

Key features of the Shepherds Over 50's Life Plan

Direct

What is the purpose of this document?

The Financial Services Authority is the independent financial services regulator. It requires us, The Shepherds Friendly Society Ltd, to give you this important information to help you to decide whether our Over 50's Life Plan is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

Its aims

To provide:

- a fixed cash sum on your death.

Your commitment

- To pay a regular monthly premium throughout your life or, if you are 65 or under, you may elect to pay premiums for a limited 15 year term.

Risks

- If your circumstances change and you stop paying the premiums under this plan, your life cover will end immediately.
- The plan 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 under this plan does not start until after the second anniversary of the plan start date, unless your death is accidental in which case your life cover begins from the start date on your plan document.
- 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, especially if you choose to restrict the premium paying term.

Questions and answers

What is the Over 50's Life Plan?

The plan is a 'whole of life assurance'. 'Whole of life' plans do not have a defined term and provide an amount of money on death.

We offer two types of plans: one where the premiums are paid throughout your life; and the other where the premiums are paid for a restricted term of 15 years or your death if earlier.

If you decide to take out a plan with the restricted premium paying term, the amount of money paid out on death will be lower than if you choose to pay the premiums for the remainder of your life.

The option to restrict the premium paying term must be selected at the time you take out your plan.

Example life plan,				
Age	Gender	Monthly Premium	Smoker/ Non Smoker	Payment on Death
55	Female	£20	Smoker	£3740
60	Male	£30	Non Smoker	£6220
However, if you choose to restrict the payment term, the amount we will pay out is reduced.				
55	Female	£20	Smoker	£2090
60	Male	£30	Non Smoker	£4140

Who can have this plan?

If you elect to pay premiums throughout your life, the plan can be taken out by anybody between the ages of 50 and 75, provided they are resident in the UK.

If you elect to restrict the premium payment term to 15 years, the plan can be taken out by anybody between the ages of 50 and 65, provided they are resident in the UK.

Under the plan we guarantee to accept your application without medical underwriting.

How much can I pay?

You choose how much you want to pay into your Over 50's Life Plan subject to a minimum contribution of £10 a month and a maximum of £50 a month.

If you want to increase the amount payable on your death or you wish to pay more, you can always take out another plan so as long as you are between 50 and 75 and the total sum assured under all your policies does not exceed £22,560.

The minimum additional amount is £10 a month, and the total payments under your plans cannot exceed £50 a month.

The rate tables are available on request or by visiting www.shepherds.co.uk Premiums are payable monthly by direct debit.

What happens when I die?

Contact should be made with us by phone on 0161 428 1212 and our Claims Department will explain the next steps.

We can also be contacted by:

email: save@shepherdsfriendly.co.uk, or
letter: Shepherds House, Stockport Road, Cheadle, Cheshire, SK8 2AA.

In processing a claim when you die, we may request medical reports to establish the cause of death.

If these reports confirm that you did not properly disclose your status as a smoker at the time of your application, the amount we pay out will be reduced to that of the associated smoker rate applicable at the time of your application.

Are there any guarantees with this plan?

The life cover provided with this plan is guaranteed to remain the same. Also, the premium you pay is guaranteed never to rise.

Are there any restrictions on the benefits payable?

If the plan has been in force for less than 2 years and you die of natural causes we will pay you the total premiums paid to date, less the plan fees.

If the plan has been in force for less than 2 years and your death is caused by an accident then we will pay the amount of life cover that is stated in your plan.

Once I have applied what if I change my mind?

Once we have received and processed your application we will send you the plan documents. Included with these will be a "right to cancel" notice. If you are not happy that you have done the right thing then just return this notice to us within 30 days and we will then refund any premiums paid.

What happens if I stop paying my premiums after the 30-day cancellation period?

Please note that if you do stop paying the premiums cover will cease and a lump sum will not be payable on your death. This plan has no encashment value and therefore you will not receive any money back if you stop paying the premiums.

What will I get back if I have to surrender my plan?

It is not a savings plan and does not provide a cash early exit value at any time.

What about tax?

Based on our current understanding of HM Revenue and Customs guidelines, which may change in the future, any money paid to your estate will be free of capital gains or income tax. Please note however that if your plan 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 plan is used in accordance with your wishes, you may wish to seek legal advice and possibly make a Will.

What are the charges?

A fixed monthly fee of £2 a plan has been included in your monthly premium. If you die of natural causes within the first 2 years then we will deduct the plan fees from the amount paid to your estate.

Where can I find out more?

Before your plan starts we will send you the full terms and conditions. These explain how the plan works.

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

Phone: **0161 428 1212**

Fax: **0161 428 3666**

e-mail: **save@shepherdsfriendly.co.uk**

Web: **www.shepherds.co.uk**

More information

Claims - to make a claim please contact us by phone on 0161 428 1212 and ask for the Claims Department. They will explain the claims process and send out a claim form.

Cancellation Rights - after we accept your application, we will send you a notice of your right to cancel. You will then have 30 days to change your mind and leave the plan.

Complaints - if you want to make a complaint; please contact:

Compliance Officer, Shepherds Friendly,
Shepherds House,
Stockport Road Cheadle SK8 2AA

Phone: 0161 428 1212.

Email: info@shepherds.co.uk

If we don't deal with your complaint to your satisfaction you can complain to the:

Financial Ombudsman Service, South Quay
Plaza, 183 Marsh Wall, London E14 9SR.

Phone: 0845 080 1800

Making a complaint will not affect your right to take legal action.

Financial Services Compensation

Scheme (FSCS) - we are covered by the FSCS, which means you may be entitled to compensation under the terms of the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

For long term plans such as this the first £2000 of a claim is protected in full. Above this amount the scheme covers up to 90% of the plan value. Further information about the scheme is available from the FSCS -

7th Floor
Lloyds Chambers
Portsoken Street,
London
E1 8BN.

Financial Crime - we will take measures to protect members against financial crime. We may need proof of identification on application or claim and if required we may gather this proof by electronic means, for example checking Electoral Registers.

Tax - information that we provide in this leaflet about taxes in the UK is based on our understanding of current laws and HM Revenue and Customs practice which may change in the future.

The Data Protection Act - you have the right to ask to see any personal information which we may hold about you and to have any mistakes in this information corrected. You can do this by writing to the data protection officer at our head office. There may be a charge for this.

Law - the plan is governed by the laws of England and Wales.



Providing Financial Security Since 1826

**AUTHORISED AND REGULATED BY THE
FINANCIAL SERVICES AUTHORITY.
THE SHEPHERDS FRIENDLY SOCIETY IS
INCORPORATED UNDER THE 1992 FRIENDLY
SOCIETIES ACT NO.240F**

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The Head office and Registered office of
The Shepherds Friendly Society is based in
the United Kingdom.