

keyfacts<sup>®</sup>

Protect the things your clients care about

# My Earnings Insurance



**Please Note**

This brochure is called a Key Facts Document (KFD) and contains essential information you will need to help you to decide if My Earnings Insurance (MEI) is right for you. It is important to us that MEI meets your needs.

This document does not contain the full terms and conditions of the MEI contract which can be found in "*Schedule 3: Rules of the My Earnings Insurance Contract*" (Called the Schedule in this KFD).

Further information is also contained in "*My Earnings Insurance Product Guide*" (Called the Guide in this KFD). Should there be any confusion caused between the Schedule and the Guide, the Schedule should be treated as being the correct source of information.

All of these documents are available on the Society's website [www.cirencester-friendly.co.uk](http://www.cirencester-friendly.co.uk) or on request from our Customer Care Team 0800 587 5098 or [customercare@cirencester-friendly.co.uk](mailto:customercare@cirencester-friendly.co.uk).

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## 1. What is My Earnings Insurance?

MEI is an individual income protection insurance contract that allows you to insure a part of your earnings so that if you are unable to work, because of injury or illness, and as a result your earnings go down or stop you will be able to claim benefit to help you to meet essential costs. More information on the amount of cover available can be found on page 5 of this document and in the Schedule and the Guide to MEI.

## 2. Can I apply for My Earnings Insurance?

You can apply for MEI if all of the following apply to you:

- you are 18 or over and have not yet had your 55th birthday;
- you live in the UK;
- you are registered with a UK Doctor and can supply an up to date five year medical history from your Doctor;
- you are currently actively working and not employed on a zero hours contract (If you have more than one job we will treat them as a single occupation. This means that if you are able to do any of your jobs you will not be eligible to claim);
- you are employed or self-employed earning at least £6,400 per year and working 16 hours or more per week;
- your earnings are taxable in the UK;
- you are not awaiting any medical tests, investigations or the results of these;
- you do not work outside of the UK for more than eight weeks in a calendar year.

There are some occupations for which we are unable to offer cover. More information on occupations can be found in the *'My Earnings Insurance Occupational Retirement Ages Booklet'* (called the *ORA* in this *KFD*).

## 3. What will My Earnings Insurance cost?

The cost to you will depend upon your level of cover and any features you add to your MEI contract along with any non-standard charges or discount we might apply. For more information about the cost involved please refer to *"My Earnings Insurance Premium Tables"* (Called the *Tables* in this *KFD*).

You have two choices in the type of premiums you pay and both are at guaranteed rates:

- a premium which remains the same throughout your contract, we call this a Level Premium, or
- an increasing premium which rises every year on your birthday, we call this an Annual Escalating Premium.

You cannot mix Level and Annual Escalating Premiums. Your Financial Adviser will be able to help you with your choice and supply you with a personal quotation.

If you make changes to your contract after you have taken it out, then any additional premiums will be calculated using the Tables that apply at the time of the change.

## 4 Key Features

## 4. How long does My Earnings Insurance last?

When you apply for MEI you will need to choose an 'Maturity Date' on which you want your MEI contract to end. There must be at least five years between the start of your contract and your chosen Maturity Date.

There are two Maturity Dates available to you:

- when you reach the age of 70; or
- the set retirement age for your occupation. Please refer to the ORA for more details.

Your MEI contract will also end if:

- you cancel it;
- your premiums fall three months in arrears;
- you die;
- your contract is cancelled because of a serious breach of the Schedule or General Rules of the Society;
- you change your job to one which we do not cover (Please refer to the ORA for the list of jobs currently covered. We review the occupations we cover so this list may change in the future);
- you move/or live and work permanently outside of the UK.

## 5. How do I apply for My Earnings Insurance?

We want MEI to work for you. Therefore, we strongly recommend that you talk to a Financial Adviser who is authorised and regulated by the Financial Conduct Authority (FCA). To find an Adviser check the FCA's Financial Services Register at [www.fca.org.uk](http://www.fca.org.uk).

When you apply for MEI you will need to complete an Application Form. Your Financial Adviser can supply the form and guide you in its completion.

You need to supply all of the information requested. If the Application Form is incomplete or inaccurate your application could be delayed or even refused and any future claim may not be paid. In more serious cases your MEI contract may even be cancelled.

If you apply directly to us you need to be aware that we are not authorised by our Regulator (the FCA) to give you any advice. Should you decide to apply for MEI direct to us you will need to send us the following:

- a completed Application Form;
- original documents showing us proof of your identity and where you live;

When we have considered your application we may ask you for further information about your health, earnings or other relevant details to help us to reach a decision as to whether your application is acceptable, or not, and on what terms. We may ask for information from your medical practitioner under a random disclosure verification check. You will be told if your application is selected for this random check. We may ask for information from your medical practitioner under a random disclosure verification check, you will be told if you are selected. This process is called underwriting.

## 6. What's included in My Earnings Insurance?

### Earnings insurance

In exchange for your monthly premium you can insure up to 65% of your gross taxable earnings. Should your earnings go down because you are unable to work due to illness or injury you can make a claim. Certain types of continuing income will be taken into account when we calculate your benefits so it is very important that in deciding your MEI cover you take this into account. Benefit is not a guaranteed amount. The Guide has more details and your Financial Adviser will be able to help you with this.

- The maximum earnings you can insure to begin with is £65,600 per year (65% of this is £42,640).
- The minimum earnings you can insure is £6,400 per year (65% of this £4,160).

Weekly cover will be rounded to the nearest pound.

We don't want you to pay for something that you cannot benefit from so it is very important that you tell us everything we ask at application and when your circumstances change. We strongly recommend that you review your MEI contract at least annually with your Financial Adviser to check that your contract remains suitable for you.

### Flexible benefit start dates

When you complete the MEI Application Form you will be asked when you want Health Benefit payments to start if you need to make a claim. Please be aware that you cannot make a claim until you have held your MEI contract for more than 4 weeks. This initial waiting period will also apply to any increases in cover or additional risk added after your contract is taken out. You can choose from the following:

- **Day One:**  
This means that for claims where the contract qualifying conditions are met Health Benefit payments begin from the first day you are unable to work. (No payments will be made for illnesses or injuries where you are off work for less than 4 days in a row).
- **After 4, 8, 13, 26, or 52 weeks:**  
This means that for claims where the contract qualifying conditions are met Health Benefit payments begin when you have been unable to work for the period you have chosen from the above.

The period before Health Benefit payments start to be made is called a deferred period. You may choose any one of these to suit your needs. For example when your employer stops paying you while you are off work through illness or injury.

OR

You can combine any two of these so that your Health Benefit payments have different start times, for example, you may wish to have part of your payments that begin on Day One and the rest after 4 weeks. We call this a split period contract. This is designed to cover situations where you get some, pay, but not all, for a while when you are off ill then nothing at all. Your Financial Adviser will be able to help you to tailor MEI to your circumstances.

If you choose a split period contract the minimum amount of Health Benefit must be no less than £4,160 per year for each of the deferred periods and the maximum of both periods combined no more than £42,640 per year.

## Income from other sources

If you continue to receive certain types of income whilst you are off ill or injured your benefits from us may be reduced so be sure not to overlook this when deciding your needs. The Schedule and the Guide have more details.

## Assessment of claims

Any claim for benefit up to the set retirement age for your occupation will be based on your inability to carry out your job. This is called an Own Occupation Disability definition. Any claim made after you have passed the set retirement age for your occupation and up to the age of 70 (if selected) will be based on you being unable to do any job or activity whatsoever, ever again. This is called a Total Permanent Disability definition. The Schedule and the Guide have more details.

## Severe Injury Cover

If you have chosen a 4, 8, 13, 26 or 52 week deferred period, you can add an option called Severe Injury Cover.

This means that if you have to stop working because of one of the injuries listed under the Severe Injury Cover option and as a result your earnings go down, you can claim Injury Benefit and this will be paid from the first day you are unable to work. If you add this option there will be an additional premium to pay. (You can find the list of severe injuries and full details of Severe Injury Cover in the Guide).

## Indexation

Your cover can be linked to the Office for National Statistics Average Weekly Earnings (AWE) to help maintain the value of your benefits. If your cover goes up, your premiums will increase proportionately. You have the option at application, or at a later date, to opt in or out of this feature. We call this option Indexation. More details on Indexation are contained within the Schedule and the Guide.

## Waiver of Premiums

Whilst you are receiving benefit payments, you must continue to pay your premiums. However, subject to conditions your premiums will be refunded with your benefit payments. We call this Waiver of Premium (WOP). More details on WOP are contained within the Schedule and Guide.

## Recovery Benefit

Whilst you are receiving benefit payments you must not be working in any job including unpaid voluntary work, however, if you are able and choose to return to work in:

- a new occupation where the earnings are lower; or
- your own job but in a limited capacity where the earnings are lower;

you can apply for temporary financial support to help you adjust. We call this Recovery Benefit. You should not return to any form of work or activity without talking to our Claims Department as this may affect your benefit payments. For more details on Recovery Benefit please see the Schedule and the Guide.

## Terminal Illness Benefit

If your doctor tells you that you have a terminal condition that is likely to result in your death within 12 months, then on application by you, we will make a one off lump sum payment equal to 6 months regular benefit payments. You can only receive this payment once and you will also continue to receive regular benefit payments in the usual way. We call this Terminal Illness Benefit. For more details on Terminal Illness Benefit please see the Schedule and the Guide.

## When will benefit stop?

Subject to you meeting the MEI claim requirements benefit payments will continue until:

- you are able to return to work;
- you stop sending us evidence of your illness or injury;
- you are no longer a Member of the Society;
- you reach the end of your contract;
- you no longer meet the MEI claim requirements;
- you die.

## 7. What's not included in My Earnings Insurance?

MEI does not cover certain things:

- Redundancy/unemployment;
- Any illness or injury caused as a result of:
  - alcohol/substance abuse including legal highs;
  - pregnancy/childbirth;
  - sterilisation (unless on the grounds of medical necessity);
  - criminal conduct;
  - non-medically essential treatment (includes cosmetic surgery).
- Any planned or unplanned occupational absence such as maternity/paternity or adoption leave.

For more details please refer to the Schedule and the Guide.

In addition at underwriting we may apply additional restrictions, charge additional premiums or discount them. You will be told about these in your Offer Letter.



## 8. What happens if I cancel My Earnings Insurance?

You can cancel your MEI contract within 30 days of the start date and any premiums you have paid during this time will be returned to you.

After this period you may cancel your MEI contract at any time by contacting our Customer Care Team **0800 587 5098** or **customercare@cirencester-friendly.co.uk** and returning the Cancellation Form that they will supply. Any premiums paid will not be refunded.

Once your MEI contract is cancelled you will no longer have the benefit of cover and will not be able to make a claim or receive benefit payments from us. There are no penalties or fines for cancelling your MEI contract.

If you do not pay your premiums for three months your MEI contract will lapse and you will no longer be a Member of the Society or entitled to any benefit payments.

### **Please Note**

that if you cancel your MEI contract you will not be able to reapply for Membership for a period of 12 months after your cancellation date. If you reapply your application will be assessed by our underwriters before terms are offered.

## 9. Who do I contact at Cirencester Friendly?

### **For General Enquiries:**

#### **Customer Care**

Cirencester Friendly Society Limited

5 Dyer Street, Cirencester, Gloucestershire GL7 2PP

**Tel:** 0800 587 5098 **Email:** customercare@cirencester-friendly.co.uk

### **If you need to make a claim for illness or injury:**

#### **Claims Department**

Cirencester Friendly Society Limited

5 Dyer Street, Cirencester, Gloucestershire GL7 2PP

**Tel:** 0800 587 5098 **Email:** claims@cirencester-friendly.co.uk

## 10. What if I am unhappy about anything?

**Should you have any cause for complaint about the service you have received from us or about the MEI Contract, please write to:**

### **Compliance Officer**

Cirencester Friendly Society Limited  
5 Dyer Street, Cirencester, Gloucestershire GL7 2PP

If your complaint is not dealt with in eight weeks or to your complete satisfaction contact:

### **The Financial Ombudsman Service Limited**

South Quay Plaza, 183 Marsh Wall, London E14 9SR  
0845 080 1800

## 11. What else do I need to know?

### **Financial Service Compensation Scheme**

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if we become insolvent and are unable to meet our obligations.

For MEI, the FSCS will cover you for 90% of the total amount of an existing claim with no upper limit. The FSCS will also provide a refund of 90% of the premiums that have not been used to pay for cover whether you are making a claim under your contract or not.

Further information is available from:

### **Financial Services Compensation Scheme**

7th Floor Lloyds Chambers, Portsoken Street, London E1 8BN

The Financial Conduct Authority is the independent financial services regulator. It requires us, Cirencester Friendly Society Limited, to give you this important information to help you decide whether our MEI contract is right for you. You should read this KFD carefully so that you understand what you are buying, and then keep it safe for future reference. Remember, if you need more information, you should refer to the Schedule.

### **Financial Conduct Authority**

25 The North Colonnade, Canary Wharf, London E1 5HS

### **Language & Law**

The contract will be issued in English and correspondence and communications conducted in this language. The contract will be subject to the laws of England and Wales. The law and courts of England and Wales will apply in the event of any legal dispute.





# My Earnings Insurance

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