



Guide to Classic Plus Plan Premium Holidays for Financial Advisers

1. If you have a client with a Holloway Friendly Classic Plus income protection insurance (i.e. a policy number beginning with 904; 908; 913; 926; or 952) which was sold **AFTER 31 March 2010****, your client may be allowed to suspend their premiums, this is known as a Premium Holiday.
2. To be able to take advantage of this your client needs to have held the policy for a minimum of 36 months and not be in arrears at the time they request such a Premium Holiday.
3. Your client cannot apply for a Premium Holiday if there is less than 24 months to go before their selected retirement age.
4. Your client will need to complete a Premium Holiday application form in which they will have to specify how long a break they are requesting and the date at which the Premium Holiday is to take effect. Please note that Premium Holidays cannot be backdated.
5. During the Premium Holiday your client will not pay any premiums; neither will they be able to make any claim on the policy so sickness benefit will not be paid, but in accordance with Schedule 6a, part B, paragraph 5; of the policy terms and conditions, compound bonus will continue to be credited to any retirement fund balance that has started to accrue in your client's name.
6. Unless agreed in writing by Holloway Friendly your client can only apply for a Premium Holiday on two occasions and for a period of 24 months in total during the life of their policy.
7. At the end of your client's stated Premium Holiday term they must advise Holloway Friendly that they wish to restart the paying of premiums. Premiums become due on the first of the month following the end of your client's Premium Holiday. Your client will be required to complete a Declaration of Health for an existing member in order that their medical condition during the Premium Holiday can be established.
8. If your client does not respond to our restart correspondence following their Premium Holiday, their policy will go into arrears and the rules pertaining to non payment of premiums will apply.
9. Your client can apply to recommence premiums at any time during their Premium Holiday at which time the Declaration of Health for an existing member will be sent.
10. We do however reserve the right to request a medical report from your client's GP or other medical professional to support an application to recommence premiums; please note this will be at your client's expense.

11. Following a premium holiday your client will not become entitled to make a claim on their policy until their premium payments have resumed; sickness benefit payments for an admitted claim will commence after the policy's deferment period.

12. If we decide that your client cannot resume payment of premiums they will have the right to terminate the policy without notice or forfeiture but subject to an administration charge of £25.00.

13. You and your client should read Schedule 6a which pertains to Classic Plus income protection contracts.

**** If the policy was sold BEFORE 1 April 2010, the following paragraphs replace those numbered paragraphs above: -**

5. During the Premium Holiday your client will not pay any premiums; neither will they be able to make any claim on the policy so sickness benefit will not be paid, but in accordance with Schedule 6, part B, paragraph 5; of the policy terms and conditions, compound bonus will continue to be credited to any retirement fund balance that has started to accrue in your client's name.

6. Unless agreed in writing by Holloway Friendly your client can apply for two Premium Holidays which must not exceed 24 months each during the life of their policy.

11. Following a premium holiday your client will not be entitled to make a claim on their policy until premium payments have resumed; sickness benefit payments for an admitted claim will commence after 12 weeks or the policy's deferment period, whichever is the longer.

13. You and your client should read Schedule 6 which pertains to Classic Plus income protection contracts.