



# Whole of Life Insurance

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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AIG Life Limited,  
PO Box 12010,  
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Telephone: 0330 123 4467 (calls are charged at standard rates from a BT landline but may cost more via mobiles and other networks). If calling from outside the UK, please call +44 330 123 4467.

Email: [nfumutual@aiglife.co.uk](mailto:nfumutual@aiglife.co.uk)

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 or Gibraltar. We provide financial and practical support for individuals, families and businesses when illness or injury threatens their life, lifestyle or livelihood. We recognise the value in the Financial Conduct Authority initiative of Treating Customers Fairly. We believe that if we treat you, our customer, fairly at all stages, then this will enhance our core values and lead to better service. Therefore we are committed to ensuring that we embed the principles of Treating Customers Fairly within every aspect of our business.

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 Whole of Life Insurance Cover Details. It explains how your cover works.

If you've just taken out AIG Whole of Life Insurance, please read this booklet carefully and keep it in a safe place, along with your Cover Summary. These two documents and the Application Details make up your contract with us.

If you're thinking about taking out AIG Whole of Life Insurance, this booklet should be able to answer any questions you might have.

If you are taking out AIG Whole of Life Insurance to cover another person, section A explains how this changes the terms and conditions of the cover detailed in sections B, C and D.

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 your AIG Whole of Life Insurance?

AIG Whole of Life Insurance is provided by AIG Life Limited. We specialise in protection insurance such as life insurance, critical illness cover and income protection.

## The language we use in the Cover Details

'We', 'us' or 'our' means AIG Life Limited. 'You' or 'your' means the owner of the cover 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 E.

## Section A:

# Setting up the cover

## A1 The owner of the cover

Throughout this section you and your means the **owner of the cover**.

If you apply for AIG Whole of Life Insurance on your own life, you will be the **owner of the cover**. If two people apply for **joint life cover**, they will be joint **owners of the cover**.

If you apply for AIG Whole of Life Insurance to cover the life of another person or persons, you will be the **owner of the cover**. This means you will be the beneficiary of the **cover** in the event of a claim, unless you choose to assign the **benefit** or place it in trust.

Special conditions apply when you wish to take out AIG Whole of Life Insurance to cover another person. If there is a difference between the conditions detailed in sections B to D and the conditions in this section, the conditions in this section will apply.

## A2 Who can take out AIG Whole of Life Insurance?

Both the **owner of the cover** and the person covered must either be British citizens or 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 living permanently 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.

You must have an insurable interest in the person covered at the time you take out the **cover**. You will always have an insurable interest in your own life. In addition, you will always have an insurable interest in the life of your spouse or civil **partner**. You may also have an insurable interest in another person if you have a legally enforceable financial dependency or liability upon them. If you are not sure if you have an insurable interest in a particular person, you should ask your financial adviser for guidance.

Where the **owner of the cover** is different from the person covered, we may also ask for evidence of the insurable interest.

## Section B:



# The cover

## B1 AIG Whole of Life Insurance

### When we will pay the **benefit**

When we will pay the **benefit** depends on the **cover** shown in the **Cover Summary**.

We will pay the **benefit** if any of the persons covered die or are diagnosed with a **terminal illness**.

For a **single life** policy, the **cover** stops after we have paid the full **sum assured**.

For a **joint life first event** policy, the cover stops after we have paid the full **sum assured** for one of the persons covered.

For a **joint life second event** policy, the **benefit** is paid after one of the people covered has died or has suffered a **terminal illness** and the second person covered dies or is diagnosed with a **terminal illness**. The **cover** stops after we have paid the full **sum assured** for the second person covered.

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

We will base **benefit** payments on the **sum assured**.

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

If you have chosen an increasing lump sum, we will base **benefit** payments on the current **sum assured**. For the first year of the **cover**, this will be the initial **sum assured**. This amount is shown in the **Cover Summary**. Each year, on the anniversary of when the **cover** started, the **sum assured** will increase in line with any increase in the **Retail Prices Index (RPI)**, up to a maximum annual increase of 10%.

We will write to you each year to tell you the new **sum assured** and the new **premium** you will be paying.

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

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

- the person covered, the **owner of the cover**, or their legal representatives do not give us medical or other evidence that we ask for; or
- the diagnosis does not meet our definition of a **terminal illness**, or a **terminal illness** is not diagnosed by a **consultant** or is not expected to lead to death within 12 months; or
- we find the person covered or the **owner of the cover** or their legal representative has given us inaccurate, incomplete or false 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**; or
- the claim is caused by something that we have specifically excluded from this **cover** - this will be shown in the **Cover Summary**; or
- the person covered dies as a result of their own actions within one year of the **cover** start date or the reinstatement of the **cover**, whichever is later. Once the **cover** has been **active** for more than 12 months, if the **sum assured** has been increased in the 12 months prior to the person covered dying as a result of their own actions, no **benefit** will be payable in respect of this increase.

## B2 Waiver of Premium

For extra protection, the **owner of the cover** can ask us to include Waiver of Premium in a **cover**. If Waiver of Premium is included in a **cover** and the person so covered is **incapacitated** for more than 26 weeks, we will waive the **premiums** due for that **cover**. Please note that **premiums** due in the first 26 weeks of being **incapacitated** will not be waived.

The **Cover Summary** will show if Waiver of Premium is included in a **cover** and when it ends. The remainder of this section only applies where Waiver of Premium is included in the **Cover Summary**.

For **joint life cover**, the **owners of the cover** can choose Waiver of Premium for one or both of the people covered.

### When we will waive **premiums**

#### Single life

We will waive AIG Whole of Life Insurance **premiums** if the person covered is **incapacitated** for longer than 26 weeks. We will continue to waive the **premiums** until they are no longer **incapacitated** or the Waiver of Premium end date as shown in the **Cover Summary**.

#### Joint life - Waiver of Premium on one life

We will waive AIG Whole of Life Insurance **premiums** if the person covered by Waiver of Premium is **incapacitated** for longer than 26 weeks. We will continue to waive the **premiums** until they are no longer **incapacitated** or the Waiver of Premium end date as shown in the **Cover Summary**.

#### Joint life - Waiver of Premium on each life

We will waive AIG Whole of Life Insurance **premiums** if either of the people covered is **incapacitated** for longer than 26 weeks. We will continue to waive the **premiums** until they are no longer **incapacitated** or the Waiver of Premium end date as shown in the **Cover Summary**.

#### How much we will waive

We will waive the **premium** of any **cover** that includes Waiver of Premium.

If the person is covered by more than one **cover** with us, and they become **incapacitated**, we will only waive the **premiums** on 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 the earliest of the following happens:

- the person covered no longer meets the definition of **incapacitated** that applied when they first claimed; or
- they die; or
- we have paid the **benefit** for **terminal illness**; or
- the Waiver of Premium end date has been reached as shown in the **Cover Summary**.

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

### When we will not waive **premiums**

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

- the person covered or their 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 person covered is **incapacitated** but Waiver of Premium is not included in the **cover** for that person (this will be shown in the **Cover Summary**); or
- the claim is caused by something that we have specifically excluded from this **cover** (this will be shown in the **Cover Summary**); or
- the person covered does not satisfy the geographical restrictions set out in the 'Claiming a benefit' section; or
- we find the person covered or the **owner of the cover** has given us inaccurate, incomplete or false 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**; or
- Waiver of Premium has ended as shown in the **Cover Summary**.

## Section C:

# Managing the cover

## C1 Paying for the cover

When the **cover** is on the life of another basis, the **owner of the cover** may choose whether they or the person covered pays the **premiums**.

### 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. The person paying the **premium** can choose a date between the 1st and the 28th of the month that suits them. They will pay the **premium** every month, unless we accept a Waiver of Premium claim for the **cover**.

If an annual **premium** has been selected, we will collect the **premium** on the same date each year. This date will be in the same month as the one in which the **cover** started.

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?

The **cover** will not start if we do not receive a valid Direct Debit instruction or if the first **premium** is not paid.

If a subsequent **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 the **owner of the cover** and (if different) the person covered to tell them that the **cover** has been cancelled.

### Restarting a **cover**

If we cancel a **cover** because a **premium** is not paid, the **owner of the cover** can ask us to restart it. They 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 the **owner of the cover** asks us to do this, we will decide at our discretion if we are willing to restart the **cover**. If we are, we will tell them what we need in order to restart the **cover** and they 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:

- the **owner of the cover** makes a change to the **cover**; or
- we accept a Waiver of Premium claim - see section B2;
- a Waiver of Premium claim ends; or
- it becomes subject to tax; or
- Waiver of Premium ends as shown in the **Cover Summary**, if this was selected when the **cover** started ; or
- any of the information provided as part of the application process is incorrect - further details can be found in sections D8 and D13.



If the **cover** has an increasing **sum assured**, the amount of the **sum assured** will increase in line with the **RPI**, up to a maximum annual increase of 10%. Your **premium** will be reviewed annually and will increase by a higher percentage than that of the **sum assured**. The increase will be applied on the anniversary of when the **cover** started.

We will write to the **owner of the cover** each year to tell them the new **sum assured** and the new **premium** that they will be paying. They do not need to accept the increase, but must advise us if they don't.

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

## C2 Telling us about changes to personal details

The **owner of the cover** or the person covered needs to tell us if they change:

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

We will ask them for their **cover** number when they call us. We will also ask some questions to confirm their identity.

The **owner of the cover** or the person covered 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 the person covered changes their **occupation**.

## C3 Changing a cover

There are many ways that a **cover** can be changed to make sure that it is still meeting the needs of the **owner of the cover**. All of the changes that can be made are explained in section C4.

The options that increase the **sum assured** are not available to everyone. This could be because, for example, the person covered has a particular medical condition when **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. Before taking up any of these options, the **owner of the cover** should consider speaking to their financial adviser.

## C4 Changing your AIG Whole of Life Insurance

The following sections explain how the **owner of the cover** can change their AIG Whole of Life Insurance **cover**.

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

### 1. Increasing the **sum assured** - limited

If this option is shown in the **Cover Summary**, the **owner of the cover** has the right to increase the amount of **cover** they have. They can do this up to six months after the person covered:

- marries or enters into a civil partnership; or
- has a **child** or legally adopts one; or
- increases the amount of their mortgage; or
- is promoted by their current employer, or starts a new job with a different employer, and their salary increases.

We will ask to see evidence of the event, and where the **owner of the cover** is different from the person covered we may also ask for evidence of the insurable interest. Without this, we reserve the right to refuse to allow the increase.

The increase in **cover** cannot be more than 100% of the original **sum assured** or £150,000, whichever is lower.

If the increase is for a mortgage then the extra **sum assured** cannot be more than the increase to the mortgage.

If the increase is for an increase in salary then the extra **sum assured** cannot be more than the increase in salary.

More than one increase can be requested but the total of all increases must not exceed the current **sum assured** of the original **cover** or £150,000, whichever is lower.

This option cannot be taken up:

- while we are waiving the **premiums**; or
- after the 71st birthday of the person covered; or
- while we are paying a **benefit** under any **cover**; or
- while the **owner of the cover** is in a position to make a claim under the **cover**; or
- if the person covered or the **owner of the cover** has received **benefit** payments under the **cover** in the last two years; or
- if one of the lives under a **joint life second event** policy has either died or has been diagnosed with a **terminal illness**.

## 2. Increasing the **sum assured** due to prospective Inheritance Tax (IHT) liability - limited

If this option is shown in the **Cover Summary**, the **owner of the cover** has the right to increase the amount of **cover** they have.

We will ask to see evidence of the event, and where the **owner of the cover** is different from the person covered we may also ask for evidence of the insurable interest. Without this, we reserve the right to refuse to allow the increase.

They can do this:

a) where there is an increase in the value of their estate which causes an increase in prospective liability to IHT. The increase in **sum assured** allowed under this option must not exceed the increase in liability to IHT.

More than one increase can be requested but the total of all increases cannot be more than 100% of the original **sum assured** or £250,000, whichever is lower.

b) where there is a change to IHT legislation either by the **UK Government** announcing a legislative change in

- the rate, or rate bands, of IHT; or
- the exemptions and reliefs from IHT.

The increase in **sum assured** allowed under this option is not more than the lower of:

- the increase in the proportion of the liability covered immediately before the change. When you contact us to request an increase, we will ask for evidence of the liability increase from your accountant or solicitor; or
- £5million; or
- 100% of the original **sum assured**.

Where the increase is in response to a **UK Government** Statement, you must provide us with evidence confirming the IHT which would have been payable if the person covered had died immediately before the **UK Government** Statement (or the later date the changes became law). Without this, we reserve the right to refuse to allow the increase.

If the proposed legislation is altered or it does not come into effect, we may cancel an increase in cover that has been effected under the option above.

This option cannot be taken up:

- after the 90th birthday of the person covered; or
- while we are waiving the **premiums**; or
- while we are paying a **benefit** under any **cover**; or
- while the **owner of the cover** is in a position to make a claim under the **cover**; or
- if the person covered or the **owner of the cover** has received **benefit** payments under the **cover** in the last two years; or
- if one of the lives under a **joint life second event** policy has either died or has been diagnosed with a **terminal illness**.

This option must be exercised within six months of the change in legislation.

### 3. Reducing the **sum assured**

The **owner of the cover** can reduce the **sum assured** at any time, as long as the reduction doesn't mean that the **sum assured** falls below the minimum allowed. If they later want to increase the **sum assured**, the amount by which they'll be able to do so will be based on the new, lower **sum assured**, not the initial one.

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

If the **owner of the cover** sets up an increasing **sum assured**, we will write to them each year to tell them the new **sum assured** and the new **premium** that they will pay. They can ask for the increases to stop at any time. If they do, the **sum assured** will be frozen at the level it has reached when they ask us to stop the increase. They can ask us to start increasing it again, but we can't do this if:

- we are waiving **premiums**; or
- the **sum assured** has been frozen for three consecutive years; or
- we are paying a **benefit** under any **cover**; or
- the **owner of the cover** is in a position to make a claim under the **cover**;
- the person covered or **owner of the cover** has received **benefit** payments under the **cover** in the last two years.

### 5. Continuing **cover** - limited

If the **cover** was taken out as a **joint life first event cover**, and we have paid a claim for one life and the **cover** has ended, the **owner of the cover** can ask us to provide new **cover** on the surviving person covered as a **single life cover**.

The **sum assured** under the new **single life cover** cannot be greater than the **sum assured** under the original **cover**.

This option must be exercised within 13 weeks of the claim being paid.

### 6. Adding another person to the **cover**

The **owner of the cover** can ask us to change a **single life cover** to **joint life cover** if they are also the person covered. We will need information about

the new person so we can decide whether to add them to the **cover**, and on what terms. The **premium** may increase if this change is made, and the new person will become a joint **owner of the cover**.

### 7. Changing a **joint life cover** to two **single life covers** - limited

Where the people covered are also the **owners of the cover**, either person can ask us to change the **cover** from **joint life cover** to two **single life covers**. They can do this providing it is within six months of separating. Both people must agree to this change. We will ask to see evidence of the separation.

The total of the two new **sums assured** cannot be more than 100% of the **sum assured** under the joint life **cover**.

### 8. Changing how often a **premium** is paid

You can change from a monthly **premium** to an annual **premium** and vice versa. If this change is made, it will take effect from the date the next **premium** is due to be collected.

#### 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 their **cover**, the **owner of the cover** 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 - Thursday, 8.30am - 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 may record or monitor phone calls.

## C5 Claiming a benefit

### When to claim

We ask the person claiming to contact us as soon as possible.

For Waiver of Premium claims, we ask we are notified within eight weeks of the person covered becoming **incapacitated**.

### 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 [claims@aiglife.co.uk](mailto:claims@aiglife.co.uk)
- write to us at Claims Team, AIG Life Limited, PO Box 12010, Harlow CM20 9LG

We are open Monday to Friday, from 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 considering a death claim, we will stop collecting **premiums**. If we are considering any other type of claim, **premiums** must be paid while it is being assessed. If the claim is paid, we will advise you if we can refund any of the **premiums** paid while we assessed the claim.

If the person claiming, the **owner of the cover** or the person covered 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 the person covered, or the doctor that diagnoses them, to be in a particular part of the world when a claim is made or when we are paying a **benefit**.

For a death claim, the person covered can be anywhere in the world.

For **terminal illness** (where life expectancy is less than 12 months) the person covered can be residing anywhere in the world however, the **consultant** must be in an **eligible country**.

For Waiver of Premium claims, the person covered must be living in an **eligible country** when they become **incapacitated**. They must return to and remain in the **UK, Channel Islands, Isle of Man or Gibraltar** within 26 weeks of becoming **incapacitated** in order to receive the **benefit**.

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.

### Support during a claim

If we have agreed that the person claiming may have a valid claim, we may pay up to £300 for services that support the person covered or their family. The services that are covered by this support payment will depend on all the circumstances but could range from physiotherapy or counselling to the cost of taking taxis to hospital appointments.

We need to approve the services, and agree their cost, before they are used. Whether we approve the service depends on the situation of the person covered and the advice of their doctor. We will refund the cost as soon as we have received the receipts for the services that we agreed.

The claims adviser will explain the services that we can pay for.

Please remember that if we pay for support services, it does not necessarily mean we will approve a claim on your **cover**.

We will not pay for support services in relation to a Waiver of Premium claim.

Any payments made under the Claims Support Fund will not be deducted from the **benefits** payable.

### 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, the circumstances at the time and whether the **cover** has been assigned or put under trust.

During the course of the claim assessment, we will establish and confirm who we identify as legally entitled to receive the **benefit**.

We will normally pay the **benefit** to the **owner of the cover** or their legal representatives, if the **owner of the cover** has died. Legal representatives need to send us the original Grant of Representation, Letters of Administration or Confirmation before we can pay any **benefit** to them.

If the **owner of the cover** has instructed us to pay the **benefit** to someone else by a deed of assignment, we will pay this **assignee**. **Assignee(s)** need to send us the original deed of assignment before we can pay any **benefit** to them.

If the **cover** is under trust, we will pay the **benefit** to the **trustee(s)**. The **trustee(s)** must then follow the terms of the trust to distribute the money to the chosen beneficiaries. **Trustee(s)** need to send us the original Trust Deed and any deeds altering the trust before we can pay any **benefit** to them. We will return these when we pay the claim.

#### 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 the **owner of the cover**, the **trustee(s)**, the **assignee(s)** or their legal representative.

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, Channel Islands, Isle of Man or Gibraltar** bank account must be made at the **claimant's** own expense.

Section D:



# General terms and conditions

## D1 Cancelling your 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**.

## D2 Surrender value

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

## D3 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 **sum assured**, 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.

## D4 Interest

If we start paying the **benefit** any later than eight weeks after we receive all the information we need, we will pay 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.

## D5 Data protection

### Personal information we collect

Personal information we may collect about the **owner of the cover** or the person covered and their 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, prevent and investigate financial crime activities;
- 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.

We will retain this personal information for the period necessary to fulfil the purposes outlined above unless a longer retention period is required and permitted by law.

### Where we may get personal information from

We may get personal information about the person covered or the **owner of the cover** from them, their financial adviser, or from other sources - for instance their doctor.

We may ask their doctor for information before we offer **cover**. We may also get a report from their 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 their 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 the person covered or **owner of the cover** 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;
- Their financial adviser;
- Their 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, we may transfer personal information to parties located in other countries.

All countries in the European Economic Area (EEA), which includes the **UK**, have similar standards of legal protection for personal information. If personal information is transferred to a country that does not have a similar standard of data protection laws to countries in the EEA, we will require that this is protected to at least EEA standards by the receiving party

### Giving us information about another person

If you give us information about another person, you confirm that the other person has given the authority to consent to the processing of their personal information. You also confirm that you have informed the other person of our identity and the purposes for which we will use their personal information, and drawn their attention to our privacy notice (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, your rights under the Data Protection Act, 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)).

By applying for insurance with AIG Life Limited, the **owner of the cover** and/or person covered gives permission to use their personal information (including sensitive personal information) in the manner set out in our privacy notice.

## D6 Taxation, laws and regulations

By taking out this contract, the **owner of the cover** agrees to submit to the exclusive jurisdiction of the courts of England and Wales if there is ever a dispute between them 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.

Professional guidance should be sought before any type of assignment or changed ownership is undertaken.

We cannot advise whether a trust is suitable in any particular circumstances or give tax advice in relation to the use of trusts and would recommend that you take professional advice before setting up a trust.

**Cover** held by the **trustee(s)** of a trust should not normally form part of the estate of the person covered for Inheritance Tax purposes. There is a potential Inheritance Tax charge when **benefit(s)** are paid out of a trust (known as 'exit charges') or on every tenth anniversary of the creation of the trust (known as 'periodic charges'). This applies to **UK** residents only.

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.

## D7 Contract

The contract between the **owner of the cover** and AIG Life Limited consists of:

- any information provided by the person covered or the **owner of the cover** in their application and any subsequent information they 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 the **cover** starts; and
- any additional terms and conditions detailed in any subsequent **Cover Summary**.

The contract between the **owner of the cover** 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 the **owner of the cover** 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 the **owner of the cover** and AIG Life Limited shall not be affected

The contract between the **owner of the cover** 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.



## D8 Misstatement of age

If, after the **cover** is taken out, we learn that the person covered has a different date of birth than the one originally provided, this will impact on the **premium** and/or **sum assured** of their **cover**.

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

## D9 Complaints

If the **owner of the cover**, the person covered or any person to whom the **benefit** of the **cover** has been assigned has a complaint, they can contact our customer services 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 the right to take legal proceedings.

## D10 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.

## D11 Assignment

If the **owner of the cover** assigns any of their legal rights under the **cover** to someone else, (including any assignment to the **trustee(s)** of a trust), we must see notice of the assignment when a claim is made. This notice must be sent to: AIG Life Limited, PO Box 12010, Harlow CM20 9LG.

An assignment could take place when they are using the **cover** as security for a loan.

## D12 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.

The **owner of the cover** and AIG Life Limited are the parties to the contract.

## D 13 Disclosure confirmation and verification

The person covered will be asked to provide details of their health and personal circumstances. The person covered and the **owner of the cover** 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 provided to us by the person covered is confidential and we will not disclose it to the **owner of the cover** without their permission. We will send to the person covered details of their answers and a copy of their **Application Details**, and ask them to advise us of any corrections or additions they wish to make. If they do not answer our questions fully and honestly, this may result in us refusing any future claim.

We will provide the **owner of the cover** and the person covered with a **Cover Summary** which will include information on any exclusions made as a result of the health information provided by the person covered.

We may select the application for a disclosure check. To complete the check, we will either obtain a report from the doctor of the person covered, or call them for further information or perform data checks. If we have selected it for a check, the person covered must give permission for us to contact their 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 the **owner of the cover** or person covered they 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**.

## D 14 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.

## D 15 Restricted persons

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

## Section E:

# Definitions



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

### Active

The **cover** has started, **premiums** are up-to-date and we have not written to the person covered or the **owner of the cover** to tell them that they are 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 the person covered and (if applicable) the **owner of the cover** in the application.

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

### Assignee

A person to whom the rights to the **benefit(s)** are legally transferred.

### 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 21 years old who is:

- a natural child of the person covered or their **partner**; or
- legally adopted by the person covered or their **partner**; or
- a legal stepchild of the person covered following their marriage or civil partnership.

### Claimant

The person(s) legally entitled to claim the **benefit(s)** under the **cover(s)**. This may be the **owners(s) of the cover, trustee(s)** on behalf of the trust and for the benefit of the beneficiaries, **assignee(s)** or legal representatives of the **owner(s) of the cover's** estate.

### 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 the person covered for their 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 to the person covered or to the **owner of the cover** once we have agreed to offer them 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 them for, and whether or not they have the automatic right to ask for an increase in the **sum assured** should their 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.

### 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.

### Incapacitated

There are three different ways we define incapacitated in relation to the person covered.

These are based on their ability to do:

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

Which of these three definitions applies to the person covered depends on:

- whether they are in paid **work**; and
- what kind of **work** they do.

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

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

### 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.

### Joint life

**Cover** for two people with the **benefit** payable once.

### Joint life first event

A **cover** where the **benefit** is paid when one of the persons covered dies or is diagnosed with a **terminal illness**.

### Joint life second event

A **cover** where the **benefit** is paid when both of the persons covered have either died or have been diagnosed with a **terminal illness**.

### Occupation

A trade, profession or 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

The person covered is not doing any paid **work** and has been diagnosed with an illness, injury or disability which prevents them from doing the essential duties of their own occupation. The essential duties are those that are normally required for, and/or form a significant and integral part of, the performance of the person's own occupation that cannot reasonably be omitted or modified.

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

### Owner(s) of the cover

A person or two persons that enter into a contract for **cover** to insure their lives or the life of another person on the basis of an insurable financial interest in that person.

### 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.

### Partner

Someone the person covered is married to or in a civil partnership with, or someone they have been living with for a minimum of two years as if they were married or in a civil partnership.

### Premium/premiums

The monthly or annual payment to AIG Life Limited for AIG Whole of Life Insurance.

### Retail Prices Index (RPI)

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.

### Single life

**Cover** for one person.

### Suited occupation

The person covered is not doing any paid **work** and has been diagnosed with an illness, injury or disability that:

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

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

### Sum assured

The amount we would pay for a successful claim on AIG Whole of Life Insurance.

### 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.

### Trustee

A person, often one of a group, who becomes the legal owner of the trust assets (in this case, the policy and its proceeds) and who has powers to deal with the trust

assets in accordance with the terms of the trust and the duties imposed by law.

### 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

The person covered has been diagnosed with an illness, injury or disability which prevents them from doing at least three out of the six work tasks, also known as **daily activities**.

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

### 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 the person covered meets 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; and
- 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 the person covered is 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:

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

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



[www.aiglife.co.uk](http://www.aiglife.co.uk)

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