

Mortgage Protection

Free cover

(Only available if you have applied for a Zurich Personal Protection, Zurich Life Protection or Zurich Personal Life Protection policy, and are intending to use your policy to cover your mortgage)

At Zurich, we understand the importance of financial protection when you're buying a house. We also understand that although you enter into a binding commitment when you exchange contracts, you may not complete the contract to buy the property for several weeks, or even months.

You may not want your policy to start until your mortgage has been completed but until it does you may not have any financial protection if you die, are diagnosed with a critical illness or if your health changes.

During this time we may be able to provide you with free cover for a limited period.

Important notes

- You will **not** be eligible for mortgage protection free cover if:
 - you are aged 55 or older, or
 - your mortgage is not being used to buy your main residence, or
 - you are re-mortgaging your main residence rather than buying a different main residence, or
 - you live outside the UK, or
 - you have made a simultaneous application for mortgage protection to another company.
- Some exclusions apply – see 'What will stop us paying out?' in the terms and conditions below.
- If you have asked for your policy to be issued in trust, this does not apply to the free cover. If a claim for life cover is accepted, the cash sum 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 Zurich Personal Protection, Zurich Life Protection or Zurich Personal Life 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', or '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 to be 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 Personal Protection, Zurich Life Protection or Zurich Personal Life 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 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 – please ask your adviser or contact us direct if you need another copy. Children's benefit or enhanced children's benefit is not included for the purposes of free cover.

The type and amount of free cover we provide depends on the cover you have applied for, so if, for example, 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 cover, 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 not start your policy, even if, had it started, it would have provided you with a higher level of cover than the amount of free cover we have paid (unless the claim is for a critical illness cover additional payment condition, in which case we will continue to progress your application).

Please note that we will only pay a free cover claim for the life cover or life cover and critical illness benefit you have applied for. Any additional benefits you have applied for will not be covered.

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.

Who can have free cover?

You must be using the policy to protect your mortgage. Your mortgage lender must have sent you a formal written offer for a mortgage to buy your main residence.

Buy-to-let mortgages and re-mortgaging your main residence do not qualify for free cover.

You must be 54 or younger at the start of the free cover period.

You must live in the UK.

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 mortgage, or
- the amount of cover your policy will provide.

The maximum amount we would pay is:

- £500,000 if you die, or
- £350,000 if you are diagnosed with a critical illness that meets our policy definition.

If we pay a free cover claim (unless it was a critical illness cover additional payment condition only), the free cover will end and we will not start your policy, even if, had it started, it would have provided you with a higher level of cover than the amount of free cover we have paid.

If you have made multiple applications to 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?

The free cover period starts from the date the last of the following events happens:

- you exchange contracts, and
- our underwriters accept your application.

When does the free cover stop?

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

- you complete your mortgage
- 90 days have elapsed since you exchanged contracts
- your policy starts
- you withdraw your application for the policy.

Example 1

Our underwriters accept your application – 1 March

You exchange contracts – 1 April **Free cover period starts**

You complete your mortgage – 1 May **Free cover period ends**

Policy start date – 1 June **No cover between 1 May and 1 June**

Your policy should start on 1 May to make sure there is no break in cover

Example 2

Our underwriters accept your application – 1 March

You exchange contracts – 3 March **Free cover period starts**

90 days after exchange of contracts – 1 June **Free cover period ends**

No cover between 1 June until the date the policy starts.

Your policy should start on 1 June to make sure there is no break in cover

Example 3

You exchange contracts – 15 February

Our underwriters accept your application – 1 March

You complete your mortgage – 1 March

No free cover applies

Your policy should start on 1 March to make sure you are covered

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 commit suicide or die as a result of intentional self-inflicted injury.

We won't pay a free cover claim for critical illness cover if:

- the illness suffered does not exactly meet the policy definitions
- the illness suffered is not included in the policy terms and conditions, or

- the medical condition arises while you are living abroad and you don't return to the UK or one of the other countries we specify. The evidence we require to assess the claim must be provided by a medical professional in the UK, the European Union (member states as of 2017), 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 when reviewing evidence to support a claim.

Please note: We won't pay out the free cover if you have made a simultaneous application for mortgage protection to another company.

What if your health changes while we are providing mortgage protection free cover but before your policy has started?

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. However, we will allow the policy to proceed on the original terms. This ensures that, despite the change in your health, you will have mortgage protection.

However, if we ask you to have a medical examination, or 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.

What if your health changes after the free cover period has ended but before your policy has started?

If the free cover period ends before your policy starts and then 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. We will not allow the policy to proceed on the original terms if the change in your health means there is an increased risk that you'll die, suffer a critical illness that meets our policy definition or become incapacitated before the policy ends. If we need to make any changes to the terms of our offer, or if we are not able to offer you any cover, we'll write and tell you. To make sure you are covered if your health changes, you should ensure that your policy starts at or before the end of the free cover period.

You need to tell us about any change to your health, family history of disease, occupation, travel or place of residence, hazardous activities, alcohol consumption, smoking habits or use of recreational drugs that occurs before your policy starts if that change makes any of the answers you gave to the questions we asked you wrong or incomplete. If you don't tell us, your policy may be cancelled, or its terms may be changed, or a claim may be rejected or not fully paid. Cancelling a policy means that no cover or other benefits will be provided.

Example 4

Our underwriters accept your application – 1 March

You exchange contracts – 2 April **Free cover period starts**

You complete your mortgage – 1 August **Free cover period ends on 30 June**

Policy start date – 1 August **No cover between 1 July and 1 August**

Your health changes – 20 July. We may have to change the terms of our offer or decline your application.

Your policy should start on 1 July to make sure you are covered if your health changes.

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 243 0827

(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 or braille, or on audiotape or CD.

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Registered in England and Wales under company number 02456671.

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We may record or monitor calls to improve our service.