

The Financial Conduct Authority is a financial services regulator. It requires us, Forester Life, to give you this important information to help you decide whether our Mortgage Protection Options 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.

Key Features

Its aims

The Plan aims to do the following:

- To provide cover to repay or reduce a mortgage or loan on premature death or serious illness.
- To provide the amount of cover you choose and provide cover for the period you choose.
- To provide the type of cover you choose to suit you and/or another person's (usually a spouse or civil partner) needs. Your Plan can include Life cover, Critical Illness cover, or Combined Life and Critical Illness cover.
- To provide you with the flexibility to alter the cover level and range of benefits as your protection needs change.
- *The full list of critical illnesses we cover is shown on page 2.*

Your commitment

You must do the following or your Plan will not pay out:

- Pay the regular monthly premium by direct debit.
- Give us all the information we ask for when applying for your Plan and claiming benefits.
- Tell us about any changes to the information you give us, between completing your application form and your Plan starting such as:
 - Your health
 - Family history
 - Occupation
 - Travel or residence
 - Hazardous pastimes
 - Alcohol consumption
 - Start smoking
 - Use of drugs (e.g. cocaine or heroin)
- Notify us about any subsequent changes in the information given in your application, such as changes to your address.

Risk factors

The Plan carries the following risks:

- If you stop paying your monthly premiums your cover will end.
- Certain causes of claim are excluded. See the 'What is not covered' sections for each benefit.
- The Plan has no cash-in value at any time.
- We may not pay a claim if the information we receive when you apply for your Plan is incomplete or incorrect.
- In some circumstances, decreasing cover may not be enough to pay off your mortgage in full; for example if your mortgage payments have not been adjusted to take into account interest rate changes, or if your mortgage interest rate averages over 12% during the term you have chosen for cover.
- For Critical Illness cover, we may review premium payments if the predicted cost of providing benefits is higher than expected. If this happens your premiums may increase.
- The present tax treatment of the benefits provided by this Plan may change.
- You should review your cover regularly to ensure it continues to meet your needs.

Your questions answered

Life Benefit

What is Life Benefit?

- It is a benefit that is designed to pay out if you die.
- Alternatively we will pay out if you're diagnosed as terminally ill more than 12 months before your life cover ends.
- A terminal illness is an illness which, in the opinion of a specialist consultant and with the agreement of our Chief Medical Officer, is likely to lead to your death within 12 months.
- If we pay out for either of these events this benefit will end.

What is not covered by Life Benefit?

- If you die after the expiry date for your Plan. If you're diagnosed as terminally ill but do not die in the 12 months before your Plan ends.

Critical Illness Benefit

What is Critical Illness Benefit?

- It is a benefit that is designed to pay out if, during your cover term, you're diagnosed as having one of a defined list of serious illnesses and you survive for at least 30 days.
- We will also pay out if, during your cover term, you're diagnosed with total permanent disability and you have survived for at least six months.
- If we pay out for either of these events this benefit will end.
- In order to pay out, the diagnosis must meet our Plan definition either for total permanent disability or for one of the critical illnesses covered.

Which critical illnesses are covered?

- The complete list of conditions we cover is set out below. These headings are only a guide to what is covered. The full definitions of the illnesses covered and the circumstances in which you can claim are given in the Terms and Conditions. These definitions typically use medical terms to describe the illnesses but in some cases the cover may be limited. For example:
 - Some types of cancer are not covered.
 - To make a claim for some illnesses, you need to have permanent symptoms.
- **Alzheimer's disease before age 60:** *resulting in permanent symptoms*
- **Aorta graft surgery:** *for disease*
- **Benign brain tumour:** *resulting in permanent symptoms*
- **Blindness:** *permanent and irreversible*
- **Cancer:** *excluding less advanced cases*
- **Coma:** *with associated permanent symptoms*
- **Coronary artery by-pass grafts:** *with surgery to divide the breastbone*
- **Deafness:** *permanent and irreversible*
- **Heart attack:** *of specified severity*
- **Heart valve replacement or repair:** *with surgery to divide the breastbone*
- **HIV infection:** *caught in the UK from a blood transfusion, a physical assault or at work in an eligible occupation[†]*
- **Kidney failure:** *requiring permanent dialysis*
- **Loss of hand or foot:** *permanent physical severance*
- **Loss of speech:** *total permanent and irreversible*
- **Major organ transplant:** *from another donor*
- **Motor neurone disease:** *resulting in permanent symptoms*
- **Multiple sclerosis:** *with persisting symptoms*

- **Paralysis of limb:** *total and irreversible*
- **Parkinson's disease before age 60:** *resulting in permanent symptoms*
- **Stroke:** *resulting in permanent symptoms*
- **Third degree burns:** *covering 20% of the body's surface area*
- **Traumatic brain injury:** *resulting in permanent symptoms*

[†]The eligible occupations for HIV caught at work are:

- The emergency services: police, fire, ambulance
- The medical profession, including administrators, cleaners, dentists, doctors, nurses and porters
- The armed forces

How do we measure total permanent disability?

- Total permanent disability is the loss of the physical ability to perform at least three of the following activities, without the help or supervision of another person and be unable to perform the task on your own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication:
 - **Washing:** the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
 - **Getting dressed and undressed:** the ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
 - **Feeding yourself:** the ability to feed yourself when food has been prepared and made available.
 - **Maintaining personal hygiene:** the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.
 - **Getting between rooms:** the ability to get from room to room on a level floor.
 - **Getting in and out of bed:** the ability to get out of bed, into an upright chair or wheelchair and back again.

What is not covered by Critical Illness Benefit?

- You are not covered if the cause of the claim results from alcohol or drug abuse, HIV/AIDS (except where specifically included under our Plan definition), self-inflicted injury or war and civil commotion.
- We will not pay if you die, or if your cover ceases, within 30 days of the diagnosis of critical illness or within six months of the diagnosis of total permanent disability.

Combined Life and Critical Illness Benefit

What is Combined Life and Critical Illness Benefit?

- It is a benefit which will pay out on the first of the following events:
 - you die,
 - you are diagnosed with a terminal illness more than 12 months before your cover ends,
 - you are diagnosed as having one of a defined list of serious illnesses and you survive for at least 30 days,
 - you are diagnosed with total permanent disability and survive for at least six months.
- In order to pay out on a diagnosis, your illness or injury must meet our Plan definition either for terminal illness, total permanent disability or for one of the critical illnesses covered.
- If we pay out for any one of these events this benefit will end.

What is not covered by Combined Life and Critical Illness Benefit?

- If you die after the expiry date for your Plan. If you're diagnosed as terminally ill but do not die in the 12 months before your Plan ends.
- We will not pay for critical illness if your cover period ends within 30 days of the diagnosis of critical illness or within six months of the diagnosis of total permanent disability.
- We will not pay out for critical illness if the cause of the claim results from alcohol or drug abuse, HIV/AIDS (except where specifically included under our Plan definition), self-inflicted injury or war and civil commotion.

What options do I have for these benefits?

Length of your cover

- When you apply for your Plan you choose how much cover you want and how long you want it to last.
- The minimum term is five years and you must be aged under 60 (80 for Life Benefit only) at the start of your Plan.
- You should ensure that the term of your cover is long enough to cover the term of your mortgage.

Level or decreasing cover

- Depending on the way you are repaying your mortgage you can choose to have your cover on a level or a decreasing basis.
- If you choose level cover the amount of your benefit(s) will remain the same throughout the term of your Plan. You should normally consider this option if you have an interest only mortgage.
- If you choose decreasing cover the amount of your benefit(s) will reduce each year during the term of your Plan. You should normally consider this option if you are repaying your mortgage by regular installments over the loan period. The amount of your benefit is calculated to be always equal to the outstanding amount under a standard repayment mortgage. This calculation assumes that your mortgage interest rate does not average over 12% a year.

Waiver Of Premium

- If you are not in a high risk occupation you can choose to have Waiver Of Premium cover when you apply for your Plan.
- If you choose this cover, we'll pay your premiums after six months of incapacity and continue to pay them until the first of these events:
 - you recover and are no longer incapacitated,
 - your 65th birthday,
 - your cover ends,
 - you die.

The extent of incapacity

- Our usual definition of incapacity is any illness or injury as a result of which you're unable to follow your own occupation and you're not following any other occupation. If you're not in an occupation at the start of your illness or injury we will measure incapacity by your inability to perform at least three of the activities of daily living without the help or supervision of another person and be unable to perform the task on your own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

The activities of daily living are described under 'How do we measure total permanent disability?' on page 2.

- You are not covered for Waiver Of Premium if the cause of the claim results from alcohol or drug abuse, criminal acts, flying on a non-commercial basis, hazardous sports and pastimes, HIV/AIDS, living abroad (defined as outside of the United Kingdom, Australia, Canada, the European Union, New Zealand, Switzerland or the USA for more than 13 consecutive weeks in any 12 months), self-inflicted injury, unreasonable failure to follow medical advice, or war and civil commotion.

Single or joint life

- Depending on your needs you can apply for the Plan to cover you alone, or you and another person (usually your spouse or civil partner).
- If the Plan covers two people it will only pay out once for each benefit for which you are covered. This would be when the first of you becomes eligible for that benefit.

Will I be able to increase my cover in the future?

- You should regularly review your cover to ensure it continues to meet your needs.
- You can apply to increase the amount of your cover at any time, as long as your Plan has at least five years left to run. We may need you to provide additional medical or other information. Your premium payments to us will increase.
- In addition there is an option for you to increase the amount of your cover on certain special events such as marriage or childbirth, without having to provide us with additional medical information. You can also add or increase life cover when life cover you hold elsewhere expires. These increases and additions are subject to maximum limits and conditions. *See the Terms and Conditions for full details.*

Increases in cover without medical evidence

- This option applies if your Plan is accepted on standard terms. It enables you to increase the amount of your cover on certain special events such as marriage, childbirth or purchase of a property, without having to provide us with additional medical information.
- There are also special events on which you can add or increase life cover when life cover you hold elsewhere expires.
- These increases and additions are subject to maximum limits and conditions. *See the Terms and Conditions for full details.*

Will I be able to reduce or stop paying my premiums?

- You can reduce your premiums and the level of your benefits at any time.
- If you stop paying premiums, your cover will end and you will not get any money back.

Premium payments when claiming (Waiver Of Premium)

- You should continue to pay premiums until we accept your claim. However, we'll pay your monthly premiums after you have been incapacitated for six months.
- We will continue to pay your monthly premiums until the first of these events:
 - you recover and are no longer incapacitated,
 - your cover for this benefit ends,
 - you die.

Does the Plan have a cash-in value?

- Your Plan has no cash-in value at any time.

Additional information

What about tax?

- Under current tax law all of the benefits provided by your Plan will be paid free of Income and Capital Gains Tax.
- If it is likely that your estate will be liable for Inheritance Tax if you die, you should consider writing your Plan in trust for your dependants. However, if you have joint life cover, benefit on death would normally be payable to the surviving Planholder. You should consult a solicitor for advice on legal matters.
- Tax treatment depends on individual circumstances and may be subject to change in the future.

What if I change my mind?

- After we have approved your application we will send you a notice of your right to cancel. This gives you 30 days in which you can change your mind about taking out this Plan and have your premiums returned. If you wish to cancel your Plan, simply complete the cancellation notice and return it to us.
- After the initial cancellation period, you can cancel your Plan at any time by writing to us.

What if I am unhappy with the service I receive?

- We take the concerns of our customers very seriously. If you are unhappy with any aspect of the service provided by us, please write to the Customer Relations Officer, Forester Life, Foresters House, 2 Cromwell Avenue, Bromley BR2 9BF.
- If we do not deal with your complaint to your satisfaction, you can complain to: The Financial Ombudsman Service, Exchange Tower, London E14 9SR (telephone 0300 123 9123, email complaint.info@financial-ombudsman.org.uk or visit www.financial-ombudsman.org.uk). Making a complaint will not prejudice your right to take legal action.
- You can view Forester Life customer complaints procedure at foresters.com or phone 0333 600 0333 for a copy.

Are we covered by the Financial Services Compensation Scheme (FSCS)?

- We are covered by the Financial Services Compensation Scheme (FSCS). This means that you may be entitled to compensation from the FSCS in the unlikely event that we cannot meet our obligations.
- Compensation depends on the type of business and the circumstances of the claim but our insurance plans are covered for 100% of the claim without any upper limit.
- Further information about compensation scheme arrangements is available from the FSCS at fscs.org.uk or by phone on 0800 678 1100.

Where can I find out more?

- Your Financial Adviser will be able to explain the benefits of the Mortgage Protection Options Plan in more detail.
- Full details are set out in the Terms and Conditions which will be provided with your Plan Document. This will be sent to you after your application is accepted. A specimen copy is available on request.
- For information about the financial planning service offered by Forester Life, and about your data protection rights, please refer to our 'Financial planning service' brochure.
- Alternatively, you can telephone us on 0333 600 0333, email us at service@foresters.co.uk or visit our website foresters.com

Important information

All Forester Life Plans are subject to the law of England and Wales.

We will always communicate with you using the English language.

Forester Life is required to prepare and publish a Solvency and Financial Condition Report each year under the Solvency II regulations. You may view our Solvency and Financial Condition Report on our website at foresters.com/SFCR

Our Critical Illness Benefit complies with the Association of British Insurers (ABI) Guide to Minimum Standards for Critical Illness Cover.

These Key Features are issued by Forester Life Limited, Foresters House, 2 Cromwell Avenue, Bromley BR2 9BF. Information is based on our current understanding of legislation, state benefits, and tax as at May 2021 which may change in the future.

How to contact us

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Calls are charged at local rates
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