

# Important information

## **Life Cover and Mortgage Protection**

**Key Features of the Life Cover  
and Mortgage Protection plans.**

# Life Cover and Mortgage Protection

-  Call us on:  
**0845 88 22 999**  
 (Monday-Friday,  
 8.30am-5.30pm)
-  Visit our website:  
**policemutual.co.uk**
-  Write to us at:  
**Police Mutual**  
**Alexandra House**  
**Queen Street**  
**Lichfield**  
**Staffordshire**  
**WS13 6QS**
-  Fax us on:  
**01543 305 349**

The Financial Services Authority is the independent financial services regulator. It requires us, Police Mutual, to give you this important information to help you decide whether these products are right for you. You should carefully read this document so that you are comfortable you understand what you are buying, and then keep it safe for future reference.

These are Police Mutual products. We do not offer Life Cover or Mortgage Protection from any other insurer.

## Who is it for?

- Life Cover plan - For anyone who wants to protect the financial security of their family if they die
- Mortgage Protection plan - For anyone with a repayment mortgage who wants the security of life cover to help pay off their mortgage if they die

## Its aims

- Life Cover plan - To provide a lump sum on death during the term of the plan
- Mortgage Protection plan - To pay off your mortgage on death during the term of your plan

## Your commitment

- To maintain regular payments for a term between 1 and 40 years

## Risk factors

- If you do not make payments for three months your plan and your cover will end. You will get nothing back
- Mortgage Protection plan - The decreasing life cover with this plan is designed to pay off your existing outstanding mortgage on death. The amount paid will normally be enough to pay off the mortgage in full - provided the interest rate charged by your lender for your mortgage has not exceeded 9%. If this interest rate does exceed 9% your mortgage may still be covered but please refer to the schedule provided with your Mortgage Protection plan to check whether you have adequate cover for your outstanding mortgage amount
- **Warning - these plans have no cash-in value at any time**

# Questions and Answers

## What is a Life Cover or Mortgage Protection plan?

- They are plans which pay out a lump sum if you die during the term
- For the Mortgage Protection plan, it means the life cover amount decreases over the term of the plan because your outstanding mortgage will be decreasing. The Life Cover plan is level term which means the life cover amount remains the same throughout the term of the plan
- You can choose who the plan covers and how we pay out the life insurance:
  - Just yourself: we only pay the lump sum if you die during the term of the plan
  - Just your husband/wife/partner: we only pay the lump sum if the person covered by the plan dies during the term of the plan
  - Yourself and your husband/wife/partner: we only pay the lump sum if you or the other person covered by the plan dies during the term of the plan

Whichever option is chosen, the person who takes out the plan owns it. Plans cannot be jointly owned. All benefits are paid to the plan owner or their estate

- If we pay a lump sum the plan ends
- You can apply if you are aged 16–78. The plan must end on or before your 80th birthday

## How flexible are they?

- You can change who the plan covers, provided the plan has at least 5 years left to run. This is subject to appropriate medical evidence and a revised payment

## When does the plan pay out?

- The plans pay out if you die during the term. If the person(s) covered dies we need to be advised. We can be contacted on 0845 88 22 999 (Monday-Friday, 8.30am-5.30pm). We will send a form which details the information required

## What other benefits can I choose?

- These plans offer no other benefits

## What will my payments be?

- This can be explained by using examples:

### Life Cover plan

Age next birthday: **35**

Sex: **Male**

Smoker: **No**

Life cover: **£100,000**

Term: **10 years**

Monthly payment: **£7.02**

Monthly charges: **£2.95**

### Mortgage Protection plan

Age next birthday: **35**

Sex: **Male**

Smoker: **No**

Life cover: **£100,000**  
(reducing over the term)

Term: **20 years**

Monthly payment: **£7.02**

Monthly charges: **£2.43**

- Your payments will depend on your circumstances, or those of the life to be covered, including:
  - The age of the lives to be covered, when you take out the plan
  - The plan's term
  - The amount of cover required
  - The sex of the lives to be covered
  - The health of the lives to be covered
  - Whether the lives to be covered smoke
- There are no significant or unusual exclusions on these plans. Each application is assessed on individual circumstances. Please refer to the back of the application form for further information
- Payments can be deducted from salary or pension (in most forces) or paid by Direct Debit
- The payments remain constant for the full term of the plan, unless you decide to change who the plan covers (see 'How flexible is it?')

- Because these plans have no cash-in value and no payout at the end of the term, your payments are kept to a minimum
- For a personal quotation please contact us on 0845 88 22 999 (Monday–Friday, 8.30am–5.30pm)

### What are the charges?

- We charge for managing your plan
- In the example on the previous page the charge for a Life Cover plan would be £2.95, which would be taken from the monthly payment of £7.02. The charge for a Mortgage Protection plan would be £2.43, which is taken from a monthly payment of £7.02
- The actual charge for your plan will depend on the term of your plan. The current charges are detailed in a personal illustration, which can be obtained prior to taking a plan out. Alternatively, the post-sale illustration will also contain this information

### How much will the advice cost?

- You can discuss the general features of these products with us, but we will not assess your personal and financial circumstances. We will also be unable to advise you whether the product is suitable for you. If you are in any doubt about the suitability of the product you should contact a financial adviser. Police Mutual does not provide advice on these products and will not pay commission to intermediaries in respect of these products

### What if I stop paying?

- If your payments are a month in arrears we'll tell you. If you do not make payments for three consecutive months your plan and your cover will cease. We will not refund what you have already paid because you will already have benefited from the life cover

### What about tax?

- Any lump sum paid out on death is currently free from income and capital gains tax
- If the value of your estate when you die exceeds your individual allowance there may be inheritance tax to pay. You may be able to avoid this if you put your plan in trust. To do this you should consult a professional tax adviser


- This represents the current position, but taxation legislation may change
- Different tax regulations apply in the Channel Islands and the Isle of Man

### Can I change my mind?

- It is your legal right to change your mind within 30 days. We will give you your money back if you sign and return the cancellation notice, or confirm your wishes in writing (see *'How to contact us'*) within 30 days of receiving your plan documentation. You can cancel your plan at any other time, but your payments will not be refunded

# How to contact us

If you have questions at any time, you can contact us in a number of ways.

 Call us on:  
**0845 88 22 999**  
(Monday–Friday, 8.30am–5.30pm)

 Visit our website:  
**[policemutual.co.uk](http://policemutual.co.uk)**

 Write to us at:  
**Police Mutual  
Alexandra House  
Queen Street  
Lichfield  
Staffordshire  
WS13 6QS**

 Fax us on:  
**01543 305 349**

- To take account of any changes or improvements we make to the services we already provide to our Life Cover and Mortgage Protection plan holders, including making technological changes
- To take account of any changes in the law or the interpretation of the law, codes of practice or regulations
- To take account of any decision, requirement or recommendation by a court, ombudsman or regulator with which we intend to comply
- To correct errors, if it is reasonable to do so
- If we reasonably believe the change is necessary in the interests of our business as a whole, for example to protect our financial strength
- If the change is to your advantage
- By agreement with you
- To enable us to harmonise the terms and conditions following any acquisition or transfer of term assurance business or any takeover of, or merger with, another term assurance provider

## Other Information

### How to complain

- If you wish to complain about any aspect of the service you receive please contact us
- A copy of our complaint handling procedure is available on request
- If you are still not satisfied you can complain to:  
Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR
- Complaining to the ombudsman will not affect your legal rights

### Terms and conditions

- This Key Features document and the application form you sign contain the legally binding terms and conditions governing the Police Mutual Life Cover and Mortgage Protection plans
- We may vary these terms and conditions at any time for the following reasons:
  - To take account of changes in the products or services we provide or the way we provide them

- We will tell you about any changes to these terms and conditions for any reason mentioned above at the earliest reasonable opportunity
- Where we change our terms and conditions for one or more of these reasons, we will do so in a reasonable and proportionate manner

### Law

- In any legal disputes the Mortgage Protection and Life Cover plans are subject to the law of England and Wales unless the parties agree otherwise

### Language

- For the duration of your plan, all communication will be in English

### Compensation

- We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. There are various levels of compensation available, which depend on the type of business and the circumstances of the claim. The one which applies to you is:
  - Long term insurance - 90% of the claim
- Further information is available from the Financial Services Authority or the Financial Services Compensation Scheme

# Here for the Police. Here for the long term.

We've been helping members of the Police Service and their families with their finances since 1922. Today, with over 210,000 members of the Police Service trusting us with their savings, investments and insurance, we're the UK's largest affinity friendly society. And with no shareholders to satisfy, we can make sure that we put our members at the heart of everything we do.

## Keeping it in the family

As a member of the Police Family, whether you're a Police Officer or Police Staff, serving or retired, our products and services are designed with you in mind. Even if you leave the Police, you can still continue with your existing Police Mutual plans and take out additional ones.

And your own family is welcome too. Your partner and your wider family including parents, brothers and sisters, children and grandchildren can all benefit by becoming members of Police Mutual.

**Find out how we can help or for more information on any of our products and services:**

Call  
**0845 88 22 999**  
(Monday-Friday, 8.30am-5.30pm)

Or visit  
**[policemutual.co.uk](http://policemutual.co.uk)**

Your savings • Your investments • Your car insurance • Your home insurance  
Your retirement • Your mortgage service • Your welfare • **Your Police Mutual**

Police Mutual Assurance Society Limited is an incorporated friendly society authorised and regulated by the Financial Services Authority (FSA register number 110050). This can be checked on the FSA register or by visiting the FSA's website <http://fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234. Registered Office: Alexandra House, Queen Street, Lichfield, Staffordshire WS13 6QS. Call 0845 88 22 999 (Monday-Friday, 8.30am-5.30pm) [policemutual.co.uk](http://policemutual.co.uk)  
Calls provided by BT will be charged at up to 4 pence per minute at all times. A call set-up fee of up to 8 pence per call applies to calls from residential lines. Mobile and other providers' charges may vary. For your security, all telephone calls are recorded and may be monitored.