

Key features of the Immediate Lifetime Care Plan



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The Financial Conduct Authority is a financial services regulator. It requires us, Aviva Life & Pensions UK Limited, to give you this important information to help you to decide whether our Immediate Lifetime Care 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.

Please read this document, along with the terms and conditions and accompanying illustration. Where relevant information is contained in other documents these will be signposted at the appropriate point. The purpose of this document is to help you make an informed decision.

What is the Immediate Lifetime Care Plan?

This plan pays monthly immediate care benefits if you need formal paid-for care due to a physical disability or mental impairment. We'll pay the immediate care benefit until you die.

Who should consider the Immediate Lifetime Care Plan?

You should consider this plan if:

- you're aged 60 or over
- you reside in the UK
- you expect to receive formal care for the rest of your life, either in a care home or at home, for which you have to pay.

This plan can be purchased either by the person requiring care or their legal representative. It can also be purchased by someone else if they're buying it on behalf of the person requiring care.

Its aims

To make monthly payments that will fund part or all of the cost of the care you need for the rest of your life.

Your commitment

To pay the agreed single premium.

Risks

- The total payments we've made by the date of your death may be less than the single premium you've paid.
- The cost of any care services you need may be more than the payments we make.
- The cost of care services you need may rise faster than the payments from the plan. If it does, this means you may need to make up the difference yourself.

- Some state and local authority benefits are means-tested, and your entitlement (if any) to receive them may be affected by the payments from an Immediate Lifetime Care Plan.
- Your plan has no cash-in value at any time.
- If we can't pay part or all your immediate care benefit direct to a registered care provider, we'll pay you instead. For example, we'll need to pay you direct if you've made your own informal care arrangements, or if in the future, you qualify for NHS continuing care, or a similar funding arrangement. The amount we'll pay will be after any tax has been deducted, based on the tax rules at the time.

Questions and answers

Can I change my mind?

- You can change your mind within 30 days from when we tell you the plan has started. When we confirm that the plan has started, we'll also send you a 'Your right to change your mind' form. If you decide you no longer want to take out this plan, please return the form within the 30 days. The address to send it to is shown in the 'How to contact us' section on page 4. We'll refund your premium less any payments that we've made to you in the meantime.
If you don't let us know that you want to cancel your plan within 30 days, it will continue in accordance with the plan terms and conditions and have no cash-in value.

Am I eligible?

- You must be aged 60 or over at the time of application.
- When your plan starts, you should be receiving care.
- When you apply for the plan we'll use the medical information that you have provided. We'll use this information to check whether you meet the physical disability or mental impairment criteria.
- You'll meet the physical disability criteria if you're unable to live independently due to a physical impairment. The physical impairment must be expected to be permanent.

- The mental disability criteria will be met if there is a loss of intellectual capacity. The loss of intellectual capacity must have been identified through using medically recognised tests examining:
 - memory,
 - orientation,
 - simple reasoning and
 - basic decision making.

What about tax?

- Immediate care benefits are paid free of tax when they're paid direct to a registered care provider.
- An income tax liability may arise on the portion of the immediate care benefit, if any, that can't be paid direct to a registered care provider.

When paid to anyone other than a registered care provider, part of the immediate care benefit that we pay to you is treated as a return of your original premium. This is called the capital element and will not be taxed. The rest of the payment is treated as income. The amount of income paid, and any tax deducted, will be dependent on individual circumstances and tax rules in place at the time.

- If you're a non taxpayer, or are subject to starting rate tax on savings income, you may be able to reclaim some or all of the tax we've deducted from the income element. It's up to you to reclaim this from HM Revenue and Customs (HMRC).
- If you're a higher rate or additional rate taxpayer, or the income element causes you to become a higher rate or additional rate taxpayer, you'll have further tax to pay on the income element. You should make a declaration to HMRC if this is the case.
- This information has been prepared on the basis of Aviva's interpretation of current law and HMRC practice. The value of any tax benefits depends on individual circumstances and is subject to change.
- Your financial adviser will be able to give you more information about your own tax position.

What benefits will I receive from the plan?

- The immediate care benefit amount that is shown in the illustration. This amount, net of tax if any needs to be taken, must not be more than the cost of your care services when your plan starts.
- If you haven't already made your own care arrangements and would like our help, we can arrange this for you. We can also stay in touch on a regular basis to check that the care you're receiving is still meeting your needs.

How will the immediate care benefit be paid?

- The benefits will be paid monthly. We can send the money directly to up to four different registered care providers, when you are receiving formal care at home or in a registered care home. The payments will be paid tax free if the care providers are registered with the current Government appointed regulator.
- As mentioned earlier, if we can't pay part or all your immediate care benefit direct to a registered care provider, we'll pay you instead. For example, we'll need to pay you direct if you have made your own informal care arrangements, or if in the future, you qualify for NHS continuing care, or a similar funding arrangement. The amount we'll pay will be after any tax has been deducted, based on the tax rules at the time.

What are the charges?

- All charges are included in the total premium you pay for your Immediate Lifetime Care Plan.

Our administration costs are covered within the premium and the payments made by your plan reflect this. However, your adviser may charge you for the advice that they give you. We can add the adviser charge to your premium, or you can pay your adviser directly.

What are the benefit increase options?

- When you start your plan, for an additional cost, you can choose to have your immediate care benefit increase automatically each year. You can choose any one of three different rates of increase shown below. You can also choose the month of the year in which the increases are to take place.
 - Increases which match yearly increases in the Retail Prices Index.
 - Increases which are set at 2% more than yearly increases in the Retail Prices Index.
 - Increases at a fixed rate each year between 3% and 10%.
- The rate selected at the start of the plan can't be changed at a later date.
- The rate at which your immediate care benefit will increase is intended to help you fund increases in the care costs you expect to be paid by this plan. Actual increases in care costs may be at a faster rate than those that apply to your immediate care benefit. This means your payments may not cover the full increase in the care costs you expect to be funded by this plan.
- You can buy an additional plan at a later date to provide extra immediate care benefits if you need to. The cost of any extra immediate care benefit will be worked out using the premium rates at that time and will depend on your health and age when you apply. When you buy extra cover, we'll also check that you meet the current eligibility criteria before agreeing to cover you.

Do I need to review my cover?

- It's important to regularly review your circumstances and the likely costs of your long-term care. This may help to make sure that you continue to have enough cover. If there is a change affecting your long-term care needs, it's also important to get some advice about what this means for you.

What happens to my Plan when I die?

- The plan will stop.
- There will be no additional payment due on your death even if the total payments we've made by the date of your death are less than the single premium you've paid.
- You may choose to purchase either the short term or long term premium protection options of the life assurance plan that we offer alongside this plan. This is designed to pay out a lump sum should you die either:
 - within the selected three-month or six-month period from the start date of this plan if you choose the short term premium protection option; or
 - before the monthly benefits paid under this plan exceed the amount you have chosen to cover in the case of the long term premium protection option.

The life assurance plan is a separate product to the Immediate Lifetime Care Plan. Please talk to your financial adviser or read the Immediate Lifetime Care Term Assurance Plan key features for further details.

Further information

How to contact us

Your financial adviser will normally be your first point of contact. If you've any questions, you can phone or write to us.

Call us on: **0345 303 0430**

Monday to Friday 8.30am – 5.30pm

As part of our commitment to quality service, telephone calls may be recorded.

If you want to cancel your plan within 30 days of it starting, or to write to us for any other reason, please use the following address:

**Aviva
(Lifetime Care)
PO Box 582
Bristol
BS34 9FX
United Kingdom**

Or you can email us at:

lifetimecare@aviva.com

Client categorisation

- Aviva categorises each customer as a 'retail client'. This gives you the highest level of protection available under the Financial Conduct Authority rules and guidance. This includes access to the Financial Services Compensation Scheme or Financial Ombudsman Service. Please contact your financial adviser if you require further details.
- If a financial adviser recommends this plan, you have a legal right to compensation if the Financial Ombudsman Service decides it wasn't suitable for your needs at the time. However, you will not be covered for unsuitable advice unless this product was personally recommended to you by a financial adviser authorised by the Financial Conduct Authority.

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 to 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 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.

Compensation

- Your Immediate Lifetime Care Plan is covered by the Financial Services Compensation Scheme. If we become insolvent and we can't meet our obligations under this plan, 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**

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

Potential conflicts of interest

- There may be times when Aviva Plc group companies or our appointed officers have some form of interest in the business being transacted.
- If this happens or when we become aware that our interests, or those of our officers, conflict with your interests, we'll take all reasonable steps to manage that conflict of interest. We'll do this in a way that treats all customers fairly and in line with proper standards of business.
- Further details of our conflicts of interest policy are available on request.
- Where, despite all efforts to manage a conflict of interest, the conflict of interest cannot be prevented, we will disclose it to you before you commit to taking out this product.

Aviva staff remuneration

- Aviva staff are salaried and they receive an annual bonus based upon the overall performance of the Aviva Group.
- Some members of our distribution team may also receive additional bonus, a proportion of which relates to their sales performance.

Terms and conditions

- This Key Features document gives you a summary of the Immediate Lifetime Care Plan. It does not include all the definitions, exclusions, terms and conditions. These are shown in the conditions booklet. If you would like a copy please ask your financial adviser or contact us.

Financial Advisers

- Where you have received information or advice the adviser will provide you with information regarding their identity, the capacity in which they're acting and their address for future communications. If you don't have a financial adviser, one can be found at **unbiased.co.uk**. Please note, a financial adviser may charge you for any advice provided.

Law and language

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

Key Features document information

- If the illustration supplied to you contains an expiry date and you wish to make an application after this date, you should ask for a further illustration and Key Features document from your financial adviser. The date when the Key Features document was produced is shown at the end of the document. If you're not sure if you have the most up to date version you should ask your financial adviser.

About Aviva

- Aviva Life & Pensions UK Limited is the provider of the lifetime care range of plans. It is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and is entered on the Financial Services Register, number 185896.

[fca.org.uk/register](https://www.fca.org.uk/register)

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)



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How to contact us

 0345 303 0430

 lifetimecare@aviva.com

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

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