

MORTGAGE PAYMENT PROTECTION INSURANCE

Group Policy 02486

This policy summary does not contain the full terms and conditions of the contract, which can be found in the policy document.

WHO IS THE INSURER?

The insurer of this policy is Pinnacle Insurance plc. Cardif Pinnacle is a trading style of Pinnacle Insurance plc. Pinnacle Insurance plc is authorised and regulated by the Financial Services Authority.

WHAT IS MORTGAGE PAYMENT PROTECTION?

Mortgage Payment Protection covers your mortgage repayments if you are off work as a result of a disability or unemployment. You may also choose to cover other regular expenses such as buildings and contents insurance and utility bills subject to a maximum of 50% of the mortgage payment

HOW MUCH WILL IT COST?

The actual cost of your Mortgage Payment Protection Insurance for every £100 of monthly benefit will vary depending on the product option and level of cover you select. However, for illustration purposes the cost of Mortgage Payment Protection Insurance is:

- £5.80 for every £100 of monthly benefit based on accident, sickness and unemployment cover, with 30-day back to day one cover and a maximum benefit duration of 12 months.

- £2.77 for every £100 of monthly benefit based on accident and sickness only cover, with 30-day back to day one cover and a maximum benefit duration of 12 months.

This Payment Protection Insurance is optional. There are other providers of Payment Protection Insurance and other products designed to protect you against loss of income. For impartial information about insurance, please visit the website at: www.moneyadvice.service.org.uk

WHO CAN APPLY FOR MORTGAGE PAYMENT PROTECTION?

To be eligible for cover under this policy you must at the start date:

- be aged between 18 and 65;
- have been in continuous paid work for at least 16 hours per week for the six months prior to the start date of the policy. This includes self-employment and working under certain fixed-term contracts;
- live and work in the United Kingdom;
- comply with other eligibility requirements* which may apply at the time of your application and will be explained at that time. These requirements will not affect you if you are already covered under this policy;

- have, or be in the process of applying for, a residential mortgage (Buy to Let mortgages are excluded).

* This may include extending the length of time you must have been working for, prior to the start date, to beyond that stated in the 2nd bullet point above.

If you have a joint mortgage with a partner you may decide to split the cover between you. The two percentages must be proportionate to each person's gross income and add up to 100%.

WHAT ARE THE BENEFITS AND FEATURES OF MORTGAGE PAYMENT PROTECTION?

The following tables summarise the cover available to you.

TABLE 1 Disability (Accident and Sickness) Cover

| Features and Benefits | Significant Exclusions or Limitations | Policy Reference |
|--|--|------------------|
| <p>Standard cover will provide 1/30th of the monthly benefit for each continuous day you are unable to work due to disability, after the wait period specified in your schedule.</p> <p>Back to Day One cover will provide the monthly benefit if you are unable to work due to disability for longer than the wait period specified in your schedule. Thereafter the monthly benefit will be paid for each further consecutive 30 day period you are unable to work due to disability.</p> <p>Back to Day One Daily cover will provide the monthly benefit if you are unable to work due to disability for longer than the wait period specified in your schedule. Thereafter 1/30th of the monthly benefit will be paid for each further consecutive day you are unable to work due to disability. Your schedule will show whether you have chosen Disability Cover and whether you have chosen Standard, Back To Day One or Back To Day One Daily cover.</p> | <p>Disability benefit will not be paid for claims resulting from:</p> <ul style="list-style-type: none"> • any condition, injury, illness, disease, sickness or related condition which you knew about (or ought reasonably to have known about) at the policy start date; or for which you sought or received advice, treatment or counselling from any doctor during the 12 months immediately before the policy start date. This exclusion does not apply if you have been continuously insured, you have been symptom free and have not consulted a doctor or received treatment for the condition in the 12 months immediately prior to your claim; • any condition of a mental, psychiatric or nervous origin, including stress, anxiety or depression unless treated by an appropriate medical specialist; • backache or related conditions unless treated by an appropriate medical specialist; and • self inflicted injury or drug or alcohol abuse. <p>Maximum number of 12 payments per claim. If you need to claim again you can do so after returning to work for 1 month in respect of an unrelated condition or 3 consecutive months in respect of the same or a related condition. The maximum we will pay each month is £2,000.</p> | Sections 4 and 5 |

TABLE 2 Unemployment Cover

| Features and Benefits | Significant Exclusions or Limitations | Policy Reference |
|---|--|------------------|
| <p>Standard cover will provide 1/30th of the monthly benefit for each continuous day you are unable to work due to unemployment, after the wait period specified in your schedule.</p> <p>Back to Day One cover will provide the monthly benefit if you are unable to work due to unemployment for longer than the wait period specified in your schedule. Thereafter the monthly benefit will be paid for each further consecutive 30 day period you are unable to work due to unemployment.</p> <p>Back to Day One Daily cover will provide the monthly benefit if you are unable to work due to unemployment for longer than the wait period specified in your schedule. Thereafter 1/30th of the monthly benefit will be paid for each further consecutive day you are unable to work due to unemployment.</p> <p>Your schedule will show whether you have chosen Unemployment Cover and whether you have chosen Standard, Back To Day One or Back To Day One Daily cover.</p> | <p>Unemployment benefit will not be paid if:</p> <ul style="list-style-type: none"> • unemployment is voluntary or due to your misconduct; • you are not registered as unemployed and signing on with the Department for Work and Pensions Jobcentre Plus; • you are not seeking new employment; • your work was seasonal, casual or temporary or unemployment is a regular feature of your work. <p>If immediately prior to the start date you have an existing policy providing cover in the event of disability or unemployment with a company other than us, and that policy is cancelled in place of this one, the following exclusions do not apply. Otherwise, unemployment benefit will not be paid if:</p> <ul style="list-style-type: none"> • at the policy start date you have had a residential mortgage for longer than 60 days and are made unemployed or told that you will be made unemployed within 120 days of the policy start date; • at the policy start date you are applying for, or have had a residential mortgage for less than 60 days and are made unemployed or told that you will be made unemployed within 60 days of the policy start date; • in the case of an unemployment claim you must satisfy the definition of unemployment set out in Section 1 of the policy (and if you were self-employed, you must have involuntarily ceased trading). <p>Maximum number of 12 payments per claim. The maximum we will pay each month is £2,000.</p> | Sections 6 and 7 |

TABLE 3 Important Information (applicable to all cover)

| | Policy Reference |
|--|-------------------------|
| <p>HOW LONG DOES THE MORTGAGE PAYMENT PROTECTION POLICY RUN FOR?</p> <p>This is a monthly contract which will be renewed until you reach the age of 65, you die or the contract is cancelled as set out under the terms of the policy. Your mortgage repayments and other related expenses will change over time so you need to review your cover from time to time.</p> | Section 1 "end date" |
| <p>PREMIUMS</p> <p>The amount you pay for cover may change during the time you have this policy. This may be because of:</p> <ul style="list-style-type: none"> • changes you request to your cover, such as changing your monthly benefit; or • changes to our expected future costs. We will only change your premium for this reason where there is a change to the specific factors we have set out in your policy, and that change results in our expected future costs being higher or lower than assumed when the premium was set. This may include changes to our expected future claims costs due to changes in economic conditions such as unemployment rates. <p>We will review your premium at least annually and you will be given at least 30 days' written notice of any alteration to the premium rates under this policy unless the change is due to legislative, tax or regulatory requirements.</p> <p>We may review your premium more frequently than annually if it becomes necessary due to significant changes in any of the specific factors referred to above. Except where your premium is changed due to legislative, tax or regulatory requirements, the minimum period between consecutive changes will be 180 days.</p> <p>As a result of the premium review, your monthly premium may go up, stay the same or go down, and there is no limit to the amount of any change. If a review results in an increase to your premium and you do not wish to pay the increase you can contact us to discuss your options or cancel.</p> | Section 9 |
| <p>TERMS AND CONDITIONS</p> <p>We may vary or waive the terms and conditions of this policy. This may be to:</p> <ul style="list-style-type: none"> • vary the cover provided under this policy because of changes to our expected future costs. We will only change your terms and conditions for this reason where there is a change to the specific factors we have set out in Section 9 of your policy, and that change results in our expected future costs being higher or lower than assumed when the premium was set. This may include changes to our expected future claims costs due to changes in economic conditions such as unemployment rates; • improve your cover; • comply with any applicable laws or regulations; • reflect any changes to taxation; or • correct any typographical or formatting errors that may occur. <p>You will be given at least 30 days' written notice of any alteration to the terms and conditions of cover under this policy unless the change is due to legislative, tax or regulatory requirements.</p> <p>Except where the terms and conditions of cover under this policy are changed due to legislative, tax or regulatory changes, the minimum period between consecutive changes will be 180 days.</p> <p>Such changes may have the effect of increasing or reducing the cover previously provided under this policy. If you do not wish to continue your cover you can contact us to discuss your options or cancel.</p> | Section 10 |
| <p>OUR RIGHT TO CANCEL</p> <p>We may cancel your insurance cover immediately where there is evidence of dishonest or exaggerated behaviour or where you have misrepresented or failed to disclose something at the time of application which would have caused us to decline you for cover.</p> <p>We may cancel your insurance cover by giving not less than 90 days' written notice. We will only do this in the circumstances set out in your policy.</p> | Section 11 |
| <p>WHAT HAPPENS IF I TAKE OUT COVER AND THEN CHANGE MY MIND?</p> <p>If you are unhappy with your cover you can cancel your policy within 30 days of receiving your policy and receive your full premium back if you have not made a claim. If you cancel your cover after this period no refund of premium will be payable.</p> <p>For cancellation, please contact the: Customer Services Department, Cardif Pinnacle Pinnacle House, A1 Barnet Way, Borehamwood, Hertfordshire WD6 2XX Telephone: 0844 543 1180</p> | Section 12 |
| <p>HOW DO I MAKE A CLAIM UNDER MORTGAGE PAYMENT PROTECTION?</p> <p>Please contact the: Claims Department, Cardif Pinnacle Pinnacle House, A1 Barnet Way, Borehamwood, Hertfordshire WD6 2XX</p> <p>Telephone: 0844 543 1180</p> <p>On-line: www.support.cardifpinnacle.com</p> | Sections 14, 15 & 16 |
| <p>WOULD I RECEIVE COMPENSATION IF PINNACLE INSURANCE PLC WERE UNABLE TO MEET ITS LIABILITIES?</p> <p>Pinnacle Insurance plc is covered by the Financial Services Compensation Scheme (FSCS). If we are unable to meet our liabilities, you may be entitled to compensation from the FSCS.</p> <p>Further information is available from their website: www.fscs.org.uk</p> | Section 17 |
| <p>HOW DO I MAKE A COMPLAINT ABOUT PINNACLE INSURANCE PLC OR MY MORTGAGE PAYMENT PROTECTION?</p> <p>If you have a problem with the service you receive, you can write to the:</p> <p>Customer Relations Manager, Cardif Pinnacle Pinnacle House, A1 Barnet Way, Borehamwood, Hertfordshire WD6 2XX</p> <p>If we cannot resolve your complaint to your satisfaction you may be entitled to complain to the Financial Ombudsman Service.</p> | Section 18 |