

Coronavirus Payment Deferral Update 28 October 2020

Extending our help for individual protection customers



To help our protection customers contend with the ongoing impact of the Coronavirus, we are continuing to offer our payment deferral facility and updating our eligibility criteria.

These changes are effective from Friday 30th October 2020.

Eligibility

- The payment deferral option is only available where the existing terms and conditions of the policy do not allow payments to be missed or deferred. Individual policy documents will confirm whether this applies to the policy.
- The policy must have started at least 6 months ago and there must be no more than 2 monthly payments outstanding.
- A premium deferral must not have already been taken on the policy.

Customers can apply for a payment deferral if their finances are negatively impacted because they, or someone in their household:

- has been made unemployed or are working fewer hours due to the Coronavirus, however they expect their household finances to recover by the end of the payment deferral period, when normal payments and repayments become due; or
- is self-employed and hasn't been able to work or trade at normal levels due to the Coronavirus, but are now starting to work or trade again at normal levels, or will be shortly, and therefore they expect their household finances to recover by the end of the payment deferral period, when normal payments and repayments become due.

Customers can also apply if they are acting for a business which holds a policy with Aviva, where the business has been unable to trade due to the Coronavirus, but is now starting to trade again, or will do so shortly, and therefore they expect the business to make normal payments and repayments when they are due after the payment deferral period. This includes customers with Business Protection and Relevant Life policies.

Aviva reserves the right to request evidence or make further enquiries on customer circumstances before agreeing to defer payments.

How does it work?

- Individual protection customers, who are struggling financially due to Coronavirus (COVID-19), can apply to defer premiums for 3 months and spread it over the following 9 months.
- Customers can apply at any time for their 3 month payment deferral.
- Customers with personal or business individual life insurance, critical illness, income protection, over 50s or whole of life policy can apply to defer premiums for 3 months.
- One 3 month payment deferral can be applied for on each eligible policy by visiting this [website](#) where they'll find full eligibility details and can fill in an online form. (If a customer doesn't have internet access they can contact us on the number detailed on their policy documents.)
- Once submitted, we'll get back to your customer with a decision.

- The full benefits provided by the policy will be maintained during the period in which payments are deferred.
- Normal payments will continue from the 4th month onwards, with the deferred payments being repaid over a period of 9 months or the remaining term of the policy, if shorter.
- The balance of deferred payments can also be paid as a lump sum by your customer should they wish to accelerate repayment.
- There will be no impact on commission.
- There will be no change to your customer's sum assured or other policy benefits.
- If a claim is made during the repayment period, we'll deduct the outstanding amount from the claim payment – as is our normal process.
- The above applies specifically to monthly premiums. Other premium frequencies may be eligible – please speak to your Aviva contact for details.

If your customer's financial hardship is expected to last longer than 3 months, it may be more appropriate for you to consider other contractual options with them under their policy terms and conditions where there may be options to permanently alter the policy benefits with a corresponding impact to customer premium. We'll let customers know that seeking advice from their Financial Adviser is important if they are in any doubt as to the most appropriate course of action for their individual circumstances.

We hope that by offering this premium flexibility, together we can make sure customers can maintain their cover at a time when they may need it most.

For more information please refer to our [adviser FAQs](#), visit our [website](#) or speak to your Aviva contact.

**Kind regards,
The Aviva Team**