

Child Tax Exempt Savings Plan

What

- Provides a tax-exempt cash payment for your child when they're older

Why

- Offers tax advantages only available through a Friendly Society
- Potential for bonuses – which once added cannot be taken away
- Savings grow free from Capital Gains Tax or Income Tax
- Helps you build up a tax-exempt lump sum for your child's future – for university fees, a first car, deposit on a flat or to fund a gap year
- Affordable monthly savings – just £25
- You choose when your child receives their cash payout (from aged 16 onwards)
- Your child gets automatic Foresters Membership providing additional benefits at no extra cost

How

- Complete and return an Application Form

Give your child a financial head start

Open a Foresters Friendly Society Child Tax Exempt Savings Plan today

More reasons

Why



1. Give your child a **tax-exempt cash payment** at aged 16 or older

2. Affordable savings

3. **Bonuses** may be added – and cannot be taken away

4. Choose when your child receives their cash payment

5. Only a Friendly Society can offer these tax advantages

6. Foresters Membership brings you access to a unique range of members' savings and discounts, social events, discretionary grants and more – **at no extra cost!**

Our **Child Tax Exempt Savings Plan** pays a tax-exempt cash lump sum to your child when they could really do with it. Imagine being able to provide a useful cash payment around the time they start university. Or to help fund a gap year, buy a first car, put a deposit on a flat, or whatever else they might need to spend it on.

Save for your child's future for only £25 a month.

Your monthly contributions are invested in our **with profits fund**. Bonuses are intended to be added yearly to the **basic maturity value** – with the possible addition of a final bonus being paid. Once bonuses are added to the basic maturity value they cannot be taken away and will increase the eventual cash payment. Bonuses will depend on the future investment performance and deductions of the with profits fund and how Foresters Friendly Society decide to distribute any profit.

You can decide for how long you want to make **contributions** to the plan and when it will make a payment to your child – from age 16 onwards. You have a choice of fixed terms from between 10 and 25 years.

Our Child Tax Exempt Savings Plan helps to maximise your savings because it's so tax-efficient. Only a Society such as Foresters Friendly Society can give you these tax advantages through a regular premium savings plan.

When you take out our Child Tax Exempt Savings Plan, the named child will automatically enjoy the extra social and protection benefits of Foresters Membership. Benefits are continually reviewed to ensure we offer the best options to our Members.

Social and Community Events	Educational Awards Fund
Members Savings & Discounts	Discretionary Grants
Support with Illness or Disability	And much more...
Telephone Advice Line	

Membership benefits are not regulated by the Financial Services Authority

Jargon buster

Or to put it simply... some of the terms explained in plain English:

Child Tax Exempt Savings Plan

A tax-efficient savings plan only available through a Friendly Society. This means that our fund does not pay tax on capital gains and income received from deposits, gilts and fixed interest securities (we cannot reclaim the 10% tax paid on dividend payments). These tax advantages could change in the future. Provides a tax-exempt cash sum for your child at the end of a specified period – from 10 to 25 years.

Bonuses

Annual bonuses and a possible final bonus may be added to the basic maturity value depending on performance of the with profits fund. Once added, these bonuses cannot be taken away and will add to the value of the cash payment.

Basic maturity value

The guaranteed minimum payment.

Contributions

The amount you pay into the plan each month – just £25.

Tax-exempt cash payment

Your child will receive their cash payment free of Capital Gains and Income Tax at maturity. Tax benefits may vary as a result of statutory change and their value will depend on individual circumstances.

With profits fund

A fund that invests in a balanced mix of investments such as property and stock market investments. In good years, we may hold back some of the investment return and use it to top up bonuses in years when the fund performs less well. This is called "smoothing".

How

- Simply complete and return an Application Form
- Make easy regular payments by Direct Debit
- More detailed and technical information about how we manage the fund can be found in the Child Tax Exempt Savings Plan Key Features document

Don't forget

- You must continue your monthly payments throughout the term of the savings plan for the chosen period of years. If you do not maintain your monthly payments, your child could lose the tax advantages of the plan and be liable to tax on any gains made on the investment. Your child may also lose some or all of the contributions paid.
- If you stop making contributions in the first year, the plan will lapse with no value and you will not be able to have your contributions refunded. If you cash in the plan during the early years, your child may receive less than you paid in.
- The Child Tax Exempt Savings Plan is not suitable as a short term investment. Only your child will have access to the value of the plan. If the plan is cashed in before it has run at least three quarters of its term (or 10 years if this is a shorter time) the amount paid out will lose its tax-exempt status. A Bank or Building Society account allows ready access to funds whereas the Child Tax Exempt Savings Plan does not generally allow access to the funds until the plan matures.
- A Bank or Building Society has greater certainty of growth than a Child Tax Exempt Savings Plan.
- The addition of bonuses is not guaranteed and therefore it is possible that the Child Tax Exempt Savings Plan might not receive any annual and/or final bonus.
- Do remember that past performance is not a guide to future performance.
- You should bear in mind that inflation will reduce what the child can buy in the future with the fund.
- You must read the Key Features before applying.

Why Foresters Friendly Society?

Over 175 years of looking after people and their money

As a mutual society, Foresters Friendly Society has no shareholders and profits are retained for our Members' benefit. Your child will automatically enjoy Foresters Membership once your Child Tax Exempt Savings Plan is opened.

A shared set of values

Our aim is to provide our Members with a range of easily accessible, relevant and affordable financial products – built on a foundation of caring values. We believe in treating you not simply as another Member but as an individual with particular needs. We always strive to be open, approachable, honest and fair – and to look after your interests at all times.

Straightforward approach with a human touch

Foresters Friendly Society has been joining together with people in the community to offer them care and protection since 1834. As a Friendly Society, we have been committed to looking after the best interests and well being of our Members ever since.

Proven investment expertise

The [with profits fund](#) has produced steady growth for our Members and our financial position remains strong. But do remember that past performance is not a guide to future performance.

Child Tax Exempt Savings Plan

How else can we help you?

Ethical Child Trust Fund

The Government is giving at least £250 to be invested into a Child Trust Fund for eligible children – with the aim of providing a valuable cash payout when they turn 18. Our Ethical Child Trust Fund invests in ways that aim to make the world a better place to grow up in.

Tax Exempt Savings Plan

Put aside £25 each month to build up a tax-exempt cash lump sum for the future. Like our Child Tax Exempt Savings Plan, this plan is only available through a Friendly Society such as Foresters Friendly Society.

ISA

An Individual Savings Account lets you take advantage of tax-efficient savings and the potential for investment growth.

Bond

A lump sum investment aiming to grow your capital over the long-term.

50+ Life Cover

Pays a cash lump sum to your loved ones after you die to help with final expenses.

Sickness Policy

Pays a regular amount if you are off work due to sickness or injury.



How to get in touch

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Information, including a copy of this brochure, is available in large print, audio and Braille upon request.

Foresters Friendly Society is the trading name of The Ancient Order of Foresters Friendly Society Limited.

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Foresters Friendly Society is an incorporated branch society registered in the United Kingdom.