

Transport Friendly Society Limited

Stakeholder Child Trust Fund



Terms and Conditions

1. Definitions

The terms "We/us/our" refer to Transport Friendly Society Limited and the terms "you/your" means the Registered Contact.

2. Transport Friendly Society Limited

The Transport Friendly Society Limited Stakeholder Child Trust Fund (TFCTF) is a stakeholder Child Trust Fund managed by the Transport Friendly Society Limited in accordance with the Child Trust Fund Regulations 2004. Transport Friendly Society Limited is the TFCTF Manager and may appoint any person to advise on or perform any of its functions or responsibilities under these terms and conditions and may provide information about you to any such person.

3. Application for a TFCTF

Applications to set up a TFCTF can no longer be made. In 2009, the Transport Friendly Society started offering the Child Trust Fund (CTF) which was a long-term tax-free savings or investment account for children in the United Kingdom. **CTF were stopped by the Government in 2011 so no New accounts can be created but existing accounts can still receive new money.** CTF have been replaced by Junior ISAs.

4. Membership of the Society

Although we take instruction from the Registered Contact, for the purpose of the Memorandum and Rules of the Society the child shall be the member. Members under the age of 16 are not able to vote.

5. Subscriptions

The Registered Contact, family or friends may collectively subscribe up to a maximum of £4,260 (from April 2018) per subscription year (year running from the member's birthday to the day before their next birthday). Any overpayment will be refunded to the payer or if the payer cannot be identified to the Registered Contact.

Subscriptions can be one-off or monthly and the minimum payment for either is £10.

Payment can be made by cash, cheque, standing order or Direct Debit.

Direct Debits are covered by the Direct Debit Guarantee. This guarantee is offered by all Banks & Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the Scheme is monitored and protected by your Bank or Building Society.

If the amount to be paid or the payment dates change, we will notify you normally 10 working days in advance of your account being debited or as otherwise agreed.

If an error is made by us, your Bank or Building Society, you are guaranteed a full and immediate refund from your branch of the amount paid.

You can cancel a direct debit at any time, by writing to your Bank or Building Society. Please also send a copy of your letter to us.

6. TFCTF Value and Unit Pricing Calculation

The value of the TFCTF at any time shall be the total number of units held by the member multiplied by the unit price applicable on the date of calculation.

The unit price will be calculated at least weekly although it may be calculated more frequently. The unit price is calculated by taking the value of the assets of the fund deducting the management charge and then dividing the total by the total number of units issued. The unit price is then rounded up or down to the nearest 0.1 pence.

7. Charges

We will deduct 1.5% of the fund value each year. Also deducted are any other fees such as any stamp duty, stamp duty reserve tax or other charges incurred directly or indirectly in the sale or purchase of investments held under the TFCTF.

These Charges will be deducted when the unit price is calculated. No other charges will be made.

8. Access to Benefits

The member is the beneficial owner of this policy and the value of the policy is only payable on the member's 18th Birthday. However, benefits may also be paid if the member dies or becomes terminally ill prior to their 18th Birthday.

The value of the policy shall be the number of units held multiplied by the unit price applicable on the maturity date, date of notification of death or, where the member is diagnosed as being terminally ill, the date on which the Child Trust Fund Office agrees a claim can be made.

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Registered and Incorporated under the Friendly Societies Act 1992. Registered number 434F.

Authorised by the Prudential Regulation Authority and Regulated by the Financial Conduct Authority and Prudential Regulation Authority.

9. Transfer in

You may transfer a Stakeholder Child Trust Fund held with another provider to us. Transfers can only be accepted in the form of payment by cheque or direct credit from the previous Child Trust Fund provider.

Upon receipt of a completed Transfer form, you will have 14 days in which to change your mind and cancel the transfer. After this period has expired, the transfer will be processed.

10. Transfer out

On the instruction of the Registered Contact, we will transfer your TFCTF to another Child Trust Fund provider, without the loss of tax status in line with the current Child Trust Fund Rules. There is no charge for this service.

When we receive your completed transfer form, we will sell the investments and pay the proceeds directly to the new provider within 30 days.

11. Lifestyling

When CTFs were introduced by the government one of the requirements of the stakeholder account was to include a "Lifestyling" facility. This meant that when your child reached the age of 13 the money in the CTF would be gradually moved to lower risk investments. The result of this is that whilst your child's money may not benefit if the stock market is performing well, it is protected from stock market losses as they approach the age of 18.

TFCTF, as a Stakeholder CTF Provider has chosen not to adopt Lifestyling and therefore the funds will continue to be invested in stocks and shares until the CTF account is due to mature when the child (account holder) reaches the age of 18.

Transport Friendly Society is unable to give you any advice with regard to what action you should take, if any. If you wish to consider protecting your child's TFCTF account from potential stock market losses in the future you should seek independent financial advice.

12. Statements

We will send the Registered Contact a statement where the value of the fund is £700 or more, showing the value of the TFCTF and details of all transactions that have taken place since the previous statement. The statements will not include a measure of performance. The Registered Contact can also contact TFS direct to request a current valuation of the TFCTF.

In all other cases, statements are available upon request.

We will also send a statement if you transfer the TFCTF.

13. Reports and Voting

If the Registered Contact wishes, we will arrange for them to receive copies of our full annual report and accounts. We reserve the right to make a reasonable administration charge for making such arrangements. Our report and accounts are available on our website.

If the registered contact wishes, we can arrange for them to receive a copy of the annual report and accounts issued by companies in respect of shares, securities or units which are held directly in the TFCTF. We may make a reasonable charge for providing this service. Subject to any legal restrictions we will arrange, if the Registered Contact so wishes, for them to attend shareholders', securities holders' or unit holders' meetings. We may make a separate charge for this.

14. Money Laundering

Under the current Money Laundering Legislation and other statutory and regulatory requirements, there is a requirement for us to obtain proof of the identity of people who wish to make payments to a TFCTF. Any person wishing to make subscriptions may therefore be asked to supply documents as evidence of his/her identity and address and/or an electronic check may be carried out.

15. Legislation

Should there be any change in the law or taxation affecting Child Trust Funds or in the event of any levy on us being imposed by or paid under statute or statutory authority, we may adjust all or any of the benefits in such manner as we deem appropriate.

Notice of any such adjustments shall be in appropriate form, or in writing sent to the last address of the Registered Contact recorded by us, and shall be deemed to have been received by them on the 14th day after posting.

16. Applicable Law

In any dispute arising from this TFCTF the applicable law shall be the law of England and Wales.

17. Transport Friendly Society Limited

TFCTF is part of the long term business of the Transport Friendly Society Limited and was issued in accordance with the Memorandum and Rules of the Society.

In the event of there being any conflict between these Terms and Conditions and the Memorandum and Rules of the Society these Terms and Conditions shall prevail.

18. Errors and Omissions

Any errors and omissions which occur inadvertently shall in no way affect the validity of this TFCTF. Such errors shall be corrected immediately upon detection.