

**first direct**

**first direct Life Insurance  
Policy Booklet**

(Level and Decreasing Cover)

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## Policy Summary

**Please read the information in this Policy Summary carefully.**

This is a summary of the **first direct** Life Insurance Policy for Personal Protection and does not contain the full Policy Conditions. Please ensure you keep this booklet safe for future reference.

The product provider is HSBC Life (UK) Limited.

### Type of insurance and cover

The Policy is appropriate if you are looking for life insurance that pays a lump sum (benefit) upon the Life Insured's death or earlier Diagnosis of a Terminal Illness.

There are two types of cover:

- Level Cover provides a fixed level of benefit throughout the term of the Policy; and
- Decreasing Cover is where the amount of benefit is designed to reduce in line with an outstanding mortgage or loan.

Subject to underwriting and Policy limits, you decide how much benefit you would like to apply for, whether you need Level or Decreasing Cover and the term (how long you want the cover to last).

### Policy Term

The minimum Term is five years.

You are eligible to take out the Policy if you are aged between 17 and 69 and are permanently resident within the UK (not including the Channel Islands or the Isle of Man). The Policy cannot end later than your 80th birthday.

You will pay a monthly Premium by direct debit for the term of the Policy. The Premiums are not reviewable and are expected to stay the same throughout the term of the Policy.

If a claim is made and the benefit is paid out, the Policy ends automatically and no more Premiums will be payable. **The Policy has no cash in value at any time.**

The Policy will remain in force until the chosen end date unless you inform us you wish to cancel it. If you stop paying Premiums for a period longer than 28 days, the Policy will automatically terminate without value and no benefits will be payable.

**You should review your cover periodically to ensure it remains adequate for your needs.**

## Significant features and benefits

During the term of the Policy the key benefits are:

- Death Benefit – a lump sum payment on death; or
- Terminal Illness Benefit – a lump sum payment on earlier Diagnosis of a terminal illness;
- Accidental Death Benefit – a lump sum payment on Accidental Death for a maximum period of 90 days from our receipt of your application to the Policy commencing, or until your application is declined.

Full details of these benefits are set out in the Policy Document section of this booklet.

**Interim Cover** – if you are taking the Policy out in connection with a **first direct** residential mortgage, free cover is provided until the Policy commences up to the amount applied for. This cover will start from the later of:

- the date of exchange of contracts;
- the date we accept your application; or
- the date we receive your acceptance of alternative terms.

Cover will last for a maximum period of 90 days, or until your mortgage is completed if earlier.

**Please note that payment will only be made once under either Accidental Death Benefit or Interim Cover at which point this cover will automatically end.**

**Mortgage Protection** – if Decreasing Cover is taken in connection with a **first direct** residential capital repayment mortgage or re-mortgage that starts within three months of the commencement of the Policy, as long as the outstanding capital balance and term matches the Sum Insured and term at the start of the Policy, then the Policy will provide some additional protection to cover your outstanding mortgage amount.

Provided that all mortgage payments due have been paid in full on the date a claim is payable under the Policy, the lump sum paid out under the Policy will be at least equal to your outstanding mortgage.

**Decreasing Cover** – for Decreasing Cover the Sum Insured will decrease monthly. The table beginning on page 12 of this booklet shows the level of Sum Insured per £1,000 of initial Sum Insured that will apply in the first month of each Policy year. In order to establish the Sum Insured that will apply in any subsequent month of each Policy year the Policyholder should contact HSBC Life (UK) Limited.

## Significant and unusual limitations and exclusions

There are some limitations and exclusions that you should be aware of in respect of the Policy. These are fully detailed in Condition 4 of the Policy Conditions in the Policy Document section of this booklet which you should read carefully.

The Policy will not pay out in full and some or all benefits under the Policy may be cancelled if:

- You do not take reasonable care to provide accurate and full information in response to the questions we ask when you take out the Policy. You should not assume that we will write to your doctor. It is your responsibility to complete the application form properly;
- You do not tell us about any changes to:
  - Health
  - Family history
  - Lifestyle (including smoking habits)

that happen in respect of the Life Insured between you completing the application form and when the Policy starts.

Suicide within the first 12 months of the Policy is not covered.

## How to contact us

You may contact us by calling HSBC Life (UK) Limited on 03456 005 852\*

You can also write to us at:  
HSBC Life (UK) Limited  
Claims Department  
Customer Services Centre  
PO Box 6176  
Coventry CV3 9HN

If you wish to obtain a copy of this booklet in large print, audio or braille, please contact us by calling HSBC Life (UK) Limited on 03456 005 852\*

\* Lines are open 8am to 6pm Monday to Friday (excluding public holidays). To help us continually improve our service and in the interests of security, we may monitor and/or record your communications with us.

## Cancellation

You have the right to reconsider your decision and change your mind. If you cancel the Policy within 30 days of receiving the Policy Schedule any Premium paid by you for the Policy will be refunded.

If you decide to cancel the Policy outside of the 30-day cancellation period, we will not refund any Premiums you have paid.

You may cancel the Policy by calling HSBC Life (UK) Limited on 03456 005 852\*

\* Lines are open 8am to 6pm Monday to Friday (excluding public holidays). To help us continually improve our service and in the interests of security, we may monitor and/or record your communications with us.

## Making a claim

You, the executor or appointed administrator of the Life Insured's estate, or the appointed trustees can claim by calling HSBC Life (UK) Limited on:

03456 005 852\*

or by writing to:

HSBC Life (UK) Limited  
Claims Department  
Customer Services Centre  
PO Box 6176  
Coventry CV3 9HN

\* Lines are open 8am to 6pm Monday to Friday (excluding public holidays). To help us continually improve our service and in the interests of security, we may monitor and/or record your communications with us.

## Complaints

We want you to be entirely satisfied with the products and services you receive from us. If you are dissatisfied with any aspect of our service, please let us know. We always endeavour to resolve any concerns fairly and quickly.

## How to complain

If you ever need to complain you may do so in writing to HSBC Life (UK) Limited, Customer Service Centre, PO Box 6176, Coventry CV3 9HN or by calling on 03456 005 852\*. A written copy of our complaints procedure is available on request.

If you are not satisfied with our response, you can complain to the Financial Ombudsman Service.

The Financial Ombudsman can be contacted by calling 0800 023 4567  
or in writing to: The Financial Ombudsman Service, Exchange Tower, London, E14 9SR.  
Website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

### **Complaining to the Financial Ombudsman will not affect your legal rights.**

\* Lines are open 8am to 6pm Monday to Friday (excluding public holidays). To help us continually improve our service and in the interests of security, we may monitor and/or record your communications with us.

## Compensation

HSBC Life (UK) Limited is covered by the Financial Services Compensation Scheme (FSCS). If HSBC Life is unable to meet its obligations you may be able to claim compensation.

Where this is the case the FSCS will provide cover for 100% of the claim with no upper limit.

Further information about the compensation provided by the FSCS is available from the FSCS

website [FSCS.org.uk](http://FSCS.org.uk), by calling 0800 678 1100 or 0207 741 4100 or write to:  
Financial Services Compensation Scheme,  
PO Box 300, Mitcheldean,  
GL17 1DY

Lines are open 8:30am - 5:30pm Monday - Friday (excluding public holidays).

Please note only compensation related queries should be directed to the FSCS.

# Important information

## Tax

The benefits payable under the Policy are free from UK income and capital gains tax. However, if we pay out benefits after your death, inheritance tax may be due on the benefits paid.

It may be possible to obtain a more favourable inheritance tax position by using an appropriate trust.

The tax treatment of the Policy benefits may change in the future. Some countries may have tax legislation that has extra-territorial effect and this may impact you regardless of your place of domicile or residence. This means you may incur charges as a result of buying this Policy/ paying Premiums. We strongly recommend that you take your own professional advice if you think that this may be an issue for you.

## Registered Office

HSBC Life (UK) Limited  
8 Canada Square  
London E14 5HQ

Registered in England (United Kingdom) number 88695.

## HSBC Life (UK) Limited

HSBC Life (UK) Limited is the product provider and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our firm reference number is 133435.

These details may be checked on the Financial Services Register by visiting the Financial Conduct Authority website [www.fca.org.uk](http://www.fca.org.uk) or by contacting the Financial Conduct Authority on 0800 111 6768. HSBC Life (UK) Limited is a member of the Association of British Insurers.

HSBC Life (UK) Limited is incorporated in England and is a company limited by shares.

The main business of HSBC Life (UK) Limited is writing life policies. The language used in this Policy Document is English.

As part of our reporting requirements, we publish an annual Solvency and Financial Condition Report (SFCR). This tells you about our business and its performance. It also outlines our system of governance, risk profile, valuation for solvency purposes and capital management. You can find a copy of our current SFCR by visiting our website [www.hsbc.co.uk](http://www.hsbc.co.uk) or you can request a copy by calling us on 03456 005 852 .

## Your Information

Our Privacy Notice explains how we collect, use, disclose, transfer and store your information and sets out your rights in relation to your information. A copy of our Privacy Notice is available separately and we will inform you when we make any changes to it. You can find a copy at **[firstdirect.com](http://firstdirect.com)** or you can ask for one by telephone.

# Policy Document

## Introduction

### Important

The terms and conditions of the Policy are set out in this Policy Document. You need to read and study them carefully. This Policy Document contains exclusions from cover. Please pay particular attention to the key words and phrases that are defined in the 'Definitions' section on Page 11 of this document. These words have specific technical meanings and explanations for the Policy. They affect what is covered by and what is excluded from the Policy.

### Premiums

Premiums are payable on a monthly basis and you must pay all Premiums. If you stop paying your Premium, benefits under the Policy may be lost.

### Documents

You should keep the following documents together and in a safe place:

- This Policy Document;
- Policy Schedule(s); and
- any amendments or specially agreed terms relating to the Policy.

The above documents provide evidence of your legal entitlement to the benefits under the Policy. Please do not destroy any of these documents as you may need them in the event of a claim under the Policy.

## Policy Conditions

### 1. Death Benefit

If the Life Insured dies during the term of the Policy, then the Death Benefit shall become payable. The Death Benefit will be equal to the Sum Insured.

For Decreasing Cover the Sum Insured will decrease in accordance with the tables beginning on pages 12 to 15 of this booklet.

On payment of the Death Benefit the Policy will automatically terminate.

### 2. Requirement to pay Death Benefit

Payment of the Death Benefit is subject to receipt of proof (eg death certificate), satisfactory to the Company, at the Claims Department that the Life Insured has died.

In addition, formal identification may be required to verify the identity of the payee.

### 3. Terminal Illness Benefit

The Sum Insured will become payable provided that there has been a definite Diagnosis within the term of the Policy by the attending consultant, of an illness that satisfies both of the following:

- The illness either has no known cure or has progressed to the point where it cannot be cured; and
- In the opinion of the attending consultant and our Chief Medical Officer, the illness is expected to lead to death within the later of 24 months or the remaining term of the policy.

Upon payment of the lump sum for a Terminal Illness Benefit claim the Policy will automatically terminate.

### 4. Accidental Death Benefit\*

Provides free cover for the sum insured applied for up to a maximum of £250,000. You are covered for a maximum period of 90 days from our receipt of your application to the Policy commencing, or until your application is declined.

\*Accidental Death is death that arises solely and directly from bodily injury caused by external, violent, visible and accidental means, totally independent of any physical or mental illness or infirmity and excluding suicide.

## 5. Exclusion

The following exclusion will apply to the payment of Death Benefit.

- Suicide
  - If the Life Insured commits suicide within 12 months of the commencement date of the Policy shown in the Policy Schedule, the Death Benefit will not be payable.

## 6. Mortgage Protection

This applies where Decreasing Cover has been taken and is used together with a **first direct** residential capital repayment mortgage or re-mortgage (which is drawn down within three months of the Policy commencement date) and the outstanding capital balance and term matches the Sum Insured and term at the Policy commencement date:

then upon the payment of one of the following:

- the Death Benefit; or
- earlier payment of Terminal Illness Benefit

the amount payable will be the greater of:

- the Sum Insured; or
- the Mortgage Account.

If the original Sum Insured at the start of the Policy is less than the Loan Amount then the Mortgage Account, for the purpose of calculating the Mortgage Protection for this Policy, shall be proportionately reduced by the ratio of the Sum Insured to the Loan Amount.

## 7. Interim Cover

if you are taking the Policy out in connection with a **first direct** residential mortgage, free cover is provided until the Policy commences up to the amount applied for.

This cover will start from the later of:

- the date of exchange of contracts;
- the date we accept your application; or
- the date we receive your acceptance of alternative terms.

Cover will last for a maximum period of 90 days, or until your mortgage is completed if earlier.

## 8. Fees and costs for a claim for Terminal Illness Benefit

If the Life Insured is living in the UK the Company will pay fees for any medical examinations which the Company requests provided they are carried out in the UK. The Company will not pay any amount towards medical evidence in support of a claim unless the Company has given its prior agreement to such fees or expenses being incurred. If the Life Insured is living outside the UK, the Company will only pay fees for medical examinations which the Company requests up to the amount that the Company would reasonably expect to pay in the UK.

## 9. Premium payment when claiming

If a claim is made for terminal illness, payment of Premiums must continue until the claim is accepted by the Company as a valid claim. Once the Company has accepted a claim is valid, all Premiums paid after the date of notification of the terminal illness shall be refunded in full, without interest. Upon notification of death, Premiums will cease. Any Premiums received after the date of death shall be refunded in full, without interest.



## **10. Delay in payment of the Death Benefit**

If the Death Benefit has not been paid within one calendar month from the date of written notification of death (at the Claims Department) then the Company may in its sole opinion determine that interest will accrue on the Death Benefit on a monthly basis.

If interest accrues it will be for the period from the end of the calendar month in which written notification of death was received until the date of payment of the lump sum. The rate of interest will be determined by the Company, from time to time, and will not be less than the base rate of HSBC UK Bank plc less 1.25%.

Interest will be calculated by applying the rate of interest proportionately over the number of months that payment is delayed. Any interest payments made in accordance with this Condition will be subject to deduction of income tax or any other taxation as appropriate.

## **11. Contract variation**

None of these Policy Conditions may be varied or waived except by an Endorsement issued by the Company.

## **12. Alteration and cancellation**

### **Alteration**

If requested in writing by the Policyholder the Company may, but is not obliged to, reduce the Sum Insured and Premium, and/or make the Expiry Date earlier.

If allowed, any such change will take effect from the Premium due date following the receipt, at the Customer Services Centre, of the full written instruction from the Policyholder.

### **Cancellation**

If requested by the Policyholder the Company will cancel the Policy. The Policyholder will not be able to reinstate the Policy once it is cancelled.

## **13. Currency and place of payment**

All benefits payable and Premiums due under the Policy will be made in pounds sterling or, if different, the lawful currency of the UK. All Premiums due under the Policy shall be payable to the Company at the Customer Services Centre.

## **14. Payment of Premiums**

All Premiums are payable on the due dates set out in the Policy Schedule and shall only be deemed paid when the Company has received the Premium at the Customer Services Centre. All Premiums are non-refundable unless the Company collects an amount in error of direct debit instructions when the excess Premium will be returned to the Policyholder.

## **15. Non-payment of Premiums**

A Grace Period of 28 days following the Premium due date is allowed for the payment of each Premium. If the Sum Insured becomes payable during the Grace Period it will be reduced by the amount of any outstanding Premiums. If the outstanding Premium is not paid within the Grace Period, the Policy will lapse without value and will terminate automatically and no benefits will be or will become payable.

## **16. Termination of the Policy**

All the rights and obligations of the Company and the Policyholder under the Policy will cease immediately when one of the following events occurs:

- payment of the Death Benefit in accordance with Condition 1; or
- payment of the Terminal Illness Benefit in accordance with Condition 3; or
- suicide of the Life Insured within 12 months of the commencement date of the Policy showing in the Policy Schedule; or
- the lapse of the Policy following the non- payment of Premiums in accordance with Condition 13; or
- the Expiry Date as shown in the Policy Schedule is reached; or
- the Policy is declared void by the Company due to a fraudulent Policy application or fraudulent claim for Policy benefits (in this scenario the policy cover will end and no claim will be payable); or
- the Policyholder cancels the Policy.

## **17. Reinstatement of a Lapsed Policy**

If the Policy has lapsed due to non-payment of Premiums (as described in Condition 13) the Policyholder may, within 12 months of the due date of the first unpaid Premium, make a request in writing to the Customer Services Centre that the Policy is reinstated. The Company may, but is under no obligation to, reinstate the Policy subject to:

- sufficient evidence being provided to the Company to substantiate the continuing good health of the Life Insured. Such evidence must be relevant and be considered satisfactory by the Company; and
- the right to request that the Life Insured undergoes further medical examinations, tests or provides medical or other relevant additional information to substantiate that the state of health and insurability of the Life Insured is satisfactory to the Company.

If the Company agrees to reinstate the Policy, all the Premiums which were unpaid and were due if the Policy had not been lapsed will be immediately payable together with the next Premium due.

## **18. Notification to the Policyholder**

Any written notice that the Company gives to the Policyholder in relation to the Policy will be sent by pre-paid post to the last known address of the Policyholder notified to the Company. Any such notice will be deemed to be served two days after posting.

If any provision of the Policy is altered by the exercise of any Condition, the Company will give the Policyholder at least 30 days prior notice of such a change, unless such variation has been requested by the Policyholder or the nature of the variation requires immediate change.

## **19. Change of personal details of the Policyholder and/or Life Insured**

### **Address**

The Policyholder and/or Life Insured should immediately, or as soon as practicable, tell the Company of a change of address by writing to the Customer Services Centre.

### **Age and name**

Before any payment of the Sum Insured can be made under the Policy, the Company will need to see evidence of the date of birth and evidence of any changes of name for the Policyholder and/or Life Insured. Such evidence will include, but is not limited to, the originals of:

- Birth certificate
- Marriage certificate
- Deed poll.

If this information is not provided, any payment under the Policy may be delayed.

If the age of the Life Insured has been misstated the Company may, but is not obliged to, alter any amount payable under the Policy to reflect the amount which would have been payable if the age of the Life Insured had been correctly stated.

## **20. Surrender value**

The Policy has no surrender value.

## **21. Law and jurisdiction**

The laws of England and Wales govern all Policy Conditions. The Policyholder and the Company submit to the exclusive jurisdiction of the courts of England and Wales.

## **22. Policy servicing**

This policy is intended for sale only in the UK. If you, or anyone else with authority over or otherwise connected to this policy (such as the Life Insured or the beneficiary) is, temporarily or permanently:

(i) outside of the UK; or

(ii) otherwise subject to the laws of any other place,

such that we reasonably believe that by complying with a particular term or condition of this policy we would breach any laws of the UK or such other place, then we are entitled not to comply with such term or condition for any period of time we deem necessary, regardless of what such term or condition may provide. This might include declining to service some of your requests related to this policy. You agree we will not be liable for any losses, damages, claims, liabilities or costs you or any other relevant person may suffer from our exercise of our rights under this clause. The prior sentence continues to apply even if this policy terminates for any reason.

### **23. Tax and legislation**

The Company may, but is not obliged to, make changes in a fair and reasonable manner to the following, to take account of any actual or proposed changes in taxation, legislation, legal precedents, regulations, or the manner in which such legislation or regulations are interpreted or construed:

- the Conditions of the Policy; or
- any Premiums or benefits under the Policy.

Any such changes made to the Policy Conditions and/or the Policy benefits will be notified to the Policyholder in accordance with Condition 16. The Company will not include any taxes, levies, charges, fees and withholdings of any nature now or brought in at a later date by any government, fiscal or other authority in the Premiums charged for this Policy. If any such charges arise as a result of you paying the Premiums, you must ensure they are paid.

The Company will not accept any responsibility for the payment of any such charges you may incur as a result of buying this Policy/paying Premiums. If anything changes to oblige the Company to include any taxes, levies, charges, fees and withholdings in the premiums charged, we will write and tell you.

### **24. Tax Compliance**

It's up to you to meet your tax responsibilities in the UK and any other countries where this arises. This relates to the opening and use of accounts and services provided by members of the HSBC Group. Some countries' tax laws may apply to you even if you don't live there or aren't a citizen of that country. Connected Persons, who are people connected with you that's relevant to your relationship with us, are responsible for their own tax obligations. As you are responsible for your own tax obligations (and Connected Persons, for theirs), no HSBC Group member is responsible for this nor provides tax advice. It is your choice if you seek independent legal and tax advice.

### **25. Actions we make take in order to prevent Financial Crime**

Members of the HSBC Group, are required, and may take any action to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime ("Financial Crime Risk Management Activity"). Such action may include, but is not limited to:

- a. screening, intercepting and investigating any instruction or communication sent to or by you or a Connected Person, or on your or their behalf;
- b. investigating the source of or intended recipient of funds;
- c. combining Customer Information with other related information in the possession of any member of the HSBC Group: and/or
- d. making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming their identity and status.

Exceptionally, our Financial Crime Risk Management Activity may lead to us:

- a. delaying or refusing to either process a payment or your instructions;
- b. being unable to provide all or part of the Services to you and ending our entire relationship with you;
- c. taking necessary steps for any member of the HSBC Group to meet the Compliance Obligations; and/or
- d. blocking or closing your account(s) or products(s) (although not any of your mortgage account(s)).

To the extent permissible by law, no member of HSBC Group shall be liable to you or any third party in respect of any loss (however it arose) that was suffered or incurred by you or a third party, caused in whole or in part in connection with the undertaking of Financial Crime Risk Management Activity.

## **26. Your responsibilities**

If we make a reasonable request for information, you must give it to us as soon as possible. If you don't give it to us, or if we suspect fraudulent or criminal activity of any kind:

- you might not be able to carry maintain on doing some or all of your products and/or Services banking with us anymore;
- we might try to get it from another source, ourselves.

It's up to you to make sure the information you give us is accurate and up to date, and you must tell us if anything changes, within 30 days.

We'll use your information as explained in our Privacy Notice. We'll give it to others if we're compelled to do so by law, we've a public duty to disclose it, we need to disclose to protect our own interests (for example in any legal proceedings) or if we have your specific agreement. For example, if we believe you may have tax obligations in other countries, we may have to disclose information about you directly to HM Revenue & Customs (HMRC) or other local tax authorities.

## **27. Unfair contract terms**

If any Policy provision is considered and found to be wholly or partly unfair or ambiguous in accordance with the Consumer Rights Act 2015 the Company may by suitable Endorsement and in a fair and reasonable manner change the wording of such condition to prevent and resolve the unfairness or ambiguity.

If any change is made to the Policy in accordance with this Condition:

- it shall be made so as not to prejudice the position of the Policyholder;
- written notification of such change shall be given to the Policyholder in accordance with Condition 16; and
- the rest of the Policy will not be affected unless the Endorsement specifically alters it.

## **28. Contracts (Rights of Third Parties) Act 1999**

Any person who is not a party to the Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any provision or condition of the Policy but this does not affect any right or remedy of a third party which exists or is available apart from under that Act.

## **29. Miscellaneous**

If all or any part of the provisions of these terms become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair the legality, validity or enforceability of such provision in any other jurisdictions or the remainder of these terms in that jurisdiction.

## **Definitions**

### **Accidental Death**

Means death arising solely and directly from bodily injury caused by external, violent, visible and accidental means, totally independent of any physical or mental illness or infirmity and excluding suicide in the 90 days from our receipt of your application to the Policy commencing, or until your application is declined.

### **Authorities**

Includes any judicial, administrative, public or regulatory body, any government, any Tax Authority, court, central bank or law enforcement body, or any of their agents with jurisdiction over any part of the HSBC Group.

### **Accidental Death Benefit**

Means free cover for the sum insured applied for up to a maximum of £250,000 in the event of Accidental Death. You are covered for a maximum period of 90 days from our receipt of your application to the Policy commencing, or until your application is declined.

### **Claims Department**

Means HSBC Life (UK) Limited, PO Box 6176, Coventry, CV3 9HN

### **Company**

Means HSBC Life (UK) Limited or its successors in title.

### **Compliance Obligations**

Means obligations of the HSBC Group to comply with: (a) Laws or international guidance and internal policies or procedures, (b) any demand from Authorities or reporting, disclosure or other obligations under Laws, and (c) Laws requiring us to verify the identity of our customers.

### **Connected Person**

Means any natural person or legal entity (other than you) whose information (including Personal Data or Tax Information) you provide, or which is provided on your behalf, to any member of the HSBC Group or which is otherwise received by any member of the HSBC Group in connection with the provision of the Services. A Connected Person may include any guarantor or any other persons or entities with whom you have a relationship that is relevant to your relationship with the HSBC Group. A Connected Person may include any guarantor or owner of a legal estate in land over which we are to take security, provider or recipient of a payment or any other persons or entities with whom you have a relationship that is relevant to your relationship with the HSBC Group.

### **Customer Information**

Means your Personal Data, confidential information, and/or Tax Information or that of a Connected Person.

### **Customer Services Centre**

Means HSBC Life (UK) Limited, PO Box 6176, Coventry, CV3 9HN

### **Death Benefit**

Is the amount payable on the death of the Life Insured and is equal to the lump sum as shown in the Policy Schedule.

### **Decreasing Cover**

Where the amount of benefit is designed to reduce in line with an outstanding mortgage or loan.

## **Diagnosis**

Means an unequivocal confirmation of terminal illness as defined in these Policy Conditions and contained in a dated letter to the Company. All diagnoses and medical opinions must be given by a registered medical practitioner whose professional status is recognised by the Company; and

- is acceptable to our Chief Medical Officer; and
- is a specialist in an area of medicine appropriate to the cause of the claim

## **Endorsement**

Means any schedule, letter or other document issued by the Company to the Policyholder that alters the provisions, conditions, definitions or schedule of the Policy.

## **Expiry Date**

Means the date shown in the Policy Schedule on which the Policy terminates and all benefits come to an end.

## **Financial Crime**

Means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or any acts or attempts to circumvent or break any Laws relating to these matters.

## **Financial Crime Risk Management Activity**

Means any action to meet Compliance Obligations relating to the detection, investigation and prevention of Financial Crime. This may include (a) screening, intercepting and investigating any communication, application for Services or any payment, whether sent to or by you or on your behalf, (b) investigating the source of or intended recipient of money, (c) combining Customer Information with other related information in the possession of the HSBC Group and/or (d) making further enquiries as to the status of a relevant person or entity (whether they are subject to a sanctions regime or confirming their identity or status).

## **Grace Period**

Means, in respect of each Premium, a period of 28 days immediately following the Premium due date.

## **HSBC Group and any member of the HSBC Group**

Means HSBC Holdings plc, and/or any of its affiliates, subsidiaries, associated entities, and any of their branches or offices, and includes HSBC Life (UK) Limited and HSBC UK Bank plc.

## **Interim Cover**

If you are taking the Policy out in connection with a **first direct** residential mortgage, free cover is provided until the Policy commences up to the amount applied for.

This cover will start from the later of:

- the date of exchange of contracts;
- the date we accept your application; or
- the date we receive your acceptance of alternative terms.

Cover will last for a maximum period of 90 days, or until your mortgage is completed if earlier.

## **Laws**

Include any local or foreign law, regulation, judgment or court order, voluntary code, sanctions regime, agreement between any member of the HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to us or any other member of the HSBC Group.

## **Level Cover**

A fixed level of benefit throughout the term of the Policy.

**Life Insured**

Is the person shown as Life Insured in the Policy Schedule relating to whom payment of the Sum Insured depends.

**Loan Amount**

Means the total amount of capital borrowed from **first direct** and drawn down within three calendar months of the start date of the Policy, as shown on the Policy Schedule. If the start date of the Policy is after the date the loan is drawn down then Loan Amount shall mean the capital balance outstanding at the start date of the Policy.

**Mortgage Account**

Means (in relation to a **first direct** plc residential mortgage for which the Policy is used in connection):

- the capital borrowing outstanding; plus
- any interest accrued since the last mortgage repayment instalment due date, (as specified in the terms and conditions of the mortgage agreement with **first direct**); less
- the sum of any repayment instalments (as specified in the terms and conditions of the mortgage agreement with **first direct**) that have fallen due and have not been paid, together with any interest accrued.

If the original Sum Insured at the start of the policy is less than the Loan Amount then the Mortgage Account, for the purpose of calculating the mortgage protection for the Policy, shall be proportionately reduced by the ratio of the Sum Insured to the Loan Amount.

**Personal Data**

Means any information relating to an individual from which they can be identified or are identifiable.

**Personal Protection**

Means a Policy applied for to provide family cover, personal cover or residential mortgage cover.

**Policy**

Means **first direct** Life Insurance for Personal Protection.

**Policy Conditions**

The conditions set out under the heading "Policy Conditions", beginning on page 7 of this booklet.

**Policyholder**

Means the person (or persons) shown as the Policyholder in the Policy Schedule who for the time being is the legal holder of the Policy. The original Policyholder will be shown in the Policy Schedule, but could, if appropriate, mean:

- the executor/administrator of the Policyholder; or
- the legal assignee of the Policyholder or subsequent assigns (including for the avoidance of doubt any trustee in bankruptcy or liquidator), or
- the executor/administrator of such assignee holding title to the Policy, or
- if the Policy is held in trust, the current trustee(s) of such trust.

**Policy Schedule**

Means the schedule to the Policy (issued as 'the Policy Schedule') or any replacement schedule issued by the Company in accordance with the Policy Conditions which shows the details of the cover provided by the Policy.

**Premium**

Means the amount shown in the Policy Schedule or any subsequent Endorsement.

**Services**

Means (a) the opening, maintaining and closing of your accounts with us, including your mortgage account (b) providing you with credit facilities and other banking products and services (including insurance), processing applications, credit and eligibility assessment, and (c) maintaining our overall relationship with you, including marketing services or products to you, market research, insurance, audit and administrative purposes.

**Sum Insured**

Means the amount shown in the Policy Schedule against the heading of Sum Insured.

**Tax Authorities**

Means UK or foreign tax, revenue or monetary authorities (for example, HMRC).

**Tax Information**

Means documentation or information about a person's tax status, including yours.

**Terminal Illness Benefit**

The Sum Insured will become payable provided that there has been a definite Diagnosis within the term of the Policy by the attending consultant, of an illness that satisfies both of the following:

- The illness either has no known cure or has progressed to the point where it cannot be cured; and
- In the opinion of the attending consultant and our Chief Medical Officer, the illness is expected to lead to death within the later of 24 months or the remaining term of the policy.



**The Sum Insured payable in the first month of a Policy Year of claim for each £1,000 of initial Sum Insured will be as shown in the tables on pages 13-15. In order to establish the Sum Insured that will apply in any subsequent month of each policy year the Policyholder should contact HSBC Life (UK) Limited.**

Year of Claim ▼	Policy Term ▶								
	2 £	3 £	4 £	5 £	6 £	7 £	8 £	9 £	10 £
1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
2	517	689	775	827	861	885	903	917	928
3		357	534	641	711	761	799	828	851
4			276	441	551	629	687	732	768
5				228	380	487	568	630	679
6					197	336	440	520	584
7						174	303	403	483
8							157	278	374
9								144	258
10									134
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									

Year of Claim ▼	Policy Term ▶									
	11 £	12 £	13 £	14 £	15 £	16 £	17 £	18 £	19 £	20 £
1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
2	937	945	951	956	961	965	968	971	974	976
3	869	885	898	909	918	926	933	940	945	950
4	797	821	841	858	873	885	896	906	914	922
5	719	752	780	804	824	841	857	870	882	892
6	636	679	715	745	772	794	814	831	847	860
7	547	601	645	683	716	744	769	790	809	826
8	452	517	571	617	656	690	720	746	769	789
9	350	427	491	546	592	633	668	699	726	750
10	242	331	406	469	524	571	612	648	680	708
11	125	228	315	388	451	505	552	594	631	663
12		118	217	301	372	435	489	536	578	615
13			112	207	289	359	420	474	522	564
14				107	199	278	347	408	462	509
15					103	192	269	337	397	450
16						99	186	261	328	388
17							96	180	254	320
18								93	175	219
19									91	171
20										89

**The Sum Insured payable in the first month of a Policy Year of claim for each £1,000 of initial Sum Insured will be**

Year of Claim ▼	Policy Term ▶									
	21 £	22 £	23 £	24 £	25 £	26 £	27 £	28 £	29 £	30 £
1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
2	978	980	982	983	985	986	987	988	989	990
3	954	958	962	965	968	970	973	975	977	979
4	929	935	940	945	950	954	957	961	964	966
5	902	910	917	924	930	936	941	945	950	953
6	872	883	893	902	910	917	923	929	935	940
7	841	855	867	878	887	896	904	912	919	925
8	808	824	839	852	864	874	884	893	901	909
9	772	791	808	824	838	851	863	873	883	892
10	734	756	776	795	811	826	840	852	863	874
11	693	719	742	763	782	799	815	829	842	854
12	649	678	705	729	751	771	789	805	820	833
13	602	635	666	693	718	740	760	779	796	811
14	552	590	624	654	682	707	730	751	770	787
15	498	540	578	613	644	672	698	721	742	762
16	440	488	530	569	603	635	663	689	713	734
17	379	431	479	521	560	594	626	655	681	705
18	313	371	423	470	513	551	586	618	647	674
19	243	307	364	416	463	505	544	579	611	641
20	167	238	301	358	410	456	499	537	573	605
21	87	164	233	296	352	404	450	492	531	567
22		85	161	229	291	347	398	445	487	526
23			83	158	226	287	343	393	439	482
24				82	156	222	283	338	389	435
25					81	153	219	280	334	385
26						80	151	217	276	331
27							78	149	214	273
28								78	148	212
29									77	146
30										76

**The Sum Insured payable in the first month of a Policy Year of claim for each £1,000 of initial Sum Insured will be**

Year of Claim ▼	Policy Term ▶									
	31 £	32 £	33 £	34 £	35 £	36 £	37 £	38 £	39 £	40 £
1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
2	991	991	992	993	993	994	994	995	995	995
3	980	982	983	984	986	987	988	989	989	990
4	969	971	973	975	977	979	980	982	983	984
5	957	960	963	966	968	971	973	975	977	978
6	944	948	952	956	959	962	965	967	970	972
7	930	936	940	945	949	952	956	959	962	965
8	916	922	928	933	938	942	947	950	954	957
9	900	907	914	921	926	932	937	941	945	949
10	883	892	900	907	914	920	926	931	936	941
11	865	875	884	893	901	908	914	920	926	931
12	846	857	868	877	886	895	902	909	915	921
13	825	838	850	861	871	880	889	897	904	911
14	803	818	831	843	855	865	875	884	892	900
15	780	796	811	825	837	849	860	870	879	888
16	754	773	789	805	819	832	844	855	865	875
17	727	747	766	783	799	813	827	839	850	861
18	698	721	741	760	777	793	808	822	834	846
19	667	692	715	735	755	772	788	803	817	830
20	634	661	686	709	730	749	767	784	799	813
21	599	629	656	681	704	725	745	763	780	795
22	561	593	623	651	676	699	721	741	759	776
23	520	556	588	618	646	671	695	717	737	755
24	477	516	551	584	614	642	667	691	713	733
25	431	473	511	547	580	610	638	663	687	709
26	381	427	469	507	543	576	606	634	660	684
27	328	377	423	465	504	539	572	603	631	656
28	271	325	374	420	462	500	536	569	599	627
29	210	268	322	371	417	459	497	533	566	596
30	145	208	266	319	369	414	456	494	530	563
31	75	143	206	264	317	366	411	453	492	527
32		74	142	205	262	315	364	409	451	489
33			74	141	203	260	313	362	407	448
34				73	140	202	259	311	360	405
35					73	139	201	257	310	358
36						72	138	199	256	308
37							72	138	198	255
38								71	137	197
39									71	136
40										71

# An overview of how we collect and use your information (Privacy Notice overviews)

The data controllers responsible for the personal information in this notice:

- HSBC Life (UK) Limited, is the insurer of your life insurance product and collects and uses personal information about you so they can provide you with a policy that suits your insurance needs. Some of this information may be collected directly from you and some may be collected from other sources including **first direct** and HSBC UK Bank plc, for example, during the sale of the policy. HSBC Life (UK) Limited is the data controller in respect of the personal information it receives from **first direct**/HSBC UK Bank plc as distributor and promoter of the your insurance product, and also in respect of any information that it has collected directly from you or from other sources as set out in its Privacy Notice.
- **first direct**, a division of HSBC UK Bank Plc, is responsible for promotion and distribution of your insurance product. We will collect and use your personal information during the promotion and sale of the product. This information may be provided by you but could also include information that we have previously collected about you, e.g. any information held about you as a banking customer. HSBC UK Bank Plc is the data controller for this information which will be shared with HSBC Life (UK) Limited as set out in its Privacy Notice.

## first direct Privacy Notice overview

**first direct** and HSBC UK Bank Plc will share your personal information with HSBC Life (UK) Limited to enable HSBC Life (UK) Limited to provide you with a quote, administer your policy and manage claims. If you make a claim, any information you give to us, or to HSBC Life (UK) Limited may be put in a register of claims database and it may be shared with other insurers to prevent fraudulent claims.

This provides an overview of:

- the types of information we collect about you
- how we collect and use it
- who we might share it with
- the steps we'll take to make sure it stays private and secure.

We'll also explain your rights to your information. This is just an overview of some key points. A full description is contained in the privacy notice which you can obtain by visiting **firstdirect.com** or if you prefer paper, give us a call on **03 456 100 100** and we'll send you one in the post.

### Who we are

When we say 'we', we mean **first direct**, a division of HSBC UK Bank plc, which is part of the HSBC Group of Companies. HSBC UK Bank Plc, is the 'data controller' for your information and responsible for deciding how your information is used to promote and distribute the life insurance products.

### The information we collect

We collect information about you from different places including:

- directly from you
- from a third party acting on your behalf e.g. an intermediary or broker
- from other HSBC companies
- from publicly available sources
- when we generate it ourselves
- from other organisations.

We'll only collect your information in line with relevant regulations and law and this may relate to any of our products or services you apply for, currently hold or have held in the past.

You're responsible for making sure you give us accurate and up to date information. If you provide information for another person on your policy, you'll need to, direct them to the privacy notice and make sure they agree to us using it for the purposes set out in the privacy notice.

## **How we'll use your information**

We'll use it to provide you with any products and services you've requested and other purposes including for example:

- to confirm your identity and address
- to understand how you use any other accounts, products or services you hold with us
- to carry out your instructions
- to improve our products and services
- to offer you other services we believe may benefit you unless you've asked us not to.

We'll only use your information where we're allowed to by law, including for example, carrying out an agreement we have with you, fulfilling a legal obligation, because we have a legitimate business interest or where you agree to it.

We may use automated systems to help us as carry out fraud and money laundering checks.

## **Who we can share your information with**

We may share your information with other companies we work in partnership with and other HSBC Group members. We may also share your information with others outside of the HSBC group including regulators (e.g. the Financial Conduct Authority), insurers, other banks, brokers, agents as well as credit reference and fraud prevention agencies.

## **Sensitive information**

When you apply for insurance, you may need to give us sensitive health information if the insurer needs this to give you a quote. We will keep this information secure and process it in accordance with relevant laws and regulations. Where appropriate, we will ask for consent to collect and use this information.

## **How long we'll keep your information**

We'll keep your information for as long as you have a relationship with us. After it ends we'll keep it where we may need it for our legitimate purposes, to help us respond to queries or complaints, or for other legal and regulatory reasons, including for example, fighting fraud and financial crime and responding to requests from regulators.

## **Transferring your information overseas**

Your information may be transferred and stored in countries outside the European Economic Area (EEA), including some that may not have laws offering the same level of protection for personal information. When we do this, we'll ensure an appropriate level of protection is maintained.

## **Your rights**

You have a number of rights relating to your information e.g. to see what we hold, to ask us to share it with another party, ask us to update incorrect or incomplete details, to object to or restrict processing of it etc.

For a fuller statement of your rights and how to complain if you're unhappy with anything you think we are doing, please see the full privacy notice.

## **More information**

If you'd like more details about anything covered in this summary, please see our full Privacy Notice you can view or download a copy by visiting **firstdirect.com** or if you prefer paper, give us a call on **03 456 100 100** and we'll send you one in the post.

# HSBC Life (UK) Limited Privacy overview

## An overview of how we collect and use your information

This is an overview of:

- the types of information we collect about you
- how we collect and use it
- who we might share it with
- the steps we'll take to make sure it stays private and secure
- your rights to your information.

## More information

For more details about anything covered in this overview, please see our full Privacy Notice. You can view or download a copy by visiting [hsbc.co.uk](https://www.hsbc.co.uk) or if you prefer paper, call **03 457 404 404** to get one sent in the post.

## Who we are

When we say 'we', we mean HSBC Life (UK) Limited, part of the HSBC Group of Companies, who is the 'data controller' for the information in this overview. This means we're responsible for deciding how we can use your information.

## The information we collect

We collect information about you from different places including:

- directly from you
- from a third party acting on your behalf e.g. an intermediary or broker who promote and distribute products for us
- from other HSBC companies, including HSBC UK Bank plc and **first direct**
- from publicly available sources
- from comparison websites or aggregators
- information relating to your medical records, with your agreement;
- information relating to your insurance claims history;
- information from other parties involved in your insurance policy or claim
- when we generate it ourselves
- from other organisations.

We'll only collect your information in line with relevant regulations and law and this may relate to any of our products or services you apply for, currently hold or have held in the past.

You're responsible for making sure you give us accurate and up to date information. If you provide information for another person on your account, (including named insured or beneficiaries under your policy, dependants, claimants and other third parties involved in an insurance policy or claim (such as witnesses)), you'll need to tell them how to find the Privacy Notice and make sure they agree to us using their information for the purposes set out in it.

## How we'll use your information

We'll use it to provide the insurance products you've requested and other purposes e.g.:

- to confirm your identity and address
- to understand how you use your products and services
- to carry out your instructions

- to improve our products and services
- evaluate your insurance application and provide you with a quotation
- handle or monitor any claims which you make or which arise under your insurance policy
- where relevant, bring a claim against a third party
- apply for and claim on our own insurance policies
- to offer you other services we believe may benefit you unless you ask us not to.

We'll only use your information where we're allowed to by law e.g. carrying out an agreement we have with you, fulfilling a legal obligation, because we have a legitimate business interest or where you agree to it.

We need to collect sensitive health information for insurance purposes to:

- evaluate your insurance application and provide you with a quotation;
- handle or monitor any claims which you make or which arise under your insurance policy.

We may, for the purposes of underwriting this proposal, disclose to an approved medical agency, your name, address, doctor's details, telephone number and date of birth in order to arrange and obtain medical examinations and tests.

Where appropriate, we will ask for consent to collect and use this information.

We may use automated systems to carry out fraud and money laundering checks and to help us make decisions, e.g. to determine whether or not we can offer you insurance and at what price. We may base our decision on factors such as health, lifestyle and occupational information, as well as the level of cover being requested.

### **Who we can share your information with**

We may share your information with other companies we work in partnership with, agents or service providers who work for us or provide services to us, and other HSBC Group members. We may also share your information with others outside of the HSBC Group e.g. regulators, insurers, other banks, agents as well as fraud prevention agencies, other parties involved in providing your insurance policy such as the intermediary, broker, third parties involved in the administration of the relevant insurance policy or claim including loss adjusters, claims handlers, private investigators, experts and our advisers, and, where relevant, medical experts and rehabilitation providers.

We may carry out a post-sale check on the accuracy of the disclosures given in this application and if so, we will first obtain any appropriate consents.

### **How long we'll keep your information**

We'll keep your information for as long as you have a relationship with us. After it ends we'll keep it where we may need it for our legitimate purposes e.g. to help us respond to queries or complaints, or for other reasons e.g. fighting fraud and financial crime, and responding to requests from regulators.

### **Transferring your information overseas**

Your information may be transferred and stored in countries outside the European Economic Area, including some that may not have laws that provide the same level of protection for personal information. When we do this, we'll ensure it has an appropriate level of protection.

### **Your rights**

You have a number of rights relating to your information e.g. to see what we hold, to ask us to share it with another party, ask us to update incorrect or incomplete details, to object to or restrict processing of it, to make a complaint etc.

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