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# Frequently Asked Questions

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### What is the maximum level of cover I can apply for?

*It is up to you to determine the amount of income you need to receive each week, however the maximum level of cover available is 70% of your gross earnings or £1,200 a week, whichever is lower. Please note the higher the level of cover you select, the higher your monthly premium will be.*

### What is the difference between Standard cover and Premium cover?

***Premium Cover** means that we will pay your full insured Income Benefit to you for the duration of any period of Incapacity, even if you were incapacitated until your Policy Retirement Date.*

***Standard Cover** is a less expensive option that will pay your full insured Income Benefit for the first two years of a claim (less your claim Deferment Period) but then reduces to 50% for the third year of the claim and 30% from the fourth year until you sufficiently recover or reach your Policy Retirement Date.*

### What does “Deferment Period” mean?

*The Deferment Period means the period of time you must wait from the start of any incapacity before you can start receiving Income Benefit payments from the Society.*

*You can select from the following Deferment Periods Nil (also known as Day One Cover), 7 Days, 14 Days, 1 Month, 3 Months or 6 Months.*

*There are two main things you should consider when selecting which of these options you wish to apply to your cover:*

*Firstly, if you are employed, you should review your employment contract to see how long your salary will be paid in the event of you being incapacitated. You should consider the Deferment Period most appropriate for your circumstances.*

*Secondly, the longer the Deferment Period you choose, the less we will charge you for the Benefit you have selected. So, whether you are employed or not, you may choose to have a longer Deferment Period if you feel comfortable that you can accommodate a period of time where you will not be paid whilst incapacitated.*

### What if my employer pays me sick pay?

*If you are employed, you should review your employment contract to see how long and how much of your salary will be paid in the event of you being incapacitated. PG Mutual proportionately reduce your Income Benefit payments if you continue to receive an income from your employer while incapacitated.*

### Does vaping class as smoking?

*Vaping will not be classed as smoking. However, to be classed as a non-smoker you would need to not have smoked for a minimum 12 month period.*

### What is the “investment element”?

*The profit we return to our members is held in each individual’s “Capital Account” and builds every year in a similar manner to an investment. The aim of this profit share feature is to invest any profits we make with the aim of providing each member with a lump sum payment upon the maturity of their policy.*

***Plus** any interest allocated will be done on a compound basis, meaning the longer you are a member the more substantial your potential payment will be.*

***Plus** each member receives their share whether they have claimed on their income protection policy or not.*

*While the past performance of the Society and its investments should not be considered a reliable indicator of future bonus and interest apportionments, the following table shows you how much PG Mutual members have benefited over the last three full years of members:*

PG Mutual members profit share 2015 - 2017

Average Interest Rate applied to members balances:	3%
Amount paid into members accounts:	£4,418,837
Amount paid out to leaving members:	£2,385,981

### Are there any exclusions on the policy?

*There are some standard policy exclusions that apply. Please refer to the Income Protection Plus Policy Terms for further details. It is very important you read these carefully.*

*We may also exclude some existing medical conditions following our underwriters' assessment of your application.*

### Is there a waiting period before a claim can be made?

*There is no compulsory waiting period once your policy starts before your cover begins. However, any incapacity that commenced before the start of your policy will not be covered.*

### Will my premiums increase each year?

*Your premiums may change from year-to-year as your age increases. We review the adequacy of our premium rates on an annual basis and our rates may be changed if, after taking into consideration the advice of our actuaries, the Board determines the existing premium rates are insufficient to cover the claims and operating expenses of the Society.*

### What if I change my occupation?

*Simply inform us of any changes to your occupation – we will then submit these changes for approval by our underwriters, and inform you of any changes to your plan.*

### Do I need to have a medical examination?

*We would only ask you to undergo a medical examination by your own GP if we cannot make a decision based on your medical interview, which we can normally do. We may however, ask for information from your medical records. We will inform you in writing should this be the case.*

### How can I pay for my income protection plan?

*Premiums are to be paid by Direct Debit from a UK bank or building society account on either a monthly or annual basis.*

### Can I recommend a friend, family or staff member for Income Protection Plus and if so, how do I do it?

*Yes, whether you are an employer looking to retain and protect your staff or have friends and family who need to protect their income, you can recommend them by asking them to visit our website at [www.pgmutual.co.uk](http://www.pgmutual.co.uk) for further information, or to get an instant quote and entering code 'Raf'. When you refer a friend, family or staff member we will give you £50 worth of high street shopping vouchers and entry into a prize draw to win £750 worth of holiday vouchers. When your friend, family or staff member signs up to PG Mutual, we will give them £50 of high street vouchers, and 25% off their first year's cover. (Ts&Cs apply).*

### What happens if I can't continue working within my profession, but could carry out another occupation?

*your inability to continue your "Own Occupation" due to disease, illness or injury, or your inability to do "Any Suitable Occupation":*

- *Own Occupation: you will be considered incapacitated if you could not undertake the essential duties of your profession (i.e. pharmacist, optometrist);*
- *Any Suitable Occupation: you will only be considered incapacitated if you are unable to do the essential duties of your profession, but also any reasonably suitable occupation for someone of your qualifications, skills and experience.*

*PG Mutual's definition of incapacity is based on your ability to continue the duties of your profession. Your policy schedule will confirm if your cover is not "own occupation".*

*Please see our Income Protection Plus Policy Terms for full details of our terms for claiming incoming benefit.*

### How flexible is my cover?

*You can apply to amend your cover at any time if your circumstances change, subject to approval by our underwriters. Simply contact us on **0800 146 307** to discuss your needs or complete and submit our Cover Variation Application form.*

### How do I apply for Income Protection Plus cover?

1. Go to the Quick Quote.
2. Input the details of your preferred level of cover.
3. Remember to input your discount code.
4. Once you have received your quote, click "Apply online".
5. Complete your application.

*If you would prefer, one of our team would be more than happy to complete the application with you over the telephone.*

### Can I include dividends as part of my gross earnings?

*Yes, you can include dividends as part of your gross earnings when calculating your weekly benefit entitlement. However if you continue to receive dividend income during a period of incapacity, your benefit payments may be reduced. Once you stop receiving dividend income, the reduction to your benefit will be removed.*

### What happens if I decide to go travelling or move country?

*You must generally be a UK resident to qualify for Income Protection Plus membership, and if you move away from the UK whilst you are an Income Protection Plus member, you will generally be required to forfeit your policy.*

*While you will not forfeit your policy by travelling outside the UK, you will not generally be able to claim for Income Benefit whilst you are travelling or on vacation while incapacitated.*

### What happens once I have applied?

*If you apply for "Premium cover", our trusted partner MorganAsh will contact you to arrange a telephone interview to run through your medical history at a time convenient to you. As soon as we have a copy of your tele-interview our underwriters will review your application in full. We will then inform you in writing of our decision. If you'd like to know more about our medical interviews and the kind of questions that we may ask, please see our Guide to Tele-Interviews.*

*If you apply for "Standard cover" you will be given the option of either full medical underwriting (as Premium cover above) or full exclusion of any "pre-existing" conditions. If you choose to exclude any pre-existing conditions from cover, you will have the opportunity to ask the Society for clarification as to whether any particular condition or conditions would be treated as "pre-existing" in the event of a future claim.*

### What if I don't want to continue with Income Protection Plus cover?

*You may request to cancel your Income Protection Plus at any time with one month's notice. Cancellations are processed at the end of the month in which the Society receives your written cancellation request.*

*Please remember that if you no longer require your insurance cover, you can retain your investment element for a reduced premium. PG Mutual offers its Income Protection Plus members the option of Associate Membership. As an Associate Member you can retain your investment element but will not be entitled to claim any Income Benefit or the enhanced feature of the Loyalty Bonus scheme.*

### What is the enhanced Loyalty Bonus?

*All Income Protection Plus policies include a Loyalty Bonus scheme that aims to boost your final policy maturity payment with a proportion of any capital the Society has gained over-and-above the value of the accumulated value of annual bonuses to your Individual capital account during your membership.*

*This Loyalty Bonus scheme now includes an enhanced feature that aims, in the event an Income Protection Plus member dies before the maturity of their policy, to pay a minimum capital sum of £10,000 and six months of income benefit to their nominated family members.*

*Please note that the levels of the Loyalty Bonus scheme are not a guaranteed and can vary, including being reduced to zero, if necessary to protect the financial strength of the Society.*

### What happens when I reach my Policy Retirement Date?

*Every Income Protection Plus membership will have a Policy Retirement Date for the insurance element of your membership (this Policy Retirement Date does not apply to your investment element).*

*Once your Policy Retirement Date is reached (normally your 65th birthday) your insurance cover will expire and, whether you had been claiming immediately prior to your Policy Retirement Date or not, you will automatically become an Associate Member so that your investment element may continue with a reduced premium.*

PG Mutual is the trading name of Pharmaceutical and General Provident Society Ltd.  
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