

Reviewable



My Sick Pay

We'll pay you money each month if you're too unwell to work because you're ill or have had an accident

[Terms and Conditions \(How My Sick Pay works in a bit more detail\)](#)



Keeping life colourful



Hello and a big, warm welcome from all of us at Holloway Friendly!

We're here for one reason, which is to make sure you can keep paying the bills if you become too unwell to work.

My Sick Pay is your own sick pay insurance, putting you in control so you don't have to rely on others for financial help.

You can choose how to set it up. You can take it with you from job to job. And it's up to you how you spend your Sick Pay.

It's available whether you're employed or self-employed.

This document explains how My Sick Pay works and we've tried to make it easy to read and understand. But if you're not sure about anything either your Financial Adviser will be able to help or you can call us on 0800 0931 535.



What's inside?

Before you buy My Sick Pay

What is My Sick Pay?	Page 4
What choices do I have with My Sick Pay?	Page 4
How much Sick Pay can I have?	Page 4
How's My Sick Pay different from State disability benefits?	Page 5
How long do I have to wait before you pay me?	Page 5
How long will you pay me for?	Page 5
What price options do I have?	Page 5
Can My Sick Pay keep up with increases in the cost of living?	Page 6
What age does My Sick Pay cover me to?	Page 6
Can I buy My Sick Pay?	Page 7
Can the price I pay change in the future?	Page 7
After 5 years, what might cause the price to change?	Page 7
What do I need to do when I buy My Sick Pay?	Page 8

After you've bought My Sick Pay

Can I change My Sick Pay in the future?	Page 8
What's the Life Changes Guarantee?	Page 8
Can you summarise all the changes I can make?	Page 9
What if my earnings drop after I've bought My Sick Pay?	Page 10
Can I take a break from paying for My Sick Pay?	Page 10
Can I move abroad after I've bought My Sick Pay?	Page 10
Is there anything else I need to tell you about after I've bought My Sick Pay?	Page 10
What type of accidents and illness does My Sick Pay cover?	Page 11
What doesn't My Sick Pay cover?	Page 11
If I become too unwell to work how do I claim My Sick Pay?	Page 11
How will you pay me?	Page 11
What do you need from me when I make a claim?	Page 11
The medical side of your claim	Page 11
The financial and work side of your claim	Page 12
How do you work out what you'll pay me?	Page 12
How do you work out my earnings when I claim?	Page 12
Can I claim Sick Pay more than once?	Page 13
Do I get anything else with My Sick Pay?	Page 13



Setting up My Sick Pay

How you and your Adviser can create your own Sick Pay

What is My Sick Pay?

We'll pay you money each month if you're too unwell to work in your normal job because you're ill or have had an accident.

It comes with a range of choices so you and your adviser can create your own sick pay, that's right for you.

What choices do I have with My Sick Pay?

There are some important choices for you and your Financial Adviser to make when you buy My Sick Pay. These are:

- How much Sick Pay you get
- How long you'll wait before we pay you
- How long we'll pay you Sick Pay for
- Whether the price you pay goes up as you get older
- Whether you want your Sick Pay amount to keep up with the cost of living
- When you want your insurance to end

We've explained more about these choices in the next section.



How much Sick Pay can I have?

You can choose how much Sick Pay we'll pay you.

The most Sick Pay you can choose is 65% of what you earn before tax, up to £65,000 of Sick Pay a year.

We've given you some examples below of the maximum amounts of Sick Pay you could choose, depending on how much you earn before tax.

How much you earn before tax each year	The most tax free Sick Pay you can have each year	or	The most tax free Sick Pay you can have each month
£20,000	£13,000	or	£1,083
£40,000	£26,000	or	£2,166
£60,000	£39,000	or	£3,250
£80,000	£52,000	or	£4,333
£100,000	£65,000	or	£5,416

We'll pay your Sick Pay to you tax free and you can choose what you spend it on.

The only times we'd have to reduce what we can pay you are either:

- If the amount of Sick Pay you're insured for is more than allowed

If this happens we'll reduce what we pay you to the right amount.

- if you're receiving any other income while you're off sick, for example other earnings, sick pay or sickness insurance

If this happens we'll reduce your Sick Pay by the amount you're getting from your other income, until it stops. If we didn't do this, you could end up with more income than when you were working.

How's My Sick Pay different from State disability benefits?

State benefits can be low amounts and hard to claim. They can also change over time, so it's uncertain what you'll get in the future. One of the reasons we offer My Sick Pay is so you can take control, with your own personal sick pay arrangements. My Sick Pay offers higher levels of money if you're sick, is easier to claim and gives you more certainty about what you'd get, and when.

We'll never reduce your Sick Pay if you do claim any state disability benefits.

Depending on the state benefit rules in place at the time, it's possible that what we pay you could affect the state benefits you could receive from the Government, as we can't control Government rules.

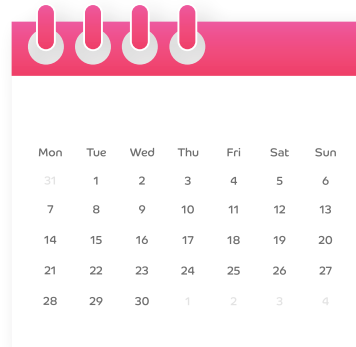
How long do I have to wait before you pay me?

You can choose how many weeks to wait between becoming too unwell to work, and when we start paying you Sick Pay.

Your Adviser will help you choose how many weeks to wait. They will normally look at how long you can get by without needing us to pay you Sick Pay and may take into account things like:

- Whether you get any other sick pay, and if so how much and how many weeks it lasts for
- How long your savings might last if you were too unwell to work and whether you are happy to use them up or not

Normally, the longer you are prepared to wait before you get your first payment, the less My Sick Pay will cost you.



How long will you pay me for?

Your Adviser will help you choose how long we'll pay Sick Pay to you for, if you're too unwell to work.

You can usually choose Sick Pay that pays out for up to:

- 1 year
- 2 years
- Or for as long as you are sick, up to the date your insurance ends

You can claim more than once, which we explain more about on page 13.

What price options do I have?

We offer two price options:

1. A level price that won't go up because you've got older

If you choose to have a level price, the price you pay at the start will stay the same over time unless we review our price. We've explained what we mean by 'review', just below.

2. Age-based prices that start lower and go up as you get older

If you choose age-based prices, the amount you pay for My Sick Pay will change with your age each year. You'll pay less than you do with the level price option when you're younger, which can help if you're on a budget, but the price will go up as you get older. This is because the risk of being too unwell to work goes up with age.

We'll tell you at the start how the price you pay will change in the future. We promise to stick to these prices for at least the first 5 years. After this, we'll review our prices which means they may go up, down or stay the same. We explain more about how we do this on page 7.



Can My Sick Pay keep up with increases in the cost of living?

Over time you can buy less and less with a fixed amount of money because the price of most stuff is going up. Cost increases over time are often called ‘inflation’ or ‘increases in the cost of living’.

That’s why you can choose the option for your Sick Pay to automatically keep up with the cost of living each year.

How do we do this? Well, each year we’ll look at a report from the Government that tracks the cost of the main things that that people spend money on. The report says how much the costs of these things has changed by, compared to the previous year.

The report we use to understand changes in the cost of living is called The Retail Prices Index, and is produced by The Office of National Statistics. If for any reason this wasn’t available in the future we’d find and use something similar.

If costs have gone up, we’ll increase both the amount of Sick Pay you have and what you pay for it by the same rate that the costs of things have gone up.

For example, if the report said that the cost of things had gone up by 2% over the previous year, we’d increase both the amount of Sick Pay you have and what you pay for it, by 2%.

The change in how much Sick Pay you have and what you pay for it will happen each year on the anniversary of when you bought My Sick Pay. We’ll give you at least 30 days’ notice before we change it and you can say no to the change at any time.

The most we’ll increase your Sick Pay by in each year is 10%. We’ll still increase your Sick Pay to keep up with the costs of living while you’re claiming.

What age does My Sick Pay cover me to?

You can choose the date that you want your insurance to end. This can be any time between your 50th and 70th birthday. The shortest amount of time you can set up My Sick Pay for is 5 years.

Don’t worry though, you’re not tied in to My Sick Pay, you can cancel your monthly direct debit at any time.

If you cancel in the first 30 days we’ll refund anything you paid. After that we won’t be able to refund any monthly payments you’ve made for the insurance we’ve provided.

My Sick Pay will end three months after you stop paying for it, or will end straight away if you retire from work, move to a country where we can’t cover you, or die.



Can I buy My Sick Pay?

My Sick Pay is available to you if:

- You're working in a job that we can quote for (which is most jobs)
- You're aged 18-59 (the age may need to be less than 59 for some jobs)
- You're normally working at least 16 hours a week and pay income tax in the UK when you buy My Sick Pay (and also in the future to be able to claim)
- You're either employed or self-employed. If you're self-employed you'll need to have been trading for at least 6 months
- You have a UK bank account in your name that you can pay your direct debit from
- You've been both a resident in the UK and registered with a UK GP for the last 3 years

Can the price I pay change in the future?

When you buy My Sick Pay, we'll tell you how we expect the price you pay to change as you get older.

For at least the first five years, we guarantee to stick to those prices, no matter what happens.

After that, we might change them, and they could go up, down or stay the same.

To be as fair as possible to you, we've set ourselves some strict rules that we have to follow when we look at the price you'll pay, explained next.

After 5 years, what might cause the price to change?

Our prices are based on what we think will happen in the future. This includes:

- What we think it will cost to run Holloway Friendly
- How much we think we'll pay out for illness or accidents
- How long we think people will keep their insurance for
- And the financial impact of tax, legislation, interest rates and how much money we have to put aside to make sure we can pay out when it's needed

On (or after) the 5th anniversary of you buying My Sick Pay we'll look at what at what actually happened compared to what we thought would happen.

If things turned out worse than expected we'd put the price up. If things turned out better, we'd put the price down. Or if it was similar to what we expected, we'd keep the price the same.

We can only change the price for these reasons. We can't change it to make more profit, and we won't change it based on whether you personally needed to claim Sick Pay.

After we do this for the first time, we'll then check the price you pay once every year.

If we do change what you pay, we'll always let you know at least 30 days before.



What do I need to do when I buy My Sick Pay?

Your Adviser will help you set up My Sick Pay in a way that's right for you, and will tell you what it costs.

Next you'll need to answer medical and financial questions so we can check we can insure you, and that the price you'll pay is right and fair for both us and you.

It's really important that you answer the questions carefully and truthfully.

Most people do this. But we do need to make it clear that if you tell us anything that you know is incorrect or misleading then in the future we may have to either cancel your insurance, reduce your Sick Pay or change how it's set up.

From time to time we carry out spot checks on some applications, as it helps us make sure that we're offering the right Sick Pay to the right people at the right price. This helps us protect you and everyone else.



After you've bought My Sick Pay

Can I change My Sick Pay in the future?

Yes, My Sick Pay is designed so you can keep it for a long time. We've built in a lot of flexibility to be able to change it as your life and needs change. We've explained how below.

What's the Life Changes Guarantee?

We know that 'Life Happens' and we want you to be able to flex My Sick Pay as your life changes. So we've picked out six different important life changes based around family, work and home that could happen to you. If they do, we'll let you increase the amount of Sick Pay you have without you needing to answer any more health questions.

You can see what these life changes are in the table below in one column, and the evidence we'll need from you to show that the event has happened in the other column.

You can use the Life Changes Guarantee up to three months after the change happens.

Life Change	Evidence we'll need
You get married or form a civil partnership	Marriage or civil partnership certificate
You have a child or legally adopt	Birth certificate or adoption papers
You change your job and increase your salary	Job appointment letter including your new salary, and evidence of your old salary
Your earnings go up by at least 20%	A letter from your employer confirming the increase
You take out a new mortgage or increase your existing mortgage	Mortgage offer letter or mortgage statement
Your rent goes up because you move to a new rental property, or because your landlord puts it up	Rental agreement letter or rent increase letter from landlord

The most you can increase your Sick Pay by using this guarantee is 50% of the amount of Sick Pay you had when you first bought it, up to a maximum of £9,000 a year extra.

The most Sick Pay you can have after using the guarantee (whether you use it once, or more than once) is still 65% of your earnings before tax, up to £65,000 a year.

For the change of job/pay rise, mortgage and rent Life Changes, your increase in Sick Pay can't be more than the increase in your pay rise, mortgage repayments or rent.

You can use the Life Changes Guarantee as long as:

- You're under the age of 59 and are currently working
- When you bought it we didn't have to increase the price due to health issues
- You haven't claimed on My Sick Pay in the last year and aren't claiming or making a claim now

Your increased Sick Pay will have all the same rules and features as before. We base the price on your age, job and whether you smoke at the time you're using the Life Changes Guarantee.

If we told you we couldn't cover any specific medical conditions when you first bought My Sick Pay, we still won't be able to cover them for the increased amount.



Can you summarise all the changes I can make?

Yes, the table below tells you what changes you can make, whether or not you need to answer financial, health or lifestyle questions to make the change, and whether you'll pay less or more after making the change.

You can only make changes to My Sick Pay if you have more than 5 years left before it ends.

I want to...	Do I have to answer financial, health or lifestyle questions?	Will I pay less or more after the change?
Wait longer between becoming too unwell to work and when you pay me	No	Usually less
Wait less time between becoming too unwell to work and when you pay me	Yes	More
Change My Sick Pay to end at a younger age	No	Usually less
Change My Sick Pay to end at an older age	Yes	More
Reduce how much Sick Pay I'd get	No	Less
Increase how much Sick Pay I'd get using the Life Changes Guarantee	No	More
Increase how much Sick Pay I'd get (without using the Life Changes Guarantee)	Yes	More
Ask for My Sick Pay to start increasing with the cost of living each year, when it didn't before	Yes	More

What if my earnings drop after I've bought My Sick Pay?

When you buy My Sick Pay, the highest amount of Sick Pay you can choose to have is 65% of the amount you earn before paying tax.

If your earnings then drop, this means you could be left with more Sick Pay than we'd usually allow. Normally this would mean we'd have to reduce the amount of Sick Pay we could pay you.

But we want you to get the Sick Pay you've been paying for, so we include a Drop in Earnings Guarantee. With this, we guarantee to pay a certain amount of Sick Pay to you, even if your earnings have dropped.

The maximum amount we'll guarantee to pay depends on your job. Please see your illustration for details of how much we can guarantee to pay you if your earnings drop.

The guaranteed amount can't be more than the amount of Sick Pay you've been paying for. You'll need to have normally been working 21 hours a week before you became too unwell to work, to get the guarantee.

You can also reduce the amount of Sick Pay you have, if you decide you don't need so much Sick Pay in future. This will reduce the amount you pay.



Can I take a break from paying for My Sick Pay?

Yes, after you've had My Sick Pay for 3 years you can pause your cover and your monthly payments for up to 6 months in any 12 months.

So if you decide to take a career break, raise a family, study, travel the world or anything else you've always wanted to do, you might like to use this option.

You can do this as many times as you need to up to a total of 24 months.

We won't be able to pay you Sick Pay for any illness or accident that happens while your cover is paused.

Can I move abroad after I've bought My Sick Pay?

If you move abroad and become a resident outside the UK, you'll need to let us know, so we can tell you whether or not we can keep insuring you.

Whether we can or not will depend on if we can:

- Legally collect your monthly payments and pay claims in that country,
- and get reliable medical records in English if you had to claim

Is there anything else I need to tell you about after I've bought My Sick Pay?

Please let us know if:

- Your address or contact details change
- Your earnings drop (unless you want to use the Drop in Earnings Guarantee, explained on the left and your personal illustration)
- Your normal working hours change to less than 16 a week
- Your stop working, either because you become unemployed or you retire

We'll update our records and explain any options available to you. If you're ever not sure about anything please do give us a call so we can help you.

What type of accidents and illnesses does My Sick Pay cover?

My Sick Pay covers any type of accident and all types of medical conditions.

You just need to be unable to work in your normal job because of the accident or illness.

The only time this wouldn't be the case is if we agreed something different with you up front. For example, if you told us about something in the health and lifestyle questions that you answered before you bought My Sick Pay, and we then agreed with you to cover you for everything else apart from that thing.

What doesn't My Sick Pay cover?

It covers lost earnings from illness and accidents that make you too unwell to work.

We don't pay out Sick Pay for any other reason.

As you'd expect, we can't pay out Sick Pay if you were already too unwell to work before you bought My Sick Pay. It's not unemployment, business or private medical insurance.

It's not a savings or investment product and if you don't need to claim any Sick Pay, there isn't any kind of money back at the end.

If I become too unwell to work how do I claim My Sick Pay?

You can either:

- Visit www.holloway.co.uk/claim where we'll tell you how to make a claim
- Call us 0800 0931 535 and speak to one of our friendly team in Gloucester

If you think you may need to make a claim, it's worth letting us know as soon as possible as sometimes we might be able to help you with things like getting early access to treatment. Plus we want to make sure we can pay you on time.

How will you pay me?

We'll pay you twice a month, straight into your bank account. You get your Sick Pay without paying any tax on it, unless the Government changes insurance tax rules in the future. You can spend it however you want.

What do you need from me when I make a claim?

So we can pay you your Sick Pay, we'll need you to tell us what we need to know about your medical condition, as well as your financial and work situation. If you don't provide this information we might not be able to pay your claim.

The medical side of your claim

We'll need you to:

- Give us your doctor's details. We'll ask them to confirm that you're too unwell to work in your normal job, why, and from when. We may also need to ask for other medical information linked to your medical condition
- Follow any medical advice you're given, or take part in treatment if it's recommended to you by doctors, as it may help you get better
- Help us by providing any other information we ask for. This can be different from one person to the next. But for example we may need to get regular updates from you, or we could ask you to be examined by a UK based doctor or specialist

We'll need all medical information that you provide throughout your claim to be in the English language, including if you travel or move abroad.



The financial and work side of your claim

We'll need you to:

- Be up to date with your monthly payments for My Sick Pay before you claim
- Have normally been working at least 16 hours a week before you became too unwell to work
- Give us any information we ask for about your work or finances so we can work out the right amount of Sick Pay to pay you
- Not do any paid or unpaid work while you're being paid your Sick Pay
- Tell us as soon as you're well enough to work again

How do you work out what you'll pay me?

We'll normally pay you the full amount of Sick Pay you've been paying for, as long as it's no more than 65% of your earnings before tax.

If your earnings have dropped since you've bought My Sick Pay, we may still be able to pay you more than 65% of your earnings before tax under our Drop In Earnings Guarantee. This is explained on page 10 and the amount of your guarantee is on the personal illustration we gave you when you bought My Sick Pay.

If you're receiving income from elsewhere while you're claiming My Sick Pay, this can reduce what we can pay you. For example if you're still getting money from your employer or business, or from other sickness insurance, or if you start taking a pension.

We won't reduce what we pay you because you're receiving state disability benefits.



How do you work out my earnings when I claim?

It depends on whether you're employed, self-employed or are a company director.

• If you're employed

We'll usually need your payslips and your most recent P60 for the previous 12 months.

• If you're self-employed

We'll usually need your business accounts and/or tax returns or any other relevant information.

Normally we'll look back at your records for the previous 12 months.

But, if your business doesn't have 12 months' records when you become too unwell to work, we'll work with you to get records that cover a shorter period of time.

If, for some reason, your earnings for the previous 12 months' were lower than usual, we can look at your earnings over 3 years instead.

• If you're a company director

We'll usually need your tax return and company accounts for the previous 12 months.

If your accounts don't go back 12 months, we'll work with you to get records that cover a shorter period of time.

If, for some reason, your earnings for the previous 12 months were lower than usual, we can look at your earnings over 3 years instead.

Can I claim Sick Pay more than once?

Yes you can.

- **If it's a different accident or illness to your previous claim**

Or

- **If it's the same accident or illness as your previous claim and it's more than six months since your previous claim ended:**

If it's the same accident or illness as your previous claim, you've returned to work and it's more than six months since your previous claim ended:

We'll treat it as a brand new claim (we may need medical or other information from you). We'll start paying you after the number of weeks you originally chose to wait between becoming too unwell to work and when we start paying you Sick Pay.

- **If it's the same accident or illness as your previous claim and it's less than six months since your previous claim ended:**

We'll restart your old claim (we may need medical or other information first). We'll:

- Pay you from the date you became too unwell to work again. So this time you wouldn't have to wait between becoming too unwell to work and when we pay you
- And if you originally chose Sick Pay that paid out for a maximum of 1 or 2 years for each claim, the two claims would be added together and we'd pay you in total up to the 1 or 2 years you'd chosen

Do I get anything else with My Sick Pay?

Yes, we've explained some of the other things you get below.

- **You don't need to pay us anything while we're paying you Sick Pay**

We won't collect any money from you while we're paying you Sick Pay, so it's free while you're claiming.

- **Extra financial support for a terminal illness**

If you're expected to live less than 12 months because you have a terminal illness, we'll pay you six months' worth of Sick Pay, straight away and in one go.

If this happened and you were already claiming, we'd keep on paying you Sick Pay as well.

If it happened and you weren't already claiming Sick Pay, we'd start paying you Sick Pay as well, straight away and without having to wait the normal length of time.

The diagnosis needs to come from a medical professional.

- **Financial support for medical treatment**

We may be able to provide financial help to pay for the cost of an operation or medical treatment if you're too unwell to work and your doctor thinks it will help you recover more quickly.

Our Chief Medical Officer will review the treatment and decide whether or not we can help.

If we do help financially, we'll ask for evidence that the money was used for the treatment.

- **Topping up your earnings in a new role**

If we're paying you Sick Pay and you can't go back to work in your old role, but decide to take up a new role with lower pay, we can top up your earnings for up to a year.

- **Topping up your earnings with reduced hours**

If we're paying you Sick Pay and you can't go back to work full time, but can work reduced hours, we can top up your earnings for up to a year.

That's it. Thanks so much for reading this far.

As we said right at the start, we're here to help make sure you can keep paying the bills if you become too unwell to work.

We hope everything made sense, but if you want a chat about anything please do either speak to your Adviser or give one of our friendly team a call on 0800 0931 535. We're open 9am to 5pm Monday - Friday.

Contact us.

We're here to help.

Address

Holloway House
71 Eastgate Street
Gloucester GL1 1PW

We're here

Monday - Friday 9.00am to 5.00pm

 **0800 0931 535**

 memberservices@holloway.co.uk

 www.holloway.co.uk