

CENTURY EDUCATION PLAN  
Key Features Document

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### **Important Note**

This is an important document which you should read along with your Personal Illustration. The purpose of this document is to give you a summary of information to ensure you have a full understanding of the plan before you decide whether to purchase.

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# CENTURY EDUCATION PLAN

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## About this document

The Prudential Regulatory Authority and the Financial Conduct Authority are the independent financial services regulators. They require us, British Friendly Society Limited (“we”, “BFS”, “British Friendly” or “the Society”), to give you this important information to help you to decide whether our Century Education Plan (the “Policy”) is right for you.

You should also read and keep safe your Personal Illustration which shows you what the cover may cost. This document sets out the benefits and risks of, and your key obligations under, the Plan. It also explains the principal features of the Plan, but it does not set out the full terms and conditions of the Policy. You should therefore read the separate Century Tables together with this Key Features Document. Where appropriate, this document cross-refers to relevant sections of the Century Tables. Copies of the Century Tables are available on our website: [www.britishfriendly.com](http://www.britishfriendly.com) or you can request a copy from the Society at any time. We will not provide you with any advice or recommendations in relation to this Plan so it is important you understand the terms of the Plan before deciding whether it’s appropriate for you. You should speak to a Financial Adviser if you are unsure whether the Plan is right for you.

## What other documents should you read?

You should also read the following documents and keep them together with this Key Features Document for future reference:

- The Society’s Main Privacy Policy, the latest version of which can be accessed at [members.britishfriendly.com/privacy-policy/](http://members.britishfriendly.com/privacy-policy/)
- The Century Tables
- Your Policy Schedule
- Your Personal Illustration
- The Memorandum and Rules of the Society which are available on our website: [www.britishfriendly.com](http://www.britishfriendly.com) or by request from the Society.

## What is the Century Education Plan?

The Century Education Plan is designed to help pay off

student debts from the age of 21. From the age of 16, students that require some funding prior to their further education, can withdraw up to £1200 from their capital account to pay for items required in respect of their continued education at college or university.

The Plan is a long-term investment, which aims to build up a capital sum. Under current legislation, there’s no Income Tax or Capital Gains Tax to pay when the plan matures.

As well as helping pay off debts, the plan will also pay a monthly sum if your child falls ill from the age of 5. This sum can be used to help pay for child-minding, private tuition etc or to reimburse you if you suffer a loss of income as a result of looking after your child during their period of illness or accident (please see the Century Tables for details of Benefit limits). Subject to standard exclusions as shown in the Century Tables, the Plan will pay for medical conditions.

## Is the Century Education Plan for me?

The Plan is for you if you are looking for a long term income tax free investment for your child to help repay their student debts from the age of 21 and if you would like to have added peace of mind of sickness benefit in the event your child falls ill.

You should always consult with your Financial Adviser if you are unsure about the suitability of the plan.

## What are your commitments?

- You agree to pay the required premium during your child’s membership.
- Give the Society all the medical and other information we ask for when you apply for the Plan or when making a claim for benefit payments and when receiving benefit payments. If you are in any doubt whether a fact is relevant, you should disclose it. If you do not do this we may not pay your child’s benefit and/or your Plan may be cancelled.
- You agree to provide as much information as the Society needs to make sure that only valid claims are paid.
- You agree to inform the Society within 14 days of the onset of an illness or injury to your child, if you intend

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to make a claim.

## What are the benefits of the Plan?

- Applications are considered from birth up to your child's 18th birthday.
- Funds can be withdrawn without penalty from the age of 21 to help pay off student debts.
- Sickness benefit payments can be claimed from the age of 5 when the child falls ill or has an accident.
- Up to £1,300 a month sickness benefit.
- Long term – gives your investment time to grow.
- Tax-friendly – no income or capital gains tax to pay under current legislation.

## What are the risks?

- Your child will not be covered for sickness if you stop paying your premiums.
- Where day one cover is selected, your child must be sick for 8 continuous days, after which sickness benefit will be paid retrospectively from day one of your sickness. Sickness benefit will not be paid if you are sick for less than 7 days.
- The value of Capital Sum is not guaranteed and will depend upon annual bonus and apportionment rates declared from year to year.
- Depending on the age of joining the Century Education Plan and when membership ceases, it is possible that the amount paid in premiums will exceed the amount received from the capital account.
- The premium rates are not guaranteed and may need to be increased to meet benefit demands.
- If payments to members exceed the total income of the Society (plus any reserves), members' funds could be drawn upon to meet the payments.
- The current tax free treatment of benefit payments under the Plan may change in future.
- Any benefit received may affect your eligibility for certain Government means-tested benefits.
- Better returns on your investment may be available elsewhere.

## How does the Century Education Plan work?

For a monthly premium, your child is allocated a number

of units, each of which provides them with sickness cover, plus a share of the Society's annual surpluses. Surpluses begin to accrue in a special Capital Account from your child's first month of membership by way of apportionment and interest, each of which may vary from year to year, depending upon the Society's performance.

## Is the money taxed?

Under current legislation, any benefit paid by the Society is free of income tax while you pay your child's premiums. Please note that this may change in future depending on HMRC rules.

## Who can apply?

Anyone from birth up to age 18.

## How do I make a claim for sickness benefit?

You can request a claim form by phone, email or in writing. We will post or e-mail the form to you on request. Alternatively, a claim form can be downloaded from our website [www.britishfriendly.com](http://www.britishfriendly.com).

## How long after joining will cover commence?

If over 5 years of age, cover will commence from the date the policy is started, if under the age of 5 cover will commence from the first of the month following a child's fifth birthday.

## Will premiums increase as my child gets older?

No. However please note that premiums will increase if membership continues into the Century Earnings Replacement Plan.

## Can the Society cancel my child's Plan?

Yes, if prior to the age of 18 a member's sickness record is considered excessive, the Society reserves the right to discontinue membership after that age. Such member shall be paid his Capital Account without penalty. If you stop paying your child's premiums the plan would be cancelled and a penalty imposed upon the Capital Account.

## Can I cancel my child's Plan?

Yes, just contact us and or alternatively return the

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cancellation notice enclosed with your policy to British Friendly. Please note that cancelling before the scheduled maturity date will incur a penalty, as explained in the Century Tables.

## How will my child's benefit be paid?

The Plan will pay full benefit for the first six months following a child's illness or accident, half benefit for the next six months, reduced benefit thereafter until recovery, death or age 60 (subject to continuation of membership and any applicable deferred period).

## Can I change my mind?

Yes. You can cancel the Plan at any time. If you change your mind within 30 days of it starting, any premiums paid will be refunded to you. If you cancel at any other time, your child's cover will end and any premiums paid will not be refunded.

To cancel the Plan you will need to complete and return the cancellation notice enclosed with your policy document to British Friendly, 45 Bromham Road, Bedford, MK40 2AA or telephone us on 01234 358344.

## Can I change my child's level of cover?

Yes, you may apply to increase your child's cover (subject to age and a medical questionnaire) within the following minimum and maximum levels. You may take up optional annual increases subject to underwriting.

Age	Units of cover/Benefit	
0-15	30 units	500 units
	£18.00 per week	£300 per week

## What happens when my child's Plan matures?

On reaching the age of 21, the whole (or part) of your child's Capital Account may be withdrawn without penalty in order to repay student debts and is free of personal Income Tax and Capital Gains Tax under current legislation. The Plan may be continued in accordance with the Earnings Replacement option.

## How do I complain?

We hope that you will be satisfied with British Friendly's products and services, however, we encourage members to let us know if they've had a problem or any concerns so we can do our best to help. Call us on 01234 358 344

if you have any concerns you wish to raise.

If we are unable to resolve your issue and you wish to register a formal complaint you will need to call or write to us. Your complaint will be acknowledged in writing within 5 business days and passed to the Society's compliance for investigation.

You will receive within 4 weeks either a final response or a holding letter if more information is required. Copies of the Society's Complaints Handling Procedure are available on request.

If you are not satisfied with the outcome of your complaint, please contact the Financial Ombudsman Service, Exchange Tower, London E14 9SR. Telephone 0800 023 4567.

## Is my child's savings protected?

The Plan is covered by the Financial Services Compensation Scheme. This Scheme is designed to protect the member, in the unlikely event that the Society becomes insolvent. If the Financial Services Compensation Scheme judges the Society to be in default, compensation will be paid subject to the applicable limits.

For up-to-date information on the applicable limits, please contact the Financial Services Compensation Scheme, 10th Floor Beaufort House, 15 St. Botolph Street, London EC3A 7QU. Telephone 0800 678 1100 or 020 7741 4100. Email [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk).

## How do you use my child's personal information?

The Society obtains and processes personal information in accordance with our Main Privacy Policy (which can be viewed at <https://members.britishfriendly.com/privacy-policy/>). The Policy applies to both children and their parents/legal guardians.

If you make a claim under your child's policy then our Privacy Policy for Claimants (which can be viewed at <https://members.britishfriendly.com/privacy-policy/>) will also apply. You should receive a copy of our Main Privacy Policy with your policy application form. You can request a copy of our privacy policies at any time by calling us on 01234 358344 or by writing to 45 Bromham Road, Bedford, MK40 2AA.

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It feels good to be covered