

PERSONAL ACCIDENT AND OPTIONAL LIFE INSURANCE



POLICY DOCUMENTATION

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SECTION 1

PRICING TABLE

The following tables show the cost of the monthly premiums effective until March 2010, and the premiums which will apply from 1st March 2010.

INDIVIDUAL PLANS Prices effective from 1st April 2009			
UNITS	PERSONAL ACCIDENT ONLY	OPTIONAL LIFE INSURANCE	COMBINED MONTHLY COST
1	£3.55	£1.00	£4.55
2	£7.10	£2.00	£9.10
3	£10.65	£3.00	£13.65
4	£14.20	£4.00	£18.20
5	£17.75	£5.00	£22.75
6	£21.30	£6.00	£27.30
7	£24.85	£7.00	£31.85
8	£28.40	£8.00	£36.40
9	£31.95	£9.00	£40.95
10	£35.50	£10.00	£45.50
11	£39.05	£11.00	£50.05
12	£42.60	£12.00	£54.60
13	£46.15	£13.00	£59.15
14	£49.70	£14.00	£63.70
15	£53.25	£15.00	£68.25

FAMILY PLANS Prices effective from 1st April 2009			
UNITS	PERSONAL ACCIDENT ONLY	OPTIONAL LIFE INSURANCE	COMBINED MONTHLY COST
1	£5.00	£1.50	£6.50
2	£10.00	£3.00	£13.00
3	£15.00	£4.50	£19.50
4	£20.00	£6.00	£26.00
5	£25.00	£7.50	£32.50
6	£30.00	£9.00	£39.00
7	£35.00	£10.50	£45.50
8	£40.00	£12.00	£52.00
9	£45.00	£13.50	£58.50
10	£50.00	£15.00	£65.00
11	£55.00	£16.50	£71.50
12	£60.00	£18.00	£78.00
13	£65.00	£19.50	£84.50
14	£70.00	£21.00	£91.00
15	£75.00	£22.50	£97.50

5% Insurance Premium Tax (IPT) applies to Personal Accident Insurance premiums only and has been included in the prices shown above.

INDIVIDUAL PLANS Prices effective from 1st March 2010			
UNITS	PERSONAL ACCIDENT ONLY	OPTIONAL LIFE INSURANCE	COMBINED MONTHLY COST
1	£3.90	£1.00	£4.90
2	£7.80	£2.00	£9.80
3	£11.70	£3.00	£14.70
4	£15.60	£4.00	£19.60
5	£19.50	£5.00	£24.50
6	£23.40	£6.00	£29.40
7	£27.30	£7.00	£34.30
8	£31.20	£8.00	£39.20
9	£35.10	£9.00	£44.10
10	£39.00	£10.00	£49.00
11	£42.90	£11.00	£53.90
12	£46.80	£12.00	£58.80
13	£50.70	£13.00	£63.70
14	£54.60	£14.00	£68.60
15	£58.50	£15.00	£73.50

FAMILY PLANS Prices effective from 1st March 2010			
UNITS	PERSONAL ACCIDENT ONLY	OPTIONAL LIFE INSURANCE	COMBINED MONTHLY COST
1	£5.50	£1.50	£7.00
2	£11.00	£3.00	£14.00
3	£16.50	£4.50	£21.00
4	£22.00	£6.00	£28.00
5	£27.50	£7.50	£35.00
6	£33.00	£9.00	£42.00
7	£38.50	£10.50	£49.00
8	£44.00	£12.00	£56.00
9	£49.50	£13.50	£63.00
10	£55.00	£15.00	£70.00
11	£60.50	£16.50	£77.00
12	£66.00	£18.00	£84.00
13	£71.50	£19.50	£91.00
14	£77.00	£21.00	£98.00
15	£82.50	£22.50	£105.00

5% Insurance Premium Tax (IPT) applies to Personal Accident Insurance premiums only and has been included in the prices shown above.

POLICY SUMMARY

The purpose of this policy summary is to help you understand the insurance by setting out the significant features, benefits, limitations, conditions and exclusions of the cover. You should still read the terms and conditions for a full description of the insurance, including the definitions. You will find these later in the booklet. The cover provided is split into four parts as follows.

- Part One – Personal Accident**
- Part Two – Personal Liability**
- Part Three – Optional Life Insurance**
- Part Four – Legal Protection**

Insurance providers

PAX Personal Accident Insurance (including Personal Liability) is underwritten by Chartis Insurance UK Limited, which is authorised and regulated by the Financial Services Authority (FSA number 202628). This information can be checked by visiting the FSA website (www.fsa.gov.uk/register). Chartis Insurance UK Limited is a member of the Association of British Insurers. Registered in England: company number 1486260. Registered address: The Chartis Building, 58 Fenchurch Street, London EC3M 4AB.

PAX Optional Life Insurance is underwritten by Alico (American Life Insurance Company), a private limited company incorporated with limited liability in Delaware, USA No 123 730. Alico is registered in England: company number BR000230. Registered address: Alico, 22 Addiscombe Road, Croydon CR9 5AZ and is authorised and regulated by the Financial Services Authority (FSA number 139417).

PAX Legal Protection Insurance is underwritten by Brit Insurance Limited, a subsidiary of Brit Holdings Plc, which is authorised and regulated by the Financial Services Authority (FSA number 202898) and is a member of the Association of British Insurers. Brit Insurance Limited is registered in England: number 2763688 at 55 Bishopsgate, London EC2N 3AS.

Purpose of insurance

Personal Accident Insurance provides cover in the event of accidental bodily injury, which results in death, permanent disability, specified burns, specified fractures or hospitalisation.

Personal Liability Insurance covers your legal liability, plus defence costs, which you become legally liable to pay for as a result of injury to any person or damage to material property from an accident occurring outside the course of your employment.

If you have selected Optional Life Insurance, it provides cover in the event of death from natural causes, diagnosis of a terminal illness and a critical illness benefit following a heart attack, cancer or stroke.

Legal Protection Insurance covers legal fees and expenses if you have a claim for compensation following an injury to you caused by a third party. This cover is solely for members of HM Regular Armed Forces or Full Time Reserve Service, or on Non Regular Permanent Staff engagements.

Full details of the benefits are included in the terms and conditions provided within this policy document.

Significant features

Choice of an Individual Plan or a Family Plan.

The Individual Plan provides cover for you only. If you are a single parent, your children will be covered at no extra cost. The Family Plan provides cover for you and your spouse or partner. Your children are automatically covered at no extra cost.

You are eligible for this insurance provided you are a member of HM Regular Armed Forces or Full Time Reserve Service, or on Non Regular Permanent Staff engagements. All cover under this insurance will end on an insured person's 70th birthday and for a child on their 18th birthday or 23rd birthday if in full-time education.

There are fifteen levels of cover to choose from (referred to as units).

Personal Accident Insurance is available either on its own or with Optional Life Insurance. Optional Life Insurance is not available on its own. Personal Liability and Legal Protection Insurance are automatically provided with the Personal Accident Insurance. Legal Protection Insurance is only available for members of HM Regular Armed Forces or Full Time Reserve Service, or on Non Regular Permanent Staff engagements.

Part One – Personal Accident

Significant product features, benefits and exclusions.

SIGNIFICANT FEATURES AND BENEFITS

Catastrophic injuries

Quadriplegia (the permanent and total paralysis of the two upper limbs and two lower limbs) – £100,000 for the first unit, and £50,000 for every unit up to £750,000

Paraplegia (the permanent and total paralysis of the two lower limbs, bladder and rectum) – £50,000 for the first unit, and £25,000 for every unit up to £400,000

Permanent disabilities

Up to £20,000 for each unit depending on the exact nature of the permanent disability

Death (as the result of a covered accident)

£10,000 for each unit for you and, if insured, your spouse/partner

Burns (full-thickness) which cover at least 4.5% of the body surface

Up to £3,000 based on the percentage of the body surface affected

Fractures

£75 for each unit for fracture(s) to one or more specified bones of the arm

£150 for each unit for fracture(s) to one or more specified bones of the leg

Hospitalisation as an inpatient (as the result of a covered accident)

Payable from the 6th consecutive night of hospitalisation

£100 per week for each unit up to 52 weeks (payable at the rate of one seventh for each overnight stay)

Flesh wounds

£100 for gunshot, blast or shrapnel injuries, which result in:

- temporary restriction of body movement

- temporary loss of body strength
- scars of more than 15 centimetres in total length or at least 15 square centimetres

Criminal injury extension

Section B item 1b will be increased to £10,000 per unit

An extra amount of £10,000 will be payable under section B items 1a, 1b, 2, 3, 4, 5, 6a, 6b, 7 or section C item 1, no matter how many units have been bought

LIMITS AND EXCLUSIONS

Only one of the benefits is payable
Cover for an insured person stops once a payment is made

Cover for an insured person stops once a payment of 100% of the highest sum insured per unit is made

The death benefit is limited to £7,500 for children no matter how many units have been bought

No benefit is payable for fractures where osteoporosis was diagnosed and known about before bodily injury occurred

The amount paid will be deducted from any payment under catastrophic injuries, permanent disabilities or death

Limitations not mentioned above

- You can only claim under either the catastrophic injuries benefit or the permanent disabilities benefit (not both) for bodily injury resulting from one accident
- If you die within 13 weeks of bodily injury, as long as death was as a result of bodily injury, we will pay the death benefit instead of the catastrophic injuries or permanent disabilities benefits

Exclusions not mentioned above

Bodily injury caused by:

- war, whether declared or not, between the USA, France, the UK and any member State of the Russian Federation
- intentional self-inflicted injury, suicide or attempted suicide
- in respect of criminal injury extension:
 - by a person you are living with as husband or wife or a member of the same household
 - by a traffic accident except where the vehicle is deliberately used to cause bodily injury
 - during a fight voluntarily entered into by you
 - during active service or armed conflict
 - not reported to the Police within 48 hours of the bodily injury.

TERMS AND CONDITIONS REFERENCE

Page 14, Table of Benefits, Section A items 1 and 2
Page 16, Limitations applying to Part One d
Page 11, Start and finish of cover g

Page 14, Table of Benefits, Section B items 1 to 15
Page 11, Start and finish of cover g

Page 15, Table of Benefits,
Section C items 1 and 2

Page 15, Table of Benefits, Section D item 1

Page 15, Table of Benefits, Section E items 1 and 2
Page 16, Exclusions applying to Part One c

Page 15, Table of Benefits, Section F item 1

Page 15, Table of Benefits, Section G item 1
Page 16, Limitations applying to Part One g

Page 13, Criminal injury extension

Page 13, Limitations applying to Part One b and c

Page 16, Exclusions applying to Part One

Part Two – Personal Liability

Significant product features, benefits and exclusions.

SIGNIFICANT FEATURES AND BENEFITS	LIMITS AND EXCLUSIONS	TERMS AND CONDITIONS REFERENCE
<p>Personal Liability cover is automatically included with the Personal Accident cover.</p>	<p>For any one claim or series of claims arising from one cause, the maximum payable is £500,000 no matter how many units have been bought.</p>	<p>Page 16, What this insurance covers and Benefit amount.</p>
	<p>Key Exclusions We will not indemnify you for any legal liability (or any associated defence costs) directly caused by, contributed to by or arising from:</p> <ul style="list-style-type: none"> • any act committed or omitted whilst undertaking any duty which you are contracted to carry out during your period of service in HM Regular Armed Forces, Full Time Reserve Service, or on Non Regular Permanent Staff engagements; • loss, damage or injury caused deliberately by you; • defective work carried out by you or on your behalf to any private residence within the UK, disposed of by you before such injury or damage occurred; • injury to you, or a member of your family; • or out of the use or possession of mechanically powered vehicles, aircraft, watercraft, firearms; • loss, injury or damage for which compulsory insurance under Road Traffic legislation is required; • or out of you owning or occupying any land or building; • your wilful, malicious, intentional or criminal actions; • your business, trade, profession or employment; or • loss of or damage to property belonging to you or held in trust by you or in your custody or control. <p>Please note that a full list of exclusions is contained in the terms and conditions section.</p>	<p>Page 17, Exclusions applying to Part Two.</p>
	<p>Limitations</p> <ul style="list-style-type: none"> • You must take reasonable care to avoid or minimise loss, destruction, damage or injury. • If a claim arises and there is any other insurance covering the same loss, damage or liability, we will not be liable to pay more than our rateable proportion of any loss, damage, compensation costs or expenses, except as otherwise stated in the terms and conditions. 	<p>Page 17, Limitations applying to Part Two.</p>

Part Three – Optional Life Insurance

Significant product features, benefits and exclusions.

SIGNIFICANT FEATURES AND BENEFITS	LIMITS AND EXCLUSIONS	TERMS AND CONDITIONS REFERENCE
	<p>Optional Life Insurance is only available as an extension to the Personal Accident Insurance. Cover applies only if you select this option on your enrolment certificate. The level of cover (number of units) and type of plan (Individual or Family) will be the same as that selected for the Personal Accident Insurance.</p>	
<p>Death (by natural causes) The death benefit is payable in the event of death from natural causes or diagnosis of a terminal illness.</p> <p>In respect of you, your spouse/partner and children aged 16 years but under 18 or under 23 if in full-time education:</p> <ul style="list-style-type: none"> • Death with no prior payment for critical illness – £10,000 for each unit • Death with a prior payment for critical illness – £6,000 for each unit. <p>In respect of a child aged 28 days to under 16 years old (no matter how many units have been bought):</p> <ul style="list-style-type: none"> • Death with no prior payment for critical illness – £7,500 • Death with a prior payment for critical illness – £4,500. 	<p>Suicide within 12 months of the start date is excluded.</p> <p>Children under 28 days old are not covered.</p>	<p>Page 18, Definitions, Death. Page 18, Exclusions. Page 19, Table of Benefits.</p>
<p>Critical Illness The critical illness benefit is payable in respect of specified critical illnesses. In respect of you, your spouse/partner and children aged 16 years but under 18 or under 23 if in full-time education – £4,000 for each unit.</p> <p>In respect of a child aged 28 days to under 16 years old (irrespective of the number of units purchased) – £3,000.</p>	<p>The critical illnesses covered are cancer, heart attack or stroke as defined in the terms and conditions.</p> <p>Children under 28 days old are not covered.</p>	<p>Page 18, Definitions, Cancer, critical illness, heart attack and stroke. Page 18, Exclusions. Page 19, Table of Benefits.</p>
	<p>Provisions Your application forms the basis of the cover provided. Our liability to provide benefits is based on you observing the terms and conditions.</p>	<p>Page 18, Provisions.</p>

Part Four – Legal Protection Insurance

Significant product features, benefits and exclusions.

SIGNIFICANT FEATURES AND BENEFITS	LIMITS AND EXCLUSIONS	TERMS AND CONDITIONS REFERENCE
<p>Legal Protection cover for the pursuit of a claim for compensation for an injury caused by a third party is automatically included with (Part One) Personal Accident cover but solely for members of HM Regular Armed Forces or Full Time Reserve Service, or on Non Regular Permanent Staff engagements. Cover applies for legal proceedings starting and being litigated within the UK courts.</p>	<p>The maximum amount payable in a claim, no matter how many units have been bought, is £100,000. The PAX approved Solicitor's and Barrister's fees are not covered because both are required to enter a conditional fee agreement.</p>	<p>Page 19 and 20, Definitions, Any one claim and PAX conditional fee agreement. Page 20, What the insurance covers.</p>
	<p>Key Exclusions We will not indemnify you in respect of:</p> <ul style="list-style-type: none"> • any claim you knew about before you took out this insurance • fines or other penalties • medical negligence claims, pharmaceutical or drug-related claims, stress-related claims, actions taken by groups • claims arising directly or indirectly from war or allied events • any legal expenses incurred without the insurer's consent. <p>Please note that a full list of exclusions is contained in the terms and conditions.</p> <p>Condition The PAX approved lawyer must confirm that your case has reasonable prospects of recovery of damages. You must then sign a 'conditional fee agreement' with the PAX approved lawyer.</p>	<p>Page 20, Exclusions applying to Part Four.</p>

The following is applicable to all parts of the policy

Exclusion Period

In the event of an identifiable threat of or a declaration of hostilities which does not automatically include a chemical, biological, radiological or nuclear event, we can declare an exclusion period by advising the Ministry of Defence. During this period we will not accept any new enrolment certificates or any increase in the number of units of cover. The declaration of an exclusion period will not affect any existing cover which is covered by the terms and conditions.

Law and Jurisdiction

The terms and conditions are governed by the law of England and Wales, whose courts alone will have jurisdiction.

Period of Insurance

Provided monthly premiums are paid on time, the period of insurance will renew automatically each month.

You may wish to review and update your cover periodically to ensure it remains adequate for your needs.

Cover will cease at the end of the contract period as agreed with the Ministry of Defence.

Your cover stops as shown in the 'Start and finish of cover' section of the terms and conditions (see pages 11 and 12).

Cooling Off Period and Your Right of Cancellation

If the cover does not meet the coverholder's needs, the coverholder may return their enrolment certificate to their Payroll or Administration Officer within 30 days of the date the enrolment certificate is countersigned and dated by an authorised signatory of the Ministry of Defence or the day on which the coverholder receives the countersigned and dated copy of their enrolment certificate, whichever is the later.

If within the cooling-off period there is an insured event which results in a claim under the terms and conditions, we will only refund a part of the premium in proportion to the period of unused cover.

We will refund all premiums paid within 30 days of the date we receive notice of cancellation from the coverholder or the Ministry of Defence. The coverholder or the Ministry of Defence should contact us to obtain a refund. The coverholder can cancel their cover at any time after the 30 days' cooling-off period by contacting their Payroll or Administration Office. This insurance does not have a surrender value. If this insurance is cancelled, the coverholder must tell their Payroll or Administration Officer to stop making deductions. In this event, cover is cancelled at the end of the pay period covered by the last deduction.

A premium refund is not available for cancellation after 30 days.

Claim Notification

You can make a Personal Accident, Personal Liability or Life Insurance claim by calling the PAX Customer Service Centre on: 0800 212 480 (from the UK) or +44 20 8662 8126 (from overseas) or by writing to:

The Manager, PAX Customer Service Centre, 96 George Street, Croydon CR9 1BU.

You can make a Legal Protection Insurance claim by calling Irwin Mitchell on: 0870 150 0100 or by writing to:

Irwin Mitchell, St. Peter's House, Hartshead, Sheffield S1 2EL.

Your Right to Complain

We will do all we can to make sure you receive a high standard of service. If you are not satisfied with the service you have received, you should contact:

For complaints relating to Personal Accident (Part One), Personal Liability (Part Two) or Optional Life Insurance (Part Three) ...

- If the complaint is not about a claim:

The Manager, PAX Customer Service Centre, Chartis Insurance UK Limited, 96 George Street, Croydon CR9 1BU. (Freephone: 0800 212 480)

- If the complaint is about a claim:

The Claims Manager, PAX Accident and Health, Chartis Insurance UK Limited, 2-8 Altyre Road, Croydon CR9 2LG. (Phone: 0208 253 7597)

For complaints relating to Legal Protection Insurance (Part Four) ...

The Customer Services Manager, Abbey Legal Protection, Minorities House, 2-5 Minorities, London EC3N 1BJ. (Phone: 0870 600 1480)

To help us to deal with your complaint quickly, please quote your policy number or claim number (or both) and the coverholder's name and your name if you are not the coverholder. We will do our best to sort out any difficulty directly with you, but if we are not able to do this to your satisfaction, you may be entitled to refer any disagreement to the Financial Ombudsman Service (FOS) who will review your case. Using the FOS does not affect your right to take legal action. The address is:

The Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR.

Are we covered by the Financial Services Compensation Scheme (FSCS)?

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our financial obligations, depending on the type of insurance and the circumstances of the claim. For this type of insurance 90% of the claim is covered, without any upper limit.

Further information about compensation scheme arrangements is available at www.fscs.org.uk, and on 0207 892 7300, or 0800 678 1100.

How we use your personal information

Information, including sensitive information relating to health or medical condition, which you supply to Chartis Insurance UK Limited and the other insurers named in this Policy Documentation (referred to below as the "other insurers"), will be kept secure and may be used in a number of ways, for example:

- to make decisions on whether to offer insurance cover to you and other people
- to provide insurance, and to assess and process claims
- to prevent crime (including fraud and money laundering)

- for audit, record keeping, statistical analysis and optional customer satisfaction surveys
- to comply with any legal requirement on us, our international group companies, the other insurers and their international group companies.

Information may be shared with the other insurers, our and the other insurers' international group companies, contractors and agents (including service providers), law enforcement agencies and regulatory bodies for the above purposes. Information about claims may be put on a register of claims and shared with other companies, including insurers, for fraud prevention. We and the other insurers providing your cover will share information with other third parties if required to do so by law.

We, and the other insurers providing your cover, may transfer your information outside of the European Economic Area ("EEA") for the above purposes, including for secure electronic storage. Whenever we, and the other insurers, transfer or share information outside, or inside, the EEA we, and the other insurers, ensure that it is protected.

If you give information to us or the other insurers about another person you will obtain that person's permission beforehand to provide the information and for us and the other insurers to use it as described above.

You can obtain further information on:

- how Chartis Insurance UK Limited and the other insurers use your information
- your rights to access information which we and the other insurers hold on you and to correct any inaccurate information

by writing to our Data Protection Officer by e-mail to DataProtectionOfficer@chartisinsurance.com or by post to Data Protection Officer, Chartis Insurance UK Limited, The Chartis Building, 58 Fenchurch Street, London EC3M 4AB.

Our Data Protection Officer can also provide you with the contact details of the other insurers' own data protection officers.

SECTION 3

TERMS & CONDITIONS

The terms & conditions of the insurance, setting out the cover you have purchased, are below. The cover provided is split into four parts as follows.

- Part One – Personal Accident**
- Part Two – Personal Liability**
- Part Three – Optional Life Insurance**
- Part Four – Legal Protection**

PART	COVER	INSURER	POLICY NUMBER
1	Personal Accident	Chartis Insurance UK Limited	0010005500 – Army
2	Personal Liability	Chartis Insurance UK Limited	0010005501 – Navy 0010005502 – RAF
3	Optional Life Insurance	Alico	392A0001 – Army 392A0002 – Navy 391A0100 – RAF
4	Legal Protection	Brit Insurance Limited	ALP002

These terms and conditions and the enrolment certificate show details of the cover the coverholder has purchased and the terms and conditions applying to it. Cover is provided only for those persons insured by the extent of cover (individual plan or family plan) shown in the enrolment certificate and for whom the appropriate premium has been paid and accepted by us. The coverholder must read these terms and conditions to make sure that they understand the cover provided.

The liability to pay under each Part is as follows:

Part One (Personal Accident) and Part Two (Personal Liability) exclusively upon Chartis Insurance UK Limited and no liability on Alico or Brit Insurance Limited.

Part Three (Optional Life Insurance) exclusively upon Alico with no liability upon Chartis Insurance UK Limited or Brit Insurance Limited.

Part Four (Legal Protection) exclusively upon Brit Insurance Limited with no liability upon Chartis Insurance UK Limited or Alico.

Status of insurers

PAX Personal Accident Insurance (including Personal Liability) is underwritten by Chartis Insurance UK Limited, which is authorised and regulated by the Financial Services Authority (FSA number 202628). This information can be checked by visiting the FSA website (www.fsa.gov.uk/register). Chartis Insurance UK Limited is a member of the Association of British Insurers. Registered in England: company number 1486260. Registered address: The Chartis Building, 58 Fenchurch Street, London EC3M 4AB.

PAX Optional Life Insurance is underwritten by Alico (American Life Insurance Company), a private limited company incorporated with limited liability in Delaware, USA No 123 730. Alico is registered in England: company number BR000230. Registered address: Alico, 22 Addiscombe Road, Croydon CR9 5AZ and is authorised and regulated by the Financial Services Authority (FSA number 139417).

PAX Legal Protection Insurance is underwritten by Brit Insurance Limited, a subsidiary of Brit Holdings Plc, which is authorised and regulated by the Financial

Services Authority (FSA number 202898) and is a member of the Association of British Insurers. Brit Insurance Limited is registered in England: number 2763688 at 55 Bishopsgate, London EC2N 3AS.

General definitions

These definitions apply to the whole of these terms and conditions.

We use certain words in these terms and conditions which have a specific meaning. They have this specific meaning wherever they appear in these terms and conditions and the enrolment certificate and are shown in bold print.

Agreed circumstances

An identifiable threat of or a declaration of **hostilities** which does not automatically include any chemical, biological, radiological or nuclear event.

Child or children

A child or children (including legally adopted and stepchildren) aged under 18, or under 23 if in full-time education.

Contract period

The period of insurance agreed between the plan co-ordinator and us.

Coverholder

A person in HM Regular Armed Forces, Full Time Reserve Service, or on Non Regular Permanent Staff engagements, who is aged 16 or over but under 70, employed by the **plan co-ordinator**, and whose name appears under part A of the **enrolment certificate**.

Customer service centre

PAX Customer Service Centre, Chartis Insurance UK Limited, 96 George Street, Croydon CR9 1BU (Freephone 0800 212 480 from the United Kingdom or phone +44 20 8662 8126 from overseas).

Enrolment certificate

A form showing the extent of cover (**individual plan** or **family plan**) and incorporating a premium deduction authority satisfactorily completed by the **coverholder** and countersigned and dated by an authorised signatory of the **plan co-ordinator**.

Family plan

Insures the **coverholder**, the **coverholder's spouse** or **partner** and their **child** or **children**.

Hostilities

A public announcement of the formation and deployment comprising 2,000 or more UK Service personnel to participate in and continue to be deployed in an armed conflict.

Individual plan

Insures the **coverholder** only. However, if the **coverholder** is a **single parent**, cover extends to include the **coverholder's child** or **children**.

Insured person

Any person who qualifies for the insurance under the **individual plan** or the **family plan**.

Item

A benefit shown in the table of benefits in Part One (Personal Accident) and Part Three (Optional Life Insurance) of these terms and conditions.

Member

A member of HM Regular Armed Forces, Full Time Reserve Service, or on Non Regular Permanent Staff engagements, who is aged 16 or over but under 70, other than the **coverholder**, who is employed by the **plan co-ordinator**.

Partner

A person aged 16 or over but under 70 who is co-habiting with the **coverholder** when the **coverholder's enrolment certificate** is countersigned and dated by an authorised signatory of the **plan co-ordinator**.

Period of cover

The period described in the start and finish of cover section of these terms and conditions.

Plan co-ordinator

The Ministry of Defence.

Single parent

A **coverholder**, who has a **child** or **children**, and is unmarried or separated or divorced or living apart from their **spouse** or **partner**.

Spouse

The **coverholder's** husband or wife who must be aged 16 or over but under 70 when the **coverholder's enrolment certificate** is countersigned and dated by an authorised signatory of the **plan co-ordinator**.

Terminal illness

An advanced or rapidly progressing illness where, in the opinion of an attending Consultant and our Chief Medical Officer, life expectancy is no greater than twelve months.

Territorial limits

England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man.

Total sum insured

In respect of Part One (Personal Accident) the number of units of cover (subject to a maximum of 15) shown on the **enrolment certificate** in force at the time of **bodily injury** multiplied by the sum insured per unit for the appropriate **item**. However, the maximum payable under section A **item 1** (**quadriplegia**) is £750,000, **item 2** (**paraplegia**) is £400,000 and section C **item 2** (death of a **child** aged under 16) is £7,500.

In respect of Part Three (Optional Life Insurance), the number of units of cover (subject to a maximum of 15) shown on the **enrolment certificate** in force at the time of **death**, diagnosis of **terminal illness** or **critical illness** multiplied by the sum insured per unit for the appropriate **item** (the sum insured for **death** or **terminal illness** is £6,000 per unit if a prior payment for **critical illness** has been made). However, in respect of a **child** aged 28 days or over but under 16, the maximum payable under **item 4** (death with no prior payment for **critical illness**) is £7,500, **item 5** (death with a prior payment for **critical illness**) is £4,500 and **item 6** (**critical illness**) is £3,000.

You, your

Part One, Part Two and Part Three – the **insured person(s)**
Part Four – the **coverholder**

We, us, our

Part One and Part Two – Chartis Insurance UK Limited
Part Three – Alico
Part Four – Brit Insurance Limited

Start and finish of cover

Your cover starts when the **coverholder's** completed **enrolment certificate** is countersigned and dated by an authorised signatory of the **plan co-ordinator**.

Your cover will end at the earliest of the following dates:

- a when the **coverholder** is no longer a regular serving member of the **plan co-ordinator**;
- b when the **coverholder** dies;
- c in relation to a **spouse** or **partner** when the **coverholder** tells us to stop insuring their **spouse** or **partner**;
- d in relation to a **spouse**, when a **spouse** ceases to be the husband or wife of the **coverholder** or in relation to a **partner**, when a **partner** is no longer co-habiting with the **coverholder**;
- e when you die, or in respect of Part Three (Optional Life Insurance) you are given a diagnosis of a **terminal illness**;
- f on your 70th birthday;
- g in respect of Part One of these terms and conditions, when we have paid a claim under **items 1** or **2** of section A (catastrophic injuries) or £20,000 per unit under section B (permanent disabilities);
- h in relation to cover for a **child** on the **child's** 18th birthday (or if they are then in full-time education, on ceasing full-time education or their 23rd birthday, whichever occurs first);
- i in relation to cover for a **child**, when the extent of cover shown on the **enrolment certificate** is changed from **family plan** to **individual plan** and the **coverholder** is not a **single parent**;
- j on the next premium due date in respect of Part Three (Optional Life Insurance) if the **coverholder** or **plan co-ordinator** tells us to stop providing that cover or the **coverholder** withdraws permission for premiums to be deducted in respect of that cover;
- k On the next premium due date in respect of Part One (Personal Accident), Part Two (Personal Liability) and Part Four (Legal Protection) if the **coverholder** or **plan co-ordinator** tells us to stop providing cover for those Parts or the **coverholder** withdraws permission for premiums to be deducted in respect of those Parts. In this instance, cover under Part Three (Optional Life Insurance) will stop at the same premium due date; or
- l Termination of the contract period.

General conditions

These conditions apply to the whole of these terms and conditions:

- a The **plan co-ordinator** will deduct premium from the **coverholder's** pay;
- b The **plan co-ordinator** will send us reports and the premiums deducted from the **coverholder's** pay;
- c Provided the **coverholder** has paid the relevant premium to the **plan co-ordinator** (unless this is due to a mistake by the **plan co-ordinator**), the insurance will not be affected by the failure of the **plan co-ordinator** to send reports or pay premium to us;
- d These terms and conditions will apply to all cover starting on or after 1 April 2009 and will also apply from 1 April 2009 to all cover in force on 31 March 2009;
- e **We** may alter the terms and conditions and/or premiums subject to the agreement of the **plan co-ordinator**. Such changes will be effective on all **insured persons** from the date agreed. Notice of such changes given to the **plan co-ordinator** will be deemed to be notice given to the **coverholder**;
- f **You** cannot assign (transfer) this insurance to anyone else;
- g No amount paid under these terms and conditions will carry interest;
- h This insurance does not have a surrender value.

Cooling-off period and cancellation

If this cover does not meet the **coverholder's** needs, the **coverholder** may return their **enrolment certificate** to the **plan co-ordinator** within 30 days of the date the **enrolment certificate** is countersigned and dated by an authorised signatory of the **plan co-ordinator** or the day on which the **coverholder** receives the countersigned and dated copy of their **enrolment certificate**, whichever is later.

If, within the cooling-off period there is an insured event which results in a claim under these terms and conditions, **we** will only refund a part of the premium in proportion to the period of unused cover.

We will refund all premiums paid within 30 days of the date the **customer service centre** receives notice of cancellation from the **coverholder** or **plan co-ordinator**.

The **coverholder** or **plan co-ordinator** should contact the **customer service centre** to obtain a refund.

The **coverholder** can cancel their cover at any time after the 30 days' cooling-off period by contacting the **plan co-ordinator**. In this event, cover is cancelled at the end of the pay period covered by the last deduction.

We will not refund any premiums paid after the 30 day cooling-off period.

If this insurance is cancelled, the **coverholder** must tell the **plan co-ordinator** to stop making deductions.

Cover will cease at the end of the **contract period** as agreed with the **plan co-ordinator**.

Exclusion period

In the event of **agreed circumstances** **we** can declare an exclusion period by advising the **plan co-ordinator**. During this period, **we** will not accept any new **enrolment certificates** or any increase in the number of units of cover.

The declaration of an exclusion period will not affect any existing cover, which is subject to these terms and conditions.

Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from the scheme if **we** cannot meet our financial obligations, depending on the type of insurance and the circumstances of the claim. For this type of insurance 90% of the claim is covered, without any upper limit.

Further information about compensation scheme arrangements is available at www.fscs.org.uk, and on 0207 892 7300, or 0800 678 1100.

Fraud

Any fraud, deliberate dishonesty or hiding information connected with the **coverholder's** application for cover under these terms and conditions, or in connection with a claim under the policy, will make these terms and conditions void for the **insured person** concerned. If this happens, **you** will lose any benefit due to **you** and **you** must pay back any benefit that **we** have already paid. If this happens, **we** will not refund any premiums.

Paying premiums

Premium is taken from the **coverholder's** pay every month and buys cover for the month of the deduction. It is the **coverholder's** responsibility to make sure that the premiums are taken from their pay at the correct time and for the correct amount to make sure cover is continuous.

Law and jurisdiction

These terms and conditions are governed by the law of England and Wales whose courts alone will have jurisdiction.

Your right to complain

We will do all **we** can to make sure **you** receive a high standard of service. If **you** are not satisfied with the service **you** have received, **you** should contact:

For complaints relating to Personal Accident (Part One), Personal Liability (Part Two) or Optional Life Insurance (Part Three) ...

- If the complaint is not about a claim:
The Manager, PAX Customer Service Centre, Chartis Insurance UK Limited, 96 George Street, Croydon CR9 1BU.
(Freephone: 0800 212 480)

- If the complaint is about a claim:
The Claims Manager, PAX Accident and Health, Chartis Insurance UK Limited, 2-8 Altyre Road, Croydon CR9 2LG.
(Phone: 0208 253 7597)

For complaints relating to Legal Protection Insurance (Part Four) ...

The Customer Services Manager, Abbey Legal Protection, Minorities House 2-5 Minorities, London EC3N 1BJ
(Phone: 0870 600 1480)

To help us to deal with **your** comments quickly, please quote **your** policy number or claim number (or both) and the **coverholder's** name and **your** name if **you** are not the **coverholder**.

We will do **our** best to sort out any difficulty directly with **you**, but if **we** are not able to do this to **your** satisfaction **you** may be entitled to refer any disagreement to the Financial Ombudsman Service who will review **your** case.

The address is:
The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR.

Part One – Personal Accident

What the insurance covers

If, during the **period of cover**, you suffer **bodily injury** which, within two years solely and independently of any other cause, results in death, permanent disablement, specified **burns**, specified **fractures**, **hospitalisation** or **flesh wounds**, we will pay the **total sum insured**. Payment will be made to **you** (as long as **you** are not a **child**), or to **your** legal representative if **you** die.

In the case of a **child**, we will pay the **total sum insured** to the **coverholder**, as long as they are a parent of the **child**, otherwise we will pay the **child's** legal guardian.

Definitions applying to Part One (Personal Accident)

In addition to the general definitions which apply to the whole of these terms and conditions, we use certain words in Part One of these terms and conditions which have a specific meaning. They have this specific meaning wherever they appear in Part One of these terms and conditions and **enrolment certificate** and are shown in bold print.

Accident

A sudden, unexpected and specific event, external to the body, which occurs at an identifiable time and place.

Bodily injury

Injury to the **body** caused by an **accident**. It does not include:

- sickness or disease unless this results from injury to the **body**;
- post traumatic stress disorder; or
- a psychological or psychiatric illness or condition; or
- by any gradual cause.

We will treat death, permanent disability, specified **burns**, specified **fractures** or **hospitalisation** caused as a direct result of being exposed to extreme weather conditions as having been caused by bodily injury.

Body

The head, trunk, **upper limbs** and **lower limbs**.

Burns

Full-thickness burn or burns (2nd or 3rd degree).

Criminal injury

Bodily injury as a direct result of:

- a an unprovoked crime of violence by a third party (including arson and poisoning);
- b trying to arrest a suspected offender of a criminal offence;
- c trying to prevent a criminal offence; or
- d helping the Police or other person whose duty it is to make an arrest or prevent a criminal offence.

Flesh Wound

Bodily injury caused by a gunshot, blast or shrapnel, which results in:

- temporary restriction of body movement;
- temporary loss of body strength; or
- **permanent disfigurement**.

Fracture or fractures

A break in the full thickness of a bone.

Gradual cause

A cause that is the result of a series of events which occur or develop over time that cannot be attributable to a single **accident**.

Hand

All the fingers and the thumb of a hand.

Hospital

An institution which has accommodation for residential patients and facilities for diagnosis, surgery and treatment. It does not include a convalescence home, an extended care facility, a geriatric home, a long term nursing home or a rehabilitation centre.

Hospitalisation

An overnight stay as an inpatient in a **hospital** other than for extended care or rehabilitation.

Loss

Permanent, total and irrecoverable loss of use or the permanent and total loss by physical severance (separation).

Loss of hearing

The total and irrecoverable loss of hearing. This is considered to have occurred if the degree of hearing remaining after correction results in the classification of **profoundly deaf**.

Loss of sight

The total and irrecoverable loss of sight; this is considered to have occurred if the degree of sight remaining after correction is 3/60 or less on the Snellen scale.

Lower limbs

Thighs, legs and feet.

Paraplegia

The permanent and total paralysis of the two **lower limbs**, bladder and rectum.

Permanent Disfigurement

Physical disfigurement of the body, which is a scar or scars:

- of more than 15 centimetres in total length; or
- covers an area of at least 15 square centimetres.

Permanent total disablement

As shown in section B item 1a is the total inability to do paid work of any kind which will probably last for the rest of **your** life.

As shown in section B item 1b, in respect of an **insured person** who at the date of **bodily injury** is:

- serving in HM Regular Armed Forces or Full Time Reserve Service, the medical service discharge from the armed forces; or
- full-time paid employment, the total inability to continue with their usual occupation for the remainder of their life.

Profoundly deaf

Unable to hear sounds when tested by a qualified audiologist quieter than 90 decibels across frequencies between 500 Hz and 3,000 Hz.

Quadriplegia

The permanent and total paralysis of the two **upper limbs** and two **lower limbs**.

Upper limbs

Arms, forearms and hands.

Usual occupation

In respect of the **coverholder** and **member** is military service of any kind for the **plan co-ordinator** and in regard to **spouse** or **partner** is their normal full-time paid employment provided it is 30 hours a week or more.

Criminal injury extension

In the event of a **criminal injury**:

- a the sum insured under section B item 1b will be increased to £10,000 per unit;
- b if a payment is made under section B items 1a, 1b, 2, 3, 4, 5, 6a, 6b, 7 or Section C item 1, an extra amount of £10,000 will be payable no matter how many units have been bought.

Table of benefits

(One unit of cover)

SECTION A CATASTROPHIC INJURIES		
ITEM	BENEFIT DESCRIPTION	SUM INSURED
1	Quadriplegia	£100,000 for the first unit, and £50,000 for every unit up to £750,000
2	Paraplegia	£50,000 for the first unit, and £25,000 for every unit up to £400,000

SECTION B PERMANENT DISABILITIES		
ITEM	BENEFIT DESCRIPTION	SUM INSURED
1a	Permanent total disablement	£20,000
1b	Permanent total disablement	£2,500
2	Loss of sight in both eyes	£20,000
3	Loss of both hands or both feet	£20,000
4	Loss of sight in one eye	£10,000
5	Loss of one hand or foot	£10,000
6	Loss of hearing in:	
	a both ears	£20,000
	b one ear	£5,000
7	Loss of speech	£10,000
8	Loss of lens of one eye	£5,000
9	Loss of four fingers	£7,000
10	Loss of a thumb:	
	a both joints	£3,000
	b one joint	£1,500
11	Loss of a finger:	
	a three joints	£2,000
	b both joints	£1,500
	c one joint	£1,000
12	Loss of toes:	
	a all toes – one foot	£3,000
	b big toe – both joints	£1,000
	c big toe – one joint	£600
	d other than big toe – each toe	£400
13	Permanent fracture of a leg or kneecap with established non-union	£1,000
14	Shortening of a leg by at least 5cm	£750
15	Permanent disability not otherwise listed	up to £10,000

SECTION C DEATH

ITEM	BENEFIT DESCRIPTION	SUM INSURED
1	Death of the coverholder , their spouse/partner or their child aged 16 and older	£10,000
2	Death of the coverholder's, spouse's or partner's child aged under 16 no matter how many units have been bought	£7,500

SECTION D BURNS

ITEM	BENEFIT DESCRIPTION	SUM INSURED
1	Burns which cover: 27% or more of body surface 18% or more, but less than 27%, of body surface 9% or more, but less than 18%, of body surface 4.5% or more, but less than 9%, of body surface	 £3,000 £2,000 £1,500 £1,000

SECTION E FRACTURES

ITEM	BENEFIT DESCRIPTION	SUM INSURED
1	Fracture or fractures to the wrist or one or more bones of the arm (humerus, radius and ulna).	£75
2	Fracture or fractures to the ankle or one or more bones of the leg (femur, patella, tibia and fibula).	£150

SECTION F HOSPITALISATION

ITEM	BENEFIT DESCRIPTION	SUM INSURED
1	Hospitalisation payable from the 6th consecutive night as an inpatient in a hospital , up to 365 nights. The benefit paid for each overnight stay will be one-seventh of the sum insured.	£100 per week

SECTION G FLESH WOUNDS

ITEM	BENEFIT DESCRIPTION	SUM INSURED
1	One or more flesh wounds to the coverholder or member	£100

Exclusions applying to Part One (Personal Accident)

We will not pay benefits for **bodily injury** caused by:

- a war, whether declared or not, between any of the following countries: USA, France, United Kingdom and any member State of the Russian Federation;
- b intentional self-inflicted injury, suicide or attempted suicide;
- c any **fracture** where osteoporosis had been diagnosed and made known to **you** before **you** suffered **bodily injury**; or
- d **criminal injury**:
 - i by a person with whom **you** are living, as husband or wife or as a member of the same household;
 - ii by a traffic accident except where the vehicle is deliberately used to cause the **bodily injury**;
 - iii during a fight voluntarily entered into by **you**;
 - iv during active service or armed conflict; or
 - v not reported to the Police within 48 hours of the time of **bodily injury**.

Conditions applying to Part One (Personal Accident)

- 1 We will pay the benefit under item 15 of section B (permanent disability) by assessing the degree of disability suffered compared to those permanent disabilities specifically mentioned in that section without taking account of **your** occupation. Where a **bodily injury** can be claimed under more than one **item** in the Table of Benefits, only the benefit with the highest sum insured will be paid.

If the disability suffered does not relate to a specific disability mentioned, then we will assess the degree of disability suffered as a percentage of the whole body.

If **you** have an existing physical or medical condition, we will ask an independent medical consultant to:

- i assess whether **your** existing physical or medical condition has contributed to **your** post-**accident** disability and, if so
 - ii assess the difference between **your** physical or medical condition before, and **your** disability after the **accident**. Any payment will be based on the difference, expressed as a percentage and applied to the appropriate **item**.
- 2 In addition to the general conditions which apply to the whole of these terms and conditions, if **you** disappear, and after a suitable period of time it is reasonable to believe that **you** have died as a result of **bodily injury**, we will pay the death benefit to **your** legal personal representative. If we find out **you** have not died, the benefit will be repaid to **us**.

Limitations applying to Part One (Personal Accident)

- a When more than one form of permanent disability results from **bodily injury**, we will add together the benefits under section B (permanent disabilities). The most we will pay for each unit will be the sum insured under **item** 1a of section B.
- b **You** can only claim under one of the sections A (catastrophic injuries) or B (permanent disabilities) for **bodily injury** resulting from one **accident**.
- c If **you** die within 13 weeks of **bodily injury**, as long as death was as a result of **bodily injury**, we will pay the benefit under section C (death) and not the benefits under section A (catastrophic injuries) or section B (permanent disabilities).
- d We will only pay either the **quadriplegia** or **paraplegia** benefit (not both) as the result of one **accident** causing **bodily injury**.

- e Benefits under section D (**burns**) and section E (**fractures**) are payable in addition to those under section A (catastrophic injuries) and section B (permanent disabilities) for **bodily injury** resulting from one **accident**.
- f Benefit under section F (**hospitalisation**) is payable in addition to all other sections for **bodily injury** resulting from one **accident**.
- g The amount paid under section G (**flesh wounds**) will be deducted from any payment made under Part One sections A, B or C.

Claim procedure applying to Part One (Personal Accident)

If **you** want to make a claim under Part One of these terms and conditions, **you** (or the **coverholder** for a child) must contact the **customer service centre** as soon as possible. We will ask **you** to fill in a claim form and we may ask **you** to go for a medical examination to support your claim. **You** must give **us** permission to get any medical reports and records that we need from any medical examiner who has treated **you**, otherwise we may not pay **your** claim. We will pay for the medical examination and for any medical reports and records we ask for.

You must give **us** all certificates, information and any other evidence that will support **your** claim, all at **your** own expense except for any medical reports and records we ask for.

If **you** die, we have the right to ask for a post-mortem examination.

If **you** do not do what we ask **you** to do under this claim procedure we may not pay **your** claim.

Part Two – Personal Liability

What this insurance covers

We insure your legal liability up to the benefit amount shown below, plus defence costs agreed by us in writing, which you in a personal capacity become legally liable to pay for **injury** to any person or **damage** to material property from an accident anywhere in the world occurring during the **period of cover**.

For any one claim or series of claims arising from one cause the maximum we will pay in respect of Part Two of these terms and conditions is the benefit amount shown below.

Benefit amount (no matter how many units have been bought)

Personal liability up to a maximum limit of liability of £500,000 for any one claim.

Definitions applying to Part Two (Personal Liability)

In addition to the general definitions which apply to the whole of these terms and conditions, we use certain words in Part Two of these terms and conditions which have a specific meaning. They have this specific meaning wherever they appear in Part Two of these terms and conditions and the **enrolment certificate** and are shown in bold print.

Course of employment

The undertaking of any duty, in any capacity, the **coverholder** or **member** is contracted (obliged) to carry out whilst employed by the **plan co-ordinator** and during the **coverholder's** or **member's** period of service in HM Regular Armed Forces, Full Time Reserve Service, or on Non Regular Permanent Staff engagements.

Damage

Damage to, loss of or destruction of tangible property.

Injury

Injury to the body, sickness or disease arising from an accident occurring during the **period of cover**, or death resulting from such injury to the body, sickness or disease.

Intentionally

Where a reasonable person would contemplate that **injury**, or **damage** or loss to property, would be likely to follow from a deliberate action carried out by **you** whether or not **you** desired such **injury**, **damage** or loss.

Recklessly

Any action which creates an obvious risk to a reasonably minded person that **injury** would result, or property would be lost or **damaged**, were that action to be carried out and either:

- i **you** gave no thought to there being such a risk; or
- ii **you** recognised that there was such a risk and **you** nonetheless went ahead and carried out that action.

Exclusions applying to Part Two (Personal Liability)

- 1 We will not indemnify you for any legal liability (or any associated defence costs) directly caused by or contributed to by or arising from:
 - a any act (or omission) committed (or omitted) in the **course of employment**;
 - b riot, civil commotion, strikes, labour disturbances, or malicious acts committed in Northern Ireland by persons acting on behalf of, or in connection with any political organisation;
 - c total or partial loss of performance, functionality or damage of or to any computer hardware, software, firmware, other equipment or components thereof due to its failure or inability to correctly recognise, process, store, produce and/or receive any data by reference or in relation to any date or change of date;
 - d war, invasion, act of foreign enemy, hostilities (whether war has been declared or not), civil war, rebellion, revolution or military or usurped power;
 - e pollution or contamination unless caused by a sudden and unforeseen and unidentifiable accident;
 - f consequential loss of any kind;
 - g loss or **damage** or **injury** caused deliberately by **you**;
 - h defective work carried out by **you** or on **your** behalf to any private residence within the **territorial limits**, disposed of by **you** before such **injury** or **damage** occurred;
 - i radioactive contamination caused by:
 - i ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel,
 - ii the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or component;
 - j **injury** to **you**, or a member of **your** family;
 - k or out of the use or possession of:
 - i mechanically powered vehicles except garden implements, invalid carriages, golf handcarts and pedal cycles,
 - ii aircraft, except model aircraft having a wing span of less than 10 feet,
 - iii watercraft except hand propelled boats, windsurfers or model watercraft,
 - iv firearms other than sporting guns being used for sporting purposes;
 - l loss, **injury** or **damage** for which compulsory insurance under the Road Traffic legislation is required;
 - m the ownership, custody or control of:
 - i animals (other than horses or pets),
 - ii horses while being used for hunting, racing or playing polo,
 - iii pets which are not normally domesticated in the **territorial limits**,
 - iv dogs as specified under Section One of the Dangerous Dogs Act 1991 or any subsequent legislation;
 - n **you** owning or occupying any land or building;
 - o any loss or **damage** which **you** become legally liable to pay as a rent paying tenant of **your** home;
 - p **injury**, **damage** or loss caused by **you**:
 - i wilfully, maliciously or **intentionally**,
 - ii **recklessly**,
 - iii as a result of a crime committed by **you**;
 - q vicarious liability;
 - r illness, **injury** or disease arising directly or indirectly from the transmission of any communicable disease or virus;
 - s and/or assumed by agreement unless the liability would have existed without the agreement;
 - t **your** business, trade, profession or employment;
 - u loss of or **damage** to property belonging to **you** or held in trust by **you** or in **your** custody or control;
 - v faulty design or workmanship or the use of faulty materials;
 - w loss or **damage** which occurred before the start date of cover; or
 - x punitive damages.
- 2 We will not indemnify you for:
 - i any liability directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by the manufacture of or mining of or use of or existence of or exposure to asbestos products fibres or dust;

ii any obligation to defend any claim or suit against the **insured person** alleging personal injury or property damage resulting from the manufacture of or mining of or use of or existence of or exposure to asbestos products fibres or dust.

Provided always that this exclusion will not apply to:

- i liability resulting from the failure or alleged failure of the products to perform their intended function, or
- ii liability unrelated to the known or suspected harmful injurious or damaging effects of asbestos products fibres or dust for which these terms and conditions would apply but for this exclusion.

Claim procedure applying to Part Two (Personal Liability)

You must notify the **customer service centre** as soon as reasonably possible of any incident which may lead to a third party making a claim against you. You must not admit liability or offer payment as this could invalidate your cover.

Limitations applying to Part Two (Personal Liability)

1 You must take reasonable care to avoid or minimise loss, destruction, **damage** or **injury**.

2 If at any time a claim arises there is any other insurance covering the same loss, **damage** or liability, we will not be liable to pay more than our rateable proportion of any loss, **damage**, compensation costs or expenses, except as otherwise stated in these terms and conditions.

Part Three – Optional Life Insurance

Part Three applies if the **coverholder** has selected this option on the **enrolment certificate** and the premium for this option has been deducted from the **coverholder's** pay and accepted by us.

Definitions applying to Part Three (Optional Life Insurance)

In addition to the general definitions applying to the whole of these terms and conditions, we use certain words in Part Three of these terms and conditions which have a specific meaning. They have this specific meaning wherever they appear in Part Three of these terms and conditions and the **enrolment certificate** and are shown in bold print.

Cancer

Any malignant tumour positively diagnosed with histological confirmation and characterised by the uncontrolled growth of malignant cells and invasion of tissue. The term malignant tumour includes leukaemia, lymphoma and sarcoma.

For the above definition, the following are not covered:

- 1 All cancers which are histologically classified as any of the following:
 - a pre-malignant;
 - b non-invasive;
 - c cancer in situ;
 - d having either borderline malignancy; or
 - e having low malignant potential.
- 2 All tumours of the prostate unless histologically classified as having a Gleason score greater than 6 or having progressed to at least clinical TNM classification T2N0M0.
- 3 Chronic lymphocytic leukaemia unless histologically classified as having progressed to at least Binet Stage A.
- 4 Any skin cancer other than malignant melanoma that has been histologically classified as having caused invasion beyond the epidermis (outer layer of skin).

Critical illness

Cancer, heart attack or stroke.

Death

Death by natural causes.

Heart attack

Death of heart muscle, due to inadequate blood supply that has resulted in all of the

following evidence of acute myocardial infarction:

- typical clinical symptoms (for example, characteristic chest pain);
- new characteristic electrocardiographic changes; and
- the characteristic rise of cardiac enzymes or Troponins recorded at the following levels or higher:
 - Troponin T >1.0 ng/ml
 - AccuTnl >0.5 ng/ml or equivalent threshold Troponin I methods.

The evidence must show a definitive acute myocardial infarction.

Other acute coronary syndromes including but not limited to angina are not covered.

Stroke

Death of brain tissue due to inadequate blood supply or haemorrhage within the skull resulting in permanent neurological deficit with persisting clinical symptoms.

For the above definition, the following are not covered:

- transient ischaemic attack; or
- traumatic injury to brain tissue or blood vessels.

What this insurance covers

If, during the **period of cover**, you suffer **death**, we will pay the **total sum insured** for the **item death** to your legal personal representative or executor. The sum insured for **death** or **terminal illness** is £6,000 per unit if a prior payment for **critical illness** has been made.

If, during the **period of cover**, you are diagnosed with a **terminal illness**, we will pay you the **total sum insured** for the **item death** and no further benefit will be payable on subsequent **critical illness** or **death**.

If, during the **period of cover**, you suffer a **critical illness**, we will pay the **total sum insured** for the **item critical illness**. We will pay you the **critical illness** benefit once. We will pay the **total sum insured** to you, or to your personal representative or executor if you die.

In the case of a **child**, we will pay the **total sum insured** to the **coverholder**, as long as they are a parent of the **child**, otherwise we will pay the **child's** legal guardian. No benefit is payable under Part Three in respect of a **child** under 28 days old.

Any receipt which you, or the **coverholder**, or your personal representative or executor, or the legal guardian of the **child** may give us shall be deemed by us to be a final and complete discharge of all our liability in respect of the **total sum insured** and under this insurance.

Exclusions applying to Part Three (Optional Life Insurance)

We will not pay the **death** or **terminal illness** benefit caused by:

- a **bodily injury**, as defined in Part One of these terms and conditions, whether or not a claim is payable for death by accident under Part One; or
- b suicide occurring within 12 months of the start date of your cover.

Provisions applying to Part Three (Optional Life Insurance)

The information provided in the **coverholder's** application form forms the basis of the cover under Part Three of the terms and conditions. Our liability to provide benefits is conditional upon you observing these terms and conditions, and any endorsements, and upon the truth, accuracy and completeness of the statements in the application form and upon you declaring all facts material to the cover under these terms and conditions. If the **coverholder** provided misleading and untrue statements in the application form or otherwise, or you provide misleading and untrue statements in the claim form or during the claim, the cover under this Part Three of these terms and conditions may be void and it may result in your claim for benefit being rejected or any benefit payable being reduced.

Any agreement by us to vary the terms of Part Three will be effective only if made by endorsements to these terms and conditions signed by our duly authorised official.

Part Three – Optional Life Insurance

Table of benefits

ITEM	BENEFIT DESCRIPTION	SUM INSURED
In respect of the coverholder , their spouse or partner or their child aged 16 years and older (per unit of cover)		
1	Death with no prior payment for critical illness	£10,000
2	Death with a prior payment for critical illness	£6,000
3	Critical illness	£4,000
In respect of the coverholder's , their spouse's or partner's child aged 28 days to under 16 years old (no matter how many units have been bought)		
4	Death with no prior payment for critical illness	£7,500
5	Death with a prior payment for critical illness	£4,500
6	Critical illness	£3,000

Claims Procedure applying to Part Three (Optional Life Insurance)

You must notify the **customer service centre** in writing within 30 days of any occurrence, which may give rise to a claim under Part Three of these terms and conditions. If this is not possible, then you must contact us as soon as reasonably practical.

We will ask the claimant to fill in a claim form and provide evidence to verify and validate the claim. All certificates, information and evidence reasonably required by us to verify a claim must be provided in the form we request and without expense to us.

For claims in respect of **terminal illness** or **critical illness**, we may ask you to go for a medical examination to support the claim. We will pay for this.

If you die, we may require a post mortem examination to confirm the precise cause of death.

If our requirements under this claim procedure are not complied with, we may not pay the claim.

Part Four – Legal Protection Insurance

Part Four (Legal Protection) only applies to the **coverholder**, and the **coverholder's spouse or partner** who is a person in HM Regular Armed Forces, Full Time Reserve Service, or on Non Regular Permanent Staff engagements and is a "claims made" section. This section only covers claims notified to the **appointed representative** during the **period of cover**.

Definitions applying to Part Four (Legal Protection)

In addition to the general definitions, which apply to the whole of these terms and conditions, certain words have a specific meaning. They have this specific meaning wherever they appear in Part Four of these terms and conditions and the **enrolment certificate** and are shown in bold print.

Acts of Parliament

All Acts of Parliament will include any subsequent amendments, re-enactments or regulations and equivalent legislation enforceable within the **territorial limits**.

Any one claim

All claims or legal proceedings consequent upon the same original cause, event or circumstance.

Appointed representative

Any consultant, solicitor, barrister or other appropriately qualified person appointed by

the **insuranceholder** to act for **you** and to whom any notification of a claim must be made.

Insuranceholder

Abbey Legal Protection a division of Abbey Protection Group Limited, which administers this insurance on our behalf.

Injury

Bodily injury or death or the impairment of physical or mental condition.

Legal expenses

i Any disbursements reasonably incurred by the **appointed representative** with the **insuranceholder's** consent in connection with or in anticipation of any legal proceedings including costs and expenses of expert witnesses but excluding advocate's or barrister's fees.

ii Any costs incurred by other parties insofar as **you** are held liable in court, tribunal or

arbitration proceedings to pay such costs or become liable to pay such costs under a settlement made with another party with the **insuranceholder's** consent but excluding any costs which **you** may be ordered to pay by a court of criminal jurisdiction.

iii Any fees, expenses or other disbursements reasonably incurred in an appeal to which the **insuranceholder** has consented or in resisting an appeal, subject to the **insuranceholder's** consent, against the judgment of a relevant court, tribunal or arbitrator as the case may be.

PAX conditional fee agreement

An agreement between **you** and the **appointed representative** which defines the terms and conditions of the provision of the **appointed representative's** services and basic legal charges, including the provision for the **appointed representative** to charge a success fee as agreed by the **insuranceholder**. The agreement must comply with the Conditional Fee Agreements Regulations 2000 and any subsequent revisions and amendments to them.

Professional duty

Duty owed by **you** in respect of which **you** have or are required to have in force professional indemnity insurance or equivalent insurance providing indemnity in the event of a negligent act, error or omission.

What the insurance covers

We agree to indemnify **you** against **legal expenses** incurred in the pursuit of a claim or legal proceedings commenced within the **territorial limits** and notified during the **period of cover** for damages for **injury** caused by the actual or alleged act or omission by a third party whilst **you** were on or off duty.

Provided that **you** enter into a **PAX conditional fee agreement** with the **appointed representative**.

The maximum limits of our liability under Part Four are limited to the amounts specified below:

1 £100,000 for **any one claim**.

2 £250,000 for all claims or legal proceedings made, brought or commenced and notified during the **period of cover**.

Exclusions applying to Part Four (Legal Protection)

We will not be liable to indemnify **you** here under in respect of:

- 1 the defence of civil legal proceedings arising from:
 - a injury including sickness, disease or naturally occurring condition or degenerative process
 - b loss, destruction or damage of or to property
 - c alleged breach of any **professional duty**
 - d any tortious liability
- 2 any claim made, brought or commenced outside the **territorial limits**
- 3 **legal expenses** incurred before the **insuranceholder's** consent has been granted
- 4 any claim relating to or arising from any cause, event or circumstance occurring prior to the **period of cover** and which **you** knew or ought reasonably to have known may give rise to a claim or legal proceedings by or against **you**
- 5 fines or other penalties imposed by a court
- 6 any claim or legal proceedings in respect of which **you** are, or but for the existence of Part Four of these terms and conditions would be, entitled to indemnity under any other insurance policy or under a legal aid certificate or representation order
- 7 any claim arising out of **your** deliberate, conscious, intentional or negligent disregard of the need to take all reasonable steps to avoid and prevent claims or legal proceedings
- 8 any claim which relates to medical negligence or to pharmaceutical or drug-related claims (including but not limited to tobacco or tobacco products) or to occupationally induced stress-related claims and any cause of action which is formulated as a group or representative action giving rise to generic and individual costs
- 9 any dispute between **you** and **us**, the **insuranceholder**, the **appointed representative** or any other insurer or insurance broker under the PAX Personal Accident and Optional Life Insurance Plan
- 10 any **legal expenses** incurred in connection with a judicial review
- 11 any claim directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or

- not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority
- 12 any claim directly or indirectly caused by or resulting from any electronic device failing to recognise, interpret or process any date as its true calendar date
- 13 any expense, consequential loss, legal liability or any loss or damage to property directly or indirectly caused by or contributed to by:
- a ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - b the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

Conditions applying to Part Four (Legal Protection)

These conditions apply in addition to the general conditions.

1 Arbitration

Any dispute between **you** and **us** will be referred to a single arbitrator who will be either a solicitor or barrister agreed upon by both parties or failing agreement one who is nominated by the President of the appropriate Law Society or by the Bar Council or appropriate professional body within England and Wales.

All apportionment of the costs of the arbitration will be determined by the arbitrator.

2 Due observance

It is agreed that it is a condition precedent to **our** liability that **you** must act with due diligence and at all times act and comply with Part Four of these terms and conditions.

3 Data Protection Act 1998

It is agreed by **you** that any information provided to the **insurenceholder** or **us** will be processed by the **insurenceholder** or **us** in compliance with the provisions of the Data Protection Act 1998 for the purposes of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

4 Contracts (Right of Third Parties) Act 1999

Unless expressly stated nothing in Part Four of these terms and conditions will create rights pursuant to the Contracts (Rights of Third Parties) Act 1999.

Claims settlement conditions applying to Part Four (Legal Protection)

1 Notification of claims

It is a condition precedent to **our** liability hereunder that the **appointed representative** be notified immediately **you** are aware of any cause, event or circumstance which has given or may give rise to a claim or legal proceedings as soon as the same comes to **your** attention. If **you** fail to notify the **appointed representative** within a period of six months from the date **you** became aware of any cause, event or circumstance which may give rise to a claim or legal proceedings during the **period of cover** any claim or legal proceedings arising from that cause, event or circumstance will not be admitted.

Where such notification has been given, **we** agree to treat any subsequent claim or legal proceedings in respect of the cause, event or circumstance notified as though the claim or legal proceedings had been made, brought or commenced during the **period of cover**.

2 Consent of the insurer

It is a condition precedent to **our** liability hereunder that **our** consent to incur **legal expenses** must firstly be obtained in writing. This consent will be given by the **insurenceholder** on **our** behalf if **you** can satisfy the **insurenceholder** that it is reasonable to incur **legal expenses** and there are reasonable prospects of recovery of damages.

The decision to grant consent or to withhold it will be based on consideration of the **appointed representative's** opinion and that of any advisers the **insurenceholder** may deem it necessary to consult.

With **your** agreement, the **insurenceholder** may provide assistance in settling disputes, the costs of which will be covered under these terms and conditions within the limits of **our** liability.

In granting **our** consent **we** undertake to provide indemnity to **you** subject to Part Four of these terms and conditions, but

such consent does not imply that all **legal expenses** will be paid.

If, after consent has been granted it is shown that the particular claim or legal proceedings has not been brought within Part Four of these terms and conditions, such consent will be withdrawn and no indemnity will be provided. **We** will be entitled to recover any **legal expenses** previously paid.

Consent previously given by **us** may be withdrawn if the **insurenceholder** ceases to be satisfied either that it is reasonable to incur **legal expenses** or that there are reasonable prospects of recovery of damages.

Notwithstanding any general consent granted **we** reserve the right to limit **our** liability to the payment of **legal expenses** incurred solely for the purpose of indemnifying **you**. **Legal expenses** incurred by the **appointed representative** for the routine presentation of **your** affairs or for matters which go beyond the immediate scope of the claim or legal proceedings will be deemed by **us** to fall outside the indemnity to be provided under Part Four of these terms and conditions.

If **you** elect to proceed with the pursuit of a claim or legal proceedings to which **our** consent has been refused through lack of reasonable prospects and if **you** are successful in such pursuit, **we** will pay **legal expenses** incurred after the **insurenceholder** had refused consent subject to Part Four of these terms and conditions.

In all cases **you** will be advised in writing of **our** decision to grant or withhold consent.

3 Conduct of claim

a Choice of appointed representative

The **insurenceholder** will choose an **appointed representative** to act on **your** behalf under a **PAX conditional fee agreement** in any claim.

Where recourse is necessary to a lawyer and proceedings are issued, **you** are free to choose an **appointed representative** to act in **your** name and on **your** behalf. The name and address of the **appointed representative** must be notified to the **insurenceholder**. A dispute arising from **your** choice may be referred to arbitration in accordance with condition 1 of Part Four of these terms and conditions.

In selecting the **appointed representative** you must take all reasonable precautions to minimise the cost and effect of any claim or legal proceedings.

In all cases the **appointed representative** will be appointed in your name.

b Disclosure to the appointed representative

You must give to the **appointed representative** all necessary help and information including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in your possession. You must provide, obtain or execute all documents as necessary and attend meetings or conferences as requested. Cover may be withdrawn if you fail to co-operate at all or within a reasonable time with the **appointed representative's** requests.

c Our access to information

We are entitled to receive from the **appointed representative** and you any information, document or advice in connection with any claim or legal proceedings even if privileged. On request you will give to the **appointed representative** any instructions necessary to secure the required access.

d Payment of legal expenses bills

If the **insurenceholder** so requires you must ask the **appointed representative** to submit the bill of costs for taxation or certification by the appropriate Law Society or court. You are responsible for payment of all **legal expenses**. The **insurenceholder** will settle these direct if requested by you to do so. The payment of some **legal expenses** does not imply that all **legal expenses** will be paid.

4 Offer of settlement

It is a condition precedent to the **our** liability hereunder that you must inform the

insurenceholder in writing as soon as a Part 36 offer, or payment into court or any other offer to settle a claim or legal proceedings is received. In any settlement, you must have regard to **legal expenses** incurred or likely to be incurred and the recovery thereof. Under no circumstances must you enter into any agreement to settle without our prior written consent which will not be unreasonably withheld.

If you unreasonably reject an offer of settlement which we recommend acceptance of, no further indemnity will be provided.

5 Recovery of costs

Whenever you are awarded damages or agree damages or any sum under the terms of any settlement **legal expenses** will first be settled out of damages or any sum or amount recovered by you, other than where you have failed to beat a Part 36 payment which we agreed you may reject.

6 Appeal procedure

If, following legal proceedings to which we have consented, you wish to appeal against the judgment or decision of a court or tribunal, the grounds for such appeal must be submitted to the **insurenceholder** through the **appointed representative** immediately or as soon as practicable so that we may consider whether to consent to such further action.

If an appeal is lodged against a judgment or decision of a court or tribunal made in your favour following legal proceedings to which we have consented, you must notify the **insurenceholder** immediately. The **insurenceholder** will inform the **appointed representative** of its decision. If we so require it you must co-operate in an appeal against the judgment or decision of a court or tribunal.

7 Minimising claims or legal proceedings

You must use every endeavour and take all reasonable measures to minimise the cost and effect of any claim or legal proceedings under Part Four of these terms and conditions.

Claims procedure applying to Part Four (Legal Protection)

Notification of a claim must be made in writing by first class post, by facsimile, or by telephone to:

Irwin Mitchell
St Peter's House
Hartshead
Sheffield
S1 2EL.
Fax: 0114 275 3306
Phone: 0870 150 0100

All notices and communications from us or our representatives to you will be deemed to have been duly sent if sent to your address as last declared to the **insurenceholder** or, in relation to any matters arising out of any claim or legal proceedings, if sent to the **appointed representative**. All notices and communications from you or the **appointed representative** to us will be deemed to have been duly sent if sent to the **insurenceholder** at the address below.

The insurance under Part Four of these terms and conditions is underwritten by Brit Insurance Limited. It has been devised by and is managed by Abbey Legal Protection:

Abbey Legal Protection
Minorities House
2-5 Minorities
London
EC3N 1BJ.

