

PruProtect Essentials Plan Provisions

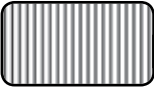






Life Cover Plan Provisions

This document is *your* plan provisions. It explains how *your* PruProtect Essentials *plan* works. It includes details about the covers and options in the *plan*, how *you* pay *your plan premium*, and how to make a claim if *you* need to. If *you* have selected Unemployment Cover or Health Cover, *you* should refer to the separate policy documents outlining these covers.

If there is anything that is not clear, please speak to *your* financial adviser, if *you* have one. Or *you* can call *us* on 0845 601 0072. If *you* call *us*, please have *your plan* number to hand. To help *us* improve *our* service, we may record or monitor phone conversations with *you*.

In these provisions, *we*, *us* or *our*, means The Prudential Assurance Company Limited. *You* or *your* means the person or people covered under the *plan*, unless stated otherwise. *We* have put some other words in *italics*. *We* explain what *we* mean by these words in the Definitions section.

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A. How your plan works

A1. Your plan account

When you take out Life Cover or both, we set up a *plan account* for you.

For a *single life plan*, the amount of your *plan account* will be the same as your amount of Life Cover. For a *joint life plan*, the amount of your *plan account* will be the same as the amount of Life Cover held by the *first person covered*.

You can also choose whether the value of your *plan account* increases over time, decreases over time or stays level. For more about this, please see the information on 'Your plan account structure' below.

Your plan account structure

Your *plan account* has one of these three structures, as shown in your *plan schedule*:

Your plan account structure	What this means
Level	The value of the <i>plan account</i> is designed to stay the same over the life of the <i>plan</i> . It will only change if something happens such as you make a claim or change a cover.
Indexed	The value of the <i>plan account</i> increases on each <i>plan anniversary</i> , in line with the <i>Retail Prices Index</i> (RPI). Each increase is limited to a minimum of 0% and to a maximum of 10%. We use the RPI figure that applies five months before each <i>plan anniversary</i> .
Decreasing	The value of the <i>plan account</i> decreases over the life of the <i>plan</i> . It decreases in the same way that the outstanding capital on a repayment mortgage would if the mortgage had: <ul style="list-style-type: none"> ■ a 7% annual equivalent interest rate, and ■ the same term as the <i>plan</i>. <p>You can only have a <i>decreasing account</i> if your <i>plan</i> has a <i>fixed term</i>.</p>

Your *plan account* may change if we pay a *benefit*, or because of a change to your *plan*. There is more about changes to your *plan* in provision D.

A2. How other covers work

The other covers you may have in your *plan* are not linked to the *plan account*. The amounts of these covers are set individually.

A3. How long your plan lasts

Your Life Cover in your *plan* lasts for a defined term. This term can be up to a fixed date – this is called a *fixed term*. Life Cover can instead be for the whole of your life – this is called *whole of life*. Your *plan schedule* shows the date on which each of your covers terminates.

Once your *plan* has started, you cannot change the term of any cover from *whole of life* to *fixed term*, or from *fixed term* to *whole of life*.

B. Life Cover

Life Cover pays a lump sum if the person covered dies, or is diagnosed with a *terminal illness*. This cover may be for a *fixed term* or for *whole of life*.

B1. When we will pay the benefit

When we will pay the *benefit* depends on whether *your plan* is single life, *joint life first death* or *joint life second death*.

Single or joint life?	When we will pay the benefit
<i>Single life plan</i>	<p>We will pay the <i>benefit</i> if the person covered dies, or is diagnosed with a <i>terminal illness</i> that meets <i>our definition</i>.</p> <p>When we have paid this <i>benefit</i>, the <i>plan</i> ends.</p>
<i>Joint life first death</i>	<p>With a <i>joint life first death plan</i>, there are two people covered. If both people have Life Cover, we will pay the <i>benefit</i> if one of those people dies, or is diagnosed with a <i>terminal illness</i> that meets <i>our definition</i>.</p> <p>When we have paid this <i>benefit</i> for one person covered, we cancel all the covers for that person. We also cancel the Life Cover for the remaining person covered. If the remaining person has other covers in the <i>plan</i>, the <i>plan</i> continues.</p> <p>The remaining person can apply to <i>us</i> for new Life Cover under a new <i>plan</i>.</p>
<i>Joint life second death</i>	<p>This option is only available if <i>you</i> have chosen <i>whole of life</i> cover, see provision A3. With a <i>joint life second death plan</i>, there are two people covered. We will pay the Life Cover <i>benefit</i> after both of the people covered have died, or have been diagnosed with a <i>terminal illness</i> that meets <i>our definition</i>.</p> <p>When we have paid this <i>benefit</i> the <i>plan</i> will come to an end.</p>

B2. How much we will pay

If both people covered in a *joint life plan* die, and it is not possible to determine who died first, we will pay the total amount of the *plan account*.

In all other circumstances, we will pay the *current benefit amount*.

B3. When we will not pay

We will not pay the *benefit* if either of the following applies:

- The death or diagnosis of *terminal illness* happens after the Life Cover's *date of expiry*. *Your plan schedule* shows this date.
- The claim is due to a *terminal illness* that is diagnosed less than 12 months from the Life Cover's *date of expiry*.

Under certain circumstances, we may also not pay the *benefit* if the claim is due to suicide. For more about this, see provision D5.5.

C. Waiver of Premium on Incapacity

Waiver of Premium on Incapacity means that if *you* become incapacitated, we stop charging the *plan premium* for *your plan*.

- If *you* have a *single life plan*, *you* can choose to add this cover.
- If *you* have a *joint life plan*, *you* can choose to add this cover for just one person covered, or both people can have it separately.

Your plan schedule shows if *your plan* includes this cover. *You* can add or remove this cover at any time. If *you* apply to add it, we will *underwrite your request*.

C1. When we will waive your plan premium

We will waive *your plan premium* if *you* become ill, injured, or disabled, and *your* incapacity meets one of the following definitions:

A standard definition means that illness or injury makes *you* unable to perform the material and substantial duties of *your own occupation*. These are the duties that are normally needed to do *your own occupation* and that cannot reasonably be omitted or modified by *you* or *your employer*. To meet this definition, *you* must also not be working in any other *occupation* for payment or profit.

An *activities of daily living* definition means that we assess *your* incapacity according to a specific set of everyday physical activities. These are designed to help show how able someone is to look after themselves. We list these activities in provision C6. We use this definition to assess *houseperson* claims, see provision C6.

A special definition means that illness or injury makes *you* unable to follow your own *occupation* or any other occupation to which *you* are suited by qualifications, education or experience. If there is a suitable *occupation* that *you* could perform despite *your* illness or injury, we will not waive *your plan premium*. This is irrespective of whether *you* do that *occupation* or not.

We offer people different definitions depending on whether they are in paid work and what kind of work they do. *Your plan schedule* shows which definition applies to *you* if it is not the standard definition.

When we will start waiving your plan premium

We will start waiving *your plan premium* on the day after *your deferred period* ends. The *deferred period* starts on the date *you* become incapacitated according to the definition that applies to *your plan*. It ends when *you* have been continuously incapacitated for one of:

- seven days (this is only an option if *you* are *self-employed*)
- one month
- three months
- six months, or
- twelve months.

You choose *your deferred period* when *you* set up this cover. If *you* have a *joint life plan*, each person covered can choose their own *deferred period*. For some *own occupations* *you* cannot choose a *deferred period* of seven days or one month. We will tell *you* if this applies to *you*.

Your plan schedule shows which *deferred period* applies to *your* Waiver of Premium on Incapacity.

Telling us that you want to claim

If *you* become incapacitated and need to claim, *you* need to give us written notice within a specified period of time. This notification period depends on the *deferred period* *you* have chosen. If *you* have a *deferred period* of:

- seven days, *you* should notify us immediately,
- one month, *your* notification period is two weeks,
- three, six or twelve months, *your* notification period is two months.

If we don't receive notice of *your* incapacity within the specified period, we may treat the *deferred period* as if it started on the date we actually receive notice.

If we receive notice more than 90 days after the end of the *deferred period*, we may decline *your* claim.

Providing us with evidence for your claim

We will need to be satisfied that *your claim* is valid in order to waive *your plan premium*.

When *you* first make *your claim*, we will ask for evidence to substantiate it. This evidence may include, but is not limited to:

- A report from *your* General Practitioner.
- Copies of *your* medical records.
- A report from any other *appropriate medical specialist*.
- *Your* hospital records, including copies of the results of any clinical tests or investigations.
- Information from *your* employer, including details of the duties of *your employment*.
- *Your* human resources records, including details of sickness absence.

We may also need *you* to have a medical examination with an examiner that we choose, at *our* expense. We may appoint a disability counsellor or someone who represents *us* to talk to *you* about any aspect of *your claim*.

At reasonable intervals we may also ask *you* to fill in a claim form, to confirm that *you* are still entitled to Waiver of Premium on Incapacity.

If *you* do not give consent for *us* to access *your* medical information, or to get any other assistance or information that we need to assess *your claim*, then we may decline, suspend, or stop paying *you* any *benefits* under Waiver of Premium on Incapacity Cover.

C2. How long we will waive your plan premium for

When we will start waiving your plan premium

We will start waiving *your plan premium* on the day after *your deferred period* ends. For more about the *deferred periods*, see provision C1.

When we stop waiving your plan premium

We will continue to waive *your plan premium* until the first of the following occurs:

- *You* become able to start work in *your own occupation* again. We will base this on *your* ability to work, not the availability of work.
- *You* are no longer suffering any loss of income from *your own occupation*, despite *your* illness or injury.
- *You* perform any kind of work for profit or reward.
- *You* unreasonably refuse to undergo recommended medical treatment or rehabilitation to reduce the effects of *your* illness or injury.
- *You* fail to provide *us* with satisfactory proof that *you* are entitled to the *benefit* within 30 days of *us* asking for it, or *you* do not have a physical examination and medical tests – at *our* expense – when we ask.
- *You* fail to provide *us* with satisfactory proof that *your* incapacity is ongoing when we ask for it. We might need this so we can confirm that *you* continue to be entitled to the *benefit*.
- *Your* Waiver of Premium on Incapacity reaches its *date of expiry*. *Your plan schedule* shows the *date of expiry* for this cover.
- *You* are removed from the *plan*.
- The *plan* is cancelled.
- *Your* death.

C3. Which plan premium increases we will waive

While we are waiving *your plan premium*, we will waive any increases that happen because:

- *you* have an indexed *plan account*, or
- *your plan premium* increases as a result of Accelerator, or
- we review *your plan premium*.

While we are waiving *your plan premium*, *you* will have to pay any increases that happen because:

- *you* add more covers to *your plan*, or
- *you* increase the amount of any of *your* covers.

C4. When we will not waive your plan premium

We will not waive your plan premium if the *life-changing event* which causes your claim occurs after the *date of expiry* for this cover.

C5. What happens if you need to claim again

If you recover and return to work but then need to make another claim under this cover, we will waive the *deferred period* for this subsequent claim. This waiver only applies if the subsequent claim is:

- caused by the same *life-changing event* as the original claim, and
- within three months of the original waiver of premium ending.

C6. What happens if you are not in employment when you make a claim

If you are unemployed or on a career break

If you become *unemployed* – or take a *career break* – and claim under Waiver of Premium on Incapacity Cover within a month of leaving work, we will assess your claim against your previous *own occupation*.

If you claim more than one month after leaving work, we will assess you as a *houseperson*. We may also change the *deferred period* that applies to your Waiver of Premium on Incapacity Cover. For more about the *deferred period* for Waiver of Premium on Incapacity Cover, see provision C1.

Houseperson claims

We will use the *houseperson* category to assess claims for anyone who is:

- a *houseperson*
- a student
- retired
- working less than 16 hours a week, or
- *unemployed* – and has been for at least one month.

When we will accept your claim

If you become ill or injured to the extent that you cannot perform three out of the six *activities of daily living*, described below, we will accept your claim. You will not need to give us details of your earnings when you claim.

Activities of daily living	How we define this activity
Continence	The ability to manage bowel and bladder functions such that an adequate level of personal hygiene can be maintained.
Dressing	The ability to put on, take off, secure and unfasten all garments and any braces, artificial limbs or other surgical appliances.
Feeding	The ability to feed oneself once food and drink have been prepared and made available.
Mobility	The ability to move from one room to another in your normal place of residence on the same floor, using any walking stick or frame, if required.
Transferring	The ability to move from a bed to an upright chair or wheelchair, and vice versa.
Washing	The ability to wash in the bath or shower (including getting into and out of the bath or shower) such that an adequate level of personal hygiene can be maintained.

How long we will pay for

We will stop waiving your plan premium under the *houseperson* category if:

- you start work in any *employment* or *occupation* for profit or reward, or
- you no longer fail three out of the six *activities of daily living*.

C7. What happens if you start to earn an income

If you start or return to work for profit or reward you need to tell us immediately. If you don't do this, we may:

- stop waiving your plan premium, or
- cancel your plan.

C8. What happens if you change your occupation

You do not need to tell us if you change your occupation while you are covered under your plan. We will assess any claims you make according to the occupation you were in immediately before you claimed.

If we would not normally use an own occupation definition for that occupation, then we may use activities of daily living to assess your claim. For more about activities of daily living assessments, see provision C6.

D. Managing your plan

D1. Paying your plan premium

Your plan premium is made up of the individual premiums for each of the covers in your plan. Your plan schedule shows the details of your plan premium.

You pay your plan premium monthly, in advance, by direct debit.

The premiums for any Waiver of Premium on Incapacity Cover depend on the premiums you pay for the other covers you have in your plan.

D1.1 What happens if you do not pay your plan premium

If you do not pay your monthly plan premium by the due date, we will suspend all the covers in your plan. However, you can ask us to reinstate your plan within thirteen months of the date of the first unpaid plan premium as long as:

- *You pay all of the outstanding plan premium. If your plan premium would have increased in the time that you have not been paying it, you will need to pay the increased amounts.*
- *You provide us with a new direct debit instruction so we can collect future plan premium.*
- *You and any other person covered by the plan completes a reinstatement application form. This is so that we can underwrite your request. We may offer you revised terms, or decline your request.*

D1.2 When your premiums end

Your plan schedule shows the date of expiry of each of your covers. It also shows whether your premium will increase automatically. The date of expiry will be different for each person covered by the plan.

We will collect your final premium for each cover on the last due date before the date of expiry.

D1.3 Indexed premium increases

If the benefit for your cover is indexed, we will increase your premiums annually. We will increase them by the total of:

- *the percentage rise in the Retail Prices Index, from a minimum of 0% to a maximum of 10%, and*
- *2.5%.*

If the Retail Prices Index is not suitable, we will use another index that measures retail price inflation.

We will increase indexed premiums on each anniversary of your plan. We will send you a new plan schedule 30 days before the increase is due to take effect. The plan schedule will show you how much the premiums are going to increase by.

You do not have to accept the increase to your premiums. However, if you do not want to accept them, you need to notify us before the date that the increases are due to take effect. You can also ask us not to apply indexation in any year. If you do this for three consecutive years for any individual cover, we will cancel the indexation for that cover.

If we have cancelled indexation, you can apply for us to re-introduce it. However, we will need to repeat the underwriting process for all the people covered.

D1.4 Accelerator premium increases

If your plan schedule shows you have chosen the Accelerator your Life Cover premium will increase at each plan anniversary.

Your Life Cover premium will increase by 3% on either:

- *each plan anniversary for the first ten plan anniversaries, or*
- *each plan anniversary until the date of expiry.*

Your plan schedule will show which option applies to your plan.

For some premiums, any change following an Accelerator premium increase could affect other covers in *your plan*. For more about this, see [provision D1](#).

D1.5 How Vitality affects your plan premiums

Your plan premium may change as a result of Premium Saver. Any changes as a result of this benefit will be in addition to any other changes that are due. We apply any changes as a result of Premium Saver after any changes that result from indexation or Accelerator.

We will tell you if your premium is going to change because of this benefit at least 30 days before your plan anniversary.

For more about how Premium Saver works, see [provision E2.1](#).

D1.6 Enforced changes in premiums

We will govern and interpret *your plan* according to the applicable taxation, laws and regulations of England and Wales. Whether *you* have guaranteed premiums (see [provision D2](#)) or reviewable premiums (see [provision D3](#)), if taxation changes or if we are otherwise required to change *your* premiums under these laws and regulations we will make this change as soon as it is necessary to do so and will write to tell *you*. Where an increase in premiums is necessary, it will be limited to the amount necessary to cover the increase in cost to us of providing cover.

D2. Guaranteed premiums

A guaranteed premium is one that will only change as a result of choices that *you* make. Without this option, we would review *your* premiums regularly and potentially change them. For more about reviewable premiums, see [provision D3](#).

Your plan schedule shows if *your* Life Cover has guaranteed premiums.

If *you* choose guaranteed premiums, we work out *your* premiums by making assumptions that cover the full duration of the *plan*.

Even if *you* choose guaranteed premiums, the amount *you* pay will not necessarily stay the same for the duration of the *plan*. *Your* premiums could change:

- if *you* change *your plan*, or
- if *your* premiums are indexed, or
- depending on Premium Saver,
- if *you* have chosen Accelerator, see [provision D1.4](#)

D3. Reviewable premiums

We will review *your* premiums periodically if *your plan schedule* shows that any of *your* covers have reviewable premiums.

D3.1 How we review your premiums

When we review *your* premiums, we do not look at *your* individual circumstances such as *your* health. We look at the premiums we are charging to everyone we insure.

We will look at:

- *our* claims experience, and the experience of the whole insurance industry,
- medical trends and advances, including treatments and diagnostic techniques that could affect *our* claims experience for any of the covers that we provide,
- the potential future costs to us of settling claims.

A review will affect each type of cover in *your plan* separately. It will apply to the full amount for each cover in *your plan*, including any changes *you* have made to *your* cover since *you* set *your plan* up. The date for each review will be based on the *start date* of the cover for each person covered, even if *you* have made later additions to the cover.

For some premiums, any change following a review could affect other covers in *your plan*. For more about this, see provision D1.

If *your* premium changes because of Premium Saver (see provision E2) or *you* have chosen the Accelerator option, this does not count as a review.

D3.2 Reviewing premiums for a whole of life plan account

Unless *your plan schedule* shows that *you* have guaranteed premium rates we will review *your* premiums for *your whole of life plan account* on the tenth anniversary of that cover. We may then review them every year. However, if we change one of *your* premiums as a result of a review, we will not review that premium again for another ten years. The exception to this is we will also review the premium on the 75th birthday of each person covered. Even if we change the premium, we will review it each subsequent year.

If *you* have a *joint life plan*, we will review the premiums for each person covered separately.

There is no limit on the amount we might increase or reduce *your* premium by after a review.

D3.3 Reviewing premiums for a fixed term plan account

If *you* did not choose guaranteed premiums on a *fixed term plan account* we will review *your* premiums on the fifth anniversary of *your plan*. We may then review them every year.

However, if we change one of *your* premiums as a result of a review, we will not review that premium again for another five years. If *you* have a *joint life plan*, we will review the premiums for each person covered separately.

There is no limit on the amount *your* premium could increase or reduce by after a review.

D3.4 Telling you if your premium needs to change

If *your* premium needs to change as a result of a review, we will tell *you* at least 30 days before the date the change is due to take effect. We will also explain *your* options.

D3.5 Your options if your premium needs to change as a result of a review

This table shows *your* options if *your* premium needs to change as the result of a review.

If your premium needs to:	You can choose to:	What you need to do:
Increase	Accept the increased premium.	You do not need to do anything.
	Keep <i>your</i> current premium and have less cover.	Tell us in writing within 30 days of receiving <i>our</i> notification. If <i>your</i> current premium is below <i>our</i> allowable minimum, we will ask <i>you</i> to increase <i>your</i> premium to the minimum level.
	Cancel <i>your</i> cover.	For how to cancel a cover, see provision F.
Decrease	Accept the decreased premium.	You do not need to do anything.
	Ask to keep <i>your</i> current premium and have more cover.	Apply to us in writing within 30 days of receiving <i>our</i> notification. We may need to <i>underwrite</i> <i>your</i> request.
	Cancel <i>your</i> cover.	For how to cancel a cover, see provision F.

D4. Changing your covers

There are several ways *you* can change *your* covers. *You* can:

- add or increase covers
- remove or reduce covers
- remove a person covered from a *joint life plan*
- split a *joint life plan* into two *single life plans*
- change the *fixed term* of *your* covers
- change *your deferred period*
- lower *your* premiums because of a change in *your* circumstances
- remove the Accelerator.

We explain below when and how *you* can make these changes.

If *you* want to make a change, *you* need to make it on the same day of the month as the *start date* of *your plan*. If *your plan* is suspended, *you* cannot make any changes to it.

D4.1 Adding or increasing covers

You can apply to add covers to *your plan*, or increase *your* existing levels of cover, at any time – subject to the restrictions explained below. We will increase *your* premium based on the increase in cover and the age of the person covered at the time the change is made.

Any addition or increase *you* make will be subject to *our* terms and conditions when *you* make the change.

Restrictions on adding or increasing covers

- *You* cannot make an addition or increase if it would be beyond the limits that apply to *your plan*.
- We may subject *your* request for an addition or increase to *underwriting*.
- *You* cannot add or increase covers if *you* are resident outside the *United Kingdom*.
- If *your* premiums are being waived at the time *you* ask to add or increase covers, *you* will need to pay the *plan premium* for the increased amount.

D4.2 Removing or reducing covers

You can apply to reduce *your* existing levels of cover, at any time.

We will reduce *your plan premium* to take into account:

- What it would have been if *you* had the reduced cover when that cover started.
- Any premium reviews we have carried out.
- Premium Saver.
- Any Accelerator premium increases.

Reducing a cover might also reduce other covers in *your plan*. *Your* premiums might also change. For more about this, see provision D1.

If *your plan premium* drops below the minimum premium we allow, we may ask *you* to maintain it at a higher level. If this happens, *you* will receive a level of cover that reflects that higher *plan premium*.

D4.3 Removing a person covered from a joint life plan

If *you* have a *joint life plan*, *you* can remove either of the people covered from it. If *you* do, the *plan* will continue as a *single life plan* for the remaining person covered.

The remaining person's Life Cover will set the amount of the *plan account*.

When we remove a person from *your plan*, we will remove all the covers from the *plan* that apply to that person. We will recalculate the premium payable as the amount that would have applied if the *plan* had originally been taken out as a *single life plan*, adjusted for any premium reviews, as a result of Premium Saver, Accelerator premium increases or indexation premium increases.

If *your* new premium drops below the minimum premium we allow, we may ask *you* to maintain it at a higher level. If this happens, *you* will receive a level of cover that reflects that higher premium.

D4.4 Splitting a joint life plan into two single life plans

You can split a *joint life plan* into two separate *single life plans*. The new plans can have the same covers, levels of cover and term as the existing *joint life plan*.

We will adjust the premium for each *plan*, to take into account:

- What it would have been if you had taken out a *single life plan* when your *plan* started.
- Any premium reviews we have carried out.
- Any Accelerator premium increases.
- Premium Saver.
- Any premium increases as a result of indexation.

If neither person wants to add to or increase a cover or increase the *date of expiry* they had under the original *plan*, we will not need any additional medical evidence.

If either person's new *plan premium* drops below the minimum *plan premium* we allow, we may ask them to maintain it at a higher level. If we do, they will receive a level of cover that reflects that higher *plan premium*.

The two new *plans* will be subject to all the provisions that applied to the original *plan*.

D4.5 Changing the fixed term of your covers

You can change the *fixed term* of your Life Cover at any time, as long as your new total *plan premium* does not drop below our minimum allowable *plan premium*. If you have a decreasing *plan account*, you cannot change the term of individual covers within it; all the covers must have the same term.

If you reduce a *fixed term*, your new *plan premium* will be the same as or less than the one you are currently paying. If you want to increase a *fixed term*, we will need to *underwrite* your request.

If a *fixed term* cover pays a lump sum, you cannot extend the *fixed term* beyond the *date of expiry* of your *plan account*.

If you make a change to certain covers, other covers in your *plan* could be affected. For more about this, see provision D.

Changing your deferred period

You can change your *deferred period* for Waiver of Premium on Incapacity Cover.

If you increase your *deferred period*, your new premium will be the same as or less than the one you are currently paying. If you want to decrease your *deferred period*, we will need to *underwrite* your request.

D4.6 Lowering your premiums because of a change in your circumstances

If a change in your circumstances could lead to a lower premium, it is in your interest to tell us. We will then offer you a new premium, as long as:

- you complete a declaration of health form, if we ask you to, that confirms you are in good health, and
- the new *plan premium* is lower than your current one.

Examples of changes in circumstances that we will consider are giving up smoking or stopping hazardous activities.

D4.7 Removing the Accelerator

If your *plan schedule* shows that you have chosen the Accelerator you can apply to remove this option at any time.

If you want to keep your *plan premium* at the same level until the *date of expiry*, the level of cover will be reduced. When you apply to do this we will calculate the new level of cover for each of the covers in your *plan*. For more about the covers which are affected by the Accelerator, see provision D1.4.

If you want to keep your *benefit* at the same level until the *date of expiry*, the *plan premium* will increase for each of the covers to which the Accelerator applies. When you apply to do this we will calculate the *plan premium* for each of the covers in your *plan*. For more about the covers which are affected by the Accelerator, see provision D1.4.

For some *plan premiums*, any change following an increase in *plan premium* due to the removal of the Accelerator could affect other covers in your *plan*. For more about this, see provision D1.

D5. Claiming a benefit

This provision explains:

- how and when *you* can claim a *benefit* under *your plan*,
- who we will pay the *benefit* to,
- the exclusions to claiming a *benefit*.

D5.1 Who we will pay the benefit to

We will pay the *benefit* to the person legally entitled to receive it.

D5.2 Telling us about a claim

If a claim needs to be made under *your cover*, we need *you* to tell *us* as soon as possible. We describe the exact notification requirements for each type of cover in the individual cover sections of these provisions.

D5.3 What we need before we can settle a claim

For a Life Cover claim, we will need proof that the person covered has died. If *your plan* is arranged on a *joint life second death* basis we will need proof that both people covered have died. We may also need proof of the age(s) of the person(s) covered, if we have not already received it.

For each type of cover, we describe what we need before we can settle a claim in the individual cover sections of these plan provisions.

If *your plan* has been placed in trust, we will require a copy of the original trust deed. Please ensure that the trustees keep this in a safe place.

D5.4 Making a claim when you are abroad

If *you* are outside the *United Kingdom*, the Channel Islands or the Isle of Man when *you* make a claim for anything other than Life Cover, we will need an *appropriate medical specialist* to confirm all *your* information and *your* diagnosis. We will consider information from *appropriate medical specialists* in *permitted countries*.

D5.5 Exclusions

General exclusions

If the illness, condition or procedure *you* are claiming for is a consequence of an excluded condition, we will not pay any *benefit* under Waiver of Premium on Incapacity.

This applies to the exclusions that were included in *your* acceptance terms at the start of the *plan*.

We will not pay any benefits for Waiver of Premium on Incapacity if *your* claim arises, either directly or indirectly, because *you* unreasonably do not seek or follow medical advice.

Exclusions for Life Cover

We will not pay a claim for Life Cover if one of the people covered dies as a result of suicide within 12 months of:

- the *start date* of the Life Cover,
- the date they were added to the *plan*,
- the date the *plan* was re-instated if it was suspended because *your plan premium* was not paid.

If *you* have increased the Life Cover under *your plan*, and one of the people covered dies as a result of suicide within 12 months of the increase, we will not normally pay the additional amount as part of the claim.

Exclusions under Waiver of Premium on Incapacity

If the person making the claim is temporarily based outside the *permitted countries*, we will only waive a maximum of 12 months' *plan premium* for Waiver of Premium on Incapacity.

E. Vitality

Your plan includes *Vitality*, our proven wellness programme which includes activities and partner discounts to help *you* get and stay healthy for less. All adults covered by the *plan* are eligible for the *Vitality* programme. However, children are not.

By completing *Vitality* activities, *you* will be able to contribute to improving your *Vitality* status.

E1. The Vitality commitment

We will keep the *Vitality* programme available for the duration of *your plan*. As this could be many years, we will revise both the *Vitality* programme and *Vitality* partners from time to time.

Our *Vitality* programme naturally changes over time as new opportunities and technologies arise. It is also dependent on our relationship with third party providers and the range of services they offer. The *rewards* we offer are separate to *your plan* and have their own terms and conditions.

We may change the way we award points or eligible activities in the *Vitality* programme and the *Vitality status* *you* may achieve as a result. We may also change our *Vitality* partners from time to time and the incentives we offer. There may be instances where other aspects of the *Vitality* programme, such as particular *benefits*, may be significantly enhanced, changed or withdrawn.

These changes may occur if our *Vitality* partners offer additional services or become unable to maintain their levels of service to us, or where we add new *Vitality* partners to the programme. *Vitality* changes may also be required to prevent the fraudulent use of *benefits*. Revisions may be required as a result of other factors beyond our control.

In most cases changes to *Vitality* will be made at *plan anniversary*, but in some circumstances the *Vitality* programme may change at any time.

We will usually tell *you* about any changes to the *Vitality* programme, including any price increases, at least six weeks before the changes take effect, unless we're unable to do so due to factors outside our control.

If *you* are not satisfied with the changes we make to the *Vitality* programme, *you* may cancel *your plan* in accordance with the information in provision F2.

If *you* would like full details of the *Vitality* programme that is in effect at any time, *you* can call us on 0845 601 0072.

E2. How Vitality affects your premiums

E2.1. Premium Saver

Your plan includes Premium Saver.

With Premium Saver, we could reduce *your* premiums for certain periods during the term of *your plan*. How much we reduce *your* premiums will depend on:

- which covers *you* have in *your plan*;
- whether each cover is indexed, level or decreasing; and
- what *your* *Vitality* status is at each *plan anniversary*.

When we calculate any premium reductions that *you* are entitled to under the Premium Saver, we will use the premium for the following covers:

- Life Cover
- Waiver of Premium on Incapacity

E2.1.1 How we calculate your premium reduction

The total premium reduction *you* will receive will build up over each five-year period. The first period will begin on *your plan* start date (or if you added Premium Saver after *your plan* start date, the date of the *plan anniversary* on which *you* added Premium Saver).

At *your plan anniversary*, for each cover, we will multiply the premiums which *you* have paid us in the previous year for that cover by the relevant percentage in the table below. The percentage is based on *your* Vitality status at the *plan anniversary* and whether the cover is indexed or not.

Vitality status at plan anniversary	Cover not indexed	Cover indexed
Platinum	15%	20%
Gold	10%	15%
Silver	7.5%	12.5%
Bronze	0%	10%

We will add this to the amount that you have built up in previous years during the five-year period. At the beginning of each subsequent five-year period we will reset the amount that you have built up to zero.

E2.1.2 How we reduce your premiums

At the fifth *plan anniversary* (or if you added Premium Saver after *your plan* start date, the fifth *plan anniversary* after you added Premium Saver), and every five years after that, we will use the amount that *you* have built up to calculate how much we will reduce *your* premiums by for the next two years.

The amount we reduce *your plan* premiums by will depend on whether *you* pay *your* premiums to us monthly or annually.

If you pay your premiums monthly

We will calculate the amount by which *your* premium will reduce by dividing the amount *you* have built up in the previous five years by 24. We will then deduct this amount from the *plan premium* which would normally be payable each month. This reduction will apply for the next 24 months. The amount of the premium reduction cannot be greater than the amount of the monthly *plan premium* due.

If you pay your premiums annually

We will calculate the amount of *your* premium reduction by dividing the amount *you* have built up in the previous five years by two. We will then deduct this amount from the *plan premium* which would normally be payable each year. This reduction will apply for the next two years. The amount of the premium reduction cannot be greater than the amount of the annual *plan premium* due.

Whether *you* pay premiums monthly or annually, after 24 months *your* premium reduction will stop and *you* will then need to pay us the full *plan premium*. The statement sent to *you* on *your plan anniversary* will show *your plan premium* without the reduction from the Premium Saver.

E2.1.3 How to find out if any of your benefits are indexed

Your plan schedule will show whether *your* cover is indexed. If *your* cover is indexed, the premiums payable in respect of Waiver of Premium on Incapacity are also indexed.

If *your* cover is indexed, but *you* decide that *you* do not want it to increase at a particular *plan anniversary*, then in that year we will apply the non-indexed percentage for that benefit instead. The non-indexed percentages are shown in E2.1.1

E2.1.4 What happens when your premiums are being waived

If we are waiving your premiums under Waiver of Premium on Incapacity or Unemployment Cover (see Unemployment Cover Plan Provisions) we will use the premiums that you would otherwise have paid us to calculate your premium reduction for Premium Saver.

Also, if, while we are waiving your premiums, you would have been entitled to a premium reduction, we will defer the premium reduction until you start to pay your premiums again. At this time we will reduce your premiums by the amount of the premium reduction. We will reduce your premium for a maximum of 24 months.

E2.1.5 How your future premium reduction builds up while your premiums are being reduced

When we calculate the amount that builds up for the five-year period, we will use the premium that you would have paid us had we not applied the premium reduction for Premium Saver.

E2.1.6 What happens at the end of your plan term

At the end of your plan term, you can use the amount that you have built up to reduce the premiums on a new plan from PruProtect.

If you pay your premiums monthly, the monthly premium reduction will be calculated by dividing the amount that has been built up by 24. The monthly premium reduction will be limited to 50% of the full monthly premium for the new plan. It will apply for a maximum of 24 months.

If you pay your premiums annually, the annual premium reduction will be calculated by dividing the amount that has been built up by two. The annual premium reduction will be limited to 50% of the full annual premium for the new plan. It will apply for a maximum of two years.

Any new plan must be taken out within three months of the old plan. If you do not take out a new plan within three months of the old plan ending then you will lose your entitlement to any Premium Saver you have built up.

Your new plan will be subject to our new business terms and conditions and rates at the time you take it out. To work out what we can cover you for and how much your premiums will be, we will need to ask you for more information about your health and lifestyle when you take out your new plan.

E2.1.7 What happens if you cancel your plan before the end of your plan term

You will lose your entitlement to any Premium Saver. Premium Saver does not have any cash value.

F. General terms and conditions

F1. When your plan ends

Your plan will end when the first of the following occurs:

- The death of the person covered in a *single life plan*, or one of the persons covered in a *joint life first death plan* or both persons covered in a *joint life second death plan*.
- All covers under your plan have reached their *date of expiry*.

F2. Cancelling your plan

When you may cancel your plan

You can cancel your plan at any time.

If you cancel it within 30 days of receiving your plan details, we will refund your plan premium, as long as you have not made a claim. To do this, please contact us by post at:

PruProtect
Stirling
FK9 4UE
Or by phone on: 0845 601 0072

If you cancel your plan after 30 days, we will not refund your plan premium. You can either contact us to cancel it, or just cancel your direct debit.

When we may cancel your plan

Fraud

We may cancel your plan if you:

- make any untrue statements to us,
- fail to disclose any material facts relevant to your plan or a claim, or
- act fraudulently in any other way.

If we cancel your plan because of fraud, your plan will become void. If this happens, we will return all the plan premium you have paid.

Other reasons

The Financial Services Authority (FSA) publishes a Conduct of Business Sourcebook that sets out the rules to do with when it is reasonable for a company to cancel a plan like this one. We will apply these rules to your plan. We will apply these rules to the plan as a whole, rather than to each type of cover separately.

The FSA may update their rules during the life of your plan. For the latest rules, please contact the FSA at consumer.queries@fsa.gov.uk or by phoning 0845 606 1234. You can also download the Conduct of Business Sourcebook at www.fsa.gov.uk

F3. Cash value

Your plan does not have any cash value.

F4. Mis-statement of age

If any person covered under the plan did not state their age accurately when they applied, we will change the terms of the plan in a way that we consider to be just and reasonable.

F5. Assignment

If you assign any of your legal rights under the plan to someone else, including changing who is entitled to the plan, you need to give us written notice. Please do this by writing to: The Prudential Assurance Company Limited, Stirling, FK9 4UE.

We will not change who is entitled to benefits under your plan until we receive this notice.

F6. Currency

All payments we make to *you* and all payments made to *us* must be in the lawful currency of the *United Kingdom*.

F7. Complaints

If *you* have a complaint, please talk to *your* financial adviser first. If they cannot help, or if *you* set up *your plan* directly with *us*, please contact *us* by post at:

PruProtect
Stirling
FK9 4UE
Or by phone on: 0845 601 0072

To help *us* improve *our* service, we may monitor or record *your* call.

To help *us* deal with *your* complaint as quickly as we can, please have *your plan* number to hand when *you* call or write to *us*.

If we cannot resolve *your* complaint satisfactorily, *you* can refer it to the Financial Ombudsman Service. *You* can contact them by post at:

South Quay Plaza
183 Marsh Wall
London
E14 9SR
Or by phone on: 0800 023 4567

Making a complaint to the Financial Ombudsman Service will not affect *your* legal rights if *you* are dissatisfied with and do not accept their review.

F8. If we cannot meet our obligations

We are covered by the Financial Services Compensation Scheme. This means that *you* may be entitled to financial help up to 90% of the value of *your* loss if we cannot meet *our* obligations.

For more information about the Financial Services Compensation Scheme, please contact them by email: enquiries@fscs.org.uk or by phone: 0800 678 1100.

F9. Law

We will govern and interpret *your plan* according to the applicable laws and regulations of England and Wales. Where we are required to change *your plan* under these laws and regulations we will do so. *Your plan* will be subject to the exclusive jurisdiction of the English courts.

Anyone who is not party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the terms of this *plan*. We include the *planholder* and any other person covered as party to the *plan*.

F10. Data Protection Notice

We think it's important for all *our* customers to be made aware of what information PruProtect as part of the PruHealth Group* holds about them and to reassure *our* customers that we comply with the Data Protection Act 1998.

How we use your personal information

PruProtect will use *your* personal information (including information provided about *your* dependants) to underwrite, administer, profile *your* purchase preference and service *your* Plan. By taking out a Plan with us, *you* consent to us using *your* personal information and sensitive personal information (e.g. health information). We will also use *your* information for statistical data analysis, management information and fraud prevention purposes.

Who we may give personal information to

We may disclose *your* personal information to other companies in the PruHealth Group, *our* business associates, agents or service providers for the purposes above. *Your* information may be used by service providers in a country outside the European Economic Area, which may not have the same standard of data protection as in the UK. We will ensure appropriate safeguards are in place to protect *your* information.

We will pass *your* personal information and information about *your* Plan to any legal or regulatory body if required to do so. We may also use *your* information or give it to others, for research, statistical purposes or to improve *our* services, but we will remove *your* name and address from this first. We may send copies of correspondence relating to *your* Plan to *your* Financial Adviser, if you've appointed one. We may provide information about a claim to them, although no medical information will be provided without *your* consent.

When giving us information about another person, *you* confirm that they have appointed *you* to act on their behalf. This includes providing consent to process the personal information, receive this Data Protection Notice on their behalf and unless *you* decide otherwise, receive marketing information.

Your information, and that of others also covered by the Plan, may be given to other parties (for example, other insurance companies) with a view to preventing fraudulent or improper claims.

Our marketing policy

PruProtect, PruHealth's group of companies and *our* business associates, service providers and agents may use *your* personal information to inform *you* of other services and products that may be of interest to *you* by telephone, post, email or text. Please call *our* Customer Services Team if *you* would prefer not to receive details of other products.

Obtaining a copy of the information we hold about you

You have the right to request a copy of the information we hold about *you* or someone *you* act on behalf of (for which we may charge a fee) and to have any inaccurate information corrected by writing to the Data Protection Co-ordinator at the below address

PruHealth / PruProtect
Marshall Point
4 Richmond Gardens
Bournemouth
BH1 1JD

Disposal of information

We will continue to hold information about *you* and *your* Plan for a reasonable period of time after it has ended. We will then dispose of *your* personal information in a responsible way to maintain *your* confidentiality.

Changing this Data Protection Notice

This Data Protection Notice may change from time to time and *you* should review the contents regularly. We will notify *you* of any changes where we are required to do so by law.

* PruHealth is a joint venture between Prudential in the UK and Discovery Holdings Limited in South Africa. The PruHealth Group includes Prudential Health Limited and Prudential Health Insurance Limited, both trading as PruHealth, and Prudential Health Services Limited trading as PruHealth and/or PruProtect.

G. Definitions

Activities of daily living

A specific set of everyday physical or functional activities that help to show how able someone is to look after themselves. We may refer to these activities if you make a claim to do with incapacity. We list these activities in provision C6.

Appropriate medical specialist

Someone who is:

- A medical consultant or equivalent at a hospital in the *United Kingdom* or any of the permitted countries.
- A specialist appropriate to the cause of the claim
- Registered in the *United Kingdom* or any of the permitted countries.
- Not related by blood or *marriage* to the person or people covered, and
- Accepted by our Chief Medical Officer.

Benefit

Money we pay to you if you make a successful claim under the *plan*.

Career break

A specific period that you take away from your own *occupation*, after which you intend to return to the same position.

Current benefit amount

The current benefit amount is the amount on which we would base any payments for a successful claim.

The current benefit amount can change over time. It can change because you have chosen an *indexed account* or a *decreasing account*. It can also change because you have made a successful claim or because you have asked us to change your *plan*.

The current benefit amount will be shown on the most recent *plan schedule*, servicing schedule or anniversary letter.

Date of expiry

The date a cover ends. The date of expiry of each of your covers is shown on the *plan schedule*.

Decreasing account

A *plan account* that decreases in value over the life of the *plan*. It decreases in the same way as a repayment mortgage that has a 7% annual equivalent interest rate. If the *plan* is *fixed term*, you can choose to have a decreasing account.

Deferred period

The time between becoming incapacitated and when we start paying a *benefit*.

Employed/Employment

Paid work under a contract of employment and paying Class 1 National Insurance contributions.

First person covered

For a *single life plan*, this is the insured person. For a *joint life plan*, this is the insured person with the highest amount of Life Cover when the *plan* starts. If the amounts of these covers are the same for both people, the first person covered is the first person named on the application form.

Fixed term

The term of a cover is how long the cover lasts. A fixed term has a defined *date of expiry*.

Full-time occupation

An *occupation* that normally takes up at least 16 hours a week on a regular basis.

Houseperson

A person who has a *full-time occupation* maintaining the home or caring for one or more dependants.

Indexed account

A *plan account* that is designed to increase in value on each *plan anniversary*. The increase is a percentage of the current *plan account*. This percentage will be equal to the *Retail Prices Index* that applies exactly five months before the *plan anniversary*, subject to a maximum of 10% and a minimum of 0%.

Joint life plan

A *plan* that provides cover for two people. We call these two people the *first person covered* and the *second person covered*.

Joint life first death

A cover where the payment is made when the first of the persons covered dies or is diagnosed with a *terminal illness*.

Joint life second death

A cover where the payment is made when the last of the persons covered dies or is diagnosed with a *terminal illness*.

Level account

A *plan account* that stays the same unless you change a cover.

Life-changing event

A single identifiable event or condition that causes you to make a claim.

Occupation

A trade, profession or type of work undertaken for profit or pay. It is not a specific job with any particular employer and is independent of location.

Own occupation

The *full-time occupation* you had immediately before the start of the illness or injury.

Permanent/Permanently

Expected to last throughout *your* life and not expected to improve, irrespective of when the cover ends or *you* are due to retire.

Permitted Countries

Andorra, Australia, Austria, Belgium, Canada, Channel Islands, Denmark, Finland, France, Germany, Gibraltar, Greece, Isle of Man, Italy, Liechtenstein, Luxembourg, Malta, Monaco, The Netherlands, New Zealand, Norway, Portugal, Republic of Ireland, San Marino, Spain, Sweden, Switzerland, *United Kingdom* and United States of America.

Plan

The PruProtect Essentials Plan.

Planholder

The owner of the *plan*.

Plan account

An amount that determines how much *we* can pay out if *you* make a claim under Life Cover.

Plan anniversary

The anniversary of the *start date* of the *plan*.

Plan premium

This is the total premium payable in respect of the covers in your plan. This does not include any explicit premium which we may charge for the *Vitality* programme.

Plan schedule

A document that shows:

- the cover or covers in the *plan*
- the amount of each cover
- the premium for each cover
- the *date of expiry* of each cover, unless the cover is *whole of life*
- any special conditions.

Retail Prices Index

The measure of *UK* inflation known as the Retail Prices Index (all items), as published by the Office for National Statistics. If the *UK* Government replaces that index with another index of *UK* retail price increases, we shall use that replacement index.

Reward

An offer *we* make to *you* from time to time that rewards *you* for achieving a *Vitality status* or helps *you* to engage with the *Vitality* programme.

The suppliers and prices of rewards will vary from time to time. *We* will tell *you* the terms and conditions of the rewards when *we* offer them.

Second person covered

If two people are insured on a *plan*, this is the insured person who is not the *first person covered*.

Self-employed

- Actively working alone, with others in a partnership, or as a member of a limited liability partnership, and
- paying Class 2 National Insurance contributions, and
- assessable for Income Tax under Schedule D Case I or II.

Single life plan

A *plan* that provides cover for one person only, referred to in this *plan* as the person covered. This does not include any cover provided for children.

Start date

The date when cover under the whole *plan* begins or, where relevant, when a particular cover begins.

Terminal illness

An advanced or rapidly progressing incurable illness where, in the opinion of an attending consultant and *our* Chief Medical Officer, life expectancy is no more than 12 months.

Resident of the United Kingdom

A person who legally lives in the *United Kingdom* for at least 40 weeks in any 52 week period during the life of the *plan*.

Underwrite/Underwriting

The process *we* use to assess *your* application to include or change a cover. Underwriting may lead *us* to:

- accept *your* application
- reject *your* application, or
- amend one or more terms.

Unemployed/Unemployment

Ceasing to follow *your own occupation* for more than one month, and not following any other *occupation*.

United Kingdom/UK

The United Kingdom of Great Britain and Northern Ireland. This excludes the Channel Islands and the Isle of Man.

Vitality

Our health and wellbeing programme. *You* can earn points and *rewards* in the programme and progress through status levels. *Rewards* are separate from this *plan*, and have their own terms and conditions.

Vitality status

A measure of *your* achievement in *our* Vitality programme. There are four status levels: Bronze, Silver, Gold and Platinum. *Your* Vitality status depends on the recorded efforts that *you* make in the programme between each *plan anniversary*.

We/Us/Our

Prudential Assurance Company Limited

Whole of life

The term of a cover that lasts from the cover's *start date* to the death of the insured person for *joint life first death* or the death of both persons covered for *joint life second death*.

You/Your

The person named on the *plan schedule* as the person covered. For a *joint life plan*, either or both people covered, as appropriate.



PruHealth is a trading name of Prudential Health Limited, Prudential Health Insurance Limited and Prudential Health Services Limited. Registered numbers 05051253, 02123483 and 05933141 respectively. PruProtect is a trading name of Prudential Health Services Limited and Prudential is a trading name of The Prudential Assurance Company Limited, registered number 00015454. The Prudential Assurance Company Limited provides and manufactures benefits under the PruProtect Plan. Prudential Health Limited and Prudential Health Insurance Limited provide and manufacture benefits under the PruHealth product. Prudential Health Services Limited distributes and services the PruHealth and PruProtect products and issues the documentation. Companies registered in England and Wales. Registered offices at Laurence Pountney Hill, London EC4R 0HH. All authorised and regulated by the Financial Services Authority.

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