

Tax-Exempt Savings Plan Information pack

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Key Information Document



Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Tax-Exempt Savings Plan - National Friendly

National Friendly is a trading name of National Deposit Friendly Society Limited. Registered office: 11-12 Queen Square, Bristol, BS1 4NT. Telephone: 0333 014 6244. Email: info@nationalfriendly.co.uk. Website: www.nationalfriendly.co.uk. Registered in England and Wales no. 369F. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. This document is correct as of 01/01/2019.

What is this product?

Type: A friendly society tax-exempt with-profits endowment policy. It has a minimum 10 year term, or until the policyholder's 16th birthday, whichever is longer, and a maximum 25 year term. Premiums are fixed at £25 per month.

Objectives: It aims to pay the policyholder a lump sum at the end of the term when the policy matures, built up from the premiums you pay and the possible addition of annual bonuses and a final bonus to your policy, depending on the growth achieved in a with-profits fund. This fund aims to achieve growth by investing in a mixed portfolio of stocks and shares, commercial property and fixed interest securities (government and corporate bonds). We use a smoothing mechanism to pass this growth on to investors as bonuses.

Intended retail investor: This product is designed for individuals who would like to build up savings tax-efficiently over the long term in a stocks and shares related investment, and who are not prepared to take the risk of investing directly into the stock market, but accept the risks of investing in a with-profits fund that invests in equities, commercial property, and fixed interest securities (government and corporate bonds). In addition, these individuals expect to be able to afford to invest a regular sum of £25 each month for the duration of the term and do not require access to the investment for at least the first year and for the duration of the term.

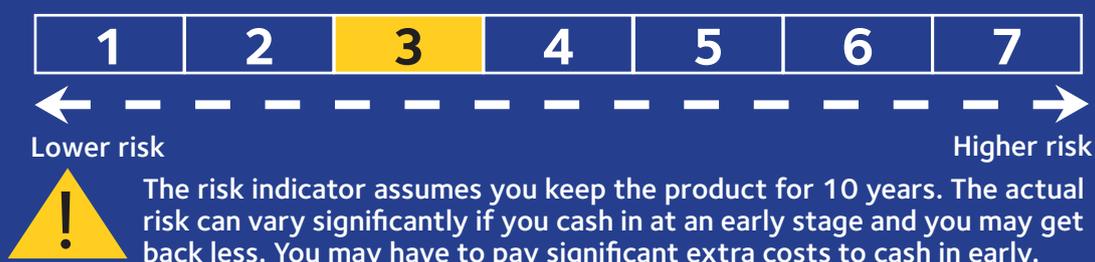
Investors should not have a tax-exempt savings policy with any friendly society at the same time and should be aware of the limit for tax relief of £3,600 for premiums paid in any year into qualifying policies.

Insurance benefits: Providing you pay all premiums when they are due you will receive a minimum lump sum, called a guaranteed maturity benefit, when your policy matures at the end of the term. This lump sum may be increased through the possible addition of annual bonuses and a final bonus. This policy does not provide life insurance. In the event of your death before maturity we will pay out a return of premiums only. The value of these insurance benefits is shown in the section entitled 'What are the risks and what could I get in return?'

If you do not keep up with payment of your premiums for any thirteen-month period your policy will lapse which means we will terminate the contract and you will not be able to reinstate it. We may also terminate your policy if you hold any other friendly society tax-exempt savings policy. See 'How long should I hold it and I can take money out early?'

What are the risks and what could I get in return?

Risk Indicator:



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 3 out of 7, which is a medium-low risk class.

This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact our capacity to pay you.

There is a guaranteed amount payable at maturity providing you pay all the premiums due. However this protection against future market performance will not apply if you cash in before maturity or fail to make your payments in time and the policy lapses.

If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme (see the section 'What happens if National Friendly is unable to pay out?') The indicator shown above does not consider this protection.

Performance Scenarios:

Investment £1,000 per year

Insurance premium £0 per year

1 year

5 years

10 years

(Recommended holding period)

Survival Scenarios

Stress scenario	What you might get back after costs	435	£3,570	£9,490
	Average return each year	-82.9%	-13.1%	-1.0%
Unfavourable scenario	What you might get back after costs	477	£4,425	£11,450
	Average return each year	-78.7%	-4.8%	2.7%
Moderate scenario	What you might get back after costs	494	£4,744	£12,746
	Average return each year	-76.9%	-2.1%	4.7%
Favourable scenario	What you might get back after costs	512	£5,103	£14,258
	Average return each year	-74.8%	0.8%	6.9%
Accumulated investment amount		£1,000	£5,000	£10,000

Death scenario

Death	What you might get back after costs	£1,000	£5,000	£10,000
Accumulated insurance premium		£0	£0	£0

This table shows the money you could get back over the next 10 years, under different scenarios, assuming that you invest £1,000 per year.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if National Friendly is unable to pay out?

In the event that National Friendly is unable by reason of insolvency to pay what we owe, you have the protection of the Financial Services Compensation Scheme (FSCS). Insurance business is covered 100% with no upper limit.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £1,000 each year. The figures are estimates and may change in future.

Table 1: Cost over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment £1,000 each year Scenarios	If you cash in after 1 year	If you cash in after 5 years	If you cash in at the end of 10 years
Total costs	£546	£1,292	£1,947
Impact on return (RIY) per year	84.75%	10.03%	3.23%

Table 2: Composition of Costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

This table shows the impact on return per year			
One off costs	Entry costs	1.36%	The impact of the costs you pay when entering your investment. This includes the costs of distribution of your product.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.42%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.36%	The impact of the costs that we take each year for managing your investments and the costs presented in Section II.
Incidental costs	Performance fees	0.09%	The impact of the performance fee.
	Carried interests	0.00%	The impact of the carried interests.

How long should I hold it and can I take money out early?

Recommended holding period: 10 years

To receive the guaranteed maturity benefit plus any bonuses and enjoy the tax advantages of this product (known as the "qualifying rules") we recommend you hold this product to maturity (a term of at least 10 years) and pay all your premiums due.

If you cash in your policy before maturity (the recommended holding period) or if it lapses you will receive the surrender value and you will not be entitled to the guaranteed maturity benefit.

You might get back more or less than the example performance scenarios shown in the section 'What are the risks and what could I get in return?'

You cannot make partial withdrawals. You can withdraw all of your investment at any time after the first year. During the first year you will receive nothing back. After the first year you will receive the surrender value of the product. You may have to pay income tax on any gain made if you withdraw all of your investment before the end of the term. If you die before maturity we will refund all the premiums paid.

How can I complain?

If you have a complaint about this product or the person who sold it to you, you can: call us on 0333 014 6244 8am-6pm Monday to Friday excluding bank holidays; or email us at complaints@nationalfriendly.co.uk; or write to us at: National Friendly, 11-12 Queen Square, Bristol BS1 4NT; or via our website at www.nationalfriendly.co.uk/contact-us

Other relevant information

Further information about the product is set out in the Your Policy Explained document. We are required to make certain information in that document available to you before you buy this product. In addition you can download it from our website or we can provide a printed copy by email or post at your request. You can also request a personalised illustration for your chosen term, both before you buy this product and at any time during this term. Please ask us for details.

We are required to send you the terms and conditions of the product, which we do after you have purchased it. You can also request a copy before buying the product.

Our contact details are on page 1 of this Key Information Document.



Tax-Exempt Savings Plan Your Policy Explained

The Financial Conduct Authority is a financial services regulator. It requires us, National Friendly, to give you this important information to help you decide whether our Tax-Exempt Savings 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.

Tax-Exempt Savings Plan

Its aims

- To build up a lump sum payable on maturity through a qualifying policy by investing in National Friendly's with-profits fund.
- To add bonuses to a guaranteed lump sum payable on maturity, dependent on the investment performance of the with-profits fund.

Your commitment

- To pay regular monthly premiums of £25 when they fall due, for your selected term of between 10 and 25 years;
- To leave the money invested for the selected term. If you do not you will give up the guaranteed maturity benefit;
- If you do not pay all the premiums or surrender the policy early you will give up the guaranteed maturity lump sum. In addition, if you surrender in the first year you will get nothing back;
- Not to pay any premiums into any other friendly society tax-exempt savings policies for the benefit of the policyholder during the term of this policy as this will breach the £25 per month limit for such policies;
- To be aware of the tax relief limit of £3,600 applying to total annual premiums paid in any twelve month period for qualifying life assurance policies (policies on which you don't pay tax on the proceeds).

Risks

- You may get back less than you have invested at maturity;
- Bonuses are guaranteed to be declared but could be zero;
- Whilst there is a minimum guaranteed amount payable on maturity if you pay all the premiums due throughout your chosen term, the actual amount payable on maturity will depend on the investment performance of the with-profits fund. Your money is invested in a fund that includes stock market investments and their performance may adversely affect the maturity value;
- Over time, inflation will reduce the purchasing power of money in your policy;
- The effect of deductions might be higher, or investment growth could be lower, than the figures shown in the example illustration;
- If the government changes the way the policy is treated for tax purposes this could reduce the amount you get back and/or increase any tax payable.

Questions and answers

What is the Tax-Exempt Savings Plan?

The Tax-Exempt Savings Plan is a with-profits regular savings policy where you pay fixed premiums of £25 each month throughout your chosen term. This must be a set number of whole years between 10 and 25 years.

There is no age limit on the policy, but the policy is intended to be held for a minimum term of 10 years. For children's policies, the term must not end before the child's 16th birthday, or a 10 year term, whichever is the longer.

Assuming all premiums are paid to date at maturity the policy pays out a lump sum of money which will be the guaranteed maturity benefit plus any bonuses added.

It is a qualifying life assurance policy for income tax and capital gains tax purposes.

Who might this policy be suitable for?

This policy might be suitable for someone who:

- Does not currently have a friendly society tax-exempt savings policy;
- Wishes to take advantage of a tax-efficient investment;
- Expects to be able to maintain the monthly premiums for the full term of the policy, which will be your choice of between 10 and 25 years;
- Would like to invest in a stocks and shares related investment but is not prepared to take the risk of investing directly into the stock market, and accepts the risks of investing in a with-profits fund that invests in equities, commercial property, and fixed interest securities (government and corporate bonds);
- Does not need the policy to provide a fixed sum of life cover.

You should consider carefully whether this policy is right for you. National Friendly is not able to make any personal recommendations on whether you should or should not take out this policy. If you need help deciding a financial adviser can advise you whether it's right for you.

Who might it not be suitable for?

It might be not suitable for someone who:

- Already has a tax-exempt savings policy with a friendly society, which would prevent you from buying this one;
- Will be unable to keep up the monthly premiums throughout the term;
- Wants an investment which has no risks to capital or growth;
- Wants a fixed amount of life cover.

Who can take out a Tax-Exempt Savings Plan?

- UK residents can take out a Tax-Exempt Savings Plan:
- For yourself if you are aged 16 or older
 - You will be the policyholder.
- For a child under 16 if the person applying is aged 16 or older
 - The child will be the policyholder. The person applying will be the proposer. The proposer must be a parent or guardian, who will act on the child policyholder's behalf until the child's 16th birthday. From then on, the policyholder will assume full responsibility.

How much can I invest?

You will pay a fixed monthly premium of £25 per month, which is the maximum monthly amount payable into tax exempt savings policies of this type.

How can I pay the premiums?

All premiums will become due on the first day of the month and will be collected by direct debit.

How are the premiums invested?

We combine your premiums with those from other investors into our with-profits fund. The fund invests in three main asset classes: equities, fixed interest securities (government and corporate bonds) and commercial property, which may all include an element of cash. This diverse portfolio helps to reduce the impact on the fund should any category of investment underperform.

To find out more about the with-profits fund, you should read 'A guide to how we manage our with-profits fund' which is made available with this Your Policy Explained document. Further copies are available on request or can be downloaded from our website, www.nationalfriendly.co.uk

What deductions are made?

We take deductions from the policy at 50% of your first year's premiums and 7.5% of premiums in the following years. These deductions represent the cost of setting up and administering your policy and will be reflected in the amount you get back when the policy matures, is surrendered, or closed due to non-payment of premiums.

We allow for the costs of investment management and guarantees on these policies and other with-profits policies by taking deductions from the investment returns achieved prior to determining the appropriate level of bonuses. The amount of the deductions will vary each year depending on the actual costs incurred. The example illustration at the end of this document shows the effect deductions have on your investment (including the deductions assumed for investment management and the cost of guarantees). Please ask us for a personalised illustration for your chosen term.

How do bonuses work?

Each year we will assess the past and projected future performance of the with-profits fund and will declare a bonus, which may be zero.

Annual bonuses are set at levels that the Board considers to be sustainable in the long term having regard to market conditions, in particular current and projected interest rates. This means it is unlikely that annual bonuses will be added to your policy when interest rates are low and for a period afterwards. Any bonuses that are declared will be added to your policy and cannot be taken away provided that premiums continue to be paid up to maturity.

Because we will never declare a negative bonus, we might hold back some of the bonus to safeguard against adverse financial conditions in the future or to meet guarantees on this or other with-profits policies. Holding surplus assets to safeguard against adverse investment performance is called 'smoothing' and is explained in 'A guide to how we manage your with-profits fund'.

Our aim is to pay you a fair share of the performance of the fund over the term you hold the policy. Any final bonus you might receive is designed to ensure that this is achieved.

Are there any guarantees?

Yes. Provided the policy runs to the end of your chosen term and all premiums are paid up to date, the policy pays at least the guaranteed maturity benefit shown in your illustration.

How will I know how much the policy is worth?

Each year we will send the policyholder a statement showing the annual bonuses declared.

In the weeks leading up to the policy's maturity, we will send a projected maturity value. At all other times, we can only provide a current surrender value. See **How much might be paid out when the policy ends?** on page 6.

Can I make withdrawals from the policy?

No. If you want to withdraw money in the policy before maturity you will need to surrender it completely. This could mean you could get back less than you invested. See **How much might be paid out when the policy ends?** on page 6.

What happens if the policyholder dies?

In the event of death of the policyholder before maturity we will return all premiums paid. There is no life cover associated with this policy.

How much might be paid out when the policy ends?

An example illustration is provided at the end of this document. We can provide you with a personalised illustration on request.

The amount you can expect to receive when the policy ends is:

On maturity

The policy features a guaranteed maturity benefit. As long as all premiums are paid up to the end of the chosen term we will as a minimum pay the guaranteed maturity benefit. We will add any annual bonuses and any final bonus applicable in order to make the value of the policy your fair share of the performance of the with profits fund over the term. If premiums are not paid in full at maturity the amount paid out will be the surrender value as set out below.

On surrender

If you end your policy in the first year you will get nothing back. If you surrender your policy after the first year you may get back less than you have invested and a surrender penalty will apply. We will calculate a surrender value based on the premiums you have paid in and to reflect your fair share of the with-profits fund, after deductions, in accordance with 'A guide to how we manage our with-profits fund.' If you surrender the policy you may have to pay income tax on any gain you receive (please see **What about tax?** on page 7).

If you want to surrender your policy early you can contact us at any time to find out how much you can expect to receive.

If the policy lapses

If your policy premiums are thirteen months in arrears the policy will lapse and cannot be reinstated. We will pay out a lapse value calculated as the surrender value based on the premiums you have paid, as set out above.

The policyholder will be informed of the need to claim the lapse value of the policy.

If the policy lapses the policyholder may have to pay income tax on any gain. Further details are set out in **What about tax?** on page 7.

On death

This policy does not include life cover. If the policyholder dies we will pay out the total of premiums paid to the date of death.

Following payment the policy will end and have no further cash value.

On the death of a person acting on behalf of a child policyholder under age 16 then another parent or guardian can apply to act on behalf of the child and continue the policy to the child's 16th birthday, when the child will take responsibility for any investment term remaining to maturity.

The sum payable on death forms part of the policyholder's estate and may be liable to inheritance tax.

Policyholders over 16 years old can nominate one or more person(s) to receive the combined value of their National Friendly policies up to £5,000 in the event of their death. It can be paid out without the need for a grant of probate or equivalent and can speed up the payment to the nominated beneficiary.

Any sum which is not covered by a nomination will be paid to the policyholder's estate once we have received the grant of probate or equivalent that we need to verify entitlement.

What about tax?

This policy is a qualifying life assurance policy. There is a limit for tax relief of £3,600 in total premiums in any twelve month period into qualifying policies with National Friendly plus any other life company or friendly society (excluding pure protection policies and protected qualifying policies issued before 21st March 2012). You must tell us if you think you will exceed this limit. Also you must tell us about any other tax exempt savings policy in the policyholder's name.

All premiums invested in our Tax-Exempt Savings Plan are invested in the with-profits fund which is free of personal liability to income tax and capital gains tax. The only tax payable within the fund is on UK share dividend income which cannot be reclaimed by the policyholder. The policyholder will not pay income tax or capital gains tax on any money paid out when the policy matures or if the policyholder dies.

However, if you surrender the policy, or if the policy lapses through non-payment of premiums, before 10 years or three-quarters of the agreed term has elapsed - whichever is shorter - the policyholder may have to pay income tax on any gain made. If this happens then we will give you a chargeable event certificate, details of which may be required by HM Revenue & Customs.

Any proceeds paid out from the policy form part of the policyholder's estate and may be liable to inheritance tax upon death.

Any payout may also affect any means-tested state benefits to which the policyholder is entitled.

This information is based on our understanding of current tax law and practice. However, law and practice may change and this could affect the policy in the future. The value of any tax treatment depends on individual circumstances.

National Friendly cannot provide tax advice. You should seek expert tax advice if needed.

Can I change my mind?

When you receive the policy documents you will also receive a notice telling you about your legal right to change your mind. You have the right to cancel the policy within 30 days of receiving the notice. You can do this by signing and returning the cancellation form and policy schedule, or by writing to us at National Friendly, 11-12 Queen Square, Bristol BS1 4NT.

If you cancel the policy within 30 days we will refund any premiums paid. You can surrender the policy at any time after this, but the policyholder may receive less than has been paid in and will get nothing back if the policy is surrendered in the first year (see **How much might be paid out when the policy ends?** on page 6).

Who regulates National Friendly?

National Friendly is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Our firm reference number is 110008.

You can check this on the financial services register at register.fca.org.uk or by calling the FCA on 0800 111 6768.

What regulatory protection do I have?

We are required by our regulator, the Financial Conduct Authority, to categorise our customers to determine the level of protection they will receive. If you invest in our Tax-Exempt Savings Plan, we will treat you as a retail client. This gives you the highest level of protection available under the Financial Conduct Authority rules.

What if I have a complaint?

We always do our best to provide a high standard of customer care, but if something goes wrong, please tell us so we can put it right.

Please call us on:

0333 014 6244 Calls from UK landlines and mobiles cost no more than a call to a 01 or 02 number and will count towards any inclusive minutes.

Lines are open 8am–6pm, weekdays.

Calls will be recorded for training and quality purposes.

Or email us on:

complaints@nationalfriendly.co.uk

Or write to us:

National Friendly, 11–12 Queen Square, Bristol BS1 4NT

Or visit us at:

www.nationalfriendly.co.uk where you can download our complaints leaflet.

We will investigate your complaint and try to resolve it promptly to your satisfaction. Where it will take longer to resolve we will acknowledge your complaint in writing with a copy of our complaints leaflet. We aim to resolve complaints as quickly as possible and will send you our final response in writing within eight weeks.

If you remain unhappy with our final response, you have the right to take your complaint to the Financial Ombudsman Service. This service is free and using it does not affect your legal rights.

You can find more information on their website at www.financial-ombudsman.org.uk

Is my money protected in the event of insolvency?

In the event that we are unable by reason of insolvency to pay your claims, you have the protection of the Financial Services Compensation Scheme. Details can be found on their website www.fscs.org.uk

The Financial Services Compensation Scheme, 10th Floor Beaufort House, 15 St Botolph Street, London EC3A 7QU

Telephone: 0800 678 1100 or 0207 741 4100

You can find information about our solvency and financial conditions in our 'Annual Report and Financial Statements.' Both this document and 'A guide to how we manage our with-profits fund' are available on request or can be downloaded from our website.

What law applies to my policy?

Unless you and we agree otherwise, in writing, the laws of England will apply to your policy.

What language and currency will my policy be in?

All correspondence will be in English and all currency used will be in £ sterling.

Who can I contact for further information?

If you require any further information about this Tax-Exempt Savings Plan, please see our contact details below:

Please call us on:

0333 014 6244 Calls from UK landlines and mobiles cost no more than a call to a 01 or 02 number and will count towards any inclusive minutes.

Lines are open 8am-6pm, weekdays.

Calls will be recorded for training and quality purposes.

Or email us on:

info@nationalfriendly.co.uk

Or visit us at:

www.nationalfriendly.co.uk

Example illustration

Policy term:	10 years
Monthly premium:	£25
Guaranteed maturity benefit:	£2,847

What this illustration shows

The following pages give examples of what you might get back at the end of a 10 year policy. If you would like a personalised illustration for a different term please ask us.

The maturity value

As we cannot predict how the fund will perform or what bonuses will be declared and allocated during the term of the policy, we provide three examples based on different rates of growth. All firms are subject to the same rules governing the rates of growth used for projections but their charges vary. The mid projection must be based on a rate of growth that reflects the investment potential of the policy, subject to a prescribed maximum rate. The low and high projections must differ by a prescribed amount from the mid projection rate. These growth rates are net of any deductions made to cover guarantees on this policy and other with-profits policies within the with-profits fund.

If the investment grows at	2% a year	5% a year	8% a year
You might get back	£2,810*	£3,260	£3,790

*In practice you will get back £2,847 in this example as this is the guaranteed maturity value.

Please note:

- All figures showing what you might get back have been rounded down.
- These figures are only examples for illustrative purposes and are not guaranteed. They are not minimum or maximum amounts. What the policyholder will get back depends on how the investment grows, the effect of deductions and on the tax treatment of the investment. The policyholder could get back more or less than these illustrative figures.
- At maturity the policyholder could get back less than you paid in.
- As a minimum the policyholder will receive back at maturity the guaranteed maturity benefit, assuming all premiums are paid. The amount paid at maturity will include any bonuses added.
- We will send annual statements that will allow the policyholder to keep track of the policy benefits.
- Over time, inflation will reduce the purchasing power of money in your policy.
- For the purposes of this illustration, we have assumed that the rates of growth shown in the table above will be subject to deductions of 0.5% a year for investment management costs and 0.2% a year for the cost of guarantees on this policy and on other with-profits policies.

How deductions affect your policy

The tables below show how our deductions might affect the value of your policy. The last two columns assume investment growth at 5% a year (before deductions). This rate is used for illustrative purposes only and is not guaranteed.

If you surrender your policy before maturity you may get back less than has been paid in. If you surrender in the first year you will get nothing back.

The figures for years 1-9 are after deduction of a 5% surrender penalty.

The early years			
End of year	Total paid to date	Effect of deductions to date	What you might get back
1	£300	£308	£0
2	£600	£210	£421
3	£900	£262	£709
4	£1,200	£318	£1,000
5	£1,500	£379	£1,320

The later years			
End of year	Total paid to date	Effect of deductions to date	What you might get back
6	£1,800	£446	£1,640
7	£2,100	£518	£1,990
8	£2,400	£596	£2,340
9	£2,700	£681	£2,710
10	£3,000	£609	£3,260

What are the deductions for?

The deductions are taken into account when the policy is surrendered, lapses or matures. They are used to pay costs of setting up the plan, including marketing and acquisition costs, costs of running the plan and any cancellation penalties. They also include investment management costs and the costs of guarantees on this policy and on other with-profits policies. For further details, please see 'A guide to how we manage our with-profits fund.'

The effect of these deductions is shown in the tables above. These figures are best estimates based on our experience and they may vary in the future. The last line shows that, over the full 10-year term of the policy, the effect of the total deductions could be £609. Putting it another way, this would reduce the assumed rate of investment growth of 5% gross a year to 1.68% net a year.

Contact us

For information on setting up this policy or to request a copy in braille or large print, please call us on:

0333 014 6244 Calls from UK landlines and mobiles cost no more than a call to a 01 or 02 number and will count towards any inclusive minutes.

Lines are open 8am–6pm, weekdays.

Calls will be recorded for training and quality purposes.

Or email us on:

info@nationalfriendly.co.uk

Or visit us at:

www.nationalfriendly.co.uk



National Friendly is a trading name of National Deposit Friendly Society Limited. Registered office: 11–12 Queen Square, Bristol BS1 4NT. Registered in England and Wales no. 369F. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. National Deposit Friendly Society Limited is covered by the Financial Services Compensation Scheme.

Tax-Exempt Savings Plan Application form

Please ensure you have read the Your Policy Explained document before completing an application. The Your Policy Explained document will be included in your application pack. If you would like a replacement copy, please visit our website or call us. Our contact details are below.

Once you have read the Your Policy Explained document, you can apply by:

- **Completing an application online at www.nationalfriendly.co.uk/tesp**
- **Completing this application form and:**
 - **posting it in the pre-paid envelope provided**
 - **posting it to National Friendly, 11-12 Queen Square, Bristol BS1 4NT**
 - **scanning and emailing it to info@nationalfriendly.co.uk**
- **Completing an application over the phone by calling us on 0333 014 6244**
Calls from UK landlines and mobiles cost no more than a call to an 01 or 02 number and will count towards any inclusive minutes.
8am-6pm weekdays. Calls are recorded for training and quality purposes.

1 Policyholder details

Title	Full name
Address	
Postcode	
Contact tel.*	Email*

National Insurance no.* - - - -

*Leave blank for a child under 16

Date of birth

Male

Female

If less than 3 years at current address, please provide previous address on a separate sheet of paper.

2 Proposer details (to be completed by a parent or guardian where the policyholder is under 16)

Title	Full name
Address (if different from policyholder)	
Postcode	
Contact tel.	Email

Date of birth

Male

Female

Relationship to policyholder

If less than 3 years at current address, please provide previous address on a separate sheet of paper.

3 Name of payer (if different from policyholder and proposer)

Title	Full name
Address	
Postcode	
Contact tel.	Email

Date of birth

If less than 3 years at current address, please provide previous address on a separate sheet of paper.

4 Your choice of term

You can choose a set term of between 10 and 25 years and the policy must mature after the policyholder's 16th birthday.

I would like the policy to run for years.

5 Additional information

We need to know if the policyholder holds any other friendly society tax-exempt policies or qualifying life assurance policies - see **What about tax?** in the Your Policy Explained document. Please provide details here of how much and how often you are currently saving into these types of policies.

Data protection

By submitting this application form (and in any subsequent dealings, which may include telephone calls) National Deposit Friendly Society Limited will hold and use your personal data. We will only hold and use your information where permitted by and in accordance with the Data Protection Act 2018. For further details on how we hold and use your personal data, please see our full General Privacy Notice which sets out:

- the types of information we collect about you;
- how we collect and use the information;
- who we might share the information with and where such information may be transferred;
- how long we will hold the information for;
- the steps we will take to make sure it stays private and secure;
- your rights in respect of your information.

The General Privacy Notice is available to view at: www.nationalfriendly.co.uk/privacy

If you would like to receive a paper copy of the General Privacy Notice, please call us on: **0333 014 6244**

Or write to us at: **National Friendly, 11/12 Queen Square, Bristol BS1 4NT**

You are responsible for making sure you provide us with accurate and up-to-date information. Please inform us when your personal information changes. If you provide information for or about another person in the context of your dealing with National Friendly, you will need to tell them how to find the General Privacy Notice and make sure they agree to us using their information for the purposes set out in it.

Marketing Preferences

National Friendly will never sell your personal data to any third parties. We would, however, like to keep you up to date with Society news, offers, competitions and other products and services that we offer. Please let us know how you'd like to be contacted below.

I agree to National Friendly contacting me by:

Email: Telephone: Text/SMS: Post:

You can update your marketing preferences easily at any time by phone, email, in writing or online at **www.nationalfriendly.co.uk/staytogether**

If you do not understand any point please ask us for further information before signing.

I would like to apply for a Tax-Exempt Savings Plan and declare that:

- For the duration of this policy the policyholder will not pay premiums into any other friendly society tax-exempt savings policies.
- That in taking out this policy the policyholder is not in breach of the annual limit for qualifying policies of £3,600 at the date this application is made, and I will notify National Friendly if the policyholder does breach the annual limit.
- Where this application has been completed by someone else, it was done so at my request.
- I expect to be able to continue to pay premiums for the full duration of the term I have selected.
- Where I am the proposer, I will act on behalf of the child this policy is intended to benefit.
- I agree to National Deposit Friendly processing my personal information as detailed in the General Privacy Notice provided as part of the application pack
- You may undertake a search with Experian for the purposes of verifying my identity. To do so Experian may check the details I supply against any particulars on any database (public or otherwise) to which they have access. They may also use my details in the future to assist other companies for verification purposes. A record of the search will be retained.
- I have provided an official birth certificate as evidence of identity for any child policyholder named on this policy (this is the original document or official replacement as I understand photocopies will not be accepted).
- I understand that this policy will begin on the 1st of the month after the application has been accepted. This date will be confirmed in the policy schedule.
- I understand that the policy schedule and the terms and conditions document will form the basis of the contract for this policy. Both will be sent to me after this application has been accepted and I will then have 30 days in which I can change my mind if I wish.
- I agree that to the best of my knowledge and belief the information provided in this application is true and complete and I will advise you, in writing, of any changes to this information. I understand that the statements I have made on this application will form the basis of the contract between me and National Friendly.

Policyholder's signature (or proposer's signature if policyholder is aged under 16)

Date

Please ensure the payer completes the Direct Debit form on the next page, even if one is already set up with us.



Instruction to your bank or building society to pay by Direct Debit

Please fill in the whole form using a ball point pen and send to:

National Friendly
11-12 Queen Square
Bristol
BS1 4NT

Service user number

6 7 7 9 0 2

FOR NATIONAL DEPOSIT FRIENDLY SOCIETY LTD OFFICIAL USE ONLY
 This is not part of the instruction to your bank or building society

Name(s) of account holder(s)

Bank/building society account number

Branch sort code

Name and full postal address of your bank or building society

To: The Manager Bank/Building Society
 Address

 Postcode

Instruction to your bank or building society

Please pay National Deposit Friendly Society Ltd Direct Debits from the account detailed in this Instruction subject to the safeguards assured by the Direct Debit Guarantee.

I understand that this Instruction may remain with National Deposit Friendly Society Ltd and, if so, details will be passed electronically to my bank/building society.

Signature(s)

Date

Reference

DD17

Banks and building societies may not accept Direct Debit instructions for some types of account.
 This Guarantee should be detached and retained by the payer.



The Direct Debit Guarantee

- This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits.
- If there are any changes to the amount, date or frequency of your Direct Debit National Deposit Friendly Society Ltd will notify you 10 working days in advance of your account being debited or as otherwise agreed. If you request National Deposit Friendly Society Ltd to collect a payment, confirmation of the amount and date will be given to you at the time of the request.
- If an error is made in the payment of your Direct Debit by National Deposit Friendly Society Ltd or your bank or building society you are entitled to a full and immediate refund of the amount paid from your bank or building society.
 - If you receive a refund you are not entitled to, you must pay it back when National Deposit Friendly Society Ltd asks you to.
- You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.



For information on this product or to request a copy in Braille, large print or audio please call us on:

0333 014 6244

Calls from UK landlines and mobiles cost no more than a call to an 01 or 02 number and will count towards any inclusive minutes.

8am-6pm weekdays. Calls are recorded for training and quality purposes.

Or send us an email:

info@nationalfriendly.co.uk



National Friendly is a trading name of National Deposit Friendly Society Limited. Registered office: 11-12 Queen Square, Bristol BS1 4NT. Registered in England and Wales no. 369F. National Deposit Friendly Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Financial Services Register number is 110008. You can check this at: <https://register.fca.org.uk>. National Deposit Friendly Society Limited is covered by the Financial Services Compensation Scheme and Financial Ombudsman Service.