



For intermediaries only

# Product oversight and governance – Whole of Life

The Insurance Distribution Directive (IDD) sets out standards for product approval and product review processes, requiring a robust policy is in place to make sure products have an identified target consumer market and the risks to the identified target market are assessed.

The distribution strategy must also be appropriate to ensure the product is distributed to the identified target market.

## Product information

Here you can find the information you need about our Whole of Life policy.

Product information	Detail
Who is the target market?	<b>Designed for your clients who want to:</b> <ul style="list-style-type: none"><li>• protect their family against the financial impact of their death;</li><li>• make funds available to cover an anticipated inheritance tax (IHT) liability on their estate, or</li><li>• leave behind an inheritance.</li></ul>
Who isn't the product suitable for?	<b>Not designed for your clients who want:</b> <ul style="list-style-type: none"><li>• life cover for a specific length of time;</li><li>• to take out cover for another person;</li><li>• an investment-linked arrangement;</li><li>• a cash-in value, or</li><li>• to be protected if they're unable to work due to accident or serious illness.</li></ul>
What's the suggested distribution strategy?	Distributed through intermediaries, on an advised or non-advised basis.

Product information	Detail
<p>What are the main features and characteristics?</p>	<ul style="list-style-type: none"> <li>• Life insurance that pays out a lump sum when your clients die or are diagnosed with a terminal illness.</li> <li>• It can be taken on a single-life, joint-life first death or joint-life second death basis.</li> <li>• You and your clients can choose cover that: <ul style="list-style-type: none"> <li>– stays level throughout the term of the policy, or</li> <li>– increases in line with the retail price index.</li> </ul> </li> <li>• We'll provide up to £1 million of free cover for up to 90 days, while we request any necessary medical information. If you place the policy in our <a href="#">Flexible Trust</a> with online applications or our Whole of Life Trust with paper applications, any free cover will also be in trust.</li> <li>• You can place your clients' policies in trust so that the benefits don't form part of their estate, which can help mitigate any IHT liability. You can use our <a href="#">Flexible Trust</a> with online applications or our Whole of Life trust with paper applications.</li> <li>• It's flexible so that it can meet your clients' changing needs. We offer a range of options that may be available to your clients to extend their cover, without the need to provide further medical information. We also offer a joint-life separation option to split a joint-life policy into two separate single-life policies.</li> <li>• Our gift inter vivos conversion option can help protect against any IHT liability in the seven years after making a gift.</li> <li>• Your clients have access to a range of support and guidance services that are available throughout the life of their policy, at no extra cost. They include a health and wellbeing service, second medical opinion service and a funeral payment pledge. These services aren't part of our terms and conditions and can be withdrawn at any time.</li> </ul>
<p>What are the risks?</p>	<ul style="list-style-type: none"> <li>• If your clients stop paying their premiums, their protection cover will stop immediately and they'll no longer be protected.</li> <li>• If your clients choose our inflation-linking option, their policy payments could increase by more than they expect if inflation is high.</li> <li>• If your clients take out cover for IHT planning, there's no guarantee that the money paid out will meet the full amount of any future liability.</li> <li>• Tax legislation could change in the future, which could impact the IHT liability, so it's important to regularly review policies being used for IHT planning purposes.</li> <li>• If you don't place the policy in a valid trust, the policy proceeds could be included in your clients' estate and be subject to an IHT liability.</li> <li>• Some exclusions apply, as detailed in our <a href="#">Whole of Life policy conditions</a>.</li> </ul>
<p>What are the associated costs?</p>	<p>Your client's personal illustration will detail the cost of each benefit chosen and the overall cost over the life of the policy.</p>

Product information	Detail
Are there any circumstances which may cause a conflict of interest to the detriment of your clients?	There are no expected conflicts of interest.

This information is based on our understanding of current taxation law and HMRC practice, which may change. Trusts establish legal rights and entitlements and might have material financial and tax implications for the settlor, trustees and beneficiaries. Aegon UK isn't authorised to provide legal advice, so you should take your own legal advice before setting up a trust, to make sure that it meets your clients' requirements. Our trusts have been drafted for use by UK domiciled individuals.

### Proposition governance

We have a detailed proposition development policy for creating and designing new products. We also have a rolling programme of product lifecycle management where we regularly review our products. These product governance arrangements make sure that our products meet the identified needs and objectives of the target market over the lifetime of the product and that the distribution strategy remains appropriate.

Our regular reviews will test the proposition design so it remains fit for purpose and delivers fair customer outcomes, taking into account the complexity of the product and the identified target market.

For more information about the IDD and our approach to facilitating the changes, visit our [Business change](#) page or speak to your usual Aegon representative.