

keyfacts

Policy Summary for FreeStart Mortgage Payment Protection Insurance

The Insurance for this policy is underwritten by St. Andrew's Insurance plc.

This document only provides a summary of the main features and benefits of the policy and a summary of the main exclusions or limitations.



Where there are **exclusions** or **limitations** shown in this document, they are indicated by this symbol.



Full details of the policy will be provided with your certificate and you should take the time to read this to ensure that it provides the level of cover you require. In this document, we specify where information can be found in the policy document by using this symbol.

1. The FreeStart Mortgage Payment Protection Policy

Independent Mortgage Payment Protection Insurance can help you protect your mortgage payments and other household costs if you become unemployed or suffer an accident or sickness (this is known as a disability).

You can insure your monthly mortgage payment, monthly life premiums and the monthly cost of your buildings and contents insurance.



The most you can insure, including any entitlement to free additional benefit is £1500, or 65% of your monthly income whichever is the lower.

2. The type of cover available under this policy

The following options are available to you:

- Unemployment and disability insurance cover
- Unemployment only insurance cover
- Disability only insurance cover

3. How the policy works

- You choose the type and level of cover that is appropriate to your own particular demands and needs.
- You pay the premium as it falls due.
- We pay a monthly benefit for up to 12 months if you are unable to work due to unemployment or a disability.

Unemployment and disability cover will provide you with the maximum level of protection in the event of a claim.



Limitations if you restrict your cover:

- If you take out unemployment only cover you will not be able to make a claim for disability.
- If you take out disability only cover you will not be able to make a claim for unemployment.

4. The free cover you receive

If your mortgage has been in force for 30 days or less at the policy start date, you are classed as a new borrower and you will receive 6 months free cover.

If your mortgage has been in force for a period of more than 30 days at the policy start date, you will be classed as an existing borrower and you will receive 3 months free cover.

All borrowers will also receive 25% additional benefit at no extra cost to help protect other monthly payments or household expenditure.



Exclusion for existing borrowers:

If your mortgage has been in force for more than 30 days at the policy start date you will not be able to claim for unemployment if you become unemployed within 3 months of the policy start date or you are notified of future unemployment within 3 months of the policy start date.

If you transfer your cover from another insurer, we will waive the 3 month initial exclusion period for unemployment, providing your previous insurance has been in force for at least six months and you have never made a claim under your previous insurance.



The exclusion for existing borrowers is shown in section 11 of the policy document.

5. Eligibility requirements

You can apply for cover if:

- You are 18 to 64 years of age and you live and work in the United Kingdom (including the Channel Islands and Isle of Man).
- You are actively working for a minimum of 16 hours per week.
- You are taking out this policy to protect the mortgage payments on the private residential property you live in.
- You agree to keep to the policy conditions.



You cannot apply for cover if:

- You are not personally named on the mortgage agreement.
- You are acting as a guarantor on the mortgage.
- You are aware of any impending unemployment.
- Your work is casual, temporary or seasonal (including working for a temporary employment agency) or unemployment is a regular or re-occurring feature of your job.
- You are currently unable to work due to a disability. (This does not apply if you are on maternity leave, paternity leave, adoption leave or parental leave).



The eligibility requirements are shown in section 4 of the policy document.

6. The number of people who can be insured

If your mortgage is in your name only, or you have a joint mortgage and you are the only person who is eligible for cover, we will issue single cover in your name and you will be insured for 100% of the monthly benefit.

If your mortgage is in joint names and both of you are eligible for cover, you can:

- Take out single cover in your name and you will be insured for 100% of the monthly benefit (subject to you being the main income earner); or
- Take out split cover in joint names and you will both be insured for a percentage of the monthly benefit. If you make a claim, we will divide your monthly benefit in the same percentage as the normal income of each person at the start of the claim.

7. Unemployment cover

If you have permanently lost your employment or self-employment due to circumstances that are entirely beyond your control, then subject to the policy exclusions, we will pay unemployment benefits if you are registered as being unemployed and available for work at a benefits office (unless you are exempt).

You must also provide us with satisfactory independent evidence that you are actively looking for permanent work.

Alternatively, we will pay unemployment benefits if you cease to work in order to become a full time carer for a member of your family and you are in receipt of carer's allowance.



Limitations of unemployment cover:

- If you work as a contract worker or on a sub contracting basis you must have at least 12 months continuous service with your employer to receive full entitlement to claim benefits under the policy. If you have less than 12 months continuous service with your employer, you are not insured for the non renewal of your contract and your entitlement to receive benefits under the policy will cease on the date your contract was originally intended to terminate.
- We will consider the first day of your unemployment to be the date on which you are first registered as being unemployed and available for work (unless you are exempt) and any entitlement to payment in lieu of notice has ended.

The main reasons we will not pay out for unemployment are (the exclusions):

- You were aware of impending unemployment before the start date, or, if you are an existing borrower, you are notified within 3 months of the start date.



- You were not continuously working for 6 months before your first claim for unemployment (this is waived if you were continuously working for 6 months before the start date).
- Your work is of a casual, temporary or seasonal nature (including working for a temporary employment agency) or unemployment is a regular feature of your job.
- You resign or accept voluntary unemployment.
- You refuse any offer of reasonable alternative employment by your employer.
- You take early retirement instead of unemployment.
- Your employer takes disciplinary action against you as a result of misconduct, fraud, dishonesty or you fail to meet any performance standards or targets laid down by your employer.



The definitions confirming when we class you as employed or self employed are shown in section 1 of the policy document.

The full exclusions for unemployment cover are shown in sections 10 and 11 of the policy document. General conditions for making a claim are shown in section 14 of the policy document.

8. Disability cover

Subject to the policy exclusions, we will pay disability benefits if you are unable to work as a result of the disability you are claiming for and you are not receiving any form of payment other than your normal or statutory sick pay.



Limitations of disability cover:

- We will consider the first day of your disability to be the date on which a doctor or consultant first certifies that you are unable to work.

The main reasons we will not pay out for disability are (the exclusions):

- You were aware of an impending disability before the start date.
- Your disability is caused by any pre-existing condition.
- Your disability is due to a chronic condition.
- Any type of self-inflicted injury, alcohol abuse, drug abuse or if you fail to follow any medical advice.
- Stress, anxiety, depression or nervous disorders. This is waived if a consultant certifies the condition stops you from working.
- Normal pregnancy.
- Backache or any back related condition if there is no physical or radiological evidence of a medical abnormality. This is waived if a consultant certifies that the condition stops you from working.



The full exclusions for disability cover are shown in section 13 of the policy document. General conditions for making a claim are shown in section 14 of the policy document.

9. Qualification periods

The period of time you will have to wait before you can start to receive any claim benefits is known as the qualification period.

- **Option 1** - Back to Day One Cover (after 30 days)

To qualify for claim benefits under this option your unemployment or disability must last for at least 30 consecutive days.

On the 31st day of continuous unemployment or disability, we will pay an amount equal to one monthly benefit. From the 31st day onwards we will pay 1/30th of the monthly benefit for each day you remain continuously unemployed or disabled. Any claim benefits due to you will be paid monthly in arrears.

- **Option 2** - Back to Day One Cover (after 60 days)

To qualify for claim benefits under this option your unemployment or disability must last for at least 60 consecutive days

On the 61st day of continuous unemployment or disability, we will pay an amount equal to two monthly benefits. From the 61st day onwards we will pay 1/30th of the monthly benefit for each day you remain continuously unemployed or disabled. Any claim benefits due to you will be paid monthly in arrears.

- **Option 3** - 30 day excess period

To qualify for claim benefits under this option your unemployment or disability must last for at least 30 consecutive days.

From the 31st day onwards, we will pay 1/30th of the monthly benefit for each day that you remain continuously unemployed or disabled.

Any claim benefits due to you will be paid monthly in arrears and the first payment will be made on the 61st day.

- **Option 4** - 60 day excess period

To qualify for claim benefits under this option your unemployment or disability must last for at least 60 consecutive days.

From the 61st day onwards, we will pay 1/30th of the monthly benefit for each day that you remain continuously unemployed or disabled.

Any claim benefits due to you will be paid monthly in arrears and the first payment will be made on the 91st day.



We will stop making claim payments on the date that one or more of the following events should occur:

- Your unemployment or disability ends or you fail to meet any of the policy conditions for claim payments.
- We have paid 12 monthly benefits for any one claim.
- Your policy is cancelled or terminated.

10. Making sure your mortgage remains fully protected

Your benefit will not automatically increase or decrease in line with any changes to your mortgage payment. The 25% additional benefit at no extra cost will provide you with some protection if your mortgage payment increases, but you should review your cover on a regular basis.

You can amend your benefit by contacting our Customer Services Team on 0870 759 4000.

11. Duration of the insurance

This is a monthly contract. The policy is issued for an initial period from the start date to the date the first premium is due and will automatically be renewed for a further month on payment of each premium as it falls due.

12. The paying of premiums

The premium is payable monthly in advance by direct debit.

We can change your premium by giving you 30 days notice in writing. The premium includes Insurance Premium Tax (IPT) at the current rate. If we are required by law to increase the level of IPT or to make any other charges, we will increase your premium from the date any such charges are implemented.



In the event that a premium remains unpaid 30 days after the date on which it falls due, cover under the policy will cease.

13. Cancelling your policy

If having examined your policy you decide not to proceed with the insurance, you generally have 14 days to cancel from the policy start date, however, we offer a 30 day cancellation period without charge.

We will not refund any premiums you have paid if you cancel your policy after the first 30 days.

To cancel, please write to the address shown on your policy certificate.

We may cancel your policy by giving you 30 days written notice. This will not affect your rights to receive claim benefits for any event that occurred before the cancellation date.

14. Making a claim

Your claim will be administered by St. Andrew's Insurance plc.

Should you wish to make a claim under your policy you should call the Claims Helpline on 0870 850 3220 as soon as possible.



Full details of how to claim are shown in section 15 of the policy document. General conditions for making a claim are shown in section 14 of the policy document.

15. Complaints

Paymentshield administers complaints about general administration on behalf of St. Andrew's Insurance plc.

If you are unhappy with any aspect of the sale of this policy or have cause for complaint you should initially contact the person who arranged the cover for you. If however, you are unhappy with the general administration of the policy you should contact the Paymentshield Customer Services Team by telephone or in writing by letter or email.

The address is: Paymentshield Limited
PO Box 229
Southport
PR9 9WU

Customer Services Helpline: 0870 759 4000

Email: enquiries@paymentshield.co.uk

The Customer Services Team will tell you what we will do to resolve your concerns and how long it will take.

If you are unhappy about claims handling you should contact our Claims Manager by telephone or in writing:

The address is: St. Andrew's Insurance plc
St. Andrew's House
Portsmouth Road
Esher
Surrey
KT10 93A

Claims Helpline: 0870 850 3220

The Claims Manager will tell you what we will do to resolve your concerns and how long it will take.

Where you remain dissatisfied with our response you may refer the matter to the Customer Relations Manager at St. Andrew's Insurance plc for a final response. If you are still dissatisfied with the resolution you receive, you have the right to ask the Financial Ombudsman to review your case.

If you make a complaint, your right to legal action is unaffected.

16. The Law and language applicable to the contract

The policy is governed by English law. The language used in this policy and any communication relating to it will be English.

17. Compensation

St. Andrew's Insurance plc is a member of the Financial Services Compensation Scheme (FSCS). The scheme provides compensation if its members go out of business or into liquidation and are unable to meet any valid claims under its policies. Most insurance contracts are covered for 100% of the first £2,000 and 90% of the remainder of the claim. Further information on the scheme can be obtained from the FSCS on 0207 892 7300.

18. St. Andrew's Insurance plc

The insurance for this policy is underwritten by St. Andrew's Insurance plc which is authorised and regulated by the Financial Services Authority (FSA) as an insurance company and to undertake insurance mediation, under reference number 202932. You can check this out on the FSA website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

St. Andrew's Insurance plc is registered in England number 3104671.

St. Andrew's Insurance plc is a member of the Association of British Insurers (ABI) and Financial Ombudsman Service (FOS).

Registered Office: St. Andrew's House, Portsmouth Road, Esher, Surrey KT10 9SA.

In this policy summary the words "we", "us" and "our" relate specifically to Paymentshield Limited acting for and on behalf of St. Andrew's Insurance plc.

19. Enquiries and assistance

If you have a question about the type of cover we provide please ask your intermediary or call the Paymentshield Customer Services Team on 0870 759 4000.

Once we have accepted your application for cover, we will send you a certificate showing the type and level of cover selected together with a copy of the policy document.

A copy of the full policy document for FreeStart Mortgage Payment Protection Insurance is available on request. For a copy, please ask your intermediary or call the Paymentshield Customer Services Team on 0870 759 4000.

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Registered Address: Paymentshield House, Slaidburn Crescent, Southport PR9 9YF.
Registered in England number 2728936. VAT Registration 618 8114 36.

Telephone calls to Paymentshield may be recorded for security purposes and monitored under our quality control procedures.

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