

## Over 50s Life Cover

### Suitability Letter Template

Over 50s Life Cover is a guaranteed life assurance policy and offers qualifying periods as low as six months. It is designed to pay a sum assured when the policyholder dies. Acceptance is guaranteed for your non-smoker clients aged 50-80 and your smoker clients aged 50-75.

We've created this template to help make writing a suitability letter for your client quicker and easier. You can simply copy the relevant pre-written wording from the sections below, paste them into your letter then edit it as needed.

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### Why National Friendly?

National Friendly is a mutual society based in the centre of Bristol but with a national membership. Being a mutual means it's owned by its members, so it always works with members' best interests in mind. All of the Society's profits are invested in improving member benefits and its service to members, instead of paying dividends to shareholders.

Established in 1868, National Friendly has a long history of looking after people. Throughout its heritage, the Society has adapted to various changes in the world, and its products have evolved to meet the needs of its members.

National Friendly offers a wide range of health, welfare and protection products, to give peace of mind and financial security to those who need it. Backed by years of experience and a commitment to delivering exceptional service, National Friendly will always be there for you when you need them.

Over 50s Life Cover policyholders are automatically members of National Friendly, have voting rights, and can attend the Annual General Meeting.

### Introduction and aims

Over 50s Life Cover is designed to pay out a sum of money to your loved ones when you die.

The payout can be used to help repay debts or can be a gift for a loved one to spend however they want.

To take out a policy you have to be aged between 50 and 80 if you don't smoke or aged between 50 and 75 if you do.

If you take out a policy you will be committing to making the monthly payments for the rest of your life. If you stop paying for your policy and it's outside of the 30 day cancellation period, your cover will stop and you won't get any money back.

## Levels of cover

The amount the policy pays out depends on a few factors. This includes your age, the answers to National Friendly's medical questions if you choose to answer them, your smoker status and how much you want your monthly payments to be.

Your policy will have a qualifying period of six months/two years. This is the amount of time the policy needs to be in place before National Friendly will pay your full payout.

- As you didn't answer National Friendly's medical questions, your qualifying period will be two years and your payout will be reduced.
- As you answered 'No' to both medical questions, your qualifying period will be six months and you'll be offered an increased payout.
- As you answered 'Yes' to the first question, your qualifying period will be two years.
- As you answered 'No' to the second question, your qualifying period will be six months.

## Payments

The payments you make to National Friendly are due monthly but you can pay yearly if you'd prefer.

You'll have to make the payments for your policy until you die. Depending on how long you live, you could end up paying more than your payout.

Once the policy has started, National Friendly won't change the amount you need to pay. But there are options available for you to be able to reduce or increase your level of cover if you want to.

## Product features

The policy provides a payout when you die but also has additional features such as virtual GP access, access to a counselling service, an accidental death benefit and a terminal illness benefit.

### **Friendly GP:**

You and your immediate family will have free access to Friendly GP. This is a virtual GP service which can be accessed over the phone or online 24 hours a day, 7 days a week.

This means you always have easy access to a doctor when you need their help.

### **Friendly GP+:**

You will also receive access to Friendly GP+ which gives you access to 6 free counselling sessions a year. You'll also be able to access a wellbeing hub which includes a number of resources to help with your day-to-day life.

### **Accidental death benefit:**

If you die from an accident after taking out Over 50s Life Cover, National Friendly will pay double the amount of your payout to your dependants.

### **Terminal illness benefit:**

If you receive a terminal illness diagnosis two or more years after taking out a policy, you can choose for National Friendly to pay half your payout immediately. The other half will then be paid when you die.

### Nomination:

As National Friendly is a friendly society, you can make a nomination. This means you can name a person or people to receive up to £5,000 of your payout which they'll pay as quickly as possible.

If your payout is more than £5,000, National Friendly will pay the rest in line with their death claims process which may take a little longer.

### Financial Services Compensation Scheme protection

National Friendly is covered by the Financial Services Compensation Scheme (FSCS) for added protection for you. This means that if they can't pay your claim, the FSCS can step in to pay compensation. Set up by the government, the FSCS is independent and their service is free to use. You'll keep 100% of the compensation you're owed if you claim directly through them.

### Tax

Under current UK legislation, the benefits from this policy are not subject to income tax or capital gains tax.

The payout on this policy may form part of your estate for inheritance tax purposes.

You won't get tax relief on your payments.

The recommendations I've made are based on my understanding of current legislation and HM Revenue and Customs practice, which can change in the future.



If you need any further information about Over 50s Life Cover or have any questions, please contact your BDM or:

- Email us: [brokersupport@nationalfriendly.co.uk](mailto:brokersupport@nationalfriendly.co.uk)
- Call us: **0333 014 6296** 8am-6pm Monday to Friday excluding bank holidays

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