



**Shepherds  
Friendly**

Your modern mutual

# Over 50s Life Insurance

## Plan Summary

[www.shepherdsfriendly.co.uk](http://www.shepherdsfriendly.co.uk)

Shepherds Friendly is a trading name of The Shepherds Friendly Society Limited which is an Incorporated Friendly Society under the Friendly Societies Act. Registered No 240F. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Financial Services register No 109997. The Head office and Registered office of The Shepherds Friendly Society is based in the United Kingdom.

# Shepherds Friendly Over 50s Life Insurance plan

## Plan Summary

This summary lays out the key features of Shepherds Friendly's Over 50s Life Insurance plan. We are required by the Financial Conduct Authority, the independent financial services regulator, to provide you with this important information to help you decide whether our Over 50s Life Insurance is right for you.

It is important that you read this summary in detail and then keep it for future reference. Further information, if needed, can be found in the Terms and Conditions document, which is available on our website and on request from Shepherds Friendly.

Please note that no advice has been provided by Shepherds Friendly. If you are in any doubt as to whether a plan is suitable for you, we recommend getting in touch with a financial adviser, who will be happy to take you through what options are available. Should you consult a financial adviser there could be a cost involved and you should confirm this cost beforehand.

**If you have any questions, please call us on 0161 428 1212**

## **The aims of our Over 50s Life Insurance**

To provide a fixed cash sum on your death.

### **Your commitment**

To pay a regular monthly premium for 30 years or to the maximum age of 90, whichever comes first.

### **Risks**

- If your circumstances change and you stop paying the premiums, your life cover will end immediately.
- Over 50s Life Insurance has no cash in value at any time, so if you cancel it after the first 30 days you will get nothing back.
- Your life cover does not start until after the second anniversary of your plan start date, as shown in your plan illustration, unless you die as a result of an accident, in which case your life cover begins from the start date shown on your plan illustration.
- This life plan is not a funeral plan and therefore may not cover the full cost of a funeral.

An accident is a sudden and unexpected event which happens after the plan starts and provided that the death was not caused directly or indirectly by;

- Any self inflicted injury
- Flying (other than as a fare-paying passenger)
- Committing, attempting or provoking an assault or any criminal offence.
- An addiction to or misuse of drugs, alcohol, solvents, prescription medicines or other substances
- War, invasion, hostilities (whether war is declared or not), civil war, rebellion, or riot.

Over time, although the amount we pay out on death is fixed, this amount is likely to reduce in value because of the effects of inflation.

- If you live long enough the total premiums you have paid may be greater than the amount payable on death.

### **What is Over 50s Life Insurance?**

Our Over 50s Life Insurance is a plan designed to provide a cash lump sum for your loved ones on your death, which can be used towards the cost of your funeral or to help meet any outstanding costs. The plan provides “whole of life” assurance, meaning it does not have a defined term but provides cover until the time of your death.

The amount of the cash lump sum is selected by you and is shown in your plan illustration. It is called the “sum assured”.

## **Who can have Over 50s Life Insurance?**

You are guaranteed to be accepted for our life cover if you are aged between 50 and 80 and are resident in the UK or Isle of Man.

However if you are a smoker or have used tobacco products or nicotine replacement therapy within the last 12 months you must tell us on your application form. If you fail to do so then at the point of claim we may only agree to pay benefit based on the “smoker rates” applicable at the time of your original application based on you chosen premium.

## **What does Life Insurance cover cost?**

You can choose how much you want to pay each month in order to ensure the cash amount you'd like is paid out to your loved ones when you die. The minimum monthly premium you can choose is £10 per month up to a maximum of £50 per month.

Premiums are payable monthly by Direct Debit and, to ensure your loved ones receive the full cash sum, you must be sure to keep up your monthly payments. Should you fail to pay the premium for two successive months, your cover will end and no lump sum will be paid out on your death.

However, you will not have to continue paying premiums when you have paid premiums for 30 years or after the age of 90, whichever comes first. The cover will still continue until you die.

## **What are the benefits of the Over 50s Life Insurance?**

### **Guaranteed acceptance**

Acceptance for the plan is guaranteed if you are aged between 50 and 80 and resident in the UK or the Isle of Man, and once you have agreed your monthly premium, we guarantee this will never increase.

Provided that you were resident in the UK when you took out the plan, you can live abroad during the life time of the plan provided that you maintain an active UK bank account. You should always update us with any change of address.

### **Flexibility to reduce your premiums**

If you wish you can choose to reduce your monthly premium at any time, provided that your premium is at or above the minimum of £10 per month. We would then reduce the cash lump sum benefit amount to reflect this change.

You can also decide to open more than one life insurance plan with us, just as long as the total amount of monthly premiums you pay does not exceed the maximum of £50 per month.

## **Funeral benefit option also available**

If you choose the funeral benefit option which is available with your plan, you can nominate your sum assured to be received by Golden Charter towards the cost of your funeral in the event of your death. In addition, Golden Charter will contribute a further £300 to help with funeral costs and this may be added to your sum assured or discounted from the total funeral cost.

Golden Charter is the UK's leading independent funeral provider and allows our Over 50s Life Plan holders dependents to choose from a wide range of funeral directors.

## **Access to bereavement services**

Your Over 50s Life Insurance plan also gives your next of kin access to the National Bereavement Service, a not for profit organisation that can offer counselling, guidance and support to the recently bereaved. They can also provide access to paid for services such as probates, disputes and Wills, although there may be an additional charge for these services. Should you wish to find out more information about this additional benefit, you can contact the National Bereavement Service on **0800 0246 121**.

## **Are there any restrictions on the benefits you will pay out?**

If you were to die of natural causes or a medical condition within the first two years of your plan start date (as shown on your plan illustration) we will only pay back the premiums you have paid plus 50%. However, if you were to die in the first two years as a result of an accident, the full sum assured amount will be paid out.

If you have chosen the funeral benefit option and were to die within the first two years of your plan, the full sum assured will not be payable, but we would pay Golden Charter a sum worth one and a half times the total premiums paid up to that date. This cash sum would be used towards your funeral costs and your dependents would still be entitled to the £300 contribution. However, should you die during the first two years of your plan as a result of an accident, the full insured sum will be paid out.

## **What happens if the cash sum paid out is different to the cost of my funeral?**

If the cost of your funeral proves to be less than the sum assured provided on death, your estate will receive the difference between the two amounts. However, should the cost of the funeral selected be more than the cover provided, your estate will be required to settle the difference with the funeral provider.

## **What happens if I stop paying my monthly premiums?**

If you stop paying your premiums before the plan has been in place for at least 30 years or before you reach age 90, the life cover will cease, you will not receive back any of the money you have paid and no cash lump sum will be paid out. This is not a savings plan and therefore does not provide any early exit value at any time.

## Can I change my mind after I have applied?

Once we have received and processed your application we will send you your Over 50s Life Insurance documents which includes your plan illustration and Application Form and a “right to cancel” notice. If you are not happy that you have done the right thing in choosing the plan, then just return this notice to us within 30 days and we will then refund to you any premiums paid.

## What happens when I die?

Your loved ones or dependents should contact Shepherds Friendly on **0161 428 1212** and our Member Services Team will explain the next steps. We can also be contacted by: email: [info@shepherdsfriendly.co.uk](mailto:info@shepherdsfriendly.co.uk), or letter: **Shepherds Friendly, Haw Bank House, High Street, Cheadle, Cheshire SK8 1AL.**

In processing a claim when you die, we may request your dependents send us medical reports to establish the cause of death. If these reports confirm that the plan holder did not properly disclose their status as a smoker, or their use of tobacco products or nicotine replacement products at the time of the application, the amount we pay out will be reduced to that of the associated smoker rate applicable at the time of the application. If you have chosen the funeral benefit option, Golden Charter will receive your sum assured on death to help meet the costs of your funeral. The contribution of £300 will either be added to your sum assured or discounted from the total funeral cost.

## What about tax?

Based on our current understanding of HM Revenue and Customs guidelines, any money paid to your estate will be free of capital gains or income tax. Please note, however, that if your Over 50s Life Insurance is not written in trust, it will form part of your estate and may be subject to inheritance tax.

To ensure the full value of the money we pay out under this Over 50s Life Insurance is used in accordance with your wishes, you may wish to seek legal advice and possibly make a Will. Please note different tax rules may apply if you live in the Isle of Man.

## Any questions? Where can I find out more?

Deciding to take out life insurance is a sensible decision, for you and your loved ones. Once you have applied and before your plan starts we will send you the full terms and conditions for you to read. These explain exactly how the Over 50s Life Insurance works.

**If you would like to see these terms and conditions before you apply, please contact us:**

Phone: 0161 428 1212

e-mail: [info@shepherdsfriendly.co.uk](mailto:info@shepherdsfriendly.co.uk)

Web: [www.shepherdsfriendly.co.uk](http://www.shepherdsfriendly.co.uk)