

# Business Life Insurance Options

## Policy Summary

### Business Life Insurance Options

This summary tells you the key things you need to know about our Business Life Insurance Options policy. It doesn't give you the full terms of the policy. You can find these in our policy conditions.

Any references to 'we', 'us' or 'our' refer to Aviva unless stated otherwise.

In this summary, we assume you're the policyholder and have applied to cover the life of someone else. However, it's possible to use our Business Life Insurance Options policy to cover your own life.

When you take out a policy, we'll send you a policy schedule. You should read this carefully because it shows what's included on your policy. If something isn't included on your policy, it may be because you didn't select it, it wasn't available for you to select, or you selected it but we've excluded it due to underwriting.

Business Life Insurance Options is provided by Aviva Life & Pensions UK Limited.

### What is Business Life Insurance Options?

Our Business Life Insurance Options policy can help to financially protect your business. It lets you choose life cover or life and critical illness cover:

- Life cover pays out if the life covered dies during the policy term
- Life and critical illness cover pays out if the life covered dies or is diagnosed with or undergoes surgery for a critical illness that meets our policy definition, during the policy term, and survives for at least 10 days. We only cover the critical illnesses we define in our policy and no others.

Both types of cover include terminal illness cover. This pays out if, during the policy term, the life covered is diagnosed with a terminal illness that meets our definition. The policy will only pay the full cover amount once. So when we've paid a claim, the policy will end. For more information, please read the policy conditions.

You can use Business Life Insurance Options to cover one person (single policy) or two people (joint policy). For joint policies, you can choose a combination of life cover and/or life and critical illness cover. We'll only pay out once. So when we've accepted a claim for one life covered, the policy will end.

The policy has no cash-in value at any time.

### Can I apply for a Business Life Insurance Options policy?

At the time you complete the application, you and the life covered must be:

- at least 18, and
- currently living in the UK, the Channel Islands, the Isle of Man or Gibraltar and meet our residency rules. For more information on this, have a look at the eligibility section in your policy conditions.

Companies must be incorporated and registered in the UK.

The life covered must be:

- aged between 18 and 77 for life cover only
- aged between 18 and 64 for life cover with waiver of premium, conversion option or the renewal option
- aged between 18 and 59 for life cover with both waiver of premium and the renewal option
- aged between 18 and 77 for increasing cover
- aged between 18 and 64 for life and critical illness cover
- aged between 18 and 59 for life and critical illness cover with the renewal option (only available with guaranteed premiums).

### How long does the policy last?

- The policy can last between one and 50 years
- The policy term can be in full years or until the life covered reaches a specific age
- For life cover, increasing cover and life and critical illness cover with reviewable premiums, the policy has to end before the life covered turns 91
- For life and critical illness cover with guaranteed premiums, the policy has to end before the life covered turns 76
- For total permanent disability, conversion option or waiver of premium, the policy has to end before the life covered turns 71

- For life cover with the renewal option only, the policy has to end before the life covered turns 71
- For life and critical illness cover with the renewal option, and life cover with both the renewal option and waiver of premium, the policy has to end before the life covered turns age 65
- For increasing cover, the renewal option and the conversion option, the minimum term is five years
- For life and critical illness cover with reviewable premiums, the minimum term is six years.

## What do I need to do?

- You must answer all our application questions completely, truthfully and accurately. This includes information provided by you and by the life covered. If the information provided is not truthful, accurate or complete we may amend or cancel your policy, or we may not pay a claim
- You need to tell us if any of the information you, or the life covered have given us changes between completing your application and us confirming when your policy will start
- You need to regularly review the cover you've got to make sure it meets your needs
- You need to pay all your premiums.

## What types of cover can I choose?

You can choose from two types of cover:

- Level cover – We'll pay the cover amount as a lump sum and it will stay the same throughout the policy term
- Decreasing cover – We'll pay the cover amount as a lump sum. It will decrease each month, broadly in line with a repayment loan, for example a mortgage, using a fixed interest rate of between 4% and 18%. The interest rate is selectable when you apply.

## Which critical illnesses do you cover?

We've listed the conditions our Business Life Insurance Options policy covers. This list is only a guide to what's covered.

In our policy conditions we've listed the full definition of the illnesses and when you can claim. The definitions use medical terms and explain in detail what is and isn't covered.

For example, some types of cancer are not covered. Also, for some illnesses, the life covered will need to have permanent symptoms to make a claim

- **Aorta graft surgery** – for disease or trauma
- **Aplastic anaemia**
- **Bacterial meningitis**
- **Benign brain tumour** – resulting in permanent symptoms or requiring invasive surgery
- **Benign spinal cord tumour**
- **Blindness** – permanent and irreversible
- **Cancer** – excluding less advanced cases
- **Cardiac arrest** – with insertion of a cardiac defibrillator
- **Cardiomyopathy** – of specified severity
- **Coma** – with associated permanent symptoms
- **Coronary artery by-pass grafts**
- **Creutzfeldt-Jakob disease**
- **Deafness** – permanent and irreversible
- **Dementia** – of specified severity
- **Devic's disease** – with persisting clinical symptoms
- **Encephalitis**
- **Heart attack**
- **Heart valve replacement or repair**
- **Intensive care** – requiring mechanical ventilation for 10 consecutive days
- **Kidney failure** – requiring permanent dialysis
- **Liver failure**
- **Loss of hand or foot** – permanent physical severance
- **Major organ transplant** – from another donor
- **Motor neurone disease** – resulting in permanent symptoms
- **Multiple sclerosis** – where there have been symptoms
- **Multiple system atrophy**
- **Paralysis of a limb** – total and irreversible
- **Parkinson's disease** – resulting in permanent symptoms
- **Pneumonectomy** – removal of a complete lung
- **Primary pulmonary hypertension** – of specified severity
- **Progressive supranuclear palsy**
- **Pulmonary artery surgery**
- **Rheumatoid arthritis** – of specified severity
- **Severe lung disease** – of specified severity
- **Spinal stroke** – resulting in permanent symptoms
- **Stroke**
- **Structural heart surgery**
- **Systemic lupus erythematosus** – of specified severity
- **Third degree burns** – covering at least 20% of the body's surface area or covering at least 20% of the surface area of the face or head
- **Traumatic brain injury** – resulting in permanent symptoms

## Additional critical illness benefit

Our Life and critical illness cover includes additional critical illness benefit.

If the life covered is diagnosed with one of the following illnesses during the policy term and survives for 10 days we'll pay:

<b>Carcinoma in situ of the breast</b> – requiring surgery to remove the tumour	<b>The lower of £25,000 or 25% of the cover amount</b>
<b>Low-grade prostate cancer</b> – with specified treatment	
<b>Arteriovenous malformation (AVM) of the brain</b> – with specified treatment	<b>The lower of £20,000 or 20% of the cover amount.</b>
<b>Bladder removal</b>	
<b>Carcinoma in situ of the cervix</b> – requiring treatment with hysterectomy	
<b>Carcinoma in situ of the testicle</b> – requiring surgical removal of one or both testicles	
<b>Cerebral aneurysm</b> – with specified treatment	
<b>Crohn's disease</b> – treated with intestinal resection	
<b>Non-malignant pituitary tumour</b> – with specified treatment	
<b>Removal of an eyeball</b>	
<b>Ulcerative colitis</b> – treated with total colectomy	

Each person covered by the policy can claim for each of these conditions once. If you claim for an additional critical illness, your policy will continue. It won't affect what we pay for any other benefit in the future.

## What else is included on the policy?

### Business change benefit

As a business grows and changes, you may find your need for cover increases. Our business change benefit lets you take out more cover without answering any further medical questions. This benefit is only available if we accept your policy on our standard terms. Your policy schedule will confirm if it's included.

You can use this benefit for the following business changes:

- Increase in the value of a key person.
- Increase in business loan.
- Increase in value of partner or shareholder interest.

You can increase your cover amount to the lower of:

- £200,000
- the original amount of cover you had at the start of your policy
- the loan increase
- the salary increase
- the share value increase.

The increase in benefit will be on a new policy, for an additional premium.

There are some limits on using the business change benefit. For full details, please read the policy conditions.

### What other benefits can I choose?

Depending on the type of cover you choose, you may be able to add the following options to your policy:

### Waiver of premium

If you choose waiver of premium, we'll pay your premiums if the life covered can't work because they're ill or injured.

To take it out, they must be employed. However, if they become unemployed or decide to become a houseperson after you've taken it out, you will still be able to claim.

If you have a joint policy, you can add waiver of premium for one or both people covered.

We apply a deferred period before we start paying your premiums following a successful claim. You can choose your deferred period at the start of your policy. This can either be one, three or six months.

When the deferred period ends, we'll start paying your premiums if the life covered can't work. Or, if they're unemployed or a houseperson, we'll start paying if they can't perform at least two work tasks. You can find more information on work tasks in the policy conditions.

We'll stop paying your premiums when one of the following happens:

- Your policy ends
- The life covered goes back to work
- The life covered is no longer ill or injured.

### Increasing cover

If you have level cover you can choose to help counter the effects of inflation by automatically increasing your cover amount each year without answering any further medical or financial questions.

If your cover increases so will your premium. In the event of an increase your premium will increase at a higher percentage than your cover amount.

### **Index-linked increasing cover**

- Your cover amount will increase each year in line with any change in the Retail Prices Index (RPI) up to a maximum of 10%
- Your premiums will increase each year, in line with any increase in the RPI multiplied by 1.5. If the RPI doesn't increase your premium will remain the same. The maximum your premium could increase by is 15%.

### **Fixed increasing cover**

- You can choose to increase your cover amount by 3% or 5%
- Your premiums will increase each year by your chosen fixed increase rate multiplied by 1.5 (e.g. 4.5% or 7.5%).

For both options, you can choose not to increase your cover if you don't want to pay higher premiums. If you do this, your cover amount, and your premiums, will stay the same. We'll reinstate the increasing cover option the following year. If you decide against the increase three times in a row, we'll remove the option from your policy.

### **Conversion option**

Available with level life cover.

At any point during the policy term, you can choose to convert your policy to a whole of life policy without answering any medical questions. So, instead of the cover stopping when your policy ends, it will last for the rest of the insured person's life.

This option isn't available with life and critical illness cover or the increasing cover option. The conversion option is only available if we accept your policy at standard terms.

### **Renewal option**

Available with level cover.

You can renew your cover at the end of the policy term without having to answer any medical questions.

This option isn't available with reviewable premiums or the increasing cover option. The renewal option is only available if we accept your policy at standard terms.

### **Total permanent disability**

Available with life and critical illness cover.

Total permanent disability pays out the full cover amount if the life covered has an illness or injury that means they're unable to:

- do their own occupation ever again; or
- perform three or more specific work related tasks ever again.

We'll confirm which assessment criteria we'll use in your policy schedule.

You can find more information on work tasks in the policy conditions.

### **Instalment option**

Available with level cover.

If you make a claim the cover amount will be paid in 2, 3, 4 or 5 equal yearly instalments.

If selected, you will not be able to remove this option from the policy at a later date.

### **Premiums**

If you choose life cover, your premiums are guaranteed. This means they'll stay the same throughout your policy unless you make a change or choose increasing cover.

If you choose life and critical illness cover, your premiums can be either guaranteed or reviewable.

If you choose life and critical illness cover with reviewable premiums, it's likely your premiums will change during the course of the policy.

We'll review your premiums every five years to determine if you're paying the right amount for your cover.

If, following the review, your premium needs to change we'll assess the change fairly. We won't look at personal circumstances of the life covered – for example, their age, health and lifestyle.

We'll consider the following factors when reviewing your cover:

- The impact of medical advances and trends which may affect our expectation of future claims
- Industry developments and claims experience
- Changes to legislation, taxation and regulation
- The amount, timing and cost of current and future claims.

Following a review your premiums may increase or decrease. There are no limits on how much your premium can change by.

We'll write to you to let you know the outcome of our review at least 30 days before your anniversary date.

Following a review:

- If the change is less than 2% or 50p, your premium will stay the same
- If your premium goes down, we'll automatically change your Direct Debit
- If your premium goes up, you have two options:
  - You can pay the increased premium. We'll automatically change your Direct Debit
  - You can keep your premium the same and reduce your cover amount. If you want to do this, you need to let us know. If you don't, we'll increase your premium.

## Can I make changes to my policy?

You can remove the optional benefits and increase or decrease the amount of cover you have once the policy has been in place for at least six months from the start date. If you do, we may change or replace your original policy. Or, we may issue a new policy. We may require some medical information.

For more information, please read the policy conditions.

## When won't the policy pay out?

The policy won't pay out if:

- The life covered is diagnosed with an illness which isn't defined in your policy
- your policy ends because you haven't paid your premiums
- you cancel your policy
- you, or the life covered, haven't answered all the questions on the application completely, truthfully and accurately
- you didn't tell us about any changes that occurred between you completing your application and us confirming your policy start date
- the life covered dies in the first 12 months of the policy as a result of suicide or intentional self-inflicted injury
- the life covered is diagnosed with a terminal illness and is expected to live longer than 12 months
- the life covered dies outside of the policy term
- the life covered is diagnosed with a terminal illness or a critical illness outside of the policy term.

## How to make a claim

Call Aviva on **0800 015 1142**. From outside the UK, the number is **+441603 603 277**. For our opening hours, please refer to our website [aviva.co.uk](http://aviva.co.uk).

Calls may be monitored and will be recorded.

Calls to 0800 numbers from UK landlines and mobiles are free. Calls from outside the UK may be charged at international rates

## What about tax?

The tax treatment of the premiums and any payments we make will depend on whether you're insuring the life of an individual on a key person basis, protecting a business loan or the cover is for shareholder or partnership protection. For more information on this please speak to your financial adviser.

If you live in Gibraltar, tax relief on premiums paid by individuals is allowed under the allowance based system of tax at the rate of 17%, as long as they don't exceed 1/7th of your assessable income or 7% of the cover amount. The payments we make are free from income and capital gains tax.

Wherever you live, we'd always recommend that you get independent financial advice. This is because your individual circumstances can affect your tax position.

Please remember that tax rules may change in the future.

## Can I change my mind?

You have 30 days to change your mind. The 30 days start from the later of:

- the date you get your policy schedule, or
- the day we confirm when your policy will start.

If you cancel within this period, we'll refund any premiums you've paid. If you don't cancel within this time your policy will continue in line with the policy conditions. You can still choose to cancel after the 30 days, but you won't get any money back.

## How do I contact you about my policy?

If you have one, your financial adviser will usually be your first point of contact. If you haven't, you can get in touch with us:

Call us on **0800 2851 098**. From outside the UK, the number is **+44 1603 603 479**. Lines are open Monday to Friday 8:00am – 6:00pm. Calls may be monitored and will be recorded

Email us on **protection@aviva.com**

Write to us at Aviva, PO Box 520, Norwich, NR1 3WG.

Please note that whilst we can discuss the product features with you, we cannot provide you with any financial advice.

Please note – our call centre opening hours are correct at the time of publishing this document, but may change in future. Please refer to our website for further information at [Aviva.co.uk](http://Aviva.co.uk).

## How to complain

If you've taken a product out with Aviva and are unhappy with the product or the service you received, you can contact us using the details in the 'How do I contact you about my policy' section.

We aim to resolve your complaint quickly. If we can resolve your complaint within three working days following the day we receive it, we will write and confirm this to you, along with your rights to refer your complaint to the Financial Ombudsman Service (FOS).

If your complaint is not resolved within three working days of receiving your complaint:

- Your complaint will be acknowledged promptly.
- A dedicated complaint expert will be assigned to review your complaint.
- A thorough and impartial investigation will be carried out.
- You will be kept updated of the progress. – Everything will be done to resolve things as quickly as possible.

- A written response will be sent to you within eight weeks of receiving your complaint, this will inform you of the results of the investigation or explain why this isn't possible.

Where your concerns are unable to be resolved or have not been resolved within eight weeks, you may be able to ask the FOS to carry out an independent review. Whilst firms are bound by their decision you are not. Contacting the FOS will not affect your legal rights. You can contact them on **0800 023 4567** or visit their website at **financial-ombudsman.org.uk**, where you will find further information.

## Law

This policy is governed by the law of England. Your contract will be in English and we will always write and speak to you in English.

We're regulated by the Financial Conduct Authority:

The Financial Conduct Authority  
12 Endeavour Square  
London  
E20 1JN

We're also regulated by the Prudential Regulation Authority:

The Prudential Regulation Authority  
20 Moorgate  
London  
EC2R 6DA

## Compensation

Our Business Life Insurance Options policy is covered by the Financial Services Compensation Scheme. If we become insolvent and we can't meet our obligations under this policy, the scheme may cover you for up to 100% of any successful claim you make.

For more information on this scheme, please visit [fscs.org.uk](http://fscs.org.uk) or call **0800 678 1100** or **0207 741 4100**.

## Solvency Financial Condition Report

Every year we publish a Solvency and Financial Condition report which provides information about our performance, governance, risk profile, solvency and capital management. This report is available for you to read on our website at **[aviva.com/investor-relations/institutional-investors/regulatory-returns/](http://aviva.com/investor-relations/institutional-investors/regulatory-returns/)**.

## Our Business Protection Promise

We understand how important it is to have life cover in place. That's why we'll aim to give you a decision as quickly as possible. If we need more information before we can give you a decision, our enhanced Business Protection Promise will provide cover free of charge.

After we've received a fully completed application form, we'll confirm that your free cover has started. The cover will end on the earliest of:

- 10 days after we make our acceptance offer; or
- the date we decide to defer or decline your application; or
- the date you withdraw your application; or
- 90 days from our confirmation that your cover under our protection promise has started.

The Protection Promise will pay out if a life covered dies unless:

- we haven't received complete and accurate information as part of your application
- death is as a result of suicide or self-inflicted injury
- death is a result of a pre-existing medical condition present at the date of your application, which the life covered knew about or was having symptoms of.

We'll pay the total cover amount you've applied for up to a maximum of £1,000,000.

In the case of joint/multiple applications, we will only pay out once under the protection promise – regardless of the number of applicants or the amount of policies applied for.

### Important:

You need to tell us about any changes in the health or medical history of the life covered as soon as possible before we tell you when the cover will start, or we decline or defer the application.


If you don't, we may not be able to pay a Business Protection Promise claim, or any subsequent claim on a policy.

Until we confirm the Business Protection Promise has started, we can change or withdraw it at any time.

## Need this in a different format?

Please get in touch if you'd prefer this policy summary (**AL15005**) in large font, braille, or as audio.

## How to contact us

 0800 285 1098 (+44 1603 603 479)

 [directprot@aviva.com](mailto:directprot@aviva.com)

 [MyAviva.co.uk](https://www.aviva.co.uk)

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