

## Mortgage Payment Protection Insurance (MPPI)

### What is Mortgage Payment Protection Insurance (MPPI)?

Your mortgage is probably the largest financial undertaking that you will ever commit yourself to, alongside which you will have regular mortgage related monthly commitments for Life and Home Insurance. During the period of your mortgage and other financial commitments your personal circumstances could change many times, likewise so could economic circumstances outside your control.

This MPPI policy will give you confidence and peace of mind in the knowledge that these commitments will be met, should you be unable to attend work due to Accident or Sickness or if you should become Unemployed. The cover provides payments until you are able to return to work, up to a maximum of twelve months per claim for Unemployment and/or Disability (Accident or Sickness), (depending on the cover you selected).

**The information below is only a summary of your insurance and does not contain the full policy terms and conditions. Please refer to the Policy Document for full details of the cover provided a copy of which is available on request.**

#### 1. Who Provides Your Insurance Policy?

The insurance for Unemployment and/or Disability (Accident or Sickness) is underwritten by Financial Insurance Company Limited registered in England No:1515187 Financial Insurance Company Limited is limited by shares and its registered offices are Building 11, Chiswick Park, Chiswick High Road, London, W4 5XR.

#### 2. Who Is Eligible For MortgageLIFELINE™?

You can apply for this insurance if at the start date you;

- have a mortgage on your main UK home, which is not in arrears;
- are aged between 18 and 64 and are permanently resident and working within the UK, Channel Islands or Isle Of Man;
- are actively working in employment, or self-employment, for more than 16 hours per week and have been so for the previous 6 months during which time you have not been registered as unemployed with the appropriate Government agency. You cannot obtain this insurance if your work is of a temporary, casual or seasonal nature.

#### 3. When Do Premiums Become Payable?

There is an initial period of three months from the policy start date during which you do not pay any premium, known as the payment holiday. Once this initial payment holiday has passed you must pay the premium every month via the direct debit mandate set up by you to continue the insurance (as this policy is a monthly renewable policy). If you fail to make any payments, your policy will be cancelled. You must continue to make your monthly premium payments during any period of claim, otherwise your claim may not be paid.

#### 4. What Cover Do You Receive?

##### Type Of Cover Available

The following policy levels are referred to in this document:

- |                |   |  |
|----------------|---|--|
| Policy Level 1 | - | Disability (Accident or Sickness) and Unemployment |
| Policy Level 2 | - | Disability (Accident or Sickness) only             |
| Policy Level 3 | - | Unemployment only                                  |

##### How Much Can You Insure?

You can insure your regular monthly mortgage payments as well as up to a further 25% to cover other expenses, such as insurance premiums, public utility bills (Gas, Water, Electric) etc. The most you can insure is your regular monthly mortgage payments plus 25%, up to a maximum of £1,500 per month.

##### Back to Work Service

Should you become unemployed you can take advantage of the extensive 'Back to Work' service provided by Working Transitions. Benefits include;

- full CV production and career counselling
- access to jobs databases and research facilities
- interactive web site and telephone support
- full job search manual, containing advice, templates and techniques to help find alternative work

#### 5. How Long Am I Covered For?

Your policy is for one month at a time and is automatically renewed every month until:

- it is cancelled; or
- your mortgage agreement ends; or
- you miss paying three continuous monthly premiums; or
- you reach 65 years of age or you permanently retire; or
- you die

whichever happens first.

The benefit period under the policy is for a maximum of 12 months for any one claim.

#### Disability (Accident or Sickness)

If you make a disability claim, you will not be able to make a new disability claim until you have been in continuous work for:-

1 month if the disability is different; or 6 months if the disability is the same.

However, if you return to work for less than 3 months and then make a new claim under the same policy level (1, 2 or 3 – see above) the new claim will be treated as an extension of the existing claim and you will only be able to claim benefit for a period not exceeding 12 months of the two periods combined.

#### Unemployment

If you have been in receipt of benefit under this policy and then return to work, you can make a completely new claim (receiving up to a further 12 months benefit) if you were working for at least 6 months between claims. If you returned to work for less than 3 months and then make a new claim under the same policy level (1, 2 or 3 – see above) the new claim will be treated as an extension of the existing claim and you will only be able to claim benefit for a period not exceeding 12 months of the two periods combined.

#### 6. Your Circumstances – Keeping Us Informed

Your cover may be affected should your personal circumstances change. To ensure this policy continues to meet your needs please regularly review your needs and contact us at Financial Insurance Company Limited, Building 11, Chiswick Park, Chiswick High Road, London, W4 5XR should you need to make any changes to your policy cover, quoting your policy number.

#### 7. What Cancellation Period Is There?

If you are not satisfied with your cover please write to us at Financial Insurance Company Limited, Building 11, Chiswick Park, Chiswick High Road, London, W4 5XR within 30 days of the start date. We will then cancel your cover from the start date without charge. If you do not cancel your policy within 30 days of the start date your policy will remain in force and may then only be cancelled by you or by us, each giving the other 30 days notice in writing. We will not refund any of your monthly premium if notice to cancel is received after 30 days from the start date of your policy. In the event of a claim, you must continue to pay your premiums. If you cancel the policy or default on any monthly payments, this will result in your claim not being paid.

#### 8. What Are The Significant Features And Benefits Of This Policy?

##### Disability (Accident & Sickness) Benefit (Available under Policy Levels 1 & 2)

If you are unable to work as a result of a disability (Accident or Sickness) you can claim for the policy benefit subject to the policy exclusions and conditions (see section 9 below). Please note:

- This cover is available if you are aged 18 years of age or over but under 65 years of age and you are working for a minimum of 16 hours per week when you apply.
- The benefit is calculated on the basis of 1/30th of the monthly benefit

for each day you are unable to work and is paid monthly in arrears (see also section 11 below "When does a claim get paid").

- A monthly benefit is payable until either the end date of the policy or you return to work or 12 monthly benefits are paid under any one disability claim - whichever occurs first.

### **Unemployment Benefit (Available under Policy Levels 1 & 3)**

If you permanently lose your employment or stop being self employed through circumstances entirely beyond your control you can claim for the policy benefit subject to the policy exclusions and conditions (see section 9 below). Please note:

- This cover is available if you are aged 18 years of age or over but under 65 years of age and you are working for a minimum of 16 hours per week when you apply.
- Cover applies to PAYE, contract workers and self employed persons. There are restrictions to cover for the self employed and contract workers, see section 9.
- The benefit is calculated on the basis of 1/30th of the monthly benefit for each day you are unable to work and is paid monthly in arrears (see also section 11 below "When does a claim get paid").
- A monthly benefit is payable until either the end date of the policy or you return to work or 12 monthly benefits are paid under any one unemployment claim - whichever occurs first.

### **Temporary Work**

If you become unemployed and submit a successful claim for unemployment benefits under this policy, and you wish to start temporary work which is for a period of less than 6 months, this will not effect your entitlement to benefits under the policy, however during that period your claim will be suspended.

### **Carers**

If you become unemployed as a result of becoming a carer we will consider an unemployment claim if you can provide evidence that you are in receipt of carers allowance.

### **9. What Are The Significant Or Unusual Exclusions And Limitations Of This Policy?**

As with most insurance policies, exclusions and limitations apply – the list provided is not exhaustive, but highlights exclusions and limitations which may be considered significant.

### **Disability (Accident & Sickness) Benefit (Applies to Policy Levels 1 & 2)**

We will not pay you benefits under a disability claim for any disability arising from;

- any pre-existing medical condition;
- back conditions unless there is radiological evidence of abnormality;
- mental conditions including stress unless diagnosed by a consultant;
- normal pregnancy and childbirth;
- chronic conditions;
- any disability resulting from war;
- cosmetic surgery;
- self-inflicted injuries;
- drug or alcohol abuse;
- the disability (accident & sickness) occurs within 30 days of the start of the policy.

You may be asked to provide ongoing evidence in support of your continuing disability on a monthly basis.

**Please refer to section 3 of the policy document for full details of exclusions under this cover.**

### **Unemployment Benefit (Applies to Policy Levels 1 & 3)**

We will not pay you benefits under an unemployment claim if

- you are aware of any pending unemployment;
- the unemployment occurs within 30 days of the start of the policy if your mortgage is arranged at the same time as the purchase of a new property, or 120 days of the start date if you have an existing mortgage;
- you resign or you take voluntary unemployment;
- you are receiving payment in lieu of notice;
- you are dismissed as a result of misconduct or failure to reach performance or sales targets;
- you are self employed, no benefit will be paid unless you can demonstrate that the business ceased to trade beyond your control;
- you are a contract worker, when your fixed term contract expires. This section will NOT apply if you were with the same employer for a continuous period of at least 24 months, or for a minimum of 12 months and your contract was renewed;
- you are imprisoned;
- your unemployment is a result of war;
- your work is seasonal, casual or temporary.

**Please refer to section 3 of the policy document for full details of exclusions under this cover**

You may not receive monthly benefits if you are unable to provide ongoing necessary documentation in support of your unemployment on a monthly basis. You must be registered as being unemployed and available for work – see section 4 of the policy document for full details.

### **10. What To Do If You Want To Make A Claim**

You should contact us at Financial Insurance Company Limited, Building 11, Chiswick Park, Chiswick High Road, London, W4 5XR or telephone us on 0870 600 1260 to request a claim form

### **11. When does a claim get paid?**

The period of time you will have to wait before you can start to receive any claims benefit will depend on the cover you choose;

#### **Option One – Back To Day One**

To qualify for claims benefit under this option, your claim for Unemployment or Disability (Accident & Sickness) must last for at least 30 consecutive days. On the 31st day of continuous Unemployment or Disability, subject to normal claims rules being satisfied, we will pay an amount equal to one monthly benefit backdated to the first day of your claim. Thereafter, we will pay monthly in arrears 1/30th of the monthly benefit for every day you remain continuously Unemployed or Disabled until you return to work, the maximum benefit period is reached, you fail to meet the criteria to continue your claim, or the policy is cancelled by you.

#### **Option 2 – Excess Period**

To qualify for claims benefit under this option, your claim for Unemployment or Disability (Accident & Sickness) will not be considered until after the excess period has finished. On expiry of the excess period, we will consider your claim. We will pay monthly in arrears 1/30th of the monthly benefit for every day you remain continuously Unemployed or Disabled until you return to work, the maximum benefit period is reached, you fail to meet the criteria to continue your claim, or the policy is cancelled by you.

### **12. What To Do If You Want To Make A Complaint**

We set ourselves high standards, but if you are not satisfied with our service please tell us. If you follow the procedure set out below, we will deal with your complaint in the most efficient way possible.

In the first instance, please contact The Company Secretary, Financial Insurance Company Limited, Building 11, Chiswick Park, Chiswick High Road, London, W4 5XR.

Alternatively you can telephone Financial Insurance Company Limited on 0870 400 4870 to have your call directed to an appropriate person. You should give details of the policy number or claims reference number to help you with the speedy handling of your enquiry.

After this action, if you are still not happy or the problem has not been resolved to your satisfaction, you may refer it to:

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

Telephone 0845-080-1800.

If you complain it will not affect your legal rights.

### 13. Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit. Further information about compensation scheme arrangements are available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk) or by telephoning 0207 892 7300.

### 14. Enquiries And Assistance.

This policy is arranged exclusively by Berkeley Alexander Ltd, who are authorised and regulated by the Financial Services Authority. If you require any further information regarding **MortgageLIFELINE™**, or you would like a copy of the full insurance terms and conditions, you should either contact the advisor who recommended this contract or contact:

Berkeley Alexander LTD, Temple House, 25-26 High Street, Lewes, East Sussex, BN7 2SD

Telephone: 01273 477784

during Monday to Friday 9am to 5pm

Please note that for training and record keeping purposes we may monitor or record calls.

Fax: 01273 478994

E-mail: [info@baonline.co.uk](mailto:info@baonline.co.uk)