

# Key features of Tesco Bank Life Insurance

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Tesco Bank Life Insurance is provided by Aviva Life & Pensions UK Limited. Any references to 'we', 'us' or 'our' refer to Aviva unless stated otherwise.

You can use this policy to cover up to two people – usually yourself and your partner, spouse or civil partner.

Once you've taken out your policy, we will send you a policy schedule which shows what is included and who is covered.

## Is it right for me?

Yes, if you:

- Want a cash lump sum that will be paid out if you die or are diagnosed with a terminal illness during the policy term.

No, if you:

- Want a policy that covers you if you are diagnosed with a critical illness.
- Want a regular income to cover your monthly expenses if you're ill or injured.
- Want a whole of life policy, which means you want to be covered for the rest of your life.
- Want to be able to stop your policy and get your money back.

What to do next:

- This is a guide. Please ensure you read this key features document for further information to ensure you're happy the product is right for you.

## Choice of cover

You can choose from two types of Tesco Bank Life Insurance:

**Level cover** – This cover is often used to help pay off an interest only mortgage. It can also be used to help protect your family.

The cash lump sum we'll pay stays the same throughout your policy term.

**Mortgage decreasing cover** – This cover is used to help pay off a repayment mortgage.

The cash lump sum we'll pay decreases each month broadly in line with the amount outstanding on a capital and interest mortgage.

It reduces by a fixed monthly interest rate.

The cash lump sum can be used to help protect your family and/or your mortgage:

- If you want to protect your family, the cash lump sum we pay can be used to help your loved ones maintain their lifestyle.

- If you want to protect your mortgage, the cash lump sum can be used to help pay off some, or all, of your outstanding mortgage. If this is how you want to use your policy, please make sure you read the extra information in the mortgage cover section later in this document.

## Key features

The Financial Conduct Authority is a financial services regulator. It requires us, Aviva, to give you this important information to help you to decide whether our Tesco Bank Life Insurance is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

### Its aims

- To pay out a cash lump sum if you die before your policy ends; or
- To pay out a cash lump sum if you're diagnosed with a terminal illness before the last 12 months of your policy, and you're not expected to live more than 12 months.

### Your commitment

- To answer the questions on your application correctly to the best of your knowledge.
- To pay us regular premiums for a set number of years, or until you die or are diagnosed with a terminal illness, if earlier.
- To tell us if any of the information you give us changes in the time between you completing your application and when we confirm that your cover will start.

### Risks

- If you don't pay your premiums, your policy and your cover will end 30 days after your last premium was due.
- If your policy ends because you haven't paid your premiums, you won't get any money back.
- If you don't give us all the information we've asked for, or if you give us incorrect information on your application, we may not be able to pay out when you make a claim and your cover may be cancelled or amended.
- If you decide to end your policy, you won't get any money back as the policy has no cash-in value.
- Inflation will reduce what the cash lump sum can buy in the future. You should review your cover to ensure that it remains adequate over time.

## Questions and answers

### What is Life Insurance?

- It's an insurance policy which pays out a cash lump sum if:
  - You die during the policy term; or
  - You're diagnosed with a terminal illness before the last 12 months of your policy, and you're not expected to live for more than 12 months.

### Who can take out a policy?

- You have to be aged between 18 and 85 to start the policy and a UK resident, this excludes the Channel Islands and the Isle of Man.

The policy can last between five and 50 years, but it has to stop before you reach age 91 at the latest.

### What's included?

- We include life cover for you, and any other person insured on the policy.
- We include terminal illness benefit for you, and any other person insured on the policy.

#### Protection Promise (Underwriting Cover)

We also include up to 90 days' free life cover from the date we receive your application to when we make a decision:

- We'll cover you for up to £1,000,000, across all Aviva applications, or the amount of life insurance you've asked for on your application, whichever is lower. This means that where two people have applied for life insurance, each life insured is covered for the lower of £1,000,000, or the amount being applied for.
- Your underwriting cover ends on the earliest of:
  - 90 days from the date we received your application, or
  - 10 days after we confirm our decision to accept you, or
  - the day we postpone or decline your application.
- Underwriting cover is intended to provide security and protection against the unexpected. This means it doesn't provide cover if your death results from a suicide or any medical condition that you had when you applied for your policy.
- Your underwriting cover and policy will be invalid if you have not provided us with complete and accurate information on your application. It's also really important to keep us informed of any changes in your health or medical history prior to your application being accepted or Aviva providing you with our decision or starting cover.

#### Other benefits that can be included:

If we accept your policy on our standard terms, it will automatically include a range of other features.

#### Life change benefit

If your circumstances change, our life change benefit lets you take out more cover without giving us any extra underwriting information.

You can increase your sum insured by up to 100%. The maximum additional amount you can take out is £200,000 or the original sum insured, whichever is lower.

You can use the life change benefit whenever your circumstances change before you reach age 55, or the additional cover you have reaches the maximum sum insured, outlined above.

You can use this benefit for the following life changes:

- Getting married or entering into a civil partnership
- Divorce, dissolution of civil partnership or separation
- Buying your first home
- Moving house
- Improving your home
- Buying a second home
- Having or adopting a child
- Your child/children starting higher education
- Salary increase of 20% or more.

The new policy we set up with the additional cover for life change benefit:

- Can be on a level or decreasing cover basis
- Can be on one or both lives, if the original policy was held jointly
- If the original policy was on a single life basis, this must be for the same life insured
- Does not have to be the same term as the original policy
- Must end before your 70th birthday
- Will be a life insurance policy
- Will include separation benefit, if held jointly with another person
- Won't include the life change benefit or the replacement benefit
- Can't be taken out if you're making a claim or are eligible to make a claim for terminal illness benefit or death benefit.

If you want to use our life change benefit, you will need to do this within 90 days of your life change event and we'll need evidence of what's changed. For example, in the case of having a child, we'll need to see a birth certificate.

The new policy(s) will be subject to the premium rates in force at the time of the application for your age, and policy terms and conditions applicable when you take out the new policy(s).

### Replacement benefit

If you've got a joint policy, the policy will end when one of you dies, or you claim for terminal illness and we pay out. However, by using the replacement benefit, the remaining policyholder can take out a new single policy without any further underwriting.

You can only use this benefit before you reach age 55 and within 90 days of the claim being accepted.

The new policy:

- Can cover you for your original sum insured or up to £50,000, whichever is lower
- Can be on a level or decreasing basis
- Can't end later than the original policy but can end earlier
- Won't include the life change, replacement or separation benefit
- Can't be taken out if the remaining life insured is claiming or is eligible to claim for terminal illness benefit.

The new policy will be subject to the premium rates in force at the time of the application for your age, and policy terms and conditions applicable when you take out the new policy.

### Separation benefit

If you've got a joint policy, you can use our separation benefit to divide it into two single policies if you separate.

For example, if you took out the joint policy to cover your mortgage, you can split it into two new policies to cover new mortgages.

You can only use this benefit before you reach age 55 and within 90 days of your separation.

The new policies:

- Can be on a level or decreasing cover basis
- Can cover each of you for up to the same amount as the original policy
- Do not have to be the same term as the original policy
- Must end before your 70th birthday
- Won't include the life change benefit
- Can't be taken out if you're making a claim or are eligible to make a claim for terminal illness benefit or death benefit.

If you want to use the separation benefit, you'll need to give us evidence of the separation and/or the changes to your mortgage.

The new policies will be subject to the premium rates in force at the time of the application for your age, and policy terms and conditions applicable when you take out the new policies.

## Can I make changes to my policy?

Your policy offers some flexibility, so this means that you can change:

- how long you want your cover to last
- the amount, and type, of cover you've got

Depending on the type of change you make, we may change or replace your original policy, or you may have to take out a new policy. We may also need you to give us some medical information.

You should review your cover to ensure that it remains adequate over time.

### ✓ When will the policy pay out?

- If you die before the policy ends, or
- If you've got 12 months or more left on your policy and you're diagnosed with a terminal illness, with less than 12 months to live.

We only pay out once, so if you make a claim for terminal illness or death, your policy will end.

### ✗ When will the policy not pay out?

- **We won't pay out if:**
  - You don't provide the requested documents or evidence to support your claim.
  - You haven't paid your premiums.
  - You gave us incorrect or incomplete information on your application, if this affects the cover we provide.
  - You die outside of the policy term.
- **We won't pay a terminal illness claim if:**
  - You're diagnosed with a terminal illness in the last 12 months of your policy and/or you're expected to live for more than a year.

## What will my premiums be?

- Your illustration gives you an idea of how much you'll need to pay for the amount of life cover you've chosen. This amount may change when we've made our final decision on your application.

- Your premiums are based on the cover you choose and your personal circumstances.
- You pay your premiums monthly by Direct Debit.

### Guaranteed premiums

Your premiums are guaranteed to stay the same.

### What about tax?

- The cash lump sum we pay out on death or terminal illness is currently free from income and capital gains tax.
- It may be subject to inheritance tax unless you put your policy in a suitable trust. For details of our trusts, please call 0845 366 6781 for our explanatory brochure.
- Tax rules may change in the future.

### Can I change my mind?

- You can change your mind within 30 days from the later of:
  - The day we confirm when your cover will start
  - The day you receive your policy schedule.
- If you decide you don't want the policy, we'll give you your money back, if you change your mind within 30 days.
- You'll be sent a cancellation notice which will include a phone number that you can call and an address you can send it to if you change your mind about your policy. Alternatively, you can contact us at the Aviva address given overleaf.
- Your policy will continue if we don't receive your cancellation notice within 30 days.
- If you cancel your policy after 30 days you won't get any premiums back.

## Mortgage cover

If you're using your policy to cover your mortgage and you have taken decreasing cover, it will automatically include:

### Repayment Guarantee

We guarantee that the cash lump sum we pay will pay off the outstanding mortgage amount covered by the policy when you die or make a claim on diagnosis of a terminal illness, if all of the following apply:

- The yearly mortgage interest rate at the time the policy is taken out is under 10%.
- The difference between the life cover amount and the outstanding mortgage is due solely to a higher rate of interest being charged on the mortgage than the interest rate used in our calculations.
- The amount of cover at the start of the policy is at least the size of the mortgage (or the part of the mortgage the policy covers).
- This policy does not end before your mortgage.

This is called the Repayment Guarantee.


### Protection Promise (house purchase cover)

- We'll automatically give you free life insurance cover between when you exchange contracts and when your house purchase is completed. (In Scotland we will provide the free cover from when missives are completed for the property until the date of entry.)
- Your cover will begin once you've been accepted and have given us a start date (the date of completion), provided that you have exchanged contracts.
- On completion of the purchase, your house purchase cover will end and your policy should start (or in Scotland, the date of entry).
- House purchase cover ends on the earlier of:
  - 90 days from the date it started.
  - Completion.
  - The start date of the policy.
- We'll cover you for up to £1,000,000, the amount of life insurance you've asked for on your application or the purchase price of the house as confirmed when contracts are exchanged, whichever is lower.

## How to contact us

### To speak to someone about your policy

If you want to get in touch with us you can call, email or write:

 Call us on **0845 366 6781**

**(Monday to Friday, 8:00 am – 8.00 pm and  
Saturday 9.00am – 2.00 pm)**

Outside of these hours, you can use the same number and leave us a message.

We monitor calls to improve our service.

 Email us at **tesco@aviva.co.uk**

 Write to us at:

**Customer Services  
PO Box 520  
Norwich  
NR1 3WG**

### To make a claim

 Call our Life Claims Department on **0800 015 1142**.

Alternatively, we can be contacted on **01904 723 520**. Outside of the UK, the number would be **+44 1904 723 520**.

### To make a complaint

If you ever need to complain you can:


 Call us on **08000 686 800**

 Email us at **tesco@aviva.co.uk**

 Write to us at:

**Aviva Customer Relations  
PO Box 3182  
Norwich  
NR1 3XE**

If you're not satisfied with the response you can write to:

 **Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR**

 Call **0800 0234 567** or **0300 123 9 123**

 Email to: **complaint.info@financial-ombudsman.org.uk**

This won't affect your legal rights.

## Other important information

### Terms and conditions

This key features document only gives a summary of Tesco Bank Life Insurance. You should read the policy terms and conditions. Please contact us for a copy.

### Law

We'll write your contract in English and the law of England will apply in any legal dispute. We'll always write and speak to you in English.

### Potential conflicts of interest

- There may be times when Aviva plc group companies or our appointed officers have some form of interest in the business being transacted.
- If this happens or we become aware that our interests, or those of our officers, conflict with your interests, we'll take all reasonable steps to manage that conflict of interest. We'll do this in a way that treats all customers fairly and in line with proper standards of business.

### Client classification


The Financial Conduct Authority has defined three categories of customer. You've been classed as a 'retail client', which means that you'll be provided with the highest level of protection provided by the Financial Conduct Authority rules and guidance.

### Compensation

Financial Services Compensation Scheme (FSCS)

We are covered by the FSCS. If we cannot meet our obligations you may be entitled to compensation under the scheme.

You can get more details directly from the FSCS online at [www.fscs.org.uk](http://www.fscs.org.uk) or by contacting them at:

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

 Tel: **0800 678 1100** or **0207 741 4100**

Fax: **0207 741 4101**

## Braille, large font, audio material, text phone

You can order our literature in Braille, large font or audio.

Just call **0845 366 6781** or email [tesco@aviva.co.uk](mailto:tesco@aviva.co.uk) and tell us:

- the format you want
- your name and address
- the name or code of the document. The code is usually at the bottom of the page on the back of most documents.

To contact Customer Services using a text phone, please call 18001 0845 366 6781

The Customer Call Centre is open Monday to Friday, 8.00 am to 8.00 pm, and Saturday from 9.00 am to 2pm.