



KEY FEATURES

of Personal Income Protection

Customer Guide

Please read this document carefully, it highlights the main features and benefits of the product and includes some sample policy illustrations. You'll find full details of the benefits provided and the terms and conditions which apply in the Policy Conditions booklet which will be sent to you when your policy starts. However, if you want to refer to this before your policy starts, you can request a copy of this from us at any time. If there is anything that you do not understand, or if you would like more information, please ask your Financial Broker.

SECTION 1:

Information about the policy

1.1 Make sure the policy meets your needs!

- Personal Income Protection is a regular premium protection policy. The purpose is to provide a regular income if the Life Assured is unable to work due to disability and suffers a loss of earnings as a result.

Disability means that the Life Assured is totally unable, due to illness or injury, to perform the essential duties of his/her normal occupation and is not engaging in any other paid work.

Full details of this disability definition are contained in the Policy Conditions booklet.

- The Income Protection Benefits become payable when the Life Assured has been continuously absent from work for a certain period of time, known as the deferred period, and a claim has been admitted by Royal London.
- Payment of the Income Protection Benefit will cease on the earliest of:
 1. the Life Assured returning to work,
 2. the Life Assured failing to comply with

reasonable requests to cooperate with claims assessment requirements,

3. the Life Assured having been deemed medically fit to return to their normal occupation,
4. the Life Assured failing to follow medical advice that would otherwise reasonably allow a return to work,
5. the policy expiry date,
6. the Life Assured dying.

The policy is designed solely to provide protection benefits. It is not designed to provide an Income Protection Benefit in the event of death or if the Life Assured is unable to work as a result of becoming unemployed.

- If more than one deferred period applies to this policy, then each deferred period will apply before the relevant Income Protection Benefit becomes payable.
- There are maximum limits applying to the Income Protection Benefit payable if you make a claim. The maximum value applying if you make a claim is the lowest of:

- the agreed amount of Income Protection Benefit as shown in the Policy Schedule,
- €250,000 per annum; and
- an amount equal to 75% of earnings before disability less any other income the Life Assured receives whilst absent from work, such as sick pay or state illness benefit.

In the event that a reduced benefit applies, Royal London will not refund any part of the payments you have made. Full details relating to the maximum amount of Income Protection Benefit that will be paid if you make a claim are contained in the Policy Conditions booklet.

- If you have chosen indexation, the cover or amount in payment (as appropriate) will automatically increase by 3% every year and the premium will also automatically increase by 3.5% every year. The indexation will occur on each policy anniversary. Full details of indexation are contained in the Policy Conditions booklet.

Additional Policy Features

- The policy includes a Guaranteed Insurability Option which, subject to certain conditions, gives the option to increase the Income Protection Benefit amount by up to 20% of the initial Income Protection Benefit amount every 3 years, up to a maximum total increase of 100% of the original amount. Full details of the Guaranteed Insurability Option are contained in the Policy Conditions booklet.
- The policy includes a Hospital Cash Benefit. This is payable for every day the Life Assured spends in hospital after 7 days during the deferred period, up to a maximum of 90 days per claim. The benefit must be claimed within 6 months of the date of hospitalisation. The benefit will not be paid for more than 365 days in total during the lifetime of the policy. Full details of the Hospital Cash Benefit are contained in the Policy Conditions booklet.
- The policy includes a Back to Work Benefit which provides additional financial support for the first 3 months after the Life Assured returns to full-time work having been in receipt of an Income Protection Benefit for at least 1 year. The Back to Work Benefit may be claimed only once during the lifetime of the policy. Full details of the Back to Work Benefit are contained in the Policy Conditions booklet.
- The policy includes an Essential Activities Benefit. If the Life Assured becomes unemployed or is not

working full-time (i.e. is working less than 16 hours per week), cover will continue in respect of the Essential Activities Benefit. This benefit becomes payable if the Life Assured suffers from Incapacity. The benefit amount is the lower of €15,000 a year and the Income Protection Benefit amount stated on your Policy Schedule.

Incapacity means that the Life Assured is unable to independently carry out, even with appropriate aids and/or assistive devices, at least three Individual Personal Activity Criteria or meet one of the Severe Personal Criteria as set out in Section 4.4 of the Policy Conditions booklet.

- While in receipt of an Income Protection Benefit, no premium is payable for that benefit. If more than one deferred period applies to the policy, you will need to pay premiums for any benefit not in payment. Premiums remain payable while a Hospital Cash Benefit or Back to Work Benefit is being paid.
- If the Life Assured has a terminal illness and is diagnosed with less than 12 months to live, the deferred period will be waived and the relevant Income Protection Benefit payments will start immediately. Full details of this terminal illness cover are contained in the Policy Conditions booklet
- If following a period of disability during which an Income Protection Benefit has been paid, the Life Assured is only able to return to work on reduced earnings as a result of the disability, a proportionate Income Protection Benefit may be payable to help make up some of those lost earnings. Full details of the proportionate Income Protection Benefit are contained in the Policy Conditions booklet.

General Exclusions that apply to the policy

- In addition to any additional exclusions that may be outlined in the Policy Schedule (such as exclusions for hazardous leisure activities or existing medical conditions which are disclosed during the application stage), the following exclusions apply to the policy:
No Benefit will be paid, and any benefit in payment will cease, if disability or incapacity arises as a result of or is aggravated by one or more of the following:
 - War, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution or taking part in a riot or civil commotion,

- Intentional self-inflicted injury, the influence of alcohol or drugs (other than drugs taken as prescribed by a Registered Medical Practitioner), or failure to follow medical advice relevant to the disability or incapacity,
- Participation in a criminal act.

If a claim arises while the Life Assured is residing or travelling outside of Ireland or the United Kingdom and is admitted by Royal London, then the Income Protection Benefit will only be payable for a maximum of 13 weeks in any 12 month period or for 39 weeks in total over the lifetime of the policy.

No Benefit will be payable during any period when the Life Assured is remanded in custody or receives a custodial sentence. If the Life Assured is not convicted of an offence following being remanded in custody, we will retrospectively pay any benefit payable during this time.

Your commitment under the policy

- You are committed to make regular monthly or annual payments throughout the term of the policy. However, please see Sections 4.1 – Right of Cancellation and 4.2 – Stopping the Policy.
- Monthly payments must be paid by Direct Debit.
- Unless you are fully satisfied as to the nature of the commitment, having regard to your needs, resources and circumstances, you should not enter into that commitment.
- This policy cannot be assigned.

WARNING

If you propose to take out this policy in complete or partial replacement of an existing policy, please take special care to satisfy yourself that this policy meets your needs.

In particular, please make sure that you are aware of the financial consequences of replacing your existing policy. If you are in doubt about this please contact your insurer or insurance intermediary.

1.2 What happens if you want to cash in the Policy early or stop paying premiums?

- As your policy is designed solely to provide protection benefits, there is **no surrender value payable** at any stage under the policy.
- If you stop paying premiums, cover will end and no claim will be payable. We will not refund any of your premiums.

1.3 What are the projected benefits under the policy?

The illustration table below is based on the following details for a typical Personal Income Protection policy:

Basis of Cover	Single Life
Sex	Male
Age (next birthday)	36
Smoker Status	Non-Smoker
Income Protection Benefit	€30,000 13 weeks Deferred Period
Premium (incl. Policy Fee)	€69.75
Government Levy (currently 1%)	€0.70
Total Monthly Payment	€70.45
Payment Frequency	Monthly
Expiry Age	60th Birthday
Occupational Class	1

The Occupations that we will accept can be placed into 4 classes, which will affect the premium to be charged. The actual occupational class applied will be based on the information provided at the application stage and subsequent underwriting.

Royal London will provide you with illustrations based on your own exact details when your policy is issued.

Table 1: Illustrative table of projected benefits and charges

Year	A	B	C	D	E=A+B-C-D
	Total amount of premiums paid into the policy to date	Projected investment growth to date	Projected expenses and charges to date	Projected cost of protection benefits to date	Projected policy value
1	€837.00	€0.00	€810.03	€26.97	€0.00
2	€1,674.00	€0.00	€1,580.20	€93.80	€0.00
3	€2,511.00	€0.00	€2,320.82	€190.18	€0.00
4	€3,348.00	€0.00	€3,038.57	€309.43	€0.00
5	€4,185.00	€0.00	€3,737.58	€447.42	€0.00
10	€8,370.00	€0.00	€6,993.06	€1,376.94	€0.00
15	€12,555.00	€0.00	€9,752.86	€2,802.14	€0.00
20	€16,740.00	€0.00	€11,710.45	€5,029.55	€0.00
Final Year	€20,925.00	€0.00	€12,511.77	€8,413.23	€0.00

This policy does not acquire a surrender or maturity value.

1.4 What intermediary/sales remuneration is payable?

The following table is based on the same details as for Table 1 above.

Table 2: illustrative table intermediary/sales remuneration

Year	Premium payable in that year	Projected total brokerage fee payable in that year
1	€837.00	€839.76
2	€837.00	€334.80
3	€837.00	€167.40
4	€837.00	€167.40
5	€837.00	€167.40
10	€837.00	€25.11
15	€837.00	€25.11
20	€837.00	€25.11
Final Year	€837.00	€25.11

The brokerage fees shown above are maximum amounts based on the premium indicated and are for illustration purposes only. The actual brokerage fees payable on your policy will be fully outlined in the policy documentation that you will receive when your proposal proceeds.

1.5 Are returns guaranteed and can the premium be reviewed?

The premiums you pay at the start of the policy are guaranteed to provide the level of cover you select as long as your chosen benefits remain the same.

If indexation has been chosen, your premiums will be increased every year to reflect the cost of the increased cover.

If you increase your benefit using the Guaranteed Insurability Option, your premiums will be increased to reflect the cost of the increased cover.

The total payment may change if there is a change to the Government Levy, or if any additional tax, stamp duty or levy is imposed on your policy in the future.

1.6 Can the policy be cancelled or amended by the insurer?

The policy will be cancelled and come to an end, if you:

1. stop paying premiums,
2. fail to provide full and accurate information at the application stage, or
3. fail to continue to disclose all material facts to Royal London until the date that cover commences under the policy, or
4. die.

A material fact is any fact about the Life Assured's health, smoking or drinking habits, occupation, pastimes, policies with other insurance companies or any other fact that may influence the assessment and acceptance of your application by Royal London. If you are in any doubt about whether certain facts are material, these facts should be disclosed.

If the date of birth of a Life Assured differs from that shown on the policy schedule, the amount payable in the event of a claim may be reduced or the claim may be rejected and the policy cancelled from inception.

We can also make changes to the policy which are as a result of legal, regulatory or tax changes or to rectify an error in the policy conditions. We may also introduce a change that won't adversely affect you, such as introduce a new feature or service which is to your benefit.

1.7 Information on taxation issues

This Personal Income Protection policy is approved by the Revenue Commissioners for the purposes of Sections 125 and 471 of the Taxes Consolidation Act 1997.

Benefit: Under current legislation, benefit payments will be treated as normal employment income and as such they will be liable for tax. We will pay the benefit direct to you after deducting an amount for income tax, PRSI and Universal Social Charge in the same way as an employer would make a deduction from your income.

Premium: Under current legislation, tax relief is available on your premiums at your marginal (highest) rate of tax, up to a yearly limit of 10% of your total income. The gross premium is payable to Royal London and tax relief must be claimed by you from the Revenue Commissioners.

A Government Levy is payable on all premiums. The Government Levy is currently 1% but it may change in the future.

You should contact your Financial Broker or tax advisor if you are unsure about any aspect of the tax treatment of premiums or benefits.

SECTION 2:

Information on service fee

There is no service fee payable to Royal London.

Where such a fee has been, or is to be, levied by your Financial Broker, then he/she should enter the amount and full details below:

Financial Broker Fee: _____

Details of the Arrangement: _____

SECTION 3:

Information About The Insurer/ Insurance Intermediary

This policy is underwritten by The Royal London Mutual Insurance Society Limited which is authorised by the Prudential Regulation Authority in the United Kingdom (registration number 117672) and is regulated by the Central Bank of Ireland for conduct of business rules.

The Royal London Mutual Insurance Society Limited is registered in England and Wales, number 99064, at 55 Gracechurch Street, London EC3V 0RL and in Ireland, number 908341, at 47-49 St Stephen's Green, Dublin 2. VAT Reference No. I.E. 4743976E

Policies issued by Royal London in Ireland are covered by the UK Financial Services Compensation Scheme (FSCS). The FSCS is an independent safety net for customers of financial services firms. The Scheme pays compensation if an authorised firm is unable to

pay claims against what they owe. Information on compensation arrangements is available from us or directly from the Financial Services Compensation Scheme. Their website is www.fscs.org.uk.

The maximum level of compensation for claims against firms declared in default is 100% of the claim.

Royal London distributes its products through Financial Brokers who do not have authority to collect payments on its behalf. Your Financial Broker should advise you of information relevant to them including their name, address, e-mail address and their Authorised Status.

You can find out more about the policy by talking to your Financial Broker (please see the box below for contact details). Alternatively, you can contact:

Royal London Group
47-49 St Stephen's Green
Dublin 2
Ireland

 +353 (0)1 429 3333

 +353 (0)1 662 5095

 service@royallondon.ie

Financial Broker Name:	
Financial Broker Address:	
Telephone Number:	
Email Address:	

SECTION 4:

Additional information relating to your policy

4.1 Right of Cancellation

You can cancel the policy by sending us a written instruction within a period of 30 days from the date of posting the 'Cooling-Off' Notice to you. The address to write to is Existing Business, Royal London Group, 47-49 St Stephen's Green, Dublin 2. On cancellation all cover will cease immediately and any payments received by us will be refunded in full to you. If you do not cancel your policy within the 30 day 'Cooling-Off' period we will maintain the terms and conditions while it remains in force.

4.2 Stopping the Policy

You can stop the policy at any time by writing to us instructing us to stop the policy or by stopping payments, but all cover would then cease in such circumstances. The address to write to is Existing Business, Royal London Group, 47-49 St Stephen's Green, Dublin 2.

4.3 Law that applies to the policy

This policy shall be governed by and interpreted in accordance with the Laws of Ireland.

The language used for contractual terms and conditions and for communication whilst the contract remains in force is English.

4.4 Complaints

Royal London is committed to the provision of the highest standards of customer satisfaction and takes all complaints very seriously.

If you have any queries about the benefits provided by this type of policy please contact your Financial Broker or contact Royal London directly. If at any time you have a complaint about the policy you should refer it to us, through your Financial Broker or by contacting the Compliance Manager at Royal London Group, 47-49 St Stephen's Green, Dublin 2. If your complaint is not dealt with to your satisfaction, you can refer it to the **Financial Services Ombudsman** without prejudice to the right to take legal proceedings, using the following address and contact details:

Financial Services
Ombudsman's Bureau
Third Floor, Lincoln House
Lincoln Place
Dublin 2

 1890 88 20 90 (Lo Call)

 +353 (0)1 662 0899

 +353 (0)1 662 0890

 enquiries@financialombudsman.ie

 www.financialombudsman.ie

4.5 Additional Information for Non Face to Face Customers under the Distance Marketing of Financial Services Directive

There is no additional charge by Royal London where your insurance contract is completed only by means of distance communication. Your Financial Broker will advise you if they apply a charge in similar circumstances.

4.6 Contact us

You can contact us in the following ways:

Royal London Group
47-49 St Stephen's Green
Dublin 2
Ireland

 +353 (0)1 429 3333

 +353 (0)1 662 5095

 service@royallondon.ie

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