**To start any Sheffield Mutual plan please follow the application checklist below or call 01226 741 000 during office hours to apply over the phone.**

**You can also apply or ask a question online at www.sheffieldmutual.com**

## Documents you'll need to complete and return

- Complete, sign, date and return the **client agreement** and **non-advised sale letter**
- Answer all the questions on the **'is this product right for me?'** form which is enclosed with your application pack
- Complete, sign, date and return all **application forms**
- Send a copy of a birth certificate, passport or child benefit letter if the policy is for a child under the age of 18 (excluding the Junior ISA)*

## When we receive your application:

- We'll confirm by email or post that your application has been accepted
- We'll attempt to verify your identity electronically, however, if this is unsuccessful we may request further documentation such as a passport or driving licence and utility bill to confirm your identity*
- We will send you copies of your **'client agreement'**, **'non-advised sale letter'** and **'is this product right for me'** questionnaire to keep for your records

* Photocopies of these documents are accepted, providing they are certified as a true copy of the original by an independent professional person or official. ID for a child would only need to be certified if the policy you are applying for exceeds £50 p.m. or is a single premium investment over £2,000. The professional person or official should sign the document/s and then print their name, address, position and telephone number.

## Payment

### If paying by cheque

- Enclose a signed cheque payable to "Sheffield Mutual"

You can also include the Policyholder in the payee section to safeguard against fraud e.g. "Sheffield Mutual re John Smith"

**If you don't have a cheque book**, you can call us and we can take your first premium or lump sum investment from your debit card. If you do not wish to start your plan by debit card your policy will commence on the date of your first Direct Debit payment

### If paying by Direct Debit

- Enclose a completed and signed Direct Debit Mandate (if applicable)

### Other ways to pay

- You can call during office hours on 01226 741000 to make a payment by debit card over the phone
- Send a bank payment to NatWest Bank: Sheffield Mutual Friendly Society: Sort Code: 53-61-04 Account Number: 60523948 quoting your name as a reference

Sheffield Mutual Est. 1892


**www.sheffieldmutual.com**

**enquiries@sheffieldmutual.com**

Call our team on **01226 741 000**

Calls may be monitored and recorded for your protection

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# Investment ISA

## Tax-free investment

Open a new ISA, or transfer an existing ISA from another provider

Sheffield Mutual Est. 1892

ISA product brochure and terms & conditions

# Make the most of your individual savings allowance

**A convenient way to invest for your future, tax-free - within our managed with-profits fund.**

## Making your money work harder

- **Invest from just £30 per month or £300 lump sum**
- **Subscribe up to £20,000 in the current tax year**
- **Transfer an existing ISA from another provider and let us manage the transfer**
- **Potential for tax-free investment growth through annual and final bonuses**
- **Access to your money if you need it** (subject to £250 minimum withdrawal)

## Why Sheffield Mutual?

**A warm welcome to Sheffield Mutual. We've been helping our members make the most of their money since 1892. We'd love to do the same for you.**

As a mutual society with no shareholders, our members are the people we care about the most. Any surplus profit is distributed to provide you with the best possible returns combined with the highest standards of personal service. Building on the experience of our heritage while always looking to the future, we've developed a selection of straightforward and trusted tax-efficient savings and investment plans.

## Risks you should be aware of:

- **If you cash in your ISA during times of adverse market conditions, you may get back less than has been paid in**
- **Tax treatment depends on individual circumstances and may be subject to change in the future**
- **Interim bonus rates are not guaranteed and are not an indicator of future performance**
- **£250 minimum withdrawals permitted. A minimum balance of at least £300 of capital invested must be left in the policy**

# A stocks & shares ISA which aims to smooth out the 'ups and downs' of investing

## What is an Individual Savings Account (ISA)?

ISAs are investments with tax advantages, which means that the money you put in will grow tax-free. What's more, under current legislation, which may change in the future, your returns will be completely free of income or capital gains tax and do not need to be declared on your tax return. ISAs are available to people who are resident in the UK for tax purposes.

Four types of ISA are available - stocks & shares ISAs, cash ISAs, innovative finance ISAs and lifetime ISAs. Sheffield Mutual offers a stocks & shares ISA, in the form of a with-profits insurance policy, which is designed for medium to long-term investments of this kind.

We refer to this as an Investment ISA because the with-profits fund invests in a range of different assets including property and bonds as well as the stock market.

## Can I have different ISAs?

Yes, you can subscribe to multiple ISAs of the same or different types (stocks and shares ISAs, cash ISAs and innovative finance ISAs), and into one lifetime ISA, subject to HMRC tax year limits. Subscriptions can be made with the same or different providers.

For the current tax year, each adult has an annual ISA investment allowance of £20,000, which you can split as you choose between a stocks & shares ISA, a cash ISA an innovative finance ISA and, if you are between the ages of 18 and 40, a lifetime ISA.

## Are there any limits to the amount I can save in an Investment ISA?

The current maximum allowance is £20,000 or £1,666 per month for the tax year which runs from 6 April to 5 April. The minimum you can invest in the Sheffield Mutual Investment ISA is £30 per month or a single initial lump sum of £300. However, if you save any part of your annual allowance in a cash ISA, an innovative finance ISA or lifetime ISA with another provider, this should be deducted from the overall limit.

## Can I add to my investment?

Yes, providing you don't exceed the maximum annual allowance you can add to your ISA at any time during the tax year. If you are not paying in every month by Direct Debit, the minimum additional investment is £100. Call us on 01226 741 000 to make your payment by debit card over the phone, or you can make a payment directly into our bank account (please see the 'Help & Support' page on our website for account details). You can also send us a cheque payable to Sheffield Mutual.

In future tax years you can top up your existing Sheffield Mutual policy or you may, if you prefer, open a new policy for each tax year. Having separate policies may provide you with greater flexibility in the future. For example, if you have separate policies for each tax year and you want to start withdrawing funds, you could perhaps surrender one of the older tax year policies to realise the annual bonuses and potentially receive a final bonus.

## Can I stop paying into the ISA?

Yes, you can start, stop or vary your payments during a tax year.

## Who can save in an Investment ISA?

Anyone over the age of 18, who is also a resident in the UK, or a Crown servant serving overseas, or their spouse or civil partner.

## Can I select the term of my Investment ISA?

There is no specific term, but to take full advantage, investing in this type of policy should be viewed on a medium to long-term basis (three to five years plus).

## How do my savings grow?

Depending upon the performance of its investments, Sheffield Mutual will declare a bonus rate annually in April and this will be applied to your policy for the tax year. The amount of bonus credited will depend upon how much you have saved and for how long. Bonuses, when declared, are added to your policy monthly, net of charges, on a compound basis. Once declared, annual bonuses cannot be taken away (although a market value reduction may reduce the amount payable below the current value). You will receive a statement during April notifying you of the current value of your policy including bonuses. We will also set our interim bonus rate for the coming year in April which is the advertised rate you may see when you apply. The interim rate is not guaranteed and may go up or down before being declared.

Should you wish to close, transfer or withdraw funds from your ISA during adverse investment conditions, the Society may apply a market value reduction (MVR) to the policy fund, which could, in some circumstances, result in you receiving back less than you have paid in. Therefore the amount you will receive on repayment is not guaranteed.

## Where will my money be invested?

The Society invests in a range of different assets with the aim of providing a higher return in the medium to longer term than that achievable in a bank or building society account. We will look to achieve this by maintaining a spread of investment assets that will provide a medium to low risk ISA, making it an option for individuals with a more cautious approach to investing their money.

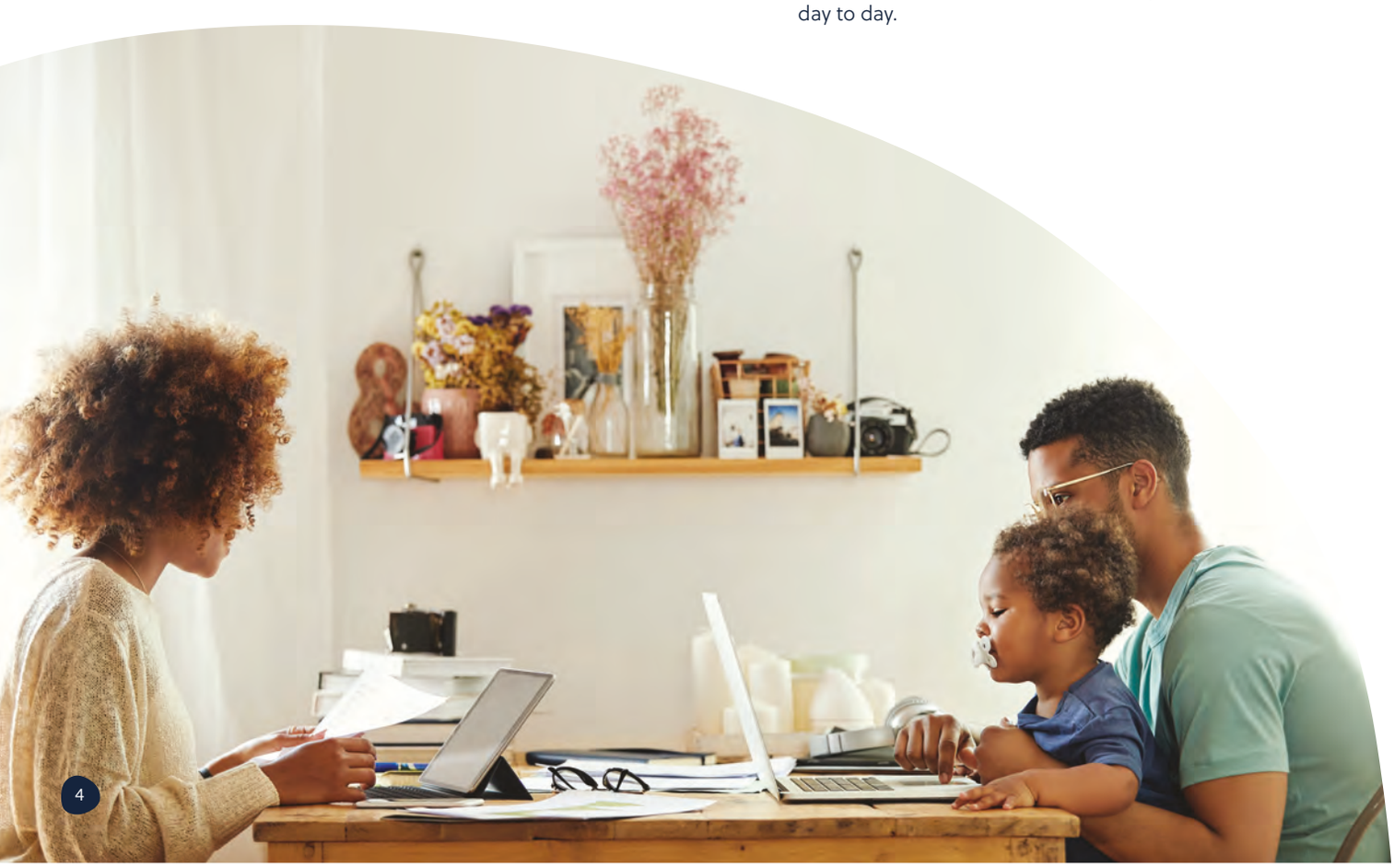
For more details of the Society's investment strategy please refer to section 5 of the Principles and Practices of Financial Management (PPFM).

Types of assets we invest in are:

- **Shares of companies** - we have exposure to UK based and overseas companies to provide diversification.
- **Fixed interest investments** such as government gilts and corporate bonds.
- **Property** - the Society owns a property portfolio which provides rental income and offers capital growth.
- **Commercial mortgages** from a small portfolio providing a fixed rate return.
- **Cash**

The proportion held in each of these will vary depending on market conditions. We can provide you with a guide to the spread of investments. We seek to adopt an ethical approach to investing and it is our policy not to invest knowingly or directly in industries relating to armaments, tobacco, gambling or pornography.

Unlike stocks & shares ISAs that are invested directly in shares or in a share-tracking index, the money you invest in the Investment ISA will not normally fluctuate from day to day.



## Can I transfer my ISA with another provider to Sheffield Mutual?

Yes, subscriptions can be transferred freely between cash, stocks and shares and innovative finance ISAs. You can transfer some or all of the money saved in previous tax years with another provider to an Investment ISA with Sheffield Mutual, up to £150,000 per calendar year, without affecting your annual ISA investment allowance.

You can also transfer all or part of the money saved in the current tax year with another provider to an Investment ISA. Where money saved in the current tax year is transferred, it will be treated as if it has been invested directly into the receiving ISA in that tax year.

You will then be able to save up to the full remaining balance of the allowance for that tax year, or you may, within the overall limit, subscribe to a cash ISA later in the current tax year. Transfers from previous tax years will be held in a separate ISA transfer policy from any current tax year subscriptions.

If you have already transferred an ISA policy to Sheffield Mutual, you can choose whether to 'top-up' your existing policy or open a new one. See 'Can I add to my investment?' section for further information.

## Can I withdraw from my Investment ISA?

Yes, you can withdraw a minimum of £250 at any time or you can close the plan. However, please note that you would not be able to replace funds withdrawn without the replacement counting towards your annual subscription limit. If you withdraw from or close your policy in times of adverse investment conditions an MVR may be applied to the policy fund which could, in some circumstances, result in you receiving back less than you paid in.

Withdrawals are taken from funds invested (not from bonuses added). Please ensure that a minimum of £300 of your money invested is left remaining in order to keep the policy running.

## Are there any charges?

Yes, the Society will deduct 1.25% of the value of the ISA policy fund each year to cover administration costs and expenses. The annual charge is normally deducted from the declared annual bonus amount before it is added to your policy. However, it would be deducted from the policy fund should the bonus be less than the annual charge.

## What happens if I die?

We will pay the policy value plus 1% at the date of death to either your personal representative(s) or to your estate. Bonuses will be credited tax-free until the date of death. Your spouse or civil partner will be able to pay into an ISA in their own name an amount equivalent to the proceeds of your ISA at the date of death, in addition to their own ISA allowance.

## What about membership?

When you open a policy with us, you will automatically become a member of the Society. As well as being able to have your say on how the Society is run each year, you will also have access to various discretionary benefits, such as optical and dental grants, as well as exclusive access to a range of discounts and offers.

## Where can I get further help or information?

Need some further assistance? Our friendly and knowledgeable team would be more than happy to provide you with factual information about our products and services, so you can make your own decision about how to proceed. However, we are unable to give any financial advice or recommendations on the suitability of our products. If you are unsure, you should seek advice from a qualified financial adviser, which may incur a fee.

## Do I need to provide any additional information?

To comply with regulations, the Society will require confirmation of your identification and address. We'll aim to do this using an electronic verification system, but reserve the right to ask for appropriate documentation from you, if this is not possible.

All references to taxation are based on the Society's understanding of current legislation and practice, which may change in the future.

# How do I start my Investment ISA?

Simply decide how much you would like to save, for how long and whether you would like to save monthly or a lump sum investment (or both). You should then read the 'all about us' section in this booklet, 'with-profits information' sheet and the Key Information Document and, providing you do not need any advice, complete and return:

- **The application form / transfer form**
- **'Is this product right for me?' questionnaire**
- **Client agreement / non-advised sale letter**
- **Direct Debit Mandate (if applicable)**

to the address on the back of this leaflet along with a cheque made payable to "Sheffield Mutual" for the initial premium if applicable. If you prefer, you can make your first payment by debit card over the phone, or you can make a payment directly into our bank account (please see our website for account details). You can also apply online at **www.sheffieldmutual.com**.

# Please ask for details of our other with-profits products, which include:

- **Investment Junior ISA**
- **Tax Exempt Savings Plan (for adults & children)**
- **Tax Exempt Savings Plan with Life Insurance**
- **Regular Savings Plan (for adults & children)**
- **Investment Bond (for adults & children)**
- **Income Bond**
- **Capital Plan**

We also offer a **unit-linked Sustainable ISA** outside of our with-profits fund. **Please ask us for details.**

# Investment ISA Terms and Conditions

The product brochure and Key Information Document set out how your Investment ISA will operate using plain English and a simple 'question and answer' format. Our aim is not to use jargon or small print, but ISA regulations require the Society to set out various standard terms and conditions (the "terms") under which your Investment ISA will operate.

These terms come into force when the policy document is issued and the first premium paid. We may amend or vary these terms, if we have a valid reason to change them, by writing to you.

## General Conditions

- An ISA is a scheme of investment managed in accordance with the ISA regulations by the ISA Manager (Sheffield Mutual Friendly Society, the "Society") under terms agreed between the ISA Manager and you (the "Investor").
- The ISA investments will be, and must remain, in the beneficial ownership of the Investor and must not be used as security for a loan.
- The Society will satisfy itself that any person to whom we delegate any of our functions or responsibilities under the terms agreed with the Investor is competent to carry out those functions and responsibilities.
- On the instructions of the Investor and within the time stipulated by them, all or part of the investments held in the ISA and proceeds arising from those investments shall be transferred or paid to the Investor. The Society will do this within a reasonable time period, not exceeding 30 days.
- On the instructions of the Investor and within the time stipulated by them, the ISA, or part of the ISA, shall be transferred to another ISA Manager in accordance with the ISA regulations relating to transfers. The Society will do this within a reasonable time period, not exceeding 30 days.
- The Society will notify you if, by reason of any failure to satisfy the provisions of the ISA regulations, your ISA has, or will, become void.
- The title to ISA investments will be registered in the name of the ISA Manager.

## Policy Conditions

Subject also to the Policy Schedule document:

- The policy may be owned or held only as a qualifying investment for an ISA.
- The policy shall terminate automatically if it ceases to be owned or held in the ISA.
- The life assured is that of the Investor.
- The policy shall terminate automatically if it does not satisfy the relevant qualifying conditions in ISA legislation.
- The policy, or the rights conferred by the policy or any share or interest in the policy or rights respectively, other than the cash proceeds from termination or part surrender of the rights conferred, cannot be transferred to the Investor, and;
- The policy, the rights conferred by the policy and any share or interest in the policy or rights respectively, are not capable of assignment or assignation (other than a transfer to another ISA provider within the normal rules for ISA transfers), and the rights may vest in the personal representatives of a deceased investor.
- The policy is also subject to the rules of the Society, which can be provided on request along with a copy of the Society's Annual Report & Accounts.
- Policyholders are entitled to attend and vote at the Society's AGM and will receive notification.

These terms, together with the product brochure, Key Information Document and application form, form the basis of the contract between you and the Society upon which we intend to rely. As a member owned organisation we will always aim to communicate clearly and in the best interests of our members, but if you do not understand any points, or you have any questions, please ask for further information.

# Jargon Buster

**Cash ISA** - a tax-free deposit account which earns interest. Although less risky and more certain than a stocks & shares ISA, the returns may be relatively modest over the longer-term.

**Compounding** - earning bonuses on bonuses, not just on the amount paid in.

**Declared bonus** - the bonus that, once declared is added to your policy each year.

**Dividends** - income from shares paid by companies to shareholders.

**Final bonus** - a bonus that may be added to your policy when it matures.

**Innovative finance ISA** - an ISA qualifying investment relating to peer to peer loans. These are not currently covered by the Financial Services Compensation Scheme.

**Interim bonus** - the bonus that is announced and used in the 'interim period' before the annual bonus is declared each year.

**Lifetime ISA** - an ISA for people between the ages of 18 and 40, designed to save for a first home and retirement.

**Market value reduction** - an adjustment made to the amount we pay out, should your policy fund be worth more than your fair share of the with-profits fund.

**Policy fund/policy value** - the value of the amount paid in (less any withdrawals) plus any bonuses added to your ISA.

**Stocks & shares ISA** - a tax-free wrapper for investments other than cash deposits.

**With-profits** - the name given to a type of fund which normally contains a mix of assets and which shares the profits with the policyholders. Returns are 'smoothed' whereby some profit is held back in good years to maintain returns in less positive investment years.

# All about us...

**Sheffield Mutual Friendly Society Ltd** is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

You can find out more about us by looking at our entry on the Financial Service Register at **https://register.fca.org.uk/** where our registration number is 139855.

We are an incorporated Friendly Society registered under the 1992 Friendly Societies Act and our number is 810F. For the purposes of the Insurance Distribution Directive we are classified as an insurance undertaking. For FSCS purposes our products are classed as long-term insurance.

Our registered address is **3 Maple Park, Maple Court, Wentworth Business Park, Tankersley, Barnsley, S75 3DP**

## How to contact us

Our telephone number is 01226 741 000 and our email address is **enquiries@sheffieldmutual.com**

Our postal address is Sheffield Mutual Friendly Society, 3 Maple Park, Tankersley, Barnsley. S75 3DP

You may contact us in any way which is best for you, whether it is just to get more information or to apply for new policies with us.

## About our service

We will always provide you with all the information you need about our products and services. We do that through this brochure, the conversations we have with you and by providing the Key Information Document for the product which you must read. The products Sheffield Mutual Friendly Society provide are the Society's own products.

We are not a financial advice company and we do not make personal recommendations about the suitability of the product for you. Provided we are satisfied that the product meets your demands and needs, and it is not inappropriate for you to buy it, the information we give enables you to make your own informed decision to proceed with the purchase.

Our team, when they speak with you, ensure that you have all the information you need and are there to answer your questions openly and honestly.

Once a year we will issue you with a bonus statement and covering letter which will explain the financial value of your policy with us, how bonuses have been added and any ongoing management costs charged.

Every year we publish our Solvency and Financial Condition report on our website, the report can be found under the Corporate and Governance section.

We strive to always put your best interests first and as part of that the Board has established a Conflicts of Interest Policy to ensure we continuously try to identify any conflicts that may arise between us, our directors, our employees and representatives, you the customer and our other business connections.

We establish internal processes and procedures to manage possible conflicts and to ensure you will not suffer any detriment or disadvantage should a conflict of interest ever materialise. The full Policy can be sent to you by post on request.

## How we remunerate our team

We take great care to ensure our employees are remunerated in ways which do not create any conflicts of interest for them or you, and we structure their pay so that there is no inducement for poor sales practices.

We do this by paying our employees by salaries with a bonus element for successfully doing their job. These payments are made by Sheffield Mutual Friendly Society. We do not pay individual sales bonuses.

## How we remunerate our third parties

When we receive your application for a product which has been referred to us by a third party (such as a financial adviser) we may pay them a referral fee. We may also pay a commission to a financial adviser who has arranged your policy without giving you a personal recommendation and has simply provided you with information about this service and assisted with your paperwork. If we pay such a fee the amount will be advised within your personal illustration before we process your application.

## Your financial protection

We are covered by the Financial Services Compensation Scheme (FSCS) who you can write to at PO Box 300, Mitcheldean, GL17 1DY. Telephone 0800 678 1100. Further information is available on their website – **http://www.fscs.org.uk** or by clicking on the "FSCS protected" link on our website footer.

Some of the investments underlying this product are managed on behalf of Sheffield Mutual Friendly Society by professional investment managers, and they use nominees and custodians, in respect of investments purchased and held. The investment managers and their counterparts are not covered by the compensation scheme but were they to default, and this in turn caused Sheffield Mutual Friendly Society to default, then eligible claims may still be covered by the FSCS because your contract is with Sheffield Mutual Friendly Society. The FSCS does not cover losses arising purely from investment performance.

## Your data protection

We are registered with the Information Commissioners Office and our registration number is Z6719617.

We are totally committed to keeping your data safe and secure and we will only use it for the purposes you agreed to when you gave it to us. Our aim is to always put your interests first and we do that by adhering to the requirements of the Data Protection Act 2018.

Our full Privacy Statement can be found here **www.sheffieldmutual.com/privacy-policy** or we will supply a paper version if you ask us to.

## Complaints

If you wish to make a complaint about us, or another person who sold or advised you on this product, then please contact us either in writing to: The Chief Executive, Sheffield Mutual Friendly Society, 3 Maple Park, Tankersley, Barnsley, S75 3DP, by telephone: 01226 741 000 or by email: **enquiries@sheffieldmutual.com**. A full explanation of our approach to complaints handling can be found on the Help and Support page of our website.

If you remain dissatisfied after we have given you our final response you may refer the matter to the Financial Ombudsman Service whose address is The Financial Ombudsman Service, Exchange Tower, London, E14 9SR and telephone number 0800 0234 567 or 0300 123 9123.

# Quick and easy application process, get in touch today:

**www.sheffieldmutual.com**

**enquiries@sheffieldmutual.com**

Call our team on **01226 741 000**

Calls may be monitored and recorded for your protection

Sheffield Mutual Friendly Society, 3 Maple Park, Maple Court, Wentworth Business Park, Tankersley, Barnsley, South Yorkshire, S75 3DP

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**www.sheffieldmutual.com**

**enquiries@sheffieldmutual.com**

Call our team on **01226 741 000**
Monday - Friday 9am - 5pm

Calls may be monitored and recorded for your protection



Issued by Sheffield Mutual Friendly Society. Sheffield Mutual is the trading name of Sheffield Mutual Friendly Society Limited, 3 Maple Park, Maple Court, Wentworth Business Park, Tankersley, Barnsley S75 3DP. The Society is incorporated and registered under the Friendly Societies Act 1992 (register no 810F) and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register Number 139855).

fscs Protected



March 2024

# Key Information Document

# Investment ISA

Sheffield Mutual Est. 1892

## 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

The name of this product is the 'Investment ISA'. It is provided by Sheffield Mutual Friendly Society. Our website address, where you can find detailed information about us, is www.sheffieldmutual.com and our telephone number is 01226 741 000. We are supervised by the Financial Conduct Authority in respect of the production and delivery of this Key Information Document (KID). This KID was produced on 2nd January 2024.

## What is this product?

**Type:** It is an insurance based Individual Savings Account (ISA) which invests in stocks and shares and other investment assets via a with-profits pooled fund.

**Objectives:** The objective of this ISA is to provide you with a tax-free lump sum at the end of the investment period. There is no minimum or maximum investment period, but you should aim to invest for no less than 3 years but ideally for 5 years or longer.

**Intended retail investor:** This product is targeted at individuals aged 18 or over who want to save or invest for a minimum of three years, and ideally for five years or longer, in a product which has tax advantages under current legislation.

**Insurance benefits and costs:** If you die then a death benefit of the value of your ISA plus 1% at the date of death, will be paid. The costs can be found below in the section "What are the costs?".

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

### Summary Risk Indicator (SRI)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

Lower risk ← → Higher risk

The Summary Risk Indicator assumes you keep the plan for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less than you've paid in.

The SRI is a guide to the level of risk of this product compared to other products and aims to show you how likely it is that the product will lose money because of the movement in investment markets or because we are not able to pay you.

We have classified this plan as 3 out of 7 which is "medium low". This rates potential losses from future performance as unlikely.

## Performance information

All with-profits policyholders pay premiums into a general pool of assets (the 'Fund'). Each policyholder shares in the profits or losses made on the Fund over their policy's lifetime.

The value of the Fund changes over time due to:

- Movements in the capital value of the Fund's assets which may be positive or negative.
- The accrual of investment income which increases the value of the assets.
- The expenses of running the business which are met from the Fund.
- Claims on death and withdrawal.
- The profits or losses that are made on the Society's Child Trust Fund (CTF) policies.

Inflation and withdrawals may affect the value of your payout in the future.

The Fund invests a proportion of its financial assets with Russell Investments, the Society's Outsourced Chief Investment Officer (OCIO). The OCIO invests in several diversified, uncorrelated asset classes, including fixed interest, equities and alternative assets. We aim to achieve a combination of capital growth and income, while targeting a long term return aligned to the rate required to support bonus rates. A further proportion of the Fund's assets is held in directly managed UK commercial property. The portfolio has strong geographical and sectoral spreads, delivering rental income and capital growth, providing a consistent and stable return for the Fund. The Fund also receives the profit and losses from historic sales of CTF policies which are credited or debited from the value of the Fund.

Payouts on with-profits policies are 'smoothed'. This means that when the Fund makes strong profits in some years, a portion of them will be held back to support performance in years where performance is less positive. This reduces the volatility of payouts when compared to the underlying volatility in the Fund's assets.

### What could affect my return positively?

Returns from the Fund are distributed through the annual and final (terminal) bonuses credited to your policy. Any positive variance over expectations made when the policy is sold is likely to have a favourable impact on returns and therefore bonuses. For example, higher than expected investment returns or lower than expected expenses.

### What could affect my return negatively?

Any deterioration in experience compared with expectations when the policy is sold is likely to have a negative impact on returns and therefore bonuses. For example, lower than expected investment returns or higher than expected expenses.

### Payouts in severely adverse market conditions

The Society smooths payouts on maturity or death for plans of a similar type, size and term over different periods of time. On death the Society will pay the ISA policy value plus 1%, bonuses will be credited tax-free to the date of death.

If you withdraw money from an ISA when the Fund is performing poorly you may get back less than your initial investment plus all bonuses that have been added, as the Society may apply a market value reduction (MVR). MVRs are determined by reference to the size of a fall in the value of the Fund. Small adverse movements in the Fund's assets will not normally trigger the application of an MVR. MVRs are not applied to death claims.

If there is any contradiction between the commentary here and that contained in the policy conditions and the Principles and Practices of Financial Management (PPFM), then the policy conditions and PPFM will always apply.

### What happens if Sheffield Mutual Friendly Society is unable to pay out?

We are covered by the Financial Services Compensation Scheme (FSCS) who you can write to at PO Box 300, Mitcheldean, GL17 1DY. Telephone 0800 678 1100. Further information is available on their website – www.fscs.org.uk or by clicking on the "FSCS protected" link on our website footer.

This product is categorised as a long-term insurance policy and under the above compensation scheme eligible claims may be covered for up to 100% should Sheffield Mutual Friendly Society default. Some of the investments underlying this product are managed on behalf of Sheffield Mutual Friendly Society by professional investment managers, and they use nominees and custodians, in respect of investments purchased and held. The investment managers and their counterparts are not covered by the compensation scheme but were they to default, and this in turn caused Sheffield Mutual Friendly Society to default, then you would still be covered by the FSCS because your contract is with Sheffield Mutual Friendly Society. The FSCS does not cover losses arising purely from investment performance.

### What are the costs?

**Table 1: Cost over time**

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 the future.
The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor. 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.

**Single Premium ISA**

| Investment £10,000<br>If cashed in after...<br>Scenarios | 1 year | 3 years | 5 years (at the Recommended Holding Period) |
|---|---|---|---|
| **Total costs** | £124.96 | £374.36 | £623.20 |
| **Impact on Return (RIY) each year** | 1.25% | 1.25% | 1.25% |

**Regular Premium ISA**

| Investment £1,000<br>If cashed in after...<br>Scenarios | 1 year | 3 years | 5 years (at the Recommended Holding Period) |
|---|---|---|---|
| **Total costs** | £12.50 | £74.89 | £187.08 |
| **Impact on Return (RIY) each year** | 1.25% | 1.25% | 1.25% |

**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;
– the meaning of the different cost categories.

| This table shows the impact on return each year | | | |
|---|---|---|---|
| **One-off costs** | Entry costs | 0.0% | The impact of the costs you pay when entering into your investment. |
| | Exit costs | 0.0% | The impact of the costs of exiting your investment when it matures. |
| **Ongoing costs** | Portfolio transaction costs | 0.0% | The impact of the costs of us buying and selling underlying investments for the product. |
| | Other ongoing costs | 1.25% | The impact of the costs that we take each year for managing your investments. |
| **Incidental costs** | Performance/other costs | 0.0% | This product does not have any performance or other incidental fees. |

**How long should I hold it and can I take money out early?**
This is a medium to long term investment and we recommend holding it for no less than 3 years but ideally for 5 years or longer. You can take out money early, subject to a minimum withdrawal of £250, but if market conditions are stressed, we may apply an MVR charge which will be calculated at the time.

**How can I complain?**
If you wish to make a complaint about us, or another person who sold or advised you on this product, then please contact us either in writing to: The Chief Executive, Sheffield Mutual Friendly Society, 3 Maple Park, Maple Court, Wentworth Business Park, Tankersley, Barnsley, S75 3DP, by telephone: 01226 741 000 or by email: enquiries@sheffieldmutual.com. A full explanation of our approach to complaints handling can be found on our website at www.sheffieldmutual.com/how-to-make-a-complaint.

**Other relevant information**

**Cancellation rights:** After your proposal is accepted you will receive a notice of your right to cancel. You will then have 30 days in which to change your mind, and you will be returned any money you have paid, free of any charges.

**Law:** In legal disputes the Law of England will apply.

**Legislation:** All or any of the benefits, the premiums, or the policy conditions may be adjusted as deemed appropriate:
- If there is any change in law or taxation affecting the policy
- If any levy is imposed on the Society under statute or statutory authority
- As a consequence of any amendment to general laws

Notice would be given of any such adjustments.

**Solvency II Directive:** We are required to provide you with easy access to a Solvency and Financial Condition Report and you can obtain this via our website at www.sheffieldmutual.com/corporate or by calling 01226 741 000.

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# With-profits information sheet

## Understanding your with-profits policy

A with-profits policy is a savings plan that aims to grow your money by sharing in the profits of our investment fund. Alongside the sum assured (guaranteed final amount) or the initial investment (for Income Bonds, ISAs and JISAs), we may add bonuses over time to boost your policy's value.

## How your policy grows

Your policy can benefit from two types of bonuses:

- **Regular (annual) bonuses** – Added each year (if declared) and once added, they're guaranteed.
- **Final (terminal) bonus** – May be paid when your policy ends or you cash it in (after the minimum term).

## Smoothing: Reducing ups and downs

We use a process called smoothing to help keep investment returns more stable. In good years, we may hold back some profits to support bonuses in less positive years, helping cushion your savings from market ups and downs.

Please note: bonuses are not guaranteed and depend on investment performance.

## What is a Market Value Reduction (MVR)?

If markets are down and you withdraw early, we may apply an MVR. This helps protect those staying in the fund and ensures fairness to all members. MVRs are only used in exceptional circumstances and can change depending on market conditions.

## Why choose Sheffield Mutual?

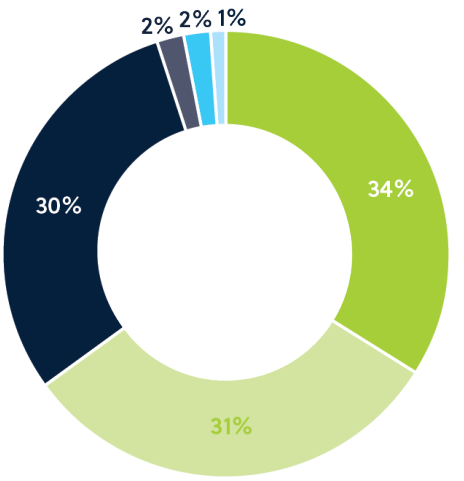
As a mutual, we don't have shareholders, our profits go back to members. Our with-profits fund offers a medium to low risk investment, ideal for those seeking growth with a cautious approach. Plus, we offer personal friendly service you can trust.

## Where your money is invested

Your savings are pooled with other members' and invested in a balanced mix of:

- **Commercial property**
- **Equities (shares in companies)**
- **Fixed interest (government gilts and corporate bonds)**
- **Cash (including money markets)**

This diversified approach helps reduce risk and aims to deliver better long-term growth than a typical savings account.




| | | | |
|---|---|---|---|
| Fixed interest | 34% | Cash | 2% |
| Property | 31% | Alternative assets | 2% |
| Equities | 30% | Mortgages | 1% |

As at 31/12/2024

## The following policy types are classed as with-profits

- **Tax Exempt Savings Plan (TESP) - with or without life insurance**
- **Regular Savings Plan**
- **Investment Bond**
- **Income Bond**
- **Investment ISA**
- **Investment Junior ISA**


**www.sheffieldmutual.com**

**enquiries@sheffieldmutual.com**

Call our team on **01226 741 000**

Calls may be monitored and recorded for your protection



Issued by Sheffield Mutual Friendly Society Limited, 3 Maple Park, Maple Court, Tankersley, Barnsley, S75 3DP.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. (Financial Services Register No. 139855 and Friendly Society Register No. 810F).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May 2025

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## Client agreement (the "agreement")

1. We treat all customers who invest with us direct as retail clients. This gives you the greatest level of protection under the financial services regulations and ensures you get full information about the product(s) you buy. You should read this agreement together with the product Key Information Document, product brochure and optional personal illustration, as they form the basis of your product relationship with us.
2. As Sheffield Mutual Friendly Society Limited (Sheffield Mutual) does not provide advice it will be classed as a non-advised sale. All decisions in relation to the investment will be and have been made by you alone and the Society has provided you only factual information. We are providing you with all the information and assistance you need to arrive at your own informed decision to take out the product(s) based on your own understanding.
3. If you then require further clarification after reading the Key Information Document you agree to read the additional information available from us, or contact us to discuss anything you do not understand. The onus is on you to understand what you are buying based on all the information we provide to you.
4. If you are not confident that you understand the product(s), its risks and whether it is right for you, please speak to a specialist adviser. If you wish to talk to an independent financial adviser in your local area you can find one online at **www.unbiased.co.uk** or **www.vouchedfor.co.uk**.
5. When we pay a fee, commission or non-monetary benefit to someone who introduces you to us, without that person giving you financial advice, we will notify you of the payment made.
6. Details about making a complaint and the Financial Services Compensation Scheme (FSCS) can be found in the Key Information Document, which has been provided to you in your policy application pack.
7. We may need to undertake checks to comply with current anti-money laundering requirements. This will normally be carried out electronically through a credit reference agency, we may keep a record of the search on your credit file, but will not affect your credit rating.
8. In processing a policy application for you, we will have collected personal data about you. We will hold and manage this data in accordance with the requirements and standards set by the Data Protection Act 2018 and any other Data Protection Regulation which may apply in the future. Your data will be held securely and will only be processed for the reasons allowed by data protection regulations.

   We will at all times publish our data protection privacy policy on our website or supply a written version upon request.
9. If you have given us consent to contact you regarding other products and services, you may withdraw this consent at any time either by notifying us in writing, by email, by phone, or by submitting your contact preferences on our website.
10. You understand that we have a legal obligation to ensure that the information within our records about you is kept up to date, so please let us know if any of your details change, such as your address. When you provide information to us in connection with the application for a policy it must be accurate and truthful in all respects. There is a risk that providing inaccurate or false information could cause the policy to be invalid and you may suffer loss as a result.
11. In the event of a claim, or at maturity of a policy, you must supply us with all information we may request at that time to enable us to assist us in making payment to you. All information provided must be accurate and truthful.

## Non-advised sale letter

I confirm that I have read and understood this agreement and acknowledge that all decisions in relation to this investment will be and have been made by me, and that the Society has only provided me with factual information in relation to the product. I acknowledge that I have not received advice and/or a personal recommendation from Sheffield Mutual or its introducers.

I understand that as this is a non-advised sale, Sheffield Mutual takes no responsibility for the suitability of the product and that I will lose some of the regulatory protection which I may otherwise have. Specifically, I understand that it is unlikely that I would be able to make a complaint against the Society should the product(s) prove to be unsuitable for me.

Before we can provide the product to you we will establish that your decision to open this policy seems a satisfactory way forward for you. If we believe that not to be the case, we may refuse to provide the product. We will establish this by way of a short two part questionnaire which you agree to complete on application. This is not a suitability test and by agreeing to open the policy based on your answers, **Sheffield Mutual is not confirming that the policy is suitable for you**. (Words in the singular shall include the plural for joint policyholders).

**To be signed by the policyholder or by the proposer if the policyholder is under 16. Joint applicants must both sign.**

| | | | | | |
|---|---|---|---|---|---|
| Name of Client 1 | | Signature | | Date | |
| Name of Client 2 | | Signature | | Date | |

Signed for and on behalf of ***Sheffield Mutual Friendly Society***

*Signed*

*Paul Galloway,*
*Chief Operating Officer.*

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# Investment ISA

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## Is this product right for me?

**Financial services regulation requires us to assess whether this product you are considering, on a non-advised basis, is appropriate for you and meets your financial demands and needs.**

**Please complete/tick an answer for ALL the questions below and sign/date at the bottom of the form.**

**This form should be completed and signed by the policyholder.**

(We will not use this information for any other reason and we will not pass it on to third parties)

Title: (Mr/Mrs/Miss/Other) | Forename(s): | Surname:

Do you pay tax in a country or territory other than the UK?
If **yes**, please state the country(s) or territory(s) you pay tax in and provide your tax reference number :
*(it is a regulatory requirement for us to ask this question)*

Policyholder Yes: ☐ Country/Territory | Tax reference

### Section A: Demands and needs.

a) Do you have access to other money as readily available funds? Yes: ☐ No: ☐

b) Do you want to make use of your tax-free savings allowances? Yes: ☐ No: ☐

c) Are you willing to invest your monies in a mixture of assets with a medium to low risk appetite? Yes: ☐ No: ☐

### Section B: Appropriateness test.

1. I have knowledge and familiarity with savings and/or investment products Yes: ☐ No: ☐
2. I understand how this product works and the charges associated Yes: ☐ No: ☐
3. I am comfortable and understand the level of risk associated Yes: ☐ No: ☐
4. Please state your highest level of education
   1. No Education 2. School 3. College/Sixth Form 4. Vocational 5. University 6. Other — 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐
5. I understand that I have not received any advice from Sheffield Mutual and I have made the decision to open this plan myself, based upon the product literature and Key Information Document for this product Yes: ☐ No: ☐

I have read, understood and signed the attached 'client agreement' and 'non-advised sale letter'

**Signed:** | **Dated:**

**Please return this form with your application form, client agreement & non-advised sale letter.**
**We will send you a copy for your records.**

**www.sheffieldmutual.com**

**enquiries@sheffieldmutual.com**

Call our team on **01226 741 000**
Calls may be monitored and recorded for your protection

Issued by Sheffield Mutual Friendly Society Limited, 3 Maple Park, Maple Court, Tankersley, Barnsley, S75 3DP.
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# ISA Transfer Form

Sheffield Mutual Est. 1892

To transfer an existing ISA to an Investment (stocks & shares) ISA with Sheffield Mutual

**All information given will be treated in the strictest confidence. Please complete this form in BLOCK CAPITALS**

## 1. Details of policyholder

Title: (Mr/Mrs/Miss/Other)

Forename(s):

Surname:

Date of birth: D D / M M / Y Y Y Y

Do you have a National Insurance number? Yes ☐ No ☐ National Insurance number:

You should be able to find your NI number on a payslip, P45 or P60, a letter from HMRC or DWP, or pension order book

Permanent residential address:

Telephone:

Mobile

Email:

Occupation:

Postcode:

If you have a promotional code, please enter it here:

Where did you hear about us?

## 2. Information about the ISA you want to transfer

**I apply to transfer my existing ISA:**

Account number (& sort code if applicable)

Current ISA type e.g. cash / stocks & shares

Address of your existing ISA provider:

Postcode:

From (current ISA provider):

To (new ISA provider): Sheffield Mutual Friendly Society

Telephone number:

Transfer amount: £ Or all ☐

Tax years: to Or all ☐

## 3. Contribution details

I apply to subscribe: £ Regular premium or £ Single premium

for a stocks & shares ISA for the tax year indicated and each subsequent year until further notice.

Which tax year would you like this subscription to apply to:

Current tax year: ☐ Next tax year: ☐

When would you like the Direct Debit to be collected? (Please tick if you are applying for a regular premium ISA.)

15th of the month: ☐ Last working day in month: ☐

*Continued overleaf...*

## 4. Using your personal information

Sheffield Mutual takes your privacy seriously and we will use the personal information supplied on this form and information we obtain from other sources to verify your identity and to administer this policy. If we are unable to verify your identity from these sources, we'll contact you asking you to provide us with adequate proof of identity.

Your personal information may be obtained from / passed to legal and regulatory bodies, auditors, your financial adviser, credit and fraud prevention agencies and third party service providers as necessary for the performance of this contract. We'll retain your personal information for a reasonable period after your plan has ended.

For further information on how your personal data is used, how we maintain the security of your data and your rights to access / remove the data we hold, please visit **www.sheffieldmutual.com/privacy-policy/** or write to us at the address below.

## 5. Please help us to keep in contact with you

CRAFV01

Sheffield Mutual 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. We use MailChimp for our marketing/service emails. Please let us know how you'd like to be contacted below.

**I agree** to Sheffield Mutual contacting me: By Email ☐ By Post ☐ By Telephone ☐ By Text ☐

You can update your contact preferences easily at any time by phone, email, in writing on our website or Member Portal.

## 6. Declaration

**I declare that**

- all subscriptions made, and to be made, belong to me;
- I am 18 years of age or over;
- I have not subscribed and will not subscribe more than the overall subscription limit in total to any combination of permitted ISAs in the same tax year; and
- I am resident in the United Kingdom for tax purposes or, if not so resident, either perform duties which, by virtue of Section 28 of Income Tax (earnings & pensions) Act 2003 (Crown employees serving overseas), are treated as being performed in the United Kingdom, or I am married to, or in a civil partnership with, a person who performs such duties. I will inform Sheffield Mutual if I cease to be so resident or to perform such duties or to be married to, or in a civil partnership with, a person who performs such duties

**I authorise Sheffield Mutual**

- to hold my cash subscriptions, any other proceeds in respect of my ISA investments and any other cash; and
- to make on my behalf any claims to relief from tax in respect of ISA investments.

**I declare that this appliation form has been completed to the best of my knowledge and belief.**

**I agree** that this declaration shall be the basis of the contract between me and the Sheffield Mutual Friendly Society and that any policy issued on the basis of this application shall be subject to the rules of the Society, from time to time in force, to which I will abide and conform.

Signed: _____ Date: D D / M M / Y Y Y Y

**If this application has been submitted by a Financial Adviser / Introducer please confirm your wish for us to supply information to them on request by signing below. I hereby agree to Sheffield Mutual providing information about this policy to the named company below at their request.**

Signature of policyholder: _____ Date: D D / M M / Y Y Y Y

### For Financial Adviser / Introducer use only: Please complete as appropriate.

IFA advised sale ☐ IFA non-advised sale ☐ Introducer ☐ Agency code _____

**Please note:** if your client doesn't sign the section above we may not be able to give you any information about this policy in the future.

Name of Intermediary: _____ Company name: _____

Telephone: _____ Email: _____

**Where do you want the documentation to go to?** (Please tick): Client ☐ Adviser ☐ Original to client & copy to adviser ☐

**How would you like to receive your copy? (if applicable)** Email ☐ Post ☐

**A copy of the policy conditions are available on request from the Society**

**Issued by Sheffield Mutual Friendly Society Limited, 3 Maple Park, Maple Court, Wentworth Business Park, Tankersley, Barnsley, South Yorkshire, S75 3DP, Tel: 01226 741 000**

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DIRECT Debit

Sheffield Mutual Est. 1892

# 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 it to:

**Sheffield Mutual Friendly Society**
3 Maple Park,
Maple Court,
Wentworth Business Park,
Tankersley,
Barnsley,
South Yorkshire,
S75 3DP

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 (FOR OFFICE USE ONLY)

Service user number

| 6 | 4 | 8 | 1 | 8 | 3 |
|---|---|---|---|---|---|

For Sheffield Mutual Friendly Society official use only. This is not part of the instruction to your Bank or Building Society.

**Instruction to your Bank or Building Society**
Please pay Sheffield Mutual Friendly Society 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 Sheffield Mutual Friendly Society and, if so, details will be passed electronically to my Bank/Building Society.

Signature(s)

Date

Banks and Building Societies may not accept Direct Debit Instruction for some types of account.

DDI 1 5/15

**This guarantee should be detached and retained by the Payer.**

## The Direct Debit Guarantee

DIRECT Debit

- 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 Sheffield Mutual Friendly Society will notify you 10 working days in advance of your account being debited or as otherwise agreed. If you request Sheffield Mutual Friendly Society 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 Sheffield Mutual Friendly Society 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 Sheffield Mutual Friendly Society 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