

MortgageCare Policy Document

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Welcome to Universal Provident

Thank you for choosing Universal Provident for your MortgageCare insurance. Within this pack you will find all your insurance details. Please take time to read through all the documents carefully, checking all your details are correct. Contact us if you have any queries regarding your certificate of cover.

Universal Provident's MortgageCare meets the demands and needs of those people who wish to protect their mortgage repayments in the event of their being unable to work for a short period.

If for any reason you decide not to accept the certificate you have 30 days from the later of the date of receipt of the policy documents or the date on which your cover starts to return the policy documents to Universal Provident at the address shown at the end of this policy document and confirm that you wish to cancel the cover.

By exercising your rights to cancel, you withdraw from the contract of insurance as of the date of such notice. No later than 30 days after the date on which notice of cancellation is received, you will be reimbursed any sums which you have paid in connection with this policy.

If you do not exercise your right to cancel within the cancellation period, the contract will remain in force and all premiums will be payable in accordance with the terms of the policy.

Universal Provident may monitor or record calls between its advisers and customers to ensure a consistent quality of service.

Data Protection

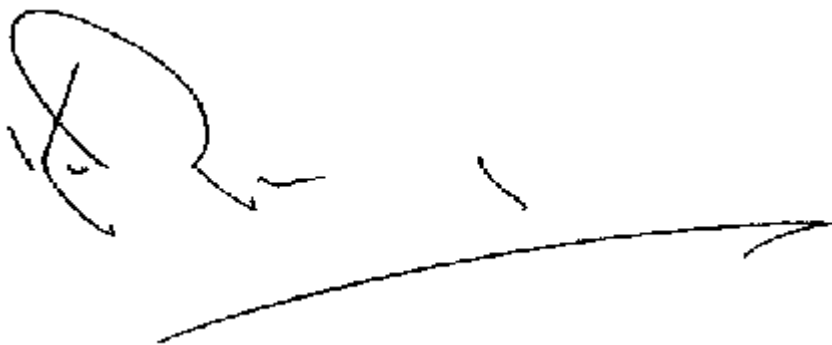
It is understood by the person insured that any information about them will be processed by the Insurers in compliance with the Data Protection Act 1988 and only for the purpose of providing their insurance cover and handling any claims. This may necessitate providing such information to third parties.

*Universal Provident Limited is an appointed representative of Berkeley Morgan Limited which is Authorised and Regulated by the Financial Services Authority.
MortgageCare is underwritten 100% by Lloyd's Syndicate 5820.*

Certification

Your Certificate of Insurance and Insurance Schedule certify that insurance has been effected between *you* and the *Insurers*. In return for payment of the premium specified in the Insurance Schedule the *Insurers* agree to insure *you* in accordance with the terms and conditions contained in and endorsed on these documents. Under Binding Authority contract number 6025/CR327 the *Insurers* have authorised Universal Provident Limited to sign and issue these documents on their behalf.

Signed on behalf of the *Insurers*

A handwritten signature in black ink, consisting of a large, stylized initial 'U' followed by a long horizontal line that tapers to the right.

Authorised Director of Universal Provident Limited
Date: *commencement date* shown in *your* Insurance Schedule.

Introduction

MortgageCare is an insurance specially designed to help *you* meet *your mortgage* repayments if you become unable to *work* because of accident or illness (this is called *disability*) or if *you* are made *unemployed* through no fault of *your* own, including giving up *work* to become a full time *carer*. This is *your* Certificate of Insurance and along with the Insurance Schedule it contains the full terms and conditions. Please read them carefully and keep them safe.

Understanding the cover

Certain words and phrases will have the same meaning wherever they appear. To help *you* recognise them when they are being used they are shown in italics. They are explained in the text itself or in the definitions section and they will help *you* to understand the cover MortgageCare provides.

It is important that *you* are clear about the protection *you* have bought. If *you* have any questions at all please contact the scheme administrators, who are:

Universal Provident Ltd
John Ormond House
899 Silbury Boulevard
Central Milton Keynes
MK9 3XL
Phone: 0844 8730 902
Fax: 0845 120 1027

How To Claim

If *you* become *disabled* or *unemployed*, *you* should contact the claims administrators within 30 days of the start of *your disability* or *unemployment*. When *you* contact them please ensure that *you* have *your* certificate number to hand.

They will explain in full the claims procedure, send *you* the appropriate claim form for completion and let *you* know what further documentation or information may be required in support of *your* claim. They will then handle all matters relating to *your* claim directly with *you*. The claims administrators are:

Jubilee Service Solutions
21 Perrymount Road
Haywards Heath
West Sussex
RH16 3TP
Phone: 01444 450550
Fax: 01444 458234

The Insurers' right to cancel your insurance or change the cover or price

The *Insurers* can change the terms or conditions of this policy, including the premium payable. If they do this they will give *you* at least 60 days written notice of such change, sent to *your* last known address, although they may introduce changes immediately and advise *you* within 30 days of the change having been made if the change is favourable to *you*.

The *Insurers* will only change *your* premium and/or the terms or conditions of *your* policy for the following reasons:

- to make the terms or conditions of *your* policy more favourable to *you*;
- to make minor changes to *your* policy wording that do not affect the nature of the cover and benefit provided such as changes to make the policy easier to understand;
- to reflect changes in the law, in regulation (including any decision of a regulatory body), or to any code of practice or industry guidance affecting the *Insurers* or *your* policy;
- to reflect changes to taxation applicable to *your* policy (including but not limited to insurance premium tax);
- to reflect increases or reductions in the cost (or projected cost) of providing *your* Mortgage Care cover, including but not limited to cost increases or reductions caused by changes to the number, length, cost or timing of claims which the *Insurers* as part of their pricing policy have assumed or projected will be made under Mortgage Care;
- to cover the cost of any changes to the cover / benefits provided under *your* Mortgage Care including but not limited to reductions in the time that *you* have to wait before a claim can be paid or the removal of one or more policy exclusion(s);
- to cover the cost of changes to the systems, services or technology in support of *your* Mortgage Care;

Once such an alteration has been made by the *Insurers* no further changes will be made to the terms and conditions of or premium for *your* policy for at least 6 months, unless the *Insurers* are obliged to do so by law, regulation, any code of practice or industry guidance.

Upon receiving notice of any changes or proposed changes to *your* policy, *you* may cancel cover if *you* are unhappy with the change or proposed change.

The *Insurers* may cancel cover under *your* policy by giving *you* at least 90 days written notice at *your* last known address. If a substitute Payment Protection Insurance Scheme is being offered in place of this policy, 60 days written notice of termination or substitution will be given. If the *Insurers* cancel cover under *your* policy no further premium will be payable by *you* and *you* will continue to receive any benefits for a valid claim if *your* claim date was before the date this policy was cancelled.

To qualify for mortgage care

You qualify for MortgageCare if, at the *commencement date* shown in the Insurance Schedule, *you* are:

1. aged between 18 and 64 years of age, and
2. permanently resident in the *U.K.*, and
3. *working* within the *U.K.* and have been so continuously for the previous six months, and
4. not absent from *work* because of illness or injury, and
5. not aware of any impending *unemployment*.
6. not aware that *you* will have to give up *work* to become a *carer*.

It is important that *you* speak to the *scheme administrators* if *you* move abroad or work abroad after *your* cover starts. They will explain to *you* how this affects *your* cover under MortgageCare and what *you* will then need to do in the event of a claim.

Disability protection and the maximum benefit you can expect

(If you have selected this cover it will be stated on your Insurance Schedule)

Disability (or *disabled*) means being unfit for *work* because of an accident or illness. This must be certified by a *doctor* and leave *you* totally unable to carry out the duties of *your* normal occupation.

Maximum benefit - the most the *Insurers* will pay for any one complete claim is 12 *monthly benefits*, unless any of the events listed under Termination of Cover and Benefit happens first.

It is important that *you* understand:

1. the *disability* must begin after the *commencement date* shown in the Insurance Schedule; and
2. *you* cannot claim during a period of *disability* when *you* are receiving payment for any type of *employment* other than sick pay from *your* normal occupation.

Unemployment protection and the maximum benefit you can expect

(If you have selected this cover it will be stated on your Insurance Schedule)

Unemployment (or *unemployed*) means being without paid *work* through no fault of *your* own, including giving up *work* to become a full time *carer*. The cover varies according to the type of employment contract *you* held when *you* were made *unemployed*.

1. If *you* held a *permanent contract* *you* are covered if *you* lost *your* job because of *compulsory redundancy* or because of dismissal, provided it was not for misconduct.
2. If *you* held a fixed term contract
 - a) *you* are covered if *your* employer terminated the contract early or did not renew it again provided *your* employer had originally intended the contract to be renewable and either;
 - i) it was an annual contract and had already been renewed at least once, or
 - ii) *you* had *worked* for the same employer for at least 24 months or *you* had previously *worked* for that employer under a *permanent contract*.
 - b) if *your* contract and *work* record with *your* employer were any other than described in a) above, *you* are covered only if *your* employer terminated the contract early (not if they did not renew it when it reached its expiry date).
3. If *you* were self-employed *you* are covered if *you* ceased trading through the insolvency of *your* business and have declared this to the H.M. Revenue & Customs.

Maximum benefit - the most the *Insurers* will pay for any one complete claim is 12 *monthly benefits*, unless any of the events listed under Termination of Cover and Benefit happens first. However, if *you* had the type of *fixed-term contract* and *work* record described in 2(b) above, benefit will not be paid after the date the contract would have expired normally.

It is important that *you* understand:

1. *unemployment* must be notified to *you* after the Unemployment Exclusion Period shown in the Insurance Schedule; and
2. benefit is not due during any period for which *you* are entitled to a payment from *your* employer instead of completing *your* notice period.

How the cover works

Claim date means the date *your* claim starts.

1. For *disability* claims it is the date *you* are first issued with a medical certificate by a *doctor*.
2. For *unemployment* claims it is the date *you* first register with an appropriate Employment Office in the *U.K.* (or any other office acceptable to the *Insurers*). If *your unemployment* claim is due to *you* giving up *work* to become a *carer*, it is the effective date shown on *your* Award Notice. Please note that if *you* receive a payment instead of completing a notice period *your* claim cannot start until that notice period is over.

Claim waiting period - benefit becomes payable when *you* have been *disabled* or *unemployed* for 30 consecutive days after the *claim date*.

Payment of benefit - as soon as the 30 day *claim waiting period* is over, *you* will be entitled to 1/30th of the *monthly benefit* for each further continuous day *you* are *disabled* and/or *unemployed* until *you* receive the maximum benefit explained earlier. Payments will be made to *you* monthly in arrears.

In the event of a claim under this policy the amount of *monthly benefit* will be the *monthly benefit* applicable at the *claim date*, as shown on *your* Insurance Schedule valid at that time.

If you increase your monthly benefit

If *you* increase *your monthly benefit*, the amount of such increase will be subject to a 90 day exclusion period for *unemployment* protection. This means that if *unemployment* is notified to *you* or commences during the 90 day period immediately after the date that *your monthly benefit* was increased, the amount that can be claimed will be the *monthly benefit* applicable before the increase.

Additionally, the amount of the increase will not be payable for any medical or physical condition from which *you* suffered, or for which *you* sought advice or treatment, in the 12 months immediately prior to the date of the increase.

Temporary earnings during unemployment claims

It is not the intention to penalise *you* if during *your* claim *you* have the opportunity of temporary work.

The *Insurers* can help at this time by simply putting *your* claim in suspense. They will agree these periods of suspension with *you*. Please keep the claims administrators informed so that *you* can take full advantage of MortgageCare.

Subsequent claims

The *Insurers* recognise that it is sometimes a difficult period when *you* first return to *work* after a claim and further *disability* or *unemployment* can often follow quickly. So, if *you* need to use MortgageCare again within three months of returning to *work*, they will simply treat it as part of the same event. *You* do not have to go through the *claim waiting period* again, benefit will continue straight away. Payments made for both of the periods of *disability* and/or *unemployment* will be taken into account when calculating *your* maximum entitlement of 12 *monthly benefits* for the claim as a whole.

If *you* return to *work* for longer than three consecutive months, any future period of *disability* or *unemployment* will be treated as a completely new claim. Although the *claim waiting period* will re-apply, *you* will again be entitled to the maximum of 12 *monthly benefits* for the later period of *disability* or *unemployment*.

If your claim changes

Should the nature of *your* claim change from *disability* to *unemployment*, or vice versa, this will not be treated as a new claim, but will be considered a continuation of the original event. The maximum entitlement of 12 *monthly benefits* will apply to the claim as a whole.

Termination of cover and benefits

This is a monthly contract and *your* cover and any benefits being paid will stop automatically upon any of these events:

1. non-payment of the monthly premium, or
2. *your* 65th birthday. However, where *you* have a valid claim in progress on this date, or if an event has occurred prior to this date which leads to a valid claim, the *Insurers* will accept and/or continue to pay *your* claim until it would otherwise have ended under the terms and conditions of *your* policy, or
3. the date *you* retire with no intention of continuing or resuming employment, or
4. the date *you* no longer hold a *mortgage*.

Benefit limits

The *Insurers* are obliged to remind *you* that *your monthly benefit* should be adequate to cover at least *your* mortgage repayments. Also please be aware that if *you* have insured more than this, the extra amount of benefit may affect *your* entitlement to certain State benefits when *you* make a claim.

You cannot insure more than 125% of the amount *you* pay each month for the *mortgage* and any related life insurance or investment contracts.

The maximum monthly level of benefit the *Insurers* will pay is £1,800 or 75% of *your* normal gross monthly earned income, whichever is the lesser amount. *Your* average income will be calculated over the 12 month period immediately prior to the

claim date.

After being paid the maximum of 12 *monthly benefits* for an unemployment claim *you* need to return to *work* for six continuous months before *you* can claim again. After being paid the maximum of 12 *monthly benefits* for a *disability* claim *you* need to return to *work* for six continuous months before *you* can claim again for the same, or a related, condition - or for one month if the next *disability* is totally unrelated.

Exclusions

1 **Disability**

A. During the first 24 months of insurance benefit is not payable in respect of any *disability* arising from a *pre-existing condition*. This is known as the moratorium period.

Pre-existing conditions will be covered after the moratorium period if *you* have not received any medical advice, medication or treatment for such condition during the moratorium period.

If at any time during the moratorium period *you* receive any medical advice, medication or treatment for a *pre-existing condition*, a new two year moratorium period will start from the date of the latest advice, medication or treatment.

A new two year moratorium period will start each time *you* receive advice, medication or treatment for a *pre-existing condition*, until such time as *you* remain free of advice, medication or treatment for that *pre-existing condition* for a period of two years.

B. Benefit is not payable for claims for *disability* relating to:

a) backache, unless there is x-ray evidence of abnormality; or

b) mental or nervous disorders, unless *you* are receiving care and attention from a psychiatric specialist or psychiatric nurse; or

c) wilful, self-inflicted bodily injury or alcohol or drug abuse.

2 **Unemployment**

Benefit is not payable for claims for *unemployment* relating to:

a) unemployment which is notified to *you* during the Unemployment Exclusion Period shown in the Insurance Schedule; or

b) unemployment which in the *Insurers'* reasonable opinion, *you* were aware of as likely to be impending at the *commencement date*; or

c) any period for which *you* have received a payment in lieu of *working* a notice period; or

d) unemployment which is normal or seasonal in *your* occupation; or

e) voluntary unemployment or unemployment as a result of *your* misconduct.

3 **General**

Benefit is not payable for claims for *disability* or *unemployment* relating to:

a) war, terrorist activity of any kind, invasion, acts of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion; or

b) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

Conditions

1 Changes in *your* circumstances

You must inform the *scheme administrators* as soon as possible of any changes in *your* circumstances which may affect the premium or terms applied under this certificate. The *Insurers* reserve the right to cancel or alter the premium or terms of the Certificate of Insurance when they are informed of such changes.

2 Claims

a) *You* should report the claim to the *claims administrators* within 30 days of the start of any *disability* or *unemployment* and submit details of the claim on the standard claim form within three months of the start of any *disability* or *unemployment*.

b) For claims relating to *disability*

i) *you* must provide medical certificates issued by a *doctor* and any other medical information as often as the *Insurers* may reasonably require ; and

ii) *you* must provide evidence from an appropriate specialist if the claim relates to *disability* arising from mental or nervous disorders or back disorders; and

iii) the *Insurers* can ask for a medical examination by any *doctor*, at their own expense, as often as they may reasonably require; and

iv) *you* must adhere to all medical advice and complete all treatment prescribed.

c) For claims relating to *unemployment*

i) *you* must be registered with an appropriate Employment Office within the *U.K.* (or any other Office acceptable to the *Insurers*); and

ii) *you* must have a current Jobseekers Agreement and be receiving any State unemployment benefits or National Insurance Credits that *you* are entitled to; and

iii) *you* must be actively looking for new *work*.

iv) if *you* are *self-employed* at the time of *your* claim *you* must provide an Accountant's Certificate confirming the insolvency of *your* business and *you* must be able to show that the H.M. Revenue & Customs are aware that *you* have ceased trading.

v) if *you* have given up *work* to become a *carer* *you* must be receiving Carer's Allowance from the Department for Work and Pensions.

3 Fraud

If there is or has been any fraud, hiding of facts or untrue statements either before or after this Certificate of Insurance started, the *Insurers* will cancel the insurance and *you* must refund any benefit which has been paid.

4 Non-contribution

If the *mortgage* payments for which *you* are claiming benefit under this Certificate of Insurance are or may be covered by any other insurance or indemnity, the *Insurers* will deduct the amount payable under the other insurance or indemnity from the *monthly benefit* due under this Certificate of Insurance.

5 Premium

All premiums are payable monthly in advance of cover being granted under this Certificate of Insurance, in a manner agreed by the *scheme administrators*.

6 Waiver of terms

If at any time the *Insurers* do not apply or enforce any of the terms of this Certificate of Insurance, they will not be prevented from doing so in the future.

Definitions

- 1 Carer**
Being a full-time carer and in receipt of Carer's Allowance from the Department for Work and Pensions.
- 2 Compulsory redundancy**
Receiving written notice from *your* employer that the *permanent contract* of employment *you* held is being terminated against *your* wishes because either:
a) *your* employer has stopped trading (or soon will do) either totally or just in the place they employed *you*, or
b) *your* employer has decided that the specific job *you* do for them is (or soon will be) no longer needed.
(Please note that if *you* take voluntary redundancy *you* will not be able to claim)
- 3 Commencement Date**
The date shown as such on the Insurance Schedule.
- 4 Doctor**
A registered medical practitioner in the *U.K.* or any other physician acceptable to the *Insurers*.
- 5 Fixed term contract**
A contract of employment which is for a specific term.
- 6 Insurers**
Lloyd's Syndicate 5820
- 7 Monthly benefit**
The monthly amount payable to *you* when *you* have a valid claim, as shown in the Insurance Schedule. (Please also see Benefit Limits)
- 8 Mortgage**
A mortgage agreement effected by *you* to purchase residential, owner-occupied property in the *U.K.*
- 9 Permanent contract**
An open-ended contract of employment with no specific termination date and which could continue until *you* retire.
- 10 Pre-existing conditions**
Any disease illness or injury for which:
a) *you* have received medication, advice or treatment; or
b) *you* have experienced symptoms;
in the five years before the start of *your* cover, whether or not the condition has been diagnosed.
- 11 Self-employment/self-employed**
A sole trader, director or partner or shareholder of 20% or more in a company which employs *you* (the *Insurers* will also consider *you* to be *self-employed* if *you* work for a company or business where *your* husband, wife, parent, child, brother or sister meet any of these conditions).
- 12 United Kingdom (U.K.)**
The United Kingdom of Great Britain and Northern Ireland.
- 13 Work/working**
Receiving payment for working at least 16 hours per week under a *permanent contract*, a *fixed term contract* or as *self-employed*. A period of maternity leave will count as *work*.
- 14 You/your**
The person or persons covered by this insurance as shown on the Insurance Schedule.

JOB CARE
Confidential and Independent Advice Service

Universal Provident's MortgageCare includes a confidential and independent advice service providing help and guidance on achieving a speedy return to work in the event of unemployment.

The service provides you (and anyone living with you as part of your household) with:

- unrestricted access to a Jobcare Advisor
- a Back To Work Guide
- CV preparation
- sourcing vacancies
- interview techniques
- a National Job Vacancy Database

Additionally you may use the service even though you may not be in claim.

If you require career change advice either to apply for a new position in your existing employer or seek a job with a new company, an advisor will be able to assist you.

The service:

- is available 8am to 8pm Monday to Friday and 8am to noon on Saturdays.
- is available immediately;

Simply call 01582 429222 and quote reference "**Universal Provident**" or log onto www.jobcare.co.uk with the Username: "**Jobcare**" and Password: "**DVB472**".

Customer Satisfaction

If *you* are dissatisfied with any aspect of the service *you* have received from *us*, please write to

The Managing Director
Universal Provident Ltd
John Ormond House
899 Silbury Boulevard
Central Milton Keynes
MK9 3XL

Please quote either *your* policy number or claim number in all correspondence. *We* will acknowledge receipt of *your* complaint in writing within five working days and give *you our* response at this time, if possible. If *we* cannot reply at this time *we* will inform *you* of who is dealing with *your* complaint and endeavour to resolve matters within 20 days. If after 20 days *we* are still not in a position to reply *we* will write to tell *you* when *you* can expect a full response.

If *you* remain dissatisfied with any aspect of the administration of *your* insurance *policy*, please contact:

Claims Manager
Jubilee Service Solutions
21 Perrymount Road
Haywards Heath
West Sussex
RH16 3TP

Telephone: 01444 450550

The Jubilee Group has internal complaints handling procedures which are available upon request.

If *you* are not satisfied with the way in which *your* dissatisfaction has been dealt with and wish to make a complaint, *you* may do so at any time by referring the matter to:

Policyholder & Market Assistance
Lloyd's Market Services
Lloyd's
One Lime Street,
London EC3M 7HA.

Telephone: 020 7327 5693
Facsimile: 020 7327 5225
e-mail: complaints@lloyds.com

Complaints that cannot be satisfied by the Complaints Department may be referred to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.

Making a complaint under this procedure will not affect *your* right to take legal action.

There is a choice of law applicable to this *policy*, but unless agreed otherwise by *us*, English Law will be used.

Your insurance is contracted with Lloyd's Syndicate 5820, an insurer incorporated in the U.K. and registered in England, number 04434499, having its principal place of business at 50 Fenchurch Street, London EC3M 3JY. The Lloyd's Managing Agent of Lloyd's Syndicate 5820 is Jubilee Managing Agency Limited. They are entered in the Register of Lloyd's Managing Agents and regulated by the Financial Services Authority and entered on the FSA register under number 226696.

Universal Provident Limited act as agent for Lloyd's Syndicate 5820 in connection with this insurance and holds all premium receipts, premium refunds and claims money as agent for Lloyd's Syndicate 5820.

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