

With-Profits Bond 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

With-Profits Bond - 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 01/01/2023.

What is this product?

Type: A friendly society with-profits whole of life assurance policy. You can open one with a single premium of at least £2,500 up to a maximum of £50,000 in total. There is no fixed end date for your investment.

Objectives: It aims to pay the policyholder a lump sum at the end of the term when the policy matures, built up from your original investment, the addition of an initial 5% enhancement, 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: The product is designed for individuals who wish to invest a lump sum of money for at least 5 years and would like to invest in a stocks and shares related investment but are not prepared to take the risk of investing directly into the stock market, and 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 want the option to make withdrawals and are familiar with the tax treatment for withdrawals from the policy and the deductions that will be applied to the policy.

Insurance benefits: The value of your original investment may be increased through an initial enhancement and the possible addition of annual bonuses and a final bonus.

You can make regular or occasional withdrawals of some or all of your investment, at any time.

In the event of your death whilst holding this policy we will pay either 101% of the amount you invest, adjusted for any withdrawals, or the surrender value of your policy at that time, whichever is higher.

The value of these insurance benefits is shown in the section entitled 'What are the risks and what could I get in return?'

There is no maturity date. Should a withdrawal take the balance invested in your With-Profits Bond below £2,500 at any time, or if we pay out all of the money on your death, we will terminate your policy.

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

Risk Indicator:



The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may have to pay significant extra costs to cash in early.

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 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact our capacity to pay you. This product does not include any protection from future market performance so you could lose some or all of your investment. 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 Information:

Main factors likely to affect future returns:

After giving you a 5% enhancement on your investment, we will pool this with other policies in our with-profits fund. You then have a share of the with-profits fund. The size of your share depends on how much you paid in and when you paid it.

Generally speaking how much you get back will depend on how the money, inclusive of the 5% enhancement, is invested across a mix of stocks and shares, property and fixed interest investments and how that mix performs.

We will assess changes in these markets throughout your time with us and will change the mix as necessary.

The value of the Fund changes over time due to:

- Investment returns – the value of the Fund can move up or down and the impact will vary depending on financial markets and our subsequent approach and mix of the Fund.
- The impact of any deductions that we take to cover investment management fees and annual management charges.

How the mix within the Fund could impact performance and risk

The actual mix of assets will change throughout the policy lifetime to maintain a healthy balance between risk and reward. Because the Fund is invested in a mix of areas, there is no single measure to closely represent the performance of the Fund.

Payouts on with-profits policies are 'smoothed' to reduce the impact of ups and downs in market performance. This means that when profits from the Fund are strong, some will be held back to be used to support payouts when profits are weak.

What could affect my payout positively?

You may receive a better payout on your savings if the Fund performs well over the period you hold the policy.

You may receive a better payout if our investment management fees and annual management charges are lower than we anticipate.

You may receive a better payout if the government reduces the income tax rate.

What could affect my payout negatively?

You may receive a lower payout on your savings if the Fund performs poorly over the period you hold the policy.

If you surrender your policy in the first 5 years, you will incur penalty charges. You may receive a lower payout if the government increases the income tax rate. You may have to pay tax on any gains you make on full or partial withdrawals.

You may receive a lower payout if our investment management fees and annual management charges are higher than we anticipate.

Payouts in difficult market conditions

We will monitor the market at all times and will alter the mix within the Fund as necessary.

You may not receive annual bonuses if markets perform poorly but where you do, these will be included in the amount you get when you end your policy. We could, following a period of market weakness, apply a deduction called a Market Value Reduction. This will reduce the amount you will get on withdrawal, to give all investors a fair share of the with-profits fund. We won't apply a Market Value Reduction to payouts on death.

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 £10,000. 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 £10,000 Scenarios	If you cash in after	If you cash in after	If you cash in at the
	1 year	3 years	end of 5 years
Total costs	£65	£152	£246
Impact on return (RIY) per year	0.65%	0.50%	0.47%

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	0.00%	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	0.45%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.02%	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	0.00%	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: 5 years

We have recommended a holding period of 5 years to avoid the surrender penalty applied when any money is withdrawn, or the policy closed, during the first 5 years of the policy. You can, however, hold it as long as you want.

You can withdraw some or all of your investment at any time, subject to a minimum withdrawal of £500. Unless you wish to terminate your policy you must leave a minimum of £2,500 invested after making each withdrawal.

If you withdraw money in the first 5 years, the amount withdrawn will be subject to a surrender penalty. The penalty is 5% of the amount withdrawn in the first year, and reduces by 1% a year. There is no surrender penalty after the first 5 years of the policy. Whenever you withdraw any money, the amount withdrawn may be subject to a 'market value adjustment' if the value of the underlying investments is significantly less than the initial investment plus bonuses added to date.

Each year you can withdraw up to 5% of the amount invested without any immediate liability to income tax. Withdrawals over this amount on a cumulative basis will incur an immediate liability to income tax.

At the time you make the withdrawal, we will convert the value of your withdrawal into a percentage of the policy value. This percentage will then be used when calculating the surrender value of the With-Profits Bond in future.

How can I complain?

If you have a complaint, 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: 11-12 Queen Square, Bristol BS1 4NT.

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.

With-Profits Bond

Your Policy Explained



A simple way to invest a lump sum for the years ahead

Our with-profits fund aims to increase the value of your investment over the medium to long term.

Effective 6th April 2023

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With-Profits Bond

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 With-Profits Bond 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.

Your policy

Its aims

- To increase the value of your investment over the medium to long term through the addition of an initial enhancement, annual bonuses and a final bonus;
- To pay out a lump sum on death.

Your commitment

- You invest a single lump sum of at least £2,500 in one or more With-Profits Bonds;
- Each With-Profits Bond does not have a fixed end date, but you should view it as a medium to long-term investment which means it is intended to be held for five years or longer;
- If you make withdrawals or surrender your policy in the first five years, surrender penalties will be applied.

Risks

- On surrender you could get back less than your original investment.
- Bonuses could be zero (£0).
- When you take money out through withdrawals or surrenders there may be times when we will apply an adjustment (known as a market value reduction) to the amount to the amount taken out, which will reduce its value.
- Over time inflation will reduce the buying power of your investment.
- If the government changes the way this 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 With-Profits Bond?

The With-Profits Bond is a policy that allows you to invest a single lump sum (the premium) in our with-profits fund.

At the outset we will enhance your policy value by 5%.

It offers the potential for growth because bonuses may be added to your policy, although this is not guaranteed. It also offers the option to take one-off and regular withdrawals.

As a whole of life policy there is no maturity date.

It should be considered a medium to long-term investment, which means an investment timeframe of five years or longer.

If you die before you cash it in, it will pay a minimum of 101% of the premium, adjusted for any withdrawals made.

Who might the With-Profits Bond be suitable for?

This policy might be suitable for someone who:

- Wishes to invest a lump sum of money for at least five 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);
- Wants the option to make withdrawals and is familiar with the tax treatment for withdrawals from the policy and the deductions which will be applied.

Who might it not be suitable for?

This policy might not be suitable for someone who:

- Does not want to invest a lump sum of money for at least five years;
- Wants an investment which has no risk to the capital or potential for growth;
- Is unfamiliar with the tax treatment for withdrawals from the policy and the deductions which will be applied.

Who can invest in the With-Profits Bond?

You may invest in one or more With-Profits Bonds in any of the following ways:

- **For yourself as the first policyholder.** You must be a UK resident for tax purposes and aged 16 or above.
- **With a second policyholder for joint life policies.** You must both be UK residents for tax purposes and aged 16 or above.
- **As the proposer on behalf of a child policyholder under 16.** You must be the child's parent or guardian, a UK resident for tax purposes and aged 16 or above. The child must also be a UK resident.

The parent or guardian as the proposer must act on the child's behalf until the child reaches 16 years of age. From then on the child will assume full responsibility.
- **As the payer.** You must be a UK resident for tax purposes over the age of 16 to invest in a With-Profits Bond for the benefit of another person.

If you are a payer who is not a policyholder or proposer, you will not have access to any information about the policy, and you will not be able to give any instructions or make any changes to it.

How much can I invest?

The minimum investment for your first With-Profits Bond is £2,500 and for subsequent With-Profits Bonds the minimum investment is £500 per policy.

The maximum you can invest in all With-Profits Bonds is £50,000 per policyholder.

What is the enhancement?

We will add a 5% enhancement to the policy value so, for example, we will add £125 per £2,500 investment. This enhances your policy value, to which bonuses are applied.

How is my money invested?

We combine your money with that from other investors into our with-profits fund. Our fund invests in three main asset classes: equities (stocks and shares) 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 our 'Principles and Practices of Financial Management' which can be found on our website or by asking us to send you a copy.

How do bonuses work?

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

The annual bonuses will be added to your policy value.

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.

Our aim is to pay policyholders a fair share of the performance of the fund by adding a final bonus, where appropriate, on death or surrender. To achieve this, we might hold back some of the fund surplus in a process called 'smoothing' which is explained in your Key Information Document. Or you can read about it in more detail in our 'Principles and Practices of Financial Management', which can be found on our website or by asking us to send you a copy.

When can I make partial withdrawals?

You can make regular or occasional partial withdrawals of any amount from your With-Profits Bond at any time, as long as you withdraw at least £500 and you keep a minimum of £2,500 in your policy.

At the time you make the withdrawal, we will convert the value of your withdrawal into a percentage of the policy value. This percentage will then be used when calculating your surrender value in future.

As an example, if the value of your policy was £5,000 and you wished to make a partial withdrawal of £1,000, this would represent 20% of your policy value. If, in the future, your policy value had increased to £6,000, the amount you would receive if you surrendered your policy would be £6,000 reduced by 20% (£1,200), giving a final surrender value of £4,800. (This example ignores any surrender penalty or market value reduction that might apply. The policy values shown are purely illustrative and not indicative of the actual growth potential of the With-Profits Bond.)

Please also see **What tax do I have to pay?** in relation to partial withdrawals, on page 8.

What deductions are made?

Deductions are for:

- The cost of setting up and administering your policy;
- The costs of investment management;
- A contribution to National Friendly's overheads.

These deductions are taken from the fund and are reflected in the bonuses we declare.

- If you make a partial withdrawal or surrender there may be a surrender penalty charge (see **What are the surrender penalties?**) and a market value reduction may be applied (see **What is a market value reduction?**). For more information please also see our 'Principles and Practices of Financial Management.'

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 the value of a £5,000 investment. Please ask us for a personalised illustration for your chosen investment sum.

What are the surrender penalties?

Surrender penalties may apply in the first five years to any amount withdrawn or surrendered which exceeds 5% of the premium.

The surrender penalties are:

Year 1 = 5% of the excess

Year 2 = 4% of the excess

Year 3 = 3% of the excess

Year 4 = 2% of the excess

Year 5 = 1% of the excess

What is a market value reduction?

This is a deduction made from the value of your fund if you make a withdrawal in excess of 5% of the premium during, or following, a period of market volatility or poor investment returns.

The market value reduction is designed to give all investors a fair share of the with-profits fund.

When a market value reduction is applied it will reduce the amount you receive and could mean you get back less than you paid in.

A market value reduction is not applied in the event of death.

How much will I get back when I surrender my policy?

The amount you get back on full surrender will depend on:

- Your premium;
- The enhancement we added at outset;
- Any annual bonuses added to your policy;
- Any final bonus added to your policy;
- Any withdrawals you've made;
- Any surrender penalty applicable;
- Any market value reduction.

You could get back less than you invested.

How will I know how much the policy is worth?

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

We can provide you with a current surrender value at any time on request.

What life assurance is included?

The amount payable on death will be the higher of:

- 101% of your original investment (not including the 5% enhancement), less an adjustment for any partial withdrawals you have made;

or

- Your fund value including bonuses applied, adjusted for any partial withdrawals.

We will pay life assurance to the beneficiaries or representatives of the policyholder under our death claim process.

Joint policies

If you take out a With-Profits Bond with another individual, you can decide at outset whether the life assurance pays out on the first or the second death.

If you choose first death, then in the event of either policyholder's death the With-Profits Bond will end and the surviving policyholder will receive the life assurance payment set out above.

If you choose second death, then in the event of either policyholder's death the With-Profits Bond will continue in the sole name of the surviving policyholder.

Can I place the With-Profits Bond in trust?

Yes. You can arrange this either when you take out the policy or at a later date. Placing the With-Profits Bond into trust can ensure that the proceeds go to your intended beneficiaries and may have certain tax advantages, however it may restrict how you can use the benefits for yourself. We cannot provide any advice on which trust is best for you and recommend you seek legal advice before making a decision. We have a limited range of trust forms available to help you. If you would like details please contact our customer services team. If you would like details of other trusts you should arrange this yourself through a solicitor.

As an alternative to a trust, we also offer you the option to nominate one or more beneficiaries to receive the proceeds on death. Please see **What is a nomination?** below.

What is a nomination?

This is a form that allows policyholders over 16 years old to nominate who they would like to receive the value of their National Friendly policies up to £5,000 in the event of their death. This form is available on request for sole life policies only.

This means the benefits can be paid out without the need for a grant of probate or equivalent which can speed up the payment to the nominated beneficiaries. Anything over £5,000 will be paid out in accordance with our death claims process. We will require sight of probate or letters of administration where your claim is more than £25,000.

We also offer you the option to place the benefits of the policy in trust, as an alternative to a nomination. Please see **Can I place the With-Profits Bond in trust?** above.

Will it affect my entitlement to state benefits?

The policy value and any income taken from it may be taken into account in assessing your entitlement to means-tested state benefits. You should contact your local benefits agency for further information.

What tax do I have to pay?

The following summary is based on our understanding of current tax law and practice, which may be subject to change in the future, and should not be relied upon for tax planning. The value of any tax treatment depends on individual circumstances. National Friendly cannot provide tax advice. You should seek expert tax advice if needed.

Income tax

Tax is paid by National Friendly on assets within the with-profits fund. It cannot be claimed back.

Withdrawals of up to 5% of the original investment can be made each policy year without the policyholder(s) incurring any immediate tax liability. Withdrawals up to 5% a year are cumulative, so if the 5% allowance is not used in full in any year it can be carried forward to future policy years up to a maximum of 100% of the premium.

Withdrawals over 5% a year incur an immediate assessment for tax liability for the policyholder(s). This is known as a chargeable event and where required we will issue you with a chargeable event certificate for use with your tax return.

When the policy is fully surrendered this is a chargeable event incurring an immediate assessment for tax liability. Any previous partial withdrawals will need to be taken into account when assessing your liability for income tax. We will issue you with a chargeable event certificate.

To help you assess your liability for income tax on any gain you make within the With-Profits Bond you should obtain specialist tax advice. However, in general terms:

Non-taxpayers and basic rate taxpayers:

will not have to pay any income tax on any gain when taking withdrawals from, or surrendering, the With-Profits Bond, because tax has already been paid by National Friendly on the assets in the with-profits fund.

Higher-rate taxpayers and trustees: may have to pay income tax on any gain when making withdrawals of more than 5% per year of the premium or when the policy is surrendered.

Inheritance tax

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

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 Financial Conduct Authority 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 With-Profits Bond, we will treat you as a retail client. This gives you the highest level of protection available under the Financial Conduct Authority rules.

Can I change my mind?

When you receive the policy documents for your policy 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 your policy within 30 days we will refund any premium paid. You can surrender it at any time after this, but you may receive less than has been paid in.

What if I have a complaint?

We hope that you never have reason to complain about your policy or the service you receive from us. If you do, you have the right to complain and we would like to put things right.

You can tell us what's gone wrong by telephone, email or post. Our contact details are on the back page of this document.

We will explain our complaints process, investigate your complaint and try to resolve it promptly to your satisfaction.

We aim to resolve complaints and send you our final response in writing within three business days, or within four to eight weeks for more complex complaints.

If we cannot resolve your complaint to your satisfaction, you may be able to refer your complaint to the Financial Ombudsman. This service is free and using it in no way affects your legal rights to take civil action. You can find out more information at www.financial-ombudsman.org.uk. You can contact them by writing to: Financial Ombudsman Service, Exchange Tower, London E14 9SR, or by telephoning: 0800 023 4567. You can e-mail them at complaint.info@financial-ombudsman.org.uk

Is my money protected in the event of insolvency?

You are covered by the Financial Services Compensation Scheme and may be entitled to claim compensation from them if we cannot meet our liabilities.

Full details of what you are protected for can be found at www.fscs.org.uk. or by telephoning 0800 678 1100. Alternatively you can write to them at: The Financial Services Compensation Scheme, PO Box 200, Mitcheldean GL17 1DY.

On our website you can find our 'Solvency and Financial Conditions Report' in the 'About Us' section and our 'Principles and Practices of Financial Management' in the 'Downloads' section. We can also send you a copy on request.

What law applies to my policy?

In the event of a dispute, this policy will be subject to the jurisdiction of English courts.

What language and currency will my policy be in?

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

Who can I contact for further information?

If you require any further information about this With-Profits Bond, please see our contact details on the back page.

Example illustration

Amount invested: £5,000
Investment term: 15 years

What this illustration shows

The following pages give examples of what you might get back at the end of 15 years. If you would like a personalised illustration for a different investment amount please ask us.

The projected growth rates

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 projection rates. All firms are subject to the same rules governing the projection rates but their charges, which are separate, may vary. The mid projection must reflect 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.

If the investment grows at	0.5% a year	3.5% a year	6.5% a year
You might get back	£4,580	£7,170	£11,000

- 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 you will get back depends on how the investment grows, the effect of deductions and withdrawals, and on the tax treatment of the investment. You could get back more or less than these illustrative figures.
- You could get back less than you paid in.
- We will send annual statements that will allow you 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, which may vary.

The surrender value after 15 years

These examples show how much you might get back if you surrender your policy. The last two columns assume that investments will grow at 3.5% a year.

Warning: when you surrender your policy you could get back less than you paid in.

End of year	Total paid to date	Effect of deductions to date	What you might get back
1	£5,000	£30	£5,140
2	£5,000	£48	£5,300
3	£5,000	£68	£5,470
4	£5,000	£90	£5,640
5	£5,000	£114	£5,820
10	£5,000	£591	£6,460
15	£5,000	£1,210	£7,170

What are the deductions for?

The deductions are for the cost of setting up and administering your policy, the costs of investment management, a contribution to National Friendly's overheads and, in certain circumstances, surrender penalties and market value reductions. For further details, please see our 'Principles and Practices of Financial Management' which can be found on our website or by asking us to send you a copy.

The effect of the deductions is shown in the table above. These figures are estimates based on our experience and they may vary in future.

The effect of deductions might be higher, or investment growth might be lower, than the examples shown.

The last line in the table shows that, over a 15 year term, the effect of the total deductions could amount to £1,210. Putting it another way, leaving out the cost of life cover, the projection rate allowing for these deductions, would reduce from 3.5% a year down to 2.4% a year.

Contact us

For information on this policy, 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. Lines are open 8am-6pm, Monday to Friday excluding bank holidays. Calls are recorded for training and quality purposes.

Or email us on:

info@nationalfriendly.co.uk

Or visit us at:

www.nationalfriendly.co.uk

Or mail us at:

11-12 Queen Square, Bristol BS1 4NT



With-Profits Bond 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 information 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
- 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.

With-Profits Bond

Application form



- We will use the details provided below only to contact you about the policy and to verify your identity. For the first policyholder, second policyholder and proposer, we may also use these details for marketing purposes unless you tell us not to (see section 8).
- If you have lived less than three years at your current address, please provide your previous address on a separate sheet of paper.

1 First policyholder details

Title	Full name							
Address								
Postcode								
Contact tel.*				Email*				
Date of birth	D	D	M	M	Y	Y	Y	
					Male	<input checked="" type="checkbox"/>	Female	<input checked="" type="checkbox"/>
Are you a resident for tax purposes anywhere other than the United Kingdom (UK)?*					Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Please provide the following information about the countries where you are tax resident and your Taxpayer Identification Number (TIN): For the UK this will be your National Insurance (NI) number.*								
Country United Kingdom					TIN (NI number)			
Country					TIN			

Please continue on a separate sheet of paper if you need more space.

* Please leave blank for a child under 16

2 Second policyholder details (for joint life policies only)

Title	Full name							
Address (if different from policyholder's address)								
Postcode								
Contact tel.				Email				
Date of birth	D	D	M	M	Y	Y	Y	
					Male	<input checked="" type="checkbox"/>	Female	<input checked="" type="checkbox"/>
Are you a resident for tax purposes anywhere other than the United Kingdom (UK)?					Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Please provide the following information about the countries where you are tax resident and your Taxpayer Identification Number (TIN): For the UK this will be your National Insurance (NI) number.								
Country United Kingdom					TIN (NI number)			
Country					TIN			

Please continue on a separate sheet of paper if you need more space.

When do you want the death benefit to be payable? Please tick one option only.

- ☒ Payable on the death of the first policyholder
- ☒ Payable on the death of the second policyholder

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

Title	Full name		
Address (if different from policyholder's address)			
			Postcode
Contact tel.		Email	
Date of birth	<input type="text" value="D"/> <input type="text" value="D"/> <input type="text" value="M"/> <input type="text" value="M"/> <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/>	Male <input checked="" type="checkbox"/>	Female <input checked="" type="checkbox"/>
Relationship to policyholder			
Are you a resident for tax purposes anywhere other than the United Kingdom (UK)? Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/>			
Please provide the following information about the countries where you are tax resident and your Taxpayer Identification Number (TIN): For the UK this will be your National Insurance (NI) number.			
Country United Kingdom		TIN (NI number)	
Country		TIN	

Please continue on a separate sheet of paper if you need more space.

4 Payer details (if different from policyholder and proposer)

Title	Full name		
Address			
			Postcode
Contact tel.		Email	
Date of birth	<input type="text" value="D"/> <input type="text" value="D"/> <input type="text" value="M"/> <input type="text" value="M"/> <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/>	Male <input checked="" type="checkbox"/>	Female <input checked="" type="checkbox"/>
Are you a resident for tax purposes anywhere other than the United Kingdom (UK)? Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/>			
Please provide the following information about the countries where you are tax resident and your Taxpayer Identification Number (TIN): For the UK this will be your National Insurance (NI) number.			
Country United Kingdom		TIN (NI number)	
Country		TIN	

Please continue on a separate sheet of paper if you need more space.

5 Amount you wish to invest

Please tell us how many policies you would like the investment separated into. Please continue on a separate sheet if necessary.

Please note: Minimum investment is £2,500 in each policy.

I would like to invest a total of £ as follows:

Policy 1: £

Policy 2: £

Policy 3: £

Policy 4: £

6 Your payment options

How would you like to pay? Please tick all that apply:

- ☒ By transferring a maturity value from an existing National Friendly savings policy. ☒
If ticked, please complete the transfer form that is included in the application pack and proceed to section 7.
- ☒ One-off direct debit from an account in the payer's name. ☒
If ticked, please complete the rest of section 6 onwards including the direct debit instruction in section 10.
- ☒ A cheque from an account in the payer's name. ☒
If ticked, please complete the rest of section 6. Please enclose a cheque with this application made payable to National Friendly with the name of the policyholder(s) written on the back.

To comply with money laundering regulations we are required to ask the payer questions about employment, income and source of wealth.

The payer to answer the following:

1. What is your occupation? (If you are not working please indicate e.g., retired, student, etc.)

2. What is your current annual income?

£

3. How have you acquired or accumulated the money you are investing? Please tick all that apply.

- | | | |
|--|---|---|
| Income from employment <input checked="" type="checkbox"/> | Inheritance <input checked="" type="checkbox"/> | House sale <input checked="" type="checkbox"/> |
| Gift <input checked="" type="checkbox"/> | Divorce settlement <input checked="" type="checkbox"/> | Company sale <input checked="" type="checkbox"/> |
| Regular savings <input checked="" type="checkbox"/> | Policy claim/maturity <input checked="" type="checkbox"/> | Sale of investments <input checked="" type="checkbox"/> |
| Compensation payment <input checked="" type="checkbox"/> | Lottery/gaming win <input checked="" type="checkbox"/> | Other* <input checked="" type="checkbox"/> |

*For 'Other', please provide details:

National Friendly reserves the right to ask further questions or request further documentary evidence of your source of wealth if necessary.

7 Regular partial withdrawals

This section is optional. If you do not want to make a regular partial withdrawal, please proceed to section 8.

The minimum withdrawal we allow is £500 per withdrawal. Please refer to the Your Policy Explained document for more information on regular partial withdrawals.

I would like the amount to be £ per withdrawal.

I would like the withdrawals to be paid on:

an annual basis ☒

a six monthly basis ☒

a quarterly basis ☒

a monthly basis ☒

I would like the withdrawals to be paid into the following account:

This must be a bank or building society account in the name of the policyholder(s).

Name(s) of account holder(s)

Branch sort code

 — —

Name and address of bank / building society

Name

Address

Postcode

Bank/building society account number

Account reference (if required)

8 Data protection and confidentiality

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/We would like to apply for a With-Profits Bond and I declare that:

- Where this application has been completed by someone else, it was done so at my request.
- 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 the policy start date will be shown on my/our 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/us after this application has been accepted and I/we will then have 30 days in which I/we can change my/our mind(s).
- 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/us and National Friendly.

First policyholder's signature or proposer's signature on behalf of a child under 16

Date

Second policyholder's signature (if applicable)

Date

Payer's signature (where the payer is not a policyholder or the proposer)

Date

We will send your welcome pack of policy documents by email. Please make sure you have included your email address on this application. If you would prefer the pack to be sent through the post, please tick here: ☒



Service user number

National Friendly
11-12 Queen Square
Bristol
BS1 4NT

Service user number

6	7	7	9	0	2
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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

Reference

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

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.

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 email us at:

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.

Transfer Form

For existing customers only, aged 16 and above

You can use this form to transfer all or part of the maturity proceeds from a National Friendly savings policy into the With-Profits Bond(s).

- Please complete, sign and return this form to us by:
 - 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
- In order to process a transfer we will need to receive this form, your maturity claim form and your With-Profits Bond application form, at least 7 days prior to the maturity date. After this time, you can still apply for a new With-Profits Bond using a cheque or paying by a single direct debit.
- If you need any help with completing this form, 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 Monday to Friday excluding bank holidays. Calls are recorded for training and quality purposes.

1 First policyholder of the maturing savings policy

Title	Full name								
Address									
Postcode									
Reference number	Policy number								
Date of birth	<table><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y
D	D	M	M	Y	Y	Y	Y		

2 Second policyholder of the maturing savings policy (for joint life policies only)

Title	Full name								
Address									
Postcode									
Reference number	Policy number								
Date of birth	<table><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y
D	D	M	M	Y	Y	Y	Y		

3 Payment options

Please choose only one of the following payment options:

- a. I/We wish to transfer the entire maturity value of the policy overleaf into the new With-Profits Bond(s).

Please tick here: ☒

- b. I/We wish to reinvest part of the maturity value of the policy overleaf into the new With-Profits Bond(s).

Please invest £ into the new With-Profits Bond(s) and return the balance to me/us in the following account(s):

Account 1

Name(s) of account holder(s)

Branch sort code

 — —

Name and address of bank / building society

Name

Address

Postcode

Bank / building society account number

Account reference (if required)

Account 2 (for joint life policies only). Where two account details are provided we will divide the payment equally between them.

Name(s) of account holder(s)

Branch sort code

 — —

Name and address of bank / building society

Name

Address

Postcode

Bank / building society account number

Account reference (if required)

- c. I/We wish to reinvest all of my/our savings plan into the new With-Profits Bond and make an extra payment by cheque or direct debit.

Please invest a total of £ into the new With-Profit Bond(s).

4 Signatures

X

First policyholder's signature

Date

X

Second policyholder's signature (for joint life policies only)

Date