

Hibernian Aviva Mortgage Protection Cover

Taking the worry out of your
mortgage



Contents

Protection Cover from Hibernian Aviva	Page 1
Mortgage Protection Cover	Page 2
Your plan benefits	Page 3
Specified Illnesses covered	Page 6
Best Doctors®	Page 7
Changing circumstances	Page 8
The premiums	Page 9
Ongoing flexibility	Page 10
A commitment to quality service	Page 11
About the company	Page 12

Protection Cover from Hibernian Aviva

Protection is the most important part of financial planning. It is the practical way to ensure that, if the worst were to happen, your family would have sufficient money to maintain their lifestyle.

Hibernian Aviva offers a wide range of protection plans, enabling customers to choose an arrangement that matches their needs and circumstances.

- **Guaranteed Whole of Life Cover** is designed to provide life assurance cover for the rest of your life. It can provide family protection or inheritance tax provision.
- **Life Cover** can be used to provide family protection or to ensure the financial survival of your business in the event of the death of a director or key employee. You choose how long you will need your cover for, which can be from 2 to 50 years.
- **Specified Illness Cover** will give you peace of mind. It provides a lump sum payment on the diagnosis and certification of a specified illness* as defined in the policy, provided you survive for 14 days after the specified illness event.
- **Mortgage Protection Cover** is essential for anyone buying their home. This decreasing life cover can be used to secure your mortgage with the bank.

Mortgage Protection Cover is the cheapest form of life assurance or combined life and specified illness cover, which is the product described in this brochure.

*Please see the Hibernian Aviva Specified Illness Definitions Guide for full details of illnesses covered.

Mortgage Protection Cover

Mortgage Protection Cover is designed to provide:

- Life assurance protection...
- With the option of specified illness cover...
- Linked to your mortgage, for...
- Maximum peace of mind.

A summary of the benefits

- Provided you have sufficient cover in place, your mortgage will be automatically paid off in the event of your death during the term of the plan.
- With the addition of specified illness cover, there will be a benefit paid if you are diagnosed and certified with a specified illness* or if you die.
- Specified illness cover automatically includes a valuable extra benefit called Best Doctors®, a service which can provide an expert medical review should you be diagnosed with a serious medical illness†.
- Your life assurance or combined life and specified illness cover will reduce each year – so you only pay for the cover that you need.
- If you arrange a joint mortgage, the plan can cover both people.
- There are favourable terms for non-smokers.
- You can arrange additional cover if you increase or extend your mortgage in the future, subject to certain limitations (see page 10).

* see page 6 for illnesses covered.

†See the Hibernian Aviva Best Doctors brochure for details.

Your plan benefits

This plan is designed to pay off the decreasing sum assured in the event of your death (or diagnosis and certification of a specified illness* if applicable) during the mortgage term.

The reducing Life Cover

Your life assurance benefit will reduce each year in line with your outstanding mortgage (provided that your mortgage payments are fully up to date and your mortgage interest rate does not exceed the level specified in your Policy Document). You simply have to keep your premium payments up to date.

As you would expect, this form of 'reducing cover' is cheaper than cover which remains at the full initial level throughout the term of the policy.

Adding Specified Illness Cover

If you wish, you can add Specified Illness Cover for an amount equal to your life cover. By adding the option of Specified Illness Cover, your plan will pay out on the earlier of death or the diagnosis and certification of a prescribed specified illness*.

The life and specified illness benefit are also a form of 'reducing cover' and decreases each year in line with your outstanding mortgage, (provided that your mortgage payments are fully up to date and your mortgage interest rate does not exceed the level specified in your Policy Document).

Access to a specialist medical organisation called Best Doctors® is a valuable automatic benefit of this plan option. If you, or any of your children, have been diagnosed with a serious medical condition† you can avail of the Best Doctors® service without having to claim under your policy (see page 7).

Please ask your Financial Adviser for a copy of the Hibernian Aviva Specified Illness Definitions Guide, which has full details in 'layman's terms' of the illnesses covered (these are outlined on page 6).

IMPORTANT NOTE: IF YOU ARE DIAGNOSED WITH A SPECIFIED ILLNESS COVERED UNDER YOUR POLICY AND RECEIVE THE BENEFIT PAYOUT, YOUR PLAN WILL CEASE AND NO FURTHER BENEFIT WILL BE AVAILABLE ON DEATH.

The plan can cover one or two people

If you take out a joint mortgage, your plan can be taken out jointly with the benefit being payable on the 'first event' or 'claim'. That means that, if one of you dies or suffers a specified illness (if this option is chosen) during the period of cover, the plan will pay out a lump sum benefit. As the policy can only pay out once, it will then cease – and no further premiums will be payable.

* see page 6 for illnesses covered.

†See the Hibernian Aviva Best Doctors brochure for details.

Eligibility

The plan is only available to people who are aged at least 18. The person to be insured (or both people, in the case of a joint plan) must be no older than 74 when the plan starts, or no older than 59 if the specified illness cover option is chosen.

Accidental death benefit

We will provide you with free accidental death cover while your application for **Mortgage Protection Cover** is being considered. Accidental death means a death occurring before age 65 and within 12 months of an accident due to accidental bodily injury arising solely and directly from external violent, visible and accidental causes, totally independent of any physical or mental illness or infirmity.

Your accidental death cover will start on the day we receive your fully completed application – and continue until the earliest of three dates:

- 1 The end of 3 months, or
- 2 The date that the cover provided by your plan comes into effect, or
- 3 The date you are informed that your application has not been accepted at ordinary rates.

Should death occur within 12 months of an accident that occurred while Accidental death benefit was in place, the full amount of life assurance cover for which you have applied will be paid out, up to a maximum of €150,000.

In the case of a joint plan this immediate cover benefit will be payable on a ‘first death’ basis. This means that, whichever one of you dies first, the benefit will be paid to the survivor.

Accidental death benefit will not be paid if death is caused directly or indirectly by any of the following:

- self inflicted injury including suicide or attempted suicide,
- engaging in a hazardous pursuit,
- war (whether declared or not, riot or civil commotion),
- taking alcohol or drugs (unless they are prescribed by a registered doctor in the Republic of Ireland),
- committing, attempting or provoking an assault or criminal offence,
- taking part or attempting to take part in any aerial flight other than as a fare paying passenger on a licensed airline,
- death in a country outside the EU,
- engaging in a hazardous occupation,
- an assault on the covered person which is not reported to the police,
- disease, bodily or mental infirmity or medical or surgical treatment of these or where the covered person acts against medical advice.

Notification of death must be received by Hibernian Aviva within 12 months of the date of death.

Non-smoker discount

Medical statistics show that, as a group, non-smokers live longer than smokers. Recognising this, Hibernian Aviva offers a substantial discount if the person to be insured hasn't smoked any form of tobacco during the last 12 months.

Medical evidence

You will be asked to complete an application form, giving us details of your medical history. According to the answers you give – and the amount of cover that you have requested – we may require further information. In some circumstances, we may ask you to attend a medical examination at our expense.

You should note that all the questions on the application form must be answered fully and accurately. If you are not sure whether or not to give us any information about your past or present health, you should do so – as failure to disclose any relevant information could invalidate your cover.

How you can claim

If you are diagnosed with a serious illness that is specified under your policy (see page 6 if specified illness chosen), you should notify Hibernian Aviva in writing as soon as possible. Some formalities will be necessary, including the production of the policy document. However, these requirements will be kept to a minimum – and we will act promptly to ensure that payment is made as soon as possible.

In the event of your death, your family or any legal representative acting for them should contact Hibernian Aviva in the same way.

Replacing an existing policy

If you are thinking of starting Mortgage Protection Cover to replace an existing policy, please take special care to satisfy yourself that this policy meets your needs. In particular, you should ensure that you are fully aware of the financial consequences of replacing an existing policy. If you are in any doubt about this, please speak to your financial adviser.

Specified Illnesses Covered

Mortgage Protection Cover with specified illness cover provides a lump sum cash payment which enables you to take care of yourself and your family if you are diagnosed and certified with one of over 30 conditions - as well as total and permanent disability cover.

The benefit will be paid out if you are diagnosed as having any of the following*:

- Alzheimer's disease (including Pre-senile dementia)
- Angioplasty
- Aorta graft surgery
- Aplastic anaemia
- Bacterial meningitis
- Benign brain tumour
- Blindness
- Cancer (Invasive)
- Cardiomyopathy (Dilated)
- Coma
- Coronary artery by-pass surgery (Grafts)
- Creutzfeldt-Jacob disease
- Deafness
- Encephalitis
- Heart attack
- Heart valve replacement or repair
- HIV infection
- Kidney failure
- Liver failure
- Loss of speech
- Loss of hands or feet
- Major organ transplant
- Motor neurone disease
- Multiple sclerosis
- Paralysis of limbs
- Parkinson's disease
- Progressive supra-nuclear palsy
- Pulmonary artery replacement
- Severe lung disease
- Stroke
- Third degree burns
- Traumatic head injury
- Total and permanent disability

Full details of the illnesses covered are available in 'layman's terms' in the Hibernian Aviva Specified Illness Definitions Guide.

** Precise definitions of the specified illnesses and disabilities covered are set out in your policy document – together with details of any time limits that apply. In particular, you will need to survive for at least 14 days after the onset of the illness or disability. Any claim for benefits must be made in writing within the time limits specified in the Policy Document.*

Cover for a child[§]

One of the additional benefits of adding specified illness cover to your **Mortgage Protection Cover** is the provision of a lump sum in the event of one of your children suffering one of the 'Specified Illnesses' identified above. The lump sum payable is 50% of the specified illness benefit – up to a maximum of €25,000 – or a death benefit of €2,500. Payment will only be made for the first child to be diagnosed and certified with a specified illness and for the first child to die, and will not affect your main specified illness benefit.

§ Definition of a child: A child is defined as a natural, adopted or stepchild aged between their 1st and 18th birthday – or 21st birthday if the child is in full-time third level education or in full-time vocational training and living at home.

Best Doctors® - a second medical opinion

(Only available with Specified Illness Cover)

Should you be diagnosed with a serious illness, and you have added specified illness cover to your **Mortgage Protection Cover**, you will have access to Best Doctors, a leading medical knowledge company that has built up a worldwide database of over 50,000 of the world's top physicians and, at your request, can provide you with:

- A comprehensive review of your diagnosis and treatment without you having to leave home.
- Access to information from the most qualified specialists, plus
- A Best Doctors Nurse Care Manager who will collate all the information about your condition, submit it to the most appropriate expert – and keep you fully informed every step of the way.

Please refer to the Hibernian Aviva Best Doctors brochure for more information.

Hibernian Aviva Life & Pensions Limited does not guarantee the ongoing availability of the Best Doctors service to its policyholders and may, at its sole discretion, withdraw access to the service at a month's notice. Policyholders will receive written notification if the Best Doctors service is withdrawn.

Best Doctors is a registered trade mark of Best Doctors,inc. in the United States and other countries.

Changing circumstances

(Only applies to plans with Specified Illness Cover)

The risk of you being affected by a specified illness could be significantly increased by a change in your occupation – or by you spending a great deal of time in a foreign country:

- You must, therefore, keep us fully informed regarding your circumstances, and
- We reserve the right to amend the terms of your plan.

Change of occupation

If you change your occupation, you must notify us immediately – and, depending on the nature of your new employment, we may revise the premiums payable to your plan and the benefits that it provides. If you have a joint or dual life plan, we will also need to be told of any change in occupation of the other insured person.

Please note that failure to notify us of a change in occupation could invalidate your plan.

Territorial limits

Any claim in respect of a specified illness shall be invalid if you are resident outside Western Europe (Andorra, Austria, Belgium, Channel Islands, Denmark, Finland, France, Germany, Gibraltar, Greece, Iceland, Ireland, Isle of Man, Italy, Liechtenstein, Luxembourg, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, the United Kingdom), Australia, Canada, Hong Kong, New Zealand, Singapore, South Africa or U.S.A. for more than 13 weeks in the 12 consecutive calendar months immediately preceding a claim.

Specified Illness Exclusions

Mortgage Protection Cover will not pay any Specified Illness benefits – where the disability or illness is caused by intentional self-inflicted injury, failure to follow reasonable medical advice or by alcohol, solvent or drug abuse. Illnesses and disabilities will also be excluded if they are caused by war or civil war; willful participation in acts of violence; flying other than as a passenger on a recognised airline; participating in a dangerous pastime or pursuit; HIV or AIDS infection (see page 7 of the 'Hibernian Aviva Specified Illness Definitions Guide'); or any breach of the criminal law. The exclusions are described more fully in your policy document.

The premiums

The cost of your Mortgage Protection Cover will depend on:

- The size of your mortgage – and as a result, the amount of cover that you require.
- Whether you add specified illness cover.
- The length your mortgage – and, thus, the term of the plan.
- Your age and sex.
- Whether you are a smoker or a non-smoker.
- Your current state of health.
- Whether you take out the plan by yourself or jointly with your partner.

All the charges (including any Government levy applicable at the time - currently 1%) are automatically included in the premiums.

Premium payments

Premiums may be paid monthly or annually in advance. Monthly premiums must be paid by direct debit; annual premiums may be paid by direct debit or cheque. If you subsequently wish to change from paying monthly to paying yearly – or vice versa – you may do so on any anniversary date.

All premiums should be paid promptly – although we will allow up to 30 days of grace to cover the late payment of a premium. If a premium is delayed any longer, the plan will lapse and your cover will expire.

If you do not make a claim during the period of cover, the plan will stop and no benefit will be payable. If you stop paying the premiums before the end of the premium payment term (see 'Minimum premium' below), your cover will cease – and the plan will have no cash-in value.

Minimum premium

The minimum premium is €20 per month or €200 per annum for single and joint life cover. If your life assurance or combined life and specified illness cover would otherwise have cost you less than the minimum premium, you will be compensated for this by a reduction in the number of years for which you have to pay for your cover.

For example, if a healthy 24 year old female who is a non-smoker wishes to take out **Mortgage Protection Cover** for €200,000 over 20 years, she will need to pay the minimum premium of €20 a month (based on current rates, July 2009). However, as the underlying cost of her life assurance cover would be less than this minimum premium, she would only have to pay the premiums for the first 9 years, instead of 20 years.

Ongoing flexibility

Assigning your plan

As your plan is an integral part of your mortgage arrangement with a bank or another lender, the plan may be assigned to this third party. Any changes to the policy while your mortgage remains in force must be approved by your mortgage lender. You should be aware, however, that any such assignment would reduce the amount that you or your family would receive in the event of a claim for a specified illness covered under your policy or on death. So you may prefer to arrange separate cover in relation to any remaining needs that your family may have.

Reinstatement

If your **Mortgage Protection Cover** lapses, you may reinstate it at any time within the following 6 months. This reinstatement will be subject to you providing us with satisfactory evidence of your ongoing good health – and paying all the outstanding premiums, plus any late payment charge that may apply at that time.

Early repayment

If you pay off your mortgage early, you may stop the plan immediately – you need to notify Hibernian Aviva that you wish to do so. However, you may prefer to leave your plan in force, to provide additional security for your family. Your **Mortgage Protection Cover** does not acquire a cash-in value at any time.

Guaranteed insurability option

If you increase your mortgage or if you extend the term of your mortgage (but not beyond your 70th birthday) you may take out an additional **Mortgage Protection Cover** policy, to meet your increased need for life assurance (the new plan is for life assurance only, specified illness cover cannot be included).

The extra contributions cannot be directed to your existing policy, so they will be invested in a separate **Mortgage Protection Cover** policy.

No further evidence of your good health will be required for that new **Mortgage Protection Cover** policy, provided that the term of the policy matches that of your extended mortgage and any increase in your cover is not more than €40,000 – or,

1. if lower, your original level of cover, or
2. if lower, the increase in the amount of cover required

The premiums payable to the new plan will be calculated based on your age, smoker status and on the rates applying at the time.

However, the availability of this option is subject to certain conditions. For example, your original policy must have been issued on standard terms.

A commitment to quality service

Hibernian Aviva Life & Pensions is committed to the provision of the highest possible standards of customer service. However, if you are ever dissatisfied with any aspect of our service, do please let us know. We take all complaints very seriously – and aim to rectify any shortcomings as speedily as possible.

If you wish to complain about any aspect of the service you have received, please contact Hibernian Aviva directly. If your complaint is not dealt with to your satisfaction, you may complain to:

Financial Services Ombudsman's Bureau,

Address: 3rd Floor, Lincoln House,
Lincoln Place, Dublin 2
Lo-call: 1890 88 20 90
Fax: (01) 662 0890
E-mail: enquiries@financialombudsman.ie
Website: www.financialombudsman.ie

Full details of the remit of the Financial Services Ombudsman's Bureau can be obtained directly from their office.

Copy documents

A copy of the application form, policy documents and policy conditions for **Mortgage Protection Cover** is available on receipt of a written request by or on behalf of the applicant.

Ensuring the policy meets your needs

We only want you to have **Mortgage Protection Cover** if you are satisfied that it is the right plan for you. So, shortly after your **Mortgage Protection Cover** has started, we will send you the full documentation governing your plan. You will then have a cancellation period of 30 days from the date on which your plan documentation is issued to change your mind. Study the documents – and, if you would like to cancel the arrangement, simply return the documents and a signed notice of cancellation to:

The Customer Services Manager,
Hibernian Aviva Life & Pensions Limited,
One Park Place, Hatch Street, Dublin 2.

We will cancel your **Mortgage Protection Cover** policy and return all the money you have paid. If your policy has been assigned for lending purposes, you must advise the lender that your policy has been cancelled.

About the company

Hibernian Aviva Life & Pensions Limited is a subsidiary of Hibernian Aviva Life Holdings, a joint venture company between Hibernian Aviva Group plc and AIB Bank p.l.c. for the provision of life and pensions services in Ireland.

Our membership of the Hibernian Aviva Group plc means we're backed by the strength of Aviva plc, the world's fifth largest insurance group with operations in 28 countries worldwide.

We are very proud of our strong reputation in Ireland. Our activities include pensions and life assurance, managing investments, general insurance and personal financial services.

Our aim is to provide an efficient and professional service through a range of channels such as independent financial advisers, financial institution partners, Hibernian Aviva branches and our website www.HibernianAviva.ie

'Looking out for you' is at the heart of everything we do. From our intelligent, original products and services to our commitment to security, quality and value, we are constantly looking at new ways to meet our customers' needs today, tomorrow and in the future.

This brochure has been produced by Hibernian Aviva Life & Pensions Limited, a subsidiary of Hibernian Aviva Life Holdings Limited, a joint venture company between Hibernian Aviva Group plc and Allied Irish Banks, p.l.c. Great care has been taken to ensure the accuracy of the information it contains. This brochure is not a legal document and, should there be any conflict between the brochure and the policy document, the latter will prevail.

Hibernian Aviva Life & Pensions Limited, July 2009.



Looking out for you

Hibernian Aviva Life & Pensions Limited. A private company limited by shares.

Registered in Ireland No. 252737 **Registered Office** One Park Place, Hatch Street, Dublin 2.

Member of the Irish Insurance Federation. Hibernian Aviva Life & Pensions Limited is regulated by the Financial Regulator.

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Life & Pensions One Park Place, Hatch Street, Dublin 2. **Phone** (01) 898 7000 **Fax** (01) 898 7329
www.HibernianAviva.ie

Telephone calls may be recorded for quality assurance purposes.