

Key Features of Dentists' Provident Income Protection

Insured Members

**DENTISTS'
PROVIDENT**



The Financial Services Authority is the independent financial services regulator. It requires us, Dentists' Provident, to give you this important information to help you decide whether our membership is right for you. You should read this document carefully, so you understand what you are buying, and then keep it safe for future reference.

If you are unclear about any part of this document or have any questions, please contact your financial advisor or our Member Services Department.

Its aims

- To provide you with a regular benefit if, as a result of an illness or injury, you suffer a loss of earnings. Your benefit can replace some of your lost earnings or, if you are not working, it can meet additional expenditure.
- To pay you a cash lump sum on your retirement.
- To enable you to customise your cover to meet your individual needs by choosing from a range of benefit options.

Your commitment

- To fulfil your obligations as a member of Dentists' Provident as set out in the Rules.
- To give us all the medical and other information we ask for when applying for cover and when claiming benefits. If you do not, we may not pay your claim and we may cancel your membership.
- To make all the regular premium payments for the duration of your membership.
- To tell us if you change your occupation, take a career break or if you become unemployed.
- To tell us of any actual or planned participation in any new hazardous sports or pastimes which you intend to pursue on a regular basis.
- To tell us of any claim within the time limits we have set.

- To select an appropriate level of cover and review it regularly to make sure you have enough for your needs, but not more than the amount we will pay.

Risks

- You will not be covered if you stop paying your premiums. The premiums remain payable even when you are receiving benefits under a claim.
- The cover may be less than you need if you do not review it regularly to keep it in line with your earnings. On the other hand, if your income does not support your chosen cover, then the claim will be reduced accordingly. We will not give back any of your premiums if this happens.
- The benefits we pay you may affect your entitlement to some means-tested State benefits. Your entitlement to Employment and Support Allowance will be unaffected.
- The benefits we pay you may affect your claim for benefits under other income protection policies.
- State benefit rules may change.
- The rules regarding tax treatment of premiums and benefits may change in the future.
- The premium rates are not guaranteed and in future we may change the premium payments for all members because of factors such as our claims costs and expenses.

- ❑ Certain causes of claim are not covered. (Please refer to the “When will the plan not pay out?” section.)
- ❑ Inflation will reduce the spending power of the cash lump sum you get back in the future.
- ❑ We do not guarantee what you will get back in the future, as the build up of your cash lump sum is dependent on our overall claims experience and market conditions generally and could be smaller than shown in your Personalised Illustration.
- ❑ If you cancel your membership early, you are likely to get back less than you expect.
- ❑ In the event of adverse conditions, the bonus rates could be reduced or a Bonus Account Reduction applied, which could reduce the amount we pay out. (Please refer to the “Bonus Account Reduction” section.)

All of the information in this document is subject to the terms set out in the Society's Memorandum and Rules. Full details of the standard contract and exclusions are given in the Memorandum and Rules, a copy of which is available on request or on our website.

Questions & answers

What is Dentists' Provident Income Protection Insurance?

Dentists' Provident Income Protection Insurance is designed to give you:

- ❑ A regular benefit if illness or injury prevents you from working, leading to a loss of earnings; and
- ❑ A cash lump sum on retirement.

The contract works by pooling the members' premiums, which are used to pay the income protection insurance claims and management expenses. The members share the remaining surplus and any income from the Society's investments. The annual allocation of bonuses accumulates to provide a cash lump sum at retirement, which is currently exempt from UK income tax and capital gains tax.

You select the features to ensure membership of Dentists' Provident meets your individual needs.

- ❑ You decide:
 - The amount of cover you require;
 - Whether to customise the insurance benefits to meet your needs, choosing from the optional features available, or whether one of our packaged contracts satisfies your requirements;
 - How soon after the start of your incapacity you need your insurance benefits to become payable; and
 - The number of shares you require.
- ❑ You pay regular premiums to keep the cover in force.
- ❑ We provide cover until your contract ends, no matter how many claims you make.
- ❑ You tell us when illness or injury stops you from working.
- ❑ We will pay you a regular benefit for as long as the claim is valid.
- ❑ Upon reaching your 60th birthday, or earlier retirement, you can cancel your membership of Dentists' Provident and receive your accumulated cash lump sum or become a Commuted member after the age of 50.

How do I select the plan's features, so it meets my needs?

This section deals with the choices you make when setting up your plan.

Am I eligible for membership of Dentists' Provident?

Membership of Dentists' Provident is only available to individuals who are:

- ❑ Permanently resident in the United Kingdom, Republic of Ireland, the Bailiwick of Guernsey (including Alderney, Sark and Herm), the Isle of Man, or the Bailiwick of Jersey; and
- ❑ Registered with the relevant supervisory body to practice in the dental profession in any of the above territories; and
- ❑ Over 18 and below 50 years of age.

Amount of insurance benefit that can be paid

You choose the amount of cover you require.

Tax and National Insurance are deducted from your normal earnings, but not from the benefits we pay you.

This means your insurance cover should not exceed 60% of your pre-incapacity earnings. This is the maximum percentage of your earnings we will pay out.

The maximum level of cover you can apply for cannot exceed £1,200 per week, based on a 6 day working week, regardless of your earnings. However, increases in your cover resulting from Escalation of Cover and Inceasable Sickness Benefit options will be on top of this amount. (Please also refer to the "Other income which is likely to reduce your benefit" section.)

Earnings upon which to base your cover

When choosing your cover, please remember that if you claim, we will pay benefits based on your pre-incapacity earnings.

- If you are employed, your pre-incapacity earnings are:
 - Your pre-tax earnings subject to PAYE in the tax year immediately prior to the start of your incapacity;
 - Your benefits in kind in the tax year immediately prior to the start of your incapacity; and
 - Dividends from a close company in which you are an employee or a director and have a beneficial interest. The maximum amount of dividends we will take into account cannot exceed your share of the net profits from the company's ordinary business in the tax year immediately prior to the start of your incapacity.
- If you are self-employed, your pre-incapacity earnings are your share of the pre-tax profit from your trade, profession or vocation after deduction

of trading expenses, as described in Schedule D Case I and II of the Income and Corporation Taxes Act 1988 in the tax year immediately prior to the start of your incapacity.

However, if you were incapacitated for 6 weeks or more in the tax year immediately prior to the current incapacity, we will use the average of your income over the last 3 tax years.

Your income from savings, investments or drawings, except for dividends as above, is not taken into account. We may require documentary evidence of earnings to support your application and any subsequent claim.

Increasing your cover

If you are eligible to use the Inceasable Sickness Benefit option, you can increase your cover without providing any evidence of health or pastimes. (Please refer to the "How can I customise my cover?" section.)

If you are not eligible to use the Inceasable Sickness Benefit option, you can still increase your cover in line with your earnings by making further applications to us at any time before you are 50 years old. These applications will be subject to a full assessment of your health, occupation and pastimes.

Your premiums will increase in line with any increase in cover, based on the rates prevailing at the time.

When do benefit payments start?

There is a period, starting when you are first unable to work, during which no benefits are payable. This is called the deferred period. You can choose any deferred period between 1 week and 52 weeks or a deferred period of 104 weeks.

If you need your benefits to become payable immediately, we also offer benefits which have no deferred period, so are payable from the first day of incapacity.

Multiple deferred periods are also available and you can choose as many different deferred periods as you like.

The longer the deferred period, the lower

your premiums are likely to be. Your choices should allow for any earnings you expect to continue when you become incapacitated, such as sick pay, or for a period during which you would be prepared to live off your savings.

How long will the cover last?

Our standard retirement age, when the entitlement to benefit payments ceases, is 60 years. We reserve the right to impose a lower retirement age based on your personal circumstances at the time of your application. On reaching the retirement age, as defined in your Schedule of Benefits, we may, depending on your health and previous claims history, offer you the ability to extend your cover up to a maximum age of 70 years.

How can I customise my cover?

We offer a range of optional benefits to enable you to customise the cover to suit your personal circumstances. The cost of your cover will depend on the options you choose. The options you can choose when you apply for cover are as follows:

- **Reducing Benefits** – If you choose the Reducing Benefits option, your claim will be paid at the full weekly rate for the first 26 weeks, then reduced to 50% of the full weekly rate for the following 26 weeks and then to 30% of the full weekly rate for the remainder of the claim. Reducing Benefits are only available where sickness benefits are payable from the first day of incapacity.
- **Level Benefits** – If you choose the Level Benefits option, your benefit claim will remain at a constant level for the duration of the claim.
- **Indexation of Benefit Payments** – If you choose the Indexation of Benefit Payments option, on 1st January each year your benefits will be reviewed in line with the Consumer Price Index. The Indexation of Benefit Payments will commence on 1st January following the first anniversary of the start of the benefit payments and will continue for the duration of the claim. The maximum increase in benefit payments under this option will not exceed 5% in any one year, nor 150% of the initial cover over the term of the contract.
- **Escalation of Cover** – If you choose the Escalation of Cover option, on 1st January each year your cover will be reviewed in line with the Consumer Price Index. Escalation of Cover will commence on 1st January following the first anniversary of the start of the cover and will continue for the duration of your membership. The maximum increase in cover under this option cannot exceed 5% in any one year, nor 150% of the initial cover over the term of the contract. You have the option to decline the increase in any year.
- **Increasable Sickness Benefit** – You can choose to increase your cover by a cumulative total of 30% of the initial cover without the need for further medical evidence on the 6th, 12th, and / or 15th anniversary of the start of the cover. Any increase in your cover under this option will result in a corresponding increase in your premiums.
- **Severe Disability Benefit** – This option provides you with a regular top-up payment equal to 20% of the benefit payable at the start of the claim, for the duration of the claim, after you have been entitled to receive benefit payments for 24 consecutive months, if your illness or injury stops you from performing a number of specified activities of daily life.
- **Enhanced Death Benefit** – If you choose the Enhanced Death Benefit option and you die within 12 months of the start of your claim because of the same illness or injury for which you are claiming then, provided you have been entitled to receive benefit payments for at least 8 weeks, we will pay your estate a one-off lump sum equal to 26 weeks worth of your initial benefits payable at the start of your claim.
- **Level Premiums** – This option is only available with certain packaged contracts. Premiums for packages with

the Level Premiums option will not be subject to increases based on your age. Premiums are, however, still reviewable and we may change the premium rates in future because of factors such as claims costs. (Please see the "Changes to your premium payments in the future" section.)

- **Currency** – You can choose to receive your benefits and pay your premiums in either Pounds Sterling or Euros. You can change your preferred currency annually on 1st January by giving us at least 30 days advance notice.

What packages are available?

In addition to our customised contract, we have designed packages – Essential, Classic and Premier – for each of the main occupational classes for dentists.

Each package is designed to meet varying levels of affordability and comprehensiveness of cover. The table below shows the features included as standard in each package:

Occupational Class					
	Community Dental Services	Dental Public Health	Dental Teachers Group	Hospital Dental Services	General Dental Services
Deferred Period	Half your cover has a deferred period of 26 weeks and the other half has a deferred period of 52 weeks				Benefits payable from the first day of incapacity
					Deferred period of 4 weeks
					Deferred period of 13 weeks
					Deferred period of 26 weeks
					Deferred period of 52 weeks

Package Types			
	Essential Package	Classic Package	Premier Package
Standard Features	Level Benefits	Indexation of Benefit Payments	Indexation of Benefit Payments
		Escalation of Cover	Escalation of Cover
			Increasable Sickness Benefit
			Severe Disability Benefit
			Enhanced Death Benefit
			Level Premiums

Discounted packages for newly qualified dentists

We offer discounts on membership premiums to dentists undergoing vocational or foundation training.

We offer two discounted packages. Both offer an initial cover of £300 per week, payable after a deferred period of 4 weeks, discounted by 90% compared with the standard premiums. These discounts are offered for up to 12 months or until the end of your training contract, whichever is earlier. The packages include the following features:

Premier VDP Package

- Indexation of Benefit Payments
- Escalation of Cover
- Inceasable Sickness Benefit
- Severe Disability Benefit
- Enhanced Death Benefit

Essential VDP Package

- Level Benefits

At the end of the discounted period, the standard contract will automatically convert to an immediate benefit contract (benefits payable from the first day of incapacity), but with the same features as within your chosen discounted package. However, at this stage, you can also increase or change your cover to better suit your individual circumstances.

Medical & other details we may need

Your application will include questions about your medical history, earnings, occupation and other personal circumstances (some of which may be collected via a telephone interview). We may request additional medical evidence to support your application at our expense.

How flexible is it?

This section deals with choices you can make once your contract has started:

Regular review of your cover

You should regularly consider how your earnings and living costs have changed since you last reviewed your cover.

Please contact us or your financial advisor if you wish to increase your existing cover by more than any automatic increases permitted by your contract. All such increases will be subject to a fresh assessment of your health, occupation and pastimes. If you increase your cover, your payments to us will increase.

You can ask to decrease your cover at any time and your premiums will reduce.

Change of risk

You must inform us as soon as possible if you change your insured occupation or take up a new hazardous sport or pastime, which you intend to participate in on a regular basis. You do not need to tell us about hazardous activities in which you intend to participate infrequently or on a one-off basis.

Depending on your new occupation or hazardous activity, we may do one or more of the following:

- Increase or decrease your premiums;
- Reduce the retirement age of your contract;
- Increase the deferred period;
- Cancel or reduce the level of your cover;
- Change the definition of incapacity;
- Apply additional terms.

If you do not tell us, we may apply the changes retrospectively and may not refund any premiums.

Suspending your membership

If you decide to take a career break or move abroad for a period of time, you can suspend your membership. You can do this up to 3 times during the lifetime of your membership, for a cumulative period not exceeding 24 months.

During a period of suspension:

- No premiums are payable;
- You are not entitled to claim any benefits;
- Your cover will not increase under the Escalation of Cover option;
- No dividends are applied to your Member's Bonus Account;

- You will continue to earn interest on the balance held in your Member's Bonus Account.

At the end of the maximum duration of 24 months or earlier, you can choose to:

- Resume the cover you held prior to suspending your membership without any further assessment of your health or pastimes; or
- Become a Paid-Up member; or
- Cancel your membership.

If you do not make a choice, you will automatically become a Paid-Up member.

Paid-Up membership

If you decide to move abroad for an indefinite period, you can become a Paid-Up member. This option allows you to maintain your membership until such time as you finalise your career plans.

As a Paid-Up member:

- You do not pay any premiums;
- You are not entitled to claim any benefits;
- No dividends are applied to your Member's Bonus Account;
- You will continue to earn interest on the balance held in your Member's Bonus Account;
- You cannot become a Commuted member.

If you are a Paid-Up member, you can ask to resume your cover at any time before the age of 50. However, any application will be subject to a new assessment of your health, occupation and pastimes.

Commuted membership

Upon reaching the retirement age, as defined in your Schedule of Benefits, or if you stop working at any time after the age of 50 years, you can choose to become a Commuted member.

While you are a Commuted member, dividends and interest will continue to be applied to your Member's Bonus Account, but you will not be entitled to claim insurance benefit payments. As you will not pay for an entitlement to claim insurance benefit, you may see an

overall decrease in your premiums.

There is no upper age limit for Commuted membership and Commuted members may realise all or part of their Member's Bonus Account at any time. Further details on Commuted membership can be found in the document, "Key Features of Dentists' Provident Income Protection – Commuted Members".

When will the insurance benefits be paid?

When to claim

Subject to the Rules of Dentists' Provident, you can claim when you are unable to work because of an illness or injury that results in a loss of earnings. Certain illnesses and injuries are not covered. (Please see the "When will the plan not pay out?" section.)

Deadline for claiming

You should always inform us of a potential claim as soon as possible, but:

- For deferred periods of less than 8 weeks, you should inform us within 2 weeks of the start of the incapacity.
- For deferred periods of between 8 and 12 weeks inclusive, you should inform us within a period of 4 weeks of the start of the incapacity.
- For deferred periods of more than 12 weeks, you should inform us within 8 weeks of the start of your incapacity.

We must receive your Claim Form and medical certificate within 28 days of the end of your deferred period at the latest.

If you do not notify us within these limits, we may postpone or refuse to pay your claim.

Extent of incapacity

Our usual definition of incapacity for members who are working in their insured occupation is:

The Society is satisfied that the member by reason of injury or illness:

- Is unable to perform the material and substantial duties of their insured occupation;

- b) Is not following any occupation (except where proportionate or rehabilitation benefits are being paid);
- c) Is suffering a material reduction in earnings.

Material and substantial duties are the duties that you normally perform in your insured occupation and these duties cannot be reasonably omitted by you or your employer. We look at the standard duties of your occupation type rather than the particular duties of your own specific job.

If, during the assessment of your application, we decide to apply a different definition of incapacity, we will write to you with the details of the alternative definition.

If you have been offered the option to extend your cover beyond the age of 65 years, we will use the activities of daily living tests to determine if you are entitled to benefits. Please see the Society's Memorandum and Rules for more details.

How we assess your claim

We will look at the duties of your insured occupation, your ability to do them and whether adjustments can be made to help you do them.

We will need evidence that you are under the care of a registered medical practitioner and are suffering a loss of income as a result of your incapacity. We may also require access to your medical and financial records and ask you to undergo an assessment, examination or tests.

We may ask you for evidence of your loss of earnings and may require:

- If you are employed, your payslips for the last three months and your last P60 certificate.
- If you are self-employed, documentary evidence of your earnings in the tax year immediately before the start of incapacity, as assessed for income tax purposes and declared to and agreed by HM Revenue & Customs, together with underlying profit and loss accounts.

You will qualify for benefit if you fulfil the definition of incapacity. (Please see the "Extent of incapacity" section.)

Please note that the availability of work is not a factor in deciding whether you are able to perform your occupation.

How long are the insurance benefits paid?

We will pay you until the earliest of the following:

- You are no longer entitled to receive benefit payments in accordance with the Rules (for example, if you fail to keep your premium payments up to date or you are abroad or your membership is cancelled, etc);
- You are no longer incapacitated;
- You are no longer suffering a loss of earnings;
- You reach the retirement age defined in your Schedule of Benefits; or
- You die.

Claiming again after returning to work

There is no limit to the number of claims you can make.

If you have received benefit payments and you need to claim again for the same cause within 13 weeks of returning to work, then the second claim will be treated as a continuation of the initial claim. Your benefits will be payable on the same basis as at the end of the initial claim and the deferred period will not apply.

Returning to part-time or less well-paid work

If, because of your illness or injury, you are only able to return to work in a part-time capacity, or you have to take up a new less well-paid occupation, we will help you by paying a reduced benefit which takes account of your partial loss of earnings.

The reduced benefit is only payable if:

- You have been receiving benefit payments for at least 3 months;
- You continue to satisfy the definition of incapacity;

- You continue to suffer a material reduction in earnings; and
- You require ongoing medical supervision and / or treatment for your condition.

We will pay the reduced benefit until the earliest of:

- Such time as you are able to perform the material and substantial duties of your occupation more than 28 hours per week;
- A total of 104 weeks; or
- Such time as your benefits cease to be payable. (Please see the "How long are the insurance benefits paid?" section.)

How benefits are paid

Benefits are payable in arrears from the end of the deferred period, providing all claims requirements have been satisfied. Other than for short-term claims, we will pay your benefits on a monthly basis.

Premium payments when claiming

You must continue paying your premiums for the duration of any claim.

Other income which is likely to reduce your benefit

We will reduce the benefit we pay if any of the following take you over the maximum allowable income:

- Continuing income from your business, whether you take this as drawings or not;
- Continuing payments from your employment, such as sick pay, benefits in kind, bonuses or dividends;
- Pension payments, unless you were entitled to them while still working;
- Other insurance benefits, if they arise because of your incapacity and either result in regular payments to you or on your behalf, such as mortgage payment protection, loan or credit card protection, waiver of premiums or other income protection benefits;
- Where you undertake any non-remunerative work, our best estimate of the open market remuneration for

such work.

(Please also see the "Amount of insurance benefit that can be paid" section.)

If your benefit payments are reduced, we will not refund any of your premiums.

We will not reduce your benefit payments as a result of you receiving:

- Employment and Support Allowance and other similar benefits from the State;
- Income Support or other means-tested State benefits. However, the insurance benefits you receive from us may affect your eligibility for means-tested State benefits;
- Investment income (except for dividends as described in the "Earnings upon which to base your cover" section.)

When will the plan not pay out?

No benefits are payable if the incapacity is caused by:

- Fertility treatment or normal pregnancy conditions;
- War, hostilities (declared or not), terrorism, invasion, rebellion, revolution, civil war or participation in a riot, civil commotion or uprising. (This does not apply to members of the armed forces who suffer incapacity whilst on active duty);
- Attempted suicide or self-inflicted injury;
- Alcoholism, abuse of controlled substances or effects of drugs not taken under the advice or supervision of a medical practitioner;
- Failure to follow immunisation procedures against such diseases as recommended for healthcare staff involved in direct patient care by the appropriate government, health authorities or professional bodies; or
- Medical operations or treatments which are not medically necessary, including cosmetic or beauty treatments, unless this is a result of an accident where the member's doctor recommends cosmetic treatment.

We will not pay benefits when you are on maternity leave and receiving maternity pay from your employer. If you are self-employed, we will not pay any benefits for a period beginning 4 weeks before the expected date of childbirth and ending 8 weeks after childbirth. If you are still incapacitated after this period, you will be eligible to claim benefit payments, subject to the Society's normal terms and conditions.

You are not entitled to claim benefits whilst you are outside the United Kingdom, Republic of Ireland, the Bailiwick of Guernsey (including Alderney, Sark and Herm), the Isle of Man, or the Bailiwick of Jersey.

You cannot claim benefits for periods of less than 1 complete day of incapacity, irrespective of any deferred period.

We may apply special terms in some cases. If so, we will tell you when your cover starts. We will not pay benefits if the claim is for any condition excluded by the special terms.

You cannot claim just because you become unemployed or when you are prevented from working through disciplinary action by your employer or supervisory body.

If you are not currently in employment or self-employment, but your premiums are up-to-date, you may still be able to claim. We will use the 'activities of daily living' tests to determine if you are entitled to claim benefits and the maximum benefit payments will be limited to £1,500 per month. Please see the Society's Memorandum and Rules for more details.

What other features are there?

As a member of Dentists' Provident, you will be entitled to a share of the Society's surpluses, which will accumulate to provide you with a cash lump sum available at retirement.

What is a Share?

A Share has no value in its own right (unlike a stock market share which increases or decreases in value). It

gives you the right to participate in the surplus made by the Society, and how much of the surplus is allocated to you depends on the number of Shares you hold. You must hold a minimum of 1 Share. The maximum number of Shares you can hold depends on the level of your cover.

If you have chosen a packaged contract, you will be given a shareholding of 1 Share as standard, but you can choose additional Shares. However, if you are on a discounted premium package, you will not be able to increase your shareholding until after the end of the discounted period.

Subject to an overall limit of 2,000 Shares, the maximum number of Shares available is calculated as the level of your cover (in Pounds Sterling) divided by 0.6, rounded down to the nearest whole number.

You will need to pay a regular premium for the Shares you hold. You can alter your shareholding at any time within the limits permitted by your cover. However, if you are a Commuted member, you may only reduce your shareholding.

How does my cash lump sum accumulate?

Your cash lump sum accumulates in your Member's Bonus Account. At the end of each year, a dividend is added, based on the number of Shares you have held during the year. We also credit your account with interest, based on the balance of your Member's Bonus Account and the performance of the Society's investments. The dividends and interest accumulate to form the cash lump sum which is payable to you on retirement. You can choose to allow your cash lump sum to accumulate beyond retirement by becoming a Commuted member.

Depending on the Society's financial performance over the duration of your membership, a one-off terminal bonus may also be payable on cessation of your membership.



The rates of dividend, interest and terminal bonus are reviewed regularly and take into account expected future returns from investments, the Society's current and projected financial performance and the decisions we make about the distribution of surpluses. The aim is to provide a smooth rate of growth, ironing out extreme fluctuations. Your cash lump sum is unaffected by the number of claims you personally make.

What might I get back?

The premiums you pay for your Shares give you a right to share in our future surplus. There is no explicit link between the amount you pay and what you might get back.

We do not guarantee our future bonuses, and the amount you get back will depend on several factors. For example, the length of your membership; the number of Shares you hold; how well the Society and its investments perform; whether you temporarily suspend your membership; what withdrawals you make; and whether any penalties / Bonus Account Reductions apply.

Can I take my cash lump sum early?

If you cancel your membership of the Society before retirement, you can take your cash lump sum early. If you take your cash lump sum early, we will pay the amount accrued, subject to a deduction of an amount equal to the bonuses credited to you in the preceding 2 financial years or such greater amount as advised by the Society's actuary.

If you have been a member for less than 2 years, you will forfeit the full balance of the amount accrued.

Where is my cash lump sum invested?

The funds are invested through a number of specialist managers in a mixed portfolio which includes Government and other fixed interest stocks, equities (both UK and overseas), property and currency. The asset mix is chosen with a view to maximising the long-term return on

investments while paying attention to meeting the Society's obligation to fulfil its liabilities. Further details are available in the Dentists' Provident "Shares Guide & Fund Factbook", a copy of which is available on request or on our website.

Bonus Account Reduction

If you cancel your membership or withdraw funds from your Member's Bonus Account, we may make an adjustment to the value of your Bonus Account and / or to any amounts paid, if the value of the underlying assets is less than the balance on your Member's Bonus Account. This adjustment is known as a Bonus Account Reduction. It is designed to protect members who are not taking their money out and its application means all members receive a fair share of the Society's assets.

We currently do not apply Bonus Account Reductions, but we reserve the right to change our practice at any time, particularly in the event of a significant adverse movement in the investment markets or increase in the level of withdrawals by members.

Any change in our practice will be without prior notice and would apply to all members of the Society.

What will my premium payments be?

Your Personalised Illustration will show the normal cost of the cover you have chosen.

Your premium payments depend upon your age, gender, occupation, smoking habits, medical history, personal circumstances and the level and features of the cover you have chosen. We will tell you the actual premiums you will pay once we have assessed your application.

The premiums payable will increase with age, unless you have chosen the Level Premiums option within certain packaged contracts.

Premiums are payable by direct debit in advance either monthly, quarterly, half yearly or annually.

Changes to your premium payments in the future

All premiums are reviewable, which means your premium may be changed to reflect updated views on the expected cost of providing cover. Your premium can only be changed in this way on 1st January of any year. Your premium may go up or down, or may remain unchanged as a result of the review and there is no limit to the size of the potential change.

The reviews will compare the costs allowed for in your premium with the updated view on future costs. We will not look to recoup past losses or redistribute past profits as part of a review and your premium will not be directly affected by whether you have claimed or not. When conducting the reviews, we will consider in detail the future impact of the following factors:

- The Society's claims experience, including morbidity, mortality and lapse rates;
- The Society's income and expenditure;
- The statutory solvency requirements;
- The gender, occupation and geographical distribution of members;
- The legal and regulatory environment;
- Taxation;
- The terms of any reinsurance arrangements; and
- The benefit criteria.

We will give you at least 60 days' notice of any change as a result of such a review. If we advise you of an increase in premium, you have the option to leave your premium unchanged and reduce the level of cover instead.

What are the charges?

The costs of selling, commissions, administration, underwriting, claims and any fees payable for any medical examinations that we ask you to attend

are included in the premiums shown in your Personalised Illustration.

What happens to the contract if I die?

Your membership and your cover will end when you die and the balance on your Member's Bonus Account, including any bonuses accruing to you to the date of death, will be paid to your estate, after payment to any nominees you have chosen. We will not apply a Bonus Account Reduction or any penalties on death.

If any payments are due under the Enhanced Death Benefit option, these will also be paid to your estate.

What if I stop paying premiums?

You cannot claim any benefit payments from the Society if your membership premiums are in arrears.

We may cancel your membership if your contract is more than 45 days in arrears. We will deduct any outstanding premiums from any amounts payable to you.

What about tax?

Present UK tax law and HM Revenue & Customs practice means:

- You do not receive tax relief on premiums paid;
- You do not pay tax or national insurance contributions on your benefit payments or cash lump sum.

The tax rules could change in the future. Please note, in the event of a change, you and / or the Society may be liable to taxes or other costs in the future.

Under present Irish tax law and Irish Revenue practice, our contract is treated as an unapproved Permanent Health Insurance Scheme in the Republic of Ireland which means:

- You do not receive tax relief on premiums paid;
- Any benefits due to you (including bonuses such as dividends, interest and a terminal bonus) are taxable.

However, the Irish Revenue's practice has been not to assess the insurance benefits due under a claim for incapacity unless they have been in existence for a period in excess of 12 months, in which case all the payments from the start of any claim are taxable.

Members resident outside the UK should seek professional tax advice regarding the impact of membership of Dentists' Provident on their tax affairs.

Can I change my mind?

After we accept your application, we will send you a Cancellation Notice. If you do not want the cover, you will have 30 days to notify us. Any premiums already paid will be refunded, less any benefits paid.

How to contact us

If you would like any additional information, your financial advisor will normally be your first point of contact. We are not able to give you financial advice.

If you have any questions at any time, you can phone, fax, e-mail, or write to us.

T Call us on **+44 (0) 20 7400 5710**
Monday to Friday – 9am to 5pm.

We may monitor calls to improve our service.

F Fax number: **+44 (0) 20 7400 5701**

E E-mail address:

memberservices@dentistsprovident.co.uk

Office address

Dentists' Provident
91-94 Saffron Hill
London
EC1N 8QP

Complaints

We are committed to giving you the highest standards of service and, in order to maintain these high standards, we need you to tell us if we fail to live up to your expectations. We take all feedback extremely seriously and are committed to listening to our members and taking action where necessary.

In the first instance, please contact your financial advisor or write to our Chief Executive at the address above. If you are not satisfied with our response, you can contact:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

Complaining to the Ombudsman will not affect your legal rights. For further information about your legal rights, please contact your solicitor or Citizens Advice Bureau.

Terms & conditions

These Key Features are a summary of the Dentists' Provident Income Protection Insurance contract. They do not include all the definitions, exclusions, terms and conditions.

If you would like a copy of the Memorandum and Rules, please ask your financial advisor or contact us. Alternatively, you can download a copy from our website,

www.dentistsprovident.co.uk

We have the right to change the terms and conditions. We will write and explain the changes if this happens. All members have the right to vote on any changes to the Rules. Further details are set out in section VI of the Society's Memorandum and Rules.

We will also send you a copy of anything that has changed.

Law

This contract shall be subject to the exclusive jurisdiction of the laws and courts of England.

Language

All our documents are in English and all our communications with you will be in English.

Compensation

If a financial advisor recommends this contract, you have a legal right to compensation if the Financial Ombudsman Service decides it was not suitable for your needs at the time.

You may qualify for compensation from the Financial Services Compensation Scheme if we cannot meet our obligations due to financial difficulties. The compensation depends on the type of business and the nature of the claim.

Most investment business is covered for 100% of the first £50,000 per person per firm. Insurance contracts are covered for 90% of the claim with no upper limit.

You can obtain further information from the Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS or the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN.

About Dentists' Provident

Dentists' Provident was established in 1908 with the specific objective of providing income protection insurance for dentists in the UK and Ireland.

Today, we serve over 13,000 dentists and do not have any shareholders. As a mutual organisation, we exist only for the benefit of our members. Our objective is to provide our members with a total income protection solution, which is relevant not just today but flexible enough to adapt to your changing needs.

As a member of Dentists' Provident, your interests always come first and this is the basis of our highly respected brand and our exceptional reputation for honesty and fairness.

Dentists' Provident is authorised and regulated by the Financial Services Authority (Registration Number 110015).

Dentists' Provident Society Limited

Registered office:
91-94 Saffron Hill
London
England
EC1N 8QP



Telephone number: **+44 (0) 20 7400 5700**
We may monitor calls to improve our service.

Fax number: **+44 (0) 20 7400 5701**
Website: **www.dentistsprovident.co.uk**

Dentists' Provident is the trading name of Dentists' Provident Society Limited which is incorporated in the United Kingdom under the Friendly Societies Act 1992 (Registration Number 407F) and is authorised and regulated by the Financial Services Authority (Firm Reference Number 110015)