

Protection glossary

Beneficiary	Person or persons benefiting from a trust
Deferment Period	The period of time you have to be out of work due to illness or injury before any claim payment will be made.
Excess	Contribution you are required to pay towards a claim before the provider will pay the rest of the claim.
Exclusions	A specific event not covered under the policy, such as a specific medical condition Also see: Special Terms
Life/Lives Assured	The person or persons whose life is covered in the policy
On Risk Date	Start Date
Ordinary Rates	No exclusions or ratings have been applied to the premium
Policy Holder	Person taking out the policy and is responsible for the premiums
Premium	This is the amount payable for an insurance policy and is paid at a set frequency (such as monthly) to keep the contract running
Rating	Underwriting of the policy results in an increase in the quoted premium Also see: special terms
Settlor	Person or persons setting up a trust Also see: policy holder
Special Terms	Exclusions and/or rating applied to the policy
Sum Assured	The amount of money a protection policy is guaranteed to pay
Total Permanent Disability	An additional benefit where the provider will pay out on the policy if you become totally and permanently incapacitated. There are normally two types: 'Own Occupation' - where a person is unable to do the material and substantial duties of their own occupation ever again and 'Working Tasks' - loss of the physical ability through an illness or injury to do a specified number of tasks, such as walking, lifting and bending.
Trustee	Person or persons responsible for managing a trust
Underwriting	This is the process that insurance companies use to assess applications. The information provided in an application allows insurers to determine if the applicant will be accepted for their desired policy and if so whether they are accepted on special terms, i.e. with any exclusions.
Waiver of Premium	The provider will waive your premiums, if you cannot work due to incapacity, caused by an illness or accident, after a certain period (such as 26 weeks).