

Guaranteed



# My Sick Pay

**We'll pay you money each month if you're too unwell to work because you're ill or have had an accident**

[Terms and Conditions \(How My Sick Pay works in a bit more detail\)](#)



Keeping life colourful



# Hello and a big, warm welcome from all of us at Holloway Friendly!

We're here for one reason, which is to make sure you can keep paying the bills if you become too unwell to work.

My Sick Pay is your own sick pay insurance, putting you in control so you don't have to rely on others for financial help.

You can choose how to set it up. You can take it with you from job to job. And it's up to you how you spend the money we pay you.

It's available whether you're employed or self-employed.

This document explains how My Sick Pay works and we've tried to make it easy to read and understand. But if you're not sure about anything either your Financial Adviser will be able to help or you can call us on 0800 0931 535.



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# Before you buy My Sick Pay

## How you and your Adviser can create your own sick pay

### What is My Sick Pay?

We'll pay you if an illness or accident stops you doing the essential duties of any job you've done in the last 12 months.

For your claim to be valid, you mustn't be working during your chosen wait time at claim.

We call it My Sick Pay, but you might hear some people call this type of insurance 'income protection'.

### What choices do I have with My Sick Pay?

There are some important choices for you and your Financial Adviser to make when you buy My Sick Pay. These are:

- How much you want us to pay you
- How long you want to wait before we pay you
- How long you want us to pay you for
- Whether the price you pay goes up as you get older
- Whether you want what we pay you to keep up with increases in the cost of living
- When you want your insurance to end.

We've explained more about these choices in the next section.



### How much Sick Pay can I have?

You can choose how much we'll pay you.

The most you can have is 65% of what you earn before tax, up to £80,000 a year.

We've given you some examples below of the maximum you can choose, depending on how much you earn before tax each year.

How much you earn before tax each year	The most tax free Sick Pay you can have each year	The most tax free Sick Pay you can have each month
£20,000	£13,000	£1,083
£40,000	£26,000	£2,166
£60,000	£39,000	£3,250
£80,000	£52,000	£4,333
£123,076	£80,000	£6,666

We'll pay you tax free and you can choose how you spend it.

The only times we'd have to reduce what we can pay you are either:

- If the amount you're insured for is more than allowed.

If this happens we'll reduce what we pay you to the right amount.

- If you're receiving any other income while you're off sick, for example earnings, sick pay from your employer or sickness insurance.

If this happens, we'll reduce how much we pay you by the amount you're getting from your other income until it stops. If we didn't do this, you could end up with more income than when you were working.

- If you receive compensation for lost earnings.

We may reclaim monies from you if you've received earnings/compensation in addition to what we've paid you.

## How's My Sick Pay different from State disability benefits?

State benefits can be low amounts and hard to claim. They can also change over time, so it's uncertain what you'll get in the future. One of the reasons we offer My Sick Pay is so you can take control, with your own personal sick pay arrangements. My Sick Pay offers higher levels of money if you're sick, is easier to claim and gives you more certainty about what you'd get, and when.

We'll never reduce how much we pay you if you claim any state disability benefits.

Depending on the state benefit rules in place at the time, it's possible that what we pay you could affect the state benefits you could receive from the Government, as we can't control the Government's rules.

## How long do I have to wait before you pay me?

You can choose how many weeks to wait between becoming too unwell to work, and when we start paying you.

Your adviser will help you choose how many weeks to wait. They'll normally look at how long you can get by without needing us to pay you, and may take into consideration things like:

- Whether you get any other sick pay, and if so how much and how many weeks it lasts for
- How long your savings might last if you were too unwell to work and whether you are happy to use them up or not.

Normally, the longer you are prepared to wait before you get your first payment, the less My Sick Pay will cost you.



## How long will you pay me for?

Your advisor will help you choose how long we'll pay you for, if you're too unwell to work.

You can usually choose for us to pay you for up to:

- 1 year
- 2 years
- Or for as long as you are sick, up to the date your insurance ends.

You can claim more than once, which we explain more about on page 12.

## What price options do I have?

We offer two price options:

1. A level price that won't go up because you've got older.

If you choose to have a level price, the price you pay at the start will stay the same over time.

2. Age-based prices that start lower and go up as you get older.

If you choose age-based prices, the amount you pay for My Sick Pay will change with your age each year. You'll pay less than you do with the level price option when you're younger, which can help if you're on a budget, but the price will go up as you get older. This is because the risk of being too unwell to work goes up with age.

We'll tell you at the start how the price you pay will change in the future.



## Our price guarantee

It's our promise to you that we'll stick to the future prices we tell you about when you buy My Sick Pay.

All the way through to the end date you choose.

That means the longest amount of time we could be guaranteeing the future price for will be over 50 years for some customers, so it's a valuable feature.



## Can My Sick Pay keep up with increases in the cost of living?

What you can buy with the same amount of money tends to reduce over time. Cost increases such as these are often called 'inflation' or 'increases in the cost of living'.

That's why you can choose for the amount we'll pay you to automatically keep up with annual increases in the cost of living.

The change in how much we'll pay you and what you'll pay us will happen each year on the anniversary of when you bought My Sick Pay.

The report we use to understand changes in the cost of living is called The Retail Price Index, and it's produced by The Office of National Statistics. If for any reason this wasn't available in the future, we'd find and use something similar.

If costs have gone up, and you have age-based pricing, we'll increase both the amount we'll pay you and what you'll pay us by the same rate that the costs of things have gone up.

If you have level pricing, we'll increase what we'll pay you by the rate that the costs of things have gone up, and what you'll pay us, by this amount multiplied by 1.5.

For example, if the report said that the cost of things had gone up by 2% over the previous 12 months and you have age-based pricing, we'll increase both what we'll pay you and what you'll pay us, by 2%. If you have level pricing, we'll increase what we'll pay you by 2% and what you'll pay us, by 3%.

The change in how much we'll pay you and what you'll pay us will happen each year on the anniversary of when you bought My Sick Pay. We'll give you at least 30 days' notice before we change it and you can say no to the change at any time.

The most we'll increase what we'll pay you by in each year is 10%. And the most we'll increase what you'll pay us by is 10% if you have age-based pricing and 15% if you have level pricing.

We'll still apply these increases to keep up with the costs of living while you're claiming. However, while you're claiming there's nothing for you to pay.

Please remember, if you've selected this option and over time your earnings don't keep up with the increases in the cost of living, you may end up with more insurance than you're allowed. However, this won't affect you where our drop in earnings guarantee applies, which we've explained on page 10.

## What age does My Sick Pay cover me to?

You can choose when you want your insurance to end. This can be any time between your 50th and 70th birthday. The shortest amount of time you can set up My Sick pay for is 5 years.

Don't worry though, you're not tied in and you can cancel your monthly Direct Debit at any time.

If you cancel in the first 30 days we'll refund anything you paid. After that we won't be able to refund any monthly payments you've made for the insurance we've provided.

My Sick Pay will end three months after you stop paying for it, or will end straight away if you retire from work, move to a country where we can't cover you, or you die.



## Can I buy My Sick Pay?

Yes, so long as:

- You're aged 18 to 59 (you may need to be under 59 for some jobs)
- You're working in a job that we can quote for (which is most jobs)
- You're currently working, and you're not already off work because of an accident or illness
- You're not working reduced hours as part of a phased return to work because of an accident or illness
- You're doing at least 16 hours a week of paid work before you become too unwell to work
- You pay income tax in the UK or Isle of Man when you buy My Sick Pay (and also in the future to be able to claim)
- You work in the UK or Isle of Man and are either employed or self-employed. If you're self-employed, you'll need to have been trading in the UK or Isle of Man for at least six months
- You have a UK or Isle of Man bank account in your name that you can pay your direct debit from
- You've been both a resident in the UK or the Isle of Man and registered with a UK or Isle of Man GP for the last 3 years.

## What do I need to do when I buy My Sick Pay?

Your Adviser will help you set up My Sick Pay in a way that's right for you, and will tell you what it costs.

Next you'll need to answer medical and financial questions so we can check we can insure you, and that the price you'll pay is right and fair for both us and you.

It's really important that you answer our questions carefully and truthfully.

Most people do this. But we do need to make it clear that if you tell us anything that you know it is incorrect or misleading then in the future we may have to cancel your insurance, reduce what we pay you or change how it's set up.

From time to time we carry out spot checks on applications, as it helps us make sure we're offering insurance to the right people at the right price. This helps us protect everyone.



## After you've bought My Sick Pay

### Can I change My Sick Pay in the future?

Yes, My Sick Pay is designed so you can keep it for a long time. We've built in a lot of flexibility so you can change it as your life and needs change. We explained how you can do this below.

### What's our Life Changes Guarantee?

We know that 'Life Happens' and we want you to be able to flex My Sick Pay as your life changes. So we've picked out six different important life changes based around family, work and home that could happen to you. If they do, we'll let you increase how much we'll pay you, without you needing to answer any more health questions.

You can see what these life changes are and the evidence we'll need in our table below.

You can use our life changes guarantee up to three months after your change happens.

Life Change	Evidence we'll need
You get married or form a civil partnership	Marriage or civil partnership certificate
You have a child or legally adopt	Birth certificate or adoption papers
You change your job and increase your salary	Job appointment letter including your new salary, and evidence of your old salary
Your earnings go up by at least 20%	A letter from your employer confirming the increase
You take out a new mortgage or increase your existing mortgage	Mortgage offer letter or mortgage statement
Your rent goes up because you move to a new rental property, or because your landlord puts it up	Rental agreement letter or rent increase letter from landlord

Using our guarantee, the most you can increase how much we pay you by is 50% of what you chose when you first bought it, or a maximum of £9,000 a year extra, whichever is lower.

The most you can have after using our guarantee (whether you use it once, or more than once) is still 65% of your earnings before tax, up to £80,000 a year.

For the change of job/pay rise, mortgage and rent life changes, your increase can't be more than the increase in your pay rise, mortgage repayments or rent.

You can use our Life Changes guarantee as long as:

- You're under the age of 59 and are currently working
- When you bought My Sick Pay, we didn't have to increase your price due to health issues
- You haven't claimed on My Sick Pay in the last year and you aren't claiming or making a claim now.

Your increased insurance will have all the same rules and features as before. We'll base your price on your age, job and whether you smoke when you use our life changes guarantee.

If we told you we couldn't cover any specific medical conditions when you first bought My Sick Pay, we still won't be able to cover them for the increased amount.



## Can you summarise all the changes I can make?

Yes, the table below tells you what changes you can make, whether or not you need to answer financial, health or lifestyle questions to make the change, and whether you'll pay more or less after making the change.

You can only make changes to My Sick Pay if you have more than 5 years left before it ends.

I want to...	Do I have to answer financial, health or lifestyle questions?	Will I pay more or less after the change?
Wait longer between becoming too unwell to work and when you pay me	No	Usually less
Wait less time between becoming too unwell to work and when you pay me	Yes	More
Change My Sick Pay to end at a younger age	No	Usually less
Change My Sick Pay to end at an older age	Yes	More
Reduce how much Sick Pay I'd get	No	Less
Increase how much Sick Pay I'd get using the Life Changes Guarantee	No	More
Increase how much Sick Pay I'd get (without using the Life Changes Guarantee)	Yes	More
Ask for My Sick Pay to start increasing with the cost of living each year, when it didn't before	Yes	More

## What if my earnings drop after I've bought My Sick Pay?

When you buy My Sick Pay, the most you can choose to insure yourself for is 65% of what you earn before you pay tax, up to £80,000 a year.

If your earnings later drop, this means you could be insured for more than 65%, and this is more than we'd allow. If you claimed this would mean we'd have to reduce how much we pay you.

Because of this, we've included our Drop in Earnings Guarantee. This means that if you need to claim, and your earnings have dropped, we guarantee to pay you £1,500 a month (or the amount of insurance you chose if it was less than this).

You'll need to have normally been working 21 hours a week, before you became too unwell to work, to get our guarantee.

You can also reduce the amount of Sick Pay you have, if you decide you don't need so much in the future.

## Can I take a break from paying for My Sick Pay?

Yes, after you've had My Sick Pay for 3 years you can pause your cover and your monthly payments for up to 6 months in any 12 months.

So if you decide to take a career break, raise a family, study, travel the world or anything else you've always wanted to do, you might like to use this option.

You can do this as many times as you need to up to a total of 24 months.

It's important to remember that we won't be able to pay you for any illnesses or accidents that happen while your insurance is paused.

## Can I move abroad after I've bought My Sick Pay?

If you'll be working outside of the UK for more than 1 month, or you're planning to move abroad permanently, please let us know as we'll need to see if we can still insure you.

If you're claiming and then you move abroad, we'll only pay you for 6 months, unless you move back to the UK.

## Is there anything else I need to tell you about after I've bought My Sick Pay?

Please let us know if:

- Your address or contact details change
- Your earnings drop (unless you want to use our dropping earnings guarantee, as we've explained earlier and in your personal illustration)
- Your normal working hours change to less than 16 a week
- You stop working, either because you become unemployed or you retire.

We'll update our records and explain any options available to you. If you're ever not sure about anything please do give us a call so we can help you.

## What type of accidents and illnesses does My Sick Pay cover?

My Sick Pay covers any type of accident and all types of medical conditions.

You just need to be unable to work in your normal job because of the accident or illness.

The only time this wouldn't be the case is if we agreed something different with you up front. For example, if you told us about something in the health and lifestyle questions that you answered before you bought My Sick Pay, and we then agreed with you to cover you for everything else apart from that thing.

## What doesn't My Sick Pay cover?

My Sick Pay covers you for lost earnings caused by illness and accidents that have made you too unwell to work. It doesn't payout for any other reason. It doesn't pay out for deliberate, self-inflicted injuries and it doesn't pay for time off because of workplace stress and bereavement. However, for these last two, we can put you in touch with services that may be able to help you.

As you'd expect, we can't pay out Sick Pay if you were already too unwell to work before you bought My Sick Pay. It's not unemployment, business or private medical insurance.

It's not a savings or investment product and if you don't need to claim any Sick Pay, there isn't any kind of money back at the end.

## If I claim, how and when do I need to contact you?

You can either:

- Visit [www.holloway.co.uk/claim](http://www.holloway.co.uk/claim) where we'll tell you how to make a claim
- Call us 0800 0931 535 and speak to one of our friendly team in Gloucester.

If you need to claim, it's important to contact us within a certain amount of time. This is so we have the opportunity to provide you with support where we can, to help you get better, and to avoid delays in paying you. This amount of time will vary, based on how long you've chosen to wait between becoming too unwell to work and when we'll start to pay you.

Time you've chosen to wait at claim	How soon you'll need to contact us
4 weeks	Within 1 week
8 weeks	Within 2 weeks
13 weeks	Within 8 weeks
26 weeks	Within 13 weeks
52 weeks	Within 26 weeks

If you tell us later than the timescales in the table, it may delay how soon, or whether we can pay your claim. We'd look at the impact the delay in telling us has had on your claim. But of course we'd also consider any reasonable reasons why you might have been delayed in telling us.

## How will you pay me?

We'll pay you twice a month, straight into your bank account. You get your money without paying any tax on it, unless the government changes insurance tax rules in the future. You can spend it however you want.

## What do you need from me when I make a claim?

So we can pay you, we'll need you to give us truthful information about your medical, financial and work situation. If you don't provide us with this, we may not be able to pay your claim, we might have to cancel your insurance and we may not be able to refund you.

## The medical side of your claim

We'll need you:

- to provide medical evidence from your doctor or specialist, of how your illness or accident stops you being able to do the main things involved in your own normal job. In most cases, a 'statement of fitness for work' isn't enough.
- to follow any medical advice you're given, or take part in treatment if it's recommended to you by doctors, as it may help you get better
- to help us by providing any other information we ask for. This can be different from one person to the next. But, for example, we may need to get regular updates from you, or we could ask you to be examined by a UK or Isle of Man based doctor or specialist of our choosing.

We'll need all medical information that you provide throughout your claim to be in the English language, including if you travel or move abroad.

## The financial and work side of your claim

We'll need you to:

- Be up to date with your monthly payments for My Sick Pay before you claim
- Have been working at least 16 hours a week in the UK before you became too unwell to work
- Give us any information we ask for about your work or finances so we can work out the right amount to pay you
- Tell us about any any compensation you've received for lost earnings
- Not do any paid or unpaid work while you're being paid your Sick Pay
- Tell us as soon as you're well enough to work again.

## How do you work out what you'll pay me?

We'll normally pay the full amount that you've been paying for, as long as it's no more than 65% of your earnings before tax.

If your earnings have dropped since you've bought My Sick Pay, we may still be able to pay you more than 65% of your earnings before tax under our Drop In Earnings Guarantee. This is explained on page 10 and the amount of your guarantee is on the personal illustration we gave you when you bought My Sick Pay.

If you're receiving income from elsewhere while you're claiming My Sick Pay, this can reduce what we can pay you. For example if you're still getting money from your employer or business, or from other sickness insurance, or if you start taking a pension.

We won't reduce what we pay you because you're receiving state disability benefits.



## How do you work out my earnings when I claim?

It depends on whether you're employed, self-employed or are a company director but we use your taxable earnings.

### • If you're employed

We'll usually need your payslips and your most recent P60 for the previous 12 months.

### • If you're self-employed

We'll usually need your business accounts and/or HMRC Personal tax return, SA100 tax returns or any other relevant information.

Normally we'll look back at your records for the previous 12 months.

But, if your business doesn't have 12 months' records when you become too unwell to work, we'll work with you to get records that cover a shorter period of time.

If, for some reason, your earnings for the previous 12 months were lower than usual, we can look at your earnings over 3 years instead.

### • If you're a company director

We'll usually need your tax return and company accounts for the previous 12 months.

If your accounts don't go back 12 months, we'll work with you to get records that cover a shorter period of time.

If, for some reason, your earnings for the previous 12 months were lower than usual, we can look at your earnings over 3 years instead.

## Can I claim more than once?

Yes you can.

### If it's a different accident or illness to your previous claim

Or

### If it's the same accident or illness as your previous claim, you've returned to work and it's more than six months since your previous claim ended:

We'll treat it as a brand new claim (we may need medical or other information from you). We'll start paying you after the number of weeks you originally chose to wait between becoming too unwell to work and when we start paying you.

### If it's the same accident or illness as your previous claim, you've returned to work and it's less than six months since your previous claim ended:

We'll restart your old claim (we may need medical or other information first). We'll:

- Pay you from the date you became too unwell to work again. So this time you wouldn't have to wait between becoming too unwell to work and when we pay you
- And if you originally chose for us to pay you for a maximum of 1 or 2 years for each claim, the two claims would be added together and we'd pay you in total up to the 1 or 2 years you'd chosen.

## Do I get anything else with My Sick Pay?

Yes, we've explained some of the other things you get below.

We won't collect any money from you while we're paying you Sick Pay, so it's free while you're claiming.

If you have a terminal illness and you're expected to live less than 12 months, we'll give you an immediate, six month lump sum.

We'll need your diagnosis to come from a medical professional and we reserve the right to base our final decision on the opinion of our Chief Medical Officer.

If this happened and you were already claiming, we'd keep on paying you as well

If it happened and you weren't already claiming, we'd start paying you as well, straight away and without you having to wait your chosen length of time.

### • Financial support for medical treatment

We may be able to provide financial help to pay for the cost of an operation or medical treatment if you're too unwell to work and your doctor thinks it will help you recover more quickly.

Our Chief Medical Officer will review the treatment and decide whether or not we can help.

If we do help financially, we'll ask for evidence that the money was used for the treatment.

### • Topping up your earnings

Where we're paying you and you've not reached the end of your claim, if you can't go back to work full time, or you take a new job that pays less, we can top up your earnings.

We'll take the percentage your salary has reduced by, multiply your monthly insurance by that percentage, and pay you this amount to top up your earnings. We'll pay you this for up to 1 year.

For example, if before you're illness or accident you were earning £30,000 a year, but when you returned to work you were only earning £20,000 a year, your salary would have reduced by 33%, so we'd pay you 33% of your monthly insurance for one year.

## Recovery of costs

If we've paid your claim, but you've also received compensation from an at fault third party, you may need to repay some or all of what we've paid you. We can also ask for this amount to be included in your legal proceedings.

If you've returned to work and we've continued to pay you, we may need you to repay some or all of what we've paid you.

## How we use your data

We'll need to process and keep some of your personal data so we can give you a price for your insurance. We'll then need extra information if you decide to apply, and we'll use your data to see if we can insure you. If you take out insurance with us, we'll also use your data when administering your insurance and to meet our legal and regulatory obligations. For full details of our Privacy Policy, please visit [www.holloway.co.uk](http://www.holloway.co.uk).

## That's it. Thanks so much for reading this far.

As we said right at the start, we're here to help make sure you can keep paying the bills if you become too unwell to work.

We hope everything made sense, but if you want a chat about anything please do either speak to your Adviser or give one of our friendly team a call on 0800 0931 535. We're open 9am to 5pm Monday - Friday.

## Contact us.

We're here to help.

### Address

Holloway House  
71 Eastgate Street  
Gloucester GL1 1PW

### We're here

**Monday - Friday** 9.00am to 5.00pm



**0800 0931 535**



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[www.holloway.co.uk](http://www.holloway.co.uk)