

## Friendly Shield

### Suitability Letter Template

Friendly Shield is a simple protection policy which provides a range of benefits to help your clients. It can help them cope financially should an accident lead to time off work, if they suffer a fracture, or if they need a hospital stay. It also pays out upon the death of a covered family member.

Clients can also add sickness cover to their policy which covers them for income benefit and hospital stays.

The policy has three simple levels so clients can choose the cover that best suits their needs and budget.

We've created this template to help make writing a suitability letter for your client quicker and easier. You can simply copy the relevant pre-written wording or screenshot the tables from the sections below, paste them into your letter then edit it as needed.

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### Why National Friendly?

National Friendly is a mutual society based in the centre of Bristol but with a national membership. Being a mutual means it's owned by its members, so it always works with members' best interests in mind. All of the Society's profits are invested in improving member benefits and its service to members, instead of paying dividends to shareholders.

Established in 1868, National Friendly has a long history of looking after people. Throughout its heritage, the Society has adapted to various changes in the world, and its products have evolved to meet the needs of its members.

National Friendly offers a wide range of health, welfare and protection products, to give peace of mind and financial security to those who need it. Backed by years of experience and a commitment to delivering exceptional service, National Friendly will always be there for you when you need them.

Friendly Shield policyholders are automatically members of National Friendly, have voting rights, and can attend the Annual General Meeting.

## Introduction and aims

Friendly Shield is designed to provide a number of protection benefits to help protect you against unexpected accidents and, for an additional cost, sickness.

The policy provides an income benefit, fracture cover, cash for hospital stays and both natural and accidental death benefits, plus a rehabilitation benefit to help you get back to work sooner.

It is possible that you may need to claim more than one benefit as a result of your injury, for example a leg fracture might necessitate an emergency hospital visit, qualify for fracture benefit and result in a claim because you cannot work for more than 14 days. The policy allows multiple claims at the same time.

## Types of cover

Friendly Shield is simple to understand, to apply for and to benefit from. The policy provides three levels of cover: Bronze, Silver and Gold. The policy covers accidental injury as standard, but for an additional payment, you can also add sickness cover for both income benefit and hospital stays.

If sickness cover is added to your policy this will also mean any spouse or child on the policy will be able to claim the hospital benefit for sickness as well as injury.

*Please select the appropriate cover level.*

Bronze	
Income benefit	<b>£750 a month for up to 3 months Maximum 5 claims in any 5-year period</b>
Fracture cover	<b>£1,000 maximum in any policy year</b>
Hospital cash (£50 per night)	<b>£3,000 - 60 maximum overnight stays in any policy year</b>
Accidental death benefit	<b>£45,000</b>
Natural death benefit	<b>£2,500</b>
Friendly GP	<b>Telephone/online access to a Private GP any time day or night</b>
Rehabilitation benefit	<b>£1,000 maximum in any policy year</b>

Silver	
Income benefit	<b>£1,500 a month for up to 3 months Maximum 5 claims in any 5-year period</b>
Fracture cover	<b>£2,000 maximum in any policy year</b>
Hospital cash (£50 per night)	<b>£9,000 - 180 maximum overnight stays in any policy year</b>
Accidental death benefit	<b>£85,000</b>
Natural death benefit	<b>£2,500</b>
Friendly GP	<b>Telephone/online access to a Private GP any time day or night</b>
Rehabilitation benefit	<b>£1,000 maximum in any policy year</b>

<b>Gold</b>	
Income benefit	<b>£2,250 a month for up to 3 months Maximum 5 claims in any 5-year period</b>
Fracture cover	<b>£3,000 maximum in any policy year</b>
Hospital cash (£50 per night)	<b>£18,000 - 360 maximum overnight stays in any policy year</b>
Accidental death benefit	<b>£85,000</b>
Natural death benefit	<b>£2,500</b>
Friendly GP	<b>Telephone/online access to a Private GP any time day or night</b>
Rehabilitation benefit	<b>£1,000 maximum in any policy year</b>

## Spouse/partner and children

It is possible to cover your whole family under the same Friendly Shield policy.

<b>Spouse/partner cover</b>	<b>Bronze</b>	<b>Silver</b>	<b>Gold</b>
Income benefit	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
Hospital cash (£25 per night) – maximum overnight stays in any policy year	<b>£1,500 60 nights</b>	<b>£4,500 180 nights</b>	<b>£9,000 360 nights</b>
Fracture cover – maximum claim total in any policy year	<b>£500</b>	<b>£1,000</b>	<b>£1,500</b>
Accidental death benefit	<b>£22,500</b>	<b>£42,500</b>	<b>£42,500</b>
Natural death benefit	<b>£2,500 for all levels</b>		
Additional sickness benefit	<b>Hospital cash only at rates set out above per level</b>		
Friendly GP	<b>Telephone/online access to a Private GP any time day or night</b>		

<b>Child cover</b>	<b>Bronze</b>	<b>Silver</b>	<b>Gold</b>
Hospital cash (£25 per night)	<b>£1,500 60 maximum overnight stays in any policy year</b>		
Fracture Cover	<b>£500 maximum claim total in any policy year</b>		
Accidental death benefit	<b>£2,500</b>		
Natural death benefit	<b>£2,500</b>		
Additional sickness benefit	<b>Hospital cash only at rates set out above per level</b>		
Friendly GP	<b>Telephone/online access to a Private GP any time day or night</b>		

## Payments

The payments you make to National Friendly are due monthly in advance on the same date each month. You can pay your direct debit on any day between the 1<sup>st</sup> and 28<sup>th</sup> of the month.

If you would like to change your payments from monthly to annually or from annually to monthly, you can ask National Friendly to do this at the policy anniversary.

If you wish to change the frequency you need to inform National Friendly before your policy anniversary so that they can change your direct debit instruction.

Every 5 years National Friendly will review how much you pay and either increase or decrease your payments to make sure you are paying the right amount for your cover.

National Friendly will not review rates on an individual basis. When they carry out their review, they look at the expected future frequency and value of all claims for Friendly Shield policies for all covered policyholders. They also consider expected changes to their costs because of taxation and/or regulation plus changes to other assumptions used when they first set your payments.

Where this results in a change to how much you pay, the change will take effect from your next policy anniversary. This could result in the amount you pay going up or down for the next 5 years or staying the same until the next 5-year review. National Friendly will write to you in good time to tell you how much you need to pay for the following policy year.

## Product features

The policy provides an income benefit, fracture cover, hospital cash and both natural and accidental death benefit, plus a rehabilitation benefit to help you get back to work sooner.

### **Income benefit:**

The Friendly Shield income benefit provides a regular income for up to three months each policy year if you are unable to work due to an accident which causes an impact injury. This means there has to be some kind of impact which causes your injury.

The level of benefit you are covered for will depend on whether you choose Gold, Silver or Bronze. This will be confirmed on your Policy Schedule. This is the regular tax-free sum you will receive in the event of a claim once your claim has been assessed as valid.

### **Fracture cover:**

Friendly Shield provides cover for 18 different fractures, and these are classified as Minor, Moderate or Major. The policy will pay valid claims as soon as the evidence to do so is received. All payments will be as lump sum payments made by direct bank transfer.

### **Hospital cash:**

Friendly Shield provides a benefit at the nightly rate shown in the level of cover you choose.

### **Accidental death benefit:**

Friendly Shield will cover you for a lump sum up to £85,000, as shown in the benefit table for the level you choose.

### Natural death benefit:

Regardless of the level of cover chosen, Friendly Shield provides a £2,500 benefit for death occurring more than two years after the policy started in accordance with the Policy Conditions.

### Rehabilitation benefit:

Friendly Shield provides a rehabilitation benefit up to £1,000 in any policy year for all cover levels. National Friendly will help you get back to work by providing access to private facilities covering:

- Physical therapies – acupuncture, physiotherapy, osteopathy and chiropractic treatment
- Follow-up scans and tests
- Consultations

### Friendly GP and Friendly GP+:

You and your immediate family will have free access to Friendly GP. This is a virtual GP service which can be accessed over the phone or online 24 hours a day, 7 days a week.

This means you always have easy access to a doctor when you need their help.

You will also all have access to Friendly GP+ which is National Friendly's free wellbeing service which includes support for a number of personal and work issues. It includes counselling, money and debt guidance and legal information and support amongst other services.

### Sickness benefit:

You can add sickness benefit cover to your policy for additional cover beyond accidents. This includes an income benefit should you fall ill and be unable to work, and a hospital cash benefit should you be admitted to hospital due to sickness and you need to stay overnight.

Any conditions you've been treated for in the past 18 months won't be covered until you've gone 18 months with no symptoms. The hospital benefit starts after 9 months of holding the policy.

The table below outlines the sickness benefit payouts and payments applicable for each of the 3 Friendly Shield levels.

	Bronze	Silver	Gold
Income benefit (monthly) – For up to 3 months	£750	£1,500	£2,250
Hospital cash (£50 per night) – maximum overnight stays in any policy year	£3,000 60 nights	£9,000 180 nights	£18,000 360 nights

If you choose to add sickness cover, any spouse or child on your policy will be able to claim the hospital benefit for sickness as well as accidental injury following the 9-month waiting period.

### Financial Services Compensation Scheme protection

National Friendly is covered by the Financial Services Compensation Scheme (FSCS) for added protection for you. This means that if they can't pay your claim, the FSCS can step in to pay

compensation. Set up by the government, the FSCS is independent and their service is free to use. You'll keep 100% of the compensation you're owed if you claim directly through them.

## Tax

Under current UK legislation, the benefits you receive from this policy are not subject to income tax, capital gains tax or National Insurance contributions. Payment of any death benefit on this policy may form part of the dead person's estate for inheritance tax purposes. You won't get tax relief on your premiums. The recommendations I've made are based on my understanding of current legislation and HM Revenue and Customs practice, which can change in the future.



If you need any further information about Friendly Shield or have any questions, please contact your BDM or:

- Email us: [brokersupport@nationalfriendly.co.uk](mailto:brokersupport@nationalfriendly.co.uk)
- Call us: **0333 014 6296** 8am-6pm Monday to Friday excluding bank holidays

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