

Policy Summary - Income Protection Insurance – Red Sands Insurance Company (Europe) Limited

This policy summary does not contain full details and conditions of your insurance – these are located in your policy wording.

Where a heading is underlined in this policy summary, full details can be found in your policy wording under the same heading.

It is essential that you refer to the exclusions relating to medical conditions and voluntary unemployment which appear in the significant or unusual exclusions or limitations section of this policy summary.

This policy is underwritten by Red Sands Insurance Company (Europe) Ltd. Red Sands Insurance Company (Europe) Limited is licensed and regulated by the Gibraltar Financial Services Commission under the Insurance Companies Act 1987 of Gibraltar.

Type of Insurance and Cover

This insurance provides financial benefit (monthly benefit) against your loss of net monthly income in the event of unemployment and/or disability. Your policy schedule will show which option or combination of options you have selected.

If the policy is in joint names, each person insured will be covered for the benefit amount shown against their name on the policy schedule.

Eligibility for Cover (Section 2)

You are eligible for this insurance as long as at the start date you:

- permanently live in the United Kingdom, Channel Islands or Isle of Man;
- are aged between 18 and 64;
- are working in employment or self-employment and you have been so continuously for the previous six months, during which time you have not been registered as unemployed with the appropriate government agency; and

We will consider you to be self-employed if you are in a profession or business alone or with others and paying class-2 National Insurance contributions, or you are a company director.

We will consider you to be employed if you are actively working for payment under a permanent contract of employment or a regular fixed-term contract of at least 16 hours a week and paying class-1 National Insurance contributions.

We will consider you to be on a regular fixed-term contract if you are on a contract of at least 12 months with the same employer that has been renewed at least once, or a contract with the same employer for a continuous period of at least 24 months or a fixed-term contract to which you were transferred from a permanent contract of employment with the same employer with no break between contracts.

You must notify us as soon as possible if your circumstances change as this may alter your entitlement to benefit under this policy. For example if you choose to give up work or you cease to pay national insurance contributions, please contact us on 020 7398 0100 as your change in circumstances may mean that you might not be eligible to claim on your policy.

Features and Benefits

Unemployment Cover and Disability Cover - What is covered (Sections 3 and 4)

If you chose a deferred period on your policy schedule then:

If you become unemployed or suffer a disability and your unemployment or disability continues for longer than the deferred period, we will pay one thirtieth of the monthly benefit for each consecutive day that you remain unemployed or disabled after the deferred period has ended.

Payment of Benefit

The first payment will be due 31 days after the deferred period has ended. Subsequent payments will be made monthly in arrears for each further day of unemployment or disability for the maximum benefit period, until you return to work or when the policy terminates, whichever occurs first.

The 'deferred period' is the number of days at the beginning of a period of disability or unemployment for which no benefit will be paid. Your policy schedule will show the length of the deferral period.

The 'exclusion period' is the number of days from the start date where any unemployment that you are notified of or which happens within this period is not covered. There is no exclusion period for disability claims. Your policy schedule will show the length of the exclusion period.

Significant or unusual Exclusions or Limitations:

The maximum amount we will pay is the monthly benefit shown on your schedule of insurance, although cover is subject to an overall maximum monthly payment of £1,850. For further information please refer to the definition of 'Monthly Benefit' under Meaning of Words (Section 1) of the policy wording.

Cover ends and no claims are payable once you retire or reach the normal retirement age at your place of work, whichever is earlier. For further information please refer to When Cover ends (Section 8) of the policy wording.

Unemployment Cover - What is not covered (Section 3)

We will not pay the monthly benefit for any unemployment if:

- you are notified about the risk of unemployment within the initial exclusion period, even though your unemployment may not take place until after this period.
- it follows a period of casual, temporary or occasional work
- your work is seasonal and unemployment is a normal part of it, or unemployment is a regular feature of your work.
- you are unemployed during a period in which you have received payment instead of working your notice. If it is unclear what period is covered by this payment, we will work out the period in weeks by dividing the amount of the payment by your average gross earnings each week for the 13 weeks immediately before your unemployment started.
- it arises as a result of you coming to the end of a fixed-term contract or a contract for your services, unless it is a regular fixed-term contract. A regular fixed term contract is a contract of at least 12 months with the same employer that has been renewed at least once, or a contract with the same employer for a continuous period of at least 24 months or a fixed-term contract to which you were transferred from a permanent contract of employment with the same employer with no break between contracts.

- it is caused by your resignation, voluntary unemployment or voluntary redundancy. This exclusion will not apply if:
 - a) your unemployment is solely and directly as a result of you becoming a carer, and you can provide evidence to us which proves that you were not aware at the start date that you would become a carer; or
 - b) your voluntary redundancy is claimed under section 147 or 148 of the 1996 Employment Rights Act due to short-time working. If you make a claim, you will have to produce documentation to confirm that your redundancy is within the terms of this Act.
 - you knew about the possibility of unemployment (or in our reasonable opinion you should have known about it) at the start date.
 - you are self-employed and cannot provide satisfactory evidence of having ceased to trade.
 - you do not meet the unemployment definition, this is: a period during which you must be no longer employed or self-employed and be:
 - a) receiving the appropriate class of National Insurance contribution credits;
 - b) available for and actively looking for work in the UK;
 - c) registered as unemployed with the appropriate government agency;
 - d) entirely without work; and
 - e) not receiving wages.
- If you are a company director, your company must have been wound up by a creditor who is not a director of that company.

Disability Cover -What is not covered (Section 4)

We will not pay monthly benefit if your disability:

- arises from stress, anxiety or depression, or any mental or nervous disorder, unless investigated and diagnosed by a consultant specialising in the relevant field;
- results from a pre-existing condition. A pre-existing condition is defined as any medical condition, injury, illness, disease, sickness or related medical condition, and associated symptoms, whether diagnosed or not, which you:
 - a) knew about or should reasonably have known about at the start date; or
 - b) have seen or arranged to see a doctor about during the 12 months immediately before the start date;
 - and which comes back within 24 months after the start date;
- results from a chronic condition that you knew about or should reasonably have known about at the start date, whether it needed medical attention at that time or not. A chronic condition is considered any medical condition, injury, illness, disease, sickness or related condition that has at least one of the following characteristics:
 - a) Continues indefinitely
 - b) Is constant and controlled rather than cured
 - c) Has symptoms that keep coming back and have needed consultation, treatment, advice or care in the past
 - d) Needs long-term monitoring, treatment, consultation, check-ups, examination or tests;
- is due to a back complaint or related condition, unless supported by specialist medical evidence.

Duration and reviewing your cover

This policy is for a period of one month from the start date. It shall be renewed automatically every month for which the premium is received and accepted by the insurer until cover ends as described in When Cover Ends (Section 8) of the policy wording.

You should periodically review your selected benefit levels and deferred periods to make sure they remain suitable for your needs. This is especially important if your gross salary or outgoings significantly change while your insurance is in force. If you want to review your benefit levels please contact the intermediary who arranged your cover.

Cancellation period

If you cancel this insurance within 30 days of the start date, we will refund any premium you may have paid unless you have made a claim. Please note that the insurance is cancelled on the day we receive your request.

Claim Notification

To notify us of a claim you can write to the administrator's claims department at: Compass Underwriting Limited, 1-2 Crutched Friars, London, EC3N 2HT. You can also obtain a claim form by phoning their customer service desk on: 020 7398 0100 or you can go to their web site at the following address: www.compassuw.com

Making Yourself Heard

Any complaint you may have should in the first instance be addressed to the Managing Director of Compass Underwriting Ltd. If you are not satisfied with the way in which your complaint has been dealt with, you should write to us at the Customer Care Department of Red Sands Insurance Company.

If the complaint is still not resolved, you can approach The Financial Ombudsman Service. Referral to the Financial Ombudsman will not affect your right to take legal action.

Full details of addresses and contact numbers can be found within the Customer Service (Section 12) of the policy wording.

Financial Services Compensation Scheme (FSCS)

Red Sands Insurance Company is covered by the FSCS, which is triggered when an authorised firm goes out of business. In this unlikely event you may be entitled to compensation from the scheme. Compensation under the scheme for:

- Compulsory insurance is covered in full.
- Non-compulsory insurance is protected in full for the first £2,000 and 90% of any amount above this threshold.

Full details are available at www.FSCS.org.uk