

PRODUCT PROFILE

COMBINED LIFE AND CRITICAL ILLNESS PROTECTION

This document summarises the information distributors need to know about our Combined Life and Critical Illness Protection product. In line with regulatory requirements, we set out the product's target market, distribution strategy, main features, risks, limits, suitability, options and costs.

For full details, please see our [policy terms and conditions](#).

TARGET MARKET

This product is designed for people, or their dependants who would suffer financially if:

- They are diagnosed with one of the critical illnesses listed in the [policy terms and conditions](#).
- They died.
- They were diagnosed with a terminal illness and were expected to have less than 12 months to live.

It's particularly useful for people who want to protect themselves or their families against the financial cost of suffering a critical illness. It can help them pay off financial commitments like a mortgage or loan, where their dependants would still be liable for the debt. Or it could pay for treatment or specialist equipment to help them recover and compensate for any loss of income resulting from the illness.

DISTRIBUTION

This product can only be sold through Financial Advisers – face to face or over the phone. It's important to regularly review your clients' circumstances and protection needs to make sure their cover remains appropriate.

MAIN FEATURES

- Cash lump sum on earlier of death or diagnosis of one of the specified conditions during the term of the policy.
 - 76 conditions including 53 full payout and 22 additional payout, 1 partial payout and 18 definitions providing wider coverage than the ABI standard definitions.
 - Level Cover, Decreasing Cover and Increasing Cover.
 - Guaranteed premiums.
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- Total permanent disability own occupation included as standard.
 - Cover upgrade promise.
 - Premium Waiver included as standard.
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WHAT'S NOT COVERED

- This cover is not designed to protect someone's income if they become unable to work as a result of an accident, sickness or unemployment.
 - Any critical illness condition that's not listed in the **policy terms and conditions**.
 - People can claim on additional payouts more than once, but not for the same condition twice – apart from carcinoma in situ which can be claimed multiple times so long as the site of each carcinoma in situ is different.
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RISKS

- There's no cash-in value at any time.
 - If they stop paying their premiums, their cover may stop.
 - If they choose Level Cover, it won't keep up with inflation and could buy less in the future.
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LIMITS AND BASIS

- The minimum term is 5 years and maximum term 52 years. The policy must end on or before the 70th birthday of the person covered.
- People can choose to take out a policy on a single or dual life basis.
- For a dual life application, each person has their own individual cover. And because they have their own cover, in the event of a claim the person who hasn't claimed will still have their own cover in force which means there could be 2 payouts.

ELIGIBILITY

To apply, your clients must be:

- Between their 18th and 65th birthdays (inclusive).
 - UK resident (not Channel Islands or Isle of Man). To qualify as a UK resident the person covered must:
 - Have their own personal UK bank account.
 - Have lived in the UK for last 2 years, with the right to remain in the UK.
 - Have their permanent home in the UK.
 - Have been registered with a UK doctor for the last 2 years.
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COMBINED LIFE AND CRITICAL ILLNESS PROTECTION IS SUITABLE FOR:

- People who want a lump sum on the earlier of their death or diagnosis of a specified critical illness during the term of their policy.
- People who want a lump sum if they're diagnosed with a terminal illness during the term of their policy and are expected to have less than 12 months to live.
- People who want certainty that their premiums are guaranteed not to change (unless they've chosen Increasing Cover).
- People who are not willing or able to self-insure, or don't have funds elsewhere.
- People who need cover between their 18th and 70th birthdays (inclusive).
- People who need cover for at least 5 years and up to 52 years.

Level Cover is suitable for:

- People looking to protect an interest-only mortgage with cover that pays out the same lump sum throughout the life of the policy.
- People looking for certainty that their amount of cover is fixed for the term of the policy.

Decreasing Cover is suitable for:

- People looking to cover the reducing amount they owe on a capital and interest repayment mortgage or other loans.
- People looking for a lump sum that reduces every month by 8% in line with the debt they owe on a mortgage loan.

Increasing Cover is suitable for:

- People looking for the amount of cover to go up each year in line with the retail price index (RPI) to keep up with inflation.
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CRITICAL ILLNESS PROTECTION IS NOT SUITABLE FOR:

- People looking for a product to pay a regular income if they're unable to work for a period of time as a result of an accident or sickness.
- People looking for business protection to cover the loss of a key person.
- People looking to provide finance to purchase shares of a director or partner in the event of their death.
- People looking to cover an interest-only business loan.
- People who want their premiums to be reviewable.
- People who are looking to protect themselves for the rest of their life.

Level Cover is not suitable for:

- Covering any rising costs to keep up with inflation as the amount of cover will be worth less in the future.

Decreasing Cover is not suitable for:

- Covering the debt on an interest-only mortgage as the amount of cover will go down and the mortgage debt will stay the same, so the debt could be greater than the amount of cover in place.
- Customers who want to guarantee that their outstanding mortgage amount will be covered at time of claim.

Increasing Cover is not suitable for:

- Covering a mortgage debt, as the amount of cover will go up and the mortgage debt will go down or stay the same, so this could result in people paying for extra cover they don't need.

OPTIONS AND ADDITIONAL BENEFITS

ADDITIONAL PAYOUTS

Critical Illness Protection includes 22 additional payout conditions as standard. If someone is diagnosed with one of the additional payout conditions listed in the policy terms and conditions, we'll pay an additional amount of 50% of the amount covered or £50,000, whichever is less. The full payment amount remains intact if we pay a claim for an additional payout condition.

PREMIUM WAIVER

Premium Waiver comes as standard regardless of age, occupation or activities. Not only do we waive premiums if someone's too ill to work and their net paid income reduces by 25% or more, but also, after the first policy anniversary for up to 6 months after they have a baby or lose their job through no fault of their own.

GUARANTEED INCREASE OPTIONS

We offer most people the chance to add to their cover with no underwriting, no medical evidence, no application form and no age limit.

TOTAL PERMANENT DISABILITY

Included as standard, but subject to underwriting acceptance, we offer an own-occupation definition of total permanent disability. We cover people while they're working, regardless of their age, for their own job – that is, the job they're doing when they claim. When they retire, we use activities of daily living or mental incapacity.

COVER UPGRADE PROMISE

The policy offers additional protection if our critical illness definitions improve. If we improve our critical illness definitions and we can give clients them for free, we'll check any claim they make against both the definitions they bought and the definitions for new customers. And we'll pay out if the claim is valid under either. Occasionally, we may introduce improvements to our critical illness definitions that will come at a cost.

If we do, we'll offer the client the opportunity to pay to add definition improvements when we upgrade the definition.

CHILDREN'S CRITICAL ILLNESS PROTECTION

Children's critical illness cover is an optional extra and client's can add to their policy at any time. It covers all natural, step or adopted children and those for whom they're the legal guardian or have been granted parental responsibility. They'll be covered from birth to their 23rd birthday.

IMMEDIATE COVER

If we can't start a client's cover straightaway, they may be eligible for Immediate Cover (please refer to our website for full details). This is a temporary cover, of the same type they've applied for, with some restrictions, and it starts as soon as you've submitted their application online.

LIFESTYLE PROMISE

We may be able to reduce a client's premiums or remove exclusions if they were paying an increased amount or we applied exclusions because of their health or lifestyle and they subsequently:

- Stop smoking
- Lose weight for a sustained period
- Change job
- Give up sports activities

GUARDIAN ANYTIME

All policyholders have access to the following benefits.

- GP 24/7 – GP consultations over the phone, 24 hours a day, 7 days a week from anywhere in the world.
- UK-based face-to-face second medical opinion service.
- Emotional wellbeing consultations.
- Aches and pains consultations.

These benefits are non-contractual and can be changed or removed at any time.

HALO

At claim, all policyholders are contacted by a member of our HALO team who recommend ways that HALO can help them. Here are a few examples of how HALO could help:

- A face-to-face second medical opinion
- Counselling to help families cope with serious illness
- Therapies to ease the consequences of treatments
- Speech therapy
- Bereavement counselling
- Nursing support following diagnosis and treatment
- Estate planning following a terminal illness diagnosis
- Return-to-work support
- Help around the house – shopping and cleaning
- Finding a solicitor to handle probate
- Help to draw up a power of attorney.

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