

Your Loan Protection Policy Document



Lloyds TSB
Insurance

Useful numbers and addresses

Claims

You can register a claim by telephone or fax on these numbers:

Phone **0845 300 0123**

Fax **01633 468819**

If you would like to use our minicom service, let us know your telephone number and an advisor will call you back.

Enquiries

If you would like to contact us about anything else, for example, to discuss how your claim is progressing, you can call us on the claims telephone number. You can also email or write to us at the addresses below:

Email **rcreditor.health@lloydstsb.co.uk**

Post **Lloyds TSB Insurance,
Tredegar Park, Newport,
South Wales NP10 8SB**

Positive Job Solutions

For job information or employment advice

Phone **0845 300 6018**

The Positive Job Solutions service is provided by PMA Limited. Registered in England, No. 2064316. Registered Office, GT House, 24-26 Rothesay Road, Luton, Bedfordshire LU1 1QX

Telephone call costs, call recording and call monitoring

Calls to 0845 numbers are charged at local rate from UK landlines. Calls to 0800 numbers are free from UK landlines. These charges may differ if calling from a mobile. Please note that telephone calls may be recorded and/or monitored.

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Introduction

Thank **you** for taking out **your Loan Protection Insurance Policy** with Lloyds TSB Insurance. This booklet is **your** Loan Protection policy document: it contains all the contractual terms and conditions of **your Loan Protection Insurance Policy** and explains how it works.

You should read this policy document carefully as it explains the benefits of the cover that may be available to **you** and the criteria that **you** must meet to qualify for those benefits. Words and phrases in bold have certain meanings within this policy document, which are set out on pages 4 – 7.

These terms and conditions only apply to loan protection insurance policies entered into on or after 22nd May 2006.

If **you want to change your mind**

If **you** decide that **you** don't want **your Loan Protection Insurance Policy** or it doesn't meet **your** needs, **we** will refund **your** money in full if **you** tell **us** this in writing within 30 days of signing **your Loan Agreement** and **we** haven't already paid a claim. The contract between **you** and **us** will then be treated as if it had never happened.

Please write to **us** at:

Lloyds TSB Personal Loans Service Centre, Peterlee, County Durham SR8 2RS

If **you** want to cancel **your** Loan Protection Insurance after the first 30 days you may do this by:

- settling **your** loan early, in accordance with the terms of your **Loan Agreement**, or
- setting up a new loan without Loan Protection Insurance.

You may then be eligible for a refund of part of your premium. For full details, please refer to the 'Are you eligible for a premium refund?' section of this policy document on page 32. Please contact **your** local Lloyds TSB branch for details.

Our promise to you

We aim to provide an excellent service at all times, by answering **your** questions as quickly as possible and always within five working days to make the claims process as straightforward as possible.

If **you** are unhappy with any part of the service **we** provide, please contact **our** Customer Care team:

Phone **0845 300 5599**

Fax **01633 468835**

Email **customer.care.insurance@lloydstsb.co.uk**

Post **Customer Care, Lloyds TSB Insurance, Tredegar Park, Newport, South Wales NP10 8SB**

If **you** feel that **your** complaint hasn't been answered satisfactorily, please write to the Managing Director at the address above, or

Email **managing.director.insurance@lloydstsb.co.uk**

Finally, if **you** are still not happy with the way in which **we** have handled **your** complaint, **you** can then contact the Financial Ombudsman Service (FOS) at:

Phone **0845 080 1800**

Post **The Insurance Division, Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR**

Contacting the FOS will not affect **your** legal rights.

Definitions

The following words and phrases are used within this policy document and this section explains exactly what they mean. **We** have set them out in alphabetical order for ease of reference and wherever they are used within this policy document, they will appear in bold.

Accident

A sudden and unforeseen event that happens by chance and results in bodily injury.

Critical illness

• Cancer

Any malignant tumour characterised by the uncontrolled growth and spread of malignant cells and invasion of tissue. Cancer includes leukaemia and Hodgkin's disease but not the following:

- All tumours which are histologically described as pre-malignant, non-invasive or cancer in-situ.
- All tumours of the prostate unless histologically classified as having a Gleason score greater than 6 or having progressed to at least TNM classification T2NOMO.
- All forms of lymphoma in the presence of any Human Immunodeficiency Virus.

- Kaposi's sarcoma in the presence of any Human Immunodeficiency Virus.
- Any skin cancer other than invasive malignant melanoma.

• Coronary artery by-pass surgery

The undergoing of open heart surgery on the advice of a consultant cardiologist to correct narrowing or blockage of one or more coronary arteries with by-pass grafts but excluding balloon angioplasty, laser relief or any other procedures.

• Heart attack

The death of a portion of heart muscle, due to inadequate blood supply, that has resulted in all of the following evidence of acute myocardial infarction:

- Typical chest pain and
 - New characteristic electrocardiographic changes and
 - The characteristic rise of cardiac enzymes, troponins or other biochemical markers
- where all of the above shows a definite acute myocardial infarction.

Other acute coronary syndromes, including but not limited to angina, are not covered under this definition.

• Kidney failure

End stage renal failure presenting as chronic irreversible failure of both kidneys to function, as a result of which either regular renal dialysis or renal transplant is initiated.

• Major organ transplant

The actual undergoing as a recipient of, or inclusion on an official United Kingdom waiting list for, a transplant of a heart, liver, lung, pancreas or bone marrow.

• Stroke

A cerebrovascular incident resulting in permanent neurological damage. Transient Ischaemic Attacks are specifically excluded.

Deferred period

The agreed time between the date you sign your Loan Agreement and the date of your first loan repayment, which is shown in your Loan Agreement.

Doctor

A qualified and registered medical practitioner other than you or a member of your immediate family.

Employed

In employment for which you are paid, or in self-employment.

Employment

Carrying out work for which you are paid, or self-employment.

Hospital

A lawfully operated establishment which has accommodation for resident patients with facilities for diagnosis and major surgery and provides a 24 hour a day nursing service by registered nurses. A convalescent, nursing or rest home, or similar section of a hospital is specifically excluded.

Definitions (continued)

In-patient

Any time spent in hospital that involves an overnight stay.

Loan Agreement

This is the Lloyds TSB Personal Loan Agreement, including the Consumer Credit Agreement, you made with Lloyds TSB.

Loan Protection Insurance Policy

This Loan Protection insurance contract between you and us.

Non-employed person (choosing not to work)

A person who is not employed and is all of the following:

- choosing not to work;
- not retired;
- not unemployed;
- not a student in full or part-time education;
- not certified as being sick by a doctor, unless solely as a result of a claim under this Loan Protection Insurance Policy;
- not reached age 65.

Normal pregnancy

Symptoms or a combination of symptoms which normally accompany pregnancy including multiple pregnancy and which are generally of a minor and/or temporary nature e.g. morning sickness or fatigue, and which do not represent a medical hazard to mother or baby.

Childbirth, including delivery by Caesarean section or any other medically or surgically assisted delivery, which does not cause medical complications.

Pre-existing condition

Any condition, injury, illness, disease, sickness or related condition and/or associated symptoms, whether diagnosed or not which you:

- knew about or should reasonably have known about on the date that you signed your Loan Agreement, or
- had seen or arranged to see a doctor about during the 12 months immediately before the date you signed your Loan Agreement, and
- which occurs again within 12 months of the date you signed your Loan Agreement.

Related condition

Any symptom, disease, illness or injury which reasonable medical opinion considers to be associated with another symptom, disease, illness or injury.

Repayment holiday

Any calendar month during which Lloyds TSB Bank plc has agreed to suspend your monthly loan repayment under the terms of your Loan Agreement.

Retired

You have stopped working in employment and have no intention to return.

Total loan amount

The original amount borrowed including your Loan Protection Insurance Policy premium.

Treatment

Surgical or medical services, e.g. X-ray, that are needed to diagnose, relieve or cure a disease, illness or injury.

Unemployed or unemployment

Out of employment and seeking to return to employment.

We, us or our

The providers of the insurance cover, who are:

- Lloyds TSB General Insurance Limited for Accident or Sickness and Hospitalisation cover for loan terms of less than five years and Unemployment cover for all loan terms.
- For Loan Protection Insurance purchased on or before 31 December 2006, The Prudential Assurance Company Limited for Accident or Sickness and Hospitalisation cover for loan terms of five years and over and Life and Critical Illness cover for all terms. For Loan Protection Insurance purchased on or after 1 January 2007, Scottish Widows plc for Accident or Sickness and Hospitalisation cover for loan terms of five years and over and Life and Critical Illness cover for all terms.

You or your

The person covered by this Loan Protection Insurance Policy, shown as the first person named on the Loan Agreement.

Are you eligible for this policy?

You are eligible for this policy if, on the date that you signed your Loan Agreement, all of the points below applied to you:

- 1 **You** are 18 or over and under 75 throughout the term of **your Loan Agreement**.
- 2 **You** are either **employed, retired** or a **non-employed person (choosing not to work)**.
- 3 **You** are resident in the UK, Channel Islands or the Isle of Man.
- 4 **You** signed **your Loan Agreement** as a private individual and not as a business.
- 5 **You** are the first named person on the **Loan Agreement** if **your** loan is in joint names.
- 6 None of the following points apply to **you**.

You are not eligible for this policy if, on the date that you signed your Loan Agreement, any of the points below applied to you:

- 1 **You** are **unemployed**.
- 2 **You** are in receipt of Incapacity Benefit from the relevant government authority.
- 3 **You** are acting as a guarantor.
- 4 **You** are solely a student and not working.

Please note: This **Loan Protection Insurance Policy** is only available for a loan of £25,000 or less (not including the premium for this **Loan Protection Insurance Policy**).

If you were sick, or injured through an accident when you signed your Loan Agreement

If **you** are **employed, your** cover will not begin until **you** have returned to work for at least 14 consecutive days.

If **you** are **retired** or a **non-employed person (choosing not to work)**, **your** cover will not begin until **you** have recovered from **your accident** or sickness for at least 14 consecutive days.

If you are aged 60 or over

If **you** are aged 60 or over at the start of **your Loan Agreement**, the term of **your Loan Protection Insurance Policy** will be limited to a maximum of 10 years.

Your circumstances and age may affect the benefits that you can claim during the term of your Loan Protection Insurance Policy. For full details, please refer to the eligibility sections for each appropriate benefit.

Unemployment Cover	P14
Accident or Sickness Cover	P20
Critical Illness Cover	P24
Hospitalisation Cover	P26
Life Cover	P29

How to make a claim

Here's what **you** need to do:

- 1 Please refer to the appropriate benefit section of this policy document to see if **you** are eligible to make a claim.
- 2 To register **your** claim, please call **us** on 0845 300 0123 or fax **us** on 01633 468819. **Our** lines are open from 8am to 8pm Monday to Friday and 9am to 1pm on Saturdays.

If **you** would like to use **our** minicom service, let **us** know **your** telephone number and an advisor will call **you** back.
- 3 Once **you** have registered **your** claim, **we** will send **you** a claim statement that will have been partially completed from **our** records. **You** will then need to have all sections completed by the relevant people e.g. **your doctor**.
- 4 Once completed, please return the claim statement together with any supporting evidence to **us** in the pre-paid envelope supplied.

- 5 Any correspondence relating to **your** claim should be sent to:
**Lloyds TSB Insurance, Tredegar Park,
Newport, South Wales NP10 8SB**

Important

It is important that **you** keep **your** loan repayments up to date while **your** claim is being assessed.

Providing evidence when you claim

You will be required to provide any evidence or information **we** might ask for, such as evidence from third parties including **your doctor** or employer. Without this information, **your** claim may not be paid. Please note **we** will not pay for any costs incurred in obtaining this information.

If **you** continue to be sick or absent from work, **we** may ask **you** to undergo an independent medical examination at **our** expense.

If any claim under this **Loan Protection Insurance Policy** is fraudulent or intended to mislead **us**, **your** right to any benefit will end and **we** will be entitled to recover any benefit paid and costs incurred.

Life claims

Your next of kin should contact any Lloyds TSB branch where staff will take care of the claim on their behalf.

State benefits

If **you** make a claim under this **Loan Protection Insurance Policy** **you** can still claim state benefits, although they may be affected by **your Loan Protection Insurance Policy** benefit payments. For more details, please ask at **your** local employment service.

Taxation

There may be a potential inheritance tax liability on the excess of any Life benefit payment over the outstanding loan amount.

Policy benefits at a glance

This table briefly outlines the cover you may be eligible for under your Loan Protection Insurance Policy and how any change in your circumstances or age may affect it.

Your status at point of claim	Unemployment Cover	Positive Job Solutions	Accident or Sickness Cover	Plus bonus 10% cash payment	Critical Illness Cover	Hospitalisation Cover	Life Cover
If at the point of claim you are under 65 and have been employed (including self-employed) for 16 hours or <u>more</u> per week.	✓	✓	✓	✗	✓	✗	✓
If at the point of claim you are under 65 and: • employed (including self-employed) for <u>less</u> than 16 hours a week, or • a non-employed person (choosing not to work) , or • retired .	✗	✓	✓	✓	✓	✓	✓
If at the point of claim you are 65 or over.	✗	✓	✗	✗	✓	✓	✓

If your circumstances change during the term of your Loan Agreement, it may affect the benefits you are eligible for under your Loan Protection Insurance Policy. For example, if, while claiming, you reach the age of 65, any **Unemployment** or **Accident** or Sickness benefit payments will stop.

How repayment holidays could affect your eligibility for cover and the benefits that you may receive.

For each **repayment holiday** that you take during the period of **your Loan Agreement**, the term of **your Loan Agreement** will be extended and we will extend the term of **your Loan Protection Insurance Policy** by the same length of time.

Before taking a **repayment holiday**, it is important to understand that extending the term of **your Loan Agreement** may affect your eligibility for cover at the time you may wish to claim.

For example: If you take a **repayment holiday** and this extends the term of **your Loan Agreement** past your 65th birthday, you will then become ineligible for **Accident** or Sickness cover and **Unemployment** cover.

For full details, please refer to the **repayment holiday** sections for each appropriate benefit.

Unemployment Cover	P15
Accident or Sickness Cover	P21

If you take a **repayment holiday** and this extends the term of **your Loan Agreement** past your 75th birthday, Life cover, **Critical Illness** cover and Hospitalisation cover will continue until:

- **your Loan Agreement** comes to an end, or
- the **total loan amount** or the amount you owe under **your Loan Agreement** (less any arrears) has been paid under a **Critical Illness** or Life claim, or
- you enter into an Individual Voluntary Arrangement in respect of your debts, or are made bankrupt, or
- your debt is transferred to another person, whichever is the earliest.

Unemployment Cover

Unemployment cover provides a monthly benefit, equal to the monthly repayment under **your Loan Agreement**, subject to the provisions set out below:

Your eligibility

You will be eligible to claim Unemployment benefit under this Loan Protection Insurance Policy if all of the points below apply to you when you make a claim:

- 1 You are under 65.
- 2 You are **employed** for at least 16 hours per week and have been paying the correct tax and National Insurance contributions immediately prior to **your** claim.
- 3 You have been continuously **employed** for at least 16 hours per week for a minimum period of six months either on the date **you** signed **your Loan Agreement** or during the term of **your Loan Protection Insurance Policy**.
- 4 None of the exclusions listed on pages 16 and 17 apply to **you**.

You will not be eligible to claim Unemployment benefit under this Loan Protection Insurance Policy if any of the points below apply to you when you make a claim:

- 1 You are 65 or over.
- 2 You have not been **employed** for 16 hours or more per week and have not been paying the correct tax and National Insurance contributions immediately prior to **your** claim.
- 3 You have not been continuously **employed** for 16 hours or more per week for a minimum period of six months either on the date **you** signed **your Loan Agreement** or during the term of **your Loan Protection Insurance Policy**.
- 4 You are **retired**.
- 5 You are a **non-employed person (choosing not to work)**.
- 6 Any of the exclusions listed on pages 16 and 17 apply to **you**.

You will only be covered for a period of unemployment during which:

- 1 You are available for work, actively seeking work and certified as **unemployed** with:
 - the Department for Work & Pensions in Great Britain, or
 - the Department for Social Development in Northern Ireland, or
 - the State's Insurance Authorities in the Channel Islands or an EU member state, and
- 2 You are not being paid by **your** employer in lieu of notice, and
- 3 You are meeting the Jobseeker's Agreement within the UK, or equivalent agreements within Northern Ireland, the Channel Islands or an EU member state.

Deferred or Further Education loans

If **you** have a deferred or further education loan, **Unemployment** cover will start 15 days after **your deferred period** comes to an end. **Your** benefit will be calculated from the first full day of **unemployment** following the end of **your deferred period**.

Repayment holidays

If **you** have taken a **repayment holiday**, please note that **Unemployment** cover is not available during the calendar month in which **your** loan repayment has been suspended. If **you** are made **unemployed** during the month of **your repayment holiday**, **Unemployment** cover will start after the end of that month provided **you** have been **unemployed** for 15 consecutive days or more. **Your** benefit will be calculated from the first full day of the next calendar month.

For example, if **your** loan repayment is due in March and **you** have taken a **repayment holiday**, **you** will not be eligible to claim for **Unemployment** benefit during March. If after the end of March **you** are still **unemployed** and have been **unemployed** for 15 consecutive days or more, **you** will be able to claim on or after 1st April, and **your** claim will be backdated to 1st April.

You are not able to take a **repayment holiday** if **you** are claiming **Unemployment** benefit under this **Loan Protection Insurance Policy**.

Unemployment Cover (continued)

Exclusions

You will not be covered for any period of **unemployment** which:

- lasts for less than 15 complete and consecutive days, or
- immediately follows a period of casual or temporary work, or
- immediately follows a period of training, probation or apprenticeship, or
- is normal in **your** line of work (e.g. seasonal or where **your** contract is for a specific task), or
- results from the end of a fixed-term contract, except where **you** have:
 - worked continuously for the same employer for at least 24 months, or
 - been on a contract for at least 12 months and had that contract renewed at least once, or
 - originally been **employed** on a permanent basis by the same employer but were transferred to a fixed term contract by the employer without a break in **your employment**, or

- **you** are notified of, or which begins within 30 days of **you** signing **your Loan Agreement**. (If this exclusion applies to **you** and **your** loan was refinanced, please refer to the Refinanced Loans section of this policy document on page 30), or
- **you** were aware of, or should reasonably have known about, when **you** signed **your Loan Agreement** whether or not **you** received official notice. (If this exclusion applies to **you** and **your** loan was refinanced, please refer to the Refinanced Loans section of this policy document on page 30), or
- was caused by or is a result of:
 - **your** dismissal for misconduct/gross misconduct, or
 - any intentional act by **you**, or
 - **your** resignation, voluntary **unemployment** or voluntary redundancy, or
- occurs whilst **you** are working outside the UK, the Channel Islands, Isle of Man or the EU, unless **your** employer is based in the UK, the Channel Islands, Isle of Man or the EU, or
- is due to any **pre-existing condition**. However, a claim may be accepted if **you** remain symptom free and have not consulted a **doctor** or received **treatment** for the condition for a full 24 months prior to **your** claim. (If this exclusion applies to **you** and **your** loan was refinanced, please refer to the Refinanced Loans section of this policy document on page 30), or
- is as a result of drug abuse: alcohol or solvent abuse, or the taking of drugs except under the direction of a **doctor**, or
- is as a result of cosmetic surgery, unless medically necessary e.g. reconstructive, or
- is not supported by the required evidence, or
- arises from **you** taking part in any criminal act, or
- arises from war, invasion, act of foreign enemy, hostilities (whether or not war has been declared), civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion.
For example: Where **your** claim is due to **your** visit or posting to an area of civil or political unrest.

If you are claiming benefit for Accident or Sickness, you cannot claim Unemployment benefit at the same time.

How we pay your benefit

Your benefit payments will be the same amount as **your** monthly loan repayments and will be made directly into **your** loan account, or the bank account **you** are using to repay **your** loan for the credit of **your** loan account.

We will make **your** first payment 31 days after the first full day of **your unemployment** and then every 30 days after that. If **your** claim lasts between 15 and 30 days, payment will be made sooner on a pro-rata basis. Benefit will be calculated from the first full day of **your unemployment**.

If **your** claim finishes during one of these 30-day periods, **we** may pay **your** benefit up to the date **your** claim ends, on a pro-rata basis.

Benefit will not be paid for any **repayment holiday** period.

Unemployment Cover (continued)

Your Unemployment claim will end when:

- **you** return to work, or
- **you** have received the maximum 12 monthly benefit payments, or
- **you** retire from **employment**, or
- **you** reach the age of 65, or
- **your** cover ends, as described in the section of this policy document entitled 'How long will my Loan Protection Insurance Policy last?' on page 31, whichever is the earliest.

Making further claims

You can receive a maximum of 12 monthly **Unemployment** benefit payments in one claim. If **you** return to work before 12 payments have been made and are **unemployed** again within six months, **your** previous claim may continue. After that, **you** need to have worked for at least 16 hours a week for six consecutive months before making a new claim.

If your circumstances change during your claim

You must notify **us** immediately, using the contact details provided on page 10, if **your** circumstances change during **your** claim. **We** will then re-assess the basis on which **we** are paying **your** claim, but **you** will not be subject to the usual qualifying periods.

For example: If **you** are receiving **Unemployment** benefit and during **your** claim **you** have an **accident** or become sick, **we** will change **your** claim to **Accident** or Sickness and continue paying benefit without any qualifying period.

Positive Job Solutions

For the cost of a local rate call, Positive Job Solutions is a confidential and independent telephone advice service, available to **you** and any member of **your** family who lives with **you**.

A specialist team of advisors will discuss any concerns or questions **you** might have and help **you** get back to work as soon as possible. This includes a free guide on everything from preparing CVs and application letters to advice on self-employment. **You** will also have access to a national job vacancy database.

You can use the confidential advice service at any time during the life of **your Loan Protection Insurance Policy** – even for advice on looking for a new job or changing career.

How to contact Positive Job Solutions
Phone **0845 300 6018** between 8am and 8pm Monday to Friday or between 8am and 12 noon on Saturdays.

Accident or Sickness Cover

Accident or Sickness cover provides **you** with a monthly benefit, equal to the monthly repayment under **your Loan Agreement**, subject to the provisions set out below:

Your eligibility

You will be eligible to claim Accident or Sickness benefit under this Loan Protection Insurance Policy if when you make a claim:

- 1 **You** are under 65, and
- 2 **You** are **employed** and off work due to **accident** or sickness, or
- 3 **You** are a **non-employed person (choosing not to work)** or **retired** and would be considered unable to perform the duties of a retail shop assistant due to **accident** or sickness, and
- 4 None of the exclusions listed on pages 21 and 22 apply to **you**.

You will not be eligible to claim Accident or Sickness benefit under this Loan Protection Insurance Policy if any of the points below apply when you make a claim:

- 1 **You** are 65, or over.
- 2 **You** are **employed** and working.
- 3 **You** are a **non-employed person (choosing not to work)** or **retired**, and would be considered capable of performing the duties of a retail shop assistant.
- 4 **You** are **unemployed**, unless already claiming **Unemployment** benefit under this **Loan Protection Insurance Policy**.
- 5 **You** are solely a student and not working.
- 6 Any of the exclusions listed on pages 21 and 22 apply to **you**.

You will only be covered for a period of accident or sickness during which:

Your accident or sickness has been certified by a **doctor**. (However **you** can self-certify as sick for the first seven days).

Deferred or Further Education loans

If **you** have a deferred or further education loan, **Accident** or Sickness cover will start 15 days after **your deferred period** comes to an end. **Your** benefit will be calculated from **your** first full day of **accident** or sickness following the end of **your deferred period**.

Repayment holidays

If **you** have taken a **repayment holiday**, please note that **Accident** or Sickness cover is not available during the calendar month in which **your** loan repayment has been suspended. If **you** have an **accident** or are sick during the month of **your repayment holiday**, **Accident** or Sickness cover will start after the end of that month provided **you** have been injured due to an **accident** or you have been sick for 15 consecutive days or more. **Your** benefit will be calculated from the first full day of the next calendar month.

For example, if your loan repayment is due in March and **you** have taken a **repayment holiday**, **you** will not be eligible to claim for **Accident** or Sickness benefit during March. If after the end of March **you** are still injured due to an **accident**, or are sick, for 15 days or more **you** will be able to claim on or after 1st April, and **your** claim will be backdated to 1st April.

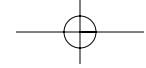
You are not able to take a **repayment holiday** if **you** are claiming **Accident** or Sickness benefit under this **Loan Protection Insurance Policy**.

Exclusions

You will not be covered for any period of **accident** or sickness which:

- lasts for less than 15 complete and consecutive days, or
- is due to any **pre-existing condition**. However, a claim may be accepted if **you** remain symptom free and have not consulted a **doctor** or received **treatment** for the condition for a full 24 months prior to **your** claim. (If this exclusion applies to **you** and **your** loan was refinanced, please refer to the Refinanced Loans section of this policy document on page 30), or
- is as a result of drug abuse: alcohol or solvent abuse, or the taking of drugs except under the direction of a **doctor**, or
- is as a result of cosmetic surgery unless medically necessary e.g. reconstructive, or

[Exclusions are continued on the next page](#)



Accident or Sickness Cover (continued)

Accident or Sickness Cover Exclusions (continued)

- is due to **normal pregnancy**, unless the symptoms of **normal pregnancy** develop into a pathological condition, sickness or disease which is diagnosed by a consultant. The consultant needs to be a member of the Royal College of Obstetricians and recognised by the Royal College as a consultant or a **doctor** specialising in obstetrics. The pathological condition must last for at least 15 days and must not be excluded under any other exclusions set out in this policy document, or
 - is due to intentional, self-inflicted injury, or
 - is not supported by the required evidence, or
 - arises from **you** taking part in any criminal act, or
 - arises from war, invasion, act of foreign enemy, hostilities (whether or not war has been declared), civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion.
- For example: Where **your** claim is due to **your** visit or posting to an area of civil or political unrest.

If you are claiming benefit for Unemployment, you cannot claim Accident or Sickness benefit at the same time.

How we pay your benefit

Your benefit payments will be the same amount as **your** monthly loan repayments and will be made directly into **your** loan account, or the bank account **you** are using to repay **your** loan for the credit of **your** loan account.

We will make **your** first payment 31 days after the first full day of **your accident** or sickness and then every 30 days after that. If **your** claim lasts between 15 and 30 days, payment will be made sooner on a pro-rata basis. Benefit will be calculated from the first full day of **your accident** or sickness.

If **your** claim finishes during one of these 30-day periods, **we** will pay **your** benefit up to the date **your** claim ends, on a pro-rata basis.

Benefit will not be paid for any **repayment holiday** period.

You will also receive a bonus cash payment directly to the bank account **you** are using to repay **your** loan, equal to 10% of **your** monthly benefit payment if **you** are:

- a **non-employed person (choosing not to work)**, or
- **retired**, or
- **employed** for less than 16 hours per week, and
- aged less than 65.

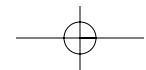
Your Accident or Sickness claim will end when:

- **you** return to work, or
- **your** period of **accident** or sickness ends, or
- **you** reach the age of 65, or
- **your** cover ends, as described in the section of this policy document entitled 'How long will my Loan Protection Insurance Policy last?' on page 31, whichever is the earliest.

If your circumstances change during your claim

You must notify **us** immediately, using the contact details provided on page 10, if **your** circumstances change during **your** claim. **We** will then re-assess the basis on which **we** are paying **your** claim, but **you** will not be subject to the usual qualifying periods. For example:

- If **you** are receiving **Accident** or Sickness benefit and during **your** claim **you** become **unemployed** **we** may change **your** claim to **Unemployment** and continue paying benefit without any qualifying period.
- If **you** are receiving **Accident** or Sickness benefit and during **your** claim **you** become eligible for Hospitalisation cover, **you** may claim without waiting a further three consecutive nights.



Critical Illness Cover

Critical Illness cover provides a benefit equal to the **total loan amount** or the amount **you** still owe under **your Loan Agreement** (less any arrears), whichever is greater, subject to the provisions set out below:

Your eligibility

You will be eligible to claim **Critical Illness** benefit under this **Loan Protection Insurance Policy** if **you** are diagnosed by a **doctor** as suffering from, or **you** need an operation for any of the following **critical illnesses**, and none of the exclusions listed on pages 24 and 25 apply to **you**:

- cancer
- coronary artery by-pass surgery
- heart attack
- kidney failure
- major organ transplant
- stroke

These **critical illnesses** must meet certain criteria, which are detailed in the Definitions section on pages 4 and 5.

Repayment holidays

You are unable to take a **repayment holiday** if **you** are in the process of claiming a **Critical Illness** benefit under this **Loan Protection Insurance Policy**.

Exclusions

You will not be covered for any **critical illness** which:

- is due to any **pre-existing condition**. However, a claim may be accepted if **you** remain symptom free and have not consulted a **doctor** or received **treatment** for the condition for a full 24 months prior to **your** claim. (If this exclusion applies to **you** and **your** loan was refinanced, please refer to the Refinanced Loans section of this policy document on page 30), or
- is as a result of drug abuse: alcohol or solvent abuse, or the taking of drugs except under the direction of a **doctor**, or
- is due to intentional, self-inflicted injury, or
- is not supported by the required evidence, or
- arises from **you** taking part in any criminal act, or
- has previously been paid under the Refinanced Loans section of this policy (if this exclusion applies to **you**, please refer to the Making further claims section on page 25), or

- arises from war, invasion, act of foreign enemy, hostilities (whether or not war has been declared), civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion. For example: Where **your** claim is due to **your** visit or posting to an area of civil or political unrest.

How we pay your benefit

We will make a payment straight into **your** loan account, or into the bank account **you** are using to repay **your** loan for the credit of **your** loan account. This payment will be for whichever is the higher of:

- The **total loan amount**, or
- The amount **you** still owe under **your Loan Agreement** less any arrears.

Making further claims

All cover will end on repayment of the amount **you** still owe under **your Loan Agreement** less any arrears.

However, where **you** have refinanced **your** loan and **your Critical Illness** claim is based on the terms of any previous loan protection insurance policy with **us**, the benefit payment may be less than this amount. (Please refer to the Refinanced Loans section of this policy document on page 30.)

If this is the case, **your** cover under this **Loan Protection Insurance Policy** will continue and any further claim will be assessed under the terms and conditions of this **Loan Protection Insurance Policy** only and the terms of **your** previous loan protection insurance policy will no longer apply.

If **you** have a further claim for a different specified **critical illness**, any **Critical Illness** benefit previously paid will be deducted from the new payment.

For example: If **we** have already paid £3,000 for a **Critical Illness** claim under **your Loan Protection Insurance Policy**, any subsequent **Critical Illness** or Life claim will be reduced by £3,000.

The **Critical Illness** cover referred to throughout this policy document is ancillary to the Life cover and can result in the earlier payment of **your** Life benefit.

Hospitalisation Cover

Hospitalisation cover provides a cash benefit of £25 per night's stay in **hospital** as an **in-patient**, subject to the provisions set out below:

Your eligibility

You will be eligible to claim Hospitalisation benefit under this Loan Protection Insurance Policy if, when you make a claim:

- 1 **You** are 65 or over, or
- 2 **You** are **retired**, or
- 3 **You** are **employed** for less than 16 hours a week, or
- 4 **You** are a **non-employed person (choosing not to work)**, and
- 5 None of the exclusions listed on pages 27 and 28 apply to **you**.

You will not be eligible to claim Hospitalisation benefit under this Loan Protection Insurance Policy if any of the points below apply to you when you make a claim:

- 1 **You** are **employed** for 16 hours or more per week.
- 2 **You** are **unemployed**.
- 3 **You** are solely a student and not working.
- 4 Any of the exclusions listed on pages 27 and 28 apply to **you**.

You will only be covered for a period of Hospitalisation during which:

Your stay in **hospital** lasts for three consecutive nights or more, unless **you** have already spent three consecutive nights in **hospital** for the same condition or **related condition** during the term of **your Loan Protection Insurance Policy**.

Deferred or Further Education loans

If **you** have a deferred or further education loan, **you** cannot claim Hospitalisation benefit until **you** have been in **hospital** for three consecutive nights after **your deferred period** comes to an end. **You** will then be eligible for £25, followed by £25 for each subsequent night's stay.

Repayment holidays

If **you** have taken a **repayment holiday**, please note that Hospitalisation cover is not available during the calendar month in which **your** loan repayment has been suspended. If **you** are admitted to **hospital** during the month of **your repayment holiday**, hospitalisation cover will start after the end of that month provided **you** have either:

- Spent three consecutive nights in **hospital**, if **you** are making a new claim or
- Spent one night in **hospital** if **you** have already spent three consecutive nights in **hospital** for the same condition or **related condition** during the term of **your Loan Protection Insurance Policy**.

For example, if **your** loan repayment is due in March and **you** have taken a **repayment holiday**, **you** will not be able to claim if **you** are admitted to **hospital** during March. If **you** are making a new claim and have spent three consecutive nights in **hospital** during March **you** will be able to claim on or after 1st April provided **you** are still in **hospital**.

You are not able to take a **repayment holiday** if **you** are claiming Hospitalisation benefit under this **Loan Protection Insurance Policy**.

Exclusions

You will not be covered for any period of hospitalisation which:

- was impending, i.e. which **you** were aware of when **you** signed **your Loan Agreement**, or
- is due to any **pre-existing condition**. However, a claim may be accepted if **you** remain symptom free and have not consulted a **doctor** or received treatment for the condition for a full 24 months prior to **your** claim. (If this applies to **you**, please refer to the Refinanced Loans section of this policy document on page 30), or
- is as a result of drug abuse: alcohol or solvent abuse, or the taking of drugs except under the direction of a **doctor**, or
- is as a result of cosmetic surgery, unless medically necessary e.g. reconstructive, or
- is due to **normal pregnancy** or birth control, or
- is due to intentional, self-inflicted injury, or
- is not supported by the required evidence, or
- is due to treatment or investigations relating to infertility or fertility, or

[Exclusions are continued on the next page](#)

Hospitalisation Cover (continued)

Hospitalisation Cover Exclusions (continued)

- is due to Human Immunodeficiency Virus (HIV), Acquired Immune Deficiency Syndrome (AIDS) or a **related condition**, or
- is spent in a convalescent, nursing or rest home, or similar section of a **hospital**, or
- arises from **you** taking part in any criminal act, or
- arises from war, invasion, act of foreign enemy, hostilities (whether or not war has been declared), civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion.
For example: Where **your** claim is due to **your** visit or posting to an area of civil or political unrest.

How we pay your benefit

We will pay £25 for an **in-patient** stay of three consecutive nights, and £25 for each subsequent night's stay for the same or a **related condition**, which need not be consecutive. Payment will be made into the bank account **you** are using to repay **your** loan.

Your Hospitalisation claim will end when:

- **you** are discharged from **hospital**, or
- **you** have received payment for 365 nights per condition, or **related condition**, or
- **your** cover ends, as described in the section of this policy document entitled 'How long will my Loan Protection Insurance Policy last?' on page 31, whichever is the earliest.

Please note: If you are eligible **Accident** or Sickness cover is available in addition to Hospitalisation cover until **you** reach the age of 65.

Life Cover

Life cover provides a benefit equal to the **total loan amount** or the amount **you** still owe under **your Loan Agreement** (less any arrears), whichever is the greater, subject to the provisions set out below:

Your eligibility

Your personal representative will be able to claim Life benefit under **your Loan Protection Insurance Policy** if **you** die during the term of **your Loan Protection Insurance Policy**, and none of the exclusions listed below apply to **you**.

Exclusions

You will not be covered for Life benefit if the claim:

- is not supported by the required evidence, or
- arises from **you** taking part in a criminal act, or
- arises from war, invasion, act of foreign enemy, hostilities (whether or not war has been declared), civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion.
For example: Where **your** claim is due to **your** visit or posting to an area of civil or political unrest.

How we pay your benefit

We will make a payment straight into **your** loan account for whichever is the higher of:

- The **total loan amount**; or
- The amount **you** still owe under **your Loan Agreement** less any arrears.

Where **you** have refinanced **your** loan, any amount that has been paid to **you** under a **Critical Illness** claim or Cancer claim under the terms of **your** previous loan protection insurance policy will be deducted from the benefit payment of this **Loan Protection Insurance Policy**. If this applies, please refer to the Refinanced Loans section of this policy document on page 30.

The **Critical Illness** cover referred to throughout this policy document is ancillary to the Life cover and can, result in the early payment of **your** Life benefit.

Refinanced Loans

Where **you** have refinanced a Lloyds TSB personal loan that was covered by a loan protection insurance policy and **you** enter into a new **Loan Protection Insurance Policy**, **you** will be covered under the terms and conditions of **your** new **Loan Protection Insurance Policy**.

However, if **you** are unable to claim on **your** new **Loan Protection Insurance Policy** because:

- **you** have a **pre-existing condition**, or
- **you** wish to claim for **Unemployment** benefit but your **unemployment** began or **you** were notified of it within 30 days of signing **your** new **Loan Agreement**, or
- **you** wish to claim for **Unemployment** benefit but **we** believe **you** were aware of **your unemployment** or should reasonably have known about it when **you** signed **your** new **Loan Agreement** (whether or not **you** had received official notice),

we will assess **your** claim under the terms and conditions of **your** previous loan protection insurance policy.

This means that if **you** would have been covered for the claim under **your** previous policy, **you** will still be covered for the claim. However, **we** will assess **your** cover by reference to **your** previous Lloyds TSB personal loan rather than **your** new Lloyds TSB personal loan. This means, for that particular claim, that the benefit payable to **you** will be no greater than the benefit that would have been payable to **you** under **your** previous loan.

You will receive cover until, either:

- **your** previous **Loan Agreement** was due to end, or
- a **Critical Illness** or Cancer claim has repaid the outstanding balance of **your** previous loan, or
- the outstanding balance of **your** current loan has been repaid.

Please note: **Critical Illness** cover is available on all loan protection insurance policies sold on or after 1st July 2004. If **you** have refinanced **your** loan and **your** previous policy was taken out prior to 1st July 2004 Cancer cover may still be available under **your** previous loan protection insurance policy.

How long will my Loan Protection Insurance Policy last?

Your Loan Protection Insurance Policy will start from the date **you** sign **your Loan Agreement** and have agreed to pay the premium for this policy, and will end when:

- **you** reach the age of 75 (unless **your Loan Agreement** extends past **your** 75th birthday as a result of taking one or more **repayment holidays** during the term of **your** loan), or
- **your Loan Agreement** terminates, or
- the **total loan amount** or the amount **you** owe under **your Loan Agreement** (less any arrears) has been paid under a **Critical Illness** or Life claim, or
- **you** enter into an Individual Voluntary Arrangement in respect of **your** debts, or are made bankrupt, or
- **your** debt is transferred to another person, whichever is the earliest.

Please note that if **you** decide that **you** don't want **your Loan Protection Insurance Policy** or it doesn't meet **your** needs, **we** will refund **your** money in full if **you** tell **us** this in writing within 30 days of signing **your Loan Agreement** and **we** haven't already paid a claim. The contract between **you** and **us** will then be treated as if it had never happened.

Are you eligible for a premium refund?

You may pay for **your Loan Protection Insurance Policy** either by:

- adding the full cost of the premium to the amount **you** have borrowed and therefore repaying this amount over the term of the loan, or
- paying the full cost of the premium in cash.

If **you** decide that **you** don't want **your Loan Protection Insurance Policy** or it doesn't meet **your** needs, **we** will refund **your** money in full if **you** tell **us** this in writing within 30 days of signing **your Loan Agreement** and **we** haven't already paid a claim. The contract between **you** and **us** will then be treated as if it had never happened.

Please write to **us** at:

**Lloyds TSB Personal Loans Service Centre,
Peterlee, County Durham SR8 2RS**

If **you** want to cancel **your Loan Protection Insurance** after the first 30 days **you** may do this by:

- settling **your** loan early, in accordance with the terms of **your Loan Agreement**, or
- setting up a new loan without Loan Protection Insurance.

Please contact **your** local Lloyds TSB branch for details.

If **you** settle **your** loan early a refund of part of **your** premium may be paid, provided **we** have not paid a claim to **you**. The amount an insurer might have to pay in the event of a claim is greater at the beginning of a loan than at the end. This explains why a refund is not made on a pro-rata basis. This table provides an example of what the refund would be (the figures below are rounded to the nearest whole number).

	36 month loan	60 month loan	84 month loan
After 12 repayments	46%	65%	74%
After 18 repayments	25%	49%	62%
After 24 repayments	11%	34%	51%
After 36 repayments	0%	14%	31%
After 48 repayments	0%	4%	16%
After 60 repayments	0%	0%	7%

A standard administration fee of £45 will apply.

A refund will not be paid in the following circumstances:

- When the amount of any refund due is less than £10, or
- If **you** enter into an Individual Voluntary Arrangement in respect of **your** debts, or are made bankrupt, or
- If a claim has been paid, or
- If **your** debt is transferred to another person.

General policy conditions

Choice of law

Unless **we** agree otherwise, English law will apply to this **Loan Protection Insurance Policy**.

Language

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

Please note:

- **We** will provide cover during the period of **your Loan Protection Insurance Policy** according to the terms set out in this policy document in return for payment of the premium.
- **Your** policy cannot be transferred or the benefits assigned to anyone else.

Alternative formats

The information within this document is available in alternative formats such as Braille, cassette tape or large print.

Please call 0800 731 9046 if you wish to receive it in one of these formats and we will be happy to help.

For Loan Protection Insurance Policies purchased on or before 31 December 2006, your Loan Protection Insurance Policy is underwritten by Lloyds TSB General Insurance Limited (Company No. 204373) and The Prudential Assurance Company Limited (Company No. 15454). For Loan Protection Insurance Policies purchased on or after 1 January 2007, your Loan Protection Insurance Policy is underwritten by Lloyds TSB General Insurance Limited (Company No. 204373) and Scottish Widows plc (Company No. 199549).

All of these insurers are authorised and regulated by the Financial Services Authority (FSA). The main business of Lloyds TSB General Insurance Limited and The Prudential Assurance Company Limited is insurance and the main business of Scottish Widows plc is life assurance, pensions and investments.

Lloyds TSB General Insurance Limited, registered in England: 25 Gresham Street, London EC2V 7HN.
The Prudential Assurance Company Limited, registered in England, Laurence Pountney Hill, London EC4R 0HH.
Scottish Widows plc, registered in Scotland, registered office in the United Kingdom at 69 Morrison Street, Edinburgh EH3 8YF.



Lloyds TSB

www.lloydstsb.com/insurance