

Key Features of Term Assurance

(with options)



**NORWICH
UNION**

an **AVIVA** company

Term Assurance

(with options)

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 to decide whether our Term Assurance (with options) 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.

This Key Features document gives you a guide to the main points of your Term Assurance with options plan. Your illustration shows what premiums you'll pay for your chosen amount of life insurance and any extra benefits chosen. Please read them so you understand what you're buying and then keep them with your plan documents.

Its aim

- To provide the type of cover that you choose. Your plan will provide you with life cover and for an additional premium you can also choose to include critical illness cover.
 - **Life cover** – pays out a lump sum if you die
 - **Life and critical illness cover** – pays out a lump sum if you either die or 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.
- Alternatively, the plan will pay out if you are diagnosed as suffering from a terminal illness.

The plan only pays out once so if we do pay out after you make a claim for terminal or critical illness, your plan will end.
- To provide cover for the period of time that you choose, subject to your age and the options included in the plan.

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 under critical illness cover or premium protection, 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. If you choose reviewable Critical Illness premiums your premium may change every five years. Further details can be found in the section entitled 'What else do I need to know about the Critical Illness cover?' 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 or 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 cover will end 30 days after the payment was due. You'll get nothing back.
- This plan has no cash-in value at any time.
- If you choose critical illness cover, 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.
- If you've chosen reviewable critical illness cover 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 else do I need to know about the Critical Illness cover?'

- 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 Term Assurance plan?

- It's an insurance plan that provides you with life cover and for an additional premium you can also choose to include critical illness cover.
 - **Life cover** – pays out a lump sum if you die
 - **Life and critical illness cover** - pays out a lump sum if you either die or 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.
- Alternatively, the plan will pay out if you are diagnosed as suffering from a terminal illness.
- 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.
- You must be aged between 16 and 89 at the start of the plan.
- The plan is available for a term of your choice, subject to your age, any options you may choose and any age restrictions of the plan.
- If you choose critical illness cover your children will also be automatically covered under the children's critical illness benefit for £10,000 or 50% of the amount of cover you choose, if lower. Your children are covered whilst they are between the ages of 30 days and 18 years.

How flexible is it?

- This plan is not designed to be flexible. You can't alter the plan once it's started, other than under the terms of the Conversion and Renewal options if selected at the start.

When does the plan pay out?

- We'll pay out a guaranteed cash sum if you:
 - die during the plan term or
 - are diagnosed as suffering from a terminal illness and you aren't likely to live more than 12 months. This only applies before the last 18 months of the plan term or
 - are diagnosed, during the plan term, as having a critical illness that meets our plan definition (if this option is selected at the start of the plan).
- The plan only pays out once so if we do pay out after you make a claim for terminal or critical illness, your plan will end.

■ What else do I need to know about the Critical Illness cover?

To include this cover:

- you must be aged between 16 and 59 at the start of the plan
- if you choose guaranteed premiums, the plan must end before your 65th birthday and the maximum term of the plan can be 25 years
- if you choose reviewable premiums, the plan must end before your 91st birthday and the maximum term of the plan can be 50 years

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 and /or any other provider. If you choose Critical Illness cover the maximum amount of life cover you can have will also be £500,000.

We guarantee to pay you the cash sum if you are diagnosed as having one of the specified critical illnesses covered by the plan, during the plan term, if you choose this cover. Full details of the illnesses covered by the plan are available within the 'Guide to Critical Illness Cover' booklet. Please ask your financial adviser for a copy.

If the cash sum is paid on diagnosis of a critical illness, no further benefit is payable on terminal illness or death and the plan will end.

■ What are the Critical Illness premium options?

Critical Illness premiums can be on a guaranteed or reviewable basis. Your financial adviser will be able to help you decide the best option for your circumstances.

If you choose the **guaranteed basis**, this means your premiums will stay the same throughout the term of your plan.

You may wish however to choose the **reviewable** premium basis. This means that your premium is very likely to change over the term of your plan. A possible advantage of reviewable premiums is that they can be more affordable than guaranteed premiums at the outset of your plan, making your cover more affordable when your plan starts. However, this may mean the premium you need to pay later on could be higher than the guaranteed premium otherwise available at the start of the plan.

How will the Critical Illness premium be reviewed?

If you choose a Critical Illness plan on a reviewable premium basis, we'll review your premiums 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 reinsurance
- 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. The increase could raise your premium to be higher than the guaranteed premium would have been.

What are the 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

- Remove the Critical Illness Cover – you will not get back any premiums you have already paid.
- 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.

What conditions are covered by Critical Illness Cover?

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?

For an extra cost the following options are available:

■ 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.

If you've chosen critical illness 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.

Both the Conversion and Renewal options will be subject to any age limits at the time. If your original plan includes Premium Protection, you can choose to continue to have this on your new plan. However, you will have to complete extra health questions.

The Conversion and Renewal options aren't available if you choose guaranteed critical illness premiums.

If you choose reviewable critical illness premiums only the Renewal option is available. You will be able to renew your critical illness cover under the terms available at that time.

If you don't choose to have critical illness cover you can choose the Conversion and/or the Renewal options.

■ Conversion option

This option allows you to change part or all of your life insurance into another Term Assurance or Whole of Life plan without having to provide more evidence of your health. If you only change part of your life insurance, your original plan will continue with a reduced amount of life insurance and a cheaper premium.

■ Renewal option

This option lets you take out a new plan when this plan ends without having to provide more evidence of your health.

If you've chosen reviewable critical illness and your premiums increase, the cost of the Renewal option will also increase.

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 out the life insurance amount:

- if a claim for terminal illness benefit or critical illness benefit has already been accepted under the plan

We won't pay the terminal illness benefit

- if diagnosis of terminal illness occurs within the last 18 months of the plan and neither the renewal option or conversion option has been included in the 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 7 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 7 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 7 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 terminal or critical illness (if chosen).

What will my premiums be?

- Your illustration shows an indication of the premium you'll need to pay for your chosen amount of life insurance and critical illness cover (if chosen). This amount may change following completion of the underwriting process.
- Your premiums are based on a number of factors. These include:
 - the amount of 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:
 - the options you choose.
- Your premiums can be paid monthly by direct debit or yearly by cheque or direct debit.
- Remember if you choose critical illness on a reviewable premium basis your premium may increase. 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 life insurance, any extra benefits you've 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?

- The cash sum paid on death, terminal illness and critical illness is currently free from income and capital gains tax.
- Death, terminal illness and critical illness benefits may be subject to inheritance tax unless you put your plan in trust. Please ask us for details on our trusts and for an explanatory booklet.
- Tax rules may change.
- Your financial adviser can give you more details about your tax position.

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 overleaf.

How to contact us

- Remember that 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

- If you need to make a claim, please phone or write to us for a claim form.

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 Term Assurance with options. 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 on line, 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 proposal at our normal rates.
- We won't be liable to pay any benefit until:
 - you've completed a proposal 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 Term Assurance 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. We are regulated by the Financial Services Authority (FSA) whose contact details are:
The Financial Services Authority
25 The North Colonnade
Canary Wharf
London
E14 5HS

Potential Conflicts of Interest

- Occasions can arise where Aviva plc group Companies, or their appointed officers, will have some form of interest in business which is being transacted.

If this happens, or the Aviva Group becomes aware that its interests, or those of its officers, conflict with your interests, we will take all reasonable steps to manage that conflict of interest, in whatever manner is considered appropriate in the circumstance. This will be done in a way which ensures all customers are treated fairly and in accordance with proper standards of business.

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.

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.

Norwich Union Life & Pensions Limited. Registered in England No 3253947. 2 Rougier Street, York, YO90 1UU.
Norwich Union Life & Pensions Limited is authorised and regulated by the Financial Services Authority.
Member of the Association of British Insurers. The Future Assured Plan is not a regulated product.
www.norwichunion.com

Aviva and Norwich Union. The team behind **uk:athletics** 

