

# Pension Contribution Insurance from Standard Life

keyfacts<sup>®</sup>

## KEY FEATURES

The Financial Services Authority is the independent financial services regulator. It requires us, Standard Life, to give you this important information to help you to decide whether our Pension Contribution Insurance Plan is right for you. You should read this document carefully so that you understand what are you buying, and then keep it safe for future reference. This Key Features Document is for a UK plan and for use by UK residents only.

### Its aims

- To pay contributions to your Standard Life pension plan for you, up to £3,600 a year including tax relief, if you suffer illness or injury which prevents you from working and leads to a loss of earnings.

### Your commitment

- To give us all the medical, occupational and financial information we ask for when applying for your plan and when claiming benefit. If you don't do this we may not pay your benefit.
- To make all the regular payments to your plan that we need for the length of the plan.
- To make any claim within the time limits we set.
- To select an appropriate level of cover and review it regularly to make sure you have enough for your needs but not more than we'll pay.

### Risks

- Your plan has no cash-in value at any time. If you stop making payments, the plan and your cover will end (after 70 days from the date of the first missed payment), and you'll get nothing back. However, you don't have to make payments to your plan when you're receiving benefit as a result of a claim.
- You must give us full, honest and accurate answers to all the questions we ask, both to support your application and at any time during the plan's term. If you withhold information, whether deliberately or not, we may not pay out.
- The cover may be less than you need if you don't review it regularly to keep it in line with your pension contributions.
- Any benefit we pay directly to you and not as pension contributions to your Standard Life pension plan may affect your claim to some means tested State Benefits. Your entitlement to State Incapacity Benefit won't be affected.
- State Benefit rules may change.
- The present tax-free treatment of the plan's benefits may change.
- We won't pay out in certain circumstances (see 'When will the plan not pay out?' on page 5).



## Questions and answers

### What is a Standard Life Pension Contribution Insurance plan?

- It is a plan designed to pay your pension contributions to your Standard Life pension plan if you suffer illness or injury that prevents you from working and leads to a loss of earnings. You select the features of the plan to make sure the cover is right for you.
- You decide:
  - the amount of benefit you require
  - whether your cover stays the same or increases
  - for how long you want the cover to last.
- You make regular payments to your plan to keep the cover in force.
- We provide cover until your plan ends, no matter how many claims you make.
- You tell us when illness or injury has stopped you working.
- We will make contributions to your Standard Life pension plan for as long as the claim is valid.

### Am I eligible?

- You are eligible if you are the policyholder of the associated pension plan, are between the ages of 17 and 60 and are employed.

### Is my spouse/civil partner covered?

- No, the plan can only be taken out on a single life basis.

### How do I select the plan's features so that it meets my needs?

- This section deals with the choices you make when setting up your plan.

#### The amount of benefit that can be paid

- You choose the amount of benefit you'll need up to £3,600 a year including tax relief. You can choose to cover your own pension contributions, your employer's pension contributions or both.
- When your plan starts, the maximum cover we will provide is the total of your and your employer's pension contributions to your Standard Life pension plan or £3,600 (including tax relief) if this is less.
- If your cover including tax relief goes above £3,600 (this could happen if you choose to increase your cover under the next section), we will restrict payments to your plan to the maximum that qualify for tax relief. This maximum is currently £3,600 a year for a non-earner including tax relief. Any benefit we can't pay directly to your plan will be paid to you.
- The minimum level of benefit is £20 per month, benefits will always be paid on a monthly basis.

#### Increasing your cover

- When you take out this plan you may choose to increase your cover in line with the National Average Earnings Index or at a fixed rate between 1% and 10%. This means that your cover will increase at the end of each year of cover.

**Automatic increases to your benefit payments**

- If you choose at the start for your cover to increase, then during a claim your benefit will increase at the same rate.

**How long the cover should last**

- You choose for your plan to end when you think you will no longer need the benefits but no later than your planned retirement date. Your plan must last at least 5 years and your insurance cover must end before you reach age 65.

**How flexible is it?**

- This section deals with choices you can make once your plan has started.

**Regular review of your insurance cover**

- You should consider how your pension contributions to your Standard Life pension plan have changed since you last reviewed your insurance cover. Then if you wish to increase your insurance cover by more than any automatic options provided by your plan, please contact us. Any increase will be subject to a fresh assessment of your health, occupation and pastimes. Your payments to this insurance plan will increase. The maximum amount of cover including tax relief is £3,600 a year.
- You cannot increase your insurance cover during the deferred period (see 'When benefit payments start' on page 4) or while pension contributions are being paid on your behalf.
- You should also contact us if you want to reduce your insurance cover. State how much you want to reduce your insurance cover by and we will reduce your insurance cover and your payments to the plan.

**When will the plan pay out?****When to claim**

- When you're unable to work, because of illness or injury, resulting in a loss of earnings.

**The extent of incapacity**

- Our usual definition of incapacity is 'You are unable by reason of illness or injury to perform the material and substantial duties of your occupation and you are not following any other occupation or receiving remuneration from any employment'.
- Material and substantial duties are those normally done in your occupation and which cannot reasonably be left out or changed by you or your employer.
- We'll tell you if we wish to apply a different definition.

**Medical and other details we may need**

- Your application will include questions about your medical history, finances and other personal circumstances. It may be followed by a medical examination at our expense.

## Making a claim

To make a claim if your pension is part of a **Group Pension Scheme** please either call **0845 60 60 075** (call charges may vary) and have your plan number ready, or write to:

Group Pensions Department  
Standard Life Assurance Limited  
Standard Life House  
30 Lothian Road  
Edinburgh  
EH1 2DH.

To make a claim if your pension is an individual plan and not part of a Group Scheme please either call **0845 60 60 012** (call charges may vary) and have your plan number ready, or write to:

Individual Pensions Department  
Standard Life Assurance Limited  
1 Conference Square  
Edinburgh  
EH3 8RA.

Details of the evidence required to support a claim are given in the policy provisions booklet (PCI63), which will form part of your plan document (which is issued after you accept any offer of cover made). A copy is also available on request.

Please note that calls may be recorded and/or monitored to help improve customer service and that call charges may vary.

You should continue to make payments to your plan until we accept your claim. However, you don't need to make payments to your plan while benefit is being paid.

## How we assess your claim

- We'll look at the duties of your occupation, your ability to do them, and whether any adjustments can be made to help you do them.
- We'll need evidence that you are being supervised by a registered medical practitioner. We'll also need confirmation that all suitable treatment options have been investigated. We might ask you to have an examination or undergo tests. Depending on the definition that applies to you we may need evidence of your relevant education, training and experience.

### Claiming again after returning to work

- There is no limit to the number of claims you can make. To keep your insurance cover going you must restart payments to your plan when your claim ends. If you need to claim again for the same cause within 6 months of returning to work then the deferred period (see 'When benefit payments start' below) won't apply.

## How benefits are paid

- Benefits are paid as monthly pension contributions on your behalf to your Standard Life pension plan from the end of the deferred period (see below).

## More information about benefits

### When benefit payments start

- From when you're first unable to work there will be a period of 26 weeks for which we won't pay benefit. This is known as the deferred period. You must continue to make payments to the plan during this time.

**How long the benefits can be paid**

- Benefits can be paid until one of the following happens:
  - in our opinion you are fit enough to return to work
  - you take the proceeds of your retirement fund
  - your 65th birthday
  - you reach your selected pension age
  - you die
  - the associated pension plan ends.

**When will the plan not pay out?**

- We will not accept a claim for benefit if, in our opinion, the illness or injury is directly or indirectly caused by or arises directly or indirectly from:
  - AIDS or any HIV infection; or
  - war (whether declared or not), riot, civil commotion or service in the armed forces of any country at war; or
  - flying unless as a passenger on a licensed airline; or
  - any exclusion set out in your policy schedule or Acceptances.
- We may add other conditions in some cases. If so, we'll tell you before you start your plan.

**What other features are there?**

- None.

**What will my payments to the plan be?**

- Your quotation will show the normal cost of the cover you have chosen. Your payments to the plan depend upon your age, sex, occupation, pastimes, medical history and upon the level and features of the cover you choose. We'll tell you the actual cost you'll pay once we have assessed your application.
- Payments to us are made monthly or yearly by direct debit.
- The minimum amount you can pay is £5. If the payments are very small we may ask for a yearly payment.

**What happens to the plan if I die?**

- Your plan will end and no payments to the plan will be refunded. No benefits are payable.

**What are the charges and discounts?**

- The payments to your plan shown in your quotation include all the costs of administration, underwriting, claims and selling expenses, commission and the fees payable for any medical examinations in the United Kingdom which we ask you to attend.

**What if I stop making payments to my plan?**

- Your plan and cover will end (after 70 days from the date of the first missed payment) and you'll get nothing back.

### Does the plan have a cash-in value?

- Your plan has no cash-in value at any time.

### What about tax?

- Present UK tax law and HM Revenue & Customs practice means you don't:
  - get tax relief on payments to the plan
  - pay tax or national insurance contributions on your benefits.
- Your personal quotation shows two amounts:
  - how much cover your plan provides and
  - a gross amount assuming basic-rate tax relief is given by HM Revenue & Customs.
- HM Revenue & Customs treat any pension contributions we pay for you to your Standard Life pension plan as pension contributions made by you net of basic-rate tax relief. They also treat any employer pension contributions you cover in the same way.
- Tax law and tax reliefs may change. The information we've given is based on our understanding of the law and HM Revenue & Customs practice when we published this Key Features Document. We recommend that you take professional advice about tax.

### Can I change my mind?

- You have a legal right to cancel your contract if you change your mind. You have a 30 day period to consider if you want to change your mind. This 30 day period starts from the day you receive your Policy Schedule and Policy Provisions (Terms and Conditions of the policy). During this period, if you decide you want to cancel, you should write to us at the address shown in the "How to contact us" section, instructing us to cancel the contract. Please make sure that you include your plan number in any correspondence with us.
- If you decide to cancel, and we have already received payment, we will refund the payment to the person who made it.
- At the end of the 30 day period you will be bound by the terms and conditions of the plan and any money received by Standard Life will not be refundable under the cancellation rule.
- Please note, it is only the initial payment that you choose to make that will have cancellation rights. If you decide to increase the level of payment in the future you will not have the right to cancel the increase.

### How to contact us

- Remember, your financial adviser will normally be your first point of contact.
- If you have any questions or would like to make any changes to your plan, you can phone us. We may record/monitor calls to help improve our service.
- Phone: **0845 60 60 002**, (call charges may vary). Please have your plan number ready when calling.

You may prefer to contact us by writing to us:

Standard Life Assurance Limited  
Standard Life House  
30 Lothian Road  
Edinburgh  
United Kingdom  
EH1 2DH

You can find out more about Standard Life on our website: [www.standardlife.co.uk](http://www.standardlife.co.uk)

## Other information

### How to complain

- We have a leaflet that summarises our complaint handling procedures. If you'd like a copy, please ask us.
- If you ever need to complain, first write to us at the address on the previous page. If you're not satisfied with our response, you may be able to complain to:

The Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR

Phone: 0845 080 1800, switchboard: 020 7964 1000

Fax: 020 7964 1001

e-mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

- Complaining to the Ombudsman won't affect your legal rights.

### Terms and Conditions

- This Key Features Document only gives a summary of Standard Life's Pension Contribution Insurance. The full definitions, exclusions, terms and conditions of this plan are given in the Policy Provisions booklet (PCI63) and the Policy Schedule. These will be sent to you once your plan starts (if you accept any terms offered), but you can request a copy at any time before then. If you would like a copy please ask your financial adviser or contact us.
- We have a right to change some of the terms and conditions. We'll write and explain if this happens, and send you a copy of anything that has changed.

### Law

- The law of the country in which you are resident when you take out the plan will decide any dispute.
- The English language will be used in all documents and future correspondence.

### Compensation

- The Financial Services Compensation Scheme (FSCS) has been set up to deal with compensation if firms are unable, or likely to be unable, to meet claims against them.
- The amount of compensation available from the FSCS depends on the type of business and the circumstances of the claim. Further information is available from the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk).

### About Standard Life

- Standard Life Assurance Limited's product range includes pensions and investments.
- Standard Life Assurance Limited is on the Financial Services Authority Register. The registration number is 439567.

