



Key Features of the Over 50s Guaranteed Protection Plan

No advice has been provided by Scottish Friendly in relation to this plan. If you are in any doubt as to whether this plan is suitable for you, you should contact a financial adviser for advice. If you do not have a financial adviser, you can get details of local financial advisers by visiting www.unbiased.co.uk Advisers may charge for providing such advice and should confirm any cost beforehand.

Helping you decide

What is the purpose of this document?

Financial Services Authority is the independent financial services regulator. It requires us, Scottish Friendly, to give you this important information to help you to decide whether our Over 50s Guaranteed Protection 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.

What questions should I ask before I invest?

In this document we have given you the answers to some important questions. You'll find these on pages 2 to 4.

What should I do now?

Please read this Key Features document.

Please keep this document with your policy document which we will send you.

Key Features of the Over 50s Guaranteed Protection Plan

Its aim

- To pay out a cash lump sum when you die.

Your commitment

- You agree to pay a fixed regular monthly premium until your 85th birthday.

Risks

- If you die of natural causes during the first 2 years, we will refund your premiums instead of paying out your life cover.
- Depending on how long you hold your plan, your total premiums may be more than the life cover payable on death.
- If you stop paying premiums before your 85th birthday, your life cover will stop.
- The plan has no cash-in value at any time. Once your right to cancel has ended (30 days from the day that you receive your policy documents), if you decide to stop your plan at any time, there will be no refund of premiums.
- Your circumstances may change, affecting your ability to continue paying the premiums.

Questions & answers

Who should consider this plan?

This plan should be considered by anyone aged 50-75 and is a UK resident who wishes to leave a cash sum after their death, possibly to pay towards funeral expenses.

What is the Over 50's Guaranteed Protection Plan?

It is a regular premium, whole of life plan that lasts for the rest of your life. It is designed to pay a cash lump sum on your death.

If you die from natural causes during the first 2 years of your plan, the amount payable will be a full return of your premiums. After the second year, the life cover will be payable.

How does the plan work?

You decide how much life cover you need OR how much you want to pay in premiums each month.

You pay us a premium every month until your 85th birthday, when your premiums stop. Your life cover will continue after your 85th birthday until you die.

The minimum premium payable is £8 a month and the maximum is £50 a month. You can pay us by Direct Debit from your bank or building society account.

The amount you pay depends on:

- the amount of cover you need
- your age; you must be between 50 and 75 years old when you apply
- your sex
- whether or not you smoke

Once your plan has started, your premiums will never increase.

Your plan will end on your death, when the amount of life cover you have chosen will be paid out as a cash lump sum. Golden Charter will be advised of the event and basis of payment where they are the nominated beneficiary.

If you have nominated your policy proceeds to Golden Charter to pay towards your funeral, the return of premiums will go to Golden Charter.

How much life cover will I receive and how much will it cost?

The following is an example to help show how the Over 50s Guaranteed Protection Plan works.

Please refer to the rate tables leaflet to see the benefits you could get for different payment amounts.

Female aged 60 non-smoker	
Monthly premium payable to age 85	£12
Life cover after 2 years	£3,360

Are there any medical questions?

No.

Is the life cover guaranteed?

After the first 2 years the cover is guaranteed throughout your life if you keep up your premiums.

What happens when I reach 85?

We will stop collecting your premiums when you reach age 85. Your plan and the guaranteed cover it provides will continue until you die. Then the life cover is paid out and the plan ends.

What if I need more life cover?

You can take out total cover of up to £25,000. If you need more cover later on, the extra amount can be provided through an additional plan, subject to our minimum premium of £8 and maximum of £50.

What are the charges?

Your premiums cover all charges associated with your plan, including the cost of life cover, expenses and other adjustments.

Can I cash in my Over 50's Guaranteed Protection Plan?

The plan has no cash-in value. This plan is not designed for your savings or investments. Your premiums only allow for the cost of life cover.

What if I stop my premiums?

If you stop paying premiums, your life cover will continue for 30 days after your last payment, then your plan and the cover it provides will stop.

How does the plan pay out if I die?

If you die within the first two years of you taking out the plan, we will investigate whether your death was accidental. This may involve writing to your doctor to establish the cause of death.

If you die within the first two years of you taking out the plan and your death was due to accidental causes, you will get back the full amount of life cover. Accidental death is defined as the death of an individual due to an unforeseen or unexpected event which occurs at a time when your plan is in force.

If you die of natural causes within the first two years of taking out the plan, your return is limited to a return of the premiums that have been paid.

If you die after two years from taking out the plan, you will get back the full amount of life cover.

In all cases, your payout will be to your estate or your nominated beneficiary where applicable.

Can the plan cover someone else as well?

No. The plan doesn't provide joint life cover. If you have a partner or friend who also needs cover, ask us to send them an information pack and application form.

Can I change my mind?

Within your welcome pack, you'll receive notice of your right to change your mind and how to cancel. You'll then have 30 days to cancel your plan and we'll provide instructions letting you know how to do this. If you decide to cancel within the period, we'll give you your money back.

What happens if Scottish Friendly becomes insolvent?

If you buy a Scottish Friendly Over 50's Guaranteed Protection Plan and we cannot pay the full amount due, you may be entitled to compensation under the Financial Services Compensation Scheme. The maximum level of compensation for claims against firms declared in default is 90% of the claim with no upper limit.

You can get further information from the Financial Services Compensation Scheme at: Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN. Tel 020 7892 7300. www.fscs.org.uk

What about tax?

The life cover will generally be paid out free of all UK income tax and capital gains tax, but may be subject to inheritance tax unless your plan is written in trust. Taxation information is issued on the basis of Scottish Friendly's understanding of current tax law and practice. Tax legislation may change in the future.

How to contact us

Here are our contact details if you need to ask us anything: Scottish Friendly Assurance Society Limited, Scottish Friendly House, 16 Blythswood Square, Glasgow G2 4HJ. Tel: 0333 323 5433*.

*Calls cost no more than calls to numbers starting with 01 or 02 and if you are calling from a mobile phone, calls will count towards any inclusive minutes you have rather than being charged separately.

Other information

Your client category

We are required to categorise our clients and this determines the level of detail and information that you will receive. We will treat you as a 'Retail Client' in respect of the services we will provide you, which means that you will benefit from the highest level of consumer protection.

How to complain

If you wish to complain about any aspect of the service you have received, please contact us. Details can be found in the 'How to contact us' section.

If you are not satisfied with our response to your complaint, you can contact the Financial Ombudsman Service at: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR. Tel: 0845 080 1800.

Making a complaint won't affect your legal rights.

Language and law

The contractual terms and conditions and all communications in relation to this plan will be supplied in English.

This contract will be governed by the laws of Scotland.

The society

Scottish Friendly was founded in 1862 (formerly The City of Glasgow Friendly Society) and is an incorporated friendly society under the Friendly Societies Act 1992, registered in the United Kingdom at the address on the back of this booklet. Scottish Friendly's total funds under management are over £800 million (as at 31/12/10)

Rules of the society

You can ask Scottish Friendly for a copy of the rules of the society.

Direct Debit guarantee



This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits.

If there are any changes to the amount, date or frequency of your Direct Debit Scottish Friendly will notify you 5 working days in advance of your account being debited or as otherwise agreed. If you request Scottish Friendly to collect a payment, confirmation of the amount and date will be given to you at the time of the request.

If an error is made in the payment of your Direct Debit, by Scottish Friendly or your bank or building society, you are entitled to a full and immediate refund of the amount paid from your bank or building society.

If you receive a refund you are not entitled to, you must pay it back when Scottish Friendly asks you to.

You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.

Scottish Friendly Assurance Society Limited,
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Glasgow G2 4HJ.

www.scottishfriendly.co.uk

Authorised and regulated by the Financial
Services Authority. Details can be found on
the FSA register – Registration No. 110002.
Member of ABI and AFM.

