

Personal Sick Pay

Policy Summary

A quick guide to your policy documents

We know that sometimes there just isn't time to read all the documents that come with a new product, so this summary gives you an overview of the policy.

Your policy conditions tell you the important things we think you need to know about Personal Sick Pay, they contain more detail than we cover here and explain how your policy works.

To find the details about your cover that are specific to you (such as how much you're covered for and when your policy ends) you'll need to read your policy schedule.

About LV=

LV= is a registered trademark of Liverpool Victoria Financial Services Limited, we're the company that provides your insurance. We're also the people responsible for paying any claims made on your policy (as long as they meet the terms set out in your policy conditions). We can't advise you about whether this cover is right for you – you'll need to speak to your financial adviser about that, but we'll be happy to help with any questions you have about Personal Sick Pay if you choose to take this policy out.

About Personal Sick Pay

These topics are covered in section A of your policy conditions

✓ What your policy covers

- You're covered if you have been registered with a GP and lived in the UK for the last two continuous years immediately before you took the policy out.
- We'll pay you if you're too unwell to work due to illness or injury, and you're not doing any other work.
- Any illness or injury that lasts longer than three continuous days (or your chosen waiting period if it's longer) – unless we've told you we won't cover you for it on your policy schedule.
- You're covered if you go on holiday or move abroad and become too unwell to work. If you're somewhere that's not listed here, we'll pay for the first 26 weeks then you'll have to go to one of the places we list here if you want to continue claiming. We'll stop paying your claim if you travel to an unlisted place for more than two weeks after the first 26 weeks of your claim.

Australia, Austria, Belgium, Bulgaria, Canada, Channel Islands, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Greece, Hong Kong, Hungary, Iceland, Ireland, Isle of Man, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, UK or USA.

- If you get well enough to return to work, but can't manage as many hours as you did before you were off, or you return to a different job for less money we might be able to carry on paying part of your claim.
- If you change your job or become a homemaker after the policy starts.

✗ What your policy doesn't cover

- Any type of illness or injury we've already said we can't insure you for before your policy started, this would be listed in the special provisions section of your policy schedule.
- We won't pay out if you're not working for any reason other than an illness or accident, for example, due to unemployment, lockdown, quarantine, periods of mandatory or precautionary isolation, or suspension from work.
- You won't be able to make a claim if you're still working, for example you're doing voluntary work or any other form of unpaid work.
- This policy would not pay for time off you have during the course of a normal pregnancy. But you are covered if you have an illness or injury that prevents you from working while pregnant.
- Money you'd make from savings or investments isn't included in your earnings, we also don't cover income you'd receive from pensions or state benefits. This policy only insures the income you earn from your occupation.
- We'll stop paying a claim if you stop following your doctor's advice, or refuse any reasonable medical treatment.
- If you provide the wrong details by mistake when completing your application this may result in non-payment of a claim, or a reduction in the amount we will pay. Please read section C7 of your policy conditions to find out more.
- If we find that during any stage (between applying for this cover and the policy end date) that anyone connected with the policy has deliberately given us incorrect information we may cancel the policy or refuse to pay a claim. We explain about when we can cancel your policy in section C7 of your policy conditions.



Who we'll cover

We can only insure people who have been registered with a UK GP for at least the last two years, live permanently in the UK at time of application and are 17 years old or over. The maximum age at the start of the policy is 59 (for inflation linked and level cover).

You can insure another person or yourself – you'll be the policy owner and they'll be the person insured, but you can only do this if you'll suffer financially if they if they become unable to work (for example, if you're married to or in a civil partnership with them).

You can only take this type of cover out if you are working, if you change jobs or become a homemaker after the policy starts you'll still be covered.

How long we can insure you for

You can choose how long your policy lasts as long as it is within the following limits.

- We can only insure people for a minimum period of five years.
- We insure people until they reach age 70.

Choosing what you want your policy to look like

Once your policy has started you can change the amount of cover you have, and how much you pay but you can't change the type of cover you have, who it insures, or who owns it (we explain this more in section A10 of your policy conditions and we explain the changes you can make in section C8).

If you want to change the type of cover you have you would need to cancel your policy and take out a new one.

The types of Personal Sick Pay policy available are:

Full Personal Sick Pay

If you choose to have Full Personal Sick Pay there's no time limit on how long we'll pay your claim, as long as you're too unwell to work.

If you return to work and then become unable to work again we can either restart your previous claim (if it's been less than six months) or begin a new claim (if it's over six months). This depends on how long it's been since your last claim ended and whether it's for the same reason or a new illness or injury. See section B4 of your policy conditions for more information about this.

Budget Personal Sick Pay

If you choose to have Budget Personal Sick Pay we'll stop paying your claim after two years, you can claim for the same condition as many times as necessary for the duration of the policy, but each claim can only last a maximum of two years.

If you return to work and then become unable to work again within six months, we can either restart your previous claim which will contribute to the two year maximum claim time already built up during the initial claim period, or if you've been back at work for longer than six months we will begin a new claim which will have a full two year claim limit from the start. This depends on how long it's been since your last claim ended and whether you're unable to work for the same reason or because of a new illness or injury. Please see section B4 of your policy conditions for more details.

For Full and Budget Personal Sick Pay the payment of your claim will end if:

- You recover and are well enough to fully return to work.
- You die.
- Your policy ends, because either you or we have cancelled it, or it reaches your chosen end date.
- You have Budget Personal Sick Pay and we've paid a single claim for two years.
- You remain in a place where we will only pay a claim for up to 26 weeks.
- You've returned to work on part time hours or reduced duties, we'll stop paying you when your reduced income is equal to or more than it was before your claim.

Choosing your type of cover

Once you've chosen whether you want full or budget personal sick pay you then have to choose your cover type, see section A3 of your policy conditions for more information about this.

The types of cover available are:

Level cover

This means the amount of cover you have will stay the same and the amount you pay (your premium) will go up each year on the policy anniversary. The amount of cover you choose won't keep up with the rising cost of things over time due to inflation.

Inflation linked cover

This means that the amount you pay (your premium) will go up each year on the policy anniversary and your amount of cover will go up each year too, in line with inflation. We measure inflation using the Retail Prices Index (RPI).

Once you've chosen whether you want level or inflation linked cover you then have to choose your waiting period.

Choosing your waiting period

The waiting period is the length of time you have to wait between when you become unable to work and when we start to pay your claim.

Day one

This means we'll backdate your claim payment so it begins on the first day you become unable to work. This doesn't mean you get paid on the first day itself. You must be unable to work for at least three consecutive days before we'll pay a claim on a policy with a day one waiting period.

1, 4, 8, 13, 26, or 52 weeks

You'll need to be too unwell to work for three consecutive days and the duration of your waiting period before we will pay your claim. But please let us know you are unable to work as soon as you can to help speed things up when it is time for us to pay you.

It's possible that we may restrict waiting periods for some people depending on their personal circumstances. This may change in the future, so if you wish to change your waiting period, please let us know and we can explain what options are available to you.

How much cover you can have

To take out this policy you must have an amount of cover between £500 and £8,333 a month – the maximum amount of cover you can have is up to 60% of your taxable earned income, you can always have less than this but never more.

The price you pay for your cover (your premium) will depend on how old you are and how much you want to be covered for.

When you apply for this policy you'll receive a personal quote telling you how much it will cost you. Depending on how long it takes you to choose your start date (and if there have been any changes in your circumstances between the time we gave the quote and the time you agree to buy the policy) the amount you pay might be different from the amount shown in your quote. But don't worry – we'll let you know if the cost has changed before your policy starts.

Claiming on your policy

Making a claim

Whatever your waiting period is please let us know as soon as possible if you become unable to work due to illness or injury – if you're too unwell to make the claim you can appoint someone to act on your behalf. We explain about making a claim in section A7 of your policy conditions.

You can contact us about a claim in any of the following ways:

Email: healthclaims@LV.com

Call: **0800 756 5869**

Write to: **LV=, Emperor House, Grenadier Road, Exeter Business Park, Exeter, EX1 3LH.**

If you have Waiver of Premium cover and are off work due to an illness or accident (that isn't listed in the special provisions section of your policy summary) we'll pay for your cover on your behalf. Your Flexible Protection Plan schedule will tell you if you have Waiver of Premium cover and you can find out more about this type of cover in our Waiver of Premium policy conditions.

Who we pay, and how

You can choose whether we pay your claim weekly or monthly. We will always pay a claim to the person that owns the policy, once the claim is approved and the waiting period has passed.

The policy owner and the person insured are usually the same person, but sometimes they aren't – we explain this in section A10 of your policy conditions.

Pay my mortgage facility

This is an option we offer to help people who are claiming state benefits in addition to claiming on this policy. It enables the person claiming on this policy to use the payments to pay their mortgage. By choosing to do this the money they receive from us won't usually get deducted from the state benefit payment. Please speak to your benefits adviser for more information about this if you apply for or receive state benefits. This is based on our understanding of state benefits as of April 2020 and may change in the future.

If you choose for us to pay your claim directly to your mortgage lender we'll pay any remaining amount to the policy owner.

This option is only available if your mortgage is for residential mortgages on the main property you live in. It is not available for mortgages on second homes, holiday homes, or commercial premises. We explain more about this in section A11 of the policy conditions.

Receiving state benefits from the government won't affect the claim amount you receive from this policy, but claim payments from this policy may affect the amount of state benefits you receive from the government. You must mention the payments you receive from this policy if we're paying your claim and you receive state benefits.

How much we'll pay if you claim

The maximum amount of cover you can have is up to 60% of your income. When you make a claim we'll work out the maximum amount we can pay you each month, we do this by taking how much you earn a year before tax, multiplying it by 60%, then divide that amount by 12. We'll then take off any other income you are receiving, including any payments from other accident or sickness policies. If you don't tell us that your income is less when you make a claim than it was when you applied for your policy, you may find you get paid less than your amount of cover. We won't refund any of the money you've paid for your policy if this happens. See section A6 of the policy conditions for further information.

As long as you can demonstrate that you earned an income and worked at least 30 hours a week before you became unable to work due to illness or injury, we guarantee we will pay your full cover amount up to £1,000 per month for the first two years of your claim. After this the guarantee no longer applies to your claim and we may deduct other income and payments you may still be receiving. See section A6 of your policy conditions for more details.

If your amount of cover is more than £1,000 a month, or you can't demonstrate you were working at least 30 hours a week at the time you became unable to work, the Personal Sick Pay guarantee will not apply, and we'll work out how much we can pay you using the method we explained at the beginning of this section.

See section A6(a) of the policy conditions for further information about the Personal Sick Pay guarantee.

Going back to work

These topics are covered in section B of your policy conditions

Returning to work as normal

We're here to help you return to work with confidence, so we may also be able to help you get additional support such as: physiotherapy, counselling or rehabilitation.

When you are receiving money from a claim you must tell us when you plan to return to work, so we do not overpay you. Let us know the date and whether you'll be going back full or part time and we'll work out the correct amount to pay you. Read section A9 of your policy conditions to find out about overpayments.

Returning to work for fewer hours or lower pay

If you're not able to fully return to work for medical reasons (for example you can go back, but doing less hours) we'll still pay you a proportion of your cover. We'll continue to pay you only if you're able to return to work for less than 30 hours a week. If you were working less than 30 hours a week before you became unable to work, we'd pay you the proportion of your hours that you are now able to work.

If you're unable to return to your previous occupation for medical reasons but want to go back to work in a different job, even if it means you get paid less, then we'll carry on paying you a proportion of your cover. You can find out more about this in sections B2 and B3 of your policy conditions.

We'll keep paying you until:

- You're well enough to return to work for at least 30 hours a week, or you're well enough to return to your previous occupation (if you took a different role due to your health).
- You begin earning the same or more than you were earning before your claim.
- The end date of your policy.
- You've died.
- You've been receiving your claim payments for two years (if your policy is for Budget Personal Sick Pay).
- You stop following the advice from your doctor or refuse a request for reasonable treatment.

If you become unable to work again after you've gone back

If you've gone back to work and you become unable to work again, we might be able to restart your payments from the previous claim straight away. We'll only do this if the illness was related to your previous claim, and it happened within six months of you going back to work. If you have Budget Personal Sick Pay and we treat your claim as being related to your previous claim, it will count towards your two year claim limit for that claim.

If it's a new illness, or you've been back at work for more than six months we'd treat this as a new claim, and you'd need to wait for your full waiting period before we'd start paying your claim. We explain this in more detail in section B4 of your policy conditions.

Paying for, or cancelling your Personal Sick Pay

These topics are covered in section C of your policy conditions

How long you pay for your cover

You'll need to begin paying for your policy on your policy start date, and you'll need to keep paying right up until the month before the end date shown in your policy schedule – we only accept payment by monthly Direct Debit.

If you stop making your payments (your premiums) before the end date we'll cancel your policy. This means your cover will end and you won't receive a refund of any of the payments you've already made.

When the amount you pay can change

The amount you pay for your Personal Sick Pay is based on your age, so it will change over the lifetime of your policy because there's a higher risk of becoming ill as we get older.

Any increases will happen on the policy anniversary, and before they happen we'll let you know how much the amount you pay (your premiums) will be going up by. You can work out how much you'll be paying each year up to the age of 70 by checking the Future Prices Table that was included with your policy paperwork.

There are different Future Prices Tables depending on whether you have Full or Budget Personal Sick Pay, and whether your policy has guaranteed or reviewable future prices. You can see what kind you have in the premium section of your policy schedule.

Guaranteed future prices

The amount you pay is guaranteed to only go up by the rate shown in your Future Prices Table. This option is initially more expensive than reviewable future prices, but you will know exactly how much it's going to cost you right up until the policy end date.

If you've got inflation linked cover your amount of cover and the price you pay will go up each year in line with inflation. We're unable to show this in the Future Prices Tables because we can't predict how much inflation will go up by.

Reviewable future prices

The amount you pay is only guaranteed to follow the increases set out in the Future Prices Tables for the first five years after your policy start date. After this we can review our prices and the amounts could go up or down, or stay the same every five years.

If we do need to change the amounts in your Future Prices Table, we'll let you know and give you at least 60 days to decide if you're happy to accept the changes before we make them.

What happens if you miss making a payment

Don't worry, we'll give you 60 days from the date your premium payment is due to make up any payments you've missed before we'll cancel the policy.

We'll work with you to decide on a suitable way for you to make these payments. If you can't make your payments within the 60 day period we will cancel your policy and you'll no longer be covered. We might be able to restart the policy for you after cancellation – please read section C4 of your policy conditions to find out more about this.

When your policy ends

Your policy will end on your chosen end date – this is shown on your policy schedule. Find out more about when your policy ends in section C10 of your policy conditions.

If you want to cancel your policy

If you're cancelling your policy because your circumstances have changed (not because you no longer want it) you might find it helpful to speak to a financial adviser first. Section C6 of your policy conditions explains more about cancelling your policy.

If you cancel within 30 days of your start date we will refund the money you've already paid (your premiums). If you cancel after this time your cover will stop and we won't refund any of the payments you've made.

If you decide you no longer want your policy you can cancel it whenever you want. Just call **0800 678 1906** or write to us at LV=, Emperor House, Grenadier Road, Exeter Business Park, Exeter, EX1 3LH.

When we can cancel your policy

The only time your policy may end before the end date (unless you've asked us to cancel it) is if we cancel it. This can happen if:

- We don't receive missed premium payments within 60 days of the due date.
- Anyone involved with this policy provides untrue, inaccurate or misleading information when giving application details, making a claim, or applying to restart the policy.

See section C7 of your policy conditions for more information.

For fraud and deliberate misrepresentation

If someone deliberately withholds information, provides false information, or lies to us in their application, at any point during the lifetime of the policy or when making a claim, we'll cancel the policy and won't refund any of the money they've paid (the premiums). We will refuse to pay any claim made if we've had to cancel the policy for any of these reasons.



Complaints and legal info

These topics are covered in section D of your policy conditions

We'll always communicate in English – your Personal Sick Pay protection and its terms and conditions are governed by the laws of England and Wales.

This means that any legal disagreements will be settled exclusively by the courts of England and Wales.

Making a complaint

If you're unhappy with any part of the service you have received from us it's really important that you tell us so we can put things right. You can email us at lifecomplaints@LV.com or call **0800 678 1906**, or write to us at: Box 2, Liverpool Victoria Financial Services Limited, County Gates, Bournemouth BH1 2NF.

If you'd like more information about how we handle complaints please visit LV.com/complaints or call us and we'll be happy to help.

We hope that we will be able to resolve any complaint that you have. If you're unhappy with the outcome, the Financial Ombudsman Service may be able to help you. You'll need to contact them within six months of receiving our final response letter. Their website financial-ombudsman.org.uk includes more information about the service and their contact details. If you make a complaint it won't affect your right to take legal action.

What would happen if LV= got into financial trouble and was not able to pay out

We've been in business since 1843, and take great care to manage our affairs sensibly. We're required to publish a report each year about our solvency called a Solvency and Financial Condition Report. Solvency is a company's ability to meet its long term financial commitments and this report will help you understand more about our solvency and how we manage our capital and risks. You can read this online at LV.com/stcr or if you'd like us to send you a hardcopy please write to: Company secretary, Liverpool Victoria Financial Services Limited, County Gates, Bournemouth, BH1 2NF.

If we ever did get into financial trouble and couldn't honour our commitments, you would be entitled to compensation from the Financial Services Compensation Scheme. The compensation you could get depends on the type of product you have. For this type of policy, the scheme covers 100% of the claim. The scheme's first responsibility is to seek continuity of cover rather than to pay compensation. For more information go to fscs.org.uk or call **0800 678 1100** or **0207 741 4100**.

Data protection

We'll always protect your personal data and you can find out exactly how we use, share, store and dispose of the information we have about you by visiting LV.com/data-protection.

If you have any other questions or would like our data protection details in print or an accessible format please email our data protection officer DPO@LV.com or write to: Data protection officer, Liverpool Victoria Financial Services Limited, Frizzell House, County Gates, Bournemouth, BH1 2NF.

Financial crime and terrorist financing

The personal information we collect from you will be shared with crime prevention agencies who will use it to prevent financial crime, money-laundering, and to verify your identity. If financial crime is detected, you could be refused certain services, finance or employment. If you have a question about how your information will be used by us and fraud prevention agencies please contact LVFS financial crime, Liverpool Victoria Financial Services Limited, County Gates, Bournemouth BH1 2NF.

We use your information to make sure we comply with any financial sanctions that apply in the UK and overseas.

This includes:

- Checking your information against sanctions list
- Sharing your information with HM Treasury and international regulators if required.

We will contact you if we need more information to comply with financial sanctions.

You can get this and other documents from us in Braille or large print by contacting us.

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