



Mortgage ESSENTIALS™

Back-to-day one
or Excess Periods

Mortgage Payment
Protection Insurance

Age banded
'fair'
premiums

Including an exclusive
'Back-to-Work'
assistance package

For new and existing
mortgage borrowers

Cover for those
switching from
another ASU/MPPI
Policy



Who needs mortgage payment protection insurance (MPPI)?

Simply consider the following information:

Key Considerations

- Today in Britain there are over 1,400,000 unemployed people. (Intl Labour Organisation June 2004)
- Over 860,000 people are receiving Jobseekers Allowance (Office for National Statistics 2004)
- Over 3,000,000 are claiming sickness or disability benefits - most claiming for more than a year. Of these nearly 1,500,000 have been claiming for more than 7 years - with 25% of them suffering from stress, depression or other mental health problems. (Dpt of Health Statistics 2002/3)
- The number of economically inactive people has increased to more than 7,800,000. (Intl Labour Organisation June 2004)
- The number of manufacturing jobs are at their lowest since 1978 with only 3,380,000 being employed. (Telegraph June 2004)

How will MortgageESSENTIALS™ help you?

Consider the following benefits:

- You must have a mortgage to be insured under MortgageESSENTIALS™. It is designed to cover your monthly mortgage repayment plus up to 25% of your mortgage payment as additional cover to pay for your other expenses.
- Important 'Back-to-Work' assistance
- Highly competitive age banded options including 30 days excess and back to day one options.
- Benefits are payable for 12 months (see premium charts).
- Choose either unemployment only cover, or disability (accident and sickness) only cover, or both combined.
- The self-employed, are covered if their business ceases to trade. see section 2 ('who is eligible for MortgageESSENTIALS™').
- Tax free benefits.
- No premium loading on the basis of age, gender, occupation or smoking habits.

What is Mortgage Payment Protection Insurance?

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 Disability (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 Disability (Accident or Sickness) and/or Unemployment (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, High Road, London, W4 5XR

2. Who Is Eligible For MortgageESSENTIALS™?

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.

Switching cover from another insurer

If you transfer your cover from another insurer, we will waive the 120 day initial exclusion period for unemployment and you will be treated as a new borrower with an initial exclusion period of 30 days, providing your previous insurance has been in force for at least 6 months and you have never made a claim under your previous insurance.

- You must cancel the existing policy once cover has commenced under MortgageESSENTIALS™. We would recommend that you cancel the existing policy one month after the inception of this insurance to ensure you are fully covered during the change over period.
- In the event of you submitting a claim during the first 120 days of MortgageESSENTIALS™, you will be asked for evidence of your current cover before the claim can be considered. If you are unable to provide such evidence, you will be treated as an existing borrower for the purposes of the initial exclusion period. You will be asked for a number of items of documentation, including (but not limited to)
 - A copy of the current schedule of insurance showing the insurer, sum insured and level of cover
 - Proof that the policy has been in force AND you have been paying a premium to the insurer for more than 6 months (if you have benefited from a free period or discounted period, you cannot transfer the cover until you have paid a minimum of 6 months premium at the full premium level)
 - You have not submitted a claim to the current insurer within 6 months prior to the inception of MortgageESSENTIALS™

3. When Do Premiums Become Payable?

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. You will receive a letter once the policy is set up detailing the amount of each payment and when it becomes payable. At the start of your insurance plan there may be a delay in setting up your Direct Debit mandate. In such an instance we will collect two amounts at the start of the second month and then one amount each month thereafter. We will advise you of this by letter.

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

MortgageESSENTIALS™ monthly premium rates for Combined Unemployment and Disability Cover or Unemployment only or Disability only

Combined Unemployment and Disability (Accident and Sickness)
Monthly Premiums for 30 days back to day 1 (Option 1) see key facts Section 11

Age	Per £100 Monthly Benefit	Per £500 Monthly Benefit
18-24	£2.30	£11.50
25-29	£2.69	£13.45
30-34	£3.25	£16.25
35-39	£3.79	£18.95
40-44	£4.55	£22.75

Continued overleaf.

Monthly Premiums for 30 days excess (Option 2) see key facts Section 11

Age	Per £100 Monthly Benefit	Per £500 Monthly Benefit
18-24	£1.93	£9.65
25-29	£2.25	£11.25
30-34	£2.71	£13.55
35-39	£3.15	£15.75
40-44	£3.78	£18.90

Unemployment Only OR Disability (Accident and Sickness) Only

Monthly Premiums for 30 days back to day 1 (Option 2) see key facts Section 11

Age	Per £100 Monthly Benefit	Per £500 Monthly Benefit
18-24	£1.28	£ 6.40
25-29	£1.68	£ 8.40
30-34	£2.12	£10.60
35-39	£2.66	£13.30
40-44	£3.34	£16.70

Monthly Premiums for 30 days excess (Option 1) see key facts Section 11

Age	Per £100 Monthly Benefit	Per £500 Monthly Benefit
18-24	£1.04	£ 5.20
25-29	£1.37	£ 6.85
30-34	£1.72	£ 8.60
35-39	£2.16	£10.80
40-44	£2.72	£13.60

Maximum Benefits are Monthly Mortgage Repayment PLUS up to 25% for additional protection up to the Policy Limit of £1,500

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, 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, 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) and as a result your income ceases (other than Statutory Sick Pay) 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.

For full details of the benefits and features of this cover, please refer to Section 2A in the policy document.

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 below).
- 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.

For full details of the benefits and features of this cover, please refer to Section 2B in the policy document.

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; - this is a condition, whether diagnosed or not, which before the start date you knew about or should reasonably have known about, or you have seen or arranged to see a doctor about in the last 24 months. Claims will be accepted however if you have been symptom free and have not consulted a doctor or received treatment for the condition in the 24 months prior to claim (if you have had appointments to see a doctor within this period and these were not kept, the exclusion will apply unless you have been formally discharged);
- back conditions unless there is radiological evidence of abnormality;
- mental conditions including stress unless diagnosed by a consultant;
- chronic conditions; - this is a condition with at least one of the following characteristics: - it continues indefinitely; - it is constant and is controlled rather than cured; - it has symptoms which happen repeatedly and have needed consultation, treatment or care in the past; - it needs long term monitoring or treatment, consultation, check-ups, examinations or tests;
- any disability resulting from war;
- 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 if you are switching cover from another policy, see section 2, "Switching cover from another insurer"), or 120 days of the start date if you have an existing mortgage;
- 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;
- your unemployment is a result of war;
- your work is seasonal, casual or temporary.

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.

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

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

You should contact us at Financial Insurance Company Limited, Building 11, Chiswick Park, 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, 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 or by telephoning 0207 892 7300.

Application Form

- To apply for **MortgageESSENTIALS™**, complete this Application Form in BLOCK CAPITALS using a ball point pen (blue or black ink).
- MortgageESSENTIALS™** is underwritten by Financial Insurance Company Limited.
- Insurance begins when Financial Insurance Company Limited has accepted your application and confirmed this to you in writing.
- You must give full and true answers to all questions. If you do not do so, your insurance cover may not protect you in the event of a claim.
- You should keep a record of all information supplied to Financial Insurance Company Limited (including copies of correspondence).
- A copy of the Application Form can be supplied on request within a period of 3 months after its completion.
- A copy of the policy terms and conditions are available on request.

Applicant Details

Title	Applicants Name (Initials, Surname)	Sex M / F
<input type="checkbox"/>	<input type="text"/>	<input type="checkbox"/>
Occupation	Telephone No. (daytime)	Date of Birth (date/month/year)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Mortgage Address (Where the policy is to be sent)		
<input type="text"/>		
<input type="text"/>		
<input type="text"/>		
Postcode		
<input type="text"/>		

Policy Details

What type of cover do you require?	Disability & Unemployment <input type="checkbox"/>	Disability only cover <input type="checkbox"/>	Unemployment only cover <input type="checkbox"/>
What type of wait period do you require?	Back to day one <input type="checkbox"/>	30 day excess <input type="checkbox"/>	
What date would you like cover to start?	<input type="text"/>	(Under no circumstances can cover be backdated)	
Mortgage Account No:	<input type="text"/>		
(A) Enter your monthly mortgage benefit here (Maximum benefit is your actual monthly mortgage repayment)	£	<input type="text"/>	<input type="text"/>
(B) Additional Cover (Maximum of 25% of your mortgage repayment)	£	<input type="text"/>	<input type="text"/>
(C) Add the total of your benefits together (A + B = Total monthly benefit) (Maximum of both A & B combined cannot be more than £1,500 per month)	£	<input type="text"/>	<input type="text"/>
(D) Enter the premium rate for Applicant	£	<input type="text"/>	<input type="text"/>
(E) Calculate your monthly premium using the formula (C x D ÷ 100) Insurance Premium Tax (IPT) has been added onto the premium and will be amended in line with any Government changes	£	<input type="text"/>	<input type="text"/>

Eligibility for cover

Are you aged 18 years of age or over but under 65 years of age at the start date of the policy?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Are you actively working in the United Kingdom, Channel Islands or Isle of Man for at least 16 hours a week?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Have you at any time during the past 6 months been registered as unemployed?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Are you named on the mortgage application?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

If you have ticked any of the shaded boxes above, please supply details in the further information box below.

Any material information regarding existing health conditions or possible future unemployment must be disclosed to Financial Insurance Company Limited for approval.

Further information

Declaration

Customer declaration

I hereby authorise the administrator of the insurance policy to deduct the appropriate premium from my bank account by direct debit.

Further I agree that this application shall form part of the contract of insurance. I have been referred to all parts of this form which contains premium details and eligibility criteria and summary terms and conditions of the policy. I note that I should keep a copy of this application form and a record of all information supplied by me for the purposes of this proposal. A copy of this application is kept by the administrator and a copy will be provided to me on request.

Data Protection Act

You should understand and give explicit consent that the sensitive health and other information you provide about yourself and others in your party will be used by Financial Insurance Company Limited, its agents and its associated companies, other insurers, regulators, industry and public bodies (including the police) and agencies to process this insurance and any other insurance, handle claims and prevent fraud. This may involve the transfer of such information to other countries (including those which have limited or no data protection laws). Financial Insurance Company Limited have taken steps to ensure that your information is held securely.

To the agent

Please confirm the above declaration has been read and understood by the customer and is in full agreement with the above declarations and Data Protection Information.

Please note: Your insurance will be based upon the information you provide to the insurance company and you must ensure that all such information is complete and accurate. Any facts that may influence the insurers' decision to accept and pay a valid claim must be disclosed.

Failure to disclose material information may invalidate your insurance cover and could mean that part or all of a claim may not be paid.

Customer's signature:

Date:

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Agent Reference Number

Agent Stamp

What to do next

- Please detach the application form from the key features document
- Please ensure you have completed and signed the relevant sections of the application form
- Please ensure that you have completed and signed the Direct Debit Mandate
- Please forward the completed documents to Berkeley Alexander Ltd at the address shown below:



**Berkeley Alexander Ltd, Temple House,
25-26 High Street, Lewes, East Sussex. BN7 2SD
Tel: 01273 477784 email: info@baonline.co.uk**

Direct Debit Mandate



Instructions to your Bank or Building Society to pay by Direct Debit

Please complete the form below in full and return this along with the completed proposal form to: Berkeley Alexander Insurance Services, Temple House, 25-26 High Street, Lewes, East Sussex. BN7 2SD

1. Name and full postal address of your Bank or Building Society branch

To the Manager	Bank/Building Society
Address	
Postcode	

2. Name(s) of Account Holder(s)

3. Bank/Building Society account number

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4. Branch Sort Code (from the top right hand corner of your cheque)

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Banks and Building Societies may not accept Direct Debit Instructions for some types of account

Originators Identification Number

4	0	1	1	9	6
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5. Reference Number to be completed by Originator

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Instruction to your Bank or Building Society

Please pay Financial Insurance Group Services Limited Direct Debits from the account detailed in this instruction subject to the safeguards assured by the DirectDebit Guarantee.

I understand that this instruction may remain with Financial Insurance Group Services Ltd. and, if so, details will be passed electronically to my Bank/Building Society.

Signature(1)

Signature(2)

Date



This guarantee should be detached and retained by the payer



Direct Debit Guarantee



This Guarantee is offered by all Banks and Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the Scheme is monitored and protected by your own Bank or Building Society.

If the amounts to be paid or the payment dates change Financial Insurance Group Services Limited will notify you 10 working days in advance of your account being debited or as otherwise agreed.

If an error is made by Financial Insurance Group Services Limited or your Bank or Building Society, you are guaranteed a full and immediate refund from your branch of the amount paid.

You can cancel a Direct Debit at any time by writing to your Bank or Building Society. Please also send a copy of your letter to us.