

For customers



Key features of the Whole of Life policy

Contents

Its aims	3
Your commitment	3
Risks	3
Questions and answers	4
Other information	9
How to contact us	10

The Financial Conduct Authority (FCA) is a financial services regulator. Scottish Equitable plc is regulated by the FCA in carrying out insurance business and is part of Aegon UK. The FCA requires us, Aegon, to give you this important information to help you to decide whether the Whole of Life policy is right for you. You should read this document carefully so that you understand what you're buying, and then keep it safe for future reference. We do not offer personal recommendations.

This is an **important document** that you should read carefully.

It gives you a summary of our Whole of Life policy. It doesn't contain the full terms and conditions – you'll find these in our **Policy conditions**.

You should read these documents together with your personal illustration.

If you don't already have a copy of our Policy conditions or a personal illustration, please speak to your financial adviser who'll be able to give you them.

This key features refers to our current Whole of Life policy product terms, as at September 2018.

Its aims

To pay a lump sum on death or diagnosis of a defined terminal illness.

Designed for customers with the following demands and needs:

- want to protect their family against the financial impact of their death;
- make funds available to cover an anticipated inheritance tax (IHT) liability on their estate, or
- want to leave behind an inheritance.

Your commitment

- To make regular payments throughout your lifetime. If you don't, your cover will stop.
- To give us all the information we ask for when applying for your policy.
- To tell us if any of your circumstances change (for example financial interest, health, lifestyle, occupation or employment status and/or recreational activities) between the date you answer the application questions and the date your Whole of Life policy starts.
- To contact us within the relevant timescales when a claim is being made, and give us all the evidence we ask for.

Risks

- The policy doesn't have any cash-in value, and your protection will stop if you stop making your policy payments.
- We might not pay your claim in certain circumstances. These circumstances are known as exclusions. You can find out more about this under the question 'Are there any circumstances where you won't pay my claim?'.
- If the information we receive as part of your application is incomplete, incorrect or untrue, we might not pay your claim. This could be information you give us or your financial adviser gives us on your behalf.
- If you choose for the amount you're insured for to increase each year in line with inflation, also known as indexation, your payments could increase by more than you expect if inflation is high. You can find out more about how much your payments will increase by in our Policy conditions.
- If you've taken out this policy for inheritance tax (IHT) planning there's no guarantee that the money paid out will meet the full amount of any future liability. It's your responsibility to review your tax liability.
- Tax legislation could change in the future which could impact the IHT liability so it's important you review this if you're using the policy as part of your IHT planning.
- If your policy isn't held in a valid trust, the policy proceeds could be included in your estate and be subject to an IHT liability.
- Any tax information given is based on our understanding of current taxation law and HM Revenue & Customs (HMRC) practice and may change.
- If you have a trust but we don't have appropriate evidence of the existence of your trust, we won't be able to pay the proceeds on a valid claim to the trustees.

Questions and answers

What's a Whole of Life policy?

Life insurance that pays out a lump sum when you die or are diagnosed with a defined terminal illness. For example to help:

- meet IHT due on your estate, or
- protect your family against the financial impact of your death.

What's a defined terminal illness?

When we refer to being diagnosed with a defined terminal illness, we mean that a definite diagnosis has been made by the attending consultant of an illness that satisfies both of the following:

- The illness either has no known cure or has progressed to the point where it can't be cured, and
- In the opinion of the attending consultant and our chief medical officer, the illness will lead to death within 12 months.

Can I apply?

To apply for a Whole of Life policy all people to be insured must be resident in the UK and aged between 18 and 84. You must also be resident in the UK to use any of the options available under the policy.

Who can be insured?

You can choose to:

- apply on your own to provide insurance on your life, known as a single-life policy, or
- apply with another person – usually your husband, wife or civil partner – to provide insurance on both your lives, known as a joint-life policy.

How does a joint-life policy work?

If you choose to set up a joint-life policy, it will pay out only once, but you can choose whether the sum insured is paid out:

- when one insured person dies or is diagnosed with a defined terminal illness – this is known as joint life first death, or
- when both insured persons have died, or one of them has died and the survivor has been diagnosed with a defined terminal illness – this is known as joint life second death.

What choices do I have?

When you apply, you can choose to place your Whole of Life policy and any free cover available to you before the policy is issued in trust.

You can also choose to pay extra if you want to:

- inflation-link your policy – this is also known as indexation, or
- protect your payments if you can't work – this is also known as waiver of premium.

What's free cover?

When you apply, we'll provide free cover up to £1 million, or your sum insured (whichever's lower) for up to 90 days. This lets you cover some, or all (depending on how much you've asked us to insure you for), of your protection needs while your application's being processed and full cover can be put in place.

We'll set up your free cover in the same way as you've asked us to set up your policy, for example as single-life or joint-life cover.

There are circumstances when you won't be eligible for free cover. You can find out more about this under the question 'Are there any circumstances when I won't be eligible for free cover?'.
[View question](#)

For full details of free cover, please read the addendum to our Policy conditions describing free cover.
[View addendum](#)

Questions and answers

Policy and any free cover in trust

If you make a valid claim, and we have appropriate evidence of the existence of the trust, the proceeds will be paid to your trustees rather than into your estate to help meet an IHT liability due on your estate.

It's important to be aware that a trust creates legal entitlements and has financial and tax implications. Once created the trust can't be ignored. You should seek your own legal or other professional advice to make sure this is right for you.

What's an inflation-linked policy?

An inflation-linked policy means we'll increase the amount you're insured for each year in line with the increase in the Retail Prices Index (RPI) up to a maximum of 10%.

At the same time, your payments will increase to pay for the higher sum insured. Each year, your payments will increase by twice the percentage increase applied to your sum insured.

Your personal illustration will show you if you've applied for this.

You'll find full details in section 1.6 of our [Policy conditions](#).

What are protected payments?

If you choose to protect your payments and are incapacitated and continuously unable to work for more than 26 weeks due to sickness or an accident, we'll make your policy payments for you.

We'll continue to make your policy payments as long as you continue to meet the definition of incapacity shown on your policy schedule, but will stop when the first of the following happens:

- you turn 67 years old;
- you no longer meet the definition of incapacity that applies to you, or
- a death or defined terminal illness claim is paid on the policy.

You'll find full details about protected payments, including the full definitions of incapacity, in section 4 of our [Policy conditions](#).

What happens if I die between applying for this policy and my policy starting?

If you're eligible for free cover, and on a valid claim being made, we'll pay up to £1 million, or your sum insured (whichever's lower).

The free cover will start when we receive a completed:

- **Application form** (including online applications), and
- **Direct Debit instruction form** (where relevant).

Your free cover will stop on whichever of the following happens first:

- Immediately before your policy starts;
- We tell you we can't offer you cover, or
- 90 days from when we received your application.

Are there any circumstances when I won't be eligible for free cover?

Yes. We won't be able to provide you with free cover if at the time of your application:

- you've applied, or are in the process of applying, for similar cover with another insurance company;
- any person to be insured by the policy is aged 70 or older, or
- you have a diminished mental capacity.

Are there any circumstances when Aegon won't pay a free cover claim?

Yes. During the 90-day free cover period, we won't pay a claim if you:

- die, directly or indirectly, from a condition that caused symptoms before you applied or a condition you were aware of when you applied, or
- commit suicide (whether you were sane or insane at the time).

Questions and answers

Can I increase the amount I'm insured for at any time without having to give more medical information?

You might be able to increase the amount you're insured for without giving us evidence of your health if:

- you have a newborn child or legally adopt a child;
- you get married or enter into a civil partnership;
- your mortgage on your main residence increases because you either move home, carry out improvements or build an extension to your main residence;
- you change jobs or are promoted and your yearly basic salary increases by at least 10%;
- you have a single-life policy and you divorce or dissolve a civil partnership;
- the percentage amount of equity you hold in a partnership or company in which you are an equity partner or owner director increases or you increase a business loan;
- you're a sole trader and your yearly net relevant earnings increase or you increase the amount of a business loan that you've taken out; and
- your potential IHT liability has increased (this option isn't available for joint-life policies taken out on a first-death basis).

With these options, also known as guaranteed insurability options, you won't have to provide any more medical information. However, we'll ask you for confirmation of your residency, occupation, smoking activity and leisure pursuits to calculate your new payment amounts.

You'll find full details of these options in section 5.1 of our [Policy conditions](#), including:

- how much you can increase the amount you're insured for in each of the circumstances;
- the maximum ages for using them, and
- what evidence we'll need.

If you're increasing your cover, you must apply to use these options within six months of the event happening.

Can I change a joint-life policy if my circumstances change in the future?

Before your 71st birthday you might be able to split your joint-life policy into two single-life policies without giving us more medical information. If you'd originally set up your joint-life policy to be held in trust and we've seen evidence of the existence of this trust, we'll issue the new policies to the trustees you appointed for your joint-life policy.

If this option isn't available due to your medical history and personal circumstances, we'll tell you before your policy starts, and it will show on your policy schedule.

You'll find full details of our joint-life separation option in section 5.3 of our [Policy conditions](#).

Can I use this policy to protect an IHT liability on a gift I make?

Yes, this option is available for single-life policies, and joint-life second death policies where one of the insured persons has died. If your policy is held in trust, all trustees need to agree to exercise the option.

When you make a gift from your estate that could result in an IHT charge, you can change some of the amount you're insured for into gift inter vivos (GIV) insurance. This means that the money from the GIV insurance can be given to the person you've given the gift to, helping them to pay an IHT liability they're due if you die in the seven years after they've received the gift.

We'll calculate how much the GIV insurance will cost using your age at the time you took out your policy. You won't have to provide us with new medical evidence. The sum insured on your Whole of Life policy will reduce and we'll tell you of any change to your policy payments.

The amount we'll pay out for this insurance will reduce in line with the IHT liability. You can find full details of how this reduces in section 5.2 of our [Policy conditions](#).

? Questions and answers

If my policy is held in trust, how does it work?

When we receive a valid claim and evidence of the existence of the trust, we'll pay the amount you're insured for to your trustees. Your trustees will distribute the money in line with the terms of the trust, usually to the people that you've named as your beneficiaries.

If you're not sure whether a trust is right for you, and you change your mind, once the policy is set up you can still place the policy in trust.

How do I pay for this policy?

When you apply to set up a Whole of Life policy you'll complete a Direct Debit instruction form (unless agreed otherwise). We'll collect your payments direct from your bank or building society account either monthly or yearly, depending on what you'd prefer.

When will my insurance cover end?

Your Whole of Life policy will last until a valid claim is made, as long as you continue to make your payments.

How can a claim be made on this policy?

The person making the claim should call us on **03456 00 04 93**. We must be told about any claim within the timescales set out below, or we might not pay the claim.

Type of claim	When we must be told
Death claim	Your trustees or legal personal representative should tell us as soon as possible
Defined terminal illness claim	As soon as you think you have a claim
Protecting your payments claim (Waiver of premium)	Within six weeks of becoming incapacitated

Are there any circumstances where you won't pay my claim?

Yes – these are also known as exclusions.

We won't pay out the sum insured if you commit suicide (whether you were sane or insane at the time) within 12 months of:

- your policy starting;
- your policy being restarted, or
- increasing the amount you're insured for (only for that increase amount). This exclusion doesn't apply to yearly increases to your sum insured in line with RPI, if you've chosen an inflation-linked policy.

If you've chosen protected payments, we won't make your policy payments for you if you travel or live:

- outside the home countries* and designated countries** for more than 13 weeks at a time in any 12-month period, or
- within the designated countries** for more than 26 weeks at a time in any 12-month period.

*Home countries are United Kingdom, the Channel Islands and the Isle of Man.

**Designated countries are the European Union member states (excluding the United Kingdom), Andorra, Australia, Canada, Gibraltar, Iceland, Liechtenstein, Monaco, New Zealand, Norway, San Marino, Switzerland, Turkey, the Vatican City State and the United States of America.

Can I change my mind?

Yes. After your policy has started we'll send you a notice of your right to cancel. You'll then have 30 days to change your mind and get a full refund of all payments you've made to us.

If after the 30 days you decide you want to cancel the policy, you can do so at any time by contacting us. However we won't pay out the sum insured and you won't get anything back.

If you don't cancel your policy, it will continue provided that you continue to pay your premium.

Questions and answers

Can Aegon cancel my policy?

Yes, however we'd only cancel your policy if:

- you missed a payment;
- you act fraudulently, or
- you provide untrue, inaccurate or misleading information.

If we cancel your policy we won't repay you any of your payments and we won't pay out the sum insured.

You can find full details in section 7 of our [Policy conditions](#).

What if Aegon can't pay out the sum insured for any reason?

In the event that we weren't able to pay your claim, you'd have access to the Financial Services Compensation Scheme (FSCS). The amount of cover depends on the type of business and the circumstances of the claim. Insurance business of this type is generally covered for 100% of the value of the whole claim, without limit.

You can get more information about compensation arrangements from the FSCS by calling 0207 741 4100 or visiting www.fscs.org.uk

Solvency Financial Condition Report

The Scottish Equitable plc Solvency Financial Condition Report (SFCR) is available on our website at www.aegon.co.uk/content/aegon-uk-sfcr.pdf

How do I complain?

We hope you never have to complain, but if you do please contact us first to see if we can help – our contact details are on page 11.

If you're not satisfied with our response, you can then raise the issue with:

The Financial Ombudsman Service

Exchange Tower

London

E14 9SR

0800 0 234 567 or 0300 123 9 123

www.financial-ombudsman.org.uk

complaint.info@financial-ombudsman.org.uk



Other information

About Aegon

We've been helping people take responsibility for their financial future since 1831 when Scottish Equitable was founded in Edinburgh.

Today we're part of Aegon N.V., an international provider of life insurance, pensions and asset management, with businesses in over 20 countries around the world.

We provide retirement, workplace savings and protection solutions to over two million customers in the UK, helping them create the tomorrow they want.

Aegon is a brand name of Scottish Equitable plc. Scottish Equitable plc is regulated by the Financial Conduct Authority with registration number 165546.

Tax

Under current tax rules, income tax or capital gains tax won't be payable on any of the benefits we pay for this policy. But tax rules can change, so for more information about the tax treatment of your policy, including the impact on your IHT position, please speak to a financial adviser.

This information is based on our understanding of current legislation, taxation law and HMRC practice, which could change.

Communication

All our communications are in English.

How we pay our employees

We pay our employees a base salary, and dependent on their role, a yearly bonus. The bonus paid is based on meeting a number of targets set at the beginning of the year. These include the level of profit the company makes from new and existing business. It is also dependent on non-financial targets, such as the quality of service we provide.

Law

Your Whole of Life policy will be governed by the laws of England and Wales.

Time limits

We'll tell you about any time limits that may apply and that aren't covered here or in the illustration, for example underwriting decisions or requirements that may have time limits. You must let us know of any changes to your circumstances or any other details you've given us.

Terms and conditions

This booklet gives you a summary of our Whole of Life policy. It doesn't include all the definitions, exclusions, terms and conditions. You can find these in our [Policy conditions](#). If you don't already have a copy of these, please speak to your financial adviser who'll be able to give you them.

Client categorisation

There are various categories of client set out in the financial regulations. If you buy this product, we'll treat you as a 'retail client'. Being a retail client gives you the greatest level of protection under the regulations and ensures you get full information about any products you buy. If, under the regulations, you are a professional client or eligible counterparty, we will still treat you as a retail client although this would not necessarily mean that you would be eligible to refer any complaints to the Financial Ombudsman Service or to make a claim under the Financial Services Compensation Scheme.

Conflicts of interest

Aegon maintains a Conflicts of interest policy in accordance with all Financial Conduct Authority (FCA) Conduct of Business rules, to ensure we manage the risk of damage to customer interests. A conflict of interest may arise where an action taken by us could be seen to compromise or conflict with the best interests of our advisers, intermediaries and customers. If we identified a conflict of interest that we could not manage appropriately then we would decline to accept this business to ensure the fair treatment of our customers. We're completely transparent about where conflicts of interest can arise and our policy to deal with them. Please read our conflicts of interest policy at www.aegon.co.uk/content/conflicts-of-interest-policy.pdf



How to contact us

If you've any questions about your policy you should contact your financial adviser in the first instance. You can also phone, email or write to us:

Call us on:
03456 00 14 02, Monday to Friday,
8.30am to 5.30pm

Claims helpline:
03456 00 04 93

Email us at:
protect_support@aegon.co.uk

Write to us at:

Aegon
Edinburgh Park
Edinburgh
EH12 9SE

Visit our website:

www.aegon.co.uk

Remember, we can't give you any advice.

If you'd like a large print, Braille or audio CD version, please call 03456 10 00 10.



aegon.co.uk



[@aegonuk](https://twitter.com/aegonuk)



[Aegon UK](https://www.facebook.com/AegonUK)



[Aegon UK](https://www.youtube.com/AegonUK)

Aegon is a brand name of Scottish Equitable plc. Scottish Equitable plc, registered office: Edinburgh Park, Edinburgh EH12 9SE. Registered in Scotland (No. 144517). Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 165548. An Aegon company. www.aegon.co.uk © 2018 Aegon UK plc

IP272087 08/18