



Key Features of the Critical Illness Plan



**NORWICH
UNION**

an **AVIVA** company

Critical Illness Plan

Key Features

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

Its aims

- Critical illness cover pays out a lump sum if you are diagnosed with a critical illness that meets our plan definition and then survive for at least 14 days. We only cover the critical illnesses we define in our plan and no others.
- To provide cover for the period of time you choose, subject to a maximum of 25 years or to age 64.

Your commitment

- To ensure you answer all the questions on your application fully, truthfully and accurately to the best of your knowledge. Failure to do so may invalidate any future claim you may make.
- To tell us if any of the medical or other information you give us changes in the time between when you sign the application and the start of your plan. Failure to do so may result in the cover you receive being inappropriate for your revised needs and may invalidate any future claim you may make. You do not need to inform us if you change your occupation however when you make a claim, the occupation that you are following at the time will be taken into consideration when assessing your claim.
- To pay regular monthly or yearly premiums over the plan's term. This plan is available on a reviewable premium basis only which means your premiums may change every five years. Further details can be found in the section entitled 'Critical Illness Premiums' later in this document. If you stop paying your premium, your cover will end after 30 days from the date your last premium was due.
- To tell us if you move to live outside the UK, Channel Islands and Isle of Man. If you do not inform us that you have moved outside of the UK, Channel Islands and Isle of Man we will be unable to determine if your plan is still appropriate for your needs.
- You should regularly review your plan to ensure that it is still adequate for your needs. As your needs change, the level of cover you require may also change. Therefore, if you do not regularly review your plan, you may have too little cover for your needs or be paying too much for the cover that you already have.

Risks

- If you don't pay your premiums, your plan and your critical illness cover will end 30 days after the last premium was due. You'll get nothing back.
- This plan has no cash-in value at any time.
- We'll only pay out if you're diagnosed with a critical illness that meets our plan definition and then survive for at least 14 days. All of the conditions that we cover are described in the Plan Conditions and our 'Guide to Critical Illness Cover' booklet.
- We'll review your premiums every five years:
 - we may increase your premiums. We'll tell you if we're going to do this.
 - there is no maximum amount that your premium can be increased by. Plans with longer terms have a greater risk of premium increases as they have more reviews and are more likely to be affected by the factors that we take into consideration when reviewing the premium.
 - if you decide to cancel the plan due to increased premiums you won't get any money back.Further details can be found under the heading 'What is a Critical Illness Plan?'
- It is vital that you answer all the questions on your application fully, truthfully and accurately and that you tell us about your medical history in full. Failure to mention something could result in your plan being inappropriate for your protection needs and may invalidate any claim you may make later.
- If you don't provide any information we ask for when making a claim, we won't pay out under the plan.
- There are some exclusions which we apply to the plan. For more information about these exclusions please see the section 'When will the plan not pay out?'

Questions and answers

What is a Critical Illness Plan?

- Critical illness cover pays out a lump sum if you are diagnosed with a critical illness that meets our plan definition and then survive for at least 14 days. We only cover the critical illnesses we define in our plan and no others.
- The plan is designed to protect you against the financial effects of suffering a critical illness; it does not include life cover or payment if you die within 14 days of being diagnosed with a critical illness.
- The maximum amount of Critical Illness cover you can have is £500,000. This includes any other Critical Illness cover you already have with us or any other provider.
- You can take out the plan on your own or with someone else. The cash sum is payable on the first claim only.
- The plan can cover yourself, the other person or both of you. Your children are also covered under the children's critical illness benefit for £10,000 or 50% of the amount of cover you choose, if lower.
- The plan is available for a term of your choice up to a maximum of 25 years and must end before your 65th birthday.
- You must be aged between 16 and 59 at the start of the plan.

Critical Illness Premiums

This plan is available on a reviewable premium basis only. This means that we will review the premium every five years. We will not change your premium in between reviews.

We will review your premium based on a range of factors:

- Our claims experience and the experience of the rest of the industry
- Our expectation of future claims
- The possible impact of further medical advances
- Investment returns
- Changes in taxation, legislation and regulation
- The cost of reassurance
- The early cancellation of our plans which include Critical Illness Benefit

We also have to consider any impact on our future claims which we could not reasonably have foreseen when our assumptions were last reviewed.

The review will apply to all planholders with similar policies and does not take account of the insured person's individual circumstances. This means we will not increase or decrease premiums because of a change in the health, age or lifestyle of the person covered.

Premiums will be reviewed in a fair and reasonable way and as a result of the review your premium may increase or decrease. We will inform you of the outcome of the review at least 60 days before we make any change to your premium.

It is important to remember that there is no maximum limit to the premium that could be applied to your plan at review. This means at review you may not be able to afford the same level of cover and should you decide to cancel your plan and purchase replacement cover, the benefits available under your current plan may no longer be available from Norwich Union or an alternative provider.

What are your options following a review?

If, following a review, your premium needs to change, we will advise you of the proposed change at least 60 days prior to the five year anniversary date unless the reason for the change is beyond our control and means only a shorter notice period is possible.

If your premium needs to increase there are some options available to you. You can:

- Accept the higher premium and maintain your level of cover
- Reduce the amount covered on the plan to keep your existing premium
- Cancel the plan and stop paying premiums – you will not get back any premiums you have already paid

If you do not wish to accept the higher premiums, you must confirm your chosen option to Norwich Union at least 14 days prior to the five year anniversary date. Otherwise, we will assume you wish to pay the higher premium.

How flexible is it?

- This plan is not designed to be flexible. You can't alter the plan once it's started.

What conditions are covered in Norwich Union's Critical Illness Cover Plan?

The complete list of the conditions we cover is set out below. These headings are only a guide to what is covered. The full definitions of the illnesses covered and the circumstances in which you can claim are given in the plan. These typically use medical terms to describe the illnesses but in some cases the cover may be limited. For example:

- Some types of cancer are not covered
- To make a claim for some illnesses, you need to have permanent symptoms

Please ask your financial adviser for a copy of the plan. The definitions are also available in our "Guide to Critical Illness Cover" booklet.

- **Alzheimer's Disease before age 60** – *resulting in permanent symptoms*
- **Aorta graft surgery** – *for disease*
- **Benign Brain Tumour** – *resulting in permanent symptoms*
- **Blindness** – *permanent and irreversible*
- **Cancer** – *excluding less advanced cases*
- **Coma** – *resulting in permanent symptoms*
- **Coronary artery by pass grafts** – *with surgery to divide the breastbone*
- **Creutzfeldt-Jakob Disease**
- **Deafness** – *permanent and irreversible*
- **Heart Attack** – *of specified severity*
- **Heart Valve replacement or repair** – *with surgery to divide the breastbone*
- **HIV infection** – *caught in the UK from a blood transfusion, a physical assault or at work*
- **Kidney failure** – *requiring dialysis*
- **Loss of Hands or Feet** – *permanent physical severance*
- **Loss of Independent Existence after age 60**
- **Loss of Speech** – *permanent and irreversible*
- **Major Organ Transplant**
- **Motor Neurone Disease** – *resulting in permanent symptoms*
- **Multiple Sclerosis** – *with persisting symptoms*
- **Paralysis of Limbs** – *total and irreversible*
- **Parkinson's Disease before age 60** – *resulting in permanent symptoms*
- **Pre Senile Dementia before age 60** – *resulting in permanent symptoms*
- **Stroke** – *resulting in permanent symptoms*
- **Third Degree Burns** – *covering at least 20% of the body's surface area*

- **Total Permanent Disablement occurring prior to the plan anniversary before attaining age 60**

- **Traumatic Head Injury** – *resulting in permanent symptoms*

Total Permanent Disablement pays out if you become totally and permanently disabled, before age 60, because of sickness or accident. The definition of disablement we use will depend on your occupation and will not change unless you are not in gainful employment immediately before the claim. You can find full descriptions of our definitions in the plan conditions and our 'Guide to Critical Illness Cover' booklet. Please ask your financial adviser for a copy.

When you purchase Critical Illness cover from Norwich Union, all of your natural, step or legally adopted children and any future children are also covered for some of the conditions listed above. Children's cover applies for children between the ages of 30 days and 18 years old as long as the plan is in force. The maximum we will pay for a child is £10,000 or 50% of the life insurance amount, whichever is the lower. The benefit is payable once for each child and the plan will continue after the payment has been made so your own cover or the cover for any other children is not affected. In addition to the illnesses listed above your child(ren) will be covered for:

- **Bacterial Meningitis before age 18**

The following illnesses are not covered under children's cover:

- **Alzheimer's Disease before age 60** – *resulting in permanent symptoms*
- **HIV infection** – *caught in the UK from a blood transfusion, a physical assault or at work*
- **Loss of Independent Existence after age 60**
- **Parkinson's Disease before age 60** – *resulting in permanent symptoms*
- **Pre Senile Dementia before age 60** – *resulting in permanent symptoms*
- **Total Permanent Disablement occurring prior to the plan anniversary before attaining age 60**

What other benefits can I choose?

■ Premium Protection

For an extra cost, you can choose to include Premium Protection. This benefit will cover you if you're totally disabled by illness or accident for more than 26 weeks. If this happens, we'll pay the plan premiums for you.

The definition of disablement we use is:

- unable to follow your normal occupation as a result of illness or accident and not following any other occupation. Normal occupation means the occupation of the Life Insured immediately before sickness or accident that resulted in the claim.

If you are not in gainful employment immediately before the sickness or accident that resulted in your claim, your definition will become 'Activities of Daily Living'.

- **Activities of Daily Living** – unable to carry out unaided three of more of the following activities as a result of illness or accident:
 - transferring from a bed to a chair/wheelchair
 - continence
 - dressing
 - mobility
 - feeding
 - washing

To include this benefit you must be aged between 16 and 54 at the start of the plan.

As this plan is on a reviewable premium basis, the cost of premium protection will change in line with each review. Please see the 'Critical Illness premiums' section for more information

When will the plan not pay out?

We won't pay any benefit:

- if you fail to provide any documents and evidence to support your claim
- if the date of birth of any person covered by the plan has been incorrectly stated and we would not have offered cover had we known the correct date of birth at the time of application
- if you did not disclose an illness or condition at the application stage, which is considered to have had an affect on the underwriting decision that we made at the commencement of your plan

We won't pay a critical illness claim:

- if the diagnosis isn't for one of our described illnesses
- unless you tell us about your claim within the time shown in the Plan Conditions. This is usually within 26 weeks of the diagnosis but is shorter for some claims
- in respect of Total Permanent Disablement unless we receive notice of disablement within 13 weeks of the commencement of Total and Permanent Disablement
- if the cause of the claim is specifically excluded by any specific terms we apply to the plan when we accept the application. If applicable, we will show these in the acceptance letter and plan schedule
- unless you are still alive 14 days after being diagnosed as suffering from a critical illness covered by the plan

We won't pay out if a claim results from criminal acts, alcohol or drug abuse, self-inflicted injury or war and civil commotion, and where the claim is for:

- Blindness
- Coma
- Deafness
- Loss of Hands or Feet
- Loss of Independent Existence after age 60
- Loss of Speech
- Paralysis of Limbs
- Third Degree Burns
- Total Permanent Disablement before age 60
- Traumatic Head Injury

Full details of the exclusions can be found in section 5 of the Plan Conditions.

In addition we won't pay out under the children's cover:

- unless the child is still alive 14 days after being diagnosed as suffering from a critical illness covered by the plan
- if there is a claim on the main benefit within 14 days of diagnosis of the child's critical illness
- if the illness results from a condition the child had before he/she became covered by the plan.

We won't pay out if a claim for children's critical illness results from alcohol or drug abuse, criminal acts, self-inflicted injury or war and civil commotion, and where the claim is for:

- Blindness
- Coma
- Deafness
- Loss of Hands or Feet
- Loss of Speech
- Paralysis of Limbs
- Third Degree Burns
- Traumatic Head Injury

Full details of the exclusions can be found in section 5 of the Plan Conditions.

Full details of what is covered, and any limits to the cover, are given in the 'Guide to Critical Illness Cover' booklet. Please ask your financial adviser for a copy.

If the amount of critical illness cover you have with us and/or any other provider exceeds £500,000, we reserve the right to review your claim and may reduce or refuse to pay the claim.

We won't pay benefits for Premium Protection:

- for the first 26 weeks of incapacity
- unless we are told in writing of the incapacity within 26 weeks of the commencement of the incapacity
- if the cause of the incapacity is specifically excluded on the plan schedule
- if the claim is due to alcohol or drug abuse, criminal acts, HIV/AIDS, pregnancy, self-inflicted injury, war and civil commotion, or
- if you're living outside the UK, Channel Islands and Isle of Man for more than 13 consecutive weeks in any 12 months.

Full details of the exclusions can be found in section 5 of the Plan Conditions.

This benefit will end when one of the following happens:

- the plan term ends
- the person covered dies
- disability ends or
- the cash sum is paid on diagnosis of a critical illness.

What will my premiums be?

- Your illustration shows an indication of the premium you'll need to pay for the first five years for your chosen amount of critical illness cover. This amount may change following completion of the underwriting process.
- Your premiums are based on a number of factors. These include:
 - the amount of critical illness cover you choose
 - your age
 - your sex
 - your occupation
 - your pastimes
 - whether you smoke
 - your medical history
 - the term of your plan
 - our chargesas well as:
 - if you choose Premium Protection.
- Your premiums can be paid monthly by direct debit or yearly by cheque or direct debit.
- Remember this plan is issued on a reviewable premium basis and your premium may increase following a review. Please see the 'Critical Illness premiums' section for more information about how this may affect you.

What are the charges?

- We make a charge for managing your plan. The charges cover your critical illness cover, Premium Protection (if chosen) and our expenses. We include these in your premium.

What if I stop paying?

- Your plan and cover will end after 30 days from the date the last premium was due. You won't get back any premiums you've paid.

What about tax?

- Any critical illness benefit paid is currently free from income and capital gains tax.
- If you die after a critical illness benefit payment, it may be subject to inheritance tax, unless you put your plan under trust. Please ask us for details on our trusts and for an explanatory booklet.
- Tax rules can change.

Can I change my mind?

- You can change your mind within 30 days from the later of:
 - the day you are advised that the contract is concluded
 - the day you receive the contract.Your plan will continue if we don't receive your cancellation notice within the 30 days.
- If you change your mind within 30 days and don't want the plan, Norwich Union will give you your money back.
- The cancellation notice will include the address you must send it to if you change your mind about your plan. Alternatively, you can contact us at the address given below.

How to contact us

- Remember, your financial adviser will normally be your first point of contact. They will have provided you with information that contains their contact details.
- If you have any questions at any time, you can phone, e-mail or write to us.



Call us on **0845 9000 813**

Monday to Friday 8.30am – 5.30pm

Outside of these hours, you can use the same number and leave a message on our answerphone. We may monitor calls to improve our service.



E-mail helpdesk@norwich-union.co.uk



Office address
Norwich Union
Po Box 520
Norwich
NR1 3WG

Other information

How to complain

- If you ever need to complain, first write to us at:
Norwich Union
Customer Relations
PO Box 3182
Norwich
NR1 3XE

If you're not satisfied with our response you can complain to:

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

Tel: 0845 080 1800

This won't affect your legal rights.

How to make a claim

- A claim can be made by contacting our Life Claims Department on 01904 723520

Terms and conditions

- This Key Features document only gives a summary of Norwich Union's Critical Illness Plan. You should also see the full terms and conditions. You may already have a copy or you can get one from your adviser or you can contact us direct. Alternatively, if you are buying online, you can obtain a copy from the website.
- We have the right to change some of the terms and conditions. We'll write to you and explain what has changed if this affects your plan.
- Unless otherwise stated, your illustration assumes that we accept your application at our normal rates.
- We won't be liable to pay any benefit until:
 - you've completed an application form
 - we've issued acceptance terms, and
 - we've received your first premium.

Please note

- This Key Features document complies with the Association of British Insurers (ABI) Statement of Best Practice for Critical Illness Cover. It is a guide to our Critical Illness Plan and is based on our understanding of current laws and tax rules. Further details are given in the plan schedule and the plan conditions. If you'd like a copy of the ABI 'Guide to Critical Illness Cover' which provides general information about critical illness cover, please write to The Association of British Insurers, 51 Gresham Street, London EC2V 7HQ.

Law

- The law and courts of England will apply in legal disputes and your contract will be written in English. We'll always write and speak to you in English.

Compensation

- Qualified advisers will recommend that you buy products suitable for your needs. You've legal rights to compensation if at any time it's decided that you've bought a plan that wasn't suitable for your needs at that time.
- The Financial Services Compensation Scheme covers your plan. It'll cover you if Norwich Union becomes insolvent and is unable to meet its obligations under this plan. You'll normally be covered for 100% of the first £2,000 plus 90% of the remainder of the claim value of your plan.

Client Classification

The FSA has defined three categories of customer. You have been treated as a 'retail client', which means that you will be provided with the highest level of protection provided by the FSA rules and guidance.