



Business Protection Term Assurance



Business protection insurance is designed to protect a company financially when its owners or employees are affected by illness or death.

Who provides this Business Protection Term Assurance?

This policy is being provided by NFU Mutual Select Investments Limited's chosen partner – Aviva Protection UK Limited (Aviva for short). We specialise in protection insurance in the UK – such as life insurance, critical illness and income protection.

NFU Mutual Select Investments Limited has chosen to partner with Aviva to provide you with this protection policy because we provide excellent service and consider all claims fairly.

Throughout this document, 'we', 'us' and 'our' means Aviva.

How to use this document

The purpose of this document is to help you decide whether Business Protection Term Assurance is right for you, featuring all the key bits you need to know. We've highlighted words and sections that'll help you understand how things work.

The full terms, conditions and exclusions of this cover can be found in the **Cover Details** and Cover Summary. The Cover Details gives you all the terms and conditions of the insurance and the Cover Summary is a personalised summary of your cover if you decide to take it out. We'll let you know when you might want to take a look at these.

The Cover Details can be found on nfumutual.co.uk and you can also ask your NFU Mutual financial adviser for a copy. You'll get a copy of the Cover Details and Cover Summary if you decide to buy from us.

Taking advice

You'll need to decide if this product meets your financial needs, so please read this document carefully and check it's right for you. You'll get expert advice from your NFU Mutual financial adviser who will look at your personal circumstances and help you make the decision that's right for you.

Giving us the right information

So that we can give you cover that matches your needs, it's really important that you provide us with information that's true, accurate and complete when you apply for your cover. If you don't, it can cause problems later on, like your policy being cancelled or a claim being rejected or reduced.

What is Business Protection Term Assurance?

Business Protection Term Assurance is a type of insurance that protects your business from the financial impact of death or terminal illness (during the term of the policy) of a key person, for shareholder or partnership protection or for business loan protection.

What does terminal illness mean?

A terminal illness means that the illness either has no known cure, or has progressed to the point where it can't be cured.

A claim for terminal illness can be made where the person covered has been diagnosed by a medical consultant with an illness that is expected to lead to death within 12 months. If the consultant can't diagnose this, or expects death to occur more than one year after diagnosis, we won't pay a terminal illness claim.

We'll only make a payment for a diagnosis of a terminal illness if the person covered meets the definition in the Cover Details.

Who can buy Business Protection Term Assurance?

At the time you apply for this cover, you and the person covered must be:

- At least 17 but no older than 86 (or 54 for renewable cover), and
- Currently living in the UK, the Channel Islands, the Isle of Man or Gibraltar and meet our residency rules. For more information on this, have a look at the eligibility section in the Cover Details.

Businesses must be registered in the United Kingdom, Channel Islands, Isle of Man or Gibraltar.

You can select to insure:

- You alone – we call this 'single life' cover,
- You and another person – we call this 'joint life' cover, or
- One or two people other than yourself – this can be either 'single' or 'joint life' cover.

What does joint life cover mean?

Joint life cover is where two people require cover that if one person dies or is diagnosed with a terminal illness, the other is provided with financial support. The cover will only pay out once. The cover is jointly owned so once a claim is paid the policy will end, meaning the other person is no longer insured under this insurance. There needs to be an insurable interest (see below) between the two owners on a joint life cover, for example, they have a joint business loan.

Insurable interest

You can only insure someone else if you would suffer financially were they to die or suffer a terminal illness.

We call this 'insurable interest'. You or the business must have an insurable interest in the person covered at the time the cover is taken out. You will always have an insurable interest in your own life.

It's possible to have an insurable interest in another person if you have a legally enforceable financial dependency or liability upon them.

The fundamentals - how it works

The amount of cover

You decide how much cover you want. This is called the 'sum assured'. This is the amount we pay if the person covered dies or is diagnosed with a terminal illness during the term of the policy.

The term of the cover

The term of the cover is how long the insurance lasts. You choose the term of the cover. This can be any number of years between 3 and 70. However, the policy must end before the person covered reaches their 90th birthday.

Renewable cover

With renewable cover, you choose a level term of 5 or 10 years. At the end of this term, you have the option to renew the cover for a further 5 or 10 years, depending on your initial term, without providing further medical information for the person covered.

If you choose not to renew the cover, your cover will end.

You can renew the cover until the 60th birthday of the person covered.

The amount of cover

- Level – a straightforward cover, where the amount of your cover stays the same.
- Decreasing – designed to cover any big debts you're paying off. The amount of your cover decreases each month, so that it reaches zero when your cover ends. It works in the same way as the outstanding amount on a repayment business loan of either 10%, 11%, 13% or 15%.
- Increasing – designed to keep up with rising costs over the years. The amount of your sum assured increases by 5% each year to protect against the impact of inflation.

Renewable cover is only available with a level sum assured. For more information on these types of cover, take a look at section 2.1 of the Cover Details.

Paying for your policy

We'll collect monthly or annual premiums from you by direct debit until your insurance ends.

Your premiums won't change, unless you choose increasing cover. If you choose an increasing cover, the amount you pay will increase each year to pay for the extra cover.

If you choose a renewable cover, your premiums will change when your cover renews. The new premium will be based on the premium rates at that time, the sum assured and the age of the person covered.

Additional option available at extra cost

Waiver of Premium – If the person covered is ill or too injured to work, Waiver of Premium means you won't have to pay your premiums.

We'll waive your premiums if the person covered is incapacitated for longer than 26 weeks. Waiver of Premium will end when they reach their 70th birthday.

You can include Waiver of Premium if the person covered is 54 and below when you buy the cover, for an additional cost. You can add Waiver of Premium for one or both people if you have a joint life cover. We won't waive premiums if Waiver of Premium isn't included in the cover for that person (the Cover Summary will show who is covered by Waiver of Premium).

For more information regarding Waiver of Premium, take a look at section 2.2 of the Cover Details.

What does incapacitated mean?

Incapacitated means that you're too ill or injured to work. It depends on whether the person covered is in paid work and what kind of work they do.

It'll either be based on their ability to be able to do their own occupation (the type of job they did before they stopped work), or certain work tasks (types of things people do in everyday life, like writing, walking or bending). We sometimes refer to work tasks as daily activities.

Which of these definitions applies to the person covered, will be agreed based on their circumstances when you apply - and will be confirmed in the Cover Summary. If your circumstances change before you become incapacitated, a different definition may apply to your claim.

More ways you can change

You can also:

- reduce the sum assured
- increase the term of the cover
- reduce the term of the cover
- stop, skip and restart annual increases if you have selected increasing cover, or
- change your premiums from annual to monthly and vice versa.

The limits

There's a limit to how much you can increase your sum assured - it can't be more than the lower of 50% of the original sum assured or £75,000.

If you have a renewable cover, you can't change the term of the cover.

Changing your policy

You can change your policy to ensure that it still meets your needs.

Some of these options aren't available to everyone. This could be because, for example, the person covered has a particular medical condition when the cover is first taken out. For more information, including limitations, take a look at section 3.4 in the Cover Details.

Business changes

You're able to increase the amount of cover without the need to answer any more health and lifestyle questions, up to and including the 55th birthday of the person covered and:

- the cover was taken for business loan protection and the owner of the cover increases their business loan
- the cover was taken for key person cover and the value to the business of the key person covered increases
- the cover was taken for shareholder protection and the share, or shareholding, of the person covered in the business increases in value, or
- the cover was taken for business partnership cover and the value of the partnership share increases (for example, where the total number of partners has reduced).

Important information about your cover

When you're covered

Business Protection Term Assurance only protects you against events that happen to the person covered during the term of your policy. If something happens outside that term, you won't be covered. The Cover Summary shows what's covered and for how long.

Reviewing your cover

Make sure you review your policy in line with the needs of the business. If you don't, you may have more or less cover than you actually need.

Protecting your cover against inflation

Inflation will reduce the spending power of any benefit you're paid in the future. To help protect your cover against this effect, you can choose to increase your sum assured by 5% each year.

If you have an increasing cover, the amount you pay will increase each year to pay for the extra cover. If you then change to a level sum assured, the premium will remain at the level it was when you made the change. If you restart the annual increase, the premium will increase again. You won't be able to restart the cover if it's been stopped for 3 consecutive years.

With the increasing cover, the premium will increase annually by a higher percentage than that of the sum assured, because of the increased likelihood of a claim as the person covered gets older.

Covering a repayment business loan

If you have a repayment business loan and choose decreasing cover and select an interest rate that doesn't meet or exceed the rate you're paying on your loan, the benefit we'll pay for a successful claim may not meet the outstanding amount of your loan.

If you miss a premium

If any premium remains unpaid for more than 30 days from the date it was due to be collected, we'll cancel your policy and you'll no longer be covered.

You may be able to reinstate your cover by paying any outstanding premiums up to six months after missing a premium.

Things you need to know

Making a claim

If you need to claim, you should get in touch as soon as you can using the contact details on page 8.

If you'd like to know more about how to claim, you can find this in the Cover Details or visit protection.aviva.com.

We'll pay the benefit to the person legally entitled to receive it. This will be confirmed when a claim is made. It'll depend on the nature and circumstances of the claim, and whether the policy has been assigned or put under a trust.

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

Where a claim can be made

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

For a terminal illness claim, 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.

For a list of eligible countries, take a look at section 5 of the Cover Details.

When we won't pay a claim

More insurance claims are paid than aren't. Here are the reasons why we won't pay a claim:

- you've stopped paying regular premiums throughout the term of your policy
- you provided inaccurate information when you applied for the cover
- you don't give us medical or other evidence that we ask for, or
- you didn't tell us if any of the information in the Cover Summary or Application Details we sent you is wrong.

We won't pay a claim if the person covered as a key person or in connection with a business loan leaves the business before a claim.

We also won't pay a claim if the person covered dies as a result of their own actions within one year of the cover start date or the latest restart date, or when we're entitled to cancel or amend your cover. Once the cover has been active for more than 12 months, if the person covered has asked us to increase the sum assured in the 12 months prior to them dying as a result of their own actions, no benefit will be payable in respect of this increase.

It's important to be accurate and thorough when applying. If you don't take sufficient care and give us information that's untrue, incomplete or inaccurate, we may need to cancel or change your cover so that it fits what we should have been told about. So if you later spot an error in your documents, contact us as soon as possible to change it.

Further information about when we won't pay a claim, or when we're entitled to cancel or amend your insurance, is available in section 2.1 in the Cover Details.

Changing your mind about the cover

If you change your mind about having cover within 30 days of receiving your policy documents, we'll refund any premiums you've paid, unless we've already paid a benefit before you cancel.

If you stop your policy, your insurance will end on the day before your next premium is due and you won't get any money back. If you're paying annual premiums, your policy will end on the day before the next monthly anniversary of the policy.

We'll retain the cost of any full (or partial) months of cover up to date of cancellation and will refund any balance of the annual premium.

Your policy has no cash value.

The Law

This cover is governed by the law of England and Wales.

All our communications with you now and throughout the term of your insurance will be in English. If you have a specific communication need, we'll do our best to support you. Just let us know.

Current tax rules

Benefit(s) payable may be subject to corporation tax, income tax or capital gains tax, however any tax payable depends on the legal structure of the business and the need for which the cover is taken out.

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

If your policy isn't placed in trust, the benefit we pay may form part of your estate for Inheritance Tax purposes.

Cover held by the trustees of a trust shouldn't normally form part of the estate for Inheritance Tax purposes. However, we can't advise whether a trust is suitable in any particular circumstances or give tax advice in relation to the use of trusts.

We recommend that you take professional advice before setting up a trust.

Personal information we collect

Personal information we collect about you includes sensitive information such as your health and medical history. Where we collect this information, we'll rely either on your consent, or on a combination of the following 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.

To give you a quicker decision about your insurance, we may make decisions about your application using an 'automated decision-making tool'. An 'automated decision-making tool' doesn't involve human input and we sometimes use it to determine whether we're able to provide you with insurance and on what terms based on the answers you give us.

We may also use your personal information to detect, investigate and prevent crime (including fraud and money laundering).

Where permitted by applicable law, Aviva Protection UK Limited may share personal information with carefully selected third parties, for example, other insurers, reinsurers, and financial advisers.

Your personal information may be transferred outside the country in which you are located including to countries outside of the UK.

As a data subject you have certain rights in relation to your personal information.

More details about Aviva Protection UK Limited's use of personal information and your rights as a data subject can be found at:

protection.aviva.com/privacy-policy

or you may request a copy using the following contact details:

The Data Protection Officer,
Aviva Protection UK Limited,
PO Box 12010,
Harlow,
CM20 9LG

or by email at

DataProtectionOfficer@protection.aviva.com

About our business

Aviva Protection UK Limited operates in the UK, Channel Islands, Isle of Man and Gibraltar.

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 available on our website **protection.aviva.com**.

Making a complaint

If you have a complaint, you can get in touch with us using the contact details provided.

We'll try to resolve complaints as quickly and fairly as possible. If we can't deal with your complaint promptly, we'll send you a letter to acknowledge it and give you regular updates until it's resolved.

If you're not happy with how we deal with your complaint, you can refer it to the Financial Ombudsman Service.

You can email them at:

complaint.info@financial-ombudsman.org.uk,

call 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)

or write to:

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

Making a complaint to the Financial Ombudsman Service doesn't affect your right to take legal action.

What happens if Aviva got into financial trouble and couldn't pay out the money?

The Financial Services Compensation Scheme (FSCS) is there to protect you if we can't meet our obligations. Whilst most customers will be covered under the FSCS, whether or not you can claim and the amount you can claim depends on the specific circumstances of your claim. You can get further information from **fscs.org.uk** or by calling 0800 678 1100.

How to contact us

For any questions about your cover:

 0330 123 4467

 nfumutual@protection.aviva.com

To make a complaint:

 0345 600 6813

 complaints@protection.aviva.com

To contact the Claims Team:

 0345 600 6815

 claimsteam@protection.aviva.com

We're open Monday to Thursday, 8.30am to 6.00pm and Friday, 8.30am to 5.30pm, except bank holidays. Please note these opening hours are UK local time.

You can also write to us at: Aviva Protection UK Limited, PO Box 12010, Harlow, CM20 9LG or visit protection.aviva.com for more information.

Calls are charged at standard rates from a BT landline but may cost more via mobiles and other networks. We may record or monitor calls to make sure we have an accurate record of the instructions we're given, for training purposes, to improve the quality of our service and to prevent and detect fraud.

For more information, visit protection.aviva.com

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Please get in touch if you'd prefer this brochure (EDCO2157) in large font, braille, or as audio.



NFU Mutual
LIFE PROTECTION

Provided by
 **AVIVA**

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