



## keyfacts<sup>®</sup>

# key features of Guaranteed 50 Plus Life Cover

The Financial Services Authority is the independent financial regulator. It requires us, **engage** Mutual Assurance, to give you this important information to help you decide whether our Guaranteed 50 Plus Life Cover 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 pay a tax-free cash lump sum to your estate if you die after the policy has been going for at least two years.
- To pay a tax-free cash lump sum to your estate if you die within the first two years of the policy as the result of an accident (see 'tax situation').

## your commitment

- To pay a fixed monthly premium until your 90th birthday.
- If you stop paying premiums before your 90th birthday your life cover will stop.

## risks

- This is not a savings plan. It has no cash in value. It will only pay out when you die.
- Depending on how long you have your policy, what you have paid in premiums may be more than is paid out on death.
- We do not give advice. If you're not sure that this plan is for you and would like personal advice, you should contact a financial adviser. You may have to pay for this advice.
- The amount payable on death normally forms part of your estate and therefore may be subject to inheritance tax unless the plan is written in trust (see 'tax situation').
- Over time inflation will reduce the buying power of the amount paid out on death.
- In cases of non-accidental death in the first two years, the amount payable is restricted to 150% of premiums actually paid.

## questions and answers

### 1 what is Guaranteed 50 Plus Life Cover?

- It is a policy that provides cover for the whole of your life, provided you keep paying premiums until your 90th birthday.
- Premiums are payable monthly by direct debit.
- The plan is available to UK residents aged 50-80.

### 2 what benefits are provided?

- **Life Cover:** A tax-free cash lump sum is payable to your estate as long as the policy has been in force for at least two years.
- **Accidental Death Benefit:** If, within the first two years, you die as a result of an accident, the policy will pay a tax-free cash lump sum to your estate of either 3 times the life cover amount or £32,000, whichever is lower.
- **Non-Accidental Death Benefit:** If you die within the first two years other than by accident, your estate will receive 150% of the premiums paid.

### 3 are the life cover and the premium guaranteed?

- Yes, as long as all premiums are paid the life cover is guaranteed. Once your policy has started, your premiums will never increase.
- The premium and level of cover depend on various factors e.g. age, gender and whether or not you smoke.
- Premiums cease at age 90, but provided all premiums up to your 90th birthday have been paid your cover will continue.

## typical example

For a non-smoking male aged 63, paying a £12 monthly premium:

- **Life Cover: £2,092**
- **Accidental Death Benefit: £6,276**
- **Non-Accidental Death Benefit: 150% of premiums paid.**

For more details see "what benefits are provided".

#### 4 can I increase my premium or level of cover at a later date?

Your premium is fixed for the duration of your plan. However, you can increase your cover by taking out additional plans, provided that the total premiums you pay in respect of any plans held by you do not exceed £50 per month, or in the case of a 50 year old female non smoker, £49 per month.

#### 5 can I nominate a beneficiary?

- Yes you can. The maximum sum which can be nominated under the Friendly Societies Act 1992 and under the Society's rules is £5,000. This is an overall maximum not per policy or per beneficiary. E.g. if you were to hold three plans, the nomination limit would be £5,000 and not £15,000 (3x £5,000).
- If you have nominated your spouse and later divorce the nomination remains in place and does not automatically carry forward to a new spouse. If you remarry any existing nomination is revoked by the marriage. In this event you should inform the society and you may make a new nomination.

#### 6 Warning - This contract has no cash-in value at any time.

#### 7 how much will the advice cost?

Your adviser will give you details about the cost. The amount of commission payable will depend on the size of the premium. Commission is paid as soon as the policy is set up and is paid for out of the charges.

## further information

### your right to cancel

You will have 30 days from when you receive your policy documents to change your mind and cancel your policy. This is your legal right. You will receive a full refund of any payments made.

To cancel your policy complete section (a) on the reverse of the policy Schedule sent to you with the policy documents and return it to **engage** Mutual Assurance, Hornbeam Park Avenue, Harrogate, HG2 8XE. If you do not cancel your policy, it will stay in force and the premiums will be collected from the designated bank account.

### making a claim

Claims can be made by calling **engage** on 0500 848 265<sup>†</sup> or by writing to Claims Department, **engage** Mutual Assurance, Hornbeam Park Avenue, Harrogate HG2 8XE.

### termination

You may end your policy at any time by writing to us.

### charges

All of your premiums will be used to cover the cost of your life cover and expenses.

### tax situation

All benefits paid out will be free of income and capital gains tax. However, they may be subject to inheritance tax unless your policy is written in trust.

## additional member protection

The Society is a member of the Financial Services Compensation Scheme. This is designed to protect you as a policyholder if we can't meet our obligations to you. Compensation levels depend on the type of business and the circumstances of the claim. Insurance advising and/or arranging is covered for 100% of the first £2,000 plus 90% of the remainder of the claim.

You can get further information on the scheme by calling us on 0500 848 265<sup>†</sup> or you can request it from the Financial Services Compensation Scheme at [www.fscs.org.uk](http://www.fscs.org.uk) or Financial Services Compensation Scheme, 7th Floor, Lloyd's Chambers, Portoken Street, London E1 8BN.

## law

In the event of a legal dispute the law of England and Wales will apply.

## conflicts of interest

Your attention is drawn to the fact that in our dealings with you, we, a subsidiary company or some other person connected with us, may have an interest, relationship or arrangement that is material in relation to the investment, transaction or service concerned. However our employees are required to comply with a policy of independence and disregard any such interest when making recommendations to you.

## money laundering

Under the current Money Laundering Legislation and other statutory and regulatory requirements, there is a requirement to obtain proof of the identity of people who wish to take out a life, pension or investment contract. We may carry out electronic checks and/or ask you to supply documents as evidence of your identity and your address. If this information is not supplied within 30 days of our request, we reserve the right to cancel the policy and any premiums you have paid will be refunded.

## Direct Debit guarantee



This Guarantee is offered by all Banks and Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the Scheme is monitored and protected by your own Bank or Building Society. If the amounts to be paid or the payment dates change, **engage** Mutual Assurance will notify you 10 working days in advance of your account being debited or as otherwise agreed. If an error is made by **engage** Mutual Assurance or your Bank or Building Society, you are guaranteed a full and immediate refund from your branch of the amount paid. You can cancel a Direct Debit at any time by writing to your Bank or Building Society. Please also send a copy of your letter to us.

## language

The language in which the policy will be supplied and in which we will communicate will be English.

## additional notes

The information in this brochure reflects the Society's understanding of current law and HMRC Practice which are subject to change. A copy of the Policy Conditions and Table will be enclosed with Policy Documents, but can be provided in advance if requested.

<sup>†</sup>Calls may be recorded for security and training purposes.

