

Should be read in conjunction with our customer guide to lifetime mortgages

The more 2 life Premier Choice Plan (Series 2) is a lifetime mortgage designed with added flexibility for those looking for a specific lump sum. If you are looking for a loan that maximises the value in your home with a competitive rate of interest, then this could be the plan for you – Premier Choice (Series 2) also gives you added flexibility and peace of mind with our Partial Repayment Option and free Guaranteed Inheritance Feature.

Who is the Premier Choice Plan (Series 2) suited to?

This plan is suited to you if:

- You are aged between 60 and 95
- You want a flexible lending solution to meet your specific borrowing needs
- You want to take the loan in one lump sum
- You want the ability to make partial repayments without incurring any Early Repayment Charges (subject to terms and conditions)
- You are looking for a competitive rate of interest
- You want the option to guarantee that you leave some of the value of your property to your loved ones when you die, or go into long-term care.

How does it work?

- When you apply for a lifetime mortgage, you are shown the maximum loan amount available to you, which is a percentage of the value of your property – known as the 'loan to value'. The older you are, the higher the loan amount you can borrow.
- You can release a tax-free lump sum from your property up to the maximum loan to value offered (subject to a minimum of £15,000)
- Our Guaranteed Inheritance Feature can ensure that a share of your property's value (up to a maximum of 50%) is protected from the loan, providing you are not taking the maximum amount available to you.
- If you wish to, you can repay some of your loan without incurring any Early Repayment Charges (ERCs) using our Partial Repayment Option – this allows you to make repayments of up to 10% and a minimum payment of £50 of the initial advance each year without incurring any ERCs
- When you and you partner, if a couple, die, or go into long-term care, your house will be sold. Once the loan and interest is repaid at the end of the plan, the remainder of the property value (which will be at least the percentage you protected if you chose the Guaranteed Inheritance Feature), will be passed to your loved ones.

Our promises

You are guaranteed to own your property until the day you die, or go into long-term care.

We guarantee that you will not leave any lifetime mortgage debt behind following the sale of your property.

You can move property, and the loan, at any time subject to lending criteria.

The Premier Choice Plan (Series 2) **at a glance**

Are there any age restrictions?	YES	You must be at least 60 years old (if you are applying jointly with a spouse/partner the youngest person must be at least 60) and no older than 95.
How much can I borrow?		This depends on your age and the value of your property. You will be subject to a minimum loan of £15,000 and maximum of £500,000.
How much must my property be worth?		At least £70,000.
Can I release a tax-free lump sum?	YES	Must be a minimum of £15,000.
Can I withdraw smaller amounts later on if I take a smaller initial lump sum?	NO	
I'm borrowing jointly – can my partner/ spouse carry on with the plan if I die before them?	YES	Your partner/spouse has the right to remain in your home until they die or go into long-term care.
Will I always own my own home?	YES	
Is there the possibility of me leaving any lifetime mortgage debt to my family following the property sale?	NEVER	Our plans come with a No Negative Equity Guarantee .
Can I guarantee to leave an inheritance to my loved ones?	YES	Ask your financial adviser about our Guaranteed Inheritance Feature* .
If I want to move home, can I take my plan with me?	YES	Subject to fees, and the new property meeting our lending criteria.
Can I repay all or part of my loan early?	YES	Our loans are designed to last a lifetime, so an Early Repayment Charge (ERC) may apply. With our Partial Repayment Option, it is possible to repay up to a maximum of 10% of the initial advance each year without incurring an ERC.
What will you charge me for this plan?		Please refer to our Tariff of Charges.

***What is the Guaranteed Inheritance Feature (GIF)?**

This feature is automatically included, at no extra charge, if you do not take the maximum loan available from outset. Whatever percentage of your available loan is left unused then protects the future value of your home for your beneficiaries, subject to a maximum of 50%.

This is especially useful for those people who are concerned about leaving an inheritance from the sale of their home once they have either died or moved into long-term care. Regardless of the value of your home or the total debt at the point of repayment, the GIF guarantees a protected level of inheritance for complete peace of mind. You can see an example of how this feature works in the case study overleaf.

Plan features

Interest rates	We constantly review our interest rates to make sure our plans are highly competitive. The interest rate is fixed for the entire term of the loan.
Release amount	The amount of cash available depends on your ages and property value. In a joint application, the maximum amount available will be based on the applicant with the longest life expectancy. Your adviser will be able to provide a personalised illustration with further details.
Property value	We'll need to find out how much your property is worth, using an independent professional valuer, before we can confirm the amount available.
Loan repayment	<p>There are no monthly repayments to make on the plan. Instead, the loan plus interest is repaid upon the sale of the property, either on the death of the last surviving partner, or their entry into long-term care.</p> <p>When the loan becomes repayable, the borrower's executors (or whoever acts on the borrower's behalf) will be responsible for the sale of the property. The loan needs to be repaid within six months from moving into long-term care or death.</p> <p>Any remaining value in the property will form part of your estate. Due to our no-negative equity guarantee, there will never be any debt left behind.</p>
Guaranteed Inheritance Feature	With our Guaranteed Inheritance Feature, you can ensure a specific share of your property is retained as an inheritance for your loved ones, subject to a maximum of 50% of your home's value.
Additional funds	<p>You can approach more 2 life for further funds immediately after your initial release. You will need to take further financial advice before releasing additional funds.</p> <p>Any further funds you take will affect any Guaranteed Inheritance Feature you may have.</p> <p>Additional funds will be at the interest rates and lending terms that are available at the time and are not guaranteed. Please also read our tariff of charges, which outlines the costs of further borrowing with more 2 life.</p>
Early repayment	<p>As the name suggests, a lifetime mortgage is designed to last for your lifetime. It is possible to repay the loan early; however, an Early Repayment Charge may apply if you settle all or part of your loan before the death of the last surviving partner, or entry into residential long-term care. Premier Choice (Series 2) does allow for partial repayments of up to 10% of the initial advance each year without incurring an ERC.</p> <p>The Early Repayment Charges are based on the change in the interest rates on government borrowing gilts. This is measured using a specific gilt index which will be confirmed on your Key Facts Illustration and offer document.</p> <p>When your loan is offered a Benchmark Rate will be set on your account.</p> <p>The Benchmark Rate will be higher than the Index Rate at the time it is set; this is to cover the set up costs of the mortgage. This means that if the Index Rate stays the same between the date of your offer and the date of early repayment a charge will still be payable.</p> <p>At the time of repayment of the loan the Index Rate will be checked and the amount you pay in early repayment charges will depend on the difference between the Benchmark Rate and the Index rate. If the Index Rate at the time of settling the loan is higher or the same as the Benchmark Rate then there will be no Early Repayment Charge except a £125 redemption fee which covers the costs of administration.</p> <p>If the Index Rate at redemption is lower than the Benchmark Rate the difference is then multiplied by the number of years and months the youngest applicant has until they reach the age of 90 (subject to a minimum of 5 years). The resulting figure is the percentage of the current loan balance you will pay as an early repayment charge subject to a maximum of 25% of the total of all cash advance amounts.</p> <p>Please see your Key Facts Illustration or your Lifetime Mortgage Offer document for some examples of how much your Early Repayment Charges could be.</p>
Interest calculated	<p>Interest will be calculated daily and applied to the account on each monthly anniversary of the loan's completion, based upon a 365-day year, or 366 days in any leap year. Interest is calculated and adjusted daily on all transactions posted to an account.</p> <p>Interest is "Compounded" meaning that interest is added based on the outstanding balance of the loan each month (not based on the original loan amount).</p>

What are the other considerations?

- Anyone living at property when the application is completed, but not as a named borrower, may have to sign a waiver to any claim on the home. Spouses who do not jointly own the property cannot sign a waiver. They must be added to the property and be party to the loan.
- If you or your partner has a Power of Attorney in place, the attorney may sign the documentation on your behalf.
- This plan will reduce the value of your estate, and it could affect your entitlement to some state benefits. Your adviser will be able to give you more details on this.
- Your property must be your main residence.
- Your property must be in England, Wales or mainland Scotland.
- If you have an outstanding mortgage, or any secured loans on your property, these must be repaid.
- You can have a maximum of two applicants.
- If your property is jointly owned, a joint application must be made. You don't have to be married, and you can be of the same gender.
- You will be required to live in, and keep your property in a good state of repair for the duration of the loan, and you must have adequate buildings insurance.
- Your property should be freehold, absolute ownership or leasehold. If leasehold, it must have a minimum of 80 years left on the lease on completion of the loan.

Example case study

Richard and Sally are both in their late 60s and own a home outright that is currently worth £200,000. They are looking to take out a lifetime mortgage to help repay some existing personal debt and also to take a three month trip to Australia to spend time with their son and grandchildren.

They have three children and want to ensure that they leave something from the eventual sale of their home for an inheritance as well as using some of the equity now to fund their needs.

They qualify for a total loan of £62,000 based on the value of their home, but Richard and Sally only need to take £31,000 for debt repayment and the holiday. This is 50% of the total loan available, so their Premier Choice Plan (Series 2) automatically includes a Guaranteed Inheritance Feature equal to 50% (the unused portion of their loan).

When the house is eventually sold to repay the debt (either following their death or once they have moved into long-term care), 50% of the house's value will be guaranteed to the estate, no matter what the level of the debt is at that point. So, for example, if the value of their home had increased to £300,000 when it is sold, the Guaranteed Inheritance Feature would mean at least £150,000 would be paid to their estate.

A few years after taking the loan, Sally inherited a modest sum from an elderly Aunt and decided to take advantage of another of their plan's flexible features – the Partial Repayment Option – to make a repayment of £3,100 (10%) of their original loan without incurring any ERCs.

For more information on the Premier Choice Plan (Series 2), please speak to your adviser.

This is a lifetime mortgage. To understand the features and risks ask for a personalised illustration. Think carefully before securing other debts against your home.

more 2 life Limited. Registered in England No 5390268. Registered office: PO Box 1168, PRESTON, PR2 0GB.
more 2 life is authorised and regulated by the Financial Conduct Authority. CML376 (11/15)