

# An introduction to the Tax-Free Savings Plan



# About us

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**National Friendly is a mutual society established in 1868. We offer investments, life cover and healthcare for you and your family and have over 140 years' experience of caring for our members.**

As a mutual we have no shareholders to take a share of our profits. This means we can use our profits for the benefit of our members.

Our main purpose is to provide benefits for our members and we pride ourselves on the high standard of service we offer.

**Everyone who takes out one of our Tax-Free Savings Plans becomes a member of National Friendly.**

# 7 good reasons to apply for our Tax-Free Savings Plan

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- 1** Your money is invested in our long established with-profits fund, that invests in commercial property, company shares (also known as equities), fixed interest securities (also known as corporate and government bonds) and cash. This diverse portfolio helps to reduce the impact on the fund should any one category of investment underperform.
- 2** Bonuses may be added to your policy, depending on how well the fund performs.
- 3** We guarantee that you'll get back at least as much as you have paid in when your policy matures.
- 4** The lump sum you receive on maturity will be free of any further income tax or capital gains tax.
- 5** It's an ideal way to build a lump sum for yourself, your children or your grandchildren, maybe to go towards future university fees or a deposit on a house.
- 6** For peace of mind the plan has built-in life cover, so if you die before your plan matures we will pay out a guaranteed lump sum.
- 7** You'll be investing with one of the UK's leading friendly societies.

# What is the National Friendly Tax-Free Savings Plan?

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**This brochure provides an overview of the National Friendly Tax-Free Savings Plan. Please read the 'Key Features' document before you apply.**

- The Tax-Free Savings Plan from National Friendly allows you to put aside £25 a month, or £270 annually tax-free\* on top of your ISA allowance.
- You choose how long you want to invest for, starting from 10 years or until at least age 16 for children under 6.
- You'll receive a tax-free\* lump sum when your plan matures.
- Any UK resident aged 16-64 can invest themselves or (on behalf of) their partner.
- An adult of any age can invest for a child. The child's parent or guardian will act on their behalf until the child turns 16.
- It's an easy way to build up a nest egg to put towards something special like a holiday or a new car.

\* Except the tax which National Friendly pays on share dividend income.



# Things you should know

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- If you decide to cancel your plan in the first year you will get nothing back.
- If you cash in your plan before your chosen maturity date you could get back less than you paid in and you may have to pay income tax on any profit you have made.
- We cannot guarantee to award bonuses.
- Inflation will reduce what you can buy in the future with your investment.
- The tax treatment of the policy may change in the future and could also depend on your individual circumstances.
- You have the right to cancel your plan within the first 30 days and we will refund any premiums you have already paid.

## Next steps

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To apply for one of our Tax-Free Savings Plans, please read the 'Key Features' document and 'A guide to how we manage our with-profits fund', then either:



Complete and return your application form, or



Visit [www.nationalfriendly.co.uk/savingsplan](http://www.nationalfriendly.co.uk/savingsplan) to apply online

**If you have any questions, please call us on**



**0800 195 9245**

(8am-6pm weekdays, calls are recorded for quality purposes)

or contact a financial adviser

# Other products available

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## Health & Life Cover

- Healthcare Deposit Account
- 50+ Life Plan

## Investments

- Investment ISA
- With-Profits Bond

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

# 0800 195 9245

(8am–6pm weekdays, calls are recorded for quality purposes)



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