



**Shepherds
Friendly**

Your modern mutual

Over 50s Life Insurance

Terms & Conditions

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

These terms and conditions together with your plan illustration make up the legal contract between you and The Shepherds Friendly Society Limited. This Over 50s Life Insurance plan pays a guaranteed lump sum benefit upon death.

Your plan illustration is sent to you at the start of your plan and it contains details of your cover. It sets out the amount you will pay each month “the premium” and shows the “sum assured”, which is the guaranteed lump sum benefit we will pay upon your death. You should read paragraph 5 to remind yourself of the limited exceptions to this during the first two years of the plan.

It is important that you check your plan illustration as soon as you receive it to ensure that all the information we hold about you is correct. If you spot any errors or have any questions about your plan, please contact our Member Services Team on 0161 428 1212.

We suggest that you keep these documents in a safe place so that you can refer to them in the future. You may also wish to tell your intended beneficiaries about this plan. We suggest that you review your cover from time to time to ensure it provides the right level of cover for you.

Thank you for choosing our Over 50s Life Insurance Plan.



Ann-Marie O'Dea
Chief Executive
Shepherds Friendly Society

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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 that you get in touch with a financial adviser who will be able to take you through the options available to you. Should you decide to consult a financial adviser, please be aware that there may be a cost involved and that you should confirm this cost beforehand.

1. The contract

1.1 The contract between you and us is made up of the following documents:

- The plan illustration and any amendments or variations that we may make to that document
- These standard terms and conditions

Please read these documents and ask us if anything is not clear to you.

1.2 From time to time, we may produce other documents which provide general guidance with respect to our products, but in the event of any conflict or discrepancy between the terms of any such other documents and these standard terms and conditions, the terms of these standard terms and conditions will prevail. Other documents that we may produce include:

- The plan summary
- Posters, sales leaflets and other advertising material
- A guide to making a claim

Please ask us if you have any questions about any of these other documents.

1.3 We will have taken the following information into account when agreeing to enter into the contract with you:

- Your application for the plan
- Your quote summary
- Your replies to our questions about your date of birth and whether you are a smoker, or if you have used tobacco products or nicotine replacement therapy within the last 12 months.

See paragraph 11 below.

You must ensure that the information you have provided to us is both accurate and complete. If you (or an agent acting on your behalf) deliberately or recklessly provides an inaccurate answer we are entitled to cancel this plan and refuse to pay the benefit. In these circumstances, we may not refund any premiums you have already paid.

2. Your duties

- You must provide us with accurate and complete information when applying for your plan and when applying for any amendment or variation to your plan.
- You must pay the premiums when they are due.

3. Who can have an Over 50s Life Insurance plan?

To have an Over 50s Life Insurance plan with Shepherds Friendly you must;

- be aged between 50 and 80 years at the start of the plan
- be resident in the UK or Isle of Man when you apply

If you move to live abroad after taking out the plan, then you must maintain an active UK bank account.

4. What life cover will the plan provide?

We will guarantee to accept your application for the plan provided that you fall within the age limits for the plan.

This plan pays a guaranteed lump sum benefit when you die. The amount of the lump sum benefit you have selected is shown in your plan illustration and is called the “sum assured”.

You can choose the level of cover and your premiums to support this and they are guaranteed not to rise. This plan has no cash-in value at any time prior to your death.

5. Exceptions within first two years of the plan

- 5.1** The sum assured is not payable on death during the first two years of the plan unless you die as a result of an accident.

If you die in the first two years of the plan as a result of an accident (as defined in this section immediately below), the sum assured will be paid upon proof of the cause of death.

What is an accident?

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.

- 5.2** If you 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 not pay out the sum assured amount. Instead, we will pay you back a value equal to 150% of the premiums you have paid.

6. How long does my plan cover last?

Your Over 50s Life Insurance Plan is “Whole of Life” meaning it will remain in place until you die. 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.

7. What are the monthly premiums?

The minimum premium payable is £10 per month and the maximum you can pay is £50 per month. We guarantee that the monthly premium you choose to pay will never rise.

All premiums must be paid by Direct Debit and must reach us on the agreed date each month.

We will cancel this plan if two successive premiums are not paid. If this occurs, we will send you a reminder letter and will allow you an additional 14 days to pay. If all outstanding premiums are paid within this time, the plan will continue. If any premiums remain outstanding thereafter, we will cancel this plan and the cover will end and no further premiums will be payable.

The benefit will no longer be payable. We will not refund any premiums already paid.

8. Reducing your monthly payments

You can choose to reduce your monthly premiums at any time, provided that your premiums are at or above the minimum premium payable of £10 per month. We would then reduce the “sum assured” (the amount we will pay upon your death) to reflect this change and send you a revised plan illustration.

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

9. 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 free counselling, guidance and support to the recently bereaved. They can also provide access to paid for services such as probates, disputes and Wills. You can contact the National Bereavement Service on 0800 0246 121.

10. What is the funeral benefit option?

If you choose the funeral benefit option available with your plan, you can nominate that your sum assured is paid to Golden Charter to be used towards the cost of your funeral. In addition, Golden Charter will contribute a further £300 to help with funeral costs. 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 Over 50s Life Insurance plan holders to choose from a wide range of funeral directors.

As described in paragraph 5, if you die within the first two years of your plan of natural causes or a medical condition, the sum assured is not paid. Instead, we pay an amount equal to 150% of the premiums paid. If you have chosen the funeral benefit option, this is the amount that will be paid to Golden Charter towards your funeral costs and you would also still be entitled to the £300 contribution.

It is important to note that if the cost of your funeral proves to be less than the benefit paid out by us in accordance with this plan, your estate will receive the difference between the two amounts. If the cost of the funeral you have selected is more than the benefit paid by us, then your estate will be required to meet the extra costs incurred.

11. How do my dependents make a claim?

Following your death, it is important that your dependents call Shepherds Friendly Member Services Team as soon as possible on 0161 428 1212. We will explain the claims procedure and the steps that need to be taken. We may request medical reports and records at this point.

When a claim is made, we will request proof of death and if death occurs within two years of the date the plan started, we will require proof of the cause of death. We may also seek medical reports and records at that stage. If these records confirm that the declarations made by you when you applied for the plan about your smoking or use of tobacco or nicotine replacement therapy were incorrect and you failed to disclose this, the amount we will pay upon death will be reduced to the "smoker rate" applicable at the time of your original application based on your chosen premium.

12. Can I cancel the plan at any time?

You may cancel your plan within 30 days of receiving your plan documents and, if you do so, we will automatically refund any premiums you have paid up to that point. If you decide to cancel your plan after the first 30 days, you will not be entitled to any refund of the premiums you have paid up to that point.

13. What if I change my address?

Any correspondence we send you will be sent to the last known address we hold on our records of your application. It is important to note that it is your responsibility to keep us informed of any change of address during the term of your plan in order for us to be able to handle any claim.

14. What if I move to live abroad?

If you move to live abroad you can retain your plan, providing you still have an active UK bank account.

15. How does taxation affect my plan?

Based on our current understanding of HMRC guidelines, any money paid from the plan to your estate will be free of capital gains or income tax. However please note that, as part of your estate, the money received could be subject to inheritance tax, depending on the tax regulations applying at that time.

It is important to recognise that tax regulations may change in the future. For example, should the government in the future apply any form of taxation to the premium, we will amend your premium accordingly. Please note that different tax rules may apply if you live in the Isle of Man.

16. What laws govern the plan?

This plan is governed by the laws of England and Wales. If there should be any future change in the law or the way tax applies either to us or to yourself, we will have the right to adjust the benefit or the plan (or both) in such a way as to ensure that we do not break the law or taxation rules.

17. How does Shepherds Friendly handle issues of fraud or negligence?

We are required by legislation to establish the identity of anyone who applies to us for a plan and this may mean verifying your identity through electronic identity checks such as with the Electoral Roll. We will not pay any claims that we have established to be fraudulent.

If at any stage during the operation of the plan, we reasonably consider that there has been fraudulent misrepresentation or non-disclosure of material facts or should we decline a claim for benefit on the grounds that we have been misled, we reserve the right to terminate the plan with immediate effect.

18. How do you handle any data you hold on me?

The information you supply is required to enable us to provide you with quotations and to manage your plan, including underwriting and claims handling. Your information includes all the details we hold about you, your transactions and any information we obtain about you from third parties. We will only collect any information we need to enable us to provide you with the level of service you should expect from us. This information may be held on computer or in paper records.

During the course of our dealings with you, we may need to use your personal information to:

- Assess financial and security risks and conduct statistical analysis or systems integrity checks
- Detect and prevent crime including fraud, anti-money laundering and financial sanctions
- Comply with our legal and regulatory obligations
- Develop and enhance our products, services, systems and relationship with you
- Record your preferences in respect of products and services
- Recover any debt or, should you have any outstanding debt from previous dealings with us, we will only offer you a plan upon settlement of the full outstanding amount
- Review our records for any signs of previous fraudulent activity which may affect our ability to offer you cover
- Administer any claim you may make

In carrying out the actions outlined above, we may:

- Carry out searches about you using publically available databases
- Disclose some of your information to other insurers, third party underwriters, reinsurers, credit reference agencies, fraud prevention agencies, regulators, law enforcement agencies and other companies that provide services to you or ourselves
- Share the information with agencies that carry out certain activities on our behalf (for example marketing agencies or those who help us underwrite your plan)
- Use and share your information with our approved suppliers where this is reasonably required to enable us to administer your claim. For example, medical experts and medical agencies, occupational health experts, employment consultants, rehabilitation providers, accountants and auditors and legal advisers. Where we engage these suppliers, we make sure that they apply the same levels of protection, security and confidentiality we apply. However, such information may be accessed by law enforcement agencies and other authorities to prevent and detect crime and comply with legal obligations

Please note that any communications with you may be recorded or monitored to help us improve our services and for security and regulatory purposes. Please also be aware that both inbound and outbound communications by email may not be secure as messages can be intercepted.

When you apply for this plan and when making a claim, you are consenting to our collection of information and use of your data and personal information (including sensitive personal data) as described above.