POST OFFICE

Life Insurance

with optional Critical Illness and Children's Cover

Key Facts and Policy Terms and Conditions





Welcome

Should you choose Post Office Life Insurance to help take care of your loved ones, you can feel confident that life can carry on as you'd want it to if the worst should happen.

Life carries on...

Life is never predictable. But with the Post Office you'll know you've done the right thing by protecting your loved ones' future. With this policy, your loved ones will have some financial support to help cope with mortgages, loans and day-to-day expenses – so that life can carry on if you were to pass away.

Our policies are straightforward and flexible, so if your circumstances change, you can easily apply to make changes, with no forms to fill in and no administration fees.

Post Office Life Insurance is provided by Scottish Friendly Assurance Society Limited, winner of Best Mutual Insurer 2019, 2020, 2021 and 2022 in the CFI.co UK Awards, so you can tick life insurance off your list and feel confident in your choice.

With Post Office Life Insurance in place, you'll be protected 24 hours a day, 7 days a week, wherever you are in the world. So whatever happens, we're here for you and yours...

Rest assured,
you're in safe hands.



About this document

This document will help you understand the main considerations that you need to think about when deciding whether Post Office Life Insurance is right for you.

The document is split into two parts:

1. The '***Key Facts***' section which provides you with a summary of your policy; and

2. The '***Policy Terms & Conditions***' which contains the full details of your policy, including what is covered and what is not covered.

Your Policy Terms & Conditions, policy schedule and statement of fact together make up your contract with Scottish Friendly Assurance Society Limited. If there's anything that isn't clear or you have any questions, please call: **0800 068 8014**.

The language that is used in this document

Some words or expressions used in this document have a special meaning. They will appear in bold font, and their meaning is explained in the Glossary section on pages 29 - 31.

'We', 'us' or 'our' means Post Office Limited and Post Office Management Services. References to 'you' and 'your' mean the policy holder.

Please keep this document in a safe place for future reference.

Contents

KEY FACTS

About us 7

- Who provides Post Office Life Insurance? 7
- Who is the Financial Conduct Authority (FCA)? 7
- Which service will Post Office provide you with? 7

What is Post Office Life Insurance? 8

- Whose demands and needs does it meet? 8
- Who can take out cover? 8
- What is covered? 8
- What are the policy types? 8
- What is not covered? 9
- How much does cover cost? 9
- When does cover end? 9

What is Critical Illness Cover? 10

- Whose demands and needs does it meet? 10
- Who can take out cover? 10
- What is covered? 10
- What is not covered? 10
- When does cover end? 10

What is Children's Cover? 11

- Whose demands and needs does it meet? 11
- Who can take out cover? 11
- What is covered? 11
- What is not covered? 11
- When does cover end? 11

General information 12

- What is my responsibility under the policy? 12
- What are the things to consider? 12
- How do I cancel the policy? 12
- How to make a claim? 13
- How do I make a complaint? 13
- What is the Financial Services Compensation Scheme (FSCS)? 13
- How do I find out more about Critical Illness Cover? 13

POLICY TERMS AND CONDITIONS

Important information about your policy 15

1. The providers of your policy 15
2. Your Policy Terms & Conditions document 15

Post Office Life Insurance Cover 16

1. Eligibility 16
2. Interim Accidental Death Cover 16
3. What is covered 16
4. Amount of cover 16
5. What is not covered 17
6. Cover start and end dates 17

Optional Critical Illness Cover 18

Optional Children's Cover 20

General conditions and information about your policy 22

1. Policy types 22
2. Premium payments 23
3. Missed premium payments 23
4. Changing your insurance 23
5. Annual review of cover 24
6. Multiple policies 24
7. Governing law 24
8. Data privacy 24
9. Accuracy of information 25
10. How to make a claim 25
11. Cancellation rights 25
12. Complaints procedure 26
13. Financial Services Compensation Scheme (FSCS) 26

Glossary 29



Key Facts about Post Office Life Insurance with optional Critical Illness and Children's Cover

The Key Facts of the **policy** provide **you** with a summary of Post Office Life Insurance. The full **Policy** Terms & Conditions are contained later in this document, on page 15.

About us

Who provides Post Office Life Insurance?

Post Office Life Insurance is arranged and sold by Neilson Financial Services Limited, following an introduction by Post Office Limited.

Post Office Limited is an appointed representative of Post Office Management Services Limited which is authorised and regulated by the Financial Conduct Authority, FRN 630318. Registered in England and Wales. Registered numbers 2154540 and 08459718 respectively. Registered offices: Post Office Limited, 100 Wood Street, London, EC2V 7ER. Post Office Management Services Limited: 2nd Floor, MYO, One New Change, London EC4M 9AF.

Post Office and the Post Office logo are registered trademarks of Post Office Limited. All rights reserved.

Neilson Financial Services Limited is authorised and regulated by the Financial Conduct Authority and entered on the Financial Services Register under reference no. 594926. Neilson Financial Services Limited is registered in England and Wales under no. 07986483. Registered Office, 2 Windsor Dials, Arthur Road, Windsor, SL4 1RS.

Throughout this document, Neilson Financial Services means Neilson Financial Services Limited.

Post Office Life Insurance is underwritten and administered by Scottish Friendly Assurance Society Limited who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and entered on the Financial Services Register under reference no. 110002, with permission to effect and carry out contracts of insurance. Scottish Friendly Assurance Society Limited is a friendly society incorporated and registered under the Friendly Society Act 1992, whose registered office is at Galbraith House, 16 Blythswood Square, Glasgow G2 4HJ. Neilson Financial Services assist in the administration.

Throughout this document, Scottish Friendly means Scottish Friendly Assurance Society Limited.

Who is the Financial Conduct Authority (FCA)?

The Financial Conduct Authority is a financial services regulator. It requires Scottish Friendly to give **you** the important information contained within this document to help **you** to decide whether Post Office Life Insurance with optional Critical Illness and Children's Cover is right for **you**. **You** should read all the information carefully so that **you** understand what **you** are buying, and then keep it safe for future reference.

Which service will the Post Office provide you with?

We introduce **you** to Neilson Financial Services who arrange and sell the **policy** on Scottish Friendly's behalf. Neilson Financial Services receive a commission which is a percentage of the total monthly **premium** from Scottish Friendly for doing so. **We** also receive a commission from Neilson Financial Services for effecting this introduction.

You will not receive advice or a recommendation from **us** nor will **we** charge a fee for these services. **We** may ask some questions in order to provide a quotation. **You** will then need to make **your** own choice about how to proceed. **We** only offer Post Office Life Insurance policies from Scottish Friendly.

What is Post Office Life Insurance?

Post Office Life Insurance provides a lump sum of money (**benefit amount**) if the **life insured** was to pass away or suffer from a **terminal illness**. **You** can select a **benefit amount** up to £750,000 depending on the **life insured's** age.

Whose demands and needs does it meet?

This product meets the demands and needs of those who would like a **benefit amount** to be paid to help their family or to pay outstanding costs, such as a mortgage, rent or household bills, should they die or be diagnosed with a **terminal illness.**

Who can take out cover?

A **life insured** is eligible to apply, if at the **start date** they are **resident** in the **United Kingdom** and aged at least 18 and under 71.

Cover is available for **you** alone under a **single policy**, or for **you** together with a **partner life insured**, under a **joint policy**.

What is covered?

The **benefit amount** will be payable if the **life insured** dies or is diagnosed with a **terminal illness**.

Under a **joint policy**, the **benefit amount** is payable upon the first **life insured** to die or suffer from a **terminal illness**.

What are the policy types?

With this **policy**, there are three different **policy** types available:

- Level option
- Increasing Benefit option
- Decreasing option

Level option

If **you** select the Level option, **your benefit amount** and **premium** for the life **insurance**, and if applicable, any optional Critical Illness or Children's Cover, will remain fixed throughout the duration of **your policy**.

Increasing Benefit option

The Increasing Benefit option is designed to help the **benefit amount** keep up with the effects of inflation.

If **you** select the Increasing Benefit option, the **benefit amount** for **your** life **insurance**, and any optional Critical Illness Cover that **you** have, will increase automatically each year on **your policy anniversary** in line with the **Retail Price Index (RPI)**, up to a maximum annual increase of 10%.

For example, if the **benefit amount** was £100,000 and the RPI rate was 2%, the **benefit amount** would increase to £102,000 on the **policy anniversary**.

Future annual **benefit amount** increases will be calculated using the **benefit amount** value at the last **policy anniversary**.

At the same time as the **benefit amount** increase, the **premium** amount payable for **your** life **insurance**, and any optional Critical Illness Cover that **you** have, will also automatically increase. The **premium** will increase by 1.4 x the rate of the **benefit amount** increase.

For example, if the **premium** payable was £20 per month and the increase in **benefit amount** was at a rate of 2%, the **premium** payable would increase by 1.4 x 2% (a rate of 2.8%). Therefore, on the **policy anniversary**, the **premium** amount payable would increase to £20.56 per month.

Future annual **premium** increases will be calculated using the **premium amount** value at the last **policy anniversary**.

If **you** have chosen optional Children's Cover, the **benefit amount** for this will stay the same throughout the **policy term** and the **premium** associated with the Children's Cover will also stay the same.

Prior to each **policy anniversary,** confirmation will be sent to **you** of the new **benefit amount** and **premium** payable.**You** can contact the Customer Service team at any point and ask not to apply the automatic increase, in which case neither the **benefit amount** nor **your premium** will increase at the next **policy anniversary**.If **you** decide to opt out of 3 increases in a row, the Increasing Benefit option will be permanently removed from **your policy** and there will be no further automatic **benefit amount** increases applied and **your premium** will remain fixed.

Decreasing option

The Decreasing option is designed for those who would primarily like their **benefit amount** to cover their repayment mortgage. The Decreasing option may not be suitable for customers that have an interest only mortgage.

If **you** select the Decreasing option, the **benefit amount** for **your** life **insurance** will decrease each month to reach zero when **your** life **insurance** ends. This works in the same way as the outstanding amount on a repayment mortgage with an annual interest rate of 8%.

If **you** have chosen either optional Critical Illness or Children's Cover, the **benefit amounts** for these will stay the same throughout the **policy term**.

Your premium will remain fixed throughout the duration of **your policy**.

The Decreasing option also comes with the Mortgage Guarantee which means that if at the time of making a successful claim, the **benefit amount** is less than the amount of the **life insured's** outstanding mortgage, Scottish Friendly will pay the amount outstanding on the mortgage, provided that:

- the difference between the **benefit amount** and the outstanding mortgage is solely due to the mortgage being charged an annual interest rate higher than 8%;
- the initial annual interest rate charged on the mortgage at the **policy start date** was less than 10%;
- **your policy** does not end before **your** mortgage is due to be repaid; and
- the **benefit amount** at the **policy start date** was at least the size of the mortgage, or the part of the mortgage **your policy** covers.

What is not covered?

The **benefit amount** will not be paid if the **life insured** dies or is diagnosed with a **terminal illness** that is caused by an intentional self-inflicted injury that occurs within 12 months from the **start date** of the **policy**.

For full details about what is covered and what is not covered under Post Office Life Insurance, please refer to the Policy Terms & Conditions in sections 3 and 5 on page 16 and 17.

How much does cover cost?

The amount of **premium** payable will depend on:

- the **benefit amount(s)** selected;
- whether **you** have a **single policy** or **joint policy;**
- whether **you** add the optional Critical Illness or Children's Cover;
- the **policy term** selected;
- the **policy** type selected;
- **your**, and if applicable, the **partner life insured's**, personal circumstances, for example age, health, lifestyle, family history and occupation.

The amount of **premium** payable for **your policy** will be stated in **your policy schedule** which will be sent to **you** at the time **you** are accepted for cover.

Your premium will remain fixed and will not change throughout the duration of **your policy**, unless **you** have chosen the Increasing Benefit option in which case **your premium** will increase each year.

When does cover end?

The Post Office Life Insurance **policy** will end when the first of the following occurs:

- the date of death of a **life insured** or payment of a **terminal illness** claim for a **life insured**;
- the date **you** cancel the **policy**;
- the date Scottish Friendly cancels the **policy**;
- if two consecutive **premium** payments are missed; or
- the date the **policy term** expires or the **policy anniversary** on or following the attainment of age 89 of the eldest **life insured**.

Under a **joint policy**, the **policy** will end upon the first **life insured** to die or suffer from a **terminal illness**.

The **policy term** can be between 5 and 40 years and is specified in **your policy schedule**.

What is Critical Illness Cover?

Critical Illness Cover can be added to **your** Post Office Life Insurance **policy**. The optional Critical Illness Cover pays a lump sum benefit if **you** are diagnosed with a **critical illness**. **You** can choose a **benefit amount** up to 100% of **your** selected Life Insurance **benefit amount**, up to a maximum of £200,000.

Whose demands and needs does it meet?

Critical Illness Cover meets the demands and needs of those who would like a lump sum cash benefit to provide financial support when diagnosed with a defined **critical illness.**

Who can take out cover?

You can apply if, at the **start date**, **you** (and if applicable, **your partner life insured**):

- have Post Office Life Insurance cover;
- are a **resident** in the **United Kingdom**; and;
- are aged at least 18 and under 71.

What is covered?

The Critical Illness Cover **benefit amount** will be paid if the **life insured** is diagnosed with any of the following, and survives for at least 30 days after this, whilst covered under the **policy**:

- **cancer** – excluding less advanced cases;
- **coronary artery by-pass grafts** – with surgery to divide the breastbone;
- **heart attack** – of specified severity; or
- **stroke** – resulting in **permanent** symptoms.

The full definitions of the illnesses covered are specified in the Glossary section on pages 29 to 31.

Under a **joint policy**, the Critical Illness Cover **benefit amount** is only payable upon the first **life insured** to be diagnosed with a **critical illness**. The amount of benefit payable is specified in **your schedule**.

In the event a **critical illness** claim is payable, the Critical Illness Cover will end and the monthly **premium** payable will be reduced accordingly. Post Office Life Insurance will continue for the remainder of the **term** of **your policy** as long as **you** continue to pay **premiums.**

What is not covered?

The Critical Illness Cover **benefit amount** will not be paid if:

- the **life insured** has an illness that does not meet the definition of one of the **critical illnesses** covered. For example, some types of **cancer** are not covered (as specified in the definition of **cancer** in the Glossary section on pages 29 to 31);
- the **life insured** meets the definition of one of the **critical illnesses** covered, however, does not survive for 30 days thereafter;
- the **critical illness** is directly or indirectly as a result of an intentional self-inflicted bodily injury or attempted suicide;
- the **critical illness** occurs before, or is related to an event occurring before, the **start date**; or occurs during the first three months from the **start date** (the **deferred period**).

For full details about what is covered and what is not covered under the Critical Illness Cover, please refer to the Policy Terms and Conditions in sections 2 and 4 on page 18.

When does cover end?

The Critical Illness Cover ends when the first of the following occurs:

- the date of death of a **life insured**;
- the date of payment of a Critical Illness Cover **benefit amount**;
- the date **you** or Scottish Friendly cancel this optional cover;
- the **policy anniversary** on, or following, the attainment of age 80 by the eldest **life insured**; or
- the date the Post Office Life Insurance cover ends.

Under a **joint policy**, the Critical Illness Cover will end upon the first **life insured** to be diagnosed with a **critical illness**.

What is Children's Cover?

Children's Cover can be added to **your** Post Office Life Insurance **policy**. It can provide **you** with a lump sum cash benefit if **your** child suffers an **accidental death**, specified serious injury or is diagnosed with a specified illness. **Benefit amounts** are available from £10,000 up to £30,000 per **insured child**.

Whose demands and needs does it meet?

Children's Cover meets the demands and needs of those who would like a **benefit amount** to cover extra costs such as medical expenses if their child suffers an **accidental death**, specified serious injury or is diagnosed with a specified illness.

Who can take out cover?

If **you** have Post Office Life Insurance cover, **you** can apply to add Children's Cover to **your policy** for any children who are **financially dependent** on **you** and/or **your partner life insured**. The children must be under 21 years of age and must be **resident** in the **United Kingdom** at the **start date**.

What is covered?

The Children's Cover **benefit amount** will be paid if, whilst covered under the **policy**, the **insured child**:

- dies within 90 days of an **accident** which occurred after the **start date**, or
- suffers an injury or is diagnosed with an illness listed below:
  - **bacterial meningitis** – resulting in **permanent** symptoms;
  - **blindness** – **permanent** and **irreversible**;
  - **cancer** – excluding less advanced cases;
  - **deafness** – **permanent** and **irreversible**;
  - **encephalitis** – resulting in **permanent** symptoms;
  - **loss of hands or feet** – **permanent** physical severance;
  - **paralysis** – total and **irreversible**; or
  - **traumatic head injury** – resulting in **permanent** symptoms.

The full definitions of the illnesses covered are specified in the Glossary section on pages 29 to 31.

In the event of a claim for an **insured child**, the Children's cover **benefit amount** is payable once for each **insured child**. If a claim is paid, the Children's Cover will end for that **insured child** and the monthly **premium** payable will be reduced accordingly. The amount of benefit payable is specified in **your schedule**.

What is not covered?

Scottish Friendly will not pay a Children's Cover **benefit amount** when the **insured child** suffers or is diagnosed with one of the specified insured events, if:

- the condition was known to be present at birth;
- the injury, illness or symptoms occurred before the **insured child's** cover **start date**;
- the injury or illness occurred during the first three months from the **insured child's** cover **start date** (the **deferred period**);
- the injury or illness is caused by alcohol or solvent abuse by the **insured child** or the **insured child's** consumption of drugs (unless it was under the direction of a **medical specialist** and not in connection with treatment for substance abuse, drug addiction or dependence);
- the injury or illness is caused as a direct result of the **life insured** harming the **insured child**; or
- the **insured child** suffers a non-accidental death within 28 days of meeting one of the specified injuries or illnesses.

For full details about what is covered and what is not covered under the Children's Cover, please refer to the Policy Terms and Conditions in sections 2 and 4 on page 20.

When does cover end?

The Children's Cover ends for an **insured child** when the first of the following occurs:

- the date of death of the **insured child;**
- the date of payment of a Children's Cover **benefit amount** for the **insured child**;
- the date **you** or Scottish Friendly cancel this optional cover;
- the **policy anniversary** on, or following, the attainment of age 21 by the **insured child**; or
- the date the Post Office Life Insurance cover ends

General Information

This section applies to Post Office Life Insurance and, if selected, optional Critical Illness or Children's Cover.

What is my responsibility under the policy?

When **you** hold a Post Office Life Insurance **policy**, it is **your** responsibility to:

- answer all the questions **you** are asked truthfully, accurately and completely to the best of **your** knowledge when applying for **your policy**;
- check the **statement of fact** and contact the Customer Service team if there is anything that is inaccurate or incorrect. The **statement of fact** shows health and lifestyle information and is sent to **you** once **you** have been accepted for cover;
- ensure regular monthly **premiums** are paid throughout the duration of the **policy**;
- contact the Customer Service team when **you**, or any **life insured**, change personal details e.g. name, address or bank details; and
- check y**our policy** annually, to ensure that it continues to meet **your** requirements.

If there is a **partner life insured** covered under this **policy**, they have a responsibility to answer all the questions they were asked truthfully, accurately and completely to the best of their knowledge when applying for the **policy**. Additionally, the **partner life insured** must check the **statement of fact** and inform the Customer Service team if there is anything that is inaccurate or incorrect.

What are the things to consider?

No cash in value

The **policy** has no cash-in value at any time.

Effects of inflation

The value of the **benefit amount you** select may not keep up with inflation and as such the value may reduce over time. If, however, **you** have chosen the Increasing Benefit option, this can help protect against the effects of inflation.

Missed premiums

If two consecutive **premium** payments are missed when due, **your policy** will end with no value and cover under this **policy** will no longer be provided.

Affordability

If **you** can no longer afford to pay **premiums, you** can decrease **your premium** payments and **benefit amount** at any time, subject to the minimum **benefit amounts** available. Please contact the Customer Service team if **you** need any help with affordability.

If **you** have chosen the Increasing Benefit option, please consider that the **premium** payable will increase each year on **your policy anniversary**. If **your premium** payments cannot be met, then y**our policy** will end and **you** will receive nothing back.

Inheritance tax

In the event of the **life insured's** death and the **policy** paying out to the estate, there may be an inheritance tax requirement. The **life insured** may be able to mitigate inheritance tax by using an appropriate trust. If **you** require any additional information or are unsure about what to do, please speak with a financial advisor or solicitor. The Government may change the tax position described above.

Benefit amount may not be paid

If it is discovered during the lifetime of **your policy** or at the point of claim, that a **life insured** did not disclose relevant and accurate information asked at the time of application or a **life insured** does not let the Customer Service team know of any inaccuracies in the **statement of fact** that will be sent to **you** immediately after **your** application, any claims made under this **policy** may not be paid and **your policy** may be cancelled, or only part of the **benefit amount** may be paid, depending on the circumstances.

How do I cancel the policy?

You have 30 days from the date on which **you** receive **your policy** documents to make sure **you** are happy with **your** cover and decide whether **you** want to keep it.

If **you** want to cancel **your policy** or optional Critical Illness or Children's Cover, **you** must contact the Customer Service team within the 30 days from which **you** received **your policy** documents to receive a full refund of any **premiums** paid in respect of the cancelled cover, subject to no valid claim being made.

If **you** cancel **your policy** after this 30-day period, then **you** will not receive any refund of **premium**.

To cancel any optional Critical Illness or Children's Cover that was added after **your policy start date**, **you** must contact the Customer Service team within 30 days from the date **you** receive **your** updated **schedule** for any related **premium** to be refunded.

To cancel, please contact:

0800 068 8014 (weekdays between 9am and 7pm)

Customer Services - Post Office, PO Box 6063, Windsor, SL4 9GL

service@postofficelife.co.uk

If **you** do not cancel, **your policy** will start and end as set out in the Policy Terms & Conditions and **your policy schedule**. Scottish Friendly will collect **premiums** as agreed.

How to make a claim?

To make a claim under this **policy**, please contact:

0800 068 8014 (weekdays between 9am and 7pm)

Customer Services - Post Office, PO Box 6063, Windsor, SL4 9GL

claims@postofficelife.co.uk

For further information regarding how to make a claim, please refer to the Terms and Conditions in section 10 on page 25.

How do I make a complaint?

We, Neilson Financial Services and Scottish Friendly hope that **you** never have reason to complain, however, if **you** do, please contact:

0800 068 8014 (weekdays between 9am and 7pm)

Customer Services - Post Office, PO Box 6063, Windsor, SL4 9GL

complaints@postofficelife.co.uk

Please supply **your policy** number so that **your** complaint can be dealt with promptly. If **your** complaint cannot be resolved immediately, an acknowledgment letter will be sent to **you** within five working days. In the unlikely event that **your** complaint is not resolved to **your** satisfaction or after eight weeks, **you** may refer it to the Financial Ombudsman Service (FOS) at:

0800 023 4567 or 0300 123 9123

The Financial Ombudsman Service, Exchange Tower, London, E14 9SR

complaint.info@financial-ombudsman.org.uk

Following the complaints procedure will not affect **your** legal rights.

What is the Financial Services Compensation Scheme (FSCS)?

Post Office, Scottish Friendly and Neilson Financial Services are members of the Financial Services Compensation Scheme (FSCS). This scheme is designed to help protect **you** in the unlikely event Scottish Friendly are unable to pay claims.

In these circumstances, efforts would firstly be made to transfer **your policy** to another insurer. If **your policy** is transferred, FSCS will ensure **you** retain 100% of **your** benefits under **your** new **policy**.

If **your policy** cannot be transferred, the FSCS will look to pay compensation to **you**, or in the event of a valid death or **terminal illness** claim, they would pay 100% of the **benefit amount** due to **you** or the person who is legally entitled to it, whichever is appropriate. **You** can obtain more information from the FSCS at:

0800 678 1100 or 020 7741 4100

Financial Services Compensation Scheme 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU

www.fscs.org.uk

How do I find out more about Critical Illness Cover?

The ABI (Association of British Insurers) give general information about Critical Illness Cover in their consumer guide 'Critical Illness Cover – what you need to know'. **You** can ask the Customer Service team for a copy or **you** can get a copy at:

The Association of British Insurers, 51 Gresham St, London, EC2V 7HQ

www.abi.org.uk

This document complies with the ABI Guide to Minimum Standards for Critical Illness Cover. Other insurers may provide cover for a wider range of illnesses.



Policy Terms and Conditions Important information about your policy

1. The providers of your policy

Post Office Life Insurance is arranged and sold by Neilson Financial Services Limited, following an introduction by Post Office Limited.

Post Office Limited is an appointed representative of Post Office Management Services Limited which is authorised and regulated by the Financial Conduct Authority, FRN 630318. Registered in England and Wales. Registered numbers 2154540 and 08459718 respectively. Registered offices: Post Office Limited, 100 Wood Street, London, EC2V 7ER. Post Office Management Services Limited: 2nd Floor, MYO, One New Change, London EC4M 9AF.

Post Office and the Post Office logo are registered trademarks of Post Office Limited. All rights reserved.

Neilson Financial Services Limited is authorised and regulated by the Financial Conduct Authority and entered on the Financial Services Register under reference no. 594926. Neilson Financial Services Limited is registered in England and Wales under no. 07986483. Registered Office, 2 Windsor Dials, Arthur Road, Windsor, SL4 1RS.

Throughout this document, Neilson Financial Services means Neilson Financial Services Limited.

Your policy is underwritten and administered by Scottish Friendly Assurance Society Limited who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and entered on the Financial Services Register under reference no. 110002, with permission to effect and carry out contracts of insurance. Scottish Friendly Assurance Society Limited is a friendly society incorporated and registered under the Friendly Society Act 1992, whose registered office is at Galbraith House, 16 Blythswood Square, Glasgow G2 4HJ. Neilson Financial Services assist in the administration

Throughout this document, Scottish Friendly means Scottish Friendly Assurance Society Limited.

2. Your Policy Terms & Conditions document

This **Policy** Terms and Conditions document sets out the benefits, terms and exclusions of **your** cover.

Some words or expressions have a special meaning. They appear in bold font and their meaning is explained in the Glossary section on pages 29 to 31.

After **your** application is accepted by Scottish Friendly, **you** will be issued with a **policy schedule**. **Your** contract of **insurance** with Scottish Friendly consists of:

- the **policy schedule**;
- this **Policy** Terms and Conditions document; and
- the **statement of fact**.

Please keep this document in a safe place for future reference.

Post Office Life Insurance Cover

1. Eligibility

To be eligible to apply for cover under this **policy, you** must be **resident** in the **United Kingdom** and aged at least 18 and under 71 at the **start date**.

For a **partner life insured** to be eligible for cover under this **policy**, they must also be **resident** in the **United Kingdom** and aged at least 18 and under 71 at the **start date** or if their cover is added to the **policy** later, the date they are accepted for cover.

2. Interim Accidental Death Cover

For no additional cost, when **you** apply for **insurance** and further information is required to assess **your** application, **you** (and **your** partner, if applicable) will automatically be provided with interim cover against **accidental death** whilst **your** application is being assessed.

The amount of **accidental death** cover is equivalent to the Post Office Life Insurance **benefit amount you** apply for. This cover is provided at no additional cost to **you** and is subject to the terms explained in this document. **Your** Interim Accidental Death Cover will end on the date **you** are informed of the outcome of **your** application or 30 days from the date of **your** application, whichever is sooner.

Scottish Friendly will not pay the Interim Accidental Death Cover **benefit amount** if the **life insured** suffers an **accidental death** directly or indirectly as a result of:

- engaging in criminal acts;
- suicide or attempted suicide;
- the consumption of drugs (unless it was under the direction of a **medical specialist** and not in connection with treatment for substance abuse, drug addiction or dependence);
- the consumption of intoxicating liquor, including having a blood alcohol content over the prescribed legal limit whilst driving;
- engaging in any professional sport (meaning **your** livelihood is substantially dependent on income received as a result of playing sport);
- engaging in any motor sports as a rider, driver or passenger;
- war, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution or taking part in a riot or civil commotion; or
- being a pilot or crew member of any aircraft, or engaging in any flying activity, other than as a passenger in a commercially licensed aircraft.

3. What is covered

Scottish Friendly will pay the Post Office Life Insurance **benefit amount** if, whilst covered under the **policy**, the **life insured** dies or is diagnosed with a **terminal illness** where death is expected within 12 months and has been diagnosed by a **medical specialist**.

If **you** have a **joint policy**, the **benefit amount** is provided upon the death or **terminal illness** of the first **life insured** to die.

4. Amount of cover

The minimum and maximum **benefit amounts** available under the **policy** at the **start date** are specified in the tables below:

4.1 Minimum **benefit amounts:**

Age at start date	Minimum benefit amount
18–24	£120,000
25–29	£80,000
30–34	£60,000
35–39	£40,000
40–49	£20,000
50+	£10,000

4.2 Maximum **benefit amounts**:

Age at start date	Maximum benefit amount
18–39	£750,000
40–44	£525,000
45–49	£425,000
50–59	£220,000
60–64	£100,000
65-69	£50,000
70	£25,000

If **you** have selected the Level option, the life **benefit amount** will remain fixed and will not change throughout the duration of the **policy**.

If **you** have selected the Increasing Benefit option, the life **benefit amount** will increase throughout the duration of the **policy.**

If **you** have selected the Decreasing option, the life **benefit amount** will decrease throughout the duration of the **policy**.

The **benefit amount** payable under **your policy** is specified in **your policy schedule**.

Under the Level and Increasing Benefit options, **you** can apply to increase **your benefit amount** after the **policy start date**. If **you** increase the **benefit amount**, then the maximum **benefit amount** allowed (including, if applicable, any past **benefit amount** increases) will be based on the **life insured's** age and the maximum **benefit amount** limits applicable at the time of request.

5. What is not covered

Scottish Friendly will not pay a **benefit amount** if the **life insured** dies or is diagnosed with a **terminal illness**, directly or indirectly as a result of an intentional self-inflicted injury, that occurs within 12 months from the **start date** of the **policy**.

Scottish Friendly may apply specific exclusions before **your policy** is issued. These will be shown in **your policy schedule** under the 'Additional exclusions and limitations' section.

Under the Level and Increasing Benefit options, if **you** later decide to apply to increase the **benefit amount** for a **life insured** (other than through automatic **benefit amount** increases under the Increasing Benefit option), Scottish Friendly will not pay the **benefit amount** increase if the **life insured** dies or is diagnosed with a **terminal illness**, directly or indirectly as a result of an intentional self-inflicted injury, within 12 months from the date the change is made.

6. Cover start and end dates

The Post Office Life Insurance cover starts for each **life insured** on the **start date** as specified in **your policy schedule.** The **policy** will end when the first of the following occurs:

- the date of death of a **life insured** or payment of a **terminal illness** claim for a **life insured**;
- the date **you** cancel the **policy**;
- the date Scottish Friendly cancels the **policy**;
- if two consecutive **premium** payments are missed; or
- the date the **policy term** expires or the **policy anniversary** on or following the attainment of age 89 of the eldest **life insured**.

Under a **joint policy**, the **policy** will end upon the first **life insured** to die or suffer from a **terminal illness**.

The **policy term** can be between 5 and 40 years and is specified in **your policy schedule**.

Optional Critical Illness Cover

This section of the Terms and Conditions document applies if **you** have Critical Illness Cover as detailed in **your policy schedule** and **you** have agreed to pay the **premium**.

1. Eligibility

You are eligible for Critical Illness Cover if **you** (and, if applicable, **your partner life insured**) have Post Office Life Insurance cover, are a **resident** in the **United Kingdom** and are aged at least 18 and under 71 at the **start date** or if Critical Illness Cover is added later, the date when the **life insured** is accepted for cover.

2. What is covered

The Critical Illness Cover **benefit amount** will be paid if the **life insured** is diagnosed with any of the following, and survives for at least 30 days after this, whilst covered under the **policy**:

- **cancer** – excluding less advanced cases;
- **coronary artery by-pass grafts** – with surgery to divide the breastbone;
- **heart attack** – of specified severity; or
- **stroke** – resulting in **permanent** symptoms.

The full definitions of the illnesses covered are specified in the Glossary section on pages 29 to 31. The **critical illness** must be diagnosed by a **medical specialist** and confirmed by Scottish Friendly's medical advisers.

3. Amount of cover

When **you** apply for cover, the minimum Critical Illness Cover **benefit amount** is £10,000.

The maximum Critical Illness Cover **benefit amount** under the **policy** at the **start date** is the lesser of 100% of the Post Office Life Insurance **benefit amount** or £200,000. Under a **joint policy**, the Critical Illness Cover **benefit amount** is only payable upon the first **life insured** to be diagnosed with a **critical illness**. The amount of benefit payable is specified in **your policy schedule**.

In the event a **critical illness** claim is payable, the Critical Illness Cover will end and the monthly **premium** payable will be reduced accordingly. Post Office Life Insurance will continue for the remainder of the **term** of **your policy** as long as **you** continue to pay **premiums**.

If **you** apply to increase the **critical illness benefit amount** after the **start date**, then the maximum **benefit amount** is the lesser of:

- the maximum **benefit amount** shown in the table below based on the **life insured's** age at the time of the increase is applied for; or
- 100% of the Life Insurance **benefit amount** for that **life insured** provided under the **policy**.

Age at start date	Maximum benefit amount
18–59	£200,000
60–64	£100,000
65-69	£50,000
70	£25,000

4. What is not covered

Scottish Friendly will not pay the Critical Illness Cover **benefit amount** if:

- the **life insured** has an illness that does not meet the definition of one of the **critical illnesses** covered. For example, some types of **cancer** are not covered (as specified in the definition of **cancer** in the Glossary section on page 29);
- the **life insured** meets the definition of one of the **critical illnesses** covered, however, does not survive for 30 days thereafter;
- the **critical illness** is directly or indirectly as a result of an intentional self-inflicted bodily injury or attempted suicide;
- the **critical illness** occurs before, or is related to an event occurring before, the **start date**; or
- occurs during the first three months from the **start date** (the **deferred period**).

Specific exclusions may be applied to **your policy** before **your policy** is issued. If applicable, these will be shown in **your policy schedule** under the 'Additional exclusions and limitations' section.

5. Cover start and end dates

Critical Illness Cover starts for a **life insured** on the **start date** as set out in the **policy schedule**.

The Critical Illness Cover ends when the first of the following occurs:

- the date of death of a **life insured;**
- the date of payment of the Critical Illness Cover **benefit amount**;
- the date **you** or Scottish Friendly cancel this optional cover;
- the **policy anniversary** on, or following, the attainment of age 80 of the eldest **life insured**; or
- the date the Post Office Life Insurance cover ends.

Under a **joint policy**, the Critical Illness Cover will end upon the first **life insured** to be diagnosed with a **critical illness**.



Optional Children's Cover

This section of the Terms and Conditions document applies if **you** have Children's Cover as detailed in **your policy schedule** and **you** have agreed to pay the **premium**.

1. Eligibility

If **you** have Post Office Life Insurance cover, **you** can apply to add Children's Cover to **your policy** for any children who are **financially dependent** on **you** and/or **your partner life insured.** The children must be under 21 years of age and must be **resident** in the **United Kingdom** at the **start date** or if Children's Cover is added to the **policy** later, the date when they are accepted for cover.

2. What is covered

Scottish Friendly will pay the **benefit amount** if, whilst covered under the **policy**, the **insured child**:

- dies within 90 days of an **accident** which occurred after the **start date,** or
- suffers an injury or is diagnosed with an illness listed below:
  - **bacterial meningitis** – resulting in **permanent** symptoms;
  - **blindness** – **permanent** and **irreversible**;
  - **cancer** – excluding less advanced cases;
  - **deafness** – **permanent** and **irreversible**;
  - **encephalitis** – resulting in **permanent** symptoms;
  - **loss of hands or feet** – **permanent** physical severance;
  - **paralysis** – total and **irreversible**; or
  - **traumatic head injury** – resulting in **permanent** symptoms.

The full definitions of the illnesses covered are specified in the Glossary section on pages 29 to 31. The injury or illness must be diagnosed by a **medical specialist** and confirmed by Scottish Friendly's medical advisers.

3. Amount of cover

When **you** apply for cover, the minimum **benefit amount** for **each insured child** is £10,000 up to a maximum of £30,000.

Each **insured child** can be covered for different individual **benefit amounts**, based on the limits above. In the event of a claim for an **insured child,** the Children's Cover **benefit amount** is payable once for each **insured child**. The amount of benefit payable is specified in **your policy schedule**. The **maximum benefit amount** payable for each **insured child** cannot exceed £30,000.

4. What is not covered

Scottish Friendly will not pay a Children's Cover **benefit amount** when the **insured child** suffers or is diagnosed with one of the specified insured events, if:

- the condition was known to be present at birth;
- the injury, illness or symptoms occurred before the **insured child's** cover **start date**;
- the injury or illness occurred during the first three months from the **insured child's** cover **start date** (the **deferred period**);
- the injury or illness is caused by alcohol or solvent abuse by the **insured child** or the **insured child's** consumption of drugs (unless it was under the direction of a **medical specialist** and not in connection with treatment for substance abuse, drug addiction or dependence);
- the injury or illness is caused as a direct result of the **life insured** harming the **insured child**; or
- the **insured child** suffers a non-accidental death within 28 days of meeting one of the specified injuries or illnesses.

5. Cover start and end dates

Children's Cover starts for an **insured child** on the **start date** as set out in the **policy schedule**.

The Children's Cover ends for an **insured child** when the first of the following occurs:

- the date of death of that **insured child**;
- the date of payment of a Children's Cover **benefit amount** for that **insured child**;
- the date **you** or Scottish Friendly cancel this optional cover;
- the **policy anniversary** on, or following, the attainment of age 21 by that **insured child;** or
- the date the Post Office Life Insurance cover ends.



General conditions and information about your policy

This section applies to Post Office Life Insurance and, if selected, optional Critical Illness or Children's Cover.

1. Policy types

There are three **policy** types to choose from; Level option, Increasing Benefit option or Decreasing option.

1.1 Level option

With the Level option, the **benefit amount** and **premium** for the life **insurance** and, if applicable, any optional Critical Illness or Children's Cover, will remain fixed throughout the duration of **your policy**.

1.2 Increasing Benefit option

With the Increasing Benefit option, the **benefit amount**, for **your** life **insurance**, and any optional Critical Illness Cover that **you** have, will increase automatically each year on **your policy anniversary** in line with the **Retail Price Index (RPI)**, up to a maximum annual increase of 10%.

For example, if the **benefit amount** was £100,000 and the RPI rate was 2%, the **benefit amount** would increase to £102,000 on the **policy anniversary**.

Future annual **benefit amount** increases will be calculated using the **benefit amount** value at the last **policy anniversary**.

At the same time as the **benefit amount** increase, the **premium** amount payable for **your** life **insurance**, and any optional Critical Illness Cover that **you** have, will also automatically increase. The **premium** will increase by 1.4 x the rate of the **benefit amount** increase.

For example, if the **premium** payable was £20 per month and the increase in **benefit amount** was at a rate of 2%, the **premium** payable would increase by 1.4 x 2% (a rate of 2.8%). Therefore, on the **policy anniversary**, the **premium** amount payable would increase to £20.56 per month.

Future annual **premium** increases will be calculated using the **premium amount** value at the last **policy anniversary**.

If the RPI rate is less than 0% then no change in **premium** or **benefit amount** will be applied.

If **you** have chosen optional Children's Cover, the **benefit amount** for this will stay the same throughout the **policy term** and the **premium** associated with the Children's Cover will also stay the same.

Prior to each **policy anniversary**, **you** will be sent confirmation of the new **benefit amount** and **premium** payable.

You can ask the Customer Service team at any point not to apply the automatic increase, in which case neither the **benefit amount** nor **your premium** will increase at the next **policy anniversary.** If **you** decide to opt out of 3 increases in a row, the Increasing Benefit option will be permanently removed from **your policy** and there will be no further automatic **benefit amount** increases applied and **your premium** will remain fixed and will not change.

1.3 Decreasing option

If **you** select the Decreasing option, the **benefit amount** is decreasing which means that the amount of **your** life **insurance** decreases each month, to reach zero when **your** life **insurance** ends. This works in the same way as the outstanding amount on a repayment mortgage with an annual interest rate of 8%.

If **you** have chosen either optional Critical Illness or Children's Cover, the **benefit amounts** for these will stay the same throughout the **policy term**.

Your premium will remain fixed throughout the duration of **your policy.**

The Decreasing option may not be suitable for customers that have an interest only mortgage.

The Decreasing option also comes with the Mortgage Guarantee which means that if at the time of making a successful claim, the **benefit amount** is less than the amount of the **life insured's** outstanding mortgage, Scottish Friendly will pay the amount outstanding on the mortgage, provided that:

- the difference between the **benefit amount** and the outstanding mortgage is solely due to the mortgage being charged an annual interest rate higher than 8%;

- the initial annual interest rate charged on the mortgage at the **policy start date** was less than 10%;
- **your policy** does not end before **your** mortgage is due to be repaid; and
- the **benefit amount** at the **policy start date** was at least the size of the mortgage, or the part of the mortgage **your policy** covers.

2. Premium payments

Your premium amount is calculated based on the following:

- the **benefit amount you** selected;
- the **policy term you** selected;
- whether **you** have a **single policy** or **joint policy**;
- whether **you** add the optional Critical Illness or Children's Cover;
- the **policy** type selected; and
- the **life insured's** personal circumstances, for example, age, health and lifestyle, family history and occupation.

The amount of **premium** payable will be stated in **your policy schedule** which will be sent to **you** at the time **you** are accepted for cover.

Your premium will remain fixed throughout the duration of **your policy**, unless **you** have chosen the Increasing Benefit option.

Your premium will be debited from **your** nominated bank account monthly on the date of **your** choice.

All **premiums** are to be paid in **United Kingdom** currency (£ sterling) from a **United Kingdom** bank account.

3. Missed premium payments

As soon as a **premium** payment is missed, **you** will be contacted to discuss **your** payment arrangements and Scottish Friendly may also reattempt collection of **your premium** from **your** nominated bank account.

If two consecutive monthly **premium** payments are not paid, this **policy** will automatically end with no value and Scottish Friendly will have no further responsibility in respect of this **policy**.

At Scottish Friendly's absolute discretion, they may reinstate the cover if the outstanding **premiums** are paid to them in full, although they reserve the right to make any variation in the cover provided.

4. Changing your insurance

4.1 Changes you can make

You may apply, at any time, to change **your policy** during the period of **insurance**, however, Scottish Friendly cannot guarantee that they will be able to make the changes **you** request. Any changes Scottish Friendly accept may be subject to the payment of an additional **premium** based on the **life insured's** age and personal circumstances at the time of the request, such as health, lifestyle, family history and occupation.

You can apply to make changes to **your policy,** including; updating personal details, changing the **benefit amount**, adding or removing a **partner life insured** or adding or removing optional Critical Illness or Children's Cover. Under the Decreasing option, **you** are not permitted to increase **your benefit amount** after the **policy start date**.

Under a **joint policy**, any changes to the **policy** can only be made by the **policy holder** and not the **partner life insured**.

If **your policy** is changed, **you** will receive confirmation of these changes, including, if applicable, a new **policy schedule**. The new **policy schedule** will replace all previous versions issued.

4.2 Changing from a joint policy to a single policy

If **you** hold a **joint policy** and **you** would like to apply to change **your policy** to a **single policy,** this must be requested by the **policy holder**. If this change is accepted, the **single policy** will continue under the same terms for the remaining **life insured**. The **partner life insured** can become the main **policy holder** with the consent of both parties.

4.3 Changing the benefit amount

Under the Level and Increasing Benefit options, **you** can apply to increase the **benefit amount** after the **policy start date**. If **you** increase the **benefit amount** for a **life insured** (other than through automatic **benefit amount** increases under the Increasing Benefit option), Scottish Friendly will not pay the **benefit amount** increase if the **life insured** dies or is

diagnosed with a **terminal illness**, directly or indirectly as a result of an intentional self-inflicted injury, within 12 months from the date the change is made.

The **benefit amount** increase will also be subject to the maximum **benefit amounts** available.

If **you** request to increase the **benefit amount**, this will be subject to further health and lifestyle questions.

If **you** wish to do so, under the Level, Decreasing and Increasing Benefit options, **you** can reduce the **benefit amount** at any time, subject to the minimum **benefit amounts** available. If **you** do reduce the **benefit amount**, the **premium** will be reduced accordingly.

4.4 Changes to your medical circumstances after the policy starts

If, after the **start date, you**, or the **partner life insured,** should suffer symptoms of, or are diagnosed with, or is treated for any new medical condition which **you**, or the **partner life insured**, were unaware of before the **start date**, this will not affect the **policy** and **you** do not need to notify the Customer Service team of this change.

4.5 Changes Scottish Friendly can make

Scottish Friendly can make changes to the terms and conditions of **your policy** that they reasonably consider are appropriate if there is a request from any regulatory authority to do so, or there is a change in the law, applicable legislation, regulation, taxation, or recommendations or decisions of a regulator or similar body affecting Scottish Friendly or **your policy**. These changes could affect the amount and type of cover provided under the **policy**.

If Scottish Friendly does decide to make any changes to **your policy, you** will be contacted at least 28 days before the change takes effect. If **you** are not happy with the changes, **you** have the right to cancel the **policy** (see the section headed Cancellation rights on page 26).

5. Annual review of cover

It is **your** responsibility to review the cover annually to ensure it remains adequate for **your** needs.

6. Multiple policies

If the **life insured** is covered under more than one Post Office Life Insurance **policy** provided by Scottish Friendly, the total **benefit amount** provided on death or **terminal illness** under all policies combined will be limited to that which would have applied under a single **policy** with the chosen **benefit amount** equal to the maximum **benefit amount** as illustrated in the 'Amount of Cover' section on page 17.

If a reduction in the amount provided is necessary due to the maximum limits being exceeded, the reduction will be applied to the **insurance policy** most recently commenced and the same proportion of associated **premiums** paid will be refunded.

7. Governing law

This **policy** is governed by the laws of England and Wales, unless at the **policy start date**, **you** are a **resident** in Scotland, in which case this **policy** is governed by the laws of Scotland.

All **policy** communication will be in English.

8. Data privacy

We, Neilson Financial Services and Scottish Friendly fully comply with all applicable Data Protection Legislation and Regulation.

By providing personal information, the **life insured** agrees that this information will be used by **us**, Neilson Financial Services, Scottish Friendly, their reinsurers and **our** service suppliers for the purposes of arranging, issuing and administering a **policy**, including claims handling.

More information about how **we** collect, use, and protect personal data can be found in **our** Privacy Policy. **Our** Privacy Policy can be viewed by visiting **our** website at http://www.postoffice.co.uk/privacy.

Neilson Financial Services Limited's Privacy Policy can be viewed at https://lifeinsurance.postoffice.co.uk/privacy-notice/ and Scottish Friendly's Privacy Policy at https://www.scottishfriendly.co.uk/privacy-policy.

A paper copy of these Privacy Policies can be requested by using the details:

Post Office

Post Office Information Rights Team, 100 Wood Street, London, EC2V 7ER

data.protection@postoffice.co.uk

Neilson Financial Services

Data Protection Officer, PO Box 6063, Windsor, SL4 9GL

customerservice@neilsonfs.com

Scottish Friendly

Data Protection Manager, Scottish Friendly Assurance Society Limited, Galbraith House, 16 Blythswood Square, Glasgow, G2 4HJ

dpo@scottishfriendly.co.uk

9. Accuracy of information

It is important that the information provided by the **life insured** is true, accurate and complete. If any of the information provided by the **life insured** is fraudulent, deliberately misleading, untrue or inaccurate then:

- the **policy** will be cancelled;
- Scottish Friendly will not pay any **benefit amount**;
- any **benefit amount** that has already been paid under this **policy** must immediately be repaid; and;
- any **premiums** paid for this **policy** will not be returned.

In addition, Scottish Friendly may not pay part or all of a claim and may have the right to cancel the **policy** at the time if, when **you** applied for the **policy** or when making a claim, the **life insured** does not provide all the information **we** ask for, and/or the **life insured** does not tell the Customer Service team of any inaccuracies before or immediately after **your policy** is issued.

If the **life insured's** date of birth shown on **your policy schedule** is incorrect, the terms of the **policy** shall be cancelled and reissued based on terms that would have applied if the correct date of birth had been given. This could include increasing the amount of **premium** payable, reducing the **benefit amount** or cancelling this **policy**.

10. How to make a claim

Claims should be made as soon as possible. To make a claim under this **policy**, please contact:

0800 068 8014 (weekdays between 9am and 7pm)

Customer Services - Post Office, PO Box 6063, Windsor, SL4 9GL

claims@postofficelife.co.uk

Once a claim request is received, the claimant will be contacted and a claim form will be sent to be completed, signed and returned.

Scottish Friendly may also require the **life insured's** treating doctor or a **medical specialist** to complete a report which will be at Scottish Friendly's expense. It may also be necessary to access the **life insured's** medical records. Scottish Friendly may also require further information or documentary evidence to assess the claim, such as, a death certificate.

If any information or documentation that would reasonably be required to assess the claim is not provided by the claimant, Scottish Friendly will not be able to process the claim until the information or documentation is made available.

Once the claim is accepted, Scottish Friendly will pay the **benefit amount** due to **you** or the person who is legally entitled to it, whichever is appropriate.

For **joint policies**, if a life, **terminal illness** or **critical illness** claim is accepted for the **partner life insured**, the **benefit amount** is payable to the **policy holder**. If a life, **terminal illness** or **critical illness** claim is accepted for the **policy holder**, the **benefit amount** is payable to the **policy holder** or the person who is legally entitled to it (which may not be the **partner life insured**).

If applicable, Scottish Friendly will refund any **premium(s)** collected after the date of death in respect of the **life insured**, or the date of **terminal illness** diagnosis by a **medical specialist** where a valid claim is made in respect of the **life insured**.

When Scottish Friendly pays a claim for life **insurance**, the **policy** will end and Scottish Friendly will have no further responsibility under the **policy** following such payment.

When Scottish Friendly pays a claim for **critical illness**, the Critical Illness Cover will end and Scottish Friendly will have no further responsibility under the Critical Illness Cover following such payment.

11. Cancellation rights

You have 30 days from the date on which **you** receive **your policy** documents to make sure **you** are happy with **your** cover and decide whether **you** want to keep it.

If **you** want to cancel **your policy** or optional Critical Illness or Children's Cover, **you** must contact the Customer Service team within the 30 days from the date which **you** received **your policy** documents to receive a full refund of any **premiums** paid in respect of the cancelled cover, subject to no valid claim being made.

If **you** cancel **your policy**, or optional Critical Illness or Children's Cover, over 30 days from the date

which **you** received **your policy documents**, then **you** will not receive any refund of **premium**.

If **you** have added optional Critical Illness or Children's Cover after the **policy start date**, and **you** cancel this cover within 30 days from the date **you** received **your** updated **policy schedule**, any related **premium** will be refunded, subject to no valid claim being made.

To cancel, please contact:

0800 068 8014 (weekdays between 9am and 7pm)

Customer Services - Post Office, PO Box 6063, Windsor, SL4 9GL

service@postofficelife.co.uk

After **your** cancellation request is received, **your** cover will be cancelled and **you** will be sent a letter of confirmation.

If **you** do not cancel, **your policy** will start and end as set out in the Policy Terms & Conditions and **your policy schedule**. Scottish Friendly will collect **premiums** as agreed.

Scottish Friendly can cancel this **policy** in any of the following circumstances:

- due to the **life insured's** non-disclosure of any information that would affect the cover provided under this **policy**;
- if Scottish Friendly believe a claim to be false or fraudulent;
- if the incorrect date of birth of a **life insured** was given at the time of application; or
- if two consecutive **premium** payments were not paid when due.

12. Complaints procedure

We, Neilson Financial Services and Scottish Friendly hope that **you** never have reason to complain, however, if you do, please contact:

0800 068 8014 (weekdays between 9am and 7pm)

Customer Services - Post Office, PO Box 6063, Windsor, SL4 9GL

complaints@postofficelife.co.uk

Please supply **your policy** number so that **your** complaint can be dealt with promptly.

If **your** complaint cannot be resolved immediately, an acknowledgment letter will be sent to **you** within five working days of receipt of **your** complaint.

Your complaint will continue to be investigated and if a response is not sent to **you** within four weeks of receipt of **your** complaint, **you** will receive written confirmation that **your** complaint is still being investigated.

Within eight weeks of receiving **your** complaint, **you** will either be sent the full and final response detailing the results of the investigation or it will be confirmed that the investigations are still on-going.

If **you** remain dissatisfied after **you** have received the full and final response or, after eight weeks, **you** do not wish to wait for the investigations to be completed, **you** can refer **your** complaint to the Financial Ombudsman Service (FOS):

0800 023 4567 or 0300 123 9123

The Financial Ombudsman Service, Exchange Tower, London, E14 9SR

complaint.info@financial-ombudsman.org.uk

Following the complaints procedure will not affect **your** legal rights.

13. Financial Services Compensation Scheme (FSCS)

Post Office, Scottish Friendly and Neilson Financial Services are members of the Financial Services Compensation Scheme (FSCS). This scheme is designed to help protect **you** in the unlikely event Scottish Friendly are unable to pay claims.

In these circumstances, efforts would firstly be made to transfer **your policy** to another insurer. If **your policy** is transferred, FSCS will ensure **you** retain 100% of **your** benefits under **your** new **policy**.

If **your policy** cannot be transferred, the FSCS will look to pay compensation to **you**, or in the event of a valid death or **terminal illness** claim, they would pay 100% of the **benefit amount** due to **you** or the person who is legally entitled to it, whichever is appropriate. **You** can obtain more information from the FSCS at:

0800 678 1100 or 020 7741 4100

Financial Services Compensation Scheme 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU

www.fscs.org.uk





Glossary

In this document, some words appear in bold font, for example, **policy**. These words have special meanings as explained below.

Accident means an event resulting in bodily injury occurring whilst this **policy** is in force, where the injury is directly and solely caused by accidental, violent and external means and where the injury is not self-inflicted.

Accidental death means death occurring as a direct result of an **accident** which took place while the **life insured** was covered under the **policy** and where death occurs within 90 days of the **accident**.

Bacterial meningitis means a definite diagnosis of bacterial meningitis resulting in **permanent neurological deficit with persisting clinical symptoms**. For the above definition, the following are not covered:

- all forms of meningitis other than those caused by bacterial infection.

Benefit amount means the amount of cover chosen by **you** and used to determine the lump sum payment provided under this **policy** in respect of a **life insured**. The **benefit amount** for each type of cover for each **life insured** is shown in the **policy schedule**.

Blindness means **permanent** and **irreversible** loss of sight to the extent that even when tested with the use of visual aids, vision is measured at 3/60 or worse in the better eye using a Snellen eye chart.

Cancer means any malignant tumour positively diagnosed with histological confirmation and characterised by the uncontrolled growth of malignant cells and invasion of tissue.

The term malignant tumour includes leukaemia, sarcoma and lymphoma except those that arise from or are confined to the skin (including cutaneous lymphomas and sarcomas).

For the above definition, the following are classified as less advanced cases and are not covered under this **policy**:

- all cancers which are histologically classified as any of the following:
  - » pre-malignant;
  - » cancer in situ;
  - » having borderline malignancy; or
  - » having low malignant potential.
- all tumours of the prostate unless histologically classified as having a Gleason score of 7 or above or having progressed to at least TNM classification cT2bN0M0 or pT2N0M0 following prostatectomy (removal of the prostate).
- All urothelial tumours unless histologically classified as having progressed to at least TNM classification T1N0M0.
- Malignant melanoma skin cancers that are confined to the epidermis (outer layer of skin).
- All cancers (other than malignant melanoma) that arise from or are confined to one or more of the epidermal, dermal, and subcutaneous tissue layers of the skin (including cutaneous lymphomas and sarcomas).
- All thyroid tumours unless histologically classified as having progressed to at least TNM classification T2N0M0.
- Neuroendocrine tumours without lymph node involvement or distant metastases unless classified as WHO Grade 2 or above.
- Gastrointestinal stromal tumours without lymph node involvement or distant metastases unless classified by either AFIP/Miettinen and Lasota as having a moderate or high risk of progression, or as UICC/TNM8 stage II or above.

Coronary artery by-pass grafts means the undergoing of surgery requiring median sternotomy (surgery to divide the breastbone) on the advice of a Consultant Cardiologist to correct narrowing or blockage of one or more coronary arteries with by-pass grafts.

Critical illness means **cancer** – excluding less advanced cases, **coronary artery by-pass grafts** – with surgery to divide the breastbone, **heart attack** – of specified severity or **stroke** – resulting in **permanent** symptoms.

Deafness means **permanent** and **irreversible** loss of hearing to the extent that the loss is greater than 95 decibels across all frequencies in the better ear using a pure tone audiogram.

Deferred period means the period the **life insured** has to wait before being eligible for a **benefit amount** to be payable.

Encephalitis means a definite diagnosis of encephalitis by a Consultant Neurologist resulting in **permanent neurological deficit with persisting clinical symptoms**. For the above definition the following is not covered:

- myalgic encephalomyelitis and chronic fatigue syndrome.

Financially dependent means someone who relies on the **life insured** for financial support. This could include support for things such as money, clothes or food.

Heart attack means a definite diagnosis of acute myocardial infarction with death of heart muscle as evidenced by all of the following:

- Typical clinical symptoms (for example, characteristic chest pain).
- New characteristic electrocardiographic changes or new diagnostic imaging changes.
- The characteristic rise of cardiac enzymes or Troponins recorded at the following levels or higher: - Troponin T > 200 ng/L (0.2 ng/ml or 0.2 ug/L) - Troponin I > 500 ng/L (0.5 ng/ml or 0.5 ug/L)

The evidence must show a definite acute myocardial infarction.

For the above definition, the following are not covered:

- Myocardial injury without myocardial infarction.
- Angina without myocardial infarction..

Insurance means, in respect of a **life insured**, the **benefit amount** that has been applied for by the **policy holder** and accepted by Scottish Friendly as indicated on the **policy schedule**.

Insured child in respect of the optional Children's Cover means **your financially dependent** child and the child named in the **schedule**.

Irreversible means cannot be reasonably improved upon by medical treatment and/or surgical procedures used by the National Health Service (NHS) in the **United Kingdom** (or if appropriate, the equivalent to the NHS if the insured event occurs in another country) at the time of the claim.

Joint policy applies if there is a **policy holder** and a **partner life insured** as detailed on the **policy schedule**.

Life insured means the **policy holder** and, if applicable, the **partner life insured** and, if applicable, in respect of Children's Cover only, an **insured child**.

Loss of hands or feet means **permanent** physical severance of a hand or foot at or above the wrist or ankle joint.

Medical specialist means a person who:

- is a consultant at a hospital in the **United Kingdom** or country where the insured event giving rise to the claim arose;
- is acceptable to Scottish Friendly's Chief Medical Officer; and
- is a specialist in an area of medicine appropriate to the cause of the claim.

The medical specialist must not be a **life insured** under this **policy**, their spouse, partner, relative or business associate.

Paralysis means total and **irreversible** loss of muscle function to the whole of any two limbs.

Partner life insured means a person named in the **policy schedule** as the partner life insured. A partner is either a legal spouse, civil partner or common law partner of the **policy holder.**

Permanent means expected to last throughout life with no prospect of improvement, irrespective of when the cover ends or the **life insured** expects to retire.

Permanent neurological deficit with persisting clinical symptoms means dysfunction in the nervous system that is present on clinical examination and expected to last throughout the **life insured's** life. To include numbness, hyperaesthesia (increased sensitivity), paralysis, localised weakness, dysarthria (difficulty with speech), aphasia (inability to speak), dysphagia (difficulty in swallowing), visual impairment, difficulty in walking, lack of coordination, tremor, seizures, dementia, delirium and coma.

The following are not covered:

- an abnormality seen on brain or other scans without definite related clinical symptoms;
- neurological signs occurring without symptomatic abnormality, e.g. brisk reflexes without other symptoms; or
- symptoms of psychological or psychiatric origin.

Policy means the legal contract between the **policy holder** and Scottish Friendly. The Policy Terms & Conditions, **your** application, any future application accepted by Scottish Friendly, the **statement of fact**, the current **policy schedule** and any special conditions, amendments or endorsements make up the policy.

Policy anniversary means the anniversary of the date the first month's **premium** payment for this **policy** was scheduled.

Policy holder means the owner of this **policy**. This **policy** may not be transferred to a third party.

Policy schedule means the schedule to this **policy**, or any replacement policy schedule, issued by **us** and showing the details of the cover provided by this **policy**.

Premium means the amount of money Scottish Friendly charges **you** on a monthly basis for this **policy**.

Resident means someone who has physically resided in the **United Kingdom** for the majority of the year immediately preceding an application for cover; and regards the **United Kingdom** as the location of their main residence.

Retail Price Index (RPI) is the general-purpose domestic measure of inflation in the **United Kingdom**. It is published by the Office for National Statistics.

Single policy applies if the **policy holder** is the only person detailed on the **policy schedule**.

Start date means the date an application for a l**ife insured** is accepted by Scottish Friendly and cover starts as set out in **your policy schedule**. If changes are made to **your policy** after the start date, these changes and any applicable exclusions are effective from the date the change is made.

Statement of fact means a statement of the health and lifestyle information supplied by **you**, and if applicable the **partner life insured**, on which **your policy** is based.

Stroke means death of brain tissue due to inadequate blood supply or haemorrhage within the skull resulting in **permanent neurological deficit with persisting clinical** symptoms. For the above definition, the following are not covered:

- transient ischaemic attack;
- traumatic injury to brain tissue or blood vessels;
- death of tissue of the optic nerve or retina/eye stroke.

Term means the total length of time the **policy** runs for from the first **premium** collection date, as specified in the **policy schedule**.

Terminal illness means a definite diagnosis by the attending **medical specialist** of an illness that satisfies both of the following:

- The illness either has no known cure or has progressed to the point where it cannot be cured; and
- In the opinion of the attending **medical specialist**, the illness is expected to lead to death within 12 months.

Traumatic head injury means death of brain tissue due to traumatic injury resulting in **permanent neurological deficit with persisting clinical symptoms**.

United Kingdom means England, Northern Ireland, Scotland or Wales.

We, us, our means Post Office Limited and Post Office Management Services.

You, your means the **policy holder**.

Get in touch

0800 068 8014
service@postofficelife.co.uk
Post Office, PO Box 6063, Windsor, SL4 9GL

Lines are open from 9am to 7pm Monday to Friday (excluding bank holidays). Calls are recorded for training and quality purposes.

Customers with disabilities

This document and other associated documentation are also available in other formats if required.

Post Office Limited is an appointed representative of Post Office Management Services Limited which is authorised and regulated by the Financial Conduct Authority, FRN 630318. Registered in England and Wales. Registered numbers 2154540 and 08459718 respectively. Registered offices: Post Office Limited, 100 Wood Street, London, EC2V 7ER. Post Office Management Services Limited: 2nd Floor, MYO, One New Change, London EC4M 9AF. Post Office and the Post Office logo are registered trademarks of Post Office Limited. All rights reserved.

Neilson Financial Services Limited is authorised and regulated by the Financial Conduct Authority and entered on the Financial Services Register under reference 594926. Registered Office: 2 Windsor Dials, Arthur Road, Windsor, SL4 1RS. Registered in England and Wales, number 07986483.

Post Office Life Insurance is underwritten and administered by Scottish Friendly Assurance Society Limited who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under reference 110002. Registered Office: Scottish Friendly Assurance Society Limited, Galbraith House, 16 Blythswood Square, Glasgow G2 4HJ. Neilson Financial Services Limited assist in the administration.

PO LKFT04 v2.5 LIVE AUG26