



Life Essentials

POLICY TERMS
AND CONDITIONS

JUNE 2026



YOUR POLICY TERMS AND CONDITIONS

About this document and your policy

We give these **policy terms and conditions** to everyone who buys Life Essentials with us. They explain how this specific **cover** works, how to make a claim, how to keep your premiums up to date, and how to make changes to your **cover**.

This document is about your Life Essentials **cover** only. It explains everything you need to know about this specific **cover**.

Your wider protection policy

Life Essentials may be part of your wider protection **policy**. You may have one or more other **covers** as part of the same **policy**.

All the **covers** you have are listed on your **cover summary**, which shows exactly what you're protected for. Each **cover** has its own set of **policy terms and conditions**. You can find these for all your **covers** in your online **MyGuardian** account.

The core covers you can choose from

Within your protection **policy**, you can mix and match up to 10 different **covers** from our Protection Menu. These **core covers** are:

- Life Essentials
- Life Protection
- Critical Illness Essentials
- Critical Illness Protection
- Combined Life and Critical Illness Essentials
- Combined Life and Critical Illness Protection
- Income Protection

Children's Critical Illness Protection is an optional extra. It can only be taken out alongside one of the **core covers**.

All the **covers** you have chosen are shown on your **cover summary**.

What we mean by Financial Adviser

Throughout these **policy terms and conditions**, when we say **Financial Adviser**, we mean the person who arranged your **policy** for you. This could be a **Financial Adviser**, financial planner, protection adviser, insurance agent, mortgage adviser or another professional.

If you can't remember who your **Financial Adviser** is, please give us a call or send us an email and we can share their details. Or, if you're no longer in contact with your **Financial Adviser**, you can visit www.unbiased.co.uk to find one in your local area.

If you need any help

Your **Financial Adviser** should be able to answer most of your questions, but you can also contact the Guardian Team:

 0808 123 1821

 heretohelp@guardian1821.co.uk

Extra support

If you ever need extra support, we're here to help. You can visit guardian1821.co.uk/extra-support, send us an email or give us a call to explore how we can support you in a way that works best for you. If you let us know what you need, we can make a note on your account, so our team understands how to support you better.

When you need extra support, we'll work with you to help you understand what information is needed and how to provide it.

If you'd like this document in a different format, such as Braille, large print or audio, please call or email us.

GLOSSARY OF TERMS

This is a legal document so we have to use terms throughout that you might not be familiar with. We recommend you refer to the glossary of terms in section 5 when reading this document to make sure you understand what you're covered for and how your **policy** works.

CONTENTS

1. YOUR PROTECTION POLICY Page 5

- 1.1 Your contract with us
- 1.2 About your policy
- 1.3 Making a claim
- 1.4 Additional support when you claim
- 1.5 Payments made under your policy
- 1.6 Changes we'll make to your policy
- 1.7 Cancelling your policy
- 1.8 Cash-in or surrender value

2. PAYING FOR YOUR POLICY Page 8

- 2.1 Paying premiums
- 2.2 Missing premiums
- 2.3 Premium Waiver

3. GENERAL INFORMATION AND CONDITIONS Page 10

- 3.1 Making a complaint
- 3.2 The Financial Services Compensation Scheme (FSCS)
- 3.3 The law that applies
- 3.4 Solvency II Directive information
- 3.5 Our understanding of tax rules

4. YOUR LIFE ESSENTIALS Page 13

- 4.1 What Life Essentials does
- 4.2 Who can take out cover
- 4.3 How long you can get cover for
- 4.4 How much you're covered for
- 4.5 Who we'll pay out to
- 4.6 Increasing Cover
- 4.7 Changing your cover
- 4.8 Terminal illness
- 4.9 Assessing a claim
- 4.10 When we wouldn't pay a claim
- 4.11 The amount we pay out
- 4.12 Moving abroad

5. GLOSSARY OF TERMS Page 22

1. YOUR PROTECTION POLICY

1.1 YOUR CONTRACT WITH US

A protection **policy** is an insurance contract or group of contracts between you and us. There is a separate contract for each **core cover**, as set out in your **cover summary**. This means each **core cover** can be dealt with separately for entitlement to its benefits. Each of those contracts will be governed by specific **policy terms and conditions** for each **cover**. These **policy terms and conditions** are for your Life Essentials only.

The **policy** is made up of the following parts:

- **Statement of facts**
- **Policy terms and conditions** for each **cover**
- **Cover summary**

Please read this document carefully. It's important that you read all the **policy** documentation before the end of the 30-day cooling-off period. **If you become aware that information you've given us is inaccurate or incomplete, you must let us know as soon as you can.**

We'll store your **policy** documents, including your **cover summary**, securely in your **MyGuardian** account. See your welcome email for more information.

Once your **policy** has started, you have 30 days to change your mind and cancel it. If you tell us within that time that you want to cancel, we'll refund any money you've paid and cancel your **cover**. To cancel your **policy** during the cooling-off period, email us at heretohelp@guardian1821.co.uk.

Your consent

We may need to ask your doctor for information to support or check the answers you gave us in your **application**. When you applied online, we asked for your consent to contact your doctor under the Access to Medical Reports Act (AMRA 1988) or The Access to Personal Files and Medical Reports (Northern Ireland) Order 1991, whichever is appropriate. If we need to contact your doctor, we'll do that within the first 6 months of your **policy** starting and we'll email you to let you know. If you withdraw your consent, we'll cancel your **cover**.

It's important you review your **policy** regularly with your **Financial Adviser** to make sure it still meets your needs if your circumstances change.

1.2 ABOUT YOUR POLICY

Your **policy** is arranged and administered by Guardian Financial Services Limited. Guardian Financial Services Limited is an appointed representative of Scottish Friendly Assurance Society Limited.

Guardian Financial Services Limited is entered on the Financial Services Register under reference number 798072. Guardian Financial Services Limited is registered in England and Wales under number 11115769. Registered office: 11 Strand, London WC2N 5HR.

Your **policy** is underwritten and issued by Scottish Friendly Assurance Society Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Scottish Friendly Assurance Society Limited is entered on the Financial Services Register under reference number 110002, with permission to effect and carry out contracts of insurance.

1.3 MAKING A CLAIM

If you need to claim under your **policy**, contact your **Financial Adviser** or call our Claims Team on **0808 173 1821** as soon as you can. They'll tell you all about how to claim and offer you as much help and guidance as they can at what can be a very difficult time.

If you die within the **policy term**, a nominated beneficiary (for example, a member of your family), a trustee of your **policy** (if it's in trust), or the executor of your estate should:

- Phone our Claims Team on **0808 173 1821** or
- Email claims@guardian1821.co.uk or
- Write to **Guardian Financial Services, Forbury Works, 37–43 Blagrove Street, Reading RG1 1PZ**

Once we're told about a claim, we gather any evidence to assess your claim to enable us to pay out as quickly as possible. We may need to get some medical information, but there will be no cost to you or the person making the claim. If you're living abroad, we may need you to return to the UK to attend a medical examination so we can fully assess your claim. In this situation you'll need to cover your travel costs.

We also need to establish the legal owner of the **policy** and other relevant information to allow us to pay the **cover amount** to the right person.

1.4 ADDITIONAL SUPPORT WHEN YOU CLAIM

If you need to claim, we understand the financial payout is important, but that's often not all you need at this difficult time. That's why we offer additional support through our HALO claims service.

When you make a claim, our Claims Specialists take time to understand your situation. They then draw on their experience and the expertise of our partners to recommend and put in place support that's relevant to you.

HALO supports you and your immediate family, and in most cases the entire cost of the help offered is covered by your **policy**.

To make sure HALO provides the best claims support, we regularly review the services we offer and the providers we work with. HALO doesn't form part of your contract with us. This gives us the flexibility to change current services and providers as well as add new services and providers at any time. We can also remove services that are no longer available or withdraw them completely.

1.5 PAYMENTS MADE UNDER YOUR POLICY

Unless we agree otherwise:

- All payments made to, and by, us under your **policy** must be in GBP (pounds sterling).
 - We'll only pay claims to UK, Channel Islands or Isle of Man bank accounts.
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1.6 CHANGES WE'LL MAKE TO YOUR POLICY

If we have to make changes to your **policy**, we'll always let you know before we make them. Changes could be because we can offer you better **terms** or need to change your current **terms**, or because of changes in future legislation.

1.7 CANCELLING YOUR POLICY

You can cancel your **policy** at any time by letting us know at heretohelp@guardian1821.co.uk and cancelling your direct debit mandate. If you tell us after 30 days, you won't get any money back, as the **policy** has no surrender value. The cancellation will take effect from the date of your next monthly **policy anniversary**.

You can cancel one type of **core cover** within your **policy** without having to cancel other **core cover** types you hold.

If you withdraw your consent under the Access to Medical Reports Act (AMRA) 1988 or The Access to Personal Files and Medical Reports (Northern Ireland) Order 1991, whichever is appropriate, which you gave during your online **application**, we'll cancel your **cover**.

If you stop paying your monthly premiums, your **policy** will lapse as described in section 2.2.

Reinstating a cancelled policy

You can apply to reinstate your **policy** up to 2 months after it's cancelled, provided all your missed premiums are paid in full.

We'll ask you to complete a declaration of health, which will be subject to underwriting. If your health has deteriorated or your lifestyle has changed since your original **application**, we may be unable to reinstate your **policy** or may need to change the original **terms** and monthly premium.

1.8 CASH-IN OR SURRENDER VALUE

Your **policy** has no cash-in value (there's no investment or savings element) and won't pay out if you reach the end of the **term** without a claim.

2. PAYING FOR YOUR POLICY

The amount you need to pay and for how long will be shown on your **cover summary**. Your premiums won't change unless:

- You chose Increasing Cover.
- You were paying an increased premium due to your health or lifestyle and the increase expires or is removed.
- A change is made to your **policy**.

2.1 PAYING PREMIUMS

You'll need to pay your premiums each month from a personal UK, Channel Islands or Isle of Man bank account that accepts direct debits. The account must be held in your name and you must be an authorised signatory. If your bank account details change, please let us know as soon as you can. Contact us directly or through your **Financial Adviser**.

2.2 MISSING PREMIUMS

A direct debit payment can fail for a variety of reasons. It's your responsibility to make sure there's enough money in your account to pay your premiums each month.

If we're unable to collect premiums, we'll email you immediately and let your **Financial Adviser** know too.

If you don't pay your premiums, your **policy** will lapse 30 days after the first missed premium.

If the **policy** lapses, you can apply to reinstate it up to 2 months afterwards, provided all your missed premiums are paid in full. We'll ask you to complete a declaration of health, which will be subject to underwriting. If your health has deteriorated or your lifestyle has changed since your original **application**, we may be unable to reinstate your **policy** or may need to change the original **terms** and premium.

If you need to discuss any issues around the collection of your premiums, please call us or email us.

2.3 PREMIUM WAIVER

Premium Waiver is automatically included in your **policy** and can't be removed. It means you may not have to pay your premiums if you're unable to work.

You won't have to pay your Life Essentials premiums if, after your **cover** has started:

- You become unable to do the material and substantial duties of your **own job** (the actual job you're doing at the time you claim) and
- Your regular net income reduces by 25% or more as a result.

The material and substantial duties are those that are normally required for, and/or form a significant and integral part of, the performance of your **own job** that can't reasonably be omitted or modified.

When we start waiving your premiums

We'll start waiving your premiums from the date you tell us you're unable to do your **own job** due to illness or injury, or 26 weeks after your net income reduces by 25% or more, whichever is later.

It's important to let us know as soon as you think you may need to claim, as we may not be able to backdate Premium Waiver or refund premiums already paid.

How long Premium Waiver continues

We'll continue to waive your premiums if you're unable to carry out your **own job** due to illness or injury until the earliest of the following happens:

- You're no longer losing 25% or more of your net income.
- We establish that you're able to return to work.
- You retire.
- Your **policy** expires.
- You make a **full payout** claim and your **policy** ends.

You can claim Premium Waiver as many times as you need, as long as your **cover** is **in force**.

What happens during a Premium Waiver claim

- We won't collect your normal premiums by direct debit while your claim is active.
- Your **cover** will continue as normal during and after the claim.
- Any additional **covers** on your **policy** will also have their premiums waived.
- If you have Increasing Cover, it'll continue to increase during the claim.

A Premium Waiver claim has no impact on any other claim you may make on your **policy**.

We may ask for information or evidence to assess your claim. This will depend on the reason for your claim, and we'll tell you what we need when you contact us.

Once your premiums are being waived, we'll stay in touch and may ask for updates or further medical information so we can reassess your claim when needed.

3. GENERAL INFORMATION AND CONDITIONS

3.1 MAKING A COMPLAINT

We hope you'll never need to complain, but if you do, we'll do our best to resolve your complaint as quickly as possible. To find out how to make a complaint, please follow our step-by-step process at guardian1821.co.uk/complaints.

To contact us:

 0808 123 1821

 heretohelp@guardian1821.co.uk


 Guardian Financial Services, Forbury Works, 37–43 Blagrove Street, Reading RG1 1PZ


We always prefer to sort out any complaints ourselves, but you can ask for help from the Financial Ombudsman in certain circumstances:

- If we haven't been able to resolve your complaint.
- If we've not sent you a final response within 8 weeks.

The Financial Ombudsman is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the Financial Ombudsman at www.financial-ombudsman.org.uk.

To contact the Financial Ombudsman:

 0800 0234 567 (free from UK landlines and mobiles) or
0300 123 9123 (calls cost no more than 01 and 02 calls)

 complaint.info@financial-ombudsman.org.uk

 Financial Ombudsman Service, Exchange Tower, London E14 9SR

3.2 THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

The FSCS is designed to pay compensation if a firm is unable to pay claims because it's stopped trading or been declared in default. So, if Scottish Friendly Assurance Society Limited runs into financial difficulties, you may be able to claim through the FSCS for any money you've lost.

The FSCS will pay 100% of the value of your claim and there's no limit to the amount of the payment. You can find out more about the FSCS, including eligibility to claim, by visiting its website.

The rules of the FSCS might change in the future and the FSCS may take a different approach depending on what led to the failure.

To find out more about the FSCS:

 fscs.org.uk

 0800 678 1100

 Financial Services Compensation Scheme, PO Box 300, Mitcheldean GL17 1DY

3.3 THE LAW THAT APPLIES

Our **policies** are governed by the laws of England and Wales and are based on current law and precedent, which may change in the future.

3.4 SOLVENCY II DIRECTIVE INFORMATION

Scottish Friendly Assurance Society Limited's solvency and financial condition report can be accessed at <https://www.scottishfriendly.co.uk/financial-results-and-tax-strategy>.

3.5 OUR UNDERSTANDING OF TAX RULES

Under current tax rules, any payments we make on your **policy** will be free from income tax and capital gains tax in the UK. However, by paying a large amount of money into your estate, your overall tax liability might change (inheritance tax might be affected). This is based on our understanding of current tax law and practice which may change in the future. We recommend you speak to your **Financial Adviser** or a solicitor if you'd like to know more.

4. YOUR LIFE ESSENTIALS

4.1 WHAT LIFE ESSENTIALS DOES

Life Essentials is a fixed-term insurance **cover** that will pay out the **amount covered** if either of the following events happen while the **cover** is **in force**:

- You die.
- You're diagnosed as being terminally ill and, in the opinion of your attending **UK Consultant**, your illness:
 - has no known cure or has progressed to the point where it can't be cured, and
 - is expected to lead to your death within 12 months.

Once we've paid a claim, the **policy** will end.

4.2 WHO CAN TAKE OUT COVER

You can take out **cover** if you meet all of the following:

- You're aged between 18 and 64.
- You have a personal UK, Channel Islands or Isle of Man bank account.
- You've lived in the UK for the last 6 months, with the right to remain in the UK.
- You're a **UK resident**.
- You're currently registered with a UK doctor.

4.3 HOW LONG YOU CAN GET COVER FOR

The length of time your protection will last for will be specified on your **cover summary**. Life Essentials can't extend beyond the day immediately before your 91st birthday.

Life Essentials has a minimum **term** of one year for Level and Increasing Cover, and 5 years for Decreasing Cover.

Life Essentials ends on the earliest of:

- When you die.
- When you stop paying the premiums after you've asked to cancel your **cover**.
- When the **cover** has lapsed as a result of missed premiums.
- When we've paid a terminal illness claim.
- When the **cover term** ends.

4.4 HOW MUCH YOU'RE COVERED FOR

The amount you're covered for is shown on your **cover summary**.

You can choose from the following types of **cover**:

- **Level:** Where the **cover amount** is fixed until the end of the **cover term**.
- **Decreasing:** Where the **cover amount** reduces each month in line with the capital amount outstanding on a repayment mortgage paying interest at 8% a year. See section 4.11 for more details on this.
- **Increasing:** Where the **cover amount** goes up in line with inflation every year on each **cover** anniversary. See section 4.6 for details.

4.5 WHO WE'LL PAY OUT TO

If you die, we'll pay out to the executors or administrators of your estate following proof of probate (or confirmation in Scotland) if there's no legal agreement or trust in place on your **cover**. If you have a trust or legal agreement (see table below), we'll pay in accordance with that arrangement.

If for any reason we can't pay in accordance with that arrangement, e.g. an invalid nomination, a future change in law or a change in interpretation of the law, we'll pay out to your estate.

Once we've paid the **cover amount** in accordance with this section, we'll not be liable to anyone to make any further payment.

A terminal illness claim will always be paid directly to you unless the **cover** has been put in trust, or assigned, in which case we'll pay you or the trustees or beneficiaries as set out in the trust, or the assignees.

If, before we've paid out a terminal illness claim, we're told that you've died, then we'll pay out for a death claim instead as detailed below.

	Legal agreement in place?	Who we pay the death claim to	Who we pay the terminal illness claim to
Own life	No	The executors or administrators of your estate	The person covered
Own life	Yes – trust	The trustees or the beneficiaries of the trust	As defined by the trust
Own life	Yes – deed of assignment	The assignees	As defined by the deed of assignment
Own life	Yes – Payout Planner	The beneficiaries nominated under the cover (or their estate)	The person covered

Payout Planner

If you told us when completing the online **application** who you would want to benefit from your Life Essentials payout in the event of your death, Payout Planner will apply to your **cover**. Your **cover summary** will show if you've chosen to nominate beneficiaries.

This will mean that we can pay the claim to your nominated beneficiaries without having to wait for probate (or confirmation) to be granted first.

We may pay to the parent or guardian of a beneficiary who is a minor. The parent or guardian is responsible for ensuring that any **cover amount** paid to them is held or used for the benefit of the minor beneficiary. Payment to the nominated beneficiary (or to their parent or guardian) will satisfy our obligations under your **policy**.

It's important that you review the beneficiaries regularly and keep us updated with any changes. You can make changes, replace beneficiaries or vary your **cover** without the consent of previously nominated beneficiaries. If you've notified us of a change to your beneficiary choice, we'll pay to the beneficiary or beneficiaries you last notified us of in the shares you've specified.

You can nominate more than one person or organisation, such as charities, as beneficiaries. If a beneficiary dies, we'll pay their share to their estate, so it's best if you change your nomination for them to avoid delays or an unintended result.

You can't nominate yourself, your estate, a trust you (or your estate) can benefit from, your mortgage lender or other commercial creditors. Any such nomination would be invalid. If your first nomination was invalid, this would mean that Payout Planner wouldn't apply to your **cover** until you made a valid nomination. If it was a subsequent nomination, this would mean that Payout Planner would revert to the previous valid nomination. Once you have validly nominated any beneficiary under Payout Planner to receive the benefits after your death, neither you nor your estate is entitled to these and Payout Planner will continue to apply unless you later override it with a trust. There must always be at least one nominated beneficiary while Payout Planner applies.

Assignment

When Payout Planner has been used, the contract for the **cover** can't be assigned to anyone else, except to the trustees of a trust which doesn't allow you or your estate to benefit from payment on your death.

Trusts

If you put your Life Essentials **cover** into a valid trust, this can't be reversed, and the trustees will essentially be the owners on behalf of the trust beneficiaries. The trustees will determine who can receive the payout in accordance with the terms of the trust.

From the time that we receive notification of the trust, this will automatically replace any beneficiary nominations under Payout Planner – so long as the trust doesn't allow you or your estate to benefit from payment on your death. If that condition is satisfied, the trust effectively becomes the sole nominated beneficiary and, from this point onwards, the trustees will determine who can receive the payout in accordance with the terms of the trust. If not, we'll pay out to the beneficiaries you nominated under Payout Planner.

We'll need evidence of the trustees' identity and legal ownership of the Life Essentials **cover** and instructions from them before we can pay the claim.

4.6 INCREASING COVER

If you select this option, the **amount covered** will go up in line with inflation on each **cover** anniversary. Your **cover summary** will show whether or not you've chosen this option.

If you've selected this option, your premium will also increase each year to reflect the increased **cover amount**. The increase is calculated as the inflation increase multiplied by 1.5.

We track inflation using the consumer price index including owner occupiers' housing cost (CPIH) over a 12-month period. We may use another equivalent index in the future. If inflation is 0% or less, no change in premium or **cover** will be applied.

The maximum amount of life **cover** you can have with us is £20 million across all **covers**. If the total life **cover** you have in place with us across all life **covers** reaches £20 million, inflation increases will stop and the premium and **cover amount** won't increase any further.

During periods of high inflation (10% or more) your increased **cover amount** may be subject to underwriting.

You can change your Increasing Cover to Level Cover at any time. It'll take effect at the next **cover** anniversary for the remainder of the **cover term**.

You can't switch from Level Cover to Increasing Cover after your **cover** has started.

You can skip an increase. If you skip 3 consecutive increases, we'll remove the Increasing Cover option and change your **cover** to Level Cover for the remainder of the **cover term**.

Once Increasing Cover has been removed, it can't be added again.

4.7 CHANGING YOUR COVER

Your **cover** gives you several options that allow it to reflect your changing needs throughout the **cover term**. If you take advantage of any of these and changes are made to your **cover**, we'll issue you with a new **cover summary**.

Changing the amount or term

- **Reducing your cover**

You can reduce the **cover amount** or **cover term** at any time by contacting your **Financial Adviser** or us. We'll adjust the premium and issue an updated **cover summary**.

The minimum amount of **cover** you can reduce your Life Essentials to is £25,000.

The minimum **cover term** you can reduce your Life Essentials to is one year for Level and Increasing Cover, and 5 years for Decreasing Cover.

- **Adding to your cover**

You can apply for more **cover** at any time by contacting your **Financial Adviser**. Any new **cover** will be subject to underwriting.

The maximum **cover** for Life Essentials is £20 million. The maximum amount of life cover you can have with us is £20 million across all **covers**.

Adding cover using a Guaranteed Increase Option

There are often key events in people's lives that mean they need to increase their **cover amount**. So, in certain circumstances, you can add to the **cover amount** you have without being subject to any underwriting assessment or medical evidence. These events are shown below. If you have this option on your **cover** it'll be shown on your **cover summary**.

Event	Maximum increase allowable for each event
Birth or legal adoption of a child: If you have a new child, legally adopt a child, become a step parent, become the legal guardian or have been granted parental responsibility for a child.	25% of the original cover amount or £50,000, whichever is lower.
Marriage or civil partnership: If you enter into a civil partnership or get married.	25% of the original cover amount or £50,000, whichever is lower.
Taking out a new mortgage or increasing a current mortgage: If you buy a new house or make alterations to your main residence and increase your mortgage. We'll need to see confirmation of the change from your lender.	25% of the original cover amount or £50,000, whichever is lower, subject to a maximum of the increase in the size of your mortgage amount.
Increasing the mortgage term: If you need to increase the term of your mortgage and extend the cover term . We'll need to see confirmation of the change from your lender.	Subject to a maximum of the increase in the length of your mortgage term and the maximum term and expiry age for the cover allowed.
Significant salary increase: If you change your job or get promoted and your salary is increased by 20% or more.	25% of the original cover amount or £50,000, whichever is lower.
Inheritance tax (IHT) increase: If the person covered has an increase to their IHT potential liability due to changes in the IHT rates or bands or a change in IHT legislation.	Available to cover terms of up to 7 years and maximum increase allowable 50% of the original cover amount or £100,000, whichever is lower.
Loss of group cover: If you leave a job that offered group life cover and it's not replaced by the new job. You mustn't have left the job due to ill health or early retirement.	25% of the original cover amount or £50,000, whichever is lower.

You can use the option more than once during your **cover term** as long as the total **cover** added isn't more than 50% of the original **amount covered** or £100,000, whichever is lower.

£100,000 is the maximum life **cover** you can add using a Guaranteed Increase Option across all life covers you have with us.

You can exercise this option if any of these events happen to you and you meet the conditions. We can then increase your **cover** without any medical evidence. If the amount of **cover** increases, your premiums will increase too.

There are limits on the amount you can increase your **cover** by at each event, and as a total throughout the **cover term**. All percentage increases will be based on the original amount of **cover** you take out. These limits are not suggested increases – your **Financial Adviser** will advise you on the amount suitable for you.

Increasing your **cover** under these options means your **cover** will be available without further underwriting. Any increase will be added to your **cover amount** at the time of the request. Your benefits, features and **terms** will be those included in the **cover**, irrespective of any changes in your health or lifestyle. We'll calculate your new premiums based on the original underwriting, your age at the time of increase and the number of years left on your **cover**.

You can use these Guaranteed Increase Options during your **cover term**, but if you do you must use them within 12 months of the event happening. You simply need to let us know and we'll issue a new **cover summary**.

If you make a claim after you increase your **cover**, we may request evidence to confirm that you met the Guaranteed Increase Option criteria. If we can't confirm this, the increase won't apply. This means we won't pay the higher amount, and we may not refund any extra premiums you've paid for the increase.

You can't use this option while you're claiming Premium Waiver, having symptoms that might lead to a claim or claiming on any **core cover**.

Making personal changes

Please contact your **Financial Adviser** or tell us about any of the following health or lifestyle changes.

- **Smoking**

A smoker is someone who has used a tobacco product or nicotine replacement product. Tobacco products include cigarettes, cigars and pipes. Nicotine replacement products include patches, electronic cigarettes, chewing gum, lozenges, inhalers and sprays.

We have 3 categories for smoking-related premiums:

- Current user.
- No usage in the last 12 months.
- No usage in the last 5 years.

If you were a smoker and stop smoking and stop using tobacco or replacement products for a period of 12 months, we'll reassess your **cover** and may be able to reduce your premium accordingly. We may ask you to take a cotinine test.

We'll also reassess your **cover** after you've stopped for 5 years and may be able to reduce your premiums further if you contact us to confirm.

- **Gender**

If you change your gender, we'll update our records to reflect your details, but this change won't affect your **cover** and premium.

4.8 TERMINAL ILLNESS

We'll pay the full **cover amount** if you're diagnosed as being terminally ill and, in the opinion of your attending **UK Consultant**, your illness:

- has no known cure or has progressed to the point where it can't be cured, and
- is expected to lead to your death within 12 months.

If, before we've paid out a terminal illness claim under Life Essentials, we're told that you've died, then we'll assess for a death claim instead as detailed in section 4.9.

4.9 ASSESSING A CLAIM

Our Claims Team will guide the person claiming through the process and offer them any support they may need. We simply need the person claiming to provide evidence, such as a death certificate, to start the process.

Terminal illness claim

We make sure the condition meets our definition shown in section 4.8. Once we receive confirmation that you've met our terminal illness definition, we'll assess your claim and pay the full **cover amount**. Once we've paid a terminal illness claim the **cover** will end.

Premium Waiver claim

Premium Waiver means you may not have to pay your premiums if you're unable to work. See section 2.3 for full details.

4.10 WHEN WE WOULDN'T PAY A CLAIM

We wouldn't pay your claim if:

- You're claiming for terminal illness and you don't meet our definition shown in section 4.8.
- Your death is due to suicide or as a result of intentional self-inflicted injury in the first 12 months of the **policy**.

We also wouldn't pay a claim:

If we don't get consent

To pay a claim, we'll need consent to gather all the information we need. If we don't receive consent, we may not pay the claim.

If you don't complete your application accurately

If, while assessing your claim, we find out that information on the application is inaccurate or incomplete and would have influenced our decision to offer you the **terms** we did:

- We may reduce the amount we pay or not make any payout at all.
- We may amend the **terms** of your **cover**.
- We may cancel your **policy** completely.
- We may not refund the premiums you've paid. If you become aware that information you've given us is inaccurate or incomplete, you must let us know as soon as you can.

If we're not given accurate information that we ask for

If the information given to us when you're making a claim is inaccurate or incomplete, we're not told about something that could reasonably be considered relevant to your claim, or we're not given the information we ask for, we may not pay your claim or may stop paying your claim, and we may cancel your **policy**.

If you don't follow medical advice

We may stop paying your claim if you fail to follow reasonable medical advice relating to your illness or injury.

4.11 THE AMOUNT WE PAY OUT

The amount we pay out depends on the type of **cover** you have, details of which are shown on your **cover summary**.

- **Level:** The **cover amount** is fixed throughout your **cover term**. It's this amount that we'll pay out on a claim.
 - **Increasing:** The **cover amount** and the premium you pay increase in line with inflation on each **cover** anniversary. We pay the amount that applies at the date you die, or meet one of our terminal illness definition. See section 4.6 for more information.
 - **Decreasing:** The **cover amount** reduces every month throughout the **cover term**. It's designed for repayment mortgage protection and reduces in line with the capital amount outstanding on a repayment mortgage paying interest at 8% a year. The amount we pay out is, therefore, based on the amount of cover at the date you die or meet our terminal illness definition.
-

4.12 MOVING ABROAD

You'll still be covered by your Life Essentials if you move abroad after it's started, but you'll need to keep your personal UK, Channel Islands or Isle of Man bank account that accepts direct debits to pay the premiums.

5. GLOSSARY OF TERMS

This is a legal document so we have to use terms throughout that you might not be familiar with. We recommend you refer to this glossary when reading your **policy terms and conditions** to make sure you understand what you're covered for and how your **policy** works.

A a

Amount covered/cover amount: The amount of **cover** provided under the **policy**. This is shown on your **cover summary**.

Application: A request for **cover** or relevant information given to us during the underwriting process. The **application** is completed online by your **Financial Adviser** on your behalf. We use this information to set up your **policy**.

C c

Core cover: Life Essentials, Life Protection, Critical Illness Essentials, Critical Illness Protection, Combined Life and Critical Illness Essentials, Combined Life and Critical Illness Protection or Income Protection.

Cover: There are 8 **covers** in our Protection Menu: Life Essentials, Life Protection, Critical Illness Essentials, Critical Illness Protection, Combined Life and Critical Essentials, Combined Life and Critical Illness Protection and Income Protection are **core covers**, and Children's Critical Illness Protection is an optional extra **cover**.

Cover summary: The document that explains your **cover** and premiums.

Cover term: The time between the cover **start date** and the cover **end date**. This is shown on your **cover summary**.

E e

End date: The last day of **cover** – which is shown on your **cover summary** – or the date of a death or terminal illness claim paid, whichever is earlier.

F f

Financial Adviser: This is the person who arranged your **policy** on your behalf. This could be a **financial adviser**, financial planner, protection adviser, insurance agent, mortgage adviser or another professional.

I i

In force: A **policy** that's active with premiums being paid.

O o

Own job: The actual job, or jobs, you perform for pay or profit on a regular basis, irrespective of your employer, the location or availability of work.

P p

Person covered: The named person who is covered by this **policy**.

Policy: Your protection **policy** with us, which may include more than one **core cover**.

Policy term: The time between the **policy start date** and the **policy end date**. This is shown on your **cover summary**.

Policy terms and conditions: These are the terms and conditions that are detailed in this document.

S s

Start date: The first day of **cover** as shown on your **cover summary**.

Statement of facts: The document that shows the declarations you've made about your health and lifestyle as part of your **application**.

T t

Terms: These **policy terms and conditions** and any additional conditions included in your **cover summary**.

U u

UK Consultant: Someone who:

- Holds an appointment as a Consultant or equivalent at a hospital in the UK and is registered to practice in the UK; and
- Is a specialist appropriate to the cause of a claim.

UK resident: Someone who:

- Lives in the UK and considers it their permanent home.
- Has spent 183 days or more in the UK in the last tax year.

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Y y

You/your: The **person covered**.



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