

Income Assured Plus



A Simple Guide to Career Breaks



Cirencester friendly
The income protection people

Contents

What is a career break?	3
Do I need to have a specific reason to enter into a career break?	3
Do I need to speak to my Financial Adviser?	3
Am I eligible to apply for a career break?	3
<hr/>	
How do I apply for a career break?	4
What happens if I am in arrears when I apply for my career break?	4
How will my contract be affected when I'm taking a career break?	4
<hr/>	
How do I end my career break?	5
If I have not requested to end my career break what will happen?	5
<hr/>	
What happens if I want to extend my career break beyond 24 months?	6
<hr/>	
How soon can I claim after ending a career break?	7
How soon after my first career break has ended before I can apply for a further career break?	7
What if I want to take more than 48 months of career break?	7
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Your Questions Answered

What is a career break?

A career break allows you to stop paying premiums and suspend your cover for up to 24 months at a time without having to cancel your contract or the need for underwriting upon resuming your contract subject to your meeting certain conditions.

Do I need to have a specific reason to enter into a career break?

No, whatever your reason you may apply to enter a career break. You might be going back into education or want to take a break from work to travel or even start a family. Alternatively, there may be times when you do not want to cancel your contract but are finding it difficult to pay your premiums. If you are in arrears or are worried about falling into arrears, you should contact us or your Financial Adviser to find out the options available to you.

Do I need to speak to my Financial Adviser?

As we are not authorised by the Financial Services Authority to give investment advice we can only act on instructions and cannot comment on the suitability of the instructions you receive. We strongly recommend that you contact your Independent Financial Adviser to ensure that your contract continues to meet your needs and the action you are taking is right for you.

Am I eligible to apply for a career break?

If you have been paying your premiums for at least 12 months or have selected the investment option and have a credit balance standing to your name, then you are entitled to apply for a career break. During the lifetime of your contract you may have a maximum of 48 months in Career Break.



How do I apply for a career break?

You will need to complete and return the 'Application for Career Break' form which has been sent to you with this guide.

What happens if I am in arrears when I apply for my career break?

If you are in arrears with your premiums at the time of applying for a career break we may, at our discretion, waive the collection of those premiums and permit the career break to proceed. In such a case if you have the investment option then no surplus allocation will be applied for the period covered by the arrears. When the career break expires or the payment of premiums resumes these arrears need not be cleared. In some cases your career break may be backdated to cover the period of arrears.

How will my contract be affected when I'm taking a career break?

During your career break you must tell us as soon as reasonably possible any changes which may affect your entitlement under the contract such as:

- An increase or decrease in earnings of more than 10%
- Moving or working abroad
- A change of occupation
- Unemployment or retirement
- Any change from being employed to self-employed or vice versa

If you are uncertain as to whether a change may affect your entitlement we suggest you consult your Financial Adviser.

However, please be aware that as you will no longer be paying your premiums during a career break, you will not be able to claim on the contract or receive any benefits with the exception of bonus allocation where the investment option has been selected.

How do I end my career break?

If you want to come out of a career break before the end of the 24 months, you will need to complete and return the 'Application to end your Career Break' form. Alternatively, if you have been in career break for more than 24 months in the last 36 months, you will need to complete and return the 'Application to Amend your Contract' form. The forms are available from our **Customer Services Department**. You can contact them on **0845 603 8085** or email them at **customerservices@cirencester-friendly.co.uk**. Alternatively, you are able to download them from our website at **www.cirencester-friendly.co.uk**.



If I have not requested to end my career break, what will happen?

We will write to you shortly before 24 months have passed to see what you would like to do. If you then complete and return the 'Application to end your Career Break' form you can come out of your career break and resume the payment of premiums. Your contract will then recommence on the same basis as when you entered the career break. If you do not hear from us before the final 28 days of your career break then you must contact us immediately. In order that your contract can be resumed you must complete and return the 'Application to end your Career Break' form before 24 months is reached. If we do not hear from you your career break will be extended for up to a further 24 months subject to a maximum of 48 months in total in career break. However, please be aware that any subsequent return to full membership would then be subject to underwriting.

What happens if I want to extend my career break beyond 24 months?

If you have been in a career break for 24 months you can tell us that you would like to stay in career break for a further 24 months. Please be aware of the following:

- If you have been in a career break for over 24 months, when you do return to paying your premiums then you will automatically be reduced to a maximum weekly cover of £52.50 with a Houseperson's disability definition.
- You would be able to apply to amend these terms but this would be subject to underwriting and completing an Application to Amend could result in different terms being applied to your contract or in certain circumstances could result in the Society being unable to agree to your request.
- If you decide that you do not wish to recommence payment of your premiums then your contract will lapse.
- If your contract is closed and you have a credit balance with the Society you will be paid the amount less a penalty deduction which will be calculated in relation to the remaining number of years your contract has to continue until maturity. The maximum amount that can be deducted is 10%. Full details of how the penalty is calculated can be found in the Society's **Schedule 2 – Rules of the Income Assured Plus Contract**, or alternatively, please contact the Society's **Accounts Department**. You can contact them on **01285 652492** or email them at **accounts@cirencester-friendly.co.uk**

Qs Answered

How soon can I claim after ending a career break?

If you come out of your career break within the first 24 months of suspending your cover, you will be entitled to submit a claim when you have been back at work for at least 3 months and have paid a minimum of 3 consecutive monthly premiums. If your contract has a deferred period you will also need to serve your deferred period.

How soon after my first career break has ended before I can apply for a further career break?

You can apply for a further career break at any time after your first career break. However, if a subsequent career break is taken within 12 months of the previous career break ending then the subsequent career break shall be treated as a continuation of the previous career break. This may mean that when you end your career break you could be returned to membership on the reduced cover and amended definition of disability as outlined above. If you are in any doubt please contact us.

What if I want to take more than 48 months worth of career break?

Members may take up to 48 months of career break during the lifetime of their contract. Any career break beyond 48 months would be at the sole discretion of the Society who will apply individual consideration to any request.



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