

Guide to Income Protection



► Contents

About The Exeter	4
Why income protection?	5
Key product benefits	6
Our products	8
Comprehensive protection	9
Simple protection	14
Quote and apply	16
Claims overview	19
Membership benefits	21
Further information	22

Welcome to Income Protection by The Exeter

Injury or illness can strike at any time and can lead to serious financial trouble.

By choosing income protection, you're choosing to take away the worry of how to support your finances and lifestyle if you were left unable to work from ill-health or injury.

By choosing The Exeter, you're in the safe hands of a mutual insurer that combines market-leading cover with an efficient, personal service.

Protect tomorrow today.



About The Exeter

At The Exeter, we're proud of the income protection plans we offer and the vital, life changing cover they have provided our members over the years.

With over 100 years experience, we know how important it is to get not only our products right, but our service right too.

- ✔ **We simplify** where other insurers complicate. We know you need to understand and believe in your policy.
- ✔ When you call The Exeter, **you talk to a real person** at our UK office, first time, every time.
- ✔ We provide **membership benefits** that give you access to primary care services and expert medical advice.
- ✔ **We paid 94% of income protection claims** in 2014. We were the first provider to publish our statistics; we think it's only right you know how often we deliver.
- ✔ We're consistently recognised in the industry for our product and **service excellence**, winning numerous awards.



Why income protection?

Your income pays for all your outgoings, from essential bills to luxury items. How long could you continue these payments for if you were unable to work?

140 million working days lost to sickness absence every year

(Gov.uk, 2011)

One in three of us have experienced a shock to our finances in the past five years

(Money Advice Service 2015)

2.2 million people of working age will be off work for at least 6 months due to ill health

(Cover Magazine 2015)

300,000 people fall out of work each year and into the welfare system because of health-related issues

(Gov.uk 2014)

Income protection pays you a regular monthly benefit when you are unable to work as a result of illness or injury.

- ▶ It's flexible and allows you to buy cover that works with your current sick pay arrangements through your employer
- ▶ It provides a tax free benefit for you to spend how you want, covering essential bills like your mortgage, rent and much more
- ▶ It's a long term policy that protects you for your whole working life - some claims can be paid for decades.

Key product benefits

As a specialist income protection provider, our range of quality products cover almost all occupations simply and cost effectively.

Here are just some of the benefits that you can secure when you protect yourself with a policy from The Exeter.

► Day 1 cover

Our comprehensive income protection plans give you the option to receive an income from the first day you are ill or injured if it keeps you off work for 3 days or more. This is great if you are self-employed or have no sick pay as you don't have to wait weeks until you can claim.

We also offer a wide range of longer waiting periods from 1 week to 1 year.

► Own occupation

We only ever assess claims against your own occupation, regardless of what you do for a living and how long a claim lasts. With other insurers, it isn't always this simple.

► Benefit fix

Our comprehensive products offer a benefit fix option that provides valuable reassurance if your income changes regularly and makes claiming easier.

With this option, in the event of a claim we will pay you up to 50% of your personal taxable income as a fixed benefit without requiring any further financial evidence.

► Claim periods

Our comprehensive plans offer a long term claim period as standard that could pay you benefit until your chosen finishing date. If that doesn't suit your budget, our Pure Protection product offers a Limited Claim Period of 2 years for each individual claim, providing valuable protection at a lower cost.

► Choose your premium type

With our comprehensive Income One product, you can choose premiums that stay level throughout your plan or increase with your age. Whether it's premium certainty you're looking for or cheaper premiums in the early years of your policy, Income One has an option that's right for you.

► **Forward thinking processing**

We were the first insurer to integrate UnderwriteMe into our application process. The result? Fast, effective online submissions with up to 70% of applications being given an immediate decision.

► **Simple protection, simple financial underwriting**

Our Bills & Things plan is one of the few products in the market that doesn't require evidence of how much you earn when you apply or claim.

► **A working week**

Whether you work full time or part time, you can choose from our full range of plans. We have no minimum hours requirements.

► **Under 42**

If you're under age 42, we will not ask for the routine medical evidence that other insurers might - regardless of the benefit you choose.

► **Our policies change with you**

Our short and long term policy breaks and guaranteed insurability options ensure you can flex your cover as your life and needs change.

► **Waiver of premium included as standard**

Waiver of premium is a feature that means (subject to product rules) you no longer need to pay your premiums during a claim. It gives you one less expense to worry about, leaving you to concentrate on the thing that matters most - your health.

While some providers charge you extra to have waiver of premium, we see it as an important benefit and include it as standard in all our income protection plans. When premiums will be waived during a claim will depend on the policy and waiting period you choose.

► **Supporting your return to work**

We understand that sometimes an illness or injury means that you will be unable to go back to work in your previous occupation but that it may not stop you from working altogether. Our comprehensive products support you financially while you return to full health with rehabilitation and proportionate benefits.

Our products

At The Exeter, we know that there isn't a 'one-size-fits-all' product when it comes to income protection.

That's why we offer three plans for three different audiences, giving you the flexibility to tailor your cover to suit your budget and needs.

► Comprehensive

Pure Protection

Pure Protection offers long-term cover for almost all occupations - we never change the premium you pay based on what you do for a living.

Income One

Income One offers long-term cover for those in low risk, mainly office based occupations. You can choose guaranteed premiums that stay level throughout your plan or increase with your age, to suit your budget.

► Simple

Bills and Things

A simple, low cost plan with no financial underwriting during your application or when you claim. Unlike comprehensive income protection, with Bills & Things you only have two decisions to make to start your cover.



For full product details, please refer to the appropriate policy document.

Comprehensive protection

Our two comprehensive products, Pure Protection and Income One, offer you long-term cover that you can personalise to suit your needs.

There are many features that are common across the two plans but there are also some key differences.

This section explains the cover choices you need to make on both products when you buy cover with The Exeter.

► Benefit

You need to choose how much benefit you want each month. The maximum amount of benefit you can receive is based on your income.

You should also take into account any other forms of income you will receive if you become ill or injured and unable to work, as any continuing income may have an impact on the benefit we pay you.

Pure Protection	Income One
If you earn less than £60,000 per year The maximum benefit amount you can receive when you claim is 65% of your personal taxable income.	If you earn less than £60,000 per year The maximum benefit amount you can receive when you claim is 65% of your personal taxable income.
If you earn over £60,000 per year The maximum benefit amount you can receive when you claim is 65% of the first £60,000 of your personal taxable income and then 40% above £60,000	If you earn over £60,000 per year The maximum benefit amount you can receive when you claim is 65% of the first £60,000 of your personal taxable income and then 45% above £60,000
Benefit must be between £500 and £10,000 per month.	Benefit must be between £850 and £8,500 per month.

► Fix your benefit

When you have decided how much benefit you want each month, you need to decide whether you want to fix your benefit.

Whilst some insurers offer benefit guarantees of up to £1,000 or £1,500, it is important for people who choose higher benefits to be able to fix a higher amount.

This option can provide valuable reassurance if your income changes regularly, by fixing your benefit you are simplifying the claims process and reducing the risk of over insurance.



Fixing all your benefit

You can fix your entire benefit, if the level of benefit you choose is up to a 50% proportion of your personal taxable income.

So, if for example you earn £5,000 per month and choose a benefit amount of £2,500 per month – you can fix the entire amount.



Fixing a proportion of your benefit

If your selected benefit is over a 50% proportion of your personal taxable income, you can only fix your benefit up to the maximum proportion of 50%.

So, again if you earn £5,000 per month but choose a benefit of £3,000 per month – you can only fix the first £2,500 of benefit. To receive the additional £500, you will need to supply financial evidence in the event of a claim.



The option to fix your benefit applies to both Pure Protection and Income One. For full details please see the product Policy Documents.

► Premiums

Whether it's premium certainty you're looking for or cheaper premiums in the early years of your policy, our comprehensive products have an option that's right for you.

Pure Protection

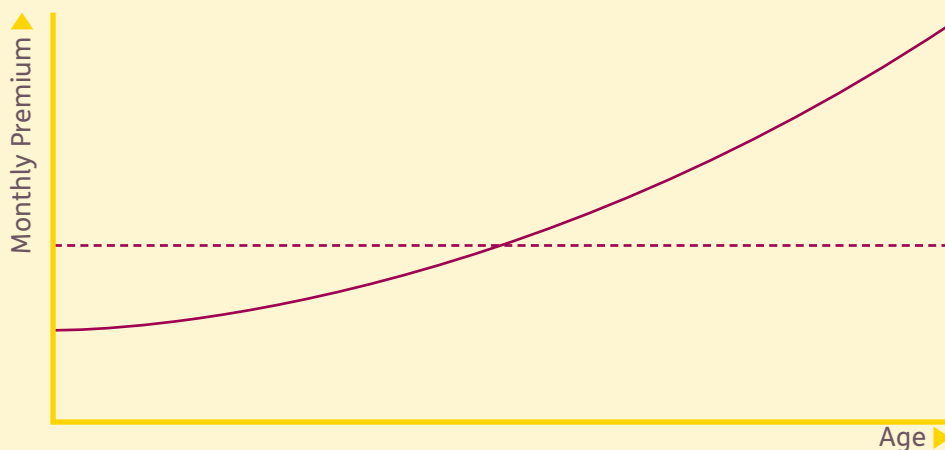
Available with reviewable age-costed premiums. Your premiums will start lower but will increase as you get older.

Income One

Available with guaranteed age-costed premiums or level guaranteed premiums. With age-costed premiums your premiums will start lower but will increase as you get older.

With the level guaranteed premiums option your premiums will stay level throughout your plan unless you increase your cover or choose the indexation option.

Level guaranteed premiums vs age-costed guaranteed premiums



Key

- Age-costed guaranteed premiums
- - - Level guaranteed premiums

► Claim period

Our comprehensive income protection plans give you cover that will last throughout your working life.

Once you buy a policy, we won't change the terms or conditions until it has reached the finishing date you choose.

Long term cover: If you need to make a claim for a serious illness or injury, which means that you are never able to return to work, we will pay you benefit for as long as your policy lasts – so long as the claim continues to be valid.

Or, short term option: If long term cover doesn't suit your budget, with Pure Protection you can select a Limited Claim Period of 2 years for each individual claim. This will still provide you with valuable protection against the effects of ill health at a lower cost.

► Indexation

Each year, the value of money tends to decrease as a result of inflation.

This means that the level of benefit you choose when you take out a policy may not be high enough to help you meet essential bills and maintain your finances a few years down the line.

Our comprehensive income protection plans give you the chance to protect against this by selecting the indexation option when you buy cover.

If you choose indexation, we will adjust your benefit each year based on the Retail Price Index (RPI), to a maximum of 10% in any one year.

We always inform you in advance to let you know what your new benefit and premium will be.



► **Waiting period**

Sick pay varies from employer to employer, while many self-employed people have no sick pay at all.

You can reflect your own sick pay arrangements by choosing a waiting period that means your benefit will start when your sick pay ends.

Waiting periods are shown below.
The longer the waiting period you select, the cheaper your premiums will be.

Waiting period
Day 1 no waiting period - applies to age costed premiums only
1 week - applies to age costed premiums only
4 weeks
8 weeks
13 weeks
26 weeks
52 weeks

Day 1 cover

Few insurers offer you day 1 cover but we do. If you choose this option and are unable to work for at least 3 consecutive days (excluding Sundays), we will backdate any claim to the first day of your illness or injury.

► **Ages**

Your income protection policy will be due to end when you reach your finishing date. This can be any age between 50 and 70.

You can apply between the ages of 16 and 59 and your policy must be due to start at least 5 years before your chosen finishing date.

Simple protection

Comprehensive income protection isn't for everyone.

If you want to pay cheaper premiums for limited cover that helps you get back on your feet while you're off work through illness or injury, our simple product Bills & Things could be the answer.

Bills & Things offers you quality, valuable cover and there are only two decisions to make; how much benefit you need and whether you want a 1 or 2 year claim period. You may find it quicker and easier to buy than comprehensive cover.

► Benefit

You can choose a monthly benefit amount of:

£500	£600	£700	£800	£900	£1,000
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Unlike comprehensive income protection, when you choose your Bills & Things benefit you don't need to take into account how much you earn, or any other forms of income you will receive during any claim you make.

Bills & Things isn't financially underwritten at application or claim, so neither will have an impact on any benefit we pay you.

However, you need to be in active employment when you take out a policy and immediately prior to an illness or injury occurring for any claim to be valid. We will still assess your application and underwrite your policy according to the personal medical information you provided us.

► Claim period

With Bills & Things you can claim for a maximum period of up to 1 or 2 years at a time. You can claim many times during the life of your policy though, you're not limited to a single 1 or 2 year claim.

Bills & Things gives you cover that will last right through your working life. Once you buy a policy, we won't change the terms or conditions until it has reached your finishing age of 68.

► **Indexation**

As your bills are likely to increase over time, your benefit is automatically increased in line with inflation.

We will adjust your benefit each year based on the Retail Price Index (RPI) and we'll always inform you in advance to let you know what your new benefit and premium will be. The maximum increase in your benefit will be 10% in any one year.

► **Waiting period**

Bills and Things includes a waiting period of 4 weeks before we start paying your benefit and during this time, we'll assess your claim.

If you're totally unable to work due to illness or injury after the 4 weeks, your benefit will be paid. However, this means that if your illness or injury lasts less than 4 weeks, your benefit will not be paid.

Remember, as Bills & Things isn't financially underwritten when you make a claim, if you are still receiving an income from your employer or from another source when your waiting period finishes, it will have no impact on the benefit we pay you.

► **Ages**

When you buy Bills & Things, cover will continue until your 68th birthday. You can apply at any age between 16 and 59.

► **Waiver of premium**

With Bills & Things you only have to continue to pay your premiums during your waiting period.

We will then pay your premiums until your claim ends.

► **Premiums**

Bills & Things includes reviewable age-costed premiums. Your premiums will start lower but will increase as you get older.

Quote and apply

We know how important it is for our income protection plans to be easy to quote for and buy. We have enhanced both our quote and application processes to ensure we offer you a seamless, efficient and accessible journey.

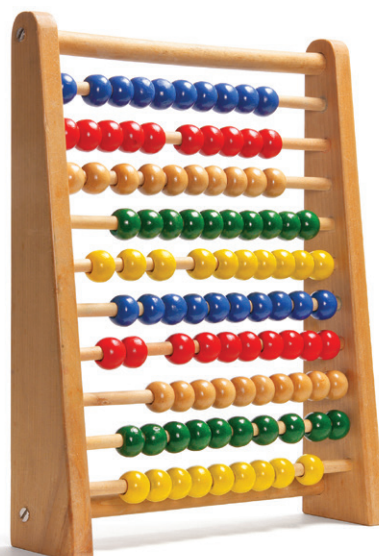
► Quote

You can obtain quotes for our range of plans across all the major quote portals:

Plan	Iress (The Exchange)	LifeQuote	iPipeline (Assureweb)	Webline
Pure Protection	✓	✓	✓	✓
Income One	✓	✓	✓	✓
Bills & Things	✓	✓		

You can also download our iOS app, which produces a quote across our range of plans in just a few taps of your iPhone – online or offline.

Alternatively, log in to our adviser site at www.the-exeter.com



► Apply

When you apply you will need to provide us with personal and medical information so we can assess your application. We offer you three application & underwriting routes, so you can choose the journey that suits you and your client best.

Applying through our innovative UnderwriteMe service gives you and your client the fastest application route with an instant decision on cover to over two thirds of applicants.

We have outlined each underwriting option below:

UnderwriteMe

The simplest and quickest route to cover.

Powered by leading technology provider, UnderwriteMe, this smart, rules based underwriting system uses dynamic questioning, designed to gather all of the information we need immediately.

The results so far have been impressive with an instant decision for over two thirds of applicants.

Short form application and telephone interview

If you choose this option, we'll firstly ask you to complete a short form about your personal and medical history.

This application will then be followed up with telephone interview by a trained medical professional, working on our behalf.

We will always contact you prior to this call to arrange a convenient time.

Our underwriters will then assess the information gathered in the telephone interview, before making a decision.

Full medical underwriting

You may prefer to complete our full medical underwriting application form, which gathers all of the information we need to assess your application.

The form is available as a paper and online application, however completing it online may save time and remove the need for us to ask for any additional information.

► Evidence of income

Remember, with our comprehensive income protection you can take advantage of our benefit fix option by supplying the evidence below with your application or within a year of your policy starting.

If you're employed, we'll ask you for:

- Your last month's payslip or equivalent
- Your last P60.

If you're self-employed, we'll ask you for:

- Your last 3 years' HMRC Self Assessment tax returns
- Copies of the last 3 years of your certified accounts.

If you're a company director, we'll ask you for:

- Your last 3 months' payslips or equivalent
- Your last 3 years' P60s
- Your last 3 years' HMRC Self Assessment tax returns
- Copies of the last 3 years of your certified company accounts.

Otherwise, we only need to ask for evidence of your income when you apply if you choose a benefit over £70,000 per year (£5,833 per month).

► Exclusions

We're one of the few insurers that has no standard exclusions on any of our plans.

When you apply for our products you may have a personal exclusion added to your policy which relates to a past or existing illness or condition or a hobby or activity.

It's important to point out that income protection will not pay you a benefit just because you become unemployed or are made redundant or as a result of normal pregnancy or childbirth.

Claims overview

The true test of an income protection plan and insurer, is how they perform when you need them – at claim.

We pride ourselves on the service we provide our members when they need to make a claim. Our experienced team not only have the knowledge to assess claims quickly and efficiently, they can support you on your journey through you claim and back to work.

For full details of how the claims process works, please see the policy document – but we've included an overview below.

► How do I claim?

You can make a claim by sending us a letter, email or by phone.

Tel: **0300 123 3201**

Email: member@the-exeter.com

► When do I claim?

You need to advise us of any claim you want to make within a certain time limit.

This will depend on the waiting period you have on your policy.

► How we assess a claim

There are three aspects of our claims assessment:

1. Medical assessment

When we assess your illness or injury, we will require information and evidence from you, your GP and other medical professionals.

2. Employment and occupation assessment (employed or self-employed only)

We will assess your illness or injury and the impact it has on your ability to work in your own occupation.

3. Financial assessment

During our financial assessment of your claim, we follow a process to ensure your benefit isn't greater than the maximum you can receive.

For Bills & Things policies, we won't carry out this financial assessment, but we will ensure that you were in active employment immediately prior to making your claim.

► After we assess your claim

Waiver of premium

Waiver of premium is a standard feature of our plans that means you no longer need to pay your premiums during a claim.

Your waiver of premium benefit will depend on the waiting period you choose. If you choose a Bills & Things policy, your premiums will be waived throughout any successful claim.

How long we will pay a claim

We will continue to pay any claim until the first of the following events happens:

- You are no longer able to meet the 'Medical Assessment' criteria
- You are no longer suffering a loss of earnings
- Your claim reaches your maximum claim period, if selected
- You do not follow medical advice
- Your policy reaches your selected finishing date
- You die.

When we pay a claim

We will begin to pay your claim once your waiting period has finished.

Your benefit will be paid in arrears by BACS direct into your bank account.

Return to work

Not only do our claims team support and work with you in getting back to work successfully, the rehabilitation and proportionate benefit features on our plans (except Bills & Things) support you if you go back to work part time or in a different occupation.



Membership benefits

► Additional benefits – GP Helpline & Private prescription service

As a customer of The Exeter, you will also have access to a number of important membership benefits to make your life easier when it comes to accessing primary care.

For some people getting an appointment to see their GP, or simply accessing expert health advice can be a frustrating and lengthy process:

5.8 million patients visit A&E because they cannot get a GP appointment

Over 30,000 calls were made to the NHS 111 service in England **each day** in June 2015.

59 million patients wait 1 week or more for an appointment

40% of patients are unhappy waiting 10 minutes on the phone to book an appointment

Our current membership benefits, provided by Medical Solutions - an expert in their field, are designed to bring you into more convenient contact with healthcare professionals and give you more convenient access to prescription drugs.

These benefits are there for your convenience but it's important to note that they are advisory only and cannot be used as evidence for your claim, they may also be reviewed and changed during your policy's life.

► GP Helpline

Gives you free, unlimited access to a large team of practising GPs, providing information and advice about your health concerns or those of your family.

You have the option of a telephone or webcam consultation.

► Private prescription service

During your GP Helpline consultation, your doctor may offer you a private prescription.

This service provides a simple way of getting private prescription medication delivered to your home or office without the hassle of waiting for an appointment or taking time off work.

Further information

► Contacting us

Members

General enquiries: **0300 123 3201**

member@the-exeter.com

Financial Advisers

All enquiries: **0300 123 3203**

adviser@the-exeter.com

► Opening times

Monday to Friday 8am – 6pm

► Visit our website

www.the-exeter.com

► Making a claim

You can make a claim by sending us a letter, email or by phone. You will need to let us know your policy number, the nature of your illness or injury and when it started or occurred.

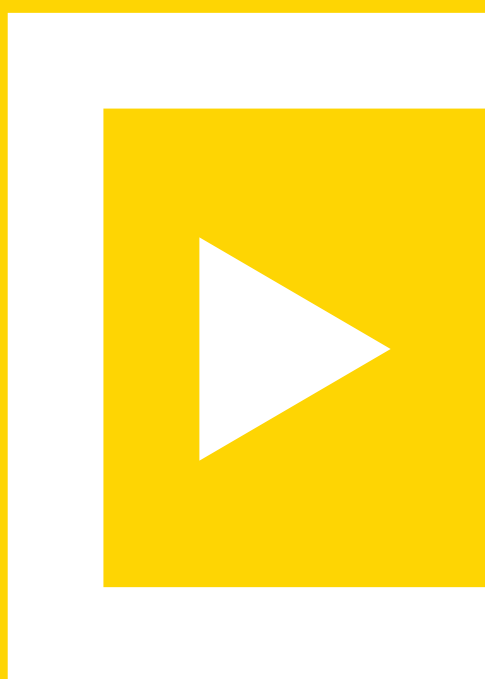


Telephone: **0300 123 3201**



Email: member@the-exeter.com





Contact us

The Exeter, Lakeside House, Emperor Way, Exeter, EX1 3FD

Members

0300 123 3201

member@the-exeter.com

Financial Advisers

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www.the-exeter.com

Calls may be recorded and monitored.

The Exeter is a trading name of Exeter Friendly Society Limited, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Register number 205309) and is incorporated under the Friendly Societies Act 1992 Register No. 91F with its registered office at Lakeside House, Emperor Way, Exeter, England EX1 3FD.