

What

- Provides a cash payment for your child when they turn 18

Why

- The Government is giving you at least £250 to invest in your child's future
- A simple, ethical, tax-efficient fund
- You, your family, godparents or friends can add to the fund - from as little as £5 per month up to £1,200 a year
- Your child gets automatic Foresters Membership providing additional benefits at no extra cost
- An Ethical Child Trust Fund – helping to make the world a better place for your children

How

- All you need is your Child Trust Fund voucher from the Government
- Decide if you want to make additional contributions - either by one-off payments - or regular contributions by Direct Debit
- Simply complete and return an Application Form

Give your child a financial head start

Open a Foresters Friendly Society Ethical Child Trust Fund today



Child Trust Fund

More reasons

Why



1. Provides a valuable cash payout when your child turns 18

2. It's so affordable – the Government pay at least £250 to get things started

3. A safe, sound and tax-free way to save for your child's financial future

4. **Bonuses** may be added to the child's investment

5. You can add to the fund – from as little as £5 per month or up to £1,200 a year

6. Why invest in an Ethical Child Trust Fund?

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

Give your child a financial head start when they need it most. The potential for a valuable cash sum when they turn 18 could help with university fees, a first car, deposit on a flat, fund a gap year – whatever they like.

Since early 2005, the parents of every child receiving child benefit born on or since 1st September 2002 will receive at least £250 from the Government as part of its **Child Trust Fund** scheme.

The potential for growth of the fund means your child can look forward to a valuable cash sum when they're 18 – depending on the performance of the ethical section of Foresters Friendly Society's **with profits fund**.

Your contributions are invested in the ethical section of 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**, provided the fund runs for the full term, they cannot be taken away and may increase the eventual cash payment. Bonuses will depend on the future investment performance and deductions from the ethical section of the with profits fund and how Foresters Friendly Society decide to distribute any profit. In adverse market conditions a **Market Value Reduction** could be applied if the policy is transferred to another provider.

You, your family, godparents or friends can also make additional **contributions** - either with one-off lump sum payments or by regular Direct Debits from just £5 a month. The perfect birthday or Christmas gift as your child grows.

Ethical investments are like any other type of investment - with one significant difference. They aim to avoid investing in companies that are believed to be harmful to the environment, people, animals or wildlife. For example, companies that are substantially involved in arms manufacture, tobacco, pornography, animal testing or gambling would not be considered suitable.

When you take out our Ethical Child Trust Fund, 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
Members Savings & Discounts
Discretionary Grants
Support with Illness or Disability

Telephone Advice Line
Educational Awards Fund
And much more...

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 Trust Fund

The Government provides a payment of £250 to be invested on behalf of children born on or after 1st September 2002 (or £500 if they qualify for the full Child Tax Credit). The Child Trust Fund payment is issued as a voucher sent to parents or legal guardians. Vouchers have to be invested into an account set up in the child's name (a Child Trust Fund).

Bonuses

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

Basic maturity value

The guaranteed minimum payment upon maturity.

Contributions

You, your family and friends can make additional contributions to the Ethical Child Trust Fund – but the total paid in by everyone must not exceed £1,200 a year. A further £250 (or £500 for tax credit families) is paid into the account when the child turns seven. Anyone can make additional contributions to the fund. These contributions can either be one-off payments or regular contributions by Direct Debit.

Market Value Reduction (MVR)

In adverse market conditions, an MVR may be applied if the policy is transferred to another provider. This will have the effect of reducing the value of the policy, although the value will not be less than the sum of the contributions made to the fund.

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".

Please note: Ethical Child Trust Fund contributions are invested in the ethical section of the with profits fund.

How

- All you need is your **Child Trust Fund voucher** from the Government
- Decide if you want to make additional contributions
 - either as a lump sum one-off payment by cheque (minimum £50)
 - or regular contributions by Direct Debit
- Please see the Application Form for further details. Then simply return the form to us. Please ensure you **enclose your Child Trust Fund Voucher**
- More detailed and technical information about how we manage the fund can be found in the Ethical Child Trust Fund Key Features document.



How you can boost the value of your Ethical Child Trust Fund

By adding to the fund, you can increase the eventual cash sum for your child – which could help with university fees or towards a deposit on a flat. You can request an Additional Contributions form by calling us on 0800 783 4162 or going online.

Don't forget

- If you don't invest your Child Trust Fund voucher within 12 months, the Government will choose where to invest it on your behalf. So if you want to choose which fund you invest with right from the start, make your choice early.
- A bank or building society account has a greater certainty of growth than the Foresters Ethical Child Trust Fund. Also a bank or building society account allows ready access to funds whereas the Foresters Ethical Child Trust Fund may not allow the child access to the funds until they are 18.
- The addition of bonuses is not guaranteed and therefore it is possible that the Ethical Child Trust Fund might not receive any annual and/or final bonus.
- You should bear in mind that inflation will reduce what the child can buy in the future with the fund.
- The fund benefits can only be paid to the child.
- 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 their Ethical Child Trust Fund 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.

How else can we help you?

Child Tax Exempt Savings Plan

If your child is too old for a Child Trust Fund – or you have already opened one – you can still provide a tax-exempt cash lump sum for when they're older. Like our Tax Exempt Savings Plan, this plan is only available through a Friendly Society such as Foresters Friendly Society.

Tax Exempt Savings Plan

Put aside an amount 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

Write to:
Foresters Friendly Society
Foresters House
29/33 Shirley Road
Southampton
SO15 3EW

Tel:
0800 783 4162

Fax:
023 8022 9657

Visit: www.forestersfriendlysociety.co.uk

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.

Authorised and regulated by the Financial Services Authority Incorporated Friendly Society No.511F. FSA Registration No.110029

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