

Life Insurance

keyfacts[®]



Chosen partner of Direct Line





Welcome to Direct Line

Thank you for choosing Direct Line Life Insurance, underwritten and administered by AIG Life Limited (AIG). AIG is the life insurance arm of American International Group, Inc. in the UK – a leading international insurance organisation serving customers in more than 80 countries.

Direct Line has chosen AIG as its provider of life insurance because of their experience and care when helping people to protect their families.

This document gives you the key information you need to help you decide whether this insurance is right for you. It's available in other formats such as Braille, large print or audio. Please ask if you need one of these formats.

This document doesn't contain the full details and exclusions of your insurance. To find out more, you can ask for a copy of the terms and conditions, known as the Insurance Details. The Insurance Details and your Insurance Summary will be sent to you when your insurance starts.

This document is based on AIG's understanding of the current laws in England and Wales and tax rules in the UK.

It's your responsibility to make sure this insurance meets your financial needs, so please think carefully and check if it's right for you before you buy. We suggest that you review your life insurance from time to time to make sure it still suits your needs. You should also think about telling your intended beneficiaries about this policy, in case a claim is made.

It's important that the information you provide when you take out this policy is true, accurate and complete. If you don't, your insurance may be cancelled or a future claim may be rejected or reduced.

Who can buy Life Insurance?

Life Insurance is available to customers who are aged 17 up to and including 75 and who are resident in the United Kingdom.

You can choose to insure:

- you alone - we call this single life insurance; or
- you and another person - we call this joint life insurance.

What is Life Insurance?

Life Insurance will pay out a single sum of money while you're insured if you die or you're diagnosed with a terminal illness and are expected to die within 12 months.

This product meets your demands and needs if you want a sum of money to help your family or to contribute to your mortgage if you die or suffer a terminal illness.

If you choose joint life insurance, AIG will pay out once. Once they've made a payment, the insurance will end and the other person will then no longer be insured.

What is Critical 3?

When you buy Life Insurance, you can choose to include Critical 3 for an additional cost.

Critical 3 will pay out a single sum of money while you're insured if you're diagnosed with one of three specified critical illness conditions and survive for 14 days.

The three critical illness conditions are:

- Cancer - excluding less advanced cases;
- Heart attack - of specified severity; and
- Stroke - of specified severity.

A full definition of these conditions is explained in the Insurance Details.

Critical 3 meets your demands and needs if you want a sum of money to help your family or to contribute to your mortgage if you fall seriously ill with cancer, or suffer a heart attack or stroke.

Critical 3 insurance will end if AIG pays out a claim for a critical illness. It will only pay out once if you have joint life insurance.

If your Critical 3 insurance ends, your Life Insurance will continue, if you keep making monthly payments. Critical 3 stops if AIG pays a claim for Life Insurance.



How does Life Insurance work?

The amount of insurance

When you take out Life Insurance, you decide how much you would like the insurance to pay out in the event of a valid claim. This is the amount AIG pays if you die or are diagnosed with a terminal illness before your insurance ends.

If you choose to include Critical 3 in your insurance, you decide how much insurance you want and this is the amount AIG pays if you're diagnosed with one of the specified critical illness conditions and survive for 14 days.

The length of your insurance

This is how long your insurance lasts. You can choose any number of years between 3 and 50, although your insurance must end before you reach your 86th birthday.

If you choose to include Critical 3, the length of the insurance will be the same as your Life Insurance.

Types of insurance

You can choose whether you'd like the amount of your Life Insurance to stay the same or change over time.

- Level insurance – the amount of your Life Insurance stays the same.
- Decreasing insurance – the amount of your Life Insurance decreases each month, to reach zero when your insurance ends. This works in the same way as the outstanding amount on a repayment mortgage with an annual interest rate of 8%.

With either level or decreasing insurance, if you choose to include Critical 3, your Critical 3 amount will always remain the same.

Further information regarding these types of insurance is available in the Insurance Details.

Paying for your insurance

AIG will collect monthly payments from you by direct debit to pay for your insurance, until the date your insurance ends.

The amount you pay won't change unless a claim is paid for Critical 3 or you remove it from your insurance, in which case the amount you pay will reduce.

Changing your insurance

You can change your insurance in the following ways:

- Reduce the amount of your Life Insurance;
- Reduce the length of your insurance;
- Change your joint life insurance to one single life insurance or two separate single life insurances; or
- Reduce the amount of Critical 3 or remove Critical 3 from your insurance.

For more information, including limitations, please read the Insurance Details.

Mortgage guarantee

If you choose decreasing Life Insurance in connection with a mortgage, and at the time of making a successful claim the amount of your Life Insurance is less than the amount of the outstanding mortgage, AIG will pay the amount outstanding on your mortgage, provided that:

- the difference between the amount of Life Insurance and the outstanding mortgage is solely due to the mortgage being charged an annual interest rate higher than 8%;
- the initial annual interest rate charged on the mortgage at the start of your insurance was less than 10%;
- your insurance does not end before your mortgage is due to be repaid; and
- the amount of Life Insurance you were insured for at the start of your insurance was at least the size of the mortgage, or the part of the mortgage your insurance covers.

Home purchase insurance

If you're purchasing a property, AIG will automatically provide you insurance at no extra cost between when you exchange contracts and when the purchase of your home is completed. In Scotland, this will be from when missives are completed for the property until the date of entry into the property.

Home purchase insurance will begin once you've chosen when you want your insurance to start and you've exchanged contracts.

Home purchase insurance will end on the date of completion or on the date your insurance starts, whichever comes first. If the date of completion happens before your insurance is due to start, you won't be insured during this time.

Home purchase insurance will pay the lower of:

- the amount of insurance requested in your application or the purchase price of your home, as confirmed when contracts are exchanged;
- £1,000,000 if you die; or
- £350,000 if you've chosen to include Critical 3 in your insurance and you're diagnosed with one of the specified critical illness conditions and survive for 14 days.

AIG is unable to consider a claim for terminal illness under home purchase insurance.

Your insurance will end if a payout is made under home purchase insurance.

Important information

This insurance only protects you against events that happen to you while you're insured. If something happens at any other time, you won't be insured. Your Insurance Summary shows how long your insurance lasts.

If you choose to include Critical 3 insurance, AIG may exclude a specific illness. This could be because you have a particular medical condition when you apply. If AIG has excluded any illnesses from the insurance they're offering, they'll let you know and it will be shown in your Insurance Summary.

If you don't review your insurance in line with your earnings and lifestyle, you may have more or less insurance than you need.

Inflation will reduce the spending power of any money paid in the future.

This is not a savings or investment product. Your policy has no cash value unless a valid claim is made.

If you don't meet the criteria for the mortgage guarantee and the annual interest rate on your mortgage is greater than 8%, the amount AIG will pay for a successful Life Insurance claim may not meet the outstanding amount of your mortgage.

AIG will only pay a claim for a diagnosis of a terminal illness, cancer, heart attack or stroke if you meet the definition of that condition provided in the Insurance Details.

If you're diagnosed with a terminal illness, cancer, heart attack or stroke, you can be residing anywhere in the world when you make a claim. However, your diagnosing consultant must be in an eligible country. For a list of eligible countries, please see the Insurance Details.

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

If any payment remains unpaid for more than 30 days, AIG will stop your insurance and you'll no longer be insured.

AIG may need to ask your doctor for medical information. This could be to help AIG assess your insurance application or to check the information you've provided.

Other information

Making a claim

Whoever is making the claim should get in touch with AIG as soon as they can, using the contact details provided.

If you'd like to know more about claiming on your insurance, you can find this in the Insurance Details.

The insurance will be paid to the person who is legally entitled to receive it. This will be confirmed when a claim is made. It will depend on the nature and circumstances of the claim, and whether the insurance has been assigned or held in trust.

When a claim won't be paid

A claim won't be paid if you don't:

- keep up your monthly payments until your insurance ends;
- provide accurate, complete and true information when you apply for your insurance;
- provide AIG with any medical or other evidence that they ask for; or
- tell AIG immediately if any of the information in the Insurance Summary or Application Details that you will receive when you purchase the insurance is wrong.

There is also an important exclusion to your insurance. We will not pay the money if you die as a result of your own actions during the first year of your insurance, or within one year after restarting your insurance.

Further information about when a claim won't be paid is available in the Insurance Details.

Changing your mind about your insurance

If you change your mind about having your insurance within 30 days of receiving your insurance documents, you'll be refunded any payments you've made, unless AIG has already paid a claim under your Insurance.

If you don't cancel your insurance within this time period, your insurance will remain in place.

If you stop your insurance after 30 days, your insurance will end on the day before your next monthly payment is due and you won't get any money back.

If you choose to stop your Life Insurance, your Critical 3 will also stop if you have included it in your insurance.

The Law

The Law of England and Wales will apply to this insurance.

Language

All communications with you now, and throughout the duration of your insurance, will be in English.

Current tax rules

Under current legislation and HMRC practice, the amount of insurance paid out is normally free from Income Tax and Capital Gains Tax for UK residents, unless you assign your insurance to someone else.

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

If your insurance is not placed in trust, the amount paid out may form part of your estate for inheritance tax purposes.

If the amount AIG pays out forms part of your estate, it may be subject to inheritance tax. You may wish to place your insurance in trust to help mitigate the effect of inheritance tax. We recommend that you take professional advice before setting up a trust.

Personal information AIG collects

Personal information AIG collects about you includes sensitive information such as your health and medical history. Where they collect this information, they will 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, AIG may make decisions about your application using an 'automated decision-making tool'. An 'automated decision-making tool' doesn't involve human input and it is sometimes used to determine whether AIG is able to provide you with insurance and on what terms based on the answers you give.

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

Where permitted by applicable law, AIG may share personal information with carefully selected third parties, for example, other insurers and reinsurers.

As you have been introduced to AIG by U K Insurance Business Solutions Limited (UKIBS) on behalf of Direct Line, AIG will share limited information about you with UKIBS to prevent duplicate communications, for statistical purposes and as per UKIBS legitimate interests. For further information on how UKIBS use your information, please see their privacy policy at [directline.com](https://www.directline.com). AIG will not share your information for marketing purposes without your permission.

Your personal information may be transferred outside the country in which you are located including to countries outside the European Economic Area.

As a data subject you have certain rights in relation to your personal information. More details about AIG's use of personal information and your rights as a data subject can be found at aiglife.co.uk/privacy-policy or you may request a copy using the following contact details: Data Protection Officer, AIG Life, 58 Fenchurch Street, London, EC3M 4AB or by email at DataProtectionOfficer@aiglife.co.uk.

About AIG's business

Information about AIG's business, performance and financial position, and details on how they control their business and manage risks can be found in the Solvency and Financial Condition Report available on their website aiglife.co.uk.

Making a complaint

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

AIG and Direct Line try to resolve complaints as quickly and as fairly as possible. If a complaint cannot be dealt with promptly, you'll receive a letter to acknowledge it and regular updates until it's resolved. If you're not happy with how your complaint is dealt with, you can refer it to the Financial Ombudsman Service.

You can email them at

complaint.info@financialombudsman.org.uk

Or call 0800 023 4567

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

Making a complaint to the Financial Ombudsman Service does not affect your right to take legal action.

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

The Financial Services Compensation Scheme (FSCS) is there to protect you if AIG cannot meet their obligations. Whilst most customers will be covered under the FSCS, whether 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 020 7741 4100.

How to contact AIG

For any enquiries about your Life Insurance:

- call 0330 390 0513
- email enquiries@aiglife.co.uk

To make a complaint:

- call 0345 600 6813
- email complaints@aiglife.co.uk

To contact the claims team:

- call 0330 303 9985
- email claimsteam@aiglife.co.uk

AIG's phone lines are open Monday to Thursday, 8.30am to 8.00pm and Friday, 8.30am to 5.30pm, except bank holidays.

Please note that opening hours are UK local time.

You can also write to AIG Life Limited, PO Box 12010, Harlow CM20 9LG or visit aiglife.co.uk for more information.

Calls are charged at standard rates from a BT landline, but may cost more via mobiles and other networks. Calls may be recorded or monitored. This is to make sure there is a record of any instructions given, help train staff, improve the quality of service and prevent or detect fraud.



U K Insurance Business Solutions Limited introduces Direct Line customers to AIG Life Limited for life insurance and life insurance with critical illness. U K Insurance Business Solutions Limited is authorised and regulated by the Financial Conduct Authority. The Financial Services Register number is 313783. Registered office: Churchill Court, Westmoreland Road, Bromley, BR1 1DP. Registered in England and Wales under company number 05196274.

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