

**OUR COMMITMENT
TO MUTUALITY
AND CHARITABLE
ASSIGNMENT**

- As a mutual we have no shareholders and do not therefore pay dividends.
- We are fully committed to the concept of mutuality believing that this is the best way of providing sustainable value for money to our customers.
- We aim to pass on the benefits of mutuality to our financial services customers, by quality investment returns and personalised service.
- In order that the service we can provide to our members is not disrupted by speculators taking out a policy in the hope of receiving a windfall if we were to demutualise, all new policies issued by NFU Mutual are subject to a Charitable Assignment condition. Effectively this means that in the unlikely event of demutualisation any windfall benefit arising from the policy would be transferred to the NFU Mutual Charitable Trust rather than to the member of NFU Mutual.

Our Charitable Assignment condition is set out in full overleaf and a brief summary of each paragraph is provided below (the full wording of the condition is not limited by this summary).

- You agree to transfer to charity any right to windfall benefits on a demutualisation of NFU Mutual.
- The charity which would receive those benefits is the NFU Mutual Charitable Trust.
- You agree to sign any documents that may be required to enable us to transfer the benefits to the charity.
- You allow us to take any steps on your behalf which may be needed to carry out the transfer.
- You allow us to provide information about you and the policy to the charity.

References above and in the Charitable Assignment condition to “you” and “your” are to the member of NFU Mutual under the policy.

Note: The issue by us to you of a policy makes you a member of The National Farmers Union Mutual Insurance Society Limited (“The Society”), on the terms of The Society’s memorandum and articles of association. These are available from the Company Secretary at our registered office.

CHARITABLE ASSIGNMENT CONDITION

This condition forms part of the terms on which YOUR policy is issued. Words printed in capitals in this condition are explained in paragraph 4 below:

- 1 Unless paragraph 3 applies, YOU agree with US and the CHARITY that YOU will transfer to the CHARITY the right to any WINDFALL which YOU would otherwise be entitled to receive in respect of the policy and any renewal or reissue of it.
- 2 To ensure that the agreement YOU have entered into in paragraph 1 can be effectively carried out:
 - (a) YOU authorise US to transfer any WINDFALL direct to the CHARITY;
 - (b) YOU agree to sign any documents and to do anything else which may be needed to transfer any WINDFALL, and YOUR right to receive the WINDFALL, to the CHARITY;
 - (c) YOU appoint US and any of OUR officers and (as a separate appointment) the CHARITY and any of its officers to be YOUR agent to take any of the steps mentioned in (b) above on YOUR behalf;
 - (d) YOU authorise US to provide the CHARITY with any information it reasonably requires about YOU and any policy YOU hold with US, and YOU consent to US and the CHARITY holding and processing such information for this purpose;
 - (e) YOU cannot revoke the authority contained in (a) or (d) above, or the appointment contained in (c) above.
- 3 Paragraph 1 shall not apply in respect of any WINDFALL which arises from a BUSINESS TRANSFER to any company or other body corporate which is at the time of such transfer OUR subsidiary, in circumstances where such transfer is not in any way related to a DEMUTUALISATION or to any sale or other disposal (or proposed sale or other disposal) of such subsidiary.
- 4 In this condition:
 - (a) the “CHARITY” is the NFU Mutual Charitable Trust Limited or, if it ceases to exist, any other charity which becomes entitled to the benefit of the agreement YOU have entered into in paragraph 1;
 - (b) “BUSINESS TRANSFER” means a transfer of part or all of OUR business to any other person, firm or company;
 - (c) “DEMUTUALISATION” means a change (or proposed change) in OUR constitution or corporate status (whether or not involving or associated with a BUSINESS TRANSFER) which has the effect that WE cease to be a MUTUAL ORGANISATION;
 - (d) “MUTUAL ORGANISATION” means a company or other body whose constitution limits membership and voting rights wholly or mainly to persons purchasing goods or services from it or otherwise trading with it;
 - (e) “WE”, “US” and “OUR” refer to The National Farmers Union Mutual Insurance Society Limited and any company or other organisation which becomes entitled to all or part of its business;
 - (f) a “WINDFALL” means any benefit to which YOU become entitled as one of OUR members on or in connection with any future BUSINESS TRANSFER or DEMUTUALISATION;
 - (g) “YOU” and “YOUR” refer to OUR member under the policy.



NFU Mutual

The National Farmers Union Mutual Insurance Society Limited (No. 111982) Registered in England.
Registered Office: Tiddington Road, Stratford-upon-Avon, Warwickshire CV37 7BJ.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

To find out more about how we use your personal information and your rights, please go to the Privacy Policy on our website.