

Intermediary Product Guidance

one2protect Income Protection Plan

What does this plan do?

This is an insurance plan that allows Members to:

- Replace some of their lost earnings each month if an illness or injury means they can't work in their normal occupation
- Choose how long they need to wait before the plan pays out if they are unable to work. For example, they can tie this in with their existing sick-pay arrangements
- Choose how long their plan pays out for when they're unable to work (either 1 year, 2 years or to the end date of their plan)
- Choose a plan end date of any age between 50 and 70
- Insure up to 60% of their earnings before tax, up to a maximum benefit of £60,000 per year – this means that they can cover earnings of up to £100,000 per year
- Choose whether their cover goes up each year in line with inflation, as measured by the Retail Prices Index (or a suitable alternative measure of inflation)
- Choose whether their premium is level-priced or age-costed (by age-costed we mean starts off at a lower price than a level premium and usually goes up each year as they get older)

Premiums are reviewable. On or after the 5th anniversary of their plan, it's possible we may change the amount they pay. They may end up paying the same, more or less than we originally expected. We'll then review their premium each year after that.

Key additional features

The product also offers Members the following additional features:

- We'll pay their premium during a claim
- At claim, we guarantee we'll pay at least £1,500 a month, or the level of cover they chose if it was lower than £1,500, as long as they were normally working at least 21 hours a week before they claimed.
- An additional payment if they are diagnosed with a terminal illness
- Rehabilitation support to help them recover so they can return to their job
- In certain circumstances we'll continue to provide financial support after they've returned to work in a new lower paid or part time role, for a period of time

- We may contribute to the cost of an operation or treatment that could lead to a faster recovery
- Cover can be increased without any health questions if certain events happen, including marriage/civil partnership, birth or legal adoption of a child, salary increase or promotion, change of job including a salary increase, taking out a new mortgage or increasing an existing mortgage, increase in rent due to landlord or moving to a new rental property
- Premium holidays of up to 6 months are available after premiums have been paid for three years

Who is this plan suitable for?

It's suitable for employed or self-employed people who want to make sure that they can pay for regular outgoings if they can't work as due to an illness or injury. For example, their mortgage, rent, food and bills. If they already have sick pay arrangements they can choose for their cover to start paying out when their sick pay ends.

Who is eligible?

Anyone can apply for the plan as long as they:

- Work in an occupation that we'll quote for (which are typically 'lower risk' jobs, like professional or administrative roles)
- Have resided in the UK for the last 3 years, and been registered with a UK GP for the last 3 years
- Are aged between 18-59 at the date the plan starts (the maximum age may be less for some occupations)
- Are normally working for at least 16 hours a week when they apply
- Are employed, or if they're self-employed they have a trading history of at least 6 months
- Have a UK bank account
- They pay income tax in the UK
- They have no immediate intention to move abroad. If your client moves abroad from the UK we may not be able to continue with their cover

Distribution

While the plan is suitable for the mass market, it's only available to buy through authorised intermediaries. This is because:

- It's important that potential applicants receive advice or guidance and understand the plan and the options available to set it up in a way that's right for them, including:
 - the appropriate level of cover for their individual needs and circumstances
 - taking into account any existing sick pay arrangements, the support offered by state benefits, and the cover offered by the plan, including choosing how long to wait before any claim is paid

We don't accept Execution Only business or direct applications arising from advertising or mailshots where advice or guidance has not been supplied to the applicant.

Who is the plan not suitable for?

The plan isn't suitable for anyone who:

- Is looking for cover in case they are made redundant
- Is unemployed or is already unable to work as a result of illness or injury
- Won't suffer financial consequences by being unable to work
- Would prefer premiums to be guaranteed throughout the life of the plan
- Would prefer to rely on any state benefits that might be available at the time, if they are unable to work

Risks of having the plan

The following risks need to be considered by both the Member and their Adviser:

- It's important to make sure that the amount of cover remains enough to meet the Member's needs over time, for example if their earnings or financial commitments change
- If Members normally work less than 16 hours a week, or stop working altogether, they won't be able to claim
- If Members don't give us the full and complete information we ask for when they apply or make a claim, we may not be able to pay their claim
- That Members don't understand what is and isn't covered and don't have the right plans in place
- That their income drops over time, leaving them with too much insurance and meaning we can't pay their claim in full (though this risk doesn't apply for amounts up to £1,500 a month under the automatic benefit guarantee, as long as they are normally working at least 21 hours a week before they claim)
- That on or after the 5th anniversary of their plan, the amount they pay may increase, decrease or stay the same
- That if your client moves abroad from the UK we may not be able to continue with their cover (we may be able to agree to continue cover in certain countries)

Risks of stopping cover under this plan

Before cancelling their cover, Members should consider:

- What income would they have to live on if they could not work?
- Whether they have enough savings to cover any extended period of being unable to work?
- The impact on their life of any extended period of being unable to work?

Further information

More information can be found in the following documents:

- Key Features Document
- Schedule

Contact us. We're here to help.

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We're here

Monday - Friday 9.00am to 5.00pm