



Key Features Document

Short Term Income Protection Plan

Income Protection
from the *original* provider.

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Introduction


The Financial Conduct Authority is a financial services regulator. It requires us, **Holloway Friendly**, to give you this important information to help you to decide whether our **Short Term Income Protection Plan** is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

This document does not contain the full terms and conditions of the Plan. These are contained in the Society's Memorandum and Rules which is available from our website and the **Short Term Income Protection Plan**, Schedule 13b, which will be issued when the Plan starts **but is available earlier on request**.

Your personal quotation is another important document which needs to be read along with this key features document.

Have a question?

We're here
Monday-Friday 9.00am-5.00pm

 **01452 526 238**



Important facts about your Plan

1

ITS AIMS

- To pay you a regular benefit to replace a loss of earnings if you are unable to work due to illness or an accident
- To offer you a choice of how soon benefit can commence to allow for any period you expect your earnings to continue
- To provide cover for the duration of the Plan, no matter how many claims you make
- To offer a Plan that is flexible and may be changed in the future according to circumstances.

2

YOUR COMMITMENT

- You agree to pay a regular monthly premium by direct debit throughout the term of the Plan to your chosen retirement date
- To give us all the information we ask for when applying for your Plan and when claiming any benefit. If you do not do this, it could mean we will not pay your claim
- You agree to tell us of any changes to your health, occupation or if you take up any hazardous pastimes, between completing your application form and your Plan starting. If you do not do this, it could mean we will not pay your claim
- You must notify the Society of any claim you wish to make within the stated time limits
- You must notify the Society of any change in your personal circumstances, for example a change in earnings, employment status, or employer sick pay arrangements at any time during the life of your Plan. Failure to do so may result in a delay in the claim being paid
- You should review your level of cover against your earnings regularly to ensure it will continue to meet your needs.

3

RISK FACTORS

- If you stop paying your premiums you will no longer be covered
- If you do not regularly review the cover against your earnings it may not meet your needs or your cover may be higher than the maximum allowed and any claim paid would be reduced. Surplus premiums paid as a result of over insurance will not be refunded
- If the information we receive from you or your adviser when you apply is incomplete or untrue, we may not pay your claim
- The current tax treatment of the Plan's benefits may change
- Any benefit we pay to you under this Plan may affect your claim to some means-tested State Benefits. State Benefit rules may change
- This is not a savings Plan. There is no cash value at any time.

Questions and answers

What is Holloway Friendly Short Term Income Protection Plan?

- Will provide cover for the duration of the Plan and covers you for multiple claims – see Schedule 13b Section C for more information on claims;
- Will provide full or partial Payments depending on your circumstances;
- Is flexible and may be changed in the future according to your changing circumstances. The Plan does not have a cash value at any time.

What are all the key benefits?

This Plan will also provide you with the following benefits:

Guaranteed premiums

Your premiums are guaranteed as per your Personal Illustration throughout the term of the Plan. Each year the premiums will rise on 1st January in accordance with your age on the birthday during that calendar year.

Escalating premiums

If you have chosen our Escalating Premium option then we will also increase the premium and benefit by the rate of inflation each year to a maximum of 10%. We will tell you in November what your premium will be for the following year. Your premium will be calculated by using the rate in the table for your age and applying it to the increased benefit.

Medical expenses benefit

If you are in receipt of Payments, you may apply to us for a lump sum Payment to be used towards the cost of a specified medical operation or treatment that in the opinion of your Doctor will lead to a faster recovery.

Premium breaks

This Plan allows for you to take career breaks or breaks in order to have a child. You can take either or both but the total break permissible during the life of the Plan is 24 months.

Guarantee your income option

This Plan gives you the option to fix your maximum benefit if you can provide adequate financial evidence within 6 months of taking out the contract.

If you select this option, at claim this will mean that we guarantee that the salary/income you were receiving at the time of taking out the Plan will be fixed and we will provide you with at least the benefit you have applied for, less any income you are continuing to receive (such as payments from accident and sickness policies).

Career Break Option

If you take a career break, for example to raise a family (whether as mother or father of the child/children), study, travel or redundancy, there is the provision to suspend your cover for up to 24 months in total during the life of the Plan up to a maximum of 6 months in any 12 month period subject to the premiums not being in arrears.

Premium payments and entitlement to claim will be suspended for the duration of the career break.

Premiums can be suspended for up to 6 months at a time, at which point we will reinstate the direct debit. A request can be made to suspend premiums for a further 6 months.

You will be eligible to have cover restored to the level it was before the start of your career break without the need for underwriting and you will be able to claim again once you have completed 3 consecutive months back at work.

Rehabilitation benefit

If you are receiving Payments from us as a result of Incapacity but could return to the occupation which you were doing prior to your incapacity but on a part time or other reduced capacity basis, you may be eligible to receive Rehabilitation Benefit. This is a partial payment from us to assist you if you have a lower income than before the claim and will be paid for a maximum of 52 weeks.

Proportionate benefit

If you are receiving Payments from us but wish to train for or start new employment, which could mean an occupation with lower earnings than the occupation you were doing prior to your incapacity, you may be considered for a part payment to assist you and will be made for a maximum of 52 weeks.

Terminal illness benefit

Whilst in receipt of Payments you may be able to claim Terminal Illness Benefit which is equivalent to 6 months Payments less any Payments made to you since your initial diagnosis. You must claim within one month of being diagnosed with a terminal illness, which in the opinion of our Chief Medical Officer may cause death within 18 months of the initial diagnosis. Your Plan will end and no further sickness benefit will be paid to you.

Waiver of premium

During a claim, you must continue to pay the premiums. However these will be added to the benefit payment, starting with the second month's payment after you start receiving benefit. The total amount of premiums returned to you in this way will be equal to the number of complete months' benefit you receive.

You can apply for the Plan if:

- You are between 18-59 years of age inclusive.
- You have a minimum of 5 years remaining before your chosen retirement age for the Plan.
- For the last 12 months or more you have been in Employment or have a proven trading history of Self-employment, and you are working more than 16 hours per week.
- For the last 36 months you have been permanently resident in the UK and registered with a doctor.
- You have no immediate intention to change your job or move abroad.
- You have a currently valid work permit if coming from outside the EU.
- You have a UK bank account.
- You are an income tax payer in the UK.

Things you need to be aware of:

- Any payments we pay to you under this Plan may affect your claim to some means-tested State Benefits. State benefit rules may change at any time.
- There is no cash value at any time.
- Surplus premiums paid as a result of over insurance will not be refunded.
- You will need to answer some questions about your health and we may also need to contact

your doctor for more information or ask you to have a medical examination that we will pay for.

- If you wish to start a new Plan at a later date you will have to complete a new application form, full medical underwriting will be required and the same terms may not be offered.
- In order for this Plan to be valid you must tell us of any changes to your health, occupation or if you take up any hazardous pastimes, between completing your application form and your Plan starting.
- Throughout the lifetime of your Plan you must notify us of any change in your personal circumstances (e.g. a change in earnings/hours), employment status, employer sick pay arrangements.
- Ensure you are not overinsured.

Will you require medical information?

You will need to complete a tele-interview. We may also contact your doctor for information or ask you to have a medical examination at our expense.

A guide to tele-interviews is available from www.holloway.co.uk/intermediaries/underwriting.

When will benefit not be paid?

We won't pay a claim if it is due in any way to:

- HIV or AIDS except when contracted in the course of your normal job
- War, civil commotion and riot
- Self inflicted injury
- Criminal acts
- Drug or alcohol misuse
- Failure to follow medical advice.

Benefit payments will not be made if the cause of the claim is one we exclude by applying special terms to your Plan when we accept your application. Any special terms will be detailed in your acceptance documents.

If you have become unemployed then you are not entitled to claim.

Or if:

- There is no loss of income
- You fail to pay your premium

Does the Plan provide flexible cover?

You choose:

How much benefit you need

We can cover up to 60% of your gross annual earnings subject to the following limits:

Minimum benefit	Maximum benefit
£3,600 per year	£34,000 per year
£216 per month	£2,833 per month
£50 per week	£653 per week

The term of the Plan

You can choose any retirement age between 50-70 inclusive.

You must be at least 5 years away from your chosen Retirement Date when taking out the Plan.

How long it will be before your payments start

You can choose from a 1, 4, 8, 13 or 26, week Deferred Period. This would normally start from the date that you stopped work as a result of your Incapacity.

Payments will be made for a maximum of 12 or 24 months based on your choice of maximum benefit period.

You should choose a deferred period to equal the number of months' payment you get from your employer's sick pay scheme (if appropriate).

How to calculate your benefit

The benefit we will pay you will be based on your pre-incapacity earnings:

- If you are employed your income is your pre-tax earnings for PAYE.
- If you are self-employed your income is calculated as your share of pre-tax profits from your business. Income received from state benefits, savings and investments are not taken into account, but continuing income from your employment or other health related insurance payments will be.

What financial evidence do you require and what are the maximum benefits?

At the application stage you will be asked to be specific in regard to your income details in order that you pay the correct premium and over insurance does not occur.

At the claim stage you will be asked to substantiate your income position particularly if dividends are part of your pay arrangements. A copy of your most recent accounts showing the dividends you receive will be required.

This does not apply if you have chosen to be financially underwritten at the Application.

Employed

Evidence required

This is your total earnings averaged over the last 12 months before Incapacity.

Maximum benefit

Lesser of 60% of total earnings and £34,000pa.

Earnings include

Gross salary, bonuses, dividends from share options, commission (as part of your normal salary), overtime (if proved part of your normal salary over the last three years), and P11D benefits.

Company Director

Evidence required

If you are a company director of your own business, and/or a shareholder this is the income you have taken out of the business.

Maximum benefit

Lesser of 60% of total earnings and £34,000pa.

Earnings include

For Company Directors this will be your salary and dividends received from the profit generated in the last 12 months before Incapacity but after deduction for corporation tax.

Self-employed

Evidence required

If you are a Sole Trader this is your net profit averaged over the last three years before Incapacity or your share of the net profit if in a partnership.

Maximum benefit

Lesser of 60% of total earnings and £34,000pa.

How do I change my level of cover?

Increasing Cover

You can select the option at outset to automatically increase your cover once a year by the average rise in the Retail Price Index to a maximum of 10%. This means your benefit

increases in line with inflation. The increase in cover will start from the 1st January following the Plan commencement and each 1st January thereafter.

The Plan is flexible and you can apply to increase your benefit at any time subject to a minimum term remaining of 5 years. The additional amount of benefit applied for must be within the same limits as a new Plan and will be subject to a further assessment of your health and earnings. Your premium payments to us will increase when your benefit increases.

Reducing Cover

The Plan is flexible to enable you to reduce premiums and benefit levels or change the deferment period should your circumstances change. Reductions in deferment periods will be subject to a further assessment of your health.

To ensure you maintain the correct benefit levels and entitlement, you need to inform us of any changes to your circumstances such as:

- increase or decrease in earnings
- any changes to employer sick pay arrangements
- unemployment
- address and contact details.

It is the Member's responsibility to ensure that they are not overinsured.

What if I stop paying my premiums?

Premiums are due on the 1st of each month. If you stop paying premiums your cover will stop. Premiums need to be paid to maintain your cover and claim entitlement. If you are owing 3 or more calendar months' premiums, you cease to be a member of the Society. Reinstatement will be considered within 6 months of the first missed payment subject to payment of all arrears and completion of a Declaration of Health which must be accepted before membership can continue.

A change in any of the following:

- health
- residence
- overseas travel
- hazardous pastimes
- occupation

could result in amended terms or refusal by the Society to reinstate membership. The Society reserves the right to request a medical report at

the cost of the member in support of their request to reinstate their membership.

If premiums are not paid for three months your Plan ceases.

When will benefit not be paid?

We won't pay a claim if it is due in any way to:

- HIV or AIDS except when contracted in the course of your normal job
- War, civil commotion and riot
- Self inflicted injury
- Criminal acts
- Drug or alcohol misuse
- Failure to follow medical advice.

Benefit payments will not be made if the cause of the claim is one we exclude by applying special terms to your Plan when we accept your application. Any special terms will be detailed in your acceptance documents.

If you have become unemployed then you are not entitled to claim.

Or if:

- There is no loss of income
- You fail to pay your premium

What if I cancel my Plan?

Your Plan has no cash value at any time.

Making a claim

Please notify us as soon as possible if you wish to make a claim by completing the claim notification form on our website: www.holloway.co.uk or call us on 01452 526 238.

Our website provides you with all the information you need in order to make a claim.

Claiming again after returning to work

This Plan allows for multiple claims for the same, a related or a separate incapacity. If you need to claim again for exactly the same incapacity within 6 months of returning to work then the deferment period will not apply.

When payments will stop

Your payments will be paid until the first of the following happens:

- You recover and are able to go back to work
- You no longer suffer a loss of earnings
- Your chosen retirement age
- Your Benefit Term ends
- You die.

Reduced benefits

Your benefit will be reduced or not paid at all if any of the following will take you over the 60% maximum benefit allowed (the maximum is based on 60% of your gross income):

- Earnings or sick pay you may still be receiving from your employment or self-employment
- Benefit payments you are receiving from income protection or sickness plans with other insurance companies
- Pension payments, unless you were receiving them whilst working

Living abroad

If you make a claim and you are not living in the UK we may limit the period for which we pay you benefit to 26 weeks in any period of 52 weeks; with a maximum total of 52 weeks during the life of your Plan. For more information see Schedule 13b.

Other information

Changing your mind and cancellations

After your application has been accepted you will receive a notice of your right to cancel, you will have 30 days in which you can change your mind about taking out this Plan.

Treating Customers Fairly

Holloway Friendly is committed to supporting the Financial Conduct Authority's Treating Customers Fairly initiative. Holloway Friendly's philosophy is to always put its members first and to improve our own processes wherever possible. We have introduced a comprehensive and regularly reviewed Treating Customers Fairly action plan. Please see our website for further information.

Data protection statement

For the purposes of the Data Protection Act 1998 ("The Act"), the Data Controller in relation to any personal information and data supplied in connection with your Plan is The Original Holloway Friendly Society Limited.

Personal information supplied by you is used only to facilitate setting up and maintaining the arrangements connected to your Plan. It will only be used in accordance with the provisions of The Act.

In the case of personal data, with limited exceptions, and on payment of the appropriate fee, you have the right to access and, if necessary, request rectification of inaccuracies or errors within the information held. Such requests for access must be specific rather than general in nature.

The Society will use your personal information properly to manage and administer all aspects of, and processes relating to, your Plan. This includes, but is not limited to, setting up the Plan, amendments to it, claims, general administration and its termination.

The Society uses professional advisers and service providers who are not its direct employees but at all times it will remain responsible for the oversight

and control of any personal data processed. The Society does not provide any of its Members' data to third parties for marketing purposes

Tax

The Plan currently has a tax-free status. However, we reserve the right to change this if tax legislation changes in the future.

Law

In legal disputes, the Law of England and Wales will apply.

Charges

The premium payment shown in your illustration includes the costs of administration, underwriting, claims and commission and any fees incurred in obtaining further medical information.

Queries

If you have a query concerning your Plan, Holloway Friendly will be pleased to answer it, however, if you are seeking advice you should contact your Financial Adviser.

Complaints

If you have cause to complain about the service you have received from Holloway Friendly, please contact our Head of Member Services. If however, your complaint involves the sale or suitability of the Plan you should contact your Financial Adviser.

Should your complaint not be resolved or dealt with to your satisfaction you can complain to:

Financial Ombudsman Service

South Quay Plaza,
183 Marsh Wall,
London E14 9SR

Tel. 0845 080 1800

Making a complaint will not affect your legal rights.

The Financial Services Compensation Scheme

The Original Holloway Friendly Society Limited is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations under this policy. This depends on the type of business and the circumstances of the claim. The scheme may cover you for 100% of any successful claim you make.

Further information about the compensation scheme is available from:

Financial Services Compensation Scheme

10th Floor
Beaufort House
15 St Botolph Street
London EC3A 7QU

Tel. 0800 678 1100 or 0207 741 4100

fscs.org.uk

Terms and Conditions

Full terms, conditions and rules are available upon request.



Holloway Friendly cannot give you advice on its own or any other providers' products. If you are in any doubt whether this Plan is suitable for you, you should contact your Financial Adviser for advice or if you do not have a financial adviser visit:
www.unbiased.co.uk.

Contact us. We're here to help.

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 www.holloway.co.uk

We're here

Monday-Friday 9.00am to 5.00pm

Tracy | Underwriting

