



# YourLife Plan Income Protection

COVER DETAILS



Chosen partner of



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This document is available in other formats. If you would like a Braille, large print or audio version, please contact us:

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We are open Monday to Thursday, 8.30am to 8pm and Friday, 8.30am to 5.30pm, except bank holidays. Please note these opening hours are UK local time.

We may record or monitor calls to make sure we have an accurate record of the instructions we are given, for training purposes, to improve the quality of our service and to prevent and detect fraud.

# Welcome to AIG

American International Group, Inc. (AIG) is a leading international insurance organisation serving customers in more than 80 countries and jurisdictions. AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc.

AIG Life Limited is the life insurance arm of AIG in the UK, Channel Islands, Isle of Man and Gibraltar. We provide financial and practical support for individuals, families and businesses when illness or injury threatens their life, lifestyle or livelihood.

Information about our business, performance and financial position, and details on how we control our business and manage risks can be found in our Solvency and Financial Condition Report (SFCR) available on our website [www.aiglife.co.uk](http://www.aiglife.co.uk).

## AIG Life is the chosen partner of NFU Mutual

AIG is working with The National Farmers Union Mutual Insurance Society Limited, a mutual insurance company offering insurance, pension and investment products to over 900,000 customers.

## This booklet is the AIG Income Protection Cover Details. It explains how your cover works.

If you've just taken out AIG Income Protection, please read this booklet carefully and keep it in a safe place, along with your Cover Summary and Application Details. Together they make up your contract with us.

If you're thinking about taking out AIG Income Protection, this booklet should be able to answer any questions you might have.

If there's anything that isn't clear about the insurance you have purchased from AIG Life or if you have any questions, please speak to your NFU Mutual financial adviser or call us on 0330 123 4467. If calling from outside the UK, please call +44 330 123 4467.

To make sure we have an accurate record of the instructions we are given, we may record or monitor phone calls.

## Who provides AIG Income Protection?

AIG Income Protection is provided by AIG Life Limited. We specialise in protection insurance - such as life insurance, critical illness cover and income protection.

## Who can take out AIG Income Protection?

You must be resident in the **UK, Channel Islands**, Isle of Man or Gibraltar when **cover** is applied for.

You are considered resident if:

- You have indefinite leave to remain in the **UK, Channel Islands**, Isle of Man or Gibraltar; or
- You are an EU or EEA national permanently living in the **UK, Channel Islands**, Isle of Man or Gibraltar; or
- You have resided in the **UK, Channel Islands**, Isle of Man or Gibraltar for the last 12 months, live there permanently and will continue to do so.

## The language we use in the Cover Details

'We', 'us' or 'our' means AIG Life Limited. 'You' or 'your' means the person covered or, where appropriate, their legal successors - unless a different meaning is given in a particular paragraph of this document.

Look out for words in **bold**. These are all explained in section D.

## Section A:

# The cover



## A1 AIG Income Protection

### When we will pay a **benefit**

When we will pay a **benefit** depends on the **cover** shown in the **Cover Summary** and your circumstances:

#### 1. If you're **incapacitated**

We will pay a **monthly benefit** if you're **incapacitated** and meet the definition of **incapacitated** that applies to you. This definition will be one of:

- **own occupation**;
- **suited occupation**; and
- **work tasks** (also known as **daily activities**).

The **Cover Summary** shows which definition applied to you when you took out your **cover**. If your circumstances change, a different definition may apply when you claim. For more information, see our definition of **incapacitated** in section D.

To confirm that you're **incapacitated**, we may ask you to be examined by a doctor or health specialist of our choice. We may also ask for any other reasonable evidence we need to consider the claim.

You need to be **incapacitated** for a continuous period that is longer than the **deferred period**.

When you take out AIG Income Protection, you choose a **deferred period** of 4, 8, 13, 26 or 52 weeks and you choose a **limited payment term** or **full payment term**.

If you return to **work** after we have been paying a **monthly benefit**, and you then need to make another claim within 26 weeks, there is no **deferred period** if:

- the claim has the same cause as the original claim; and
- you contact us within two weeks of stopping **work** again.

If you selected a **limited payment term** and the **benefit** has not been paid for the full 24 months, the months remaining will be used for this claim.

If you have fully used your **limited payment term**, before you can make another claim, you will first have to have returned to **work** for at least 26 consecutive weeks, and a new **deferred period** and a new **limited payment term** will then apply. The requirement to return to work for 26 consecutive weeks will not apply if your further claim is wholly different from and unconnected to any previous cause or **related cause** of claim.

We will only pay one Income Protection claim at a time and any new **deferred period** would start once we have stopped paying a claim.

2. If you're **incapacitated** and need services or advice that could help improve or maintain your health and help you return to **work**

If you're **incapacitated**, we may help you pay for services that could improve or maintain your health and help you return to **work**. What services might help you will depend on your situation. These services could range from physiotherapy or counselling, to help travelling to **work** because you can no longer drive.

We need to approve the services you want to spend the money on and agree the costs before they are incurred. Whether we approve the services depends on your situation and the advice of your doctor.

There is no **deferred period** for this **benefit**. This means we will refund the costs as soon as we have received the receipts for the services that we agreed.

For each potentially valid claim, we will pay up to three times the value of the **monthly benefit** payment to help you improve or maintain your health and return to **work**. Please remember that if we pay this **benefit**, it does not necessarily mean we will approve a claim for **monthly benefit** payments under AIG Income Protection.

We'll pay this **benefit** in addition to any other **benefit**.

3. **Terminal illness benefit**: If you meet the definition of **incapacitated** and you're diagnosed with an illness that meets our definition of a **terminal illness** - where life expectancy is less than 12 months

If you meet the definition of **incapacitated** and are diagnosed with a **terminal illness**, we will pay 12 times the **monthly benefit** as a lump sum instead of a **monthly benefit** and there is no **deferred period** for this **benefit**.

If you live beyond 12 months following diagnosis of a **terminal illness** and meet the definition of **incapacitated**, you must inform us and we will pay the **monthly benefit**.

We'll pay the **terminal illness benefit** in addition to any other **benefit**.

4. Family carer **benefit**: if your spouse, civil partner or **child** suffers from an illness or injury that means they meet the **work tasks** definition for more than three consecutive months

After three months, we will pay the **monthly benefit** or £1,500 per month, whichever is lower.

You can claim more than once but this is limited to 12 monthly payments during the **term of the cover** for each person.

We'll pay the family carer **benefit** in addition to any other **benefit**.

5. Trauma **benefit**: if you suffer from an illness or condition that meets one of six definitions

We will pay six times the **monthly benefit** as a lump sum or £50,000, whichever is lower, if you suffer from one of the illnesses or conditions set out below:

**Blindness - permanent and irreversible**

**Permanent** and **irreversible** loss of sight to the extent that, even when tested with the use of visual aids, it is measured by an ophthalmologist as having a best corrected (with glasses or lenses) visual acuity in the better eye of:

- 6/60 or worse using a Snellen eye chart; or
- a loss of peripheral visual field and a central visual field of no more than 20 degrees in total.

**Deafness - permanent and irreversible**

**Permanent** and **irreversible** loss of hearing to the extent that the loss is greater than 95 decibels across all frequencies in the better ear using a pure tone audiogram.

**Loss of hands or feet - permanent physical severance**

**Permanent** physical severance of one or more hands or feet at or above the wrists or ankle joints.



### Loss of independence - of specified severity

Confirmation by a **consultant** Physician of the **permanent** loss of the ability to live independently which meets the following criteria:

Either

- Mental failure: The diagnosis by a **consultant** Neurologist or Psychiatrist, of an **irreversible** and **permanent** mental impairment due to an organic brain disease or brain injury supported by evidence of the loss of ability to:
  - remember;
  - reason; and
  - perceive, understand and give effect to ideas which causes a significant reduction in mental and social functioning, requiring continuous supervision.

Or

- You're unable to perform two out of the following five activities without the help of another person, even with the use of appropriate assistive aids:
  - Washing: The ability to wash in the bath or shower (including getting into and out of the bath or shower).
  - Dressing: The ability to put on and take off, secure and unfasten all garments.
  - Getting between rooms: The ability to get from room to room on a level floor.
  - Feeding yourself: The ability to feed yourself when food and drink has been prepared.
  - Maintaining personal hygiene: The ability to maintain a satisfactory level by using the toilet or otherwise managing bowel and bladder functions.

### Loss of speech - permanent and irreversible

Total **permanent** and **irreversible** loss of the ability to speak as a result of physical injury or disease.

### Paralysis of limbs - total and irreversible

Total and **irreversible** loss of muscle function to the whole of any limb.

We will only pay the trauma **benefit** once. We'll pay the trauma **benefit** in addition to any other **benefit**.

In all cases, your illness or condition must be confirmed by appropriate medical evidence from a **consultant** and agreed by our Consultant Medical Officer.

### 6. Hospitalisation **benefit**: if you're **incapacitated** and spend more than six nights in **hospital** during the **deferred period**

Once you have spent six consecutive nights in **hospital** and you meet the definition of **incapacitated**, we will pay £100 for each subsequent night, during the **deferred period** only. We will pay up to a maximum of 90 nights during the **term of the cover**, for each night you spend in **hospital** as a patient and receive treatment overseen by an attending **consultant**.

We'll pay the hospitalisation **benefit** in addition to any other **benefit**.

### 7. Death **benefit**: if you die while the **cover** is **active**

We will pay a lump sum of £10,000 if you die while the **cover** is **active**. Depending on your circumstances, if this amount forms part of your estate it may not be free of inheritance tax. Once we have paid this **benefit**, the **cover** will end. If you have more than one AIG Income Protection, we will only pay the death **benefit** once. If you were receiving a **monthly benefit** at the time of your death, we would deduct any payments we made since your death from the death **benefit**.

We'll pay the death **benefit** in addition to any other **benefit**.

### What we will base **benefit** payments on

We will base **benefit** payments on the **monthly benefit**. The amount of the **monthly benefit** can change during the **term of the cover**. How the **monthly benefit** changes is shown in the **Cover Summary**.

If you have chosen a level **monthly benefit**, we will base **benefit** payments on the **monthly benefit** shown in the **Cover Summary**.

If you have chosen an annually increasing **monthly benefit**, we will base **benefit** payments on the **monthly benefit** shown in the **Cover Summary**. Each year, on the anniversary of when the **cover** started, the amount of the **monthly benefit** will increase in line with the **Retail Prices Index**, up to a maximum annual increase of 10%.

We will write to you each year to tell you the new **monthly benefit** and the new **premium** that you will be paying.

### How much we will pay

How much we will pay depends on:

- the nature of the claim;
- whether you are in **work** when you make a claim and, if so, what your **income** is; and
- how **incapacitated** you are.

The **monthly benefit** cannot exceed £20,833.

If you're in paid **work** when you become **incapacitated** and you meet the definition of **incapacitated** that applies to you

We will pay the lower of:

- the current **monthly benefit**; or
- an **income** replacement based on a calculation of 60% of the first £30,000 of your pre-tax annual **income** plus 55% of your pre-tax annual **income** between £30,000 and £100,000 and 45% of any pre-tax annual **income** exceeding £100,000 before you became **incapacitated**, divided by 12.

When you claim, your **monthly benefit** is calculated based on your **income** immediately before you became **incapacitated**, not your **income** at the start of your **cover**. This could mean that if your **income** goes down, you may not receive the current **monthly benefit**.

If when you make a claim our **income** replacement calculation results in an amount lower than the current **monthly benefit** and you were working at least 16 hours per week immediately before you became **incapacitated**, our **income** replacement guarantee means that:

- If your current **monthly benefit** is greater than £1,500 and the **income** replacement calculation based on your **income** before you became **incapacitated** is less than £1,500, we will pay £1,500.
- If your current **monthly benefit** is equal to £1,500 or less, we will pay your current **monthly benefit**.

Any **income** you're still receiving from your employer, from self-employment, from other insurance benefits or from pension arrangements other than State Pensions will be deducted from the **monthly benefit** amount we pay.

Any **income** received from **State Benefits** will not affect what we pay.

If you are not in paid **work**, our **income** replacement guarantee will not apply.

If you're not in paid **work** when you become **incapacitated** and you meet the definition of **incapacitated** that applies to you, but do not meet our **work tasks** definition of **incapacitated**

We will pay nothing.

If you're not in paid **work** when you become **incapacitated** and you meet our **work tasks** definition of **incapacitated**

We will pay the lower of:

- the current **monthly benefit**; or
- £1,667 a month.

If you still meet our definition of **incapacitated** but return to a different **occupation** for less money or your **own occupation** for less money (because of restricted duties or reduced hours)

We will pay a reduced **monthly benefit** until your **income** is equal to or greater than it was when you stopped **work**.

We use the following formula to work out the reduced amount of **benefit** that we will pay you:

(your **income** when you stopped working minus your new **income**)

multiplied by

(the original **benefit** we paid you divided by your **income** when you stopped working)

for example, if you:

- earned £1,000 a month before you had to give up **work**;
- went back to **work** for £600 a month; and
- received £500 a month from income protection, we would pay:  
$$\frac{(\pounds 1,000 - \pounds 600) \times \pounds 500}{\pounds 1,000} = \pounds 200 \text{ a month}$$

We will need evidence of your new **income**. If your new **income** varies, the amount of **benefit** we pay will also vary in line with the above formula.

### When we will stop **benefit** payments

If you're **incapacitated**, we will continue to pay a **benefit** until the earliest of the following happens to you:

- you no longer meet the definition of **incapacitated** that applied when you first claimed; or
- you return to **work** - although you may be able to continue to make a claim if you are still **incapacitated**; or
- we pay a **terminal illness benefit**; or
- your **cover** ends; or
- you die.

If you selected a **limited payment term**, we will pay the **monthly benefit** for a maximum of 24 months. When you come to the end of the **limited payment term** or you're no longer **incapacitated**, whichever happens first, we will stop paying the **monthly benefit**. However, your **cover** will continue and you will start paying **premiums** again.

You need to return and remain in the **UK, Channel Islands, Isle of Man or Gibraltar** within 26 weeks from the date you became **incapacitated** to continue receiving the **benefit**.

If your claim is for family carer **benefit**, we will continue to pay a **benefit** until the earliest of the following happens:

- your spouse, civil partner or **child** no longer meets the definition of **work tasks**; or
- your spouse or civil partner reaches their 70th birthday; or
- your **child** reaches 18 years old (or 21 if in full time education); or
- your spouse, civil partner or **child** dies; or
- we have paid 12 months of **benefit** for an individual person; or
- your **cover** ends.

If you stop claiming part of the way through a month, we'll pay you for the days that you were eligible for **benefit** payments. This final payment will be a proportion of the full **monthly benefit**.

While we are paying you a **benefit**, we can ask you, your spouse, civil partner or **child** to see a doctor or health specialist of our choice, to help us confirm whether the definition of **incapacitated** still applies.

### When we will not pay the **benefit**

We will not pay a **benefit** if any of the following apply:

- you or your legal representatives do not give us medical or other evidence that we ask for; or
- the diagnosis does not meet our definition of **incapacitated**; or
- the diagnosis meets our definition of **terminal illness** however does not also meet our definition of **incapacitated**; or
- the claim is caused by something that we have specifically excluded from this **cover** - this will be shown in the **Cover Summary**; or
- you are no longer living in an **eligible country** (this is explained further on page 14); or
- we find you have given us inaccurate, incomplete or untrue information on the application which would have affected our decision to offer you this **cover**, or would have led us to offer it with different conditions; or
- the **cover** is no longer **active**; or
- you die as a result of your own actions within one year of the **cover** start date or of restarting your **cover**.

We will not pay a **benefit** to help you return to **work** if any of the following apply:

- our Consultant Medical Officer does not agree that the services or advice you want to spend the money on will help you return to **work**; or
- you do not submit receipts for the services or advice for the approved amount.

We will not pay a family carer **benefit** for a spouse or civil partner if any of the following apply:

- your spouse or civil partner is aged 70 or over when the **benefit** is due to be paid; or
- the symptoms first arose before the **cover** started or before you last restarted cover, or before you married or entered into a civil partnership, unless:
  - treatment for the condition has been completed; and
  - they have been discharged from follow-up for the condition; and
  - they have not consulted any medical practitioner or received further treatment or advice for the condition within the last five years; or
- your spouse or civil partner is no longer living in an **eligible country**.



We will not pay a family carer **benefit** for a **child** if any of the following apply:

- the symptoms first arose or the condition was present before the **cover** started or before you last restarted cover unless:
  - treatment for the condition has been completed; and
  - the **child** has been discharged from follow-up for the condition; and
  - they have not consulted any medical practitioner or received further treatment or advice for the condition within the last five years; or
- the **child** was born after the **cover** started and either parent was aware of an increased risk of a **child** suffering a condition to cause a claim or had received counselling or medical advice in relation to such a condition, before the **cover** started or before you last restarted **cover**; or
- the condition or symptoms were present from birth or within the first 30 days; or
- your **child** is no longer living in an **eligible country**.

We will not pay the trauma **benefit** if the cause of your claim was diagnosed or you suffered symptoms before the **cover** started.

## A2 Waiver of Premium

Waiver of Premium is automatically included in AIG Income Protection.

### When we will waive premiums

We will always waive AIG Income Protection **premiums** if you're **incapacitated** and we are paying a **monthly benefit** for AIG Income Protection or we have paid a **terminal illness benefit**.

### How much we will waive

If you have more than one **cover** with us, and you become **incapacitated** or receive AIG Income Protection **benefit**, we will only waive the cost of those **covers** that include Waiver of Premium. This could mean that the total of all **premiums** is reduced rather than stopped.

### When we will stop waiving premiums

We will stop waiving **premiums** when we stop paying a **monthly benefit** for AIG Income Protection.

We will only continue to pay the **benefit** beyond 26 weeks of you becoming **incapacitated** if you are resident in the **UK, Channel Islands, Isle of Man or Gibraltar**.

While we are waiving a **premium**, we can ask you to see a doctor or health specialist of our choice, to help us confirm whether you still meet the definition of **incapacitated** that applies to you.

### When we will not waive premiums

We will not waive **premiums** if any of the following apply:

- you or your legal representatives do not give us medical or other evidence that we ask for; or
- when we pay a family carer **benefit**, trauma **benefit** or hospitalisation **benefit**; or
- you do not meet our definition of **incapacitated**; or
- the claim is caused by something that we have specifically excluded from this **cover** - this will be shown in the **Cover Summary**; or
- you are no longer living in an **eligible country**; or
- we find you have given us inaccurate, incomplete or untrue information on the application which would have affected our decision to offer this **cover**, or would have led us to offer it with different conditions; or
- the **cover** is no longer **active**.

## Section B:

# Managing the cover

## B1 Paying for the cover

### When the **premium** is paid

#### First **premium**

We will collect this by Direct Debit (via the **BACS** system) on, or shortly after, the date the **cover** starts. The Direct Debit must be from a **UK, Channel Islands, Isle of Man or Gibraltar** bank account. **Premiums** must be paid in sterling.

#### Regular **premium**

If a **monthly premium** has been selected, we will collect the regular **premium** between the 1st and the 28th of the month. We will collect the **premium** on the same date each month. You can choose a date between the 1st and the 28th of the month that suits you.

If an annual **premium** has been selected, we will collect the **premium** on the same date each year.

When the **premium** collection falls on a weekend or bank holiday, we will collect it on the next working day.

#### What happens if the **premium** is not paid?

If any **premium** remains unpaid for more than 30 days from the date it was due to be collected, we will cancel the **cover**. We will write to you to tell you that the **cover** has been cancelled.

#### Restarting a **cover**

If we cancel a **cover** because a **premium** is not paid, you can ask us to restart it. You can do this at any time up to six months after the date of the first missed **premium**. We will have no obligation to restart a **cover** and if you ask us to do this, we will decide at our discretion if we are willing to restart the **cover**. If we are, we will tell you what we need in order to restart the **cover** and you must clear any **premium** arrears. There may be circumstances when we reserve the right not to restart a **cover**. If this happens, we will explain our decision.

#### When the **premium** could change

The **premium** could change if:

- you make a change to your **cover**; or
- we accept an **AIG Income Protection** claim and therefore waive **premiums** for the period of payment; or
- it becomes subject to tax; or
- any of the information provided as part of the application process is incorrect - further details can be found in sections C8 and C13.

If you have chosen **cover** with an increasing **monthly benefit**, your **premium** will increase annually by a higher percentage than that of the **benefit**, because the amount of the increase of the **premium** will depend on your age and the remaining **term of the cover** at that time.

We will write to you each year to tell you the new **monthly benefit** and the new **premium** that you will be paying. You do not need to accept the increase, but must advise us if you don't.

If you do not accept the increase, we will not increase the **monthly benefit**. However, if you decide to decline the increase for three consecutive years, you will no longer have the option of an increasing **monthly benefit** under the **cover** in future years.

## B2 Telling us about changes to personal details

You need to tell us if you change:

- your name; or
- your contact details (postal address, telephone number, email address); or
- your bank account.

When you call, we will ask for your **cover** number. We will also ask you some questions to confirm your identity.

You can:

- phone us on 0330 123 4467. If calling from outside the **UK**, please call +44 330 123 4467.
- email us at [nfmutual@aiglife.co.uk](mailto:nfmutual@aiglife.co.uk)
- write to us at AIG Life Limited, PO Box 12010, Harlow CM20 9LG

We are open Monday to Thursday, 8.30am to 8.00pm, and Friday 8.30am - 5.30pm, except bank holidays. Please note these opening hours are **UK** local time.

To make sure we have an accurate record of the instructions we are given, we may record or monitor phone calls.

We do not need to be told if you change your **occupation**. We will assess any claim based on your **occupation** immediately before the claim event happened.

## B3 Changing your cover

There are many ways that a **cover** can be changed to make sure that it is still meeting your needs. All of the changes that can be made are explained in section B4.

The options that increase the **monthly benefit** or the **term of the cover** aren't available to everyone. This could be because, for example, you have a particular medical condition when the **cover** is first taken out.

Those options that are not automatically available to everyone have 'limited' after the heading. The **Cover Summary** will show whether these options are available to you. Before you consider taking up any of these options, you should speak to your financial adviser.

## B4 Changing your AIG Income Protection

The following sections explain how you can change your AIG Income Protection **cover**.

Whenever a change is requested, we will send written confirmation once this has been processed.

### 1. Increasing the **monthly benefit** - limited

If this option is shown in the **Cover Summary**, you have the right to take out additional AIG Income Protection **cover** with the same end date as the original **cover**. You can do this up to 13 weeks after you:

- marry or enter into a civil partnership; or
- have a **child** or legally adopt one; or
- are promoted by your current employer, or start a new job with a different employer, and your salary increases; or
- increase the amount of your mortgage.

We will ask to see evidence of the event. Without this, we reserve the right to refuse to allow the increase.

The increase in **cover** cannot be more than 50% of the original **monthly benefit** or £835, whichever is lower.

More than one increase can be requested but the total of all increases must not exceed the **monthly benefit** of the original **cover** or £1,670, whichever is lower.

If you're thinking of increasing your **monthly benefit**, you should remember that:

If you're in paid **work**, the most we will pay you each month if you make a claim is 60% of the first £30,000 of your pre-tax annual **income** plus 55% of your pre-tax annual **income** between £30,000 and £100,000 and 45% of any pre-tax annual **income** exceeding £100,000, divided by 12, limited to a maximum **monthly benefit** of £20,833. If you are working at least 16 hours a week and your increased **monthly benefit** is equal to £1,500 or less, we'll pay your increased **monthly benefit** amount.

If you're not in paid **work**, and meet our **work tasks** definition of **incapacitated**, the most we will pay you is £1,667 a month.

There are more details about these limits in section A1. If you have more than one **cover** with us, these limits apply across all **covers** that pay a **monthly benefit** (excluding Family Income Benefit) and not separately to each of them.

This option cannot be taken up:

- after your 55th birthday; or
- in the last five years of the **term of the cover**; or
- while we are paying a **benefit** under any **cover**; or
- while you're in a position to make a claim under the **cover**; or
- if you have received **benefit** payments under the **cover** in the last two years.

## 2. Increasing the **term of the cover** - limited

If this option is shown in the **Cover Summary** you have the right to increase the **term of the cover** you have. You can do this up to 13 weeks after you increase the term of your mortgage.

More than one increase can be requested but the total of all increases must not make the new term:

- More than 150% of the original term; or
- Extend beyond the end of the term of the new mortgage; or
- Extend past your 65th birthday.

We will ask to see evidence of the event. Without this, we reserve the right to refuse to allow the increase.

This option cannot be taken up:

- after your 55th birthday; or
- in the last five years of the **term of the cover**; or
- while we are paying a **benefit** under any **cover**; or
- while you're in a position to make a claim under the **cover**; or
- if you have received **benefit** payments under the **cover** in the last two years.

## 3. Reducing the **monthly benefit**

You can reduce the **monthly benefit** at any time, as long as the **premium** doesn't fall below the minimum allowed. If you later want to increase the **monthly benefit**, the amount by which you'll be able to do so will be based on the new, lower **monthly benefit**, not the initial one.

#### 4. Stopping and restarting the annual increase - limited

If you have an increasing **monthly benefit**, we will write to you each year to tell you the new **monthly benefit** and the new **premium** that you will pay. You can ask for the increases to stop at any time. If you do, the **monthly benefit** will be frozen at the level it has reached when you ask us to stop the increase. You can ask us to start increasing it again, but we can't do this if:

- the **monthly benefit** has been frozen for three consecutive years; or
- we are paying a **benefit** under the **cover**; or
- you're in a position to make a claim under the **cover**; or
- you have received **benefit** payments under the **cover** in the last two years.

If you stop the annual increase and restart it again within three years, the **monthly benefit** will begin increasing again every year and will continue to increase during a claim.

If you stop the annual increase for three consecutive years, you cannot restart the annual increase. If you make a claim, the **monthly benefit** will not increase during the claim.

#### 5. Reducing the **term of the cover**

You can reduce the **term of the cover** at any time. You can reduce it by as much as you want, as long as the reduction doesn't mean:

- the new term is lower than our minimum term; or
- the **premium** would fall below our minimum level.

If you later want to take up the option to increase the term, the amount by which you will be able to do it will be based on the new, lower term, not the original one.

#### 6. Changing the **deferred period**

You can increase the **deferred period** at any time. If you increase the **deferred period**, we may reduce your **premium**.

We may agree to a reduction in the **deferred period**. If we agree to it, your **premium** may increase.

#### 7. Changing how often your **premium** is paid

You can change from monthly **premiums** to annual **premiums** and vice versa. If you make this change, it will start from the date that your next **premium** is due to be collected.

#### 8. Changing a **full payment term** to a **limited payment term**, or vice versa

You can change your **cover** from a **full payment term** to a **limited payment term** at any time. If you do this, we may reduce your **premium**.

We may agree to a change from a **limited payment term** to a **full payment term**. If we agree to it, your **premium** may increase.

#### How these changes affect the cost of the **cover**

If you change your **cover**, the **premium** may change.

Please contact us for details about how your **premium** may change.

#### Asking us to change the **cover**

To ask us to change your **cover**, you can:

- phone us on 0330 123 4467. If calling from outside the **UK**, please call +44 330 123 4467.
- email us at [nfmutual@aiglife.co.uk](mailto:nfmutual@aiglife.co.uk)
- write to us at AIG Life Limited, PO Box 12010, Harlow CM20 9LG

We are open Monday to Thursday, 8.30am to 8.00pm, and Friday 8.30am - 5.30pm, except bank holidays. Please note these opening hours are **UK** local time.

To make sure we have an accurate record of your instructions, we may record or monitor phone calls.



## B5 Claiming a benefit

### When to claim

For AIG Income Protection claims, we ask you to contact us as soon as you can. We may be able to help you with services or advice that could help improve or maintain your health and help you return to **work**, even before the end of your **deferred period**.

Where you return to **work** and then claim again, you should let us know within 2 weeks of stopping **work** for the second time.

### How to make a claim

The person claiming can:

- phone us on 0345 600 6815. If calling from outside the **UK**, please call +44 1737 441 815.
- email us at claimsteam@aiglife.co.uk
- write to us at Claims Team, AIG Life Limited, PO Box 12010, Harlow CM20 9LG

We are open Monday to Thursday, 8.30am to 8.00pm and Friday, 8.30am to 5.30pm, except for bank holidays. Please note these opening hours are **UK** local time.

To make sure we have an accurate record of the instructions we are given, we may record or monitor phone calls.

If we are notified of a death claim we will stop collecting **premiums**. If we are considering any other type of claim, **premiums** must be paid whilst it is being assessed. If the claim is paid, we will advise you if we can refund any of the **premium** paid while we assessed the claim.

If the person claiming does not give us the evidence we ask for, or the information they do give us is inaccurate or incomplete, we reserve the right to decline a claim or stop paying one. We will pay the reasonable cost of all medical reports or evidence we ask for.

### Geographical restrictions

Some types of **cover** require you, or the doctor that diagnoses you, to be in a particular part of the world when a claim is made or when we are paying a **benefit**.

You must be resident in an **eligible country** when you become **incapacitated**. If you are travelling outside an **eligible country** when you become **incapacitated**, you must return to an **eligible country** before the end of the **deferred period**. You must also return to the **UK, Channel Islands, Isle of Man or Gibraltar** within 26 weeks from the date you became **incapacitated** and remain in the **UK, Channel Islands, Isle of Man or Gibraltar** to continue receiving the **benefit**. This also applies to your spouse, civil partner or **child** if claiming for family carer **benefit**.

For a death claim, you can be anywhere in the world. For a **terminal illness** or trauma **benefit** claim, you can be residing anywhere in the world, however the **consultant** must be in an **eligible country**.

We may consider claims that fall outside our geographical restrictions if we are satisfied that we are able to obtain sufficient and reliable information to allow us to fully assess the claim.

### Who we will pay the benefit to

We will pay the **benefit** to the person legally entitled to receive it. Who this will be depends on the nature of the claim and the circumstances at the time.

### How we will pay the benefit

We will pay any **benefit(s)** due under the **cover** in pounds sterling by direct credit (via the **BACS** system) into a **UK, Channel Islands, Isle of Man or Gibraltar** bank account nominated by you or your legal representative.

We will make **benefit** payments to cover the cost of approved services that help you return to **work** directly into a **UK, Channel Islands, Isle of Man or Gibraltar** bank account that you have nominated, once we have received receipts.

If the **claimant** wishes to receive the **benefit(s)** outside of the **UK, Channel Islands, Isle of Man or Gibraltar**, then arrangements for such transfer from the **claimant's UK** bank account must be made at the **claimant's** own expense.



Section C:

# General terms and conditions

## C1 Cancelling a cover

When your **cover** starts, we will send you information about your right to change your mind and cancel your **cover**. You have 30 days from the date you receive this information to cancel your **cover**. If you cancel your **cover** in this time we will refund any **premiums** you've paid to us, unless we have paid you a **benefit** before you cancel.

Should you not cancel your **cover** within this time period, your **cover** will remain **active** as set out in your **Cover Summary**.

You can stop your **cover** at any other time. Once you tell us, your **cover** will end on the day before your next monthly **premium** is due to be collected. Any **premiums** paid to date will not be refunded. If you are paying annual **premiums**, your **cover** will end on the day before the next monthly anniversary of the **cover**. We will retain the cost of any full (or partial) months of **cover** up to the date of cancellation and will refund any balance of the annual **premium**.

## C2 Surrender value

The **cover** does not have any surrender value at any time.

## C3 Inflation

The purchasing power of the **benefit(s)** paid out may be reduced in real terms, due to the effects of **inflation**. If the **cover** has an increasing **monthly benefit**, this may provide some protection against the effects of **inflation**, however this is not guaranteed. For further information on the effects of **inflation**, please speak to your financial adviser.

## C4 Interest

If we start paying your **benefit** any later than eight weeks after we receive all the information we need, we will pay you interest on the overdue amount from the date payment should have started. This will be at the Bank of England base rate at the time.

## C5 Data protection

We are committed to protecting the privacy of customers, claimants and other business contacts.

In order to provide our products and services and to run our business, we will collect, use and disclose your personal information, including sensitive personal data (health information). Where we do this, we will rely either on your consent, or on a combination of the following legal justifications: performing a contract with you or preparing to enter into a contract with you; complying with regulatory requirements; or having a legitimate interest to request your personal information.

“Personal information” identifies and relates to you or other individuals (e.g. your partner or other members of your family). If you provide personal information about another individual, you must (unless we agree otherwise) inform the individual about the content of this notice and our Privacy Policy and obtain their permission (where possible) for sharing of their personal information with us.

### Personal information we collect

Personal information we may collect about you and your dependants includes:

- General identification and contact information;
- Family details;
- Sensitive information such as health and lifestyle details;
- Other sensitive information such as racial/ethnic origin, religious or other beliefs, sexual life, criminal proceedings – outcomes and sentences, offences/alleged offences; and
- Financial details: bank account details and other financial information.

### How we use your personal information

We may use the personal information provided to us to:

- Make decisions about whether to provide insurance and assistance services (such as claim assessment, claim processing and claim settlement);
- Administer the policy, assess and pay claims, and general customer service activities (including complaint resolution and claims disputes);
- Detect, investigate and prevent crime, including fraud and money laundering;
- Carry out market research and analysis;
- Comply with applicable laws and regulatory obligations (including those outside your country of residence); and
- Market products and services of the **AIG Group**, unless you have specifically asked us not to in the application.

Sometimes, as part of our business operations, decisions are taken about you using automated computer software and systems. These decisions do not involve human input. For example, we use automated decision making to assess your eligibility for insurance and to determine the **premium** amount.

To opt-out of any marketing communications that we may send you, contact us by e-mail at [DataProtectionOfficer@aiglife.co.uk](mailto:DataProtectionOfficer@aiglife.co.uk) or by writing to The Data Protection Officer, AIG Life, 58 Fenchurch Street, London, EC3M 4AB. If you opt-out, we may still send you other important service and administration communications relating to the services which we provide to you from which you cannot opt-out.

### Where we may get personal information from

We may get your personal information from you, your financial adviser, or from other sources - for instance your doctor.

We may ask your doctor for information before we offer **cover**. We may also get a report from your doctor or telephone them for more information after the **cover** has started. If we find that we have been given incomplete, inaccurate or false information, we do not receive the report from your doctor or they are unavailable for interview, we reserve the right to cancel the **cover** within 13 weeks.

### Who we will share personal information with

We may share personal information about you solely for the purposes listed above in 'How we use your personal information' with certain named third parties. These third parties are:

- **AIG Group** companies: AIG Life Limited is a member company of American International Group, Inc. As such, we have group companies throughout the world, both inside and outside Europe (for example, in the USA);
- Our reinsurers (a list of these reinsurers can be provided on request);
- Our external third party service providers (including medical screening service providers);
- Your financial adviser;
- Your own doctor and other medical consultants;
- Legal and regulatory bodies;
- Law enforcement and fraud prevention agencies; and
- Other insurance companies or organisations.

### International Transfer of personal information

Due to the global nature of our business, personal information may be transferred to parties located in other countries (including the USA, China, Mexico, Malaysia, Philippines and Bermuda) that have data protection regimes that are different to those in the country where you are based, including countries which have not been found to provide adequate protection for personal information by the European Commission.

When making these transfers, we will take steps to ensure that your personal information is adequately protected and transferred in accordance with the requirements of data protection law.

### Security of personal information

Appropriate technical and physical security measures are used to keep your personal information safe and secure. When we provide personal information to a third party (including our service providers) or engage a third party to collect personal information on our behalf, the third party will be selected carefully and required to use appropriate security measures to protect the confidentiality and security of personal information.

### Your rights

You have a number of rights under data protection law in connection with our use of your personal information. These rights may only apply in certain circumstances and are subject to certain exemptions. These rights may include a right to access personal information, a right to correct inaccurate data, a right to erase data or suspend our use of data. These rights may also include a right to transfer your data to another organisation, a right to object to our use of your personal information, a right to request that certain automated decisions we make have human involvement, a right to withdraw consent and a right to complain to the data protection regulator.

Further information about your rights and how you may exercise them is set out in full in our Privacy Policy (see below).

### Privacy notice

For full details on how we use personal information, how we maintain the security of personal information, who we share personal information with, the data protection rights available to individuals in the European Economic Area (EEA), and who to contact in the event of any queries, please refer to our full privacy notice which can be found on our website ([www.aiglife.co.uk/privacy-policy](http://www.aiglife.co.uk/privacy-policy)).

Alternatively, you may request a copy by writing to The Data Protection Officer, AIG Life, 58 Fenchurch Street, London, EC3M 4AB or by email at [DataProtectionOfficer@aiglife.co.uk](mailto:DataProtectionOfficer@aiglife.co.uk)

## C6 Taxation, laws and regulations

By taking out this contract, you agree to submit to the exclusive jurisdiction of the courts of England and Wales if there is ever a dispute between you and AIG Life Limited. **UK** laws may change in future and AIG Life Limited cannot be held responsible for any information given or any changes in tax provisions or legislation.

**Benefit(s)** payable under this **cover** are normally free from Income Tax and Capital Gains Tax for **UK** residents. This may change if the law changes.

**Claimant(s)** who are outside of the **UK** when **benefit(s)** are received may be subject to additional taxation in the local jurisdiction. Please consult your tax adviser or local tax inspector for clarification.

If there is any change to tax laws, other laws, or **State Benefits**, AIG Life Limited may change the terms and conditions set out in the **cover** documents in order to comply with such laws.

## C7 Contract

The contract between you and AIG Life Limited consists of:

- any information provided by you in your application and any subsequent information you have provided;
- these terms and conditions, which we may amend from time to time;
- any additional terms and conditions detailed in the **Cover Summary** that we send when your **cover** starts; and
- any additional terms and conditions detailed in any subsequent **Cover Summary**.

The contract between you and AIG Life Limited as described above constitutes the entire agreement and understanding between the parties and supersedes and extinguishes all previous drafts, agreements, arrangements and understandings between them, whether written or oral, relating to its subject matter.

If there is a conflict between these terms and any of the terms set out in the **Cover Summary**, the terms set out in the **Cover Summary** will take precedence.

If any court finds that any provision of the **Cover Summary** or any other document embodying the contract between you and AIG Life Limited (or part thereof) is invalid, illegal or unenforceable that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the **Cover Summary** or any other document embodying the contract between you and AIG Life Limited shall not be affected.

The contract between you and AIG Life Limited and any dispute or claim arising out of it shall be governed by and construed in accordance with the law of England and Wales and the parties agree to submit to the exclusive jurisdiction of the English courts.

## C8 Misstatement of age

If, after the **cover** is taken out, we learn that you have a different date of birth than the one originally provided, this will impact on the **premium** and/or **monthly benefit** of your **cover**.

In some cases, this may affect your right to the **cover**. It may also affect how we have interpreted medical evidence, which may result in a claim not being paid.



## C9 Complaints

If you have a complaint, you can contact our customer care team as detailed on page two of this document.

We will try to resolve complaints as quickly as possible. If we can't deal with a complaint promptly, we will send a letter to acknowledge it and then give regular updates until it is resolved.

We are committed to resolving complaints through our own complaints procedures. However, if a matter cannot be resolved satisfactorily, the person with the complaint may be able to refer it to the Financial Ombudsman Service.

The Financial Ombudsman Service helps settle disputes between consumers and financial firms. Their service is independent and does not cost anything. They can decide if we have acted wrongly and if the person with the complaint has lost out as a result. If this is the case they will tell us how to put things right and whether we have to pay compensation.

If a complaint is made, we will send a leaflet explaining more about the Financial Ombudsman Service. The leaflet is also available at any time on request. Alternatively, the Ombudsman can be contacted at the following address:

Financial Ombudsman Service, Exchange Tower,  
Harbour Exchange Square, London E14 9SR.

Telephone 0800 023 4567 (calls to this number are free on mobile phones and landlines) or 0300 123 9123 (calls to this number cost no more than calls to 01 and 02 numbers). If calling from outside the **UK**, please call +44 20 7964 0500.

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

If a complaint is made, it will not affect their right to take legal proceedings.

## C10 If we cannot meet our liabilities

The Financial Services Compensation Scheme (FSCS) is designed to pay compensation if a firm is unable to pay claims, because it has stopped trading or been declared in default.

Before looking to pay compensation, the FSCS will first see if they can arrange for your current policy to be maintained. They may arrange for your policy to be transferred to another insurer or provide a new policy. If this is not possible, the FSCS aims to provide compensation.

Most of our customers, including most individuals and small businesses, are covered by the FSCS.

Whether or not you can claim, and the amount you could claim, will depend on the specific circumstances of your claim. The FSCS will pay 100% of the value of the claim. There is no upper financial limit on the amount of the payment.

You can find out more about the FSCS, including eligibility to claim, by visiting its website [www.fscs.org.uk](http://www.fscs.org.uk). Alternatively, you can contact the Financial Services Compensation Scheme at the following address:

Financial Services Compensation Scheme, 10th Floor,  
Beaufort House, 15 St Botolph Street, London EC3A 7QU.

Telephone: 0800 678 1100 or 020 7741 4100.  
If calling from outside the **UK**, please call +44 20 7741 4100.

Email: [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)

Please be aware that the rules of the FSCS may change in the future, or FSCS may take a different approach on their application of the above, depending on the circumstances.

## C11 Assignment

An Income Protection **benefit** cannot be assigned.

## C12 Rights of third parties

No term of this contract is enforceable under the Contracts (Right of Third Parties) Act 1999 by a person who is not party to this contract. This does not affect any right or remedy of a third party which may exist or be available otherwise than under that Act.

You and AIG Life Limited are the parties to the contract.

## C13 Disclosure verification

You will be asked to provide details of your health and personal circumstances. You must provide full, honest and accurate answers to all questions asked. Furthermore, subject to what we say in section 'Telling us about changes to personal details', we must be told immediately if the information in the **Application Details** is not correct as this may affect the **cover**.

The information you provided to us is confidential and we will not disclose it without your permission. We will send you details of your answers and a copy of your **Application Details**, and ask you to advise us of any corrections or additions you wish to make. If you do not answer our questions fully and honestly, this may result in us refusing any future claim.

We will provide you with a **Cover Summary** which will include information on any exclusions made as a result of the health information you provided.

We may select your application for a random disclosure check. To complete the check, we will either obtain a report from your doctor, call them for further information, or perform data checks. If we have selected it for a check, you must give permission for us to contact your doctor if required, and use all reasonable endeavours to ensure we are able to complete the check. If we have requested any additional information from you, you must provide it within 30 days.

If they do not respond to a request from us within 13 weeks for medical evidence, or 30 days for other information, we will cancel the **cover**.

## C14 Economic sanctions

We will not be responsible or liable to provide **cover** (including payment of a claim or provision of any other **benefit**) under this policy if we are prevented from doing so by any economic sanction which prohibits us or our **Parent Company** (or our **Parent Company's** ultimate controlling entity) from providing **cover** or dealing with you under this policy.

Economic sanctions change from time to time and can include prohibiting the transfer of funds to a sanctioned country, freezing the assets of a government, the corporate entities and residents of a sanctioned country, or freezing the assets of specific individuals or corporate entities. This means that if you, or any third party who has suffered a loss which would otherwise be covered under the **cover**, are the subject of an economic sanction, we may not be able to provide **cover** under the policy.

## C15 Restricted persons

This **cover** will not cover any injury, loss or expense sustained directly or indirectly by any person who is a terrorist organisation, narcotics trafficker, or seller of nuclear, chemical or biological weapons.

## Section D:

# Definitions



An explanation of the terms we use across AIG Income Protection (please note these definitions are not case sensitive).

### Active

The **cover** has started, is within its term, **premiums** are up-to-date and we have not written to you to tell you that you're no longer covered.

### AIG Group

Any wholly or partly owned, direct or indirect subsidiary of American International Group, Inc.

### Application Details

A copy of all the information provided by you in your application.

We must be told immediately if the information in the Application Details is not correct as this may affect the **cover**.

### BACS

A scheme for the electronic processing of direct debits and direct credits.

### Benefit

Any payments the **claimant** receives from AIG Life Limited.

### Channel Islands

The Island of Jersey and the Island of Guernsey.

### Child

Anybody between 30 days and 18 years old (or 21 if in full time education) who is:

- your natural child
- legally adopted by you; or
- a child for whom you are the legal guardian; or
- your legal stepchild following your marriage or civil partnership.

### Claimant

The person legally entitled to claim the **benefit(s)** under the **cover(s)**.

### Consultant

A consultant doctor who:

- specialises in an area of medicine appropriate to the cause of the claim;
- is employed at a hospital in an **eligible country**; and
- is treating you for your condition.

All diagnoses made by a consultant must be confirmed by our Consultant Medical Officer.

### Cover/covers

Any policy provided by AIG Life Limited.

### Cover Summary

This is a document we send you once we have agreed to offer you a **cover**. It explains any special conditions which apply to the **cover**, for example if there are any illnesses which are usually part of the **cover** but which we can't cover you for, and whether or not you have the automatic right to ask for an increase in the **monthly benefit** should your circumstances change.

### Daily activities

These are the things people need to do in everyday life. We refer to these as **work tasks**. See **work tasks** for further information.

### Deferred period

The period during which you must be **incapacitated** before we will pay any **benefit**.

If the **cover** starts on a date after you become **incapacitated**, the start date of the **cover** is the start of the deferred period. The deferred periods for each type of **cover** are shown in the **Cover Summary**.

### Eligible country

An eligible country is one of the following:  
Australia; Austria; Belgium; Canada; **Channel Islands**; Cyprus; Czech Republic; Denmark; Finland; France; Germany; Gibraltar; Greece; Hong Kong; Hungary; Iceland; Ireland; Isle of Man; Italy; Japan; Luxembourg; Malta; The Netherlands; New Zealand; Norway; Poland; Portugal; Slovakia; Slovenia; Spain; Sweden; Switzerland; **UK**; USA.

### Employed

Paid **work** under a contract of employment.  
Paying Class 1 National Insurance contributions.

### Full payment term

Where we pay the **monthly benefit** of an individual claim for as long as you're **incapacitated**, until the end of the **cover**.

### Hospital

Any NHS or private hospital in an **eligible country** which has facilities for major surgery or which exists principally for the provision of treatment by attending **consultants**.

### Incapacitated

There are three different ways we define incapacitated. These are based on your ability to do:

1. your **own occupation** - the kind of job you did before you had to stop **work**;
2. your **suited occupation** - the kind of job you could do; or
3. your **work tasks** (also known as **daily activities**)- the things people need to do in everyday life.

Which of these three definitions applies to you depends on:

- whether you are in paid **work** when you become incapacitated; and
- what kind of **work** you do.

The **Cover Summary** shows which definition applied to you when the **cover** was taken out. If your circumstances change, a different definition may apply. For instance, if you are under 70 and not in paid **work** when you become incapacitated, a **work tasks** definition will apply.

In all cases, your incapacity must be confirmed by appropriate medical evidence and agreed by our Consultant Medical Officer.

### Income

Income before you had to stop **work**.

If you're **employed**, this means your total pre-tax earnings as applicable for PAYE (UK), ITIS (Jersey), ETI (Guernsey), ITIP (Isle of Man), ABS or GIBS (Gibraltar) assessment purposes (including the taxable value of benefits in kind that would cease in the event of incapacity) in the 12 months before the claim.

This may include:

- regular bonuses;
- commission;
- overtime; and
- shift allowances.

We will also take into account any dividends from a private limited company in which you and no more than 3 other shareholders are **employed** as full-time working directors.

The dividend amount must:

- represent your share in the net trading profit of that company from its normal regular business;
- be consistent with the trading position of the company; and
- stop being paid as a result of your incapacity.



If you're **self-employed**, this means your total share of pre-tax profit from your trade profession or vocation for the 12 months before you became **incapacitated**. If you are resident in the **UK** this will be the pre-tax profit used for the purposes of Schedule D Case I and II of the Income and Corporation Taxes Act 1988.

If your earnings vary from one year to another, for example because they are made up mainly of commission or bonuses, we will use your average earnings over the last 3 years before the claim.

We will not include any income from savings and investments.

### Income while we are paying a **benefit**

While we are paying a **benefit**, we work out your **benefit** by taking into account:

- **benefit** payments from any **covers**;
- payments from other insurance benefits, including other income protection policies as well as accident and sickness cover;
- any income you are still receiving from your employer;
- income you are still receiving from your business; and
- pension payments.

We don't take into account any **State Benefits**, including Statutory Sick Pay, State Pensions and Incapacity Benefit.

### Inflation

Inflation is the rise in the general level of prices in goods and services over a period of time. As inflation rises, the real value of your money, and the **benefit(s)** provided by your **cover**, may fall because you may be able to afford less with the same amount.

### Irreversible

Cannot be reasonably improved upon by medical treatment and/or surgical procedures used by the National Health Service in the **UK** at the time of the claim.

### Limited payment term

Where the **benefit** of an individual claim is paid over a period of 24 months, either as one continuous period or a number of shorter periods.

### Monthly benefit

The monthly payments you receive from AIG Life Limited under AIG Income Protection.

### Occupation

A trade, profession or the type of **work** undertaken for profit or pay. It is not a specific job with any particular employer and is independent of location and availability.

### Own occupation

You are not doing any paid **work** and have been diagnosed with an illness, injury or disability which prevents you from doing the essential duties of your own occupation. The essential duties are those that are normally required for, and/or form a significant and integral part of, the performance of your own occupation that cannot reasonably be omitted or modified.

Own occupation means your trade, profession or type of **work** you do for profit or pay. It is not a specific job with any particular employer and is irrespective of location and availability.

### Parent Company

The legal entity that owns or controls AIG Life Limited as defined by the laws applicable to the jurisdiction within which the legal entity resides.

### Permanent

Expected to last throughout life with no prospect of improvement, irrespective of when the **cover** ends or you expect to retire.

### Premium/premiums

The monthly or annual payment to AIG Life Limited for AIG Income Protection.

### Related cause

Any illness or condition that you had symptoms of, sought advice for, received treatment for or were aware of, that directly or indirectly contributed towards your absence from **work** or inability to complete the **work tasks** during any previous **limited payment term**.

### Retail Prices Index

The Retail Prices Index (RPI) is the general purpose domestic measure of inflation in the **UK**. It is published by the Office for National Statistics.

### Self-employed

- Actively working alone or with others in a partnership; and
- Paying Class 2 National Insurance contributions; and
- If resident in the **UK** being assessed for Income Tax under Schedule D Case I or II of the Income and Corporation Taxes Act 1988.

### State Benefits

A payment made by the government of the state where the **claimant** resides.

### Suited occupation

You are not doing any paid **work** and have been diagnosed with an illness, injury or disability that:

- in the first 12 months following the date you stopped **work**, totally prevents you from doing the essential duties of your **own occupation**. The essential duties are those that are normally required for, and/or form a significant and integral part of, the performance of your **own occupation** that cannot reasonably be omitted or modified;
- after you have been off **work** for more than 12 months, totally prevents you from doing the essential duties of a suited occupation.

A suited occupation means one you could do for profit or pay taking into account your employment history, knowledge, transferable skills, training, education and experience, and is irrespective of location and availability.

### Term of the cover

How long the **cover** lasts. In other words, the period between the date the **cover** starts and the date it ends as shown in the **Cover Summary**.

### Terminal illness

A definite diagnosis by the attending **consultant** of an illness which satisfies both of the following:

- the illness either has no known cure or has progressed to the point where it cannot be cured; and
- in the opinion of the attending **consultant** the illness is expected to lead to death within 12 months.

A claim will be considered where terminal illness is diagnosed and this definition is met at any time up to the day **cover** ends.

### UK

The United Kingdom consisting of England, Wales, Scotland, and Northern Ireland.

### UK Government

The government of the **UK** or, upon the secession of Wales, Scotland and/or Northern Ireland from the **UK**, the government of the nation in which England remains.

### Work

Paid employment or self-employment.

### Work tasks

You have been diagnosed with an illness, injury or disability which prevents you from doing at least three out of the six work tasks. These are the things people need to do in everyday life. We also refer to these as **daily activities**.

You must need the help or supervision of another person and be unable to perform the work tasks on your own, even with the use of special equipment routinely available to help and taking any appropriate prescribed medication.

This also applies to your spouse, civil partner or **child** when claiming for family carer **benefit**.

The work tasks are:

#### Walking

The ability to walk more than 200 metres on a level surface.

#### Climbing

The ability to climb up a flight of 12 stairs and down again, using the handrail if needed.

#### Lifting

The ability to pick up an object weighing 2kg at table height and hold for 60 seconds before replacing the object on the table.

#### Bending

The ability to bend or kneel to touch the floor and straighten up again.

#### Getting in and out of a car

The ability to get into a standard saloon car, and out again.

#### Writing

The manual dexterity to write legibly using a pen or pencil, or type using a desktop personal computer keyboard.

In addition to the above, we will pay the **benefit** where you meet the following definition:

### Mental failure

A current mental impairment due to an organic brain disease or brain injury supported by evidence of the loss of ability to:

- remember;
- reason; and
- perceive, understand and give effect to ideas, which causes a significant reduction in mental and social functioning, requiring continuous supervision. A **consultant** Neurologist or Psychiatrist needs to make the diagnosis.

Or

Where you're unable to meet both of the following definitions, or one of the following definitions and one work task:

### Seeing

The ability to see well enough to read 16-point print using glasses or other reasonable aids.

### Communicating

The ability to:

- Clearly hear conversational speech in a quiet room in your first language; or
- Understand simple messages in your first language; or
- Speak with sufficient clarity to be clearly understood in your first language.

For the above definitions, disabilities for which the relevant specialists cannot give a clear prognosis are not covered.

For a **child** under five years of age, they will meet this definition if their illness or injury means they need continuous health care throughout the day and night. This care will be necessary for the health, welfare and protection of the **child**, compared to a **child** of a similar age who does not have any illness or injury.





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