

# Policy Summary of Relevant Life Insurance



## Keep this document safe

This summary gives you an overview of what a **Relevant Life Insurance** policy is. It isn't the full details. We'll start with the basic information on the next page, and then give you more detail in the rest of the document.

For full details of the policy, have a look at the separate document, called the '**policy conditions**'.

If you buy this policy, we'll send you a third document – the '**policy schedule**'. This will be personalised to you, so it will show you what's included in your particular policy.

# The basics

## What is Relevant Life Insurance?

Relevant Life Insurance allows you, as an employer, to provide life cover for one of your employees. You can also choose to provide employee significant illness cover.

## Tax benefits with Relevant Life Insurance

Relevant Life Insurance can also offer potential tax benefits.

Premiums are paid by you, as the employer, and may be treated as a business expense, but this must be agreed by you with HM Revenue & Customs. The cover doesn't form part of your employee's lifetime pension allowance.

To comply with the statutory requirements, under this Relevant Life Insurance policy it's necessary that the cover amount should be paid only on:

- (a) death, or
- (b) meeting our definition of terminal illness, or
- (c) meeting our definition of employee significant illness.

Please note that (c) above requires the illness to result in the retirement or anticipated retirement of the life covered. Also, this means retirement from their employment with you, and not termination of the employment for any other reason.

If you've any questions about the tax benefits under your policy, you should seek your own legal and/or financial advice. Please remember, tax rules may change in the future.

## Money if your employee dies or becomes seriously unwell

If your employee – the life covered – dies whilst you have a policy, we'll pay out a lump sum.

You can also choose to provide life and employee significant illness cover. This means we'll pay if the life covered meets the definition for one of our defined employee significant illness conditions during the policy term, survives for at least 10 days and the condition results in the retirement or anticipated retirement of the life covered.

Both kinds of cover include terminal illness cover. This pays a lump sum for a diagnosis of terminal illness.

The money paid out from Relevant Life Insurance must go to an individual or charity.

You need to regularly review the cover you've got, to make sure it still meets the needs of you and your employee.

## Choose how much we pay

You can choose the amount of money we pay – this is called your cover amount.

We only pay the cover amount once, so if we accept a claim for the death benefit, terminal illness benefit or employee significant illness cover, the plan will end.

You can also choose how long you want your policy to last – this period is your policy term. This is important because if any of the things we talk about in this summary happens outside the policy term, we won't pay anything.

During the policy term, you pay us money every month – your premium. If you stop paying your premiums or cancel the policy, your employee won't be covered, and you won't get any money back.

This isn't a policy you can cash in.

## Choose extra features

Your policy has some features which are included as standard, including the ability to transfer the policy if your employee leaves your employment.

You can also pay more to add different benefits, if you want to.

There are different policy terms and age limits, depending on the options you choose.

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# How a Relevant Life Insurance policy works

To get a Relevant Life Insurance policy, the employer needs to be based in the UK. Your employee – the life covered – needs to be a permanent resident of the UK.

The policy isn't suitable for covering sole traders, equity partners of a Partnership or equity members of a Limited Liability Partnership (LLP). But, it can be used to cover their employees. It can also cover employees or directors of limited companies.

Your policy term can be between one and 50 years, either in whole years or until your employee reaches a specific age. The age depends on the kind of cover you have. Have a look at the table on page 13 to see the age ranges for all the options.

## Choose between two kinds of cover

You can choose life cover or life and employee significant illness cover. The main benefits of each are described below.

### Life cover

With life cover, we pay a death benefit if the life covered dies during your policy term. We won't pay it if they die in the first 12 months of the policy term because of suicide or intentional, self-inflicted injury.

### Life and employee significant illness cover

Life and employee significant illness cover includes the death benefit as above.

It also includes cover if during your policy term, the life covered meets the definition for one of our defined employee significant illness conditions, survives for at least 10 days and the condition results in the retirement or anticipated retirement of the life covered.

We only cover the employee significant illnesses we define in our policy and no others.

You'll find more about the conditions we cover in the section starting on page 10. You can also find the criteria that needs to be met to make a claim in your policy conditions.

### Both kinds of cover include terminal illness cover

This pays the cover amount if the life covered is diagnosed with a terminal illness during the policy term, and an attending consultant doesn't expect them to live longer than 12 months. You can find more information in your policy conditions.

# How a Relevant Life Insurance policy works

## Can I apply?

You can apply for Relevant Life Insurance if you're an employer and the life covered is your employee. The employer and employee must be living in the UK and meet our residency rules. Companies must be incorporated and registered in the UK. You can find more information in your policy conditions.

To get a policy, the life covered must be:

- aged between 18 and 73 for life cover, and
- aged between 18 and 64 for life and employee significant illness cover.

When you apply you'll need the life covered to answer:

- health and lifestyle questions, and
- questions about their personal circumstances.

We use this information to work out how much cover we can offer and how much you'll pay for your policy. So it's important that you and the life covered answer all our questions as fully, truthfully and accurately as possible. If not, we might change or cancel your policy, or we might not pay out on a claim.

If any of the information changes before we've confirmed when your policy will start, you'll need to tell us. You can contact us using the details in the 'Contact us' section on page 18.

# Choose how your employee is covered

Relevant Life Insurance is level cover – this means the lump sum that we'll pay will stay the same throughout the policy term.

## You could add increasing cover

Because inflation might reduce the value of your cover over time, you might want to add increasing cover, where your cover amount goes up each year. There are two kinds of increasing cover, which we've shown below.

### Fixed increasing cover

Your cover amount will automatically go up every year by a fixed percentage. You can choose whether it goes up by 3% or 5%. Your premiums will go up as well, by 4.5% or 7.5%, respectively.

### Index-linked increasing cover

Your cover amount will automatically go up every year, in line with any increase in the Retail Prices Index (RPI), up to a maximum of 10%.

Your premiums will also go up. They'll go up at 1.5 times the rate of your benefit, up to a maximum of 15%. If the RPI doesn't go up, your cover amount or your premium won't either.

Whichever kind of increasing cover you have, if you don't want your cover or your premiums to go up one year, you can skip an increase. Your cover amount and premiums will stay the same that year. We'll offer you the increase again the following year.

If you skip the increase three years in a row, we'll take increasing cover off your policy. That means we won't automatically increase your cover amount or premiums after that. You won't be able to add increasing cover back on to your policy later.

# Your premiums

Your monthly premiums depend on what type and the amount of cover you choose, as well as the age, job, health, lifestyle, and smoking habits of the life covered.

When you first apply for a policy, we quote you a premium for the benefits you've asked for. If the premiums and benefits are still the same after the application process, and we haven't applied any exclusions, the policy will be on our standard terms.

If you have life cover you'll have guaranteed premiums. With life and employee significant illness cover you can choose from guaranteed or reviewable premiums.

## Guaranteed premiums

The amount you pay is the same every month, unless you choose to add increasing cover. If you do your premiums will go up. But they'll only go up in a set way, in line with the rate you've chosen.

## Reviewable premiums

We'll review your premium every five years to check if you're paying the right price for the cover you've chosen. We'll look at things like our claims experience, medical advances, changes in the law and the insurance industry to decide whether your premiums should change.

We'll confirm whether they need to go up, down or stay the same. We don't look at things like your employee's age or their health as part of this review.

If your premium goes up and you don't want to pay it, you can keep your premium as it is and bring down your cover amount.



# Extra benefits included at no extra cost

Whether you have life cover or life and employee significant illness cover, you may be eligible for some additional benefits at no extra cost. We'll confirm this in your policy schedule.

For some of these your employee will need to be within a certain age range. We've put all the age ranges in a table on page 13.

## Increase the cover amount if your employee's life changes:

### Life change benefit

Once your policy is up and running, you can increase the cover for your employee to keep up with changes in their life. You can do this if your employee:

- gets married or enters into a civil partnership
- divorces, dissolves a civil partnership or separates
- becomes a parent
- gets a bigger mortgage because they're moving, buying somewhere or improving their home, or
- gets at least a 20% pay rise because they've either been promoted or has a different employer.

Your employee won't need to answer any extra health and lifestyle questions.

You can increase your cover amount to the lower of:

- £200,000
- the original cover amount you had at the start of the policy, or
- the amount their mortgage has gone up by.

There are some limits on how and when you can use life change benefit, so please read your policy conditions for more information.

The increase in benefit will be on a new policy, for an additional premium. You can only get this benefit if we accept your policy on standard terms.

## In the event your employee leaves your employment:

### Continuation benefit

If the life covered leaves your employment they won't be covered and the policy will be suspended. If, however, you choose to use the continuation benefit, the policy can continue by transferring it to their new employer.

If you transfer it to their new employer it will keep its relevant life status and the new employer will take over paying the premiums.

Or, this policy can be cancelled and the life covered can take out a new policy without further health and lifestyle questions being asked. The new policy will not have a relevant life status and will be a life only policy. The new premium will be based on the rates available at that time and the life covered's personal circumstances.

This benefit needs to be used within 90 days of the life covered leaving your employment otherwise the policy will end.

Whilst the policy is suspended, we'll not pay any claim. However, cover will restart when the policy transfer has been completed.

For full details, please read the policy conditions.

# What conditions are covered under life and employee significant illness cover

Below are details of the 28 employee significant illness conditions.

You can find full definitions of these conditions, and the circumstances in which you can claim, in your policy conditions.

## Details of the conditions covered

- **Advanced cancer** – of specified severity
- **Aplastic anaemia** – with bone marrow failure
- **Bacterial meningitis** – resulting in permanent symptoms
- **Benign brain tumour** – resulting in permanent symptoms
- **Benign spinal cord tumour** – resulting in permanent symptoms
- **Brain injury due to anoxia or hypoxia** – resulting in permanent symptoms
- **Creutzfeldt-Jakob disease**
- **Dementia** – resulting in permanent symptoms
- **Encephalitis** – resulting in permanent symptoms
- **Intensive care** – resulting in permanent symptoms
- **Kidney failure** – requiring permanent dialysis
- **Liver failure**
- **Major organ transplant** – from another donor where applicable
- **Motor neurone disease** – resulting in permanent symptoms
- **Multiple sclerosis** – with persisting symptoms
- **Neuromyelitis optica** – with persisting symptoms
- **Parkinson's disease** – resulting in permanent symptoms
- **Parkinson's plus syndromes** – resulting in permanent symptoms
- **Pneumonectomy**
- **Psychosis and bipolar affective disorder** – of specified severity
- **Pulmonary arterial hypertension** – of specified cause and severity
- **Respiratory failure** – of specified severity
- **Severe heart condition** – of specified severity
- **Spinal stroke** – resulting in permanent symptoms
- **Stroke** – resulting in permanent symptoms
- **Systemic lupus erythematosus** – of specified severity
- **Third degree burns** – of specified severity
- **Traumatic brain injury** – resulting in permanent symptoms

# You can pay to add an extra benefit

Available with life and employee significant illness cover if you pay a higher premium.

## Total permanent disability cover

We'll pay 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 at least three of the work-related tasks ever again.

We'll confirm which of the above criteria we'll use in your policy schedule. Under both criteria, the life covered must also have retired.

When we pay a claim for total permanent disability, your policy will end.

You can find full details of when you can claim and the work-related tasks we use within your policy conditions.

# Summary of the benefits

Here's a summary showing what's included with your policy, and which extra benefits you can add:

	Life Cover	Life and employee significant illness cover
<b>Death benefit</b>	It's included	It's included
<b>Terminal illness benefit</b>	It's included	It's included
<b>Employee significant illness benefit</b>	<b>Not included</b>	It's included
<b>Life change benefit</b>	Included if we accept your policy on our standard terms	Included if we accept your policy on our standard terms
<b>Continuation benefit</b>	It's included	It's included
<b>Increasing cover</b>	It's available	It's available
<b>Total permanent disability</b>	<b>Not available</b>	It's available
<b>Premiums</b>	Guaranteed	Guaranteed or reviewable

# Maximum ages for each kind of cover

To get a Relevant Life Insurance policy the life covered needs to be 18 or over.

If you've more than one of these options, the limits that apply will be the lowest maximum age and the highest minimum term.

	Maximum age at the start of the policy	Maximum age at the end of the policy	Minimum policy term
Life only	73	74	1 year
Life and employee significant illness cover (guaranteed premiums)	64	74	1 year
Life and employee significant illness cover (reviewable premiums)	64	74	6 years
Increasing cover	64	74	5 years
Life change benefit	54	54*	1 year
Total permanent disability	64	70	1 year

\* The benefit ends when the life covered reaches this age, but the policy will continue if you've chosen a longer term.

# Things to think about

Once your policy has started, you should look at your cover again regularly to make sure it's still the right cover for you and your employee.

## Tell us if things change

After you've applied, you must let us know if any of the information you or the life covered has given us changes before we tell you when your policy starts. You can contact us using the details in the 'Contact us' section on page 18.

## Changing your cover

Six months after your policy has started, you can remove increasing cover, employee significant illness cover or total permanent disability, if you want to. You can also change your policy term or cover amount.

To make these changes, we might change your original policy or we might issue a new policy. So the life covered might need to answer more health and lifestyle questions. For more information, have a look at your policy conditions.

## If you want to cancel

You can change your mind and cancel your policy by contacting us using the details in the 'Contact us' section on page 18. We'll refund any premiums paid if you cancel within 30 days of you receiving the policy schedule or the day we confirm the policy will start (whichever is the later). If you don't cancel within this time your policy will continue in line with the policy conditions. You can still choose to cancel outside these 30 days but we won't refund any premiums.

This isn't the kind of policy that you can 'cash in' – so you don't get any money if you cancel it.

If you cancel your policy, your employee won't be covered.

# You're protected while we find out more during your application.

## **This is called 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 on your application as quickly as possible.

If we need more information before we can give you a decision, our business protection promise will provide life cover free of charge.

## **When the business protection promise will end**

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,
- your policy start date,
- the date we decide to defer or decline your application,
- the date you withdraw your application, or
- 90 days from our confirmation that your free cover under business protection promise has started.

## **What benefit is paid under the business protection promise**

The business protection promise will pay out if the 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 intentional self-inflicted injury, or
- 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 multiple applications, we will only pay out once under the business protection promise – regardless of the number of policies applied for.

## **The importance of providing truthful and accurate information**

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'll 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 this offer at any time.

# Law, compensation and tax

## Law and language

This policy is governed by the law of England. Your contract will be in English and we'll 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

## 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/](https://www.aviva.com/investor-relations/institutional-investors/regulatory-returns/).

## You could get compensation if we become insolvent

Our Relevant Life Insurance 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.

To find more information about the FSCS, including how to contact them via email and webchat:

Website: [fscs.org.uk](https://www.fscs.org.uk)

Phone: **0800 678 1100** or **0207 741 4100**.

## Tax

Our Relevant Life Insurance policy has been designed to meet legislative requirements. There may be tax benefits that apply provided the requirements set out in the legislation are met. You should rely on the advice of your legal and/or financial advisers.

The policy must be taken out under an Aviva Discretionary Trust for Relevant Life Insurance. If you've any questions about setting up the trust, you should ask your financial adviser. We'll pay the cover amount to the trustees of the trust. The payments we make will be free from personal liability to income and capital gains tax. Generally, the cover amount paid won't be liable for inheritance tax as under the trust it won't form part of the life covered's estate.

However, there could be IHT charges under the trust if the life covered has died or is in very serious ill health.

To comply with the statutory requirements, under this Relevant Life Insurance policy, it's necessary that the cover amount should be paid only on:

- (a) death, or
- (b) meeting our definition of terminal illness, or
- (c) meeting our definition of employee significant illness.

Please note that (c) above requires the illness to result in the retirement or anticipated retirement of the life covered.

The premiums payable should be allowable as a business expense and are likely to be included within staff costs as part of the employer's annual return.

However, this is a matter of agreement between the employer and HMRC. For more information on this please speak to your financial adviser.

Please remember that tax rules may change in the future.



# 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 'Contact us' 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 we cannot resolve your concerns, or have been unable to resolve them 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](https://www.financial-ombudsman.org.uk), where you will find further information.

# Contact us

## Before you make a claim

Remember that we won't be able to pay anything if:

- your policy has ended because you haven't paid your premiums
- your policy ends because the life covered has left your employment and the continuation option has not been exercised within 90 days
- you cancel your policy
- you, or the life covered, haven't answered all our questions truthfully and accurately
- you, or the life covered, 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 term because 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 is diagnosed with, or has surgery for, something that isn't defined in the policy
- the life covered dies or is diagnosed with a terminal illness or employee significant illness outside of the policy term
- the life covered dies or is diagnosed with a terminal illness, or employee significant illness, within 90 days from leaving your employment but before the policy has been transferred to a new employer, or to the life covered, under the continuation benefit
- the life covered is diagnosed with an employee significant illness which doesn't lead to their retirement or anticipated retirement.

## To make a claim



Call us on:

**0800 015 1142**



If you're outside the UK, call:

**+44 1603 603 277**

For our opening hours,  
please refer to our website [aviva.co.uk](https://www.aviva.co.uk).  
Calls may be monitored and will be recorded.



Write to us at:

Aviva  
PO Box 520  
Norwich  
NR1 3WG



Email us at:

**protection@aviva.com**

## Talk to us about your policy



Call us on:

**0800 285 1098**



If you're outside the UK, call:

**+44 1603 603 479**

For our opening hours,  
please refer to our website [aviva.co.uk](https://www.aviva.co.uk).  
Calls may be monitored and will be recorded.



Write to us at:

Aviva  
PO Box 520  
Norwich  
NR1 3WG



Email us at:

**protection@aviva.com**


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



## Need this in a different format?

Please get in touch if you would prefer this policy summary (**AL18004**) in large print, braille or as audio.

## How to contact us

 0800 285 1098 (+44 1603 603 479)

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

 [MyAviva.co.uk](http://MyAviva.co.uk)

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