



Payment Protection Plus

Your Payment Protection Plus insurance policy summary

Payment Protection Plus Policy Summary

This is a summary of the cover that your Payment Protection Plus insurance policy provides. It does not contain the full terms and conditions of your Payment Protection Plus insurance policy, which can be found in your policy document.

Who are the insurers?

The Payment Protection Plus insurance policy is underwritten by Lloyds TSB General Insurance Limited on a monthly renewable contract and will continue unless cancelled.

What is Payment Protection Plus insurance?

Payment Protection Plus insurance is optional and not a condition of taking out your C&G mortgage. It may enable you to meet your monthly mortgage repayments in the event of an accident, sickness, or unemployment and may also provide you with a cash sum.

Please note: You are not able to transfer this insurance policy to cover a mortgage with another provider. If your circumstances change at any time it is important that you contact Lloyds TSB General Insurance Ltd so that they can assess your insurance needs. We recommend that you review your cover at least once a year to ensure it is adequate.

How will my Payment Protection Plus insurance premium be calculated?

The premium for your Payment Protection Plus insurance policy is 50p for every £1,000 of the opening balance of your mortgage agreement(s) (including 5% Insurance Premium Tax) and is charged on a monthly basis.

Are you eligible?

You are eligible for this policy if, on the date you sign your proposal form, all of the points below apply to you:

- You are aged 18 or over but under 65 years.
- You are resident in the UK.
- You are in employment.
- You are employed for 16 hours or more per week.
- You signed your agreement as a private individual and not as a business.
- You reside or intend to reside in the property to which the agreement relates.*
- None of the points opposite apply to you.

You are not eligible for this policy if, on the date you sign your proposal form, any of the points below apply to you:

- You are employed for less than 16 hours per week, or
- You are unemployed, or
- You are absent from work due to accident or sickness, or
- You are letting the property to which the agreement relates, or
- Your property is used as a second home or holiday home.

Please note: The maximum amount of insurance cover available under this Payment Protection Plus insurance policy is £350,000. This can be for a single agreement of £350,000 or for multiple agreements up to the value of £350,000.

* If you do not reside in the property and are acting as a guarantor, you can apply for Payment Protection Plus insurance in the place of the mortgage holder, provided certain conditions are met. Please refer to the eligibility section on page 5 of the policy document for details.

Significant features and benefits

Continuous cover

Where you had your mortgage and mortgage payment protection insurance policy with another provider or you already had a mortgage payment protection insurance policy through Lloyds TSB or C&G, you may be eligible to benefit from Continuous Cover. For further information please refer to the 'Continuous Cover' section on page 23 of your policy document.

Accident or sickness cover

If, during the term of your Payment Protection Plus insurance policy you are off work due to an accident or sickness for more than 60 consecutive days, you could claim against this cover.

Unemployment cover

If, during the term of your Payment Protection Plus insurance policy, you are off work due to unemployment for more than 60 consecutive days, you could claim against this cover.

- If you have voluntarily left employment to become a carer, please refer to the 'What if I become a carer?' section on page 16 of your policy document.

Please note: If you take part-time or temporary employment during or after the 60 day waiting period, please refer to the 'How we calculate your maximum entitlement to benefit' section on page 20 of your policy document to see how this could affect your eligibility to claim.

This cover provides a monthly benefit equal to:

- The minimum monthly mortgage payment for each of your separate loan agreements which are covered by Payment Protection Plus, and
- Your home insurance premium if you arranged the insurance through C&G or Lloyds TSB in connection with your mortgage
- Plus, if together these total less than £1,300 per month, you will also receive an additional cash benefit. The additional cash benefit is worked out as £3 for every £1,000 of your original mortgage balance.

Please note: If you qualify for the additional cash benefit, the most you will receive in total to cover your monthly mortgage payment, your home insurance premium and the additional cash benefit is £1,300 per month.

If your minimum monthly mortgage payment and home insurance premium together total more than £1,300 they will be covered in full but there will be no additional cash benefit.

Please note: No monthly benefit will be paid for any period of unemployment, accident or sickness before the completion date of the purchase of the property.

If you wish to claim between the date that you sign your proposal form and the completion date of your mortgage and your claim is covered under the policy terms and conditions, your monthly benefit will be calculated from the 61st day following completion.

Please refer to the 'Your eligibility' section for Accident or Sickness Cover on page 10 and Unemployment Cover on page 15 of your policy document to see if you can claim.

How we calculate your monthly benefit

If you have a joint agreement, the monthly benefit will be apportioned in line with the percentage of mortgage costs that you have chosen to insure. If you amend the percentage of mortgage costs that you have chosen to insure and a claim is pending, your monthly benefit will be calculated on the preceding benefit apportionment.

Please note: If a claim against your additional borrowing is declined, your benefit for the purpose of your claim will be calculated on your monthly benefit immediately prior to the related additional borrowing, if eligible.

Making future accident or sickness claims

Once you have received the maximum of 12 monthly accident or sickness benefit payments and you wish to claim for:

- the same or related accident or sickness, you will need to have been back in employment for 16 hours or more per week for at least six consecutive months prior to your claim, or
- a different period or unrelated accident or sickness, you will need to have been back in employment for 16 hours or more per week for at least one month prior to your claim.

Making future unemployment claims

You can receive a maximum of 12 monthly unemployment benefit payments in one claim. After that, you need to have been back in employment for at least 16 hours or more a week for six consecutive months before making a new claim.

No more than 12 monthly benefit payments will be paid for any one claim or a combination of claims.

What am I not covered for?

There are certain situations that you are not covered for. For example, anything you already know about when you sign your proposal form, or which is caused by illegal or deliberate acts on your part. The significant and unusual exclusions are set out below.

There may be other exclusions that are relevant to you so you need to check the exclusions sections of your policy document for a full list.

You will not be covered for accident or sickness:

- lasting for 60 complete and consecutive days or less
- due to any pre-existing condition (for a full explanation of pre-existing conditions, please refer to the definition of a pre-existing condition on page 4 and to the pre-existing exclusion on page 11 of your policy document).

Please refer to your policy document for full details, in particular:

Accident or Sickness cover, page 10.

You will not be covered for unemployment:

- if you have not been employed for at least 16 hours or more per week and have not been paying the correct tax and National Insurance contributions immediately prior to your claim
- if you have not been continuously employed for at least 16 hours or more per week for a minimum period of six months either on the date that you signed your proposal form or during the term of your Payment Protection Plus insurance policy
- lasting for 60 complete and consecutive days or less
- where you are being paid in lieu of notice
- is a normal seasonal occurrence in your employment, or
- which results from the end of a fixed-term contract, unless certain conditions are met (please refer to the unemployment exclusions on page 16 of your policy document for full details)

- which you were aware of or should have reasonably known about when you signed your proposal form whether or not you had received official notice
- that commences during the first 60 days immediately following the date you sign your proposal form, or 90 days if the date you sign your proposal is later than the completion date of your agreement.

Please note:

- You must be meeting the Jobseeker's Agreement. Where you are ineligible you must be able to provide ongoing alternative evidence acceptable to the insurer that you are unemployed and actively seeking work of at least 16 hours or more per week.
- If you are self-employed and you own your own company as a sole trader or partner in a partnership and are able to control the affairs of the company, you will not be covered for unemployment unless you have involuntarily ceased trading because you could not find enough work to meet all your reasonable business and living expenses and have declared this to HM Revenue & Customs.

Please refer to your policy document for full details, in particular:

Unemployment cover, page 15.

How long will my policy last?

Your Payment Protection Plus insurance policy will start on the date you sign your proposal form. Cover for any additional borrowing will start on the date you sign your proposal form for the related additional borrowing.

The cover provided by this Payment Protection Plus insurance policy and all benefit payments will end, if any of the following happen:

- You reach the age of 65
- You retire from employment
- Your agreement ends
- Your house is repossessed as a result of a Court Judgment made in respect of your obligations under the agreement
- You decide to let the property to which the agreement relates
- You decide to use your property as a second home or a holiday home
- You make a claim under this Payment Protection Plus insurance policy which is fraudulent or intended to mislead the insurer (they will be entitled to recover any benefit paid or costs incurred)
- You signed this agreement as a guarantor for the mortgage and you no longer have guarantor status
whichever is the earliest.

The cover provided by this Payment Protection Plus insurance policy will end if:

- Your premium has remained unpaid for 21 consecutive days
- You cancel this insurance at any time following the expiry of your statutory cooling off period
- This insurance is cancelled by the insurer giving you 30 days' written notice.

What would happen if I take out cover and then change my mind?

If you decide that you don't want your Payment Protection Plus insurance policy or it doesn't meet your needs, your money will be refunded in full, provided a claim hasn't been made and settlement terms agreed.

All you need to do is write to: Lloyds TSB General Insurance, 21 Perrymount Road, Haywards Heath, West Sussex RH16 3TP within 30 days of receiving your policy document or the completion date of your mortgage, whichever the later. The contract between you and Lloyds TSB General Insurance Limited will then be treated as if it had never happened.

If you do not exercise your right to cancel within this 30 day period, your policy will continue in force.

There will be no refund of premiums if the policy is cancelled outside of this period.

Claims and complaints

How do I make a claim?

To register your claim call 01444 456545.

How do I make a complaint?

If you have a complaint regarding your Payment Protection Plus insurance policy, you should contact Customer Care, Lloyds TSB Insurance, Tredegar Park, Newport, South Wales NP10 8SB.

Alternatively, call 0845 300 5599, email* customer.care.insurance@lloydstsb.co.uk or fax 01633 468835.

Should you remain dissatisfied, you have the right to refer your complaint to The Financial Ombudsman Service (FOS), South Quay Plaza, 183 Marsh Wall, London E14 9SR. Alternatively, call 0845 080 1800.

If you do contact the FOS, your actions will not affect your legal rights.

* Please be aware that we cannot be held responsible for the security of any personal data sent via email.

Would I receive compensation if the insurer were unable to meet its liabilities?

The insurer is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if the insurer cannot meet its obligations. This depends on the type of business and circumstances of the claim and would provide cover 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 is available from the FSCS. Contact them at www.fscs.org.uk or call them on 020 7892 7300.

General policy conditions

Insurer

The Payment Protection Plus Insurance policy is underwritten by Lloyds TSB General Insurance Limited. Authorised and regulated by the Financial Services Authority (FSA) and their main business is insurance.

Lloyds TSB General Insurance Limited is registered in England (Company No. 204373): 25 Gresham Street, London EC2V 7HN.

FSA registered No. 202091.

Choice of law

Unless agreed otherwise, English law will apply to your Payment Protection Plus insurance policy.

Language

The language used in your policy document and any communications relating to it will be English.

Telephone call costs, call recording and call monitoring

The cost of calls to 01444 numbers may vary depending on your service provider. These charges may differ if calling from a mobile. Please note that telephone calls may be recorded and/or monitored.

Please note:

- Lloyds TSB General Insurance Limited will provide cover during the period of your Payment Protection Plus insurance policy according to the terms set out in the policy document in return for payment of the premium.
- Your policy cannot be transferred or the benefits legally given to anyone else.

Alternative formats

The information within this document is available in alternative formats such as Braille, audio tape, large print and CD ROM. Please call 0845 3000 110 if you wish to receive it in one of these formats and we will be happy to help.

Lloyds TSB General Insurance Limited

Registered office: 25 Gresham Street, London EC2V 7HN.
(Company no. 204373).

Lloyds TSB Bank plc

Registered office: 25 Gresham Street, London EC2V 7HN.
(Company no. 2065).

Cheltenham & Gloucester plc

Registered office: Barnett Way, Gloucester GL4 3RL.
(Company no. 2299428).

Cheltenham & Gloucester plc, Lloyds TSB Bank plc and LTSB General Insurance Limited are all authorised and regulated by the Financial Services Authority.

Lloyds Bank plc is a signatory to the Banking Codes.