

PAX Personal Accident and Optional Life Insurance Terms and Conditions



Part One (Personal Accident), Part Two (Personal Liability), Part Three (Optional Life Insurance) and Part Four (Legal Protection)

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.

These terms and conditions are divided into the following Parts:

Part	Cover	Insurer	Policy number
One Two	Personal Accident Personal Liability	New Hampshire Insurance Company	0010005500 – Army 0010005501 – Navy 0010005502 – RAF
Three	Optional Life Insurance	American Life Insurance Company (ALICO)	392A0001 – Army 392A0002 – Navy 391A0100 – RAF
Four	Legal Protection Insurance	Brit Insurance Limited	ALP002

The liability to pay under each Part is as follows:

Part One (Personal Accident) and Part Two (Personal Liability) exclusively upon New Hampshire Insurance Company and no liability on American Life Insurance Company or Brit Insurance Limited.

Part Three (Optional Life Insurance) exclusively upon American Life Insurance Company with no liability upon New Hampshire Insurance Company or Brit Insurance Limited.

Part Four (Legal Protection) exclusively upon Brit Insurance Limited with no liability upon New Hampshire Insurance Company or American Life Insurance Company.

Status of insurers

PAX Personal Accident Insurance (including Personal Liability) is provided by AIG Europe (UK) Limited and underwritten by New Hampshire Insurance Company. AIG Europe (UK) Limited is an appointed representative of New Hampshire Insurance Company, which is authorised and regulated by the Financial Services Authority. New Hampshire Insurance Company is a member of the Association of British Insurers.

The PAX Optional Life Insurance extension is provided by AIG Europe (UK) Limited and underwritten by American Life Insurance Company (incorporated in the USA as a Limited Company). AIG Europe (UK) Limited is an appointed representative of American Life Insurance Company, which is authorised and regulated by the Financial Services Authority.

AIG Europe (UK) Limited, New Hampshire Insurance Company and American Life Insurance Company are all

member companies of American International Group, Inc. (AIG), one of the world's largest international insurance and financial services organisations.

PAX Legal Protection Insurance is underwritten by Brit Insurance Limited, a subsidiary of Brit Holdings Plc who is authorised and regulated by the Financial Services Authority and is a member of the Association of British Insurers.

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 nuclear, chemical or biological 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, 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, AIG Europe (UK) Limited, 96 George Street, Croydon CR9 1BU (Phone 0800 212 480 from the United Kingdom or +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 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**. 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 New Hampshire Insurance Company
Part Three American Life Insurance Company (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 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** 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 July 2005 and will also apply from 1 July 2005 to all cover in force on 30 June 2005.
- 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 the 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.

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. This depends on the type of business and the circumstances of the claim. A claim is covered for 100% of the first £2,000 and 90% of the remainder of the claim without any upper limit.

You can get more information by visiting the FSCS's website at www.fscs.org.uk or by writing to the following address.

Financial Services Compensation Scheme
7th Floor Lloyds Chambers
Portsoken Street
London
E1 8BN

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, will make these terms and conditions invalid. 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 authority.

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) ...

The Customer Relations Manager
AIG Europe (UK) Limited
2-8 Altyre Road
Croydon
Surrey
CR9 2LG.

E-mail: uk.customer.relations@aig.com

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

The Customer Services Manager
Abbey Legal Protection
Minories House
2-5 Minories
London
EC3N 1BJ.

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 **you** suffer **bodily injury** during the **period of cover** which, within two years solely and independently of any other cause, results in death, permanent disablement, specified **burns**, specified **fractures** or **hospitalisation**, **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.

Bodily injury

Injury to the **body** caused by an accident and not by any gradual cause. 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.

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.

Fracture or fractures

A break in the full thickness of a bone.

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 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 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 is in full-time paid employment at the date of **bodily injury**, is the total inability to continue with their **usual occupation** for the remainder of their life.

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.

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 b one ear	£20,000 £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 b one joint	£3,000 £1,500
11	Loss of a finger: a three joints b two joints c one joint	£2,000 £1,500 £1,000
12	Loss of toes: a all toes – one foot b big toe – both joints c big toe – one joint d other than big toe – each toe	£3,000 £1,000 £600 £400
13	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 regardless of the number of units purchased	£7,500

Section D Burns (sum insured does not increase with the number of units purchased)		
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	Paid for the number of nights spent as an inpatient in a hospital after the first 5 consecutive nights, up to 365 nights The benefit paid for each overnight stay will be one-seventh of the sum insured	£100 per week

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 regardless of the number of units purchased.

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 Commonwealth of Independent States;
- 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.

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 sums insured under section D (**burns**) do not increase with the number of units purchased.

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 (regardless of the number of units purchased)

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.

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)

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 handcars 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.

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

A malignant tumour characterised by the uncontrolled growth and spread of malignant cells and invasion of tissue. The term cancer includes leukaemia and Hodgkin's disease but the following are excluded:

- a all tumours which are histologically described as pre-malignant, as non-invasive or as cancer in situ
- b all forms of lymphoma in the presence of any Human Immunodeficiency Virus
- c Kaposi's sarcoma in the presence of any Human Immunodeficiency Virus
- d any skin cancer other than invasive malignant melanoma.

Critical illness

Cancer, heart attack or stroke.

Death

Death by natural causes, specifically excluding death by **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, and excluding death by suicide occurring within 12 months of the start date of **your** cover.

Heart attack

The death of a portion of the heart muscle as a result of inadequate blood supply as evidenced by an episode of typical chest pain, new electrocardiograph changes and by the elevation of cardiac enzymes. The evidence must be consistent with the diagnosis of heart attack.

Stroke

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

What this insurance covers

If **you** suffer **death** during the **period of cover** **we** will pay the **total sum insured** for the relevant **item** to **your** legal personal representative or executor whose receipt will be **our** discharge.

If **you** are diagnosed with a **terminal illness** the **death** benefit will be payable immediately to **you** and no further benefit will be payable on subsequent **critical illness** or **death**.

If **you** suffer a **critical illness** during the **period of cover** **we** will pay the **total sum insured**. **We** will only pay **you** the **critical illness** benefit once. **We** will pay **you** (as long as **you** are not a **child**) or **your** legal personal representative if **you** die, the **total sum insured**.

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.

Provisions applying to Part Three (Optional Life Insurance)

The **coverholder's** application forms the basis of the cover provided for **you**. **Our** liability to provide benefits is conditional on the observance by **you** of the terms and conditions, including any endorsements, and on the truth of the statements in the **enrolment certificate**. All statements made by **you** will, in the absence of fraud, be deemed representations and not warranties and no statement will void the insurance, or be used in defence of a claim under it, unless it is contained in a written application.

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

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 , spouse's or partner's child aged 28 days to under 16 years old (regardless of the number of units purchased)		
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 thirty days of any occurrence which may give rise to a claim under Part Three of these terms and conditions, or if this is not possible, then as soon as reasonably practical.

We will ask the claimant to fill in a claim form and provide proof to validate the claim. All certificates, information and evidence reasonably required by **us** to validate a claim must be furnished in the form prescribed by **us** 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)

Part Four (Legal Protection) only applies to the **coverholder** 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

Any bodily injury or death or any impairment of **your** physical or mental condition for which damages may be claimed but excluding any disease or other naturally occurring conditions or degenerative process (other than asbestos related disease, vibration white finger or occupational deafness).

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 judgement 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 **insureholder**. 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** hereunder 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 **insureholder'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 **insureholder**, 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 **insurerholder** or **us** will be processed by the **insurerholder** 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 **insurerholder** on **our** behalf if **you** can satisfy the **insurerholder** 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 **insurerholder** may deem it necessary to consult.

With **your** agreement, the **insurerholder** 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 **insurerholder** 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 **insurerholder** 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 **insurerholder** 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 **insurerholder**. 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 **insurancemholder** 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 **insurancemholder** 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 **insurancemholder** 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 judgement or decision of a court or tribunal, the grounds for such appeal must be submitted to the **insurancemholder** 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 **insurancemholder** immediately. The **insurancemholder** will inform the **appointed representative** of its decision. If **we** so require it **you** must cooperate 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

Tel: 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 **insurancemholder** 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 **insurancemholder** 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
Minories House
2-5 Minories
London
EC3N 1BJ