

Key Features of the Protection Menu

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The Financial Services Authority is the independent financial services regulator. It requires us, progress from Royal Liver, to give you this important information to help you to decide whether our Protection Menu is right for you. You should read this document carefully with your personal quotation so that you understand what you are buying, and then keep it safe for future reference.

Aims

- The Protection Menu is a flexible Plan that provides financial cover for you and your family on: death or diagnosis of a Terminal Illness, diagnosis of a defined Critical Illness or loss of income through sickness or unemployment, depending on the Cover(s) chosen.
- The Plan allows you to change the level and type of Cover at any time, by adding or removing Covers.

Your Commitment

- To make regular monthly or yearly payments by Direct Debit throughout the period of Cover.
- Following the purchase of your Cover, you must sign and return to us the disclosure confirmation document. This will confirm the information you give us as part of your application.
- To be honest with us and give us all of the information we ask for.
- You or your representative(s) should let us know about a potential claim as soon as possible.

Risk Factors

- We will not pay out in the circumstances described under the heading 'What will stop the Plan paying out?'
- If you or your representative(s) do not completely and honestly answer every

question we ask you as part of your application and as part of a claim, the Plan will not pay out.

- If you stop making payments; the Plan will end, you will not receive any Benefit and any payments you have made will not be refunded.
- Payments for Reviewable Income Protection are reviewable after five years. This means that after a five-year period your payments can go significantly up or down on any Cover anniversary from then on. If payments increase you may not be able to afford to maintain the level of Cover chosen. There is no limit to the amount by which your payments may change.
- With Income Protection Cover, if you return to work before your chosen deferred period ends you will not receive any Benefit.
- If you don't let us know about an Income Protection Cover claim within the specified claims notification periods, we may suspend payment of a claim by the length of the delay, unless we are satisfied that the cause of the delay was not your fault.
- If you use Decreasing Life Cover or Decreasing Life with Critical Illness Cover to protect your mortgage payments, should your mortgage interest rates increase above our assumed interest rate, your mortgage may not be completely repaid in the event of a claim.
- The current tax treatment of the Plan's Benefits may change.

WARNING: This Plan has no cash-in value at any time.

What is the Protection Menu?

- It is a flexible protection Plan that allows you to select from the Cover choices detailed below to match your protection needs.
- Within a Plan, each Cover can be taken out by:
 - you alone, or,
 - you and your spouse/partner, or,
 - you and any other person provided that you can both prove that you would suffer a financial loss upon either of your deaths.

This does not apply to Income Protection Cover as it can only be taken out on a single life basis.
- You choose the type of Cover you need. The period of Cover can be any length of time between five and 40 years, however the Cover must end before your 85th birthday for Life / Family Income Cover only and 65th birthday for all other Covers.
- To be eligible to apply, you (or both of you if two people are to be covered) must be UK resident and ordinarily resident in the UK at the start of the Cover. You should ask your adviser if you are unsure whether you meet these criteria.

Life Cover

Life Cover pays out a lump sum, payable only once, if you die or are diagnosed with a Terminal Illness, within the period of the Cover.

Life Cover is available on a Level, Increasing or Decreasing Cover basis.

Payments are fixed for the period of the Cover, provided that you do not change the level of your Cover.

Life with Critical Illness Cover

Life with Critical Illness Cover pays out a lump sum, payable only once, if you die, are diagnosed with a Terminal Illness, are diagnosed with a Critical Illness that meets our Plan definition and then survive for at least 14 days (see page 4 for full list) or become Totally and Permanently Disabled within the period of the Cover.

Life with Critical Illness Cover is available on a Level, Increasing or Decreasing Cover basis.

Payments are fixed for the period of the Cover, provided that you do not change the level of your Cover.

Family Income Cover

Family Income Cover pays a monthly income until the end of the period of Cover if you either die or are diagnosed with a Terminal Illness.

Family Income Cover is available on a Level or Increasing Cover basis.

Payments are fixed for the period of the Cover, provided that you do not change the level of your Cover.

Family Income with Critical Illness Cover

Family Income with Critical Illness Cover pays a monthly income until the end of the period of Cover if you either die, are diagnosed with a Terminal Illness, are diagnosed with a Critical Illness that meets our Plan definition and then survive for at least 14 days (see page 5 for full list) or become Totally and Permanently Disabled within the period of the Cover.

Family Income with Critical Illness Cover is available on a Level or Increasing Cover basis.

Payments are fixed for the period of the Cover, provided that you do not change the level of your Cover.

Income Protection Cover

Income Protection pays a replacement monthly income if you have an incapacity which stops you from working within the period of the Cover.

You can choose whether or not the payments you make for your Income Protection Cover are fixed for the period of the Cover or fixed for the first five years of the Cover. After the Cover's fifth year anniversary, payments will be reviewed on every Cover anniversary.

How flexible is the Protection Menu?

- You can:
 - add / remove Cover,
 - increase / decrease Cover amount,
 - increase / decrease the period of Cover*,

- and change the type of Life Cover and Life with Critical Illness Cover, e.g. from level Cover to decreasing Cover and vice versa.

*if an increase in Cover is made a new Plan will be issued.

- We may ask you for further evidence of your health before we agree to make changes to your Plan.
- If you are under age 55 and have been accepted on standard rates, we will include the following Guaranteed Insurability Options which will enable you to increase your Benefit amount in the future without any further underwriting:
 - Career Change / Salary Increase
 - Marriage / Civil Partnership
 - Childbirth / Adoption
 - New Property / Increase in Mortgage Loan
 - Joint Life Separation (not available with Income Protection Cover, the Plan can be changed from joint life to two single life Plans in the event of separation or divorce. The level of Benefit can remain the same on both lives.)

For decreasing Covers, the Guaranteed Insurability Options relate to the current level of Cover at the time you exercise the option and not the (higher) level at the start of the Plan.

The total Cover after an increase will not exceed the maximum Covers allowed under the Plan.

Please see Section 4.1 of your Plan Conditions for the limits and rules that apply when exercising a Guaranteed Insurability Option.

- Your payments may change if you make any alterations to the Plan.
- There are maximum Cover levels in place under the Plan. Please see section 6 of your Plan Conditions for these limits.

What is included in the Life/Family Income Cover?

Terminal Illness Benefit

- Terminal Illness Benefit is automatically included when you select Life / Family Income Cover.
- It will have the same Benefit amount as the Life/Family Income Cover and is payable upon diagnosis of a Terminal Illness up to 12 months before the Life Cover ends unless you have Critical Illness Cover.
- The Plan will pay a single cash lump sum or monthly income in the event of you being diagnosed as suffering from a Terminal Illness and life expectancy is no greater than 12 months.
- Once such a payment is made any Life/Family Income Cover, joint or otherwise will end.

Accidental Death Benefit

- This temporary feature is automatically included when you apply for any Life / Family Income Cover unless you are already applying for Life Insurance with us or another Company.
- This Benefit runs from the date we receive your fully completed application (including bank account details), until the start of the Life / Family Income Cover (or the Free Cover Benefit period) up to a maximum period of 90 days. This includes applications for additional or increased Cover within a Plan.
- Accidental Death means death within 30 days of the date of the accident solely and directly as a result of an accident caused by violent, visible and external means and independently of any other cause.
- In the event of an accidental death claim, the Benefit will be equal to the type and level of Life Cover you have applied for, up to a maximum lump sum Benefit of £200,000 or the equivalent amount for the Family Income Cover Benefit (e.g. for a 20 year term the maximum income will be £10,000 per year, i.e. £200,000 divided by 20).

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- Once such a payment is made any Life / Family Income Cover, joint or otherwise will end. For joint Plans, if the surviving Life Assured has a single Life / Family Income Cover under the same Plan, this will remain unaffected.
- The Benefit won't pay out where accidental death results from:
 - the Life Assured engaging in any form of aviation (except as a fare paying passenger in a commercially licensed aircraft), horse riding, motor sport, mountaineering or rock climbing, parachuting, or potholing; or
 - taking part in a criminal act; or
 - suicide/intentional self-inflicted injury; or
 - war/civil commotion; or
 - serving in the armed forces.
- The Benefit won't pay out where death results from:
 - the Life Assured engaging in any form of aviation (except as a fare paying passenger in a commercially licensed aircraft), horse riding, motor sport, mountaineering or rock climbing, parachuting, or potholing; or
 - taking part in a criminal act; or
 - suicide/intentional self-inflicted injury; or
 - war/civil commotion; or
 - serving in the armed forces.

Free Cover Benefit

- This temporary feature is automatically included when you apply for Life / Family Income Cover or for additional or increased Life / Family Income Cover within a Plan, where you are under age 55, in good health, and using Life / Family Income Cover to protect mortgage repayments; unless you are already applying for Life Insurance with us or another Company.
- You will be covered between exchange of contracts (or completion of underwriting if this is later) and the completion of your mortgage or the start of the Plan, whichever happens first. Subject to an overall maximum of 90 days.
- In the event of a death claim, the Benefit will be equal to the type and level of Life / Family Income Cover you have applied for, up to a maximum lump sum Benefit of £500,000 or the equivalent amount for the Family Income Cover (e.g. for a 20 year term the maximum income will be £25,000 per year, i.e. £500,000 divided by 20).
- Once such a payment is made any Life / Family Income Cover, joint or otherwise will end. For joint Plans, if the surviving Life Assured also has a single Life / Family Income Cover, this will remain unaffected.

What is included in the Critical Illness Cover?

- The following is a complete list of conditions we cover. These headings are only a guide to what is covered. The full definitions of the illnesses covered and the circumstances in which you can claim are given in the Plan Conditions Appendix B. These typically use medical terms to describe the illnesses.

In some cases the Cover may be limited. For example:

- Some forms of Cancer are not covered
- To make a claim for some illnesses, you need to have permanent symptoms.

• Alzheimer's Disease – <i>resulting in permanent symptoms</i>
• Aorta Graft Surgery – <i>for disease</i>
• Benign Brain Tumour – <i>resulting in permanent symptoms</i>
• Blindness – <i>permanent and irreversible</i>
• Cancer – <i>excluding less advanced cases</i>
• Coma – <i>resulting in permanent symptoms</i>
• Coronary Artery By-pass Grafts – <i>with surgery to divide the breastbone</i>
• Deafness – <i>permanent and irreversible</i>
• Heart Attack – <i>of specified severity</i>
• Heart Valve Replacement or Repair - <i>with surgery to divide the breastbone</i>
• HIV Infection – <i>caught in the UK and other specified countries from a blood transfusion, a physical assault or at work in an eligible occupation*</i>
• Kidney Failure – <i>requiring dialysis</i>
• Loss of Speech – <i>permanent and irreversible</i>
• Loss of Hands or Feet – <i>permanent physical severance</i>
• Major Organ Transplant
• Motor Neurone Disease – <i>resulting in permanent symptoms</i>
• Multiple Sclerosis – <i>with persisting symptoms</i>
• Paralysis of limbs – <i>total and irreversible</i>
• Parkinson's Disease – <i>resulting in permanent symptoms</i>
• Stroke – <i>resulting in permanent symptoms</i>
• Terminal Illness
• Third Degree Burns – <i>covering 20% of the body's surface area</i>
• Traumatic Head Injury – <i>resulting in permanent symptoms</i>

*The eligible occupations for HIV caught at work are:

- Doctor
- Nurse
- Dentist
- Member of the fire service
- Member of the ambulance service
- Police officer
- Prison officer

These conditions comply with the ABI model definitions in the Statement of Best Practice for Critical Illness Cover.

Other Conditions we cover:

- Aplastic Anaemia
- Creutzfeldt-Jakob Disease
- Emphysema
- Liver Failure
- Mastectomy (*partial payment*)
- Pre-senile Dementia
- Severe Lung Disease
- Total and Permanent Disability (TPD)

The Life Assured must survive for 14 days after diagnosis for the Benefit to become payable.

Total and Permanent Disability Benefit

The Plan will pay a single lump sum or monthly income in the event of your permanent and irreversible inability, before age 60, to meet the definition of disability.

If the Life Assured is employed at the onset of the disability, then the definition depends on whether 'Own', 'Own or Suited', or 'Activities of Daily Working' is applied at the outset of the Cover. If the Life Assured is not employed at the onset of disability, then the 'Activities of Daily Working' is applied.

'Own' definition:

A permanent and irreversible inability before age 60, as a result of illness or injury to perform the material and substantial duties of the Life Assured's Occupation.

'Permanent inability' will be measured by inability that will persist for the longer of:

- 5 years; and
- the period from the start of the claim to age 60.

The injury or illness must have prevented the Life Assured from working for at least 6 months before a claim can be submitted.

'Own or Suited' definition:

A permanent and irreversible inability before age 60, as a result of illness or injury to perform the material and substantial duties of the Life Assured's Occupation or any other occupation to which he/she is suited by virtue of his/her education, training or experience. 'Permanent inability' will be measured by inability that will persist for the longer of:

- 5 years; and
- the period from the start of the claim to age 60.

The injury or illness must have prevented the Life Assured from working for at least 6 months before a claim can be submitted.

'Activities of Daily Working' definition:

A permanent and irreversible inability before age 60, as a result of illness or injury to carry out (if necessary with the use of artificial aids or appliances, but without help from another person) three or more of the following 'Activities of Daily Working':

1. Walking – Walk 200 metres on a level surface without stopping.
2. Mobility - Walk up and down a flight of 12 stairs.
3. Dressing - Put on and take off items of clothing which are normally worn.
4. Communication – Answer a telephone and relay a message.
5. Reading – The eyesight, if necessary as adjusted by the use of spectacles, contact lenses or other visual aid to read a daily newspaper.
6. Dexterity - The manual dexterity necessary to write using a pen or pencil.
7. Eating - Use normal cutlery to eat a meal that has already been prepared.
8. Hygiene - Wash oneself all over.
9. Continence - Manage bowel and bladder function, including through the use of protective undergarments or surgical appliances.

A Total and Permanent Disability Benefit claim will not be paid unless the relevant Life Assured is resident in one of the following countries: Australia, Canada, European Union, Japan, New Zealand, Norway, Switzerland, U.S.A., or

any other territory or country as determined by us.

Children's Critical Illness Benefit

The Plan will pay you a cash lump sum equal to 50% of your own lump sum Benefit or four times your monthly income Benefit, up to a maximum of £25,000, if your child (including an adopted child or stepchild) suffers from a defined Critical Illness, providing that the child survives for 14 days following diagnosis.

- The complete list of conditions we cover for Children's Critical Illness is set out below. These headings are only a guide to what is covered. The full definitions of the illnesses covered and the circumstances in which you can claim are given in the Plan Conditions. These typically use medical terms to describe the illnesses. In some cases the Cover may be limited. For example:
 - Some forms of Cancer are not covered
 - To make a claim for some illnesses, the child needs to have permanent symptoms.

- **Aorta Graft Surgery** – *for disease*
- **Benign Brain Tumour** – *resulting in permanent symptoms*
- **Blindness** – *permanent and irreversible*
- **Cancer** – *excluding less advanced cases*
- **Coronary Artery By-pass Grafts** – *with surgery to divide the breastbone*
- **Deafness** – *permanent and irreversible*
- **Heart Attack** – *of specified severity*
- **Heart Valve Replacement or Repair** - *with surgery to divide the breastbone*
- **Kidney Failure** – *requiring dialysis*
- **Loss of Speech** – *permanent and irreversible*
- **Loss of Hands or Feet** – *permanent physical severance*
- **Major Organ Transplant**
- **Motor Neurone Disease** – *resulting in permanent symptoms*
- **Multiple Sclerosis** – *with persisting symptoms*
- **Paralysis of limbs** – *total and irreversible*
- **Stroke** – *resulting in permanent symptoms*

These conditions comply with the ABI model definitions in the Statement of Best Practice for Critical Illness Cover.

Other Conditions we cover:

- Bacterial Meningitis
- Loss of Independent Existence
- The child must be aged between the ages of 30 days and 18 years in order to be eligible for Cover.
- The Children's Critical Illness Cover will only pay out once per child, for a maximum of two children.
- Any successful claims will not affect your own Critical Illness Cover.

What is included in the Income Protection Cover?

Lifestyle Support Benefit

- If the Life Assured fails 3 out of the 9 following Activities of Daily Working at the end of the deferred period, then a one-off lump sum Benefit of 3 times the monthly Income Protection Benefit becomes payable at that time:
 1. Walking
 2. Mobility
 3. Dressing
 4. Communicating
 5. Reading
 6. Writing
 7. Eating
 8. Hygiene
 9. Continence

Please see the full 'Activities of Daily Working' definition on page 6.

- Where the Life Assured has more than one deferred period then the assessment is made at the end of the longest deferred period.

Proportionate Benefit/Rehabilitation Benefit

- If you become incapacitated, resulting in a loss of income and you either:
 - return to work in a different occupation than before you claimed and on reduced earnings; or
 - return to work in your normal occupation, but on a part-time basis on reduced earnings, we will pay you a

proportion of the full Income Protection Benefit amount.

- Proportionate Benefit or Rehabilitation Benefit will become payable from the end of the deferred period you choose when you apply for Income Protection Cover, or after the full Income Protection Benefit has ended.
- The Proportionate Benefit and Rehabilitation Benefit will end on the earliest of:
 - you returning to full health; or
 - you resuming full-time working hours in your normal occupation; or
 - your new earnings from part-time work are greater than before you became incapacitated; or
 - your 65th birthday; or
 - the expiry date of the Cover; or
 - your death; or
 - if the full Income Protection Benefit is in payment.

Career Break

- When we receive written notification of you taking a career break, we will allow your Income Protection Cover to continue but with the level of Cover reduced to the lesser of; your main Income Protection Benefit and the maximum permitted for Houseperson's Benefit.
- Whilst you are on a career break, if you make a claim we will assess it using Activities of Daily Working.
- Your payments may be reduced during a career break to reflect the reduced amount of Cover.
- The original deferred period(s) will remain in place.
- If you return to work within two years of starting the career break, you can increase the Income Protection Cover back to the original level without any questions from us, providing that a claim has not been made during the career break. However, if you return to work after two years, we may ask you for evidence of your health.

Unemployment Break

- When we receive written notification of your unemployment, your Income Protection Cover and premiums will be suspended.
- You will not be able to make a claim during an unemployment break.
- If you return to work within 12 months of you first becoming unemployed, you can reinstate the original level of Income Protection Cover without the need for further underwriting. However, if you return to work after 12 months, we may ask you for evidence of your health.

Carer's Benefit

- The Plan will pay a lump sum equal to four times your monthly Income Protection Benefit if a child (including an adopted child or stepchild) of yours suffers a defined Critical Illness, providing that the child survives for 28 days following diagnosis.
- The complete list of conditions we cover for Carer's Benefit is set out in the table opposite. These headings are only a guide to what is covered. The full definitions of the illnesses covered and the circumstances in which you can claim are given in the Plan Conditions. These typically use medical terms to describe the illnesses. In some cases the Cover may be limited. For example:
 - Some forms of Cancer are not covered
 - To make a claim for some illnesses, the child needs to have permanent symptoms.

- **Aorta Graft Surgery** – *for disease*
- **Benign Brain Tumour** – *resulting in permanent symptoms*
- **Blindness** – *permanent and irreversible*
- **Cancer** – *excluding less advanced cases*
- **Coronary Artery By-pass Grafts** – *with surgery to divide the breastbone*
- **Deafness** – *permanent and irreversible*
- **Heart Attack** – *of specified severity*
- **Heart Valve Replacement or Repair** - *with surgery to divide the breastbone*
- **Kidney Failure** – *requiring dialysis*
- **Loss of Speech** – *permanent and irreversible*
- **Loss of Hands or Feet** – *permanent physical severance*
- **Major Organ Transplant**
- **Motor Neurone Disease** – *resulting in permanent symptoms*
- **Multiple Sclerosis** – *with persisting symptoms*
- **Paralysis of limbs** – *total and irreversible*
- **Stroke** – *resulting in permanent symptoms*

These conditions comply with the ABI model definitions in the Statement of Best Practice for Critical Illness Cover.

Other Conditions we cover:

- Bacterial Meningitis
- Loss of Independent Existence
- The child must be aged between the ages of 30 days and 18 years in order to be eligible for Cover.
- Carer's Cover will only pay out once per child, for a maximum of two children.

Any successful claims will not affect your own Critical Illness Cover.

When does the Plan pay out?

Life / Family Income Cover

- When you die or are diagnosed as suffering from a Terminal Illness (except in the last 12 months of the Cover) and are not expected to survive the next 12 months.

Life / Family Income with Critical Illness Cover

- Upon the earliest of; your death, you being diagnosed as suffering from a Terminal Illness not expected to survive the next 12 months, you being diagnosed as suffering from a defined Critical Illness or becoming Totally and Permanently Disabled before age 60

Income Protection Covers

- When you have been incapacitated for longer than the deferred period.
- The deferred period will be stated on your Cover Schedule.
- Please let us know about an Income Protection claim as soon as possible, but in accordance with the following timescales:

Chosen Deferred Period	Claims Notification Period
4 weeks	Within 2 weeks of incapacity
8 weeks	Within 4 weeks of incapacity
13 weeks	Within 4 weeks of incapacity
26 weeks	Within 10 weeks of incapacity
52 weeks	Within 10 weeks of incapacity

- If you notify us early and have a valid claim we may be able to waive your payments after 4 weeks until the end of the deferred period. This is subject to claims assessment. Please see your Plan Conditions for more information.
- If you make a claim, there are three definitions of incapacity that we use to assess the nature of your work and hobbies;
 - For occupation classes 1 and 2, we will pay a claim when you are no longer able to perform your own occupation.
 - For occupation class 3, we will pay a claim when you are no longer able to

perform your own occupation, or an occupation to which you are suited by means of experience and education.

- For occupation class 4 or a Houseperson (A Houseperson is a definition that we apply to someone who does not work but still requires protection to cover a mortgage or other bills) we will pay a claim when there is a proven inability to perform three or more of the Activities of Daily Working (see page 5 for the definition).
- Please see your Cover Schedule for details of the incapacity definition that will apply to you, as they may be subject to change after underwriting.
- Houseperson's Benefit
 - If you do not work, but still need an income to cover your mortgage payments or other bills, we can provide a Houseperson's Benefit.
 - You can choose Houseperson's Benefit at outset, or it will automatically apply if you tell us if you take a career break or become unemployed within the term of the Income Protection Cover.
 - If you make a claim we will assess it using Activities of Daily Working.
 - We will pay up to a maximum Benefit of £15,000 per year.
- Relapse Benefit
 - Following a previous claim, if you make another claim for the same reason within 12 months of your return to work, then you will not have to wait again to receive your Benefit.
 - If this happens, any future Benefits in payment will begin at the level where the previous claim ended, not the original level before any claims were made. This also applies where inflation protection has existed previously and has been removed before a claim was made.

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What Does the Plan Payout?

Please find below a summary of the Plan payout once we accept a valid claim:

	Level Lump Sum	Decreasing Lump Sum	Escalating Lump Sum	Level Income	Escalating Income
Life Cover	✓	✓	✓	x	x
Life with Critical Illness Cover	✓	✓	✓	x	x
Family Income Cover	x	x	x	✓*	✓*
Family Income with Critical Illness Cover	x	x	x	✓*	✓*
Income Protection Cover	x	x	x	✓	✓

* Option to commute to a lump sum at claim

Key:	Available ✓	Not Available x
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What can stop the Plan paying out?

There are certain exclusions that will prevent the Plan from paying out; these vary depending on the Covers you have chosen within your Plan. Full details of all exclusions and limitations can be found in Section 3 of the Protection Menu Plan Conditions, however the main instances when Benefit will not be paid to you are:

- For all Cover types, if you do not answer every question on the application form completely and honestly.
- For Life with Critical Illness Cover and Family Income with Critical Illness Cover:
 - Unreasonable failure to follow medical advice
 - Pre-existing conditions (on Children's Critical Illness Benefit only)
 - Living outside the stated geographical limits (Total and Permanent Disability Benefit only)
 - The specific Critical Illness diagnosed does not meet our definition as set out in the Plan Conditions.
- For Income Protection Cover:
 - Pregnancy
 - HIV / AIDS (except where contracted as a result of; having a blood transfusion, a physical assault or performing normal occupational duties)
 - Living outside the stated geographical limits
 - Maternity leave (not valid under Career Break)
 - Pre-existing conditions (on Carer's Benefit only).
- Waiver of Premium:
 - Pregnancy
 - HIV / AIDS (except where contracted as a result of; having a blood transfusion, a physical assault or performing normal occupational duties)
 - Living outside the stated geographical limits

Please note that further exclusions may be added at the start of your Plan. If applicable, these will be detailed in your offer letter and subsequently on your Plan Schedule. Please also note if you do not tell us all material facts it could result in the wrong terms being quoted to you, a claim being rejected or reduced, or your Plan being invalidated. Please see section 1.1 of your Plan Conditions for full details.

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What other Benefits can I choose?

The following Benefits can be added at the start of your Plan for an extra cost within your payments:

Options available:

	Life Cover	Life and CI Cover	Family Income Cover	Family Income and CI Cover	IP
Decreasing Cover	✓	✓	x	x	x
Life Buyback Option	x	✓	x	x	x
Inflation Protection Option	✓	✓	✓	✓	✓
Guaranteed Rates	Auto Inc	Auto Inc	Auto Inc	Auto Inc	✓
Reviewable Rates after year 5	x	x	x	x	✓
Waiver of Premium	✓	✓	✓	✓	Auto Inc
Unemployment Cover	✓	✓	✓	✓	✓

Key:	Available ✓	Not Available x
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Decreasing Cover

- If you choose Decreasing Life / Life with Critical Illness Cover, you can select at the start of the Plan that the Benefit will reduce monthly in line with the balance on a repayment mortgage with a fixed annual interest rate over the period of the Cover. You select the fixed interest rate from the following options: 7%, 9%, 12% and 15%.

Life Buy-back Option

- Within the Life with Critical Illness Cover; if the Critical Illness Benefit is paid, then the associated Life Cover ends.
- If you choose the Life Buy-back option when you first purchase the Life with Critical Illness Cover, you can then choose to restart the Life Cover without further underwriting 12 months after the Critical Illness Benefit has been paid.
- This option is not available with Family Income Cover.

Inflation Protection Option

- At the start of your Plan, you can select this option to increase the amount of your Benefit each year to offset the effects of inflation.
- The Benefit will increase by the current level of the Retail Prices Index (RPI). The Benefit will never increase by more than 10% each year, and it won't increase above the maximum Benefit allowed under the Plan.

- Each year, if you accept the increase in Benefit, your payments will increase by the amount necessary to provide the increase in Benefit.
- The increase in payments each year will depend on the amount of increase in Benefit, your age at the time of the increase and the remaining term of the Benefit.
- There is no maximum limit for payment increases.
- In the event of a claim on a Cover that pays an income, the income paid will still increase while a claim is in payment, in line with the RPI (subject to a maximum increase of 10% per annum).
- Each year you can choose to reject the Inflation Protection increase, but if you reject three increases then your Cover will stop increasing.
- This option is not available if you have chosen a Decreasing Cover.
- Full details of the Inflation Protection Option can be found in the Plan Conditions.

Waiver of Premium

- If selected at the start of the Plan, we will cover the regular payments for the Plan in the event of the Life Assured meeting our definition of incapacity for longer than the deferred period chosen.
- We call the waiting period from the date the Life Assured meets the definition of incapacity to the date the Benefit becomes payable a 'deferred period'.
- This feature can only be chosen with a main Cover, but is automatically included with any Income Protection Cover.
- At the start of your Plan you must choose a deferred period of either 13 weeks or 26 weeks.
- During the deferred period you must continue to make payments for your Plan.
- You can continue to have Waiver of Premium in your Plan until the first of these dates:
 - Your 65th birthday
 - The date the Plan ceases.
- This feature does not include any payments for Unemployment Cover.

Unemployment Cover

- Unemployment Cover is available as an option for a combined payment only with any main Cover.
- This Cover is provided by Pinnacle Insurance Plc, which is authorised and regulated by the Financial Services Authority. Registered number 110866.
- It is designed to cover mortgage repayments in the event of the Life Assured becoming unemployed.
- The maximum Benefit amount allowable is the lower of 125% of the Life Assured's contribution towards the monthly mortgage repayment or £1,500 per month.
- Eligibility and product details can be found in the Unemployment Cover Key Facts Document, which is available on request.

Are all the options listed available to me?

We will assess your application and in some circumstances special terms may be applied to your Plan, for example due to your health, occupation or hobbies. This could, for example result in us offering you a Plan with:

- not all the features of the Plan being available to you (such as inflation protection or guaranteed insurability options), or,
- you having to pay a higher premium for your Plan, or,
- exclusions being applied to your Plan, or,
- if you select a Cover with Critical Illness, some illness/es listed not being covered, or,
- any combination of these.

In some circumstances we may not be able to offer you Cover. Please ask your adviser how this may affect your personal position.

What will my payments be?

- The cost of your Cover is calculated using a number of factors, including your age, sex, whether or not you smoke, the amount and type of Cover you have chosen and the period of Cover you have selected.
- Your personal quotation will show the payments you will be expected to pay by Direct Debit.
- You can choose to make your payments either monthly or yearly.
- If you have chosen Inflation Protection we will write to you each year, before the increase, to advise you of the new payment amount(s) and the new amount(s) of Cover.
- If you have reviewable payments for Income Protection Cover, payments will be fixed for the first five years of the Cover. After the Cover's fifth year anniversary payments will be reviewed on every Cover anniversary. There is no limit to the amount of the change we can make as a result of the review.
- If you change your Plan at any time, your payments could go up or down, depending on the change you make.

What are the charges?

- We allow for all charges, including the cost of providing the types of Cover you choose and all expenses, such as commission, within the payment amount stated on your Plan Schedule.

What if I stop paying?

- If you miss a payment for any Cover, you will have 45 days grace in which to make the missed payment.
- If you stop making payments, after 45 days the Plan will end and your Cover will stop. If this happens, you will not get a refund for any payments you have made.
- You may restart the Plan within 12 months by making any outstanding payments in full; however we reserve the right to make a charge. We may also request medical evidence to prove that you are still in good health.

What about tax?

- You will not have to pay any Income Tax or Capital Gains Tax on any of the Benefits we pay you.
- If you die, your estate may be subject to taxation. You should speak to your Adviser or the firm advising you about this Plan regarding the possible impact of Inheritance Tax.

Can I change my mind?

- After your Plan has started, you will receive a 'Your Right to Cancel' statement from us. At this point, if you wish to cancel, you will have 30 days in which to cancel your Plan from the date you receive the statement.
- If you exercise your right to cancel by signing and returning your statement, any payments you have made during the 30-day cancellation period will be refunded.
- If you do not cancel within the 30-day cancellation period, we will expect you to continue to make your payments by Direct Debit.
- You may stop your Plan at any other time by contacting us and asking to stop paying premiums. There is no charge for doing so but the Plan has no cash in value at any time and payments will not be refunded.

Key Features of the Protection Menu

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How to Contact Us

If you have any questions about the Protection Menu, please contact the Adviser or firm who advised you about this Plan in the first instance.

Email us: IFAOperations@royal-liver.com

Call us: 0845 675 3555

Lines are open between 8.00am and 6.00pm, Monday to Friday.

To improve the quality of our service and to ensure that we have an accurate record of your call, we record and monitor calls.

Fax us: 0845 675 3535

Our website address: www.ifa.royal-liver.com

Write to us at our main administration department:

IFA Operations
progress from Royal Liver
Matrix House
Basing View
Basingstoke
RG21 4DZ

Making a claim

You should notify us as soon as possible if you wish to make a claim by telephoning us on 0845 675 3555.

Full details of how to claim can be found in Section 8 of your Plan Conditions or in our Claims Guide, which you can request from us free of charge.

- Income Protection Cover claims will be assessed by the CSI Team at UNUM Provident on behalf of progress from Royal Liver.
- Unemployment Cover claims will be assessed by Pinnacle Insurance Plc.
- All other claims will be assessed by progress from Royal Liver.
- Your claim will be subject to underwriting.

How to complain

- If you wish to complain about any aspect of the service you have received from progress from Royal Liver, please write to us in the first instance at the address shown in the 'How to contact us' section. Please address your complaint to 'Complaints Officer'.
- Should you feel that your complaint has not been dealt with to your satisfaction, you can refer your complaint to The Financial Ombudsman Service. Their contact details are:
The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR
Telephone: 0845 080 1800
Fax: 0207 964 1001
Email: complaint.info@financial-ombudsman.org.uk
- Making a complaint does not prejudice your right to take legal proceedings.

Key Features of the Protection Menu

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Other Information

Terms & Conditions

- Full written terms and conditions are available from us upon request.

Law

- The law of England and Wales will apply to your Plan.

Compensation

- progress is a trading name of Royal Liver Assurance Limited. Royal Liver Assurance Limited is a member of the Financial Services Compensation Scheme.
- The Financial Services Compensation Scheme (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 current limit for compensation is 100% of the first £2,000 and 90% of the remainder of the claim.

Language

- All communications will be in the English language.

This document is a brief guide to the Cover options of the Protection Menu. Further details are contained in the Plan Conditions, which forms the basis of the legally binding contract between you and Royal Liver Assurance Limited.

The information contained within this document is based on our understanding of current law and HM Revenue and Customs practice, both of which may change in the future.

Should Pinnacle Insurance Plc stop offering the Unemployment Cover, we will try to find a similar replacement. If this happens, we will inform you at least 30 days before any change is applied to your Plan. This document complies with the Association of British Insurers (ABI) Statement of Best Practice for Critical Illness and Income Protection Insurance. You can obtain a copy of these statements by contacting the ABI on 0207 600 3333.

progress is a trading name of Royal Liver Assurance Limited. Royal Liver Assurance Limited is an incorporated Friendly Society, Register No 35 Coll. It is authorised and regulated by the Financial Services Authority. Registered office and Head Office: Royal Liver Building, Pier Head, Liverpool, L3 1HT, United Kingdom. Royal Liver Assurance Limited is entered on the FSA register, number 110005.

January 2008