

Key Features of the Synergy Protect Plan

Its aims

The Plan aims to do the following:

- To provide the amount of cover you choose.
- To provide cover for the period you choose.
- To provide the type of cover you choose. Your plan can include any or all of the following:
 - Life Insurance (including Terminal Illness cover);
 - Critical Illness Insurance (Stand Alone);
 - Life Insurance with Critical Illness Insurance;
 - Income Protection Insurance;
 - Unemployment Insurance.
- The full list of Critical Illnesses we cover is shown on page 3. There are also some circumstances when the Plan will not pay out – these are shown on page 3. Please refer to the Plan Terms and Conditions for full details of cover, including any exclusions and limitations.

Your commitment

You must do the following:

- Complete your Application Form honestly and in full.
- Read our Customer Guide to Online Applications if you have authorised your Financial Adviser to submit your Application Form to us online.
- Where an Application is submitted online we will ask you to confirm that the information we hold on your behalf is both accurate and complete.
- Tell us about any changes to the information you give us between completing your Application Form and your Plan starting.
- Pay the premium by direct debit every month during the period of cover.

Risk factors

Here are some things you need to consider before you take out a Synergy Protect Plan:

- Your Plan has no cash-in value at any time.
- If you do not pay your monthly premium within 30 calendar days of the date it was due, the Plan will be cancelled and you will no longer be covered.
- We will not pay out in the circumstances described under “When will the Plan not pay out?” on page 3.
- If the information you give us when you take out the Plan is incomplete, incorrect, or untrue, we may not pay your claim and we may cancel your Plan.
- If we pay a claim for Income Protection Insurance or Unemployment Insurance, it could affect your rights to some means tested State benefits.
- If you choose Mortgage Protection (decreasing) cover to protect a mortgage, and mortgage interest rates in the future rise above 12% each year, the maximum amount we can pay on a claim may be less than the amount required to pay off your mortgage.
- If you choose Critical Illness Insurance (Stand Alone), but not Life Insurance (including Terminal Illness cover) or Life Insurance with Critical Illness Insurance, and die within 14 days of diagnosis of a specified illness or condition that is covered by the Plan, we will not make a payment.
- If you choose Critical Illness Insurance (Stand Alone) or Life Insurance with Critical Illness Insurance, and a child covered under the Critical Illness Insurance element of the Plan dies within 14 days of diagnosis of a specified illness or condition that is covered by the plan, we will not make a payment.
- If the person insured is living, working or travelling outside any of the countries listed in the Plan Terms and Conditions, their eligibility to claim under Income Protection Insurance and Waiver of Premium benefit will cease 6 months after the end

of the selected Deferred Period or after 6 months residence outside these countries if later.

- Your plan will be subject to full underwriting and this may result in the cover you select being offered with an increased payment, an exclusion, or cover being postponed or even declined.
- Because we don't assess your children's health, if you select Critical Illness Insurance (Stand Alone) or Life Insurance with Critical Illness Insurance, we will not cover for any type of Critical Illness any Pre-Existing Conditions they may have. Please refer to the Plan Terms and Conditions for the definition of Pre-Existing Conditions.
- If you receive a claim payment for any Insurance covered by the Plan, the Cover Increase Option will no longer apply if selected and will be cancelled.
- Your premiums are reviewed annually and are likely to increase as you get older. There is no maximum amount they can be increased to. Please refer to “How much does the Plan cost?” on page 2 for information on how your premiums are calculated.
- This Key Features document is based on our current understanding of legislation as at March 2007. Legislation, particularly tax laws, may change in the future. The effect of taxation depends on your individual circumstances.
- You should regularly review the plan to ensure that it is still adequate for your needs. If you are unsure if the Synergy Protect Plan is suitable for you then you should obtain professional advice from your Financial Adviser. Synergy Financial Products does not provide advice.

What is the Synergy Protect Plan?

The Synergy Protect Plan is a regular premium protection plan, which can be tailored to meet your needs by allowing you to choose:

- a) The type of cover you need** – your Plan can include any or all of the following:

- **Life Insurance (including Terminal Illness cover)** – This can pay a cash lump sum if during the period of cover the person insured:
 - Dies; or
 - Is diagnosed with a Terminal Illness where the expectation of life has been confirmed to be less than 12 months.

The Plan will end following payment of a valid death claim and thereafter no more premiums are payable.

- **Critical Illness Insurance (Stand Alone)** – This can pay a cash lump sum if during the period of cover the person insured:
 - Is diagnosed with any of the Critical Illnesses that meets our Plan definition and then survives for at least 14 days. We only cover the Critical Illnesses we define in our Plan Terms and Conditions and no others.

Cover under this section ends following the payment of a valid claim. The premiums in respect of any other insurance included in the Plan are still payable to maintain that cover.

- **Life Insurance with Critical Illness Insurance** – This can pay a cash lump sum if during the period of cover the person insured:
 - Dies; or
 - Is diagnosed with a Terminal Illness where the expectation of life has been confirmed to be less than 12 months; or
 - Is diagnosed with any of the Critical Illnesses that meets our Plan definition and then survives for at least 14 days. We only cover the Critical Illnesses we define in our Plan Terms and Conditions and no others.

Only one lump sum is payable, on the first occurrence of one of these events.

Cover under this section ends following the payment of a valid claim. The premiums in respect of any other insurance included in the Plan are still payable to maintain that cover.

- **Income Protection Insurance** – This can pay a monthly income (subject to limits, please see Terms and Conditions page 7, Maximum Benefits) if during the period of cover the person insured:
 - Is diagnosed as being incapacitated for a continuous period longer than the Deferred Period selected in their Plan.

The Deferred Period is the period during which the person insured must be ill or disabled before we will pay any benefit and can be 4, 13 or 26 weeks. A 4 week Deferred Period is only available to Occupation Classes 1 and 2.

We will continue to pay this benefit until the earliest of the following events happens:

- The person insured no longer satisfies the definition of Incapacity;
- The person insured returns to work;
- The selected Payment Period ends (this is the maximum period shown in the Certificate of Insurance for which Income Protection Insurance will be payable in respect of any one cause or series of linked causes);
- The 65th birthday of the person insured;
- The end of the Plan Term;
- The person insured dies.

The premiums in respect of this section, or any other insurance included in the Plan, are still payable during a valid claim period to maintain this cover.

- **Unemployment Insurance** – This can pay a monthly income if during the period of cover the person insured:

- Becomes involuntarily unemployed for a period longer than the Deferred Period selected in their Plan.

The Deferred Period is the period during which the person insured is Unemployed before any claim payments can start and can be either 1 or 3 months.

The person insured must be in Permanent Employment, which is defined as Full Time Employment, continuous employment or self employment for 16 hours or more a week.

Self Employed is defined as - the person insured is actively working alone; in partnership; or as a member of a limited liability partnership; being assessable to Class 2 National Insurance contributions and to Income Tax under Schedule D Case I or II.

We will continue to pay this benefit until the Termination Date, being the earliest of the following events:

- The date the Plan holder dies;
- Midnight on the date of the Plan holders 65th birthday;
- Any date at which a due Premium has been unpaid for 30 days;
- The date at which the Plan holder lapses the Plan;
- 30 days from receipt of written notice of cancellation from the Plan holder;
- When the Plan holder has received the maximum number of monthly benefits under the Plan. This will not affect any rights to cover that may already have accrued up to the Termination.

The premiums in respect of this section, or any other insurance included in the Plan, are still payable during a valid claim period to maintain this cover.

b) The level of cover you need - the amount of the lump sum and/or monthly income we pay out after a valid claim.

c) How long the cover lasts – the period of insurance can be from 10 to 51 years provided the cover ends on or before the Plan Anniversary immediately prior to insured person's 70th birthday. For Income Protection and Unemployment Insurance, cover must cease by the insured person's 65th birthday.

There are also some circumstances when the Plan will not pay out, these are shown on page 3.

Who provides the Insurance cover?

The Prudential Assurance Company Limited provides the following Insurance cover:

- Life Insurance (including Terminal Illness cover);
- Critical Illness Insurance (Stand Alone);
- Life Insurance with Critical Illness Insurance;
- Income Protection Insurance.

The Hamilton Insurance Company Limited provides the following Insurance cover:

- Unemployment Insurance.

How much does the Plan cost?

You pay a premium every month by Direct Debit to keep your cover in force. Your premium depends on the following:

- Your personal circumstances – for example, your age, health, sex, occupation and whether you smoke; and
- The amount and type of cover you choose.

Your premiums are reviewed annually. When you start your Plan, we will confirm details of your premiums for the first year and these are guaranteed provided you do not alter your Plan during this period. We will also provide an indication of the premiums for future years based on certain assumptions.

Shortly before each Plan Anniversary, we will write to advise you of your premiums for the following 12 month period and again these will be guaranteed provided you do not alter your Plan. We will continue to do this until your Plan cover ends.

You can stop paying Premiums at any time without penalty by notifying Synergy Financial Products in writing. If you do this, your insurance will stop, the Plan will terminate, and you will not be covered.

Typically your premiums will be lower in the early years and rise as you get older.

A valuable Loyalty Discount is applied to your premiums to minimise any increases in future years as follows:

- For Life Insurance (including Terminal Illness cover), Critical Illness Insurance (Stand Alone), Life Insurance with Critical Illness Insurance, and Income Protection Insurance - a Loyalty Discount of up to 5% may apply from the start of year 2 rising to 52.5% from the start of year 16 and thereafter; and
- For Unemployment Insurance - a Loyalty Discount of 20% may apply from the start of year 5.

Your Personal Illustration shows your monthly premium including any Loyalty Discounts and Plan Charges.

How much does the Plan pay out?

The Plan can pay out a lump sum and/or monthly income. You decide how much you would like this to be when you take the Plan out. Your Certificate of Insurance will confirm the type and amount of Insurance cover included in your Plan.

Your Personal Illustration shows the period of cover, the type, and amount of cover you have chosen, the payment period chosen for Income Protection, if applicable, and your monthly premium.

Who can the plan cover?

You can apply for Plans to cover:

- You alone - on a single life basis; or
- You and another person - on a dual life basis; or
- You as the Plan holder (the person who owns the Plan) on the life of another person (the person Insured) - life of another basis.

If you apply on a dual life basis, both people applying for cover will be issued with their own individual Plan, for the full amount of cover.

Can children have Critical Illness cover?

If you choose Critical Illness Insurance (Stand Alone) or Life Insurance with Critical Illness Insurance, the children of each person insured automatically have Critical Illness cover, as long as the Plan remains in force and they meet the definition of an Eligible Children in our Plan Terms and Conditions. The cover starts when the child is 30 days old and ends when they become 18.

The amount we pay for a child meeting our definition of a Critical Illness is calculated as the lower of:

- 50% of the Critical Illness Insurance cover shown in your Certificate of Insurance; or
- £25,000.

We will only pay one claim for each Eligible Child for all Synergy Protect Plans. If we pay a claim for a child being diagnosed with a Critical Illness, cover for that child will end. However, cover will continue for the person insured and their other children (if any).

What conditions are covered by Critical Illness cover?

The complete list of Critical Illnesses 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 Plan Terms and Conditions. These 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.

Please let us know if you would like to see a copy of the Plan Terms and Conditions. The definitions are also available on our website at www.sfpl.co.uk/ci-definitions.

- Alzheimer's disease – resulting in permanent symptoms
- Aorta graft surgery – for disease*
- Aplastic Anaemia – permanent and irreversible*
- Bacterial meningitis – resulting in permanent symptoms*
- Benign brain tumour – resulting in permanent symptoms*
- Blindness – permanent and irreversible
- Cancer – excluding less advanced cases*
- Coma – resulting in permanent symptoms
- Coronary artery by-pass grafts – with surgery to divide the breastbone*
- Deafness – permanent and irreversible
- Degenerative organic brain disease - 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 (as defined below)
- Kidney failure – requiring dialysis*
- Loss of hands or feet – permanent physical severance
- Loss of independent existence – after age 60
- Loss of speech – permanent and irreversible*
- Major organ transplant*
- Motor neurone disease – resulting in permanent symptoms*
- Multiple sclerosis – with persisting symptoms*
- Paralysis of limbs – total and irreversible
- Parkinson's disease before age 65 – resulting in permanent symptoms
- Stroke – resulting in permanent symptoms*
- Terminal illness*
- Third degree burns – covering 20% of the body's surface area
- Traumatic head injury – resulting in permanent symptoms*
- Total Permanent Disability – before age 60

*Denotes the condition is covered for children.

The eligible occupations for HIV caught at work are:

Ambulance Workers; Chiropractors; Dental Nurses; Dental Surgeons; District Nurses; Fire Brigade Firefighters; General Practitioners; Hospital Caterers; Hospital Cleaners; Hospital Doctors, Surgeons and Consultants; Hospital Laboratory Technicians; Hospital Laundry Workers; Hospital Nurses; Hospital Porters; Midwives; Nurses employed by General Practitioners; Occupational Therapists; Paramedics; Physiotherapists; Podiatrists; Policemen and Policewomen; Prison Officers; Radiologists; Refuse Collectors; Social Workers.

When will the Plan not pay out?

We will not pay a claim and all cover under the Plan may be cancelled:

- If you do not complete your Application Form honestly and in full.
- If you do not disclose all relevant material facts and information we ask for when you take out your Plan. You should not assume that we will write to your doctor, it is your responsibility to complete the Application Form properly.
- If you do not tell us about any changes to the information you give us between completing your Application Form and your Plan starting.
- If you do not pay your monthly premium within 30 calendar days of the date it was due.

We will not pay a claim for Life cover:

- If the death or Terminal Illness of an insured person occurs within 1 year of cover starting as a result of self-inflicted causes.
- If the claim is the result of an exclusion shown in your Certificate of Insurance.

We will not pay a claim for Critical Illness cover:

- If you have an illness that does not meet our definition of one of the Critical Illnesses we cover. For example, some types of cancer are not covered.
- If your Plan is for Critical Illness Insurance and the insured person dies within 14 days of meeting the definition of one of the Critical Illnesses we cover.
- If the cause of the claim results from alcohol or drug abuse, criminal acts, HIV/AIDS (unless caught in the UK from a blood transfusion, a physical assault or at work in an eligible occupation), pregnancy, self-inflicted injury, unreasonable failure to follow medical advice or war and civil commotion.
- If the claim is for children's Critical Illness, any pre-existing conditions including congenital defects or if the child dies within 14 days of meeting the definition of one of the Critical Illnesses we cover.
- If the claim is the result of an exclusion shown in your Certificate of Insurance.

We will not pay a claim for Income Protection cover:

- If the cause of the claim results from alcohol or drug abuse, criminal acts, HIV/AIDS, pregnancy, self-inflicted injury, unreasonable failure to follow medical advice or war and civil commotion.
- If the claim is the result of an exclusion shown in your Certificate of Insurance.

We will not pay a claim for Unemployment cover:

- If you are not in permanent employment for 6 months prior to becoming unemployed.
- If when cover started, you were aware, or in the Insurer's reasonable opinion you should have been aware or had reasonable grounds for believing that you would become unemployed.
- If the unemployment is the result of industrial action you took part in.
- If the unemployment is a normal seasonal occurrence.
- If you resign or accept voluntary redundancy.
- If the unemployment follows the expiry of a fixed contract unless you were employed on an annual contract, which had been renewed on more than one occasion, or the contract was deemed to be one of a permanent nature.
- If you were dismissed as a result of misconduct or breach of contract.
- If the unemployment occurs in the first 30 days after the Unemployment Insurance cover starts.
- If the unemployment occurs after you retire from your normal occupation or started receiving a state pension, whichever is earlier.
- If you receive Payment in Lieu of Notice.
- If the unemployment is due to abortion, miscarriage or Normal Pregnancy.
- If you refuse any offer of reasonable alternative employment by your employer, which by reason of your qualifications, experience and the location of such employment, it would have been reasonable for you to accept.
- If the claim is the result of an exclusion shown in your Certificate of Insurance.

Full details of what is covered, and any standard exclusions and restrictions to the cover are given in the Plan Terms and Conditions. Please ask us for a copy if required.

We may apply specific exclusions when we accept your Plan. These will be shown in your Acceptance Letter and your Certificate of Insurance.

What other options are available?

Waiver of Premium benefit:

You can choose to include either or both of the following benefits:

- Income Protection Waiver of Premium benefit; and/or
- Unemployment Waiver of Premium benefit.

If included, we will refund to you an amount equal to your monthly premiums subject to any maximums. Please refer to the Terms and Conditions page 7, Maximum Benefits.

This benefit is payable for valid claims following the selected Deferred Period. This will be shown in your Certificate of Insurance. Please refer to the Terms and Conditions page 7.

Cover Increase Option:

If included, you can increase the level of Life Insurance (including Terminal Illness cover), Critical Illness Insurance (Stand Alone), Life Insurance with Critical Illness Insurance and Income Protection Insurance cover in your Plan without any further medical underwriting on the following events:

- If you increase your mortgage; or
- If you get married or enter into a Civil Partnership; or
- On the birth or adoption of a child.

This option can be exercised more than once subject to any maximums.

Full details of the Waiver of Premium benefit and Cover Increase Option, including any maximums and limitations are detailed in the Plan Terms and Conditions. You can ask us for a copy of this.

Your Personal Illustration shows if these have been included in your Plan and, if so, the cost.

After the plan starts, is there anything I need to do?

You should inform us of the following events:

- If you change your name and address; and
- Of a claim as soon as reasonably practicable.

FURTHER INFORMATION

Your cancellation rights

When we accept your Application for the Plan, we will send you a notice explaining your right to cancel. You will then have 30 days in which you can cancel the Plan. If you do this, we will refund any premiums you have paid.

Tax

The proceeds from this Plan are free from UK Income Tax and Capital Gains Tax. However, if we pay the proceeds after the death of an insured person, Inheritance Tax may be due on the benefit paid. You may be able to avoid Inheritance Tax by using an appropriate Trust. Ask your Financial Adviser for more details.

The Government may change the tax position described above.

Law

The Law of England applies to this Plan.

Making a claim

To make a claim, you should contact our Client Services Department at:

Synergy Financial Products Limited
Ziggurat
Grosvenor Road
St Albans
Hertfordshire. AL1 3AW
Phone: 0870 417 6902

Please refer to the Plan Terms and Conditions for full details.

Complaints

If you have any complaint about this Plan, or about any part of our service, please contact our Compliance Officer at:

Synergy Financial Products Limited
Ziggurat
Grosvenor Road
St Albans
Hertfordshire
AL1 3AW
Phone: 0870 417 6902

If you are not satisfied with the way we deal with your complaint, you can contact the Financial Ombudsman Service at:

South Quay Plaza
183 Marsh Wall
London E14 9SR
Phone: 020 7964 1000

Making a complaint will not affect your right to take legal action. You can ask us for details of our compensation arrangements.

The Financial Services Compensation Scheme (FSCS)

The Plan is covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. You can get more details from us or from the Financial Services Authority.

A Guide to Critical Illness cover

The ABI (Association of British Insurers) give general information about Critical Illness cover in their booklet 'A Guide to Critical Illness cover'. You can ask us for a copy or you can get a copy at www.abi.org.uk or by writing to:

The Association of British Insurers
51 Gresham St
London
EC2V 7HQ.

Please Note

This guide complies with the ABI Statement of Best Practice for Critical Illness cover. It is a guide to the Synergy Protect Plan and is based on our understanding of current laws and tax rules. Further details are given in the Plan Terms and Conditions. You should get expert advice about the legal and tax information in this leaflet.

**If you have difficulty in reading our literature please call us on 0870 417 6902.
We can supply this in a range of formats, including large print and Braille.**

**Please note we are happy to accept calls via Typetalk,
please dial 18001 followed by the Telephone Number.**

Synergy Protect is issued by Synergy Financial Products Limited,
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Synergy Financial Products Limited Ziggurat, 25 Grosvenor Road, St Albans, Hertfordshire, AL1 3AW.
Adviser Support / Client Services / New Business Phone: 0870 417 6902 Fax: 0870 417 6903
Website: www.sfpl.co.uk E-mail: support@sfpl.co.uk

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