

# Individual Income Protection Insurance Certificate

SC3342013199

Specimen

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## **Contents**

**Introduction**

**Schedule**

**Section 1 – Fixed Period Income Protection Insurance**

**Section 2 – Disputes, Complaints and Data Protection**

**Section 3 – General Definitions**

**Section 4 – General Exclusions**

**Section 5 – General Certificate Conditions**

Specimen

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## Introduction

Please read this Certificate and ensure that it meets your requirements. Any change to the information in the Schedules must immediately be advised to the Insurance Advisor.

The Insurer will pay the Benefits defined in this Certificate if the Insured Crew Member becomes Disabled in the circumstances set out in this Certificate. The payment of Benefits is always subject to the terms and conditions of this Certificate.

The Insured Crew Member must pay the Premium as and when it falls due.

The agreement between the Insured Crew Member and the Insurer comprises all of the following:

- this Certificate and any endorsement recording a change to this Certificate;
- the Schedules;
- the Application.

Certain words in this Certificate have a specific meaning and such words are detailed in the Definitions Section. Where a word has been defined, the definition will apply wherever that word appears in this Certificate.

## Cooling off period

The Insured Crew Member is entitled to cancel this contract of insurance by writing to the Insurance Advisor within 14 days of either:

- The date you receive this contract of insurance or
- The start of the period of insurance

whichever is later.

## Accuracy of Information provided to the Insurer

All information provided to the Insurer by the Insured Crew Member or the Insurance Advisor when applying for this Certificate or when making any changes to it must be true and complete to the best of the Insured Crew Member's knowledge and belief.

If the Insured Crew Member provides incorrect information or fails to advise the Insurer of material information, whether inadvertently or deliberately, the Insurer may at its sole discretion:

- treat this Certificate as if it never existed (retaining any or part of the Premium paid);
- modify cover provided by this Certificate; or
- require the payment of additional Premium.

## Section 1 – Fixed Period Income Protection Insurance

### 1. Disability Benefit

If the Insured Crew Member becomes Disabled during the Period of Insurance as a consequence of Bodily Injury or Illness and the Disablement continues for longer than the Waiting Period the Insurer will pay the Disability Benefit for each subsequent month for which the Insured Crew Member remains Disabled.

No Disability benefit is payable in respect of the Waiting Period. Benefits payable for a period of less than thirty days will be payable at a daily rate of one-thirtieth of the Monthly Benefit payable. Benefits will be payable monthly in arrears.

The Insurer will not pay for more than the Maximum Benefit Period specified in the Schedule in respect of all any one claim and arising out of all periods of Disability arising from the same or any related cause of Disability.

If the Insured Crew Member suffers another period of Disability within 180 days immediately following a period of Disability from the same or a related cause the Waiting Period will be waived and the Disability will be regarded as being continuous.

If the Insured Crew Member returns to duty for more than 180 days from the same or a related cause, any subsequent period of Disability will be regarded as a new claim with a new Waiting Period.

If the Insured Crew Member is Disabled from one condition, recovers and becomes Disabled from an unrelated condition, the subsequent Disability will be a new claim with a new Waiting Period.

If the Insured Crew Member is disabled and is in such a state of health that a return to flying duties is considered by a medical practitioner to be impractical for the foreseeable future (being a period of not less than 5 years) the Insurer will at its absolute discretion consider the payment of any unpaid benefits as a commutation settlement. The Insurer has no obligation to make any such offer nor does the Insured Crew Member have any obligation to accept it.

### 2. Proportionate Benefit

The Insurer will pay a Proportionate Benefit when:

- (a) after a period of Disability during which Disability Benefits were paid under this Section the Insured resumes Employment; and
- (b) the Insured receives a reduced Monthly Income; and
- (c) the reduction in Monthly Income is due to the Insured's Bodily Injury or Illness requiring the Insured to resume Employment:
  - (i) in the Insured's usual Occupation on a restricted basis; or
  - (ii) in a different Occupation.

The Proportionate Benefit will be equal to the Insured Percentage of the Insured's loss of Monthly Income. For so long as these circumstances exist the Proportionate Benefit will be payable subject to the expiry of the Benefit Period in respect of the Insured.

### 3. Indexation of Benefits

- 3.1 The Insurer will adjust the amount of the Benefit payable in respect of the Insured Crew Member after each continuous 12 months payment period.
- 3.2 The current Benefit shall be adjusted at each Benefit Review Date by the lesser of
- (a) 5% or
  - (b) the percentage adjustment in the United Kingdom Retail Price Index over the latest twelve month period prior to the Benefit Review Date.

### 4. Termination of Employment

Notwithstanding anything contained herein to the contrary, no Benefits shall become payable under this Policy following the decision of the Insured Crew Member's employer to terminate the Insured Crew Member Person's employment **unless** such payment would have become payable under the terms of this Policy without such termination having been made.

### 5. Limitation on Amount of benefits

- 5.1 The Insurer will reduce the level of any Disability Benefit payable in any one month of Disability where in aggregate the amount of any Benefits payable under this section and:

- (a) Any payments received by the Insured Crew Member under any other insurance that pays a periodic payment for being unable to carry out their Occupation due to accident, sickness, illness or unemployment; and
- (b) Any invalidity and/or other statutory benefits which the Insured Crew Member is entitled (whether paid or not), and
- (c) Any sick pay paid to the Insured Crew Member whether contractual or discretionary

exceeds 85% of the total value of the Insured Crew Member's Net Monthly Income. The Insurer will reduce the Disability Benefit payable so that the aggregate payable does not exceed 85% of pre-Disability Net Monthly Income.

The Insurer will index the pre-Disability income for this purpose annually by the same percentage determined in Clause 2.2 and will apply such adjustment at the same time.

If the Insurer reduces the Disability Benefit under this provision, the Insurer will additionally refund the proportion of premium paid in relation to the amount of benefit reduction applied for the current period of insurance.

- 5.2 When an Insured Crew Member's invalidity and/or other statutory benefits entitlement is in dispute, the Insurer will pay the full amount of the Benefit on a conditional basis until the dispute is resolved. If the Insured Crew Member is declared entitled to compensation benefits, the Insured Crew Member must repay to the Insurer that part of any benefit which would otherwise not have been paid if not for the conditional payment. The Insurer may deduct any such amount from any amounts that may subsequently become due to the Insured Crew Member.

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5.3 The Insurer's liability is limited to the payment of Disability Benefit for up to the Maximum Benefit Period any one cause of claim.

5.4 No Disability Benefit will be paid in respect of a period of Disability beyond the Maximum Age Limit

5.5 No Disability Benefit will be payable after the death of the Insured Crew Member.

Specimen

## **Section 2 – Disputes, Complaints and Data Protection**

### **1. Questions and Complaints**

If you have any questions or concerns about your insurance or the handling of a claim you should contact the broker named in the Schedule through whom this insurance was arranged:

John Lumley  
Chairman  
Lumley Insurance Ltd  
Southway House  
Southway  
Cirencester  
Gloucestershire  
GL7 1FN

If you wish to make a complaint, you can do so at any time by referring the matter to:

Complaints Manager  
Catlin Insurance Company (UK) Ltd.  
20 Gracechurch Street  
London  
EC3V 0BG  
Telephone Number: 020 7743 8487  
Email: [Catlinukcomplaints@catlin.com](mailto:Catlinukcomplaints@catlin.com)

Complaints that cannot be resolved by the Complaints Manager may be referred to the Financial Ombudsman Service at:

South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR

#### **From within the United Kingdom**

Telephone Number: 0800 0234 567 (free for people phoning from a "fixed line", for example, a landline at home)

Telephone Number: 0300 1239 123 (free for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02)

#### **From outside the United Kingdom**

Telephone Number: +44 (0) 20 7964 1000

Fax: +44 (0) 20 7964 1001

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

**Financial Services Compensation Scheme (FSCS)**

Catlin Insurance Company (UK) Ltd. is covered by the Financial Services Compensation Scheme. The Insured may be entitled to compensation from the Scheme if we are unable to meet our obligations under this contract of insurance. If the Insured were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract of insurance. Further Information about the Scheme is available from the Financial Services Compensation Scheme (10th Floor, Beaufort House, 15 St. Botolph Street, London EC3A 7QU) and on their website: [www.fscs.org.uk](http://www.fscs.org.uk)

**Prudential Regulation Authority and Financial Conduct Authority**

Catlin Insurance Company (UK) Ltd. is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Reg. No. 423308).

Specimen



## Section 3 – Definitions

**Accident** means a sudden external event which occurs at an identifiable time and place

**Acquired Immune Deficiency Syndrome or AIDS** shall have the meanings assigned to it by the World Health Organisation, including Opportunistic Infection, Malignant Neoplasm, Human Immuno-deficiency Virus (HIV), Encephalopathy (Dementia), HIV Wasting Syndrome or any disease or sickness in the presence of a sero-positive test for HIV

**Armed Force**

Any military or paramilitary organisation

**Benefit Period** means the period stated in the Schedule during which Benefits are payable

**Benefit Review Date** means the anniversary of the commencement of the payment of Benefits in relation to an Insured Crew Member

**Bodily Injury** means a physical injury to an Insured Crew Member caused solely by an Accident together with:

- Any disease or infection directly resulting from such an injury; or
- Any medical or surgical treatment necessitated by such an injury; or
- Dehydration, starvation or exposure to the elements resulting from an Accident

**Disabled/Disability** means the Insured Crew Member being unable by reason solely of Illness or Bodily Injury to attend to his Occupation

**Illness** means a sickness or disease of the body that is not caused by an Accident or injury, sickness or disease arising from a pregnancy or during childbirth

**Independent Medical Practitioner** means a registered member of the medical profession who is experienced in the examination of airline personnel or is otherwise qualified to treat the Insured Crew Member's Illness or Bodily Injury, who is not known to the Insured Crew Member and is independent of the Insurer

**Insured Crew Member Percentage** means the Insured Crew Member's Monthly Benefit as a percentage of their Monthly Income

**Insured Crew Member** means the person named in the Schedule as the Insured Crew Member

**Insurer** means Catlin Insurance Company (UK) Ltd.

**Irretrievably Disabled** means that an Insured Crew Member suffers a condition that is certified by an Independent Medical Practitioner in accordance with General conditions 1.3 of this Certificate to be sufficient to render the Insured Crew Member unable ever to return to their Occupation

**Maximum Age Limit** means the Maximum Age Limit stated in the Schedule

**Monthly Income** is one-twelfth of the Insured Crew Member's annual salary from their Occupation. Monthly Income does not include any director's fees, commissions, investment income, income received from deferred compensation plans, disability income policies or retirement plans or income not derived from vocational activities. Monthly Income is to be determined at the commencement of risk in respect of that Insured Crew Member or where there has been a subsequently agreed alteration to the level of Monthly Benefit, then at the date of the most recent alteration. Where an Insured Crew Member has been granted leave of absence without pay, their salary shall be unaltered until leave of absence ceases

**Non-Specified Illness** means an Illness which:

- is by its nature or in origin, directly or indirectly consequent upon or contributed to by drugs of any type (including alcohol) unless prescribed by a Independent Medical Practitioner; or
- is of such a nature as to be incapable of diagnosis by objective medical evidence and/or the basis of diagnosis is only on the subjective symptoms stated by the person suffering the Illness; or
- is capable of diagnosis by such objective medical evidence, but has not been so diagnosed

**Occupation** means the employment or activity in which the Insured Crew Member is principally employed by his Employer

**Permanent** means lasting twelve consecutive months from the date of Accident and at the expiry of that period being beyond hope of improvement

**Period of Insurance** means the "Period of Insurance" as shown in the Schedule

**Pre-Existing Medical Conditions** means any Bodily Injury, physical condition or the existence of any Illness, disease or any other condition that:

- was diagnosed;
- was treated; or
- the Insured Crew Member Person knew about;

before the Inception Date

Or for which

- advice for treatment was sought; or
- a physician was consulted

during the twelve months to the Inception Date

**Specified Illness** means a psychiatric or psychological or mental condition or illness regardless of cause and includes but is not limited to schizophrenia, depression, manic-depressive or bipolar illness, anxiety, stress, headache and/or migraine, vertigo, personality disorders and/or adjustment disorders or other similar conditions. These conditions are usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs, or other similar methods of treatment. Specified Illness does not apply to dementia if it is the result of:

- a stroke
- trauma
- an identified viral infection
- Alzheimer's disease

**Waiting Period** means the period stated in the Schedule which commences immediately following the commencement of the relevant Disability

Specimen

## Section 4 –Exclusions

This Certificate does not cover Disability, death, disablement directly or indirectly arising out of or consequent upon or contributed to by:

- (a) Active duty with an Armed Force
- (b) Infection with Human Immunodeficiency Virus (HIV) or conditions due to any Acquired Immune Deficiency Syndrome (AIDS) (unless the Insured Crew Member demonstrates that such condition was contracted as a direct consequence of medical treatment for an unrelated medical condition).
- (c) Mental disorders (unless caused solely and directly by an Accident) including, but not limited to eating disorders, anxiety disorders, psychotic disorders, affective disorders, personality disorders, alcohol or substance use disorders, somatoform disorders, dissociate disorders, psychosexual disorders, adjustment disorders, organic mental disorders, mental retardation and autism
- (d) Chronic fatigue syndrome or myalgia
- (e) Normal pregnancy or uncomplicated childbirth
- (f) Any Pre-Existing Condition that
  - EITHER
    - has been disclosed to the Insurer in the Application and
    - in respect of which the Insurer has declined to provide coverage
  - OR
    - Has not been disclosed to the Insurer in the Application
- (g) A criminal act committed by the Insured Crew Member
- (h) Any deliberate attempt by the Insured Crew Member to sustain a Bodily Injury or Illness
- (i) Specified or non-Specified Illness
- (j) Participating in, practicing or training for a sport as a professional

## **Section 5 –Conditions**

### **1. Claims**

- 1.1 The Insured Crew Member must notify the Coverholder in writing as soon as is reasonably practicable of an event that may give rise to a claim under this Certificate, by writing to the Coverholder
- 1.2 Claims must be notified to the Coverholder as soon as is reasonably practicable after the event giving rise to the claim. Please note that if the Insurer's position is prejudiced by the late notification of a claim, this may adversely affect the settlement of the claim by the Insurer.
- 1.3 It is a condition of payment of any Benefit that the Insured Crew Member provides the Insurer with such evidence to substantiate the claim as they may reasonably require. The Insured Crew Member must submit at the Insurer's expense to any medical examination conducted by an Independent Medical Practitioner appointed by the Insurer. Satisfactory proof of age may be required prior to any payment of Benefits.
- 1.4 Any notice served by the Insured Crew Member under this Certificate must be sent to the cover holder.

### **2. Payment of Benefits**

- 2.1 All Benefits will be paid to the Insured Crew Member or their personal representatives.
- 2.2 All payments shall be made in Pounds Sterling unless specifically agreed elsewhere in writing.

### **3. Variation/Interpretation**

- 3.1 The terms and conditions of this Certificate may be varied at anytime during the Period of Insurance providing it is agreed to in writing by the Insurer and the Insured Crew Member.
- 3.2 Special Conditions in relation to this Certificate may be agreed to in writing between the parties from time to time.

#### **4. Cancellation**

- 4.1 This Certificate is an annual contract and neither the Insured Crew Member nor Insurer can cancel this Certificate during the Period of Insurance EXCEPT by mutual agreement after the Cooling Off Period.
- 4.2 An Insured Crew Member has no right of cancellation under this Certificate.
- 4.3 If Premium or an installment of Premium remains unpaid for 30 days or more after its due date, the Insurer may cancel cover under this Certificate with immediate effect upon notice to the Insured Crew Member. If no Premium has been paid at all in respect of this Certificate, the Insurer may treat the Certificate as if it had never existed. If an installment remains unpaid, the Insurer may only cancel coverage from the start date of the period to which the installment relates. The Insurer's liability to pay claims is limited to disabilities that commence during the period for which this Certificate is in force and to disabilities that commence during that period.

#### **5. Law and Jurisdiction – Notice to the Insured Crew Member**

Unless specifically agreed to the contrary this insurance shall be governed by the Laws of the United Kingdom and subject to the exclusive jurisdiction of the courts of United Kingdom.

Unless we agree otherwise the language of this Insurance Contract and all communications relating to it will be in English.

#### **6. Fraud**

Any fraud, concealment, deliberate misstatement, misrepresentation of fact or omission either in the information provided to the Insurer on which this Certificate is based or in relation to any other matter affecting this Certificate or any claim which is in any respect fraudulent or any fraudulent means or devices being used by the Insured Crew Member or anyone acting on the Insured Crew Member's behalf to obtain any Benefit under this Certificate shall render this Certificate null and void and all claims hereunder shall be forfeited.

If the Insurer has reasonable grounds to suspect a claim is fraudulent then it may pass information onto the Claims and Underwriting Exchange Register, run by Insurance Database Services Ltd (IDS Ltd). The aim of this is to help the Insurer to check the information provided and prevent fraudulent claims.

**7. Automatic Cessation of Liability in respect of the Insured Crew Member**

Notwithstanding any other provision contained in this Section, cover automatically and immediately ceases in respect of the Insured Crew Member upon the first to occur of the following:

- the death of the Insured Crew Member,
- the Insured Crew Member attains the Maximum Age Limit,
- the day that an Insured Crew Member commences duty with an Armed Force,
- permanently ceasing to be employed in their occupation as a commercial airline pilot.

**8. Assignment**

This Certificate cannot be assigned.

Specimen