start to pay a claim, and the person covered then goes back to work but has to stop work again within the next 52 weeks. We'll treat the further period of incapacity as a connected claim and start to pay the cover straight away provided that:<br>• the person covered didn't go back to work against the advice of their doctor;<br>• the person covered is incapacitated from the same cause as the original claim;<br>• the person covered is still working in the same occupation at the time the further period of incapacity starts; and<br>• you tell us within 2 weeks of the date the person covered stops work again.<br><br>The definition of incapacitated we'll use to assess a connected claim is the definition that would have applied if the 2 periods of incapacity had been a single period.<br><br>If your cover summary shows that the own occupation definition applies, we'll start to pay the cover again straight away.<br><br>If your cover summary shows that the 1 year own occupation definition applies and we'd paid 12 monthly payments of cover before the person covered returned to work, we'll only start to pay the cover again if the person covered meets the requirements of either the serious illness or everyday tasks definition of incapacitated. |

# SECTION B:
# Paying claims – continued

## B1.1 When we'll pay a claim – continued

| What's shown in your cover summary | When we'll pay a claim |
|---|---|
| **If your cover summary shows you have Income Cover for Sickness** | If your cover summary shows that the 1 year own occupation definition applies and we hadn't paid 12 monthly payments of cover before the person covered returned to work, we'll use the 1 year own occupation definition until we've made 12 monthly payments of cover. We'll then reassess the claim and will only continue to pay the cover if the person covered meets the requirements of either the serious illness or everyday tasks definition of incapacitated.<br><br>We'll only pay a connected claim for the remainder of the cover payment period if:<br>• there's a cover payment period shown in the additional features; and<br>• the person covered returns to work within this period.<br><br>We'll calculate the remainder as the cover payment period less the number of months for which your claim was paid before the person covered returned to work.<br><br>If there's a cover payment period shown in the additional features and the person covered returns to work after the end of this period, we won't pay any further claim for any cause until the person covered has returned to work continuously for at least 52 weeks. |
| **If your cover summary shows you have Payment Cover for Sickness** | We'll start paying this cover if the person covered (or if there are 2 people covered, either of them), meets our definition of incapacitated (defined in section D) for longer than the deferred period, during the term of your cover.<br><br>If there's more than one person covered and both people covered meet our definition of incapacitated at the same time, we'll only cover the payment once.<br><br>We'll continue paying this cover until the earliest of the following events happens:<br>• the person covered no longer meets our definition of incapacitated;<br>• the person covered returns to any work;<br>• the cover ends; or<br>• the person covered dies.<br><br>We may ask the person covered to be examined by a doctor or relevant allied health specialist of our choice. We may ask for any other reasonable evidence we need to consider the claim, or to confirm that the person covered remains incapacitated. |

## B1.1 When we'll pay a claim – continued

| What's shown in your cover summary | When we'll pay a claim |
|---|---|
| **If your cover summary shows you have Payment Cover for Sickness continued** | **Connected claims**<br>A connected claim happens if we start to pay a claim, and the person covered then goes back to work but has to stop work again within the next 52 weeks. We'll treat the further period of incapacity as a connected claim and start to pay the cover straight away provided that:<br>• the person covered didn't go back to work against the advice of their doctor;<br>• the person covered is incapacitated from the same cause as the original claim;<br>• the person covered is still working in the same occupation at the time the further period of incapacity starts; and<br>• you tell us within 2 weeks of the date the person covered stops work again.<br><br>The definition of incapacitated we'll use to assess a connected claim is the definition that would have applied if the 2 periods of incapacity had been a single period.<br><br>If your cover summary shows that the own occupation definition applies, we'll start to pay the cover again straight away.<br><br>If your cover summary shows that the 1 year own occupation definition applies and we'd paid 12 monthly payments of cover before the person covered returned to work, we'll only start to pay the cover again if the person covered meets the requirements of either the serious illness, everyday or living tasks definition of incapacitated.<br><br>If your cover summary shows that the 1 year own occupation definition applies and we hadn't paid 12 monthly payments of cover before the person covered returned to work, we'll use the 1 year own occupation definition until we've made 12 monthly payments of cover. We'll then reassess the claim and will only continue to pay the cover if the person covered meets the requirements of either the serious illness, everyday or living tasks definition of incapacitated. |

# SECTION B:
# Paying claims – continued

## B1.2 When we won't pay a claim

| What's shown in your cover summary | When we won't pay a claim |
|---|---|
| **If your cover summary shows you have Life Cover** | We won't pay a claim if:<br>• the claim is for death and it's the result of intentional self-inflicted injury (defined in section D) within 12 months of the date cover started or the latest restart under section C2.3 (this doesn't affect the payment of the cover to any recognised lending institution to whom the plan has been assigned for mortgage or loan purposes);<br>• the claim is for terminal illness and the person covered doesn't meet our definition of terminal illness (defined in section D); or<br>• it's the result of any excluded cause shown on your cover summary. |
| **If your cover summary shows you have Critical Illness Cover** | We won't pay a claim if:<br>• the person covered dies within 14 days of meeting one of our critical illness or Total Permanent Disability definitions;<br>• it's the result of intentional self-inflicted injury (defined in section D);<br>• the person covered doesn't meet the definition of critical illness or Total Permanent Disability in section D; or<br>• it's the result of any excluded cause shown on your cover summary. |
| **If your cover summary shows you have Life or Critical Illness Cover** | We won't pay a claim if:<br>• the claim is for death and it's the result of intentional self-inflicted injury (defined in section D) within 12 months of the date cover started or the latest restart under section C2.3 (this doesn't affect the payment of the cover to any recognised lending institution to whom the plan has been assigned for mortgage or loan purposes);<br>• the claim is for terminal illness and the person covered doesn't meet our definition of terminal illness (defined in section D);<br>• the claim is for critical illness or Total Permanent Disability and it's the result of intentional self-inflicted injury (defined in section D);<br>• the claim is for critical illness or Total Permanent Disability and the person covered doesn't meet the definition of critical illness or Total Permanent Disability in section D; or<br>• it's the result of any excluded cause shown on your cover summary. |

## B1.2 When we won't pay a claim – continued

| What's shown in your cover summary | When we won't pay a claim |
|---|---|
| **If your cover summary shows you have Critical Illness Cover, or Life or Critical Illness Cover (each a main cover), your cover automatically includes** Additional Conditions Cover | We won't pay a claim if:<br>• it's the result of intentional self-inflicted injury (defined in section D);<br>• the person covered dies within 14 days of meeting an additional condition definition in section D;<br>• the person covered doesn't meet the definition of an additional condition in section D; or<br>• it's the result of any excluded cause shown on your cover summary.<br><br>If your Critical Illness Cover or Life or Critical Illness Cover is cancelled or comes to the end of its term, Additional Conditions Cover will no longer apply. If the person covered meets a critical illness definition in section D, we won't accept a claim under Additional Conditions Cover. |
| **If your cover summary shows you have Critical Illness Cover, or Life or Critical Illness Cover (each a main cover), your cover automatically includes** Children's Critical Illness Cover | We won't pay a claim if:<br>• you were aware of an increased risk of your child suffering the critical illness before the start date of the plan, or before the latest restart under section C2.3 (for example if you had received counselling or medical advice in relation to the critical illness before the plan started);<br>• symptoms relating to the critical illness had arisen before the start date of the plan or before the latest restart under section C2.3;<br>• the child dies within 14 days of meeting one of the critical illness or Total Permanent Disability definitions;<br>• the child is over the age of 21 years when the claim event occurs;<br>• the child doesn't meet the definition of critical illness or Total Permanent Disability in section D; or<br>• it's the result of intentional self-inflicted injury (defined in section D).<br><br>Additional Conditions Cover is not included in Children's Critical Illness Cover.<br><br>If your Critical Illness Cover or Life or Critical Illness Cover is cancelled or comes to the end of its term, Children's Critical Illness Cover will no longer apply. |

# SECTION B:
# Paying claims – continued

## B1.2 When we won't pay a claim – continued

| What's shown in your cover summary | When we won't pay a claim |
|---|---|
| **If your cover summary shows you have Income Cover for Sickness** | We won't pay a claim if:<br>• it's the result of intentional self-inflicted injury (defined in section D);<br>• it's the result of an excluded cause shown on your cover summary;<br>• the person covered doesn't meet the definition of incapacitated in section D; or<br>• if any medical or other evidence is not supplied when we ask for it.<br><br>If the person covered is permanently resident outside of the UK, Channel Islands or Isle of Man:<br>• we'll cancel the cover and won't pay any claim.<br><br>You must therefore tell us if the person covered no longer lives in the UK, Channel Islands or Isle of Man.<br><br>If the person covered is temporarily resident outside of the UK, Channel Islands or Isle of Man (for example, because they're travelling on business or for pleasure, or because they've taken up a temporary secondment with the same employer):<br>• we'll only pay a claim for a maximum of 12 months, unless they return to the UK, Channel Islands or Isle of Man for the remainder of the duration of the claim.<br><br>You must therefore tell us if the person covered temporarily works or resides outside the UK, Channel Islands or Isle of Man. |
| **If your cover summary shows you have Payment Cover for Sickness** | We won't pay a claim if:<br>• it's the result of intentional self-inflicted injury (defined in section D);<br>• it's the result of an excluded cause shown on your cover summary;<br>• the person covered doesn't meet the definition of incapacitated in section D; or<br>• if any medical or other evidence is not supplied when we ask for it. |

## B1.3 How much we'll pay – Life Cover, Critical Illness Cover and Life or Critical Illness Cover

| What's shown in your cover summary | How much we'll pay |
|---|---|
| **Cover payable as a level lump sum or level regular payments** | We'll pay the amount of cover shown on your cover summary.<br><br>For level regular payments we'll pay this in equal monthly instalments until your cover ends. |
| **Cover payable as an increasing lump sum or increasing regular payments** | We'll pay whichever of the following amounts of cover is the greater:<br>a) the amount shown on your cover summary;<br>b) the amount we've written to tell you following an increase.<br><br>For increasing regular payments:<br>• this amount will continue to increase on each anniversary of the date the plan started by the rate shown in the additional features;<br>• we'll pay this in equal monthly instalments until your cover ends. |
| **Cover payable as a decreasing lump sum, and the additional features show that the mortgage repayment guarantee applies** | If<br>• you took out this cover in connection with a capital and interest loan or mortgage;<br>• the term of the loan or mortgage is the same as the term of the cover at the date cover started;<br>• the amount of the loan or mortgage was the same as the amount of cover shown on your cover summary on the date cover started; and<br>• if you change the amount or term of the loan or mortgage you also change the amount of cover or term of the cover by the same amount;<br><br>subject to the conditions below, we'll pay a lump sum equal to the amount outstanding under the loan or mortgage at the date the claim becomes payable less any arrears of capital or interest. You'll be liable for any arrears, as they're not covered under this plan. |

If your cover is payable as regular payments, you or your personal representatives may ask us to pay a commuted value instead. A commuted value is the amount we'd give you as a lump sum straightaway instead of making regular payments. We'll consider any request when a claim is made or while we're paying a claim.

We'll work out the commuted value by first of all multiplying the regular monthly payment by the number of months remaining until the date your cover ends. We'll then reduce this amount to reflect the fact that you'll be getting all the regular payments early. The reduction will be fair and reasonable and, if you ask us to calculate a commuted value, we'll tell you how much the reduction will be. The commuted value will be less than the total amount of the regular payments.

**B1.3 How much we'll pay – Life Cover, Critical Illness Cover and Life or Critical Illness Cover – continued**

| What's shown in your cover summary | How much we'll pay |
|---|---|
| **Cover payable as a decreasing lump sum, and the additional features show that the mortgage repayment guarantee applies continued** | If<br>• any of the above don't apply;<br>• the loan or mortgage repayments have been suspended for a period, reduced or increased, other than as a result of an interest rate change; or<br>• you've repaid the loan or mortgage at the time of the claim;<br><br>we'll pay a lump sum equal to the amount that would have been outstanding on a capital and interest loan or mortgage if:<br>• the loan or mortgage was equal to the amount of cover on the date cover started;<br>• it had a term equal to the term of the cover;<br>• it had a yearly interest rate equal to 6%; and<br>• equal monthly repayments sufficient to repay the loan or mortgage over the term of the cover had been made between the date the cover started and the date the claim becomes payable.<br><br>The amount of cover will therefore decrease each month.<br><br>The amount of cover may not be enough to pay off the loan or mortgage if the interest rate of the loan or mortgage has changed. |
| **Cover payable as a decreasing lump sum, and the additional features show a mortgage interest rate** | We'll pay the amount that would have been outstanding on a loan or mortgage if:<br>• the loan or mortgage was equal to the amount of cover on the date cover started;<br>• it had a term equal to the term of the cover;<br>• it had a yearly interest rate equal to that shown in the additional features; and<br>• equal monthly repayments sufficient to repay the loan or mortgage over the term of the cover had been made between the date cover started and the date the claim becomes payable.<br><br>The amount of cover will therefore decrease each month.<br><br>The amount of cover may not be enough to pay off the loan or mortgage if the interest rate of the loan or mortgage has changed. |

We work out the amount of cover from the date the claim becomes payable. We won't take into account any change to the amount of cover after this date.

## B1.3 How much we'll pay – Additional Conditions Cover

| What's shown in your cover summary | How much we'll pay |
|---|---|
| **If your cover summary shows you have Critical Illness Cover, or Life or Critical Illness Cover (each a main cover), your cover automatically includes** Additional Conditions Cover | For any main cover in force at the time Additional Conditions Cover becomes payable, we'll pay whichever of the following amounts is lower:<br>• if the main cover is payable as a lump sum, 20% of the amount of cover at the date we accept the Additional Conditions Cover claim; or<br>• if the main cover is payable as regular payments, 20% of the amount of cover at the date we accept the Additional Conditions Cover claim, multiplied by the remaining full years of the term of the cover; or<br>• £15,000.<br><br>We'll pay Additional Conditions Cover as a lump sum.<br><br>If your plan includes more than one main cover, the limits detailed above apply to the total amount of all these covers, and we'll make only one payment for each person covered for each additional condition.<br><br>The above limits apply across all plans you have or had with us:<br>• on the life of the same person where these provide or provided the same or similar Additional Conditions Cover and we'll make only one payment for each person covered for each additional condition.<br><br>We'll work out the amount of cover as at the date the claim becomes payable. This means that if your main cover is payable as a decreasing lump sum, the amount of Additional Conditions Cover will be based on the amount your main cover has decreased to at the date the claim becomes payable. Any change to the amount of cover after this time won't be taken into account.<br><br>If we pay an Additional Conditions Cover claim, we won't pay any further claim for that condition in respect of that person covered, but you may still make a claim in relation to that person covered for any of the other additional conditions.<br><br>If the person covered meets a critical illness definition in section D, we won't accept a claim under Additional Conditions Cover.<br><br>Any claim for Additional Conditions Cover won't affect the amount of your main cover. |

### B1.3 How much we'll pay – Children's Critical Illness Cover

| What's shown in your cover summary | How much we'll pay |
|---|---|
| **If your cover summary shows you have Critical Illness Cover, or Life or Critical Illness Cover (each a main cover), your cover automatically includes Children's Critical Illness Cover** | For any main cover in force at the time Children's Critical Illness Cover becomes payable, we'll pay whichever of the following amounts is lower:<br>• if the main cover is payable as a lump sum, 50% of the amount of cover shown on your cover summary; or<br>• if the main cover is payable as regular payments, 50% of the amount of cover shown on your cover summary, multiplied by the remaining full years of the term of the cover; or<br>• £25,000.<br><br>If your plan includes more than one main cover, or you have more than one plan with us on the life of the same person, and these main covers or plans provide the same or similar Children's Critical Illness Cover, the above limits apply across all such main covers and plans and we'll make only one payment for any child.<br><br>If:<br>• your plan includes more than one main cover on the lives of different people; or<br>• you have more than one plan with us on the lives of different people; and<br>• these provide the same or similar Children's Critical Illness Cover;<br>the above limits apply across all such main covers and plans and we'll make only one payment for any child in respect of each person covered.<br><br>We'll work out the amount of cover as at the date the claim becomes payable. This means that if your main cover is payable as a decreasing lump sum, the amount of Children's Critical Illness Cover will be based on the amount your main cover has decreased to at that time. Any change to the amount of cover after this won't be taken into account. |

### How much we'll pay – Income Cover for Sickness

| What's shown in your cover summary | How much we'll pay |
|---|---|
| **Level regular payments** | We'll pay 1/12th of whichever of the following amounts is lower:<br>• the amount of cover shown on your cover summary; or<br>• the pre-incapacity earnings of the person covered multiplied by 50% (the maximum percentage of pre-incapacity earnings shown in the additional features of your cover summary). |

**B1.3 How much we'll pay – Income Cover for Sickness – continued**

| What's shown in your cover summary | How much we'll pay |
|---|---|
| **Increasing regular payments** | We'll pay 1/12th of whichever of the following amounts is lower:<br>• 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<br>• the pre-incapacity earnings of the person covered multiplied by 50% (the maximum percentage of pre-incapacity earnings shown in the additional features of your cover summary).<br><br>This amount of cover will continue to increase on each anniversary of the date the plan started by the rate shown in the additional features. |

If at the time of a claim the person covered is not in work, the amount we'll pay is also subject to a maximum of £1,400 a month.

We'll pay this monthly in arrears.

If you have any other plan with us or with any other company which provides what we judge to be similar covers, or if the person covered continues to receive earnings from any other form of employment or self-employment or payments from any pension arrangement while they're incapacitated, and the income from this plan together with the income from those other sources would exceed 50% of pre-incapacity earnings, we'll reduce the amount we pay so that the total income that you receive equals 50% of pre-incapacity earnings.

Similar covers include, but are not limited to, any other plan that in the event of incapacity of the person covered:
- replaces all or part of the pre-incapacity earnings of the person covered;
- makes payments to any mortgage, loan, credit agreement or credit card on behalf of the person covered; or
- makes contributions to any pension arrangement on behalf of the person covered.

**How much we'll pay if the person covered goes back to their own occupation on a part-time basis**

If we've been paying a claim, and the person covered goes back to work in their own occupation but on a part-time basis with reduced earnings as a direct result of their illness or injury, we'll pay a reduced amount of cover. We'll use the following formula to work out the reduced amount of cover:

$$\frac{\text{(pre-incapacity earnings – reduced earnings) x normal cover}}{\text{pre-incapacity earnings}}$$

In this formula 'normal cover' means the amount of cover we'd pay if the person covered remained incapacitated and wasn't working. Where the reduced earnings vary the amount paid under this cover will also vary. We'll need evidence of the reduced earnings.

**B1.3 How much we'll pay – Income Cover for Sickness – continued**

We'll pay this reduced amount provided that the person covered:
- goes back to work for less than 30 hours each week;
- was working for more than 30 hours each week before their incapacity; and
- has earnings from part-time work which are less than their earnings when they became incapacitated.

We'll continue to pay a reduced amount of cover based on this formula until the earliest of the following events happens:
- the person covered returns to working their full contractual hours (full-time work);
- the earnings from part-time work of the person covered are more than their pre-incapacity earnings;
- we've paid this reduced amount of cover for a period of 12 months;
- the cover payment period ends (if there's a cover payment period shown in the additional features) on your cover summary;
- the cover ends; or
- the person covered dies.

**How much we'll pay if the person covered goes back to work in a different occupation**
If the person covered is incapacitated, but returns to work in a different occupation with lower earnings, we'll pay a reduced amount of cover. We'll use the following formula to work out the reduced amount of cover:

$$\frac{\text{(pre-incapacity earnings – reduced earnings) x normal cover}}{\text{pre-incapacity earnings}}$$

In this formula 'normal cover' means the amount of cover we'd pay if the person covered remained incapacitated and wasn't working. Where the reduced earnings vary the amount paid under this cover will also vary. We'll need evidence of the reduced earnings.

We'll pay this benefit provided that the person covered:
- remains incapacitated; and
- has earnings from the different occupation which are less than their earnings when they became incapacitated.

We'll continue to pay a reduced amount of cover based on this formula until the earliest of the following events happens:
- the earnings from the different occupation of the person covered are more than their pre-incapacity earnings;
- the cover payment period ends (if there's a cover payment period shown in the additional features on your cover summary);
- the cover ends; or
- the person covered dies.

We work out the amount of cover as at the date the person covered meets our definition of incapacitated. We won't take into account any change to the amount of cover after this date, other than those under section C3.1 increasing cover.

## B1.3 How much we'll pay – Payment Cover for Sickness

| What's shown in your cover summary | How much we'll pay |
|---|---|
| Payment Cover for Sickness | We'll make your cover payments for you. |

| There's more information that applies to the covers in: | |
|---|---|
| Section C1: | How to make a claim |
| Section C2: | Your payments for your plan |
| Section C3: | Changing your plan |
| Section C4: | General terms and conditions |
| Section D: | Definitions of the words we use |

# SECTION C:
# Operating your plan

## C1 How to make a claim

This section of the plan details applies to all plans.

### C1.1 How to make a claim

If you, or those representing you, think that you have a valid claim on your plan, you or they should:

1 Phone us on 0845 6094 500
2 Fill out the claim form that we'll send you and send it back to us with any other documents we ask for
3 Continue to make your payments

Depending on the nature of the claim, we may need one or more of the following:

- The birth, marriage or death certificate of the person covered
- Any other evidence of a change of name
- Medical evidence relating to the person covered which may include full medical records
- Evidence of the income of the person covered
- Evidence of the amount and status of your mortgage

We'll tell you when you phone us which of these we need, and if we need anything else.

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

All diagnoses must:

- be made by a consultant at a hospital within the geographical limits shown below who is a specialist in an area of medicine appropriate to the cause of the claim;
- be the first and unequivocal diagnosis of a terminal illness, a critical illness, Total Permanent Disability or an additional condition; and
- be confirmed by our chief medical officer.

For all claims except death claims, we'll restrict claims to certain parts of the world.

This means that if the person covered is living or working outside the UK and you need to make a claim, the person covered may have to return to one of the following countries:

- 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

**C1.1 How to make a claim – continued**

There are further restrictions for payment of Income Cover for Sickness which are set out in section B1.2.

We reserve the right to stop paying a claim, or not to pay it, if you don't provide any evidence we ask for or if the information provided is inaccurate or incomplete.

You must answer our questions in the application form honestly and in full to the best of your knowledge and belief. You agree to tell us if there is any change to any of the answers given in your application (including in relation to the person covered's health, occupation or leisure activities) or any information you provide between the date you complete your application form and the date we assume risk on your plan. If, when you make a claim, we find out the information you or the person covered gave us was inaccurate or incomplete, we may stop paying a claim, have to amend the terms of your cover, or at worst cancel your plan and not pay any claim.

**C1.2 Who we'll pay the cover to**

We'll pay the cover to the person legally entitled to receive it. This will depend on the nature of the claim, your circumstances at the time and whether the plan has been assigned or put under trust.

Normally we'll pay the cover to the plan owner, or, if the plan owner has died, their personal representatives. Personal representatives must send us an original Grant of Representation or Confirmation before we'll pay any cover to them. We'll return this when we pay the claim.

If the plan has been assigned we'll pay the cover to the assignee. Assignees must send us the original deed of assignment before we'll pay any cover to them.

If the plan is under trust, we'll pay the cover to the trustees. The trustees must then follow the terms of the trust to distribute the money to the chosen beneficiaries. Trustees must send us the original trust deed and any deeds altering the trust before we pay any cover to them. We'll return these when we pay the claim.

# C2 Your payments for your plan

## C2.1 When you need to make payments for your plan

| | |
|---|---|
| **First payment** | Your first payment becomes payable on the date your plan starts. We'll collect this on or shortly after the date the plan starts, by direct debit or any other means we've agreed with you. |
| **Last payment** | The date of the last payment is shown on your cover summary. Payments for any cover will also end if the cover is cancelled. |
| **All other payments** | If you're paying monthly:<br>you must make a payment each month between the first payment and the last payment. These are payable on the same day each month as the day your plan starts. You can ask us and we may agree to collect your payment on any other day of the month you choose between the 1st and 28th day.<br><br>If you're paying yearly:<br>you must make a payment each year between the first payment and the last payment. These are payable on the same day each year as the date the plan starts. You can ask us and we may agree to collect your payment on any other day you choose within the same month. |

## C2.2 What happens if you don't make your payment

If you don't make your first payment, your plan won't start and you won't be covered.

If a subsequent payment remains unpaid for more than 5 weeks from the date it's payable, we'll cancel your plan and you'll no longer be covered. We'll write to you to confirm that your plan has been cancelled.

## C2.3 Restarting your plan

If we cancel your plan because you didn't make your payment, you may ask us to restart it. When you ask we'll tell you what we need to restart your plan. There may be times when we're not able to restart your plan and if this happens, we'll explain our decision to you.

## C2.4 When and how we may change your payment to us

| | |
|---|---|
| **Guaranteed payments for covers which are payable as a level lump sum, a decreasing lump sum or as level regular payments** | We guarantee that provided you make your payments on time, your payment for this cover will stay the same unless you ask for a change to the cover. |
| **Guaranteed payments for covers which are payable as an increasing lump sum or as increasing regular payments** | We guarantee that provided you make your payments on time, your payment for this cover will stay the same, apart from the changes described in section C2.5, unless you ask for a change to the cover. |
| **Reviewable payments** | We guarantee that your payments for this cover won't change for at least the number of years shown on your cover summary from the date the cover started. At the end of this period we'll review the payment for this cover each year.<br><br>In working out your payment for a cover we make assumptions about certain factors.<br><br>These factors include:<br>• The future level of claims we pay<br>• The amounts of money we'll pay to reinsurance companies with whom we share the costs of claims<br>• The number of plan owners who give up their plans early<br>• Our expenses<br>• Inflation<br>• Investment returns<br>• Taxes<br>• The amount of money we need to hold as financial reserves<br><br>When we review your payment, we'll reassess these assumptions and consider whether the combined effect of changes to them has been better or worse than we'd assumed. We'll also assess what's likely to happen in future. We'll then work out how, and if, the payment for the cover needs to be adjusted (either upwards or downwards) to take account of this.<br><br>While your revised payment will always fairly reflect the changes to the factors, it may be significantly more than your original payment and there's no limit to how much the increase may be.<br><br>Any change will take effect from the anniversary of the date the plan started and we'll tell you at least a month before we make any change.<br><br>If any cover to which this applies is an increasing cover, section C2.5 will also apply to the payment for that cover. |

**C2.5 Increasing lump sum and increasing regular payments covers**

On each anniversary of the date the plan started, your payment for any increasing lump sum or increasing regular payments cover will increase. The amount of the increase will depend on:

- The amount of the increase in the amount of cover
- The age of the person covered at the date of increase
- The remaining term of the cover
- The payment rate we charged at the date cover started
- Any additional payment you're making because your plan wasn't accepted on standard terms

We'll tell you how much the increase is at least a month before the increase takes place.

## C3 Changing your plan

**C3.1 Increasing cover**

This only applies to any cover that's payable as an increasing lump sum or increasing regular payments.

On each anniversary of the date the plan started, the amount of cover will increase by the rate shown in the additional features.

If the additional features state that the amount of cover increases by the retail price index, this means 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 3 months before the anniversary of the date the plan started, subject to a minimum of 2% and a maximum of 10%.

If the date cover started is not the same day in the year as the date the plan started, the first increase will take place on the first anniversary of the date the plan started after this cover has been in force for 12 months.

We'll write to you at least a month before the increase takes place to tell you how much the increase will be and how much your new payment will be. If you don't want the amount of your cover to increase, you must tell us at least 5 days before the increase is due to take place and we'll cancel the increase. If we cancel 2 consecutive increases we won't offer you any further increases.

If, as a result of an increase, the total amount of cover on all plans you have with us would be more than the maximum amounts shown below, your cover won't increase. We'll tell you if this happens.

Maximum amounts
Life Cover – £15,000,000
Critical Illness Cover – £3,000,000
Life or Critical Illness Cover – £3,000,000

When working out your total amount of cover we include:

- All cover you have in this plan and any other plan you have with us
- The current amount of any cover payable as a decreasing lump sum
- The commuted value of any cover payable as regular payments. The commuted value is the amount we'd pay you as a lump sum instead of regular payments, if you asked us to.

**C3.2 Cover increase options**

This only applies to any Life Cover, Life or Critical Illness Cover, Critical Illness Cover or Income Cover for Sickness if we accepted your plan on standard terms.

The person covered must be under 55 at the time of the increase. If there's more than one person covered, both of them must be under 55.

You must take up these options within 3 months of each event happening.

We don't need any further medical evidence, but we'll need to see evidence including financial evidence of the event.

These options don't apply to any cover or plan which was taken out under a cover increase option.

You can't use these options if we told you the terms of your plan were non-standard, for example we increased your payment or applied an exclusion to your cover.

You can't increase your cover using this option if we're currently paying a claim, considering a claim or if the person covered, or a child of the person covered, has received a diagnosis or possible diagnosis from a member of the medical profession of a condition that would allow you to make a claim under this plan.

You can't increase your cover using this option if you're not resident in the UK, Channel Islands or Isle of Man.

You can't increase Income Cover for Sickness using this option within 12 months of us stopping paying a claim or if the person covered is incapacitated.

You can increase your cover following any of these events:

| | |
|---|---|
| **Your marriage** | You can increase by any amount within the limits below. |
| **Increasing your mortgage either to buy a new home or for home improvements** | You can increase by the amount you increase your mortgage subject to the limits below. |
| **The birth or adoption of a child** | You can increase by any amount within the limits below. |

You can increase your cover on more than one occasion but the maximum increase for each event is limited to whichever of the following amounts is lower:

- half of the original amount of cover; or
- £50,000 for all covers payable as a lump sum; or
- £3,000 a year for any Life Cover, Critical Illness Cover or Life or Critical Illness Cover payable as regular payments; or
- £8,000 a year for any Income Cover for Sickness payable as regular payments.

The maximum aggregate increase for all events is limited to whichever of the following amounts is lower:

- half of the original amount of cover; or
- £125,000 for all covers payable as a lump sum; or
- £8,000 a year for all covers payable as regular payments.

**C3.2 Cover increase options – continued**

If you have more than one cover or more than one plan, these limits apply across all of those covers and plans and not separately to each of them.

If you increase Income Cover for Sickness using this option, it's further limited so that your total cover after the increase is not more than the lower of:

- the maximum percentage of pre-incapacity earnings shown on your cover summary; or
- the maximum amount of cover we allow at that time.

The increase in cover will:

- be on the terms and conditions that we offer at that time;
- have a term no longer than the remaining term of the original cover or shorter than the minimum term we offer for that cover at that time – if the remaining term of the original cover is less than the minimum, you won't be able to use this option; and
- include the same additional features as the original cover.

We'll base your payment for the new cover on:

- the terms which applied at the date the original cover started or at any subsequent restart under section C2.3;
- the age of the person covered at the date the increase in cover starts; and
- the payment rates and plan charge at the date the increase in cover starts.

**C3.3 Joint life separation option**

You can use this option if you and your partner have taken out your plan on a joint-life basis to cover your mortgage and you and your partner are the people covered. You can change your plan into 2 separate single life plans if you separate and as a result:

- you rearrange your mortgage to be in the name of you or your partner only; or
- either of you takes out a new mortgage on a new house.

The new plans must begin within 3 months of the mortgage being rearranged or taken out, whichever is appropriate.

The cover for each person covered under the new plans must be the same as the cover each person had under the old plan.

The new cover will:

- be on the terms and conditions that we offered at the date the original cover started;
- have a term no longer than the remaining term of the original cover or shorter than the minimum term we offer for that cover at that time – if the remaining term of the original cover is less than the minimum, you won't be able to use this option;
- include the same additional features, extra payments or exclusions as the original cover; and
- have an amount of cover no more than the amount of the original cover at the date you request this option.

We'll base the payment for the new cover on:

- the terms for the relevant person covered which applied at the date the original cover started or at any subsequent restart under section C2.3;
- the payment rates and plan charge at the date the original cover started; and
- the age of the relevant person covered at the date the original cover started.

We'll need both you and your partner to agree to use this option and written confirmation from the lender that the mortgage has been rearranged or a copy of the new loan offer as evidence.

**C3.3 Joint life separation option – continued**

You must complete an application form which we'll send to you and we may need to ask for further medical evidence. There will be times when we either can't offer you this option or need to change the terms we offer because of the information on this form or the medical evidence we ask for. We'll explain our decision to you if this is the case.

**C3.4 Joint life reinstatement option**

This only applies:

- to a cover when more than one person is covered; and
- we pay a claim for Life Cover, or for Critical Illness Cover, or for Life or Critical Illness Cover (the original cover).

In this situation, you may take out a new cover the same as the original cover.

This new cover will be for only the person covered on the original cover who wasn't the cause of the claim (the relevant person covered). They'll have to agree to this new cover being taken out.

We'll base the payment for the new cover on:

- the terms for the relevant person covered which applied at the date the original cover started or at any subsequent restart under section C2.3;
- the payment rates and plan charge at the date the original cover started; and
- the age of the relevant person covered at the date your new cover starts.

The new cover will:

- be on the terms and conditions that we offered at the date the original cover started;
- have a term no longer than the remaining term of the original cover or shorter than the minimum term we offer for that cover at that time – if the remaining term of the original cover is less than the minimum, you won't be able to use this option;
- include the same additional features, extra payments or exclusions as the original cover; and
- have an amount of cover no more than the amount of the original cover, at the date we paid the claim.

You must ask for this option within 3 months of the date we pay the claim under the original cover. You won't be covered until we accept your application to use this option.

You must complete an application form which we'll send to you and we may need to ask for further medical evidence. There will be times when we either can't offer you this option or need to change the terms we offer because of the information on this form or the evidence we ask for. We'll explain our decision to you if this is the case.

This option may be used only once.

**C3.5 Life Cover reinstatement option**

This only applies to Life or Critical Illness Cover if the additional features section of your cover summary says it's included.

12 months after we pay a claim as a result of a critical illness or Total Permanent Disability, you may take out a new Life Cover only on the life of the person covered who the claim was made for. If no cover remains under the original plan, you may take out a new plan.

The new cover will:

- be on the terms and conditions that we offer at that time;
- have a term no longer than the remaining term of the original cover or shorter than the minimum term we offer for that cover at that time – if the remaining term of the original cover is less than the minimum, you won't be able to use this option;
- include the same additional features, extra payments or exclusions as the original cover; and
- have an amount of cover no more than the amount of the original cover at the date we paid the claim, subject to a maximum of £500,000.

We'll base your payment for the new cover on:

- the terms for the relevant person covered which applied at the date the original cover started or at any subsequent restart under section C2.3;
- the age of the person covered at the date the new cover starts; and
- the payment rates and plan charge at the date the new cover starts.

You must ask for this option within 3 months of the first anniversary of the date we paid the claim on the original cover.

**C3.6 Lifestyle review**

If we accepted any cover on non-standard terms or charged smoker rates and the person covered makes a change to their lifestyle which reduces the likelihood of a claim, you can ask us to review your payments for that cover. For example, if the person covered was a smoker when the plan started and they give up smoking, you can ask us to review your payments. If we're able to, we'll reduce your payments to reflect the new lifestyle of the person covered. However, the cover won't include the cover increase options in section C3.2 if it was originally accepted on non-standard terms. There will be times when we're unable to reduce your payments even though the person covered has changed their lifestyle. We'll explain our decision to you if this is the case.

**C3.7 Changing your plan in other ways**

You can ask us to change your plan in other ways at any time. For example, you may want to add a new cover or reduce an existing cover. If none of the options in sections C3.1 to C3.5 apply we may need to ask the person covered for new medical evidence. We'll tell you what we need when you tell us how you want to change your plan.

You can't add a new cover or increase an existing cover if you're no longer resident in the UK, Jersey, Guernsey or Isle of Man.

# C4 General terms and conditions

## C4.1 Source of covers

This plan 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.

## C4.2 Membership of Royal London

This plan doesn't entitle you to membership of The Royal London Mutual Insurance Society Limited.

## C4.3 Cancelling your plan

When your plan starts you have the right to change your mind and cancel your plan. You have 30 days from the date you receive your cover summary and plan details to cancel your plan. If you cancel in this time we'll refund any payments you've made to us. You can cancel your plan by giving written notice to us at Bright Grey.

You may cancel at any other time by giving written notice to us at Bright Grey. You should also contact your bank to cancel your direct debit instruction.

If your plan is jointly owned, both owners must give us written notice. If your plan is under trust, or if you have assigned your legal rights under the plan to someone else, the trustees or assignee must give us written notice to cancel the plan.

If you cancel, your plan will end on the day your next payment would otherwise be payable, and we won't refund any payments you've made to us. You'll therefore still be covered by your plan until that date. This means that although you've asked us to cancel your plan, you may need to make a final payment to us if you've asked us to collect your payments on a different day to that on which they become payable.

For example if,

- your plan started on 1 February,
- you ask us to collect your payments on the 15th day of each month, and
- you ask us to cancel your plan on 10 April,

then,

- you must make the payment due on 1 April because this became payable before you asked us to cancel your plan,
- we'll collect this on 15 April because you've asked us to collect your payments on that day, and
- we'll cancel your plan on 1 May because this is the first day on which a payment would otherwise have been payable.

If you don't make your final payment,

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

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

# SECTION C:
# Operating your plan – continued

**C4.4 Cash-in value**
The plan doesn't have any cash-in value at any time.

**C4.5 Paying claims**
We'll pay all claims by direct credit to a bank account or another method we agree with you.

**C4.6 Interest**
We'll pay interest if payment of any claim is delayed by more than 2 calendar months after the claim event. The rate of interest shall be reasonably determined by Royal London on receiving advice from an actuary responsible for advising the directors of Royal London on discretionary or technical aspects of the management of its long-term insurance business.

**C4.7 Exercise of discretion**
We'll act reasonably and in good faith when exercising our discretion to make decisions that relate to your plan.

**C4.8 How we use your personal information and verify your identity**
We (The Royal London Mutual Insurance Society Limited and our businesses and divisions of which Bright Grey is one) will use your personal information for:

- Providing and developing our products and services
- Improving our customer care
- Verifying your identity and preventing fraud
- Research and analysis
- Marketing
- Legal and regulatory reasons
- Administering your plan

This information may come from you directly, from your approved intermediary or from other sources such as your doctor or credit reference agencies with your consent. We'll keep your personal information for a reasonable time for these purposes and you consent to the overseas transfer of your information for these purposes.

Your personal data may be processed in countries outside the European Economic Area. This processing will be carried out by experienced and reputable organisations and only on terms which safeguard the security of your data and comply with the requirements of the Data Protection Act 1998.

We may share information about you with other companies within the Royal London Group, our service providers and agents and third parties such as auditors, underwriters, reinsurers, medical agencies, identity authentication and fraud prevention agencies, other financial institutions and legal and regulatory bodies.

We may share information about you with your approved intermediary for research and analysis so that we can better target our products and services. We won't share this information if you ask us not to on the application form for your plan.

We may contact you by mail, telephone, fax, email or other electronic messaging either directly or through your approved intermediary with further offers, promotions and information about our products and services that may be of interest to you. We won't do this where you've indicated on your application form for your plan that you don't want to receive these communications.

**C4.8 How we use your personal information – continued**

To help us to make credit decisions about you, to prevent fraud, to check your identity and to prevent money laundering, we may search the files of credit reference and fraud prevention agencies who will record any credit searches on your file. We may also disclose details of how you conduct your account to such agencies. The information will be used by other credit grantors for making credit decisions about you and the people with whom you're financially associated, for fraud prevention, money laundering prevention and occasionally for tracing debtors.

We may monitor and record telephone calls and keep them for training and quality assurance and to ensure we've an accurate record of your instructions.

If you give us information about another person, you confirm that they've appointed you to act for them to consent to the processing of their personal data (including sensitive personal data)and that you've told them who we are and how and why we'll process their personal data (as set out above).

You have the right to ask for a copy of the information we hold on you, for which we're entitled to charge a small administrative fee. You can ask us to correct any inaccuracies in your information.

If you have any questions about how we'll use your personal information, or if you would like to receive our marketing communications by some but not all of the above methods, please:

**phone us** on 0845 6094 500
**email us** at help@brightgrey.com
or **write to us** at:
Customer Care Team
Bright Grey
2 Queen Street
Edinburgh
EH2 1BG

**C4.9 When we may change the terms and conditions applying to your plan or cancel your plan**

C4.9.1 We may make changes to the terms and conditions applying to your plan (including your payments to us) in the circumstances set out in sections C4.9.2 to C4.9.5 opposite or we may cancel your plan in the circumstances set out in section C4.9.2. We will, where appropriate, take account of actuarial advice when we do so.

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.

C4.9.2 We may make changes to the terms and conditions applying to your plan (including your payments to us) or cancel your plan if:

- you don't tell us about changes to any of the answers you gave in your application, or to information provided in relation to your application, between the date it was completed and the date we assume risk on your plan;
- you don't provide your consent for us to ask for medical information within 6 months of the start of your plan from any doctor you've consulted about your 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 of what cover we're willing to provide under your plan;
- you make a claim and we find that you've not told us something that affects your cover;
- you don't keep your plan payments up-to-date;
- you have Income Cover for Sickness and you move abroad permanently. If we cancel your Income Cover for Sickness, we'll also cancel your Payment Cover for Sickness that's automatically added unless your plan includes any other cover.

C4.9.3 We may make changes to the terms and conditions applying to your plan (including your payments to us) 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 plan;
- 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 your plan is taxed is changed.

C4.9.4 We may make changes to the terms and conditions applying to your plan (including your payments to us) 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.

C4.9.5 We may make changes to the terms and conditions applying to your plan (including your payments to us) 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 plan.

**C4.10 Contract**

The contract between you and Royal London consists of these terms and conditions, which we may amend as we reasonably consider is proportionate in the circumstances in accordance with sections C2 and C3 and clause C4.9, any additional terms and conditions detailed in the cover summary and any endorsement. Where there's a conflict between these terms and any of the terms set out in the cover summary, those terms set out in the cover summary will prevail.

**C4.11 Mis-statement of age**

If when you took out your plan we were told the person covered is older than they really are, we'll reduce the payments to the amount that 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 plan 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.

**C4.12 Change of occupation**

You don't need to tell us if the person covered changes their occupation. We'll assess any claim based on their occupation immediately before the claim event happens.

**C4.13 Complaints**

We hope that you'll never have reason to complain, but if you do, you can write to our Customer Care Team at:

Bright Grey
2 Queen Street
Edinburgh
EH2 1BG
**phone us** on 0845 6094 500
**email us** at help@brightgrey.com

We'll always try to resolve complaints as quickly as possible. If we're unable to deal with a complaint within 5 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 direct at the following address:

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR
phone: 0800 0234 567 (free from a UK landline)
phone: 0300 1239 123 (free for mobile phone users who pay a monthly charge for calls to numbers starting 01 or 02)
email: complaint.info@financial-ombudsman.org.uk
website: www.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 right to take legal proceedings.

**C4.14 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.

**C4.15 Law**

The law of England and Wales applies to this plan.

**C4.16 Notices of assignment**

If you assign any of your legal rights under the plan to someone else, we must see notice of the assignment. Please send the notice to:

Customer Care Team
Bright Grey
2 Queen Street
Edinburgh
EH2 1BG

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

**C4.17 Rights of third parties**

No term of this contract is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to this 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.

# SECTION D:
# Definitions of the words we use

**Additional conditions**
We'll pay if the person covered is diagnosed with one of the following additional conditions.

All diagnoses must:
- be made by a consultant at a hospital within the geographical limits shown in section C1 who is a specialist in an area of medicine appropriate to the cause of the claim;
- be the first and unequivocal diagnosis of the additional condition; and
- be confirmed by our chief medical officer.

**Accident hospitalisation – requiring a hospital stay for 28 consecutive days**
An accident that results in physical injury which requires the person covered to stay in hospital for 28 consecutive days or more on the advice of an appropriate medical specialist.

For the above definition the following is not covered:
- an accident as a result of drug or alcohol intake or other self-inflicted means.

**Borderline ovarian tumour – of specified severity requiring removal of an ovary**
A definite diagnosis of an ovarian tumour that is classified as either "borderline" or "low malignant potential" by a specialist, which has been treated surgically by removal of at least one entire ovary (oophorectomy). This diagnosis must be supported by histological evidence showing abnormal ovarian epithelial proliferation with cellular atypia and mitoses.

For the above definition the following are not covered:
- any borderline or low malignant potential ovarian tumour that is treated with partial oophorectomy;
- benign ovarian tumours or cysts even if the ovary is removed; and
- borderline tumours originating in any other organ and spread to the ovary.

**Carcinoma in situ of the cervix uteri – requiring hysterectomy**
Carcinoma in situ of the cervix uteri diagnosed with histological confirmation by biopsy together with the undergoing of hysterectomy to remove the tumour.

For the above definition, the following is not covered:
- treatments including trachelectomy (removal of the cervix), loop excision, laser surgery, conisation and cryosurgery.

**Carcinoma in situ of the oesophagus – requiring removal of all or part of the oesophagus**
A definite diagnosis of carcinoma in situ of the oesophagus supported by histological evidence which has been treated surgically by removal of all or part of the oesophagus.

For the above definition, the following is not covered:
- any forms of treatment other than surgery.

**Carcinoma in situ of the testicle – requiring orchidectomy**
A definite diagnosis of carcinoma in situ of the testicle (also known as intratubular germ cell neoplasia unclassified or ITGCNU) supported by histological evidence, which has been treated surgically with an orchidectomy (complete removal of the testicle).

**Carcinoma in situ of the urinary bladder**
A definite diagnosis of carcinoma in situ of the urinary bladder supported by histological evidence.

For the above definition, the following are not covered:
- non-invasive papillary carcinoma;
- stage Ta urinary bladder carcinoma;
- all other forms of non-invasive carcinoma.

**Ductal carcinoma in situ**
The undergoing of a mastectomy, partial mastectomy, segmentectomy or lumpectomy operation on the advice of a consultant oncologist following a histologically confirmed diagnosis of ductal carcinoma in situ (DCIS) of the breast.

Specifically excluded are:
- mastectomy, partial mastectomy, segmentectomy or lumpectomy operations for reasons other than DCIS, for example, prophylactic mastectomy or lobular carcinoma in situ (LCIS).

**Low grade prostate cancer – of specified severity**
Tumours of the prostate histologically classified as having a Gleason score between 2 and 6 inclusive, provided:
- the tumour has progressed to at least clinical TNM classification T1N0M0, and
- treatment included the complete removal of the prostate or external beam or interstitial implant radiotherapy.

For the above definition the following are not covered:
- treatment of the tumour by any procedures other than complete removal of the prostate, external beam or interstitial implant radiotherapy. For example:
  - cases treated with cryotherapy,
  - other less radical treatment such as transurethral resection of the prostate,
  - 'experimental' treatments, or
  - hormone therapy.

**Partial loss of sight – permanent and irreversible**
Permanent and irreversible loss of sight and visual field, to the extent that even when tested with the use of visual aids, the visual acuity is less than or equal to 0.25 (6/24) in the better eye using a Snellen eye chart and the visual field in the better eye upon testing is reduced to 40 degrees or less of an arc, as certified by an ophthalmologist.

**Third degree burns – covering at least 10% but less than 20% of the body's surface area or at least 25% but less than 50% of surface area of the face**
Burns that involve damage or destruction of the skin to its full depth through to the underlying tissue and covering at least 10% and less than 20% of the body's surface area, or at least 25% and less than 50% of the surface area of the face which for the purpose of this definition includes the forehead and ears.

**Appropriate medical specialist**
For the purposes of this plan is a consultant employed at a hospital within the geographical limits shown in section C1 who is a specialist in an area of medicine appropriate to the cause of the claim.

**Bright Grey**
Bright Grey is a division of Royal London. The Royal London Group consists of The Royal London Mutual Insurance Society Limited and its subsidiaries.

**Child**
a) a natural child of a person covered from birth to 21 years;
b) any child who is legally adopted by a person covered from birth to 21 years;
c) any child who resides with and is financially dependent on the person covered from birth to 21 years.

**Covers**
The different types of insurance you can choose within the Personal Protection Menu, that is:
- Life Cover
- Critical Illness Cover
- Life or Critical Illness Cover
- Income Cover for Sickness
- Payment Cover for Sickness

**Critical illness**
We'll pay if the person covered meets our definition of one of the following critical illnesses.

All diagnoses must:
- be made by a consultant at a hospital within the geographical limits shown in section C1 who is a specialist in an area of medicine appropriate to the cause of the claim;
- be the first and unequivocal diagnosis of the critical illness; and
- be confirmed by our chief medical officer.

**Alzheimer's disease – resulting in permanent symptoms**
A definite diagnosis of Alzheimer's disease by a consultant neurologist, psychiatrist or geriatrician. There must be permanent clinical loss of the ability to do all of the following:
- remember;
- reason; and
- perceive, understand, express and give effect to ideas.

For the above definition, the following are not covered:
- other types of dementia.

**Aorta graft surgery – for disease or traumatic injury**
The undergoing of surgery for disease or trauma to the aorta with excision and surgical replacement of a portion of the diseased or damaged aorta with a graft. The term aorta includes the thoracic and abdominal aorta but not its branches.

For the above definition, the following is not covered:
- any other surgical procedure, for example the insertion of stents or endovascular repair.

**Aplastic anaemia – requiring regular blood transfusions**
Definite diagnosis of complete bone marrow failure necessitating regular blood transfusions. The bone marrow failure must result in anaemia, neutropenia and thrombocytopenia.

**Bacterial meningitis – resulting in permanent symptoms**
Definite diagnosis of bacterial meningitis resulting in permanent neurological deficit with persisting clinical symptoms. Other forms of meningitis, including viral meningitis, are specifically excluded.

Neurological deficit with persisting clinical symptoms is defined at page 51.

**Benign brain tumour – resulting in permanent symptoms**
A non-malignant tumour or cyst in the brain, cranial nerves or meninges within the skull, resulting in permanent neurological deficit with persisting clinical symptoms.

For the above definition, the following are not covered:
- tumours in the pituitary gland;
- angiomas

In addition, the requirement for permanent neurological deficit with persisting clinical symptoms will be waived if the benign brain tumour is surgically removed.

Neurological deficit with persisting clinical symptoms is defined at page 51.

**Blindness – permanent and irreversible**
Permanent and irreversible loss of sight to the extent that even when tested with the use of visual aids, vision is measured at 6/60 or worse in the better eye using a Snellen eye chart, or visual field is reduced to 20 degrees or less of an arc, as certified by an ophthalmologist.

**Cancer – excluding less advanced cases**
Any malignant tumour positively diagnosed with histological confirmation and characterised by the uncontrolled growth of malignant cells and invasion of tissue.

The term malignant tumour includes leukaemia, sarcoma and lymphoma except cutaneous lymphoma (lymphoma confined to the skin).

For the above definition, the following are not covered:
- all cancers which are histologically classified as any of the following:
  - pre-malignant;
  - non-invasive;
  - cancer in situ;
  - having borderline malignancy; or
  - having low malignant potential,
- all tumours of the prostate unless histologically classified as having a Gleason score of 7 or above or having progressed to at least clinical TNM classification T2N0M0,
- any skin cancer (including cutaneous lymphoma) other than:
  - malignant melanoma that has been histologically classified as having caused invasion beyond the epidermis (outer layer of skin); or
  - basal cell carcinoma or squamous cell carcinoma that has invaded and spread to lymph nodes or metastasised to distant organs.

**Cardiac arrest – with insertion of a defibrillator**
Sudden loss of heart function with interruption of blood flow around the body resulting in unconsciousness and either of the following devices being surgically inserted:
- Implantable Cardioverter-Defibrillator (ICD); or
- Cardiac Resynchronisation Therapy with Defibrillator (CRT-D).

The following are not covered:
- insertion of a pacemaker; and
- insertion of a defibrillator without cardiac arrest.

**Cardiomyopathy – of specified severity**
A definite diagnosis by a consultant cardiologist of cardiomyopathy resulting in permanent loss of the ability to perform physical activities to at least Class III of the New York Heart Association (NYHA) classification. This means there is marked limitation of activities, with less than ordinary activity causing fatigue, palpitations or shortness of breath.

The diagnosis must also be evidenced by:
- electrocardiographic changes; and
- echocardiographic abnormalities.

The evidence must be consistent with the diagnosis of cardiomyopathy.

For the above definition, the following are not covered:
- all other forms of heart disease and/or heart enlargement;
- myocarditis; and
- cardiomyopathy related to alcohol or drug abuse.

**Chronic lung disease – of specified severity**
Confirmation by a consultant physician of chronic lung disease resulting in all of the following:
- the need for continuous daily oxygen therapy on a permanent basis
- FEV1 being less than 40% of normal, and
- Vital Capacity less than 50% of normal.

**Coma – resulting in permanent symptoms**
A state of unconsciousness with no reaction to external stimuli or internal needs which:
- requires the use of life support systems, and
- results in permanent neurological deficit with persisting clinical symptoms.

For the above definition, the following is not covered:
- coma secondary to alcohol or drug abuse.

Neurological deficit with persisting clinical symptoms is defined at page 51.

**Coronary artery bypass grafts**
The undergoing of surgery on the advice of a consultant cardiologist to correct narrowing or blockage of one or more coronary arteries with bypass grafts.

For the above definition, the following are not covered:
- balloon angioplasty;
- atherectomy;
- rotablation;
- insertion of stents; and
- laser treatment.

**Creutzfeldt-Jakob disease (CJD) – resulting in permanent symptoms**
Definite diagnosis of Creutzfeldt-Jakob disease supported by evidence of progressive loss of ability to:
- remember;
- reason;
- perceive, understand, express and give effect to ideas;

which causes a significant reduction in mental and social functioning, requiring the continuous supervision of the person covered.

**Deafness – permanent and irreversible**
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.

**Encephalitis – resulting in permanent symptoms**
A definite diagnosis of encephalitis by a consultant neurologist resulting in permanent neurological deficit and persisting clinical symptoms.

For the above definition the following are not covered:
- myalgic encephalomyelitis and chronic fatigue syndrome.

Neurological deficit with persisting clinical symptoms is defined at page 51.

**Heart attack – of specified severity**
Death of heart muscle, due to inadequate blood supply, that has resulted in all of the following evidence of acute myocardial infarction:
- new characteristic electrocardiographic changes; and
- the characteristic rise of cardiac enzymes or Troponins.

The evidence must show a definite acute myocardial infarction.

For the above definition, the following are not covered:
- other acute coronary syndromes or angina without myocardial infarction.

**Heart valve replacement or repair**
The undergoing of surgery on the advice of a consultant cardiologist to replace or repair one or more heart valves.

**HIV infection – caught from a blood transfusion, a physical assault or at work**
Infection by Human Immunodeficiency Virus resulting from:
- a blood transfusion given as part of medical treatment,
- a physical assault, or
- an incident occurring during the course of performing normal duties of employment,

after the start of the plan and satisfying all of the following:
- the incident must have been reported to appropriate authorities and have been investigated in accordance with the established procedures,
- where HIV infection is caught through a physical assault or as a result of an incident occurring during the course of performing normal duties of employment, the incident must be supported by a negative HIV antibody test taken within 5 days of the incident,

- there must be a further HIV test within 12 months confirming the presence of HIV or antibodies to the virus,
- the incident causing infection must have occurred in one of the countries listed in section C1.1.

For the above definition, the following is not covered:
- HIV infection resulting from any other means, including sexual activity or drug abuse.

**Intensive care – requiring mechanical ventilation for 10 consecutive days**
Any sickness or injury resulting in the person covered requiring continuous mechanical ventilation by means of tracheal intubation for 10 consecutive days (24 hours per day) or more in an intensive care unit in a UK hospital.

For the above definition the following are not covered:
- sickness or injury as a result of drug or alcohol intake or other self-inflicted means;
- intensive care requiring mechanical ventilation for a child under the age of 90 days.

**Kidney failure – requiring dialysis**
Chronic and end stage failure of both kidneys to function, as a result of which regular dialysis is necessary.

**Liver failure – end stage**
End stage liver failure due to cirrhosis and resulting in all of the following:
- permanent jaundice;
- ascites;
- encephalopathy.

Liver disease secondary to alcohol or drug misuse is excluded.

**Loss of hands or feet – permanent physical severance**
Permanent physical severance of one or more hands or feet at or above the wrists or ankle joints.

**Loss of independent existence – resulting in permanent symptoms**
Any condition that:
a) permanently prevents the person covered from doing at least 3 out of the 6 living tasks either with or without the use of mechanical equipment, special devices or other aids and adaptations in use for disabled persons; or
b) causes mental failure.

The living tasks are defined at page 50.

**Loss of speech – permanent and irreversible**
Total permanent and irreversible loss of the ability to speak as a result of physical injury or disease.

**Major organ transplant – from another person**
The undergoing as a recipient of a transplant of bone marrow or of a complete heart, kidney, liver, lung, or pancreas, or a whole lobe of the lung or liver, or inclusion on an official UK waiting list for such a procedure.

For the above definition, the following is not covered:
- transplant of any other organs, parts of organs, tissues or cells.

**Motor neurone disease – resulting in permanent symptoms**
A definite diagnosis of one of the following motor neurone diseases by a Consultant Neurologist:
- Amyotrophic lateral sclerosis (ALS)
- Primary lateral sclerosis (PLS)
- Progressive bulbar palsy (PBP)
- Progressive muscular atrophy (PMA)

There must also be permanent clinical impairment of motor function.

**Multiple sclerosis – of specified severity**
A definite diagnosis of multiple sclerosis by a Consultant Neurologist that has resulted in any of the following:
- clinical impairment of motor or sensory function, which must have persisted for a continuous period of at least 3 months; or
- 2 or more attacks of impaired motor or sensory function together with findings of clinical objective evidence on Magnetic Resonance Imaging (MRI).

All of the evidence must be consistent with multiple sclerosis.

**Multiple system atrophy – resulting in permanent symptoms**
A definite diagnosis of multiple system atrophy confirmed by a consultant neurologist. There must be evidence of disease progression and permanent clinical impairment of:
- motor function with associated rigidity of movement, or
- the ability to coordinate muscle movement, or
- bladder control and postural hypotension.

**Neuromyelitis optica (Devic's disease)**
A definite diagnosis of neuromyelitis optica by a Consultant Neurologist. There must be current clinical impairment of motor or sensory function, which must have persisted for a continuous period of at least 3 months.

**Open heart surgery – with surgery to divide the breastbone**
The undergoing of surgery requiring median sternotomy (surgery to divide the breastbone) on the advice of a consultant cardiologist to correct any structural abnormality of the heart.

**Paralysis of limbs – total and irreversible**
Total and irreversible loss of muscle function to the whole of a limb.

**Parkinson's disease – resulting in permanent symptoms**
A definite diagnosis of Parkinson's disease by a Consultant Neurologist.

There must be permanent clinical impairment of motor function with associated tremor and muscle rigidity.

For the above definition, the following are not covered:
- Parkinsonian syndromes/Parkinsonism.

**Pneumonectomy – removal of a complete lung**
The undergoing of surgery on the advice of an appropriate medical specialist to remove an entire lung for disease or traumatic injury suffered by the person covered.

For the above definition the following are not covered:
- removal of a lobe of the lungs (lobectomy);
- lung resection or incision.

**Pre-senile dementia – resulting in permanent symptoms**
Definite diagnosis of pre-senile dementia supported by evidence of progressive loss of ability to:
- remember;
- reason;
- perceive, understand, express and give effect to ideas;

which causes a significant reduction in mental and social functioning, requiring the continuous supervision of the person covered.

**Primary pulmonary hypertension – of specified severity**
A definite diagnosis of primary pulmonary hypertension by a consultant cardiologist or specialist in respiratory medicine. There must be clinical impairment of heart function resulting in the permanent loss of ability to perform physical activities to at least Class III of the New York Heart Association classification of functional capacity.

For the above definition, the following is not covered:
- pulmonary hypertension secondary to any other cause i.e. not primary.

**Progressive supranuclear palsy – resulting in permanent symptoms**
A definite diagnosis by a consultant neurologist of progressive supranuclear palsy. There must be permanent clinical impairment of motor function.

**Pulmonary artery graft surgery – with surgery to divide the breastbone**
The undergoing of surgery requiring median sternotomy (surgery to divide the breastbone) on the advice of a consultant cardiologist for disease of the pulmonary artery to excise and replace the diseased pulmonary artery with a graft.

**Stroke – of specified severity**
Death of brain tissue due to inadequate blood supply or haemorrhage within the skull that has resulted in all of the following evidence of stroke:
- neurological deficit with persisting clinical symptoms lasting at least 24 hours; and
- definite evidence of death of tissue or haemorrhage on a brain scan.

For the above definition, the following is not covered:
- transient ischaemic attack.

Neurological deficit with persisting clinical symptoms is defined at page 51.

**Systemic lupus erythematosus – with severe complications**
A definite diagnosis of systemic lupus erythematosus by a consultant rheumatologist where either of the following are present:

i) Severe kidney involvement with systemic lupus erythematosus as evidenced by:
   - permanent impaired renal function with a glomerular filtration rate below 30 ml/min/1.73m$^2$ and
   - abnormal urinalysis showing proteinuria or haematuria.

   In addition to the above criteria, the disease must have been unresponsive to disease modifying drugs for a continuous period of at least 12 months.

or

ii) Severe central nervous system involvement with systemic lupus erythematosus as evidenced by: permanent neurological deficit with persisting clinical symptoms.

   For the purposes of this definition seizures, headaches, fatigue, lethargy or any symptoms of psychological or psychiatric origin won't be accepted as evidence of permanent deficit of the neurological system.

Neurological deficit with persisting clinical symptoms is defined at page 51.

**Third degree burns – covering 20% of the body's surface area or 50% loss of surface area of the face**
Burns that involve damage or destruction of the skin to its full depth through to the underlying tissue and covering at least 20% of the body's surface area or 50% loss of surface area of the face which for the purpose of this definition includes the forehead and ears.

**Traumatic brain injury – resulting in permanent symptoms**
Death of brain tissue due to traumatic injury resulting in permanent neurological deficit with persisting clinical symptoms.

Neurological deficit with persisting clinical symptoms is defined at page 51.

**Date we assume risk**
The date we assume risk is the later of:
- the date you or anyone acting on your behalf contacts us to ask us to start your plan, or
- the date cover starts shown on your cover summary.

**Deferred period**
The period during which the person covered must be incapacitated before we will pay any benefit. The deferred period is shown in the additional features section of your cover summary. We won't pay a claim under any cover until the end of its deferred period.

**Employed**
The person covered working for remuneration under a contract of employment and paying class 1 National Insurance contributions.

**Endorsements**
Documents used to add additional information to an insurance plan to amend existing wording.

**Full-time**
The person covered must be in full-time (more than 16 hours each week) remunerative occupation.

**Incapacitated for Income Cover for Sickness and Payment Cover for Sickness**
We'll pay if the person covered is diagnosed as being incapacitated. All diagnoses must:

- be made by a consultant at a hospital within the geographical limits shown in section C1 who is a specialist in an area of medicine appropriate to the cause of claim or allied health specialist relevant to the person covered's condition in order to assess function and restrictions and limitations; and
- be confirmed by our chief medical officer.

The availability of work is not a factor in assessing whether the person covered is incapacitated.

The additional features section of your cover summary shows which definition applies to each of your covers.

**Own occupation definition of 'incapacitated'**
Loss of the physical or mental ability, before age 65, 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 the person covered's own occupation that can't reasonably be omitted or modified.

Own occupation means the trade, profession or type of work 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.

| | |
|---|---|
| **If the person covered is under the age of 65 and isn't in a full-time (more than 16 hours each week) paid occupation immediately before the start of the period of incapacity** | the serious illness definition will apply. |
| **If the person covered is under the age of 65, isn't in a full-time (more than 16 hours each week) paid occupation immediately before the start of the period of incapacity and doesn't meet the serious illness definition** | the everyday tasks definition will apply. |
| **If the person covered is age 65 or over at the start of a period of incapacity** | the living tasks definition will apply. |
| **If the person covered reaches age 65 while a cover is being paid** | we'll reassess the claim at that time based on the living tasks definition. This might mean we stop paying the cover. |

# SECTION D:
# Definitions of the words we use – continued

**1 year own occupation definition of 'incapacitated'**
Loss of the physical or mental ability, before age 65, 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 for the first 12 monthly payments of cover. The material and substantial duties are those that are normally required for, and/or form a significant and integral part of, the performance of the person covered's own occupation that can't reasonably be omitted or modified.

Own occupation means the trade, profession or type of work 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.

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| **If the person covered is under age 65 and:**<br>• **isn't in a full-time (more than 16 hours each week) paid occupation immediately before the start of the period of incapacity; or**<br>• **is in a full-time (more than 16 hours each week) occupation immediately before the start of a period of incapacity and has received 12 monthly payments of cover** | the serious illness definition will apply. |
| **If the person covered is under the age of 65, doesn't meet the serious illness definition and:**<br>• **isn't in a full-time (more than 16 hours each week) paid occupation immediately before the start of the period of incapacity; or**<br>• **is in a full-time (more than 16 hours each week) paid occupation immediately before the start of the period of incapacity and has received 12 monthly payments of cover** | the everyday tasks definition will apply. |
| **If the person covered is age 65 or over at the start of a period of incapacity** | the living tasks definition will apply. |
| **If the person covered reaches age 65 while a cover is being paid** | we'll reassess the claim at that time based on the living tasks definition. This might mean we stop paying the cover. |

**Serious Illness definition of 'incapacitated'**
If the person covered meets any of the following definitions we'll continue to pay the cover whilst they're unable, before age 65, to work in their own occupation in any capacity.

(a) 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.
(b) Cancer – undergoing chemotherapy or radiotherapy in hospital or having received one of those treatments in hospital within the last 3 months.
(c) Complete dependency – being totally incapable of caring for oneself, requiring 24 hour medical supervision in a hospital or nursing home.
(d) 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.
(e) Dialysis – undergoing dialysis in hospital or having received the treatment in hospital within the last 3 months.
(f) 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.
(g) Terminal illness – 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.

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| **If the person covered is under age 65 and:**<br>• **isn't in a full-time (more than 16 hours each week) paid occupation immediately before the start of the period of incapacity; and**<br>• **doesn't meet any of the serious illness definitions above** | the everyday tasks definition will apply. |
| **If the person covered is age 65 or over at the start of a period of incapacity** | the living tasks definition will apply. |
| **If the person covered reaches age 65 while a cover is being paid** | we'll reassess the claim at that time based on the living tasks definition. This might mean we stop paying the cover. |

**Everyday tasks definition of 'incapacitated'**
Loss of the physical ability through an illness or injury before age 65 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.

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| **If the person covered is age 65 or over at the start of a period of incapacity** | the living tasks definition will apply. |
| **If the person covered reaches age 65 while a cover is being paid** | we'll reassess the claim at that time based on the living tasks definition. This might mean we stop paying the cover. |

**Living tasks definition of 'incapacitated'**
Any illness or injury which:
a) prevents the person covered from doing at least 3 out of the 6 living tasks either with or without the use of mechanical equipment, special devices or other aids and adaptations in use for disabled persons; or
b) causes mental failure.
Mental failure means mental incapacity which:

- has failed to respond to optimal treatment and requires the need for continuous psychotropic medication; or
- is due to an organic brain disease or brain injury supported by evidence of progressive loss of ability to:
  – remember;
  – reason;
  – perceive, understand, express and give effect to ideas;
  and causes a significant reduction in mental and social functioning, requiring the continuous supervision of the person covered.

The living tasks are:

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| **Washing** | The ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means. |
| **Getting dressed and undressed** | The ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances. |
| **Feeding yourself** | The ability to feed yourself when food has been prepared and made available. |
| **Maintaining personal hygiene** | The ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function. |
| **Getting between rooms** | The ability to get from room to room on a level floor. |
| **Getting in and out of bed** | The ability to get out of bed into an upright chair or wheelchair and back again. |

**Intentional self-inflicted injury**
If the cause of the claim is the death of the person covered, intentional self-inflicted injury means in our reasonable opinion the most likely cause of death is that the person covered took his or her own life, whether or not specifically shown as a verdict or cause of death in a death certificate, coroner's report or other equivalent documentation.

If the cause of the claim is anything other than the death of the person covered, intentional self-inflicted injury means any injury the person covered has suffered that is in our reasonable opinion a result of his or her own deliberate act.

**Irreversible**
Can't reasonably be improved upon by medical treatment and/or surgical procedures used by the National Health Service in the UK at the time of the claim.

**Neurological deficit with persisting clinical symptoms**
Symptoms of dysfunction in the nervous system that are present on clinical examination.

Symptoms that are covered include:

- Numbness
- Hyperaesthesia (increased sensitivity)
- Paralysis
- Localised weakness
- Dysarthria (difficulty with speech)
- Aphasia (inability to speak)
- Dysphagia (difficulty in swallowing)
- Visual impairment
- Difficulty in walking
- Lack of coordination
- Tremor
- Seizures
- Dementia
- Delirium
- Coma

The following are not covered:
- an abnormality seen on brain or other scans without definite related clinical symptoms
- neurological signs occurring without symptomatic abnormality, e.g. brisk reflexes without other symptoms
- symptoms of psychological or psychiatric origin.

# SECTION D:
# Definitions of the words we use – continued

**Occupation**
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**
A group 1 licence as defined in the 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.

**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's lost as a result of the incapacity of the person covered:
  – living accommodation where you live and pay council tax;
  – company car when used for private use;
  – car fuel which is provided for use with your company car;
  – beneficial loans, excluding loans for travel tickets;
  – insurance such as critical illness insurance, private medical insurance and accident and travel insurance;
- regular bonuses and commission received by the person covered;
- dividends received by the person covered from a private limited company in which they and no more than 3 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 their incapacity.

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.

If the earnings of the person covered vary significantly from one year to another, for example because they're made up mainly of commission or bonuses, we'll use their average earnings over the last 3 years before the claim.

Income received from savings and investments won't be included.

**Royal London**
Means The Royal London Mutual Insurance Society Limited.

**Self-employed**
The person covered actively working:

- alone;
- or with others in partnership;
- or as a member of a limited liability partnership; and
- 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.

**Term of the cover**
The period between the date cover starts and the date cover ends.

**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.

**Total Permanent Disability for Critical Illness Cover and Life or Critical Illness Cover**
We'll pay if the person covered is diagnosed as suffering Total Permanent Disability – of specified severity. All diagnoses must:
- be made by a consultant employed at a hospital within the geographical limits shown in section C1 who is a specialist in an area of medicine appropriate to the cause of the claim;
- be the first and unequivocal diagnosis of the disability; and
- be confirmed by our chief medical officer.

The additional features section of your cover summary shows which definition applies to each of your covers.

**Own occupation definition**
Becoming permanently disabled according to all of the requirements of either of the following definitions:

**Total permanent disability** – unable before age 65 to do your own occupation ever again
Loss of the physical or mental ability through an illness or injury before age 65 to the extent that the person covered is unable to do the essential duties of their own occupation ever again. The essential duties are those that are normally required for, and/or form a significant and integral part of, the performance of the person covered's own occupation that cannot reasonably be omitted or modified.

Own occupation means the trade, profession or type of work the person covered does for profit or pay. It is not a specific job with any particular employer and is irrespective of location and availability.

The appropriate medical specialist must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or the person covered expects to retire.

For the above definition, disabilities for which the appropriate medical specialist cannot give a clear prognosis are not covered.

**Total permanent disability** – mental incapacity
Irreversible mental incapacity due to an organic brain disease or brain injury supported by evidence of progressive loss of ability to:
- remember;
- reason; and
- perceive, understand, express and give effect to ideas;

which causes a significant reduction in mental and social functioning, requiring the continuous supervision of the person covered.

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| **If the person covered is under age 65 but is not in a paid occupation at the time of the claim** | The working tasks definition will apply. |
| **If the person covered is over age 65 at the time of the claim** | The living tasks definition will apply. |

**Working tasks definition**
Becoming permanently disabled according to all of the requirements of either of the following definitions:

**Total permanent disability** – unable before age 65 to do 3 specified working tasks ever again
Loss of the physical ability through an illness or injury before age 65 to do at least 3 of the 6 working tasks listed below ever again.

The appropriate medical specialist must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or the person covered expects to retire.

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 working tasks are:

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| **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. |
| **Writing** | The manual dexterity to write legibly using a pen or pencil, or type using a desktop personal computer keyboard. |

For the above definition, disabilities for which the appropriate medical specialist cannot give a clear prognosis are not covered.

**Total permanent disability** - mental incapacity
Irreversible mental incapacity due to an organic brain disease or brain injury supported by evidence of progressive loss of ability to:
- remember;
- reason; and
- perceive, understand, express and give effect to ideas;

which causes a significant reduction in mental and social functioning, requiring the continuous supervision of the person covered.

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| **If the person covered is over age 65 at the time of the claim** | The living tasks definition will apply. |

**Living tasks defintion**
Becoming permanently disabled according to all of the requirements of either of the following definitions:

**Total permanent disability** – unable to look after yourself ever again
Loss of the physical ability through an illness or injury to do at least 3 of the 6 living tasks listed below ever again.

The appropriate medical specialist must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or the person covered expects to retire.

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 living tasks are:

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|---|---|
| **Washing** | The ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means. |
| **Getting dressed and undressed** | The ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances. |
| **Feeding yourself** | The ability to feed yourself when food has been prepared and made available. |
| **Maintaining personal hygiene** | The ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function. |
| **Getting between rooms** | The ability to get from room to room on a level floor. |
| **Getting in and out of bed** | The ability to get out of bed into an upright chair or wheelchair and back again. |

For the above definition, disabilities for which the appropriate medical specialist cannot give a clear prognosis are not covered.

**Total permanent disability** - mental incapacity
Irreversible mental incapacity due to an organic brain disease or brain injury supported by evidence of progressive loss of ability to:
- remember;
- reason; and
- perceive, understand, express and give effect to ideas;

which causes a significant reduction in mental and social functioning, requiring the continuous supervision of the person covered.

**Total Permanent Disability for Children's Critical Illness Cover**
We'll pay if the child is diagnosed as suffering Total Permanent Disability. All diagnoses must:
- be made by a consultant employed at a hospital within the geographical limits shown in section C1 who is a specialist in an area of medicine appropriate to the cause of the claim;
- be the first and unequivocal diagnosis of Total Permanent Disability; and
- be confirmed by our chief medical officer.

Total Permanent Disability means the child becoming permanently disabled through illness or injury to the extent that for a period of 12 consecutive months the child has been confined to their home, a hospital or similar institution and has required medically supervised constant care and attention.

The disability must be expected to last throughout the child's life without prospect of improvement.

**We** or **us** or **our**
Means Bright Grey.

**Work**
Being employed or self-employed.

**Working tasks**
The 6 working tasks are as follows:

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| **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. |
| **Writing** | The manual dexterity to write legibly using a pen or pencil, or type using a desktop personal computer keyboard. |

**You** or **your**
Means the plan owner or their legal successors except where a different meaning is given in a clause.