

The 50+ Life Cover policy's key features

Important info you need to read

Before applying for the 50+ Life Cover Policy, please read the Key Features, which you'll find on the next few pages.

The Key Features explain how the policy works, its aims, terms and conditions and will help you decide if it's suitable for you. It also includes information on bonuses and how we aim to grow your money.

This section is full of really important information and will hopefully answer any questions you might have.



Foresters Friendly Society 50+ Life Cover Key Features

The Financial Conduct Authority (FCA) is a financial services regulator. It requires us, Foresters Friendly Society, to give you this important information to help you to decide whether our 50+ Life Cover Policy 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

Foresters Friendly Society 50+ Life Cover policy aims to provide:

- The basic sum assured if you die after the policy has been going for two years.
- The basic sum assured if you die in the first two years as the result of an accident.
- A return of the premiums paid plus bonuses to date if you die from a non accidental cause in the first two years.
- The addition of with profits bonuses to the basic sum assured.

Your commitment

- To pay the regular monthly premium you choose at the outset of the policy until you reach 90 years old.

Risks

- The sum payable on death will depend upon the bonuses added during the term of the policy.
- Bonuses will depend on the future investment performance of the Order Insurance Fund, as well as any deductions and how Foresters Friendly Society decide to distribute any profit.
- The addition of bonuses is not guaranteed and therefore it is possible that the 50+ Life Cover policy might not receive any annual and/or final bonus from the with profits fund.
- Your circumstances may change, forcing you to stop paying premiums. If this happens the death benefit will end or be greatly reduced and you may not get back as much as you have paid in.
- This is not a funeral plan. There is no guarantee that the benefit paid will cover the cost of a funeral.
- Depending on how long you live, the total premiums paid may be greater than the amount payable on death. You must continue to pay premiums until you reach 90 years old or you die to maintain the cover.

Your Questions Answered

What is the 50+ Life Cover policy?

The 50+ Life Cover policy is a with profits whole of life policy under which the basic sum assured, plus all bonuses added, is payable upon the death of the life assured to the estate of the deceased. Alternatively, you can choose to have up to £5,000 of the final payout paid to a nominated beneficiary.

Who can have a 50+ Life Cover policy?

As long as you are aged between 50 and 80 and are a UK resident, you are eligible to take advantage of the benefits of the 50+ Life Cover policy. If you already have a policy of this type with us, cover limits may apply.

Does everyone pay the same monthly premium?

The monthly premium you pay depends upon your age at the start of the policy and the amount of cover you require.

What will my policy cost?

The minimum premium you can pay is £10 a month, the maximum is £100 a month. The tables towards the back of this brochure show the amount of cover you would get depending on your age and the premium paid.

Example of how the 50+ Life Cover policy could work out:

A typical example:

A typical example is shown for a 65 year old on commencement of the 50+ Life Cover policy and assumes that monthly premiums of £20 are received until the policyholder reaches age 75. The basic sum assured would be £2,855.

What the policy might pay out at age 75

	If cashed in?	On death?
If investments grew at 1.5% a year the amount payable might be	£750	£3,070
If investments grew at 4.5% a year the amount payable might be	£1,040	£3,560
If investments grew at 7.5% a year the amount payable might be	£1,370	£4,120

An alternative example:

An alternative example is shown for a 55 year old on commencement of the 50+ Life Cover policy and assumes that monthly premiums of £20 are received until the policyholder reaches age 75. The basic sum assured would be £4,581.

What the policy might pay out at age 75

	If cashed in?	On death?
If investments grew at 1.5% a year the amount payable might be	£1,940	£5,310
If investments grew at 4.5% a year the amount payable might be	£3,020	£7,140
If investments grew at 7.5% a year the amount payable might be	£4,450	£9,560

- These figures are only examples and are not guaranteed. They are not minimum or maximum amounts. What will be paid depends on how your investments grow, when death occurs and on the tax treatment of your investment.
- You could get back more or less than this. The absolute guarantee is that the amount paid on death after two years or on death by accident at any time will be at least the basic sum assured plus any bonuses paid to date.
- The yearly growth rates are our reasonable estimate of what the investment returns could be but are subject to the maximum rates specified by the Financial Conduct Authority.
- Do not forget that inflation will reduce what you could buy in the future with the amounts shown.
- The amount paid on death may be subject to Inheritance Tax. Tax rules may change in the future.

What happens on early encashment?

If you cash-in your policy, you will be unlikely to get back as much as you have paid in. The last two columns in the tables below assume that investments will grow at 4.5%.

A typical example:

Based on a 65 year old on commencement, paying £20 per month.

The early years

At end of year	Total paid in to date	Effect of deductions to date	What you might get back
1	£240	£245	£0
2	£480	£502	£0
3	£720	£589	£181
4	£960	£772	£279
5	£1,200	£959	£384

The later years

At end of year	Total paid in to date	Effect of deductions to date	What you might get back
10	£2,400	£1,980	£1,040

- The bottom line in the table shows that over the term shown the effect of the total deductions could amount to £1,980.
- Putting it another way, leaving out the cost of life cover, this would have the same effect as bringing investment growth from 4.5% a year down to -2.2% a year.

An alternative example:

Based on a 55 year old on commencement, paying £20 per month.

The early years

At end of year	Total paid in to date	Effect of deductions to date	What you might get back
1	£240	£245	£0
2	£480	£502	£0
3	£720	£615	£155
4	£960	£813	£238
5	£1,200	£1,010	£329

The later years

At end of year	Total paid in to date	Effect of deductions to date	What you might get back
10	£2,400	£2,080	£931
20	£4,800	£4,680	£3,020

- The bottom line in the table shows that over the term shown the effect of the total deductions could amount to £4,680.
- Putting it another way, leaving out the cost of life cover, this would have the same effect as bringing investment growth from 4.5% a year down to 1.8% a year.

What are the deductions for?

- The deductions include the cost of life cover, expenses, charges, any surrender penalties and other adjustments.
- The charges, expenses and other deductions used in this guide are best estimates based on current experience. They could vary in future.

Will my policy work out exactly as in the examples?

The examples are a guide for the age shown. The full value of your policy at death will depend on what bonuses may have been added. The addition of bonuses is not guaranteed and it is possible that no annual and/or final bonus will be paid from the with profits fund.

What about the life cover?

Provided you maintain the premiums, and assuming there are no errors in the information you have given to Foresters Friendly Society, the basic sum assured plus bonuses to date will be paid on death due to any cause after two years, or on death due to accident in the first two years. In the first two years the benefit on death from causes other than accident is limited to the sum of the premiums paid plus bonuses to date.

Why is life cover limited to accidental death for two years?

Because there are no medical questions or examinations, this is necessary to protect the interest of the majority of policyholders.

Are there any policy restrictions which would result in non payment of the cash sum?

Yes, in the first two years of cover the policy will only pay out the basic sum assured if you die as a result of an accident. There are restrictions on the payment of this accidental death benefit. It will not pay out where death is caused directly or indirectly by:

- Intentional self inflicted injury.
- The taking of drugs, alcohol or poisonous substances including the inhalation of gases or fumes.
- Active participation in any criminal act.
- Active participation in any riot, civil commotion, insurrection or war (whether war has been declared or not) or any incident thereto.
- Engaging in any form of racing (including time trials).
- Participation in any form of aviation other than as a passenger on a regular fare paying airline.
- Any accident incurred while the life assured is resident outside the United Kingdom.
- Illness or disease of any kind.

Please note that if death results from any of the above in the first two years you will receive a refund of the premiums paid plus any bonuses to date.

Can I choose who my beneficiary is?

Yes, you will find a beneficiary nomination section on your Application Form. The nominated beneficiary can claim the policy benefit up to £5,000 without waiting for probate. Any excess would become part of your remaining estate and have to wait for probate.

Where is the money invested?

Any money paid into the 50+ Life Cover policy is invested in Foresters Friendly Society's with profits Order Insurance Fund. By spreading the money paid into the fund across a number of different types of investments you benefit from the exposure to a range of asset classes which may include equities (company shares), fixed interest bonds (government and company), property and cash. A further advantage of this

approach is that if the return of any one particular asset type is poor, your investment may be protected from the full impact of this fall as the other assets forming part of the overall investment may perform better. Thus the fall in value of one asset class (e.g. shares) may be cushioned by the potential better performance in another asset class (e.g. property).

Can I use this as a savings plan?

The 50+ Life Cover policy is designed to provide life assurance cover so it is not suitable as a savings plan. The addition of bonuses is not guaranteed and therefore it is possible that the 50+ Life Cover policy might not receive any annual and/or final bonus from the with profits fund. In the case of a cash surrender the amount you receive would be considerably less than the death benefit at that time.

How are bonuses decided?

Depending on how the underlying assets in the fund perform and the costs incurred, at the end of each year we aim to declare an annual bonus. In addition, when you die we may add a final bonus depending on the overall investment growth that has been achieved and expenses incurred. The addition of bonuses is not guaranteed and it is possible that no annual and/or final bonus will be paid from the with profits fund.

What happens if I stop paying my premiums?

During the first two years your policy has no cash in value. The life cover will cease immediately. After two years you can cash in your policy, but the value of it is unlikely to be as much as you have paid in. Alternatively, after two years, you can apply for a paid-up policy with reduced benefits.

Why do I stop paying premiums at 90 years old?

You stop paying premiums at age 90 to reduce the possibility of over-paying into the policy. When your premiums cease at age 90, your basic sum assured and any bonuses added will remain in place and will continue to be paid out on your death. Your entitlement to future bonuses will continue beyond age 90 even though you have stopped paying premiums to aim to increase the final cash sum paid to your dependents.

Further Information

Cancellation rights

After your application is accepted you will receive a statutory notice of your right to cancel. You will then have 30 days from the commencement date of the policy, or the date the notice is received whichever is later, in which to change your mind. If you choose to change your mind a full refund of all monies paid will be made. You can do this by completing and returning the cancellation form to Foresters Friendly Society, Foresters House, 29-33 Shirley Road, Southampton, SO15 3EW.

Financial advice

We do not offer financial advice. You should contact a Financial Adviser if you have any doubts about the policy's suitability. You may have to pay a fee for this advice.

Premiums

Premiums are payable monthly by Direct Debit. Missed premiums could mean that your policy would lapse with no life cover or cash in value.

Tax

The fund is subject to tax paid by the Society. There is the possibility that a tax might be levied upon you in respect of the policy which is not payable through us. If the policy pays out a benefit, either following death or surrender of the contract, at a time when the policy's surrender value exceeds total premiums paid to date, this will be considered a chargeable event and there may be a further tax liability. Any tax payable would be based upon the amount by which the surrender value exceeds total premiums paid and would only apply if you are a higher or additional rate tax payer. The payment on death may be subject to Inheritance Tax. Tax legislation may change and depends upon individual circumstances.

Paid-up values

If you stop paying premiums after two years you can make the policy paid-up. The basic sum assured will be reduced. Bonuses may continue to be added, but will be calculated according to this reduced paid-up value.

Law

This contract is governed by English Law. We will communicate with you in English.

Legislation

All or any of the benefits, the premium or the Policy Conditions may be adjusted as deemed appropriate:

- If there is any change in law or taxation affecting the policy.
- If any levy is imposed on Foresters Friendly Society under statute or statutory authority.

Three months notice would be given of any such adjustment.

Queries and complaints

For further information or queries on Foresters Friendly Society products or services please contact the Member Services Department, by tel: 0800 783 4162, email: memberservices@forestersfriendlysociety.co.uk or at the address at the back of this document.

If you wish to complain about any aspect of the service you have received, please contact Foresters Friendly Society. If a complaint is not dealt with to your satisfaction you can then complain to the Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London, E14 9SR. Tel: 0800 023 4567, email: complaint.info@financial-ombudsman.org.uk. Making a complaint will not prejudice your right to take legal proceedings.

Compensation

The Financial Services Compensation Scheme (FSCS) covers this policy. You may qualify for compensation from the Scheme if we are unable to meet our obligations. You can get further information from us or from the FSCS (www.fscs.org.uk).

Client categorisation

We are required under the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) rules to categorise our clients. All of our clients are categorised as 'Retail Clients', which affords our clients the highest level of protection under the FCA and PRA rules.

Apply now to look after your loved ones

Send your completed application form to:

Foresters Friendly Society
FREEPOST RLST-SJZE-BACC
29-33 Shirley Road
Southampton
SO15 3EW

Telephone: 0800 783 4162

Visit: www.forestersfriendlysociety.co.uk

Email: memberservices@forestersfriendlysociety.co.uk

Monday - Friday, 9am - 5pm (excluding Bank Holidays)

Information, including a copy of this document, is available in large print, audio and Braille upon request.

Foresters Friendly Society is the trading name of The Ancient Order of Foresters Friendly Society Limited which is an Incorporated Friendly Society (Registration No. 511F) and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Registration No. 110029).

