

# Life Insurance Plan

## Policy Conditions



### Introduction

These **policy conditions** are written confirmation of your contract with Aviva Life & Pensions UK Limited. It's important that you read them carefully together with your **policy schedule** and then keep both documents in a safe place.

If you have any questions, you can call us on 0800 2851 104 (from outside of the UK, please call +44 1603 603 479).

The words shown in **bold** may be defined terms; we explain these in the "Definitions" section.

### Your cover

In order for cover to be maintained, you need to pay your premiums throughout the **policy term**. If you make a successful claim, the **cover amount** will be paid as a cash lump sum.

There are two types of cover to choose from – decreasing cover or increasing cover. Your **policy schedule** will confirm which type of cover you have. Further details about each cover type are provided below.

#### Decreasing cover

How it works	Your premiums	What you need to know
The <b>cover amount</b> decreases every month, broadly in line with a repayment loan, for example a mortgage, using a fixed interest rate of 8%	Premiums are guaranteed, so they'll stay the same throughout the <b>policy term</b> , unless you change your policy.	Your <b>policy schedule</b> will provide details of what your <b>cover amount</b> will be at each policy <b>anniversary date</b> .

#### Increasing cover

How it works	Your premiums	What you need to know
<p>The <b>cover amount</b> increases each year, in line with the percentage increase in the <b>Consumer Prices Index (CPI)</b>.</p> <p>It's calculated over a 12 month period ending approximately 3 months prior to each <b>policy anniversary</b>.</p> <p>If there's no increase in the <b>CPI</b> during that period, your <b>cover amount</b> will stay the same.</p> <p>The maximum annual increase applied will be 10%.</p>	<p>Premiums increase each year. To calculate the increase, we'll multiply your current premium by 1.5 and the percentage increase in <b>CPI</b>.</p> <p>If there's no increase in the <b>CPI</b>, your premium will remain the same.</p> <p>Your premium won't increase by more than 15% each year (1.5 multiplied by the maximum increase in the <b>CPI</b> of 10%).</p>	<p>We will contact to you at least eight weeks before each <b>anniversary date</b> to tell you how much the <b>cover amount</b> and premiums will increase by. If you're happy to accept the increase you don't need to do anything as it will be applied automatically.</p> <p>If you don't want to pay the higher premium, then, each year, you can choose not to increase your <b>cover amount</b>. If you do this, your <b>cover amount</b>, and your premiums, will stay the same. However, you must tell us as soon as possible before each <b>anniversary date</b>, if you want to cancel the increase.</p> <p>We won't increase your <b>cover amount</b> if doing so would mean that the total amount of cover a <b>life covered</b> has with us (on this policy and any others) exceeds the maximum we allow at the time.</p>

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## Your benefits

### Life cover

We'll pay one of the following benefits if we accept a claim. Once we've accepted a claim, the policy will end and you won't be able to make another claim. For **joint policies**, we'll only pay out once. So when we've accepted a claim for one **life covered**, the policy will end.

Death benefit	What we pay
<p>We'll pay this benefit if the <b>life covered</b> dies during the <b>policy term</b>.</p> <p>Once we've accepted a claim, the policy will end. We won't pay if the death of the <b>life covered</b> is caused by suicide or intentional self-inflicted injury within 12 months of the policy <b>start date</b>. If this happens, the policy will end.</p>	<p>We'll pay the <b>cover amount</b> shown in the <b>policy schedule</b>.</p>
Terminal illness benefit	What we pay
<p>We'll pay this benefit if the <b>life covered</b> is diagnosed with a <b>terminal illness</b> during the <b>policy term</b>.</p> <p>Once we've accepted a claim, the policy will end.</p>	<p>We'll pay the <b>cover amount</b> shown in the <b>policy schedule</b>.</p>

### House purchase cover

House purchase cover	What we pay
<p>Gives you free cover from when you exchange contracts to when your house purchase is completed. In Scotland, the free cover is available from when missives are completed for the property to the date of entry.</p> <p>The free cover will include death benefit (but not <b>terminal illness</b> benefit). It begins when we've accepted your application and after you've exchanged contracts - or missives are completed - as long as you've given us a future <b>start date</b> for your policy which coincides with the completion of your house purchase/date of entry.</p> <p>The free cover ends on the earlier of:</p> <ul style="list-style-type: none"> <li>• 90 days; or</li> <li>• the date of completion/date of entry; or</li> <li>• the policy <b>start date</b>.</li> </ul> <p>Once we've accepted a claim for house purchase cover, the policy will end and you won't be able to make another claim.</p> <p>We won't pay if the death of the <b>life covered</b> is caused by suicide or intentional self-inflicted injury. If this happens the policy will end.</p>	<p>We'll pay the lower of:</p> <ul style="list-style-type: none"> <li>• £500,000; or</li> <li>• the purchase price of the house (as confirmed when contracts are exchanged); or</li> <li>• the <b>cover amount</b> shown in the <b>policy schedule</b>.</li> </ul>

## Additional benefits

Your **policy schedule** will show whether the separation benefit is included on your policy.

Separation benefit	What this means for your policy
<p>Available with all types of cover.</p> <p>Can be used six months from the <b>start date</b>.</p>	<p>If you separate, you can split your <b>joint policy</b> and each take out a new <b>single policy</b> without answering any further medical questions.</p> <p>This additional benefit will only be included if:</p> <ul style="list-style-type: none"> <li>• we accepted your policy on <b>standard terms</b>; and</li> <li>• you are the policyholder as well as the <b>life covered</b>.</li> </ul>

Separation	Evidence needed
Divorce, dissolution of civil partnership or separation	Decree absolute or dissolution order.
Mortgage transferred into one name only	Evidence of mortgage transfer.
Moving into a different house	Evidence of new mortgage or new address.

You can use the separation benefit as long as:

- you and the other policyholder agree to cancel the original policy; and
- you take out the new policy before you turn 55; and
- you take out the new policy within 90 days of the separation happening; and
- you send us the evidence we need; and
- neither of you have made, nor are you eligible to make a claim for the death benefit or **terminal illness** benefit, and
- the premium of the new policy meets the minimum premium limit that applies at the time.

The new policy:

- can only start when your original policy has been cancelled, and
- has to end before you turn 70, and
- has to have a cover amount which is less than, or equal to, the current **cover amount**.

You can only use the separation benefit once, and the new policy won't include the separation benefit.

The new policy can have either decreasing cover or increasing cover.

The premium you'll pay for any new policy will be based on the rates available at the time of the request and the **personal circumstances** of the **life covered**. The policy conditions in force at the time will apply to the new policy.

## Making changes to your policy

You can make certain changes to your policy six months from the **start date**. If you ask to make any changes, they will apply from the date your next premium is due.

### Amending your policy

If you make any of the following changes, we'll amend your policy:

Reducing:

- the **cover amount**
- the **policy term**.

Increasing:

- the **policy term**

With the exception of increasing the **policy term**, you can make the above changes without any further medical questions being asked.

If you want to increase the **policy term**, we may need to ask some further medical questions.

Depending on the answers, we may not be able to carry out the increase.

For increasing the **policy term**, we'll use the premium rates available when we make the change, based on the **personal circumstances** of the **life covered**.

For all other changes, we'll use the original premium rates based on the **personal circumstances** of the **life covered**.

After you've made any of the above changes, your premium can't be lower than the minimum premium limit which applies at the time we agree to your request.

These **policy conditions** will continue to apply to your amended policy.

## Issuing a new policy

If you increase the **cover amount**, we'll issue a new policy to go with your original policy, which will remain in force.

We may need to ask some further medical questions. Depending on the answers, we may not be able to carry out the change.

If we can carry out the change, the policy conditions in force at the time of the change will apply to the new policy.

## Making a claim

If you need to make claim, please contact us on 0800 2851 104 (from outside of the UK, please call +44 1603 603 479). Our claims line is open Monday to Friday 8:30am to 5:30pm.

Before we can pay a claim we need to assess it. To do this, we'll ask for some important information. If we ask for information from third parties, we'll pay for it. If you want to, you can provide additional evidence at your own expense.

The kind of information we need may include, but isn't limited to, the following:

- Proof that the **life covered** has died, or become terminally ill.
- Proof of who legally owns the policy.
- Written consent that lets us:
  - access the medical records or reports of the **life covered**
  - receive the results of any medical examinations or tests of the **life covered**.
- Conversations with, and reports from, third parties such as coroners, **attending consultants**, and the police.

When we assess a claim, we rely on the information we're given. If any of the information is untrue or incomplete and would have affected whether we paid a claim or not, we may not pay the claim, and we can reclaim any benefit payments we've already made.

If this happens, we won't make any further payments, and we may also cancel the policy without refunding any premiums.

This doesn't affect any other legal rights we have.

If we accept a claim, we'll make any relevant payment to you.

## Paying your premiums

Premiums are payable monthly by Direct Debit. All Direct Debits need to come from a bank or building society in the UK, the Channel Islands, the Isle of Man or Gibraltar, in the currency of the UK.

We show the initial premium you'll pay, and the date it and subsequent premiums are due, in the **policy schedule**. You have 60 days from each due date to pay your premium. If you have to make a claim during this period, we'll deduct the unpaid premium from the benefit we pay.

If you don't pay your premiums within the 60 day period, we'll cancel your policy. If this happens, you won't be able to make a claim.

## Policy term

The minimum **policy term** is 1 year. The maximum is 50 years. This is subject to the oldest **life covered** being 90 years of age or less at the policy **end date**.

We show your **policy term** in the **policy schedule**.

## Changing your details

You need to let us know if your contact details, or those of any **life covered**, change.

## Acceptance of instructions

We can't accept any instruction, request or notice from you until we receive all the information we need. We'll tell you what kind of information or documentation we need.

## Cancelling your policy

You have a 30 day cooling off period to change your mind. If you cancel within this period, we'll refund any premiums you've paid.

The cooling off period begins on the later of:

- the day we tell you when your policy will start
- the day you receive your policy documents.

You can still cancel the policy after the cooling off period ends, but we won't refund your premiums.

If you cancel your policy, you won't be able to make a claim.

## Eligibility

You must be at least 18 to apply for this policy.

You must also be a **resident** of the UK. This does not include the Channel Islands, the Isle of Man or Gibraltar.

## General conditions

### Policy amendments

We may alter these **policy conditions** for any of the following reasons:

- To respond, in a proportionate manner, to changes in:
  - the way we administer these type of policies
  - technology or general practice in the life and pensions industry
  - taxation, law or the interpretation of the law, decisions or recommendations of an ombudsman, regulator or similar body, or any code of practice with which we intend to comply.
- To correct errors if it is fair and reasonable to do so.

If we think any alteration to these **policy conditions** is to your advantage, we'll make it immediately and tell you at a later date.

We'll also do this if the alteration is due to regulatory requirements.

If any alteration is to your disadvantage, we'll aim to tell you in writing at least 60 days before we make it. However, external factors beyond our control may mean we have to give you less notice.

If you're not happy with any alteration we make to your policy, you can cancel it.

### Incorrect Information

If the date of birth of any **life covered** is wrong we'll base the payment we make for any successful claim on the correct date of birth. We'll tell you if this happens.

If, using the correct date of birth, the age of any **life covered** when you took out your policy would have been outside of our limits, we'll cancel your policy. If this happens, we'll tell you. You won't be able to make a claim after we've cancelled your policy. However, we'll refund all your premiums (without interest).

We rely on the information you give us. If any of it is untrue or incomplete and would have affected our decision to provide your policy, we may:

- change the terms of your policy
- change the premiums you have to pay
- cancel your policy and refund the premiums you've paid (without interest).

If we cancel your policy, you won't be able to make a claim.

### **Third party rights**

This policy does not give any rights to anyone except you and us.

We may, with your agreement, amend or cancel this policy without reference to, or consent from, any other person.

### **General**

If you want to transfer ('assign') the policy to someone else, you must tell us in writing before we can pay a claim.

Where appropriate, words in the singular include the plural and vice versa.

### **Law**

This policy is issued in England, under English law.

## Definitions

Throughout these **policy conditions** we have highlighted defined terms in bold type (except for personal terms like “we” and “you”) so you know when they apply. The meanings of these words are set out below.

**You** or **your** refers to the **policyholder(s)** named in the **policy schedule**, or anyone else who becomes the legal owner of the policy.

**We, us** or **our** means Aviva Life & Pensions UK Limited.

### Anniversary date

The anniversary of the **start date** shown in the **policy schedule**.

### Attending consultant

The appropriately qualified medical specialist supervising care of the **life covered**.

The attending consultant must be resident and practicing in Andorra, Australia, Canada, the Channel Islands, the European Union, the Faroe Islands, Gibraltar, the Isle of Man, Liechtenstein, Monaco, New Zealand, Norway, San Marino, Switzerland, USA or the Vatican City. We may add further countries in the future.

### Consumer Prices Index (CPI)

The monthly index calculated by the government that demonstrates the movement of consumer prices in the UK, or an equivalent replacement of that index.

### Cover amount

The amount we pay for a successful claim under this policy. The cover amount is shown in your **policy schedule**.

### End date

The date that cover under this policy will end. This is shown in your **policy schedule**.

### Joint policy

The policy can cover up to two people – usually you and your partner, spouse or civil partner. A joint policy will only pay out once following a successful claim for the death benefit or **terminal illness** benefit. So when we've accepted a claim for one person, the policy will end.

### Life covered

The person whose life is being covered and in the event of their death or diagnosis of a **terminal illness**, a claim could be made.

### Personal circumstances

These can include the age, smoker status (both previous and current), health and lifestyle of the **life covered**.

### Policy conditions

This document which forms our contract of insurance with you providing the cover under the policy as agreed. The application (that you made and which we have accepted) and the **policy schedule** also form part of the contract and must be read together with these policy conditions.

### Policy schedule

This will show the specific detail of your policy, such as who it covers, the **cover amount**, how much it will cost and any additional benefits included. The definition also includes any subsequent amendments to your policy, which we confirm to you in writing.

### Policy term

This relates to the period your policy is in force, from the **start date** until the **end date**.

### Resident

At the time you complete the application you must be physically living in the UK and:

- a citizen of the UK; or
- have been granted permission to settle permanently in the UK.

## Single policy

A policy which covers the life of just one person.

## Standard terms

The premium and benefits we quote before the underwriting process is completed.

Following an application being underwritten, we may only be able to offer cover with a higher premium than first quoted, with certain benefits excluded, or both. This would not be classed as standard terms.

We will have told you whether you were accepted on standard terms when confirming our decision on your application.

## Start date

The date on which cover under this policy starts. It's shown in the [policy schedule](#).

## Terminal illness

A definite diagnosis 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](#), the illness is expected to lead to death within 12 months.

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- your name and address
- the name or code of the document (found at the bottom of the back page of most documents).

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