

Zurich Business Protection

Free cover

(Only available if you have applied for a Zurich Business Protection Policy)

Zurich may be able to provide you with free cover for a limited period where you are using the policy to:

- protect a commercial loan to cover capital expenditure
- protect a shareholding or partnership purchase agreement
- protect the lives of key employees.

Important notes

You will **not** be eligible for business protection free cover if:

- you are aged 55 or older at the start of the free cover period, or
- you live outside the UK, or
- you have made a simultaneous application for business protection with another company, or
- you are not using the cover to protect your business, or
- you are using the cover to protect buy-to-let loans.

Some exclusions apply – see ‘What will stop us paying out?’ in the terms and conditions section below.

If you have asked for your policy to be issued in trust, this does not apply to the free cover. If a free cover claim is accepted, the cover amount will be paid to the applicant. The free cover amount may increase the value of your estate for inheritance tax purposes.

Terms and conditions

The policy is provided in exchange for you completing an application for a Zurich Business Protection policy and accepting the terms of the policy if it is offered to you.

The terms and conditions for the free cover are set out below. Free cover is provided by Zurich Assurance Ltd so where we refer to ‘Zurich’, ‘we’ or ‘us’ in these terms and conditions, we mean Zurich Assurance Ltd. Where we refer to ‘you’ or ‘your’ we mean the life or lives assured under the policy. Where the policy has been applied for on another person’s life ‘you’ and ‘your’ may mean the applicant, where applicable. Where we refer to ‘policy’ we mean the Zurich Business Protection policy that you have applied for with us.

In these terms and conditions, where we can use our discretion, make a decision, require information or evidence or use our judgement, then we will do so acting reasonably, proportionately, fairly and in accordance with the law and regulations.

What is free cover?

It can provide you with a cash sum if you die or are diagnosed with a terminal or critical illness that meets our policy definition during the free cover period. The list of critical illnesses we cover is included in the key features document your adviser gave you.

The following policy options and life assured benefits are not covered for the purposes of free cover:

- Children’s Benefit
- Enhanced Children’s Benefit
- Total Permanent Disability
- Waiver of Premium

The type and amount of free cover we provide will reflect the type of cover provided by your policy. For example:

- if you have only applied for Life Cover, the free cover would also be Life Cover only.
- if you have applied for a policy covering two people with Life Cover and Critical Illness the free cover would be paid when the first person dies or is diagnosed with a critical illness that meets our policy definition.

If we pay the free cover because you die or are diagnosed with a critical illness, we will cancel your application for the policy unless the claim is for a Critical Illness Additional Payment condition, in which case we will continue to progress your application.

The policy terms and conditions include full details of when you can claim. If you'd like a copy, please ask your adviser or contact us.

How much free cover is provided?

The type and amount of free cover provided depends on the type of cover you have applied for. It is limited to the lower of:

- the amount of your business loan, or
- the amount of cover you have applied for.

The maximum amount we would pay is:

- £2,000,000 if you die or are diagnosed with a terminal illness, or
- £350,000 if you are diagnosed with a critical illness that meets our policy definition.

If you have made multiple applications to Zurich, or if your application for a commercial loan is being made jointly with another person or persons and they have all applied for cover with Zurich, the total amount of free cover across all the applications will be restricted to the lower of the amounts set out above.

When does the free cover start?

Commercial loan protection

The free cover period starts from the date the last of the following events happen in connection to your application:

- we receive a fully and correctly completed application, and
- we have a completed direct debit instruction, and
- the lender advances the commercial loan. We'll need evidence from the lender that the loan has been agreed and confirmation of the date you must draw down the loan.

Key individual and shareholder/partnership protection

The free cover period starts from the date the last of the following events happen in connection to your application:

- we receive a fully and correctly completed application, and
- we have a completed direct debit instruction.

When does the free cover stop?

The free cover period stops as soon as any of the following events happen:

- 14 days after our underwriters accept your application
- our underwriters decline or postpone your application
- 90 days after we have acknowledged receipt of your application
- you withdraw your application for the policy
- your policy starts
- you make a valid claim (excluding Critical Illness Cover Additional Payment conditions).

What will stop us paying out?

A free cover claim may be rejected or not fully paid if, when you applied for the policy, you did not answer the questions we asked you correctly, or if you do not tell us about any change to your health that occurs before the free cover start date which alters the answers you gave.

We won't pay a free cover claim if the cause of the claim arises from a medical condition that we could reasonably have expected you to know about when the free cover started. This includes any illness, disease or condition for which you received treatment or advice from a medical practitioner. It also includes any symptoms you were suffering from even if you haven't yet discussed these with a GP.

We won't pay a free cover claim for Life Cover if you die as a result of suicide or intentional self-inflicted injury.

We won't pay a free cover claim for Critical Illness Cover if:

- you've applied for Critical Illness Cover only and you die, or are diagnosed with a critical illness and don't survive for 10 days
- the illness suffered does not exactly meet the policy definitions, or
- the illness suffered is not included in the policy terms and conditions.

The evidence we require to assess a critical illness claim must be provided by a medical professional in the UK, the European Union (member states as of 2021), Australia, Canada, Japan, New Zealand, Norway, Switzerland or the USA. We will also accept evidence from other countries if, in our assessment, the evidence is comprehensive enough and of a sufficient standard for us to properly assess the claim.

If necessary we may need the life assured to consult and be examined by a medical professional of our choice to confirm the diagnosis. We will always act reasonably when considering evidence to support a claim.

What if your health changes while we are providing Business Protection free cover?

If, during the free cover period, your health changes and this means that some of the answers you gave to the questions we asked when you applied for the policy have changed, you need to tell us. If your change in health does not result in a valid Life Cover or Critical Illness Full Payment condition free cover claim, we will take this in to account when assessing your application. For the avoidance of doubt, if your change in health results in a valid Critical Illness Additional Payment condition free cover claim, we will pay the claim amount but the new disclosure will be assessed to determine whether or not we will let your policy start and if so, on what terms. If we ask for tests or procedures as part of our assessment of your application which indicate symptoms, an illness or condition that you were unaware of, we will take this into account when deciding whether we are able to offer you any cover and if we can, on what terms.

Making a claim

If you need to make a claim, you, or the person dealing with your affairs, should contact us using the details below.

Call us on:

Tel. 0370 240 0073

(opening hours: 9am to 5pm, Monday to Friday)

Alternatively, visit us online at:

www.zurich.co.uk/life-insurance/claim

We always try to pay all valid claims as soon as possible and we'll keep you, or the person dealing with your affairs, informed of how the claim is progressing.

What information we'll need

When you get in touch we'll let you or the person dealing with your affairs know exactly what information we'll require and any forms which must be completed. The sort of evidence we may require includes:

- medical evidence
- evidence of death.

Please let us know if you would like a copy of this in large print, braille, or audio.

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