

This leaflet sets out the main points about our Business Protection Plan. Your personal illustration shows what the plan may cost. Please read both carefully and keep them with your plan documents if you go ahead.

Its aims

- To pay a cash sum if a life assured covered under this plan dies or is diagnosed with a terminal illness during the plan term.
- To pay the cash sum earlier if a life assured covered under this plan is diagnosed with a critical illness that meets our policy definition and this benefit has been chosen.

If we pay the cash sum, the plan will end.

Your commitment

- You and any life assured covered under this plan:
 - Must answer all questions truthfully, accurately and completely to the best of your knowledge when applying for the plan and when making a claim.
 - Must check information in any confirmation schedule we send you is true, accurate and complete. If it isn't, you must tell us in writing straightaway as this may affect the terms of the cover. We only issue confirmation schedules if an adviser completes the application electronically.
 - Must tell us if there is a change to a life assured's health, family history, occupation, occupational duties, working or traveling abroad, country of residence, or they take part in any hazardous pastime. This commitment to tell us continues until the date the cover being applied for starts.

If these commitments aren't met we may not pay a claim.

- To make monthly or yearly payments throughout the plan term.
- To tell us:
 - within one month of disablement of a life assured for a permanent and total disability claim or a waiver claim.
 - within three months of a life assured being diagnosed for a critical illness and disability benefit claim or terminal illness benefit claim.
- The life assured must allow us access to their medical records to consider a claim.

Risk factors

- If you stop your payments the plan will stop and you'll get nothing back.
- The plan will never have a cash-in value.
- We may not pay a claim in some cases. *Please see 'What will stop the plan paying out?' on page 4.*
- If your plan includes a cash sum, which reduces over the term, the actual amount payable is based on the term of your plan and when the claim is made. We do not guarantee that the cash sum will cover the outstanding loan amount. *Please see 'Benefit Conditions: Table of Decreasing Cover Sums Assured' in the plan conditions for more details.*
- Inflation will reduce the spending power of any money you get back in the future.



Questions and answers

What is Friends Provident Business Protection Plan?

- It's a plan that pays a cash sum if a life assured covered under the plan dies during the plan term or is diagnosed with a terminal illness at least 18 months before the end of the plan term. If we pay the cash sum, the plan will end.
- If you choose to include critical illness and disability benefit it will also pay a cash sum if a life assured covered under the plan is diagnosed with a critical illness that meets our policy definition. If we pay the cash sum, the plan will end.
- You choose how much cover you need, whether you want level cover or decreasing cover and how long you want it to last.
- Level life cover can be for any number of years from 1 to 40, as long as the life assured covered under the plan is aged under 65 at the start of the plan and 85 at the end. We are not able to include terminal illness benefit for plan terms under three years, or critical illness and disability benefit and waiver benefit for plan terms under five years. The cash sum stays the same throughout the cover term.
- Decreasing life cover can be for any number of years from 5 to 40, as long as the life assured covered under the plan is aged under 65 at the start of the plan and 85 at the end. The cover term should match the remaining term of the loan. The cash sum reduces over the cover term.
- If critical illness and disability benefit is included the plan term must be 25 years or less and the life assured covered under the plan must be under 55 at the start of the plan and under 65 at the end.

Who can take out a plan?

- Any person who is 18 or over can take out the plan. Any life assured under the plan must be aged 18 or over.
- You can set up a plan on two lives so we pay the cover on first death, first diagnosis of a terminal illness or, if you've chosen critical illness and disability benefit, first diagnosis of a critical illness that meets our policy definition during the cover term.

- It is also possible for a company, a limited liability partnership or a Scottish partnership to assure the life of a key employee.
- If the plan is written in trust, we'll pay any cash sums to the trustees

Can I use the plan for keyperson assurance?

- Yes. A company can take out a policy on the life of an individual who is key to the success and profitability of the business. The company would be the policy owner and pay the premiums. It would also receive the sum assured if the keyperson dies, or becomes eligible for terminal illness benefit or (if chosen) critical illness and disability benefit, during the cover term.

Can I use the plan for shareholder or partnership protection?

- Yes. If you are a shareholding company director or a business partner you can use the plan to protect your share in the business, for the benefit of your family and your co-directors or partners. The policy can provide the necessary funds to enable your fellow directors or partners to purchase your share in the business on your death or if you are diagnosed with a terminal illness. If you also include critical illness and disability benefit and are diagnosed with a critical illness that meets our policy definition, you can decide whether to retire, with the policy proceeds being used to purchase your shareholding or partnership interest, or to continue working with the proceeds being held for your benefit.

Can I use the plan to protect a business loan?

- Yes, provided the loan is from a bank or other recognised lender. You can also cover a director's share account or a liability resulting from a personal guarantee. The policy can pay a cash sum, which can repay all or part of your business loan, if the person covered under the plan dies, or becomes eligible for terminal illness benefit or (if chosen) critical illness and disability benefit, during the term of the policy. The company would own the policy and pay the premiums.

How flexible is it?

- The plan is flexible enough to meet your changing needs and allows you:
 - to increase or reduce the cover level
 - to increase or reduce the cover term.

The Increase Option:

- If the life assured is under age 50 and in good health when the plan starts, we'll allow you, subject to certain limits, to take out extra cover without further evidence of health, occupation or pastimes, if:
 - the value of the keyperson to the business increases;
 - the value of a shareholding director's or partner's interest in the business increases; or
 - the amount of a business loan increases.
- The option can be exercised up to the life assured's 55th birthday.

Please see the 'Benefit Conditions: Increase Option' Section of the plan conditions for more details.

When does the plan pay out?

- If a life assured covered under this plan dies during the plan term, we'll pay the cash sum. The plan will then end.
- We'll pay the cash sum earlier if:
 - A life assured covered under this plan is diagnosed as having a terminal illness expected to cause death within 12 months and the diagnosis occurs at least 18 months before the end of the plan term; or
 - If you have included critical illness and disability benefit, and a life assured covered under this plan is diagnosed with a critical illness that meets our policy definition; the plan will then end.

Can I include critical illness and disability benefit?

- Yes, for an extra charge.
- If this benefit is included and a life assured covered under this plan is diagnosed with a critical illness that meets our policy definition, we'll pay the cash sum early and the plan will end.

- For plans set up on two lives, if one of the lives assured is diagnosed with a critical illness that meets our policy definition, we'll pay out and the plan will end.
- The maximum amount of critical illness and disability benefit for any one life is £1,000,000.

Which critical illnesses are covered?

- We only cover the critical illnesses we describe below and no others. The critical illness descriptions are only a guide to what is covered and the full definitions of the illnesses covered and the circumstances in which you can claim are given in the policy. These typically use medical terms to describe the illness and in some cases the cover may be limited. For example:
 - we do not cover some types of cancer
 - for some illnesses, the life assured needs to have permanent symptoms.
- We strongly recommend that you see our Critical Illness and Disability Benefit Simplified Guide to help you understand the extent of cover provided.
- The critical illnesses we cover are:
 - Alzheimer's disease or dementia – *resulting in permanent symptoms*
 - Aorta graft surgery – *for disease or traumatic injury*
 - Bacterial meningitis – *resulting in permanent symptoms*
 - Benign brain tumour – *resulting in permanent symptoms*
 - Blindness – *permanent and irreversible*
 - Cancer – *excluding less advanced cases*
 - Coma – *resulting in permanent symptoms*
 - Coronary artery by-pass grafts – *with surgery to divide the breastbone*
 - Creutzfeldt-Jakob disease – *resulting in permanent symptoms*
 - Deafness – *permanent and irreversible*
 - Heart attack – *of specified severity*
 - Heart valve replacement or repair – *with surgery to divide the breastbone*
 - HIV infection – *caught in the UK from a blood transfusion, a physical assault or at work in an eligible occupation**
 - Kidney failure – *requiring dialysis*
 - Loss of hands or feet – *permanent physical severance*

- Loss of speech – *permanent and irreversible*
- Major organ transplant
- Motor neurone disease – *resulting in permanent symptoms*
- Multiple sclerosis – *with persisting symptoms*
- Open-heart surgery – *with surgery to divide the breastbone*
- Paralysis of limbs – *total and irreversible*
- Parkinson's disease – *resulting in permanent symptoms*
- Permanent and total disability before age 60 – *permanent and irreversible*
- Progressive supra nuclear palsy – *resulting in permanent symptoms*
- Stroke – *resulting in permanent symptoms*
- Third degree burns – *covering 20% of the body's surface area*
- Traumatic head injury – *resulting in permanent symptoms*

Please see the 'Disabilities' section on page 7 of the plan conditions for more details.

*The eligible occupations for HIV caught at work are:

- member of the emergency services, medical or dental professions
- laboratory assistant, or employee, in a medical facility
- pharmacist or prison officer.

What other benefits can I choose?

Waiver benefit

- If a life assured is aged under 55, in good health and not in a higher-risk occupation, waiver of premium benefit can be included at an extra charge.
- If this benefit is included, we'll keep payments going for you if illness or accidental injury stops a life assured from working for more than six months. If a life assured is not in full-time employment, we'll look at their ability to do certain basic tasks instead. We'll carry on your payments for you until the life assured recovers, if necessary to the end of the plan term. For plan terms beyond age 65, we'll only keep payments going beyond this age if a life assured can't do certain very basic tasks.
- For plans set up on two lives this benefit can be included on either life or on both lives.

What will stop the plan paying out?

- We may not pay a claim if you or any life assured covered under this plan do not:

- answer all questions truthfully, accurately and completely to the best of your or the life assured's knowledge when applying for the plan or when making a claim.
- tell us in writing straightaway if information in any confirmation schedule we may send is not true, accurate and complete.
- tell us of a change to the life assured's:
 - health or family history
 - occupation, occupational duties or working abroad
 - travelling abroad or country of residence, or
 - taking part in any hazardous pastime

before the date on which the cover you are applying for starts.

- We won't pay a claim unless you and any life assured tell us:
 - within one month of disablement of a life assured for a permanent and total disability claim or waiver claim
 - within three months of a life assured being diagnosed for a critical illness and disability benefit claim or terminal illness benefit claim.
- We won't pay a critical illness and disability benefit claim if the critical illness isn't one we cover. *Please see the 'Disabilities' section on page 7 of the plan conditions for more details.*
- We won't pay a critical illness and disability benefit claim if it is due in any way to:
 - alcohol abuse (applies to coma and permanent and total disability claims only)
 - drug abuse (applies to coma, Parkinson's disease and permanent and total disability claims only)
 - HIV/AIDS (applies to permanent and total disability claims only)
 - self-inflicted injury
 - war.

Please see Condition 4 of the 'Benefit Conditions: Critical Illness and Disability Benefit' Section of the plan conditions for more details.

- We won't pay a waiver claim if it is due in any way to HIV/AIDS or war. *Please see Condition 4 of the 'Benefit Conditions: Waiver of Premium Benefit' Section of the plan conditions for more details.*
- We won't pay out if the cause of a claim is one we exclude by applying special terms to your plan when we accept your application. We will show any special terms in the schedule we issue with your plan documents.

'HIV' is the common abbreviation for 'Human Immunodeficiency Virus' and 'AIDS' is the common abbreviation for 'Acquired Immune Deficiency Syndrome'.

What will my payments be?

- Your quotation will show the payments you need to make for your chosen amount of cover.
- Your payments will depend on:
 - how much cover you need
 - how long you want it to last
 - the age, sex of the life assured and whether they smoke or use nicotine products
 - any extra benefits you choose.
- You can pay monthly by direct debit (minimum £7.50) or yearly by direct debit or cheque (minimum £75).

What are the charges?

- We allow for all charges, including the cost of providing the cover, and all expenses, such as commission, within the payments you make.

What if I stop paying?

- If you miss a payment we'll stop the plan straightaway.
- You won't get back any money.

What about tax?


- The taxation treatment of the premiums and any cash sum that we pay will vary depending on who owns the plan and the reason for the cover. Your financial adviser can tell you how your plan is likely to be taxed.
- Tax rules may change

Can I change my mind?

- You have a right to change your mind. We'll remind you of this right by post when we set up your plan. You can cancel your plan up to 30 days after you get our reminder.
- If you decide you don't want the plan, let us know in writing within the 30 days and we'll give you your money back.
- The easiest way to cancel is to complete the 'Cancellation Form' we send you with the reminder and return it to us. Or you can write to us at Friends Provident, PO Box 1550, Salisbury SP1 2TW but please remember to include your full name and address and state that you wish to cancel your Business Protection Plan.
- If you don't cancel within the 30 days, your plan will continue as set out in these key facts and the terms and conditions.

How to contact us

- Remember your financial adviser will normally be your first point of contact.
- If you have any questions, you can phone us, send a fax or e-mail, or write to us.

 Call us on **0870 607 1352** at the following times:
Monday to Friday between 8am and 8pm
Saturday between 9am and 1pm.

We may record calls to improve our service.

 Fax us on **0870 531 4151**

 e-mail us at
customer.services@friendsprovident.co.uk

 Write to us at **Friends Provident, PO Box 1550,
Salisbury SP1 2TW**

- To make a claim, please call 0870 607 1352 and ask to speak to our **Claims Department. Or write to: The Claims Department, Friends Provident, PO Box 1550, Salisbury SP1 2TW.** We'll send a claim form for completion and return. This will detail our requirements. For a life cover claim we'll always need the death certificate.

Other information

How to complain

- Please write to our Customer Relations Manager at Friends Provident, PO Box 1550, Salisbury SP1 2TW.
- If you're not satisfied with our response you can contact:
**Financial Ombudsman Service (FOS),
South Quay Plaza, 183 Marsh Wall,
London E14 9SR
Telephone 0845 080 1800
Website: www.financial-ombudsman.org.uk**
- Making a complaint won't affect your legal rights.

Terms and conditions

- This leaflet sets out the main points about our Business Protection Plan. It doesn't include all the definitions, exclusions, terms and conditions.

- If you would like a copy of the full terms and conditions, please ask your financial adviser or contact us direct.
- We have the right to change some of the terms and conditions. We'll write and explain if this happens.
- This leaflet complies with the ABI (Association of British Insurers) statement of best practice for critical illness cover. The ABI Guide to Critical Illness gives general information about critical illness cover. If you would like a copy, please let us know or write to:

ABI, 51 Gresham Street, London EC2V 7HQ

Law

- The law of England and Wales will apply unless your plan documents show otherwise.

Language

- Our plan documents and terms and conditions are in English and all our other communications with you will be in English.

Compensation

- If a financial adviser recommends this plan, you have a legal right to compensation if the Financial Ombudsman Service decides it wasn't suitable for your needs at the time.
- You may qualify for compensation from the Financial Services Compensation Scheme if we become unable to pay claims against us because of financial difficulties. It'll depend on the nature of the business and the circumstances of the claim. The scheme covers most insurance contracts for 100% of the first £2,000 and 90% of the rest of the claim. You can get further information from the Financial Services Authority or from the Financial Services Compensation Scheme.

About Friends Provident

- Friends Provident Life Assurance Limited's main business is providing life assurance and protection products. It's entered on the FSA Register, number 110413.

Friends Provident Life Assurance Limited

Registered and Head Office: Pixham End, Dorking, Surrey RH4 1QA
Incorporated company limited by shares and registered in England number 782698
Authorised and regulated by the Financial Services Authority

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