

Purpose

This document provides you with key information about this investment product. It is not Marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Lifetime Individual Savings Account (LISA) - Foresters Friendly Society - Single Premium

Ancient Order of Foresters Friendly Society Ltd, 29-33 Shirley Road, Southampton, SO15 3EW. Telephone 0800 783 4162. Email memberservices@forestersfriendlysociety.co.uk. Website www.forestersfriendlysociety.co.uk. Authorised by the PRA and regulated by the FCA and PRA (Reg no110029), KID version 2, 06/04/2018.

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type The Foresters Friendly Society LISA is a Stock & Shares LISA which enables you to save towards purchasing a first home or to save for retirement. The maximum yearly contribution is £4,000 and the government will contribute 25% of the amount you pay ie up to £1,000 per year. To open a Foresters Friendly Society LISA your minimum lump sum contribution is £500 (£250 for subsequent contributions) or your minimum regular contribution is £50 per month payable by direct debit. Contributions paid into a LISA count towards the overall annual ISA limit which is £20,000 for the 2018/19 tax year. Contributions are invested in the Foresters Friendly Society's with profits Order Insurance Fund. To enable comparisons with other products the figures in this document assume that you invest a lump sum of £10,000 to which a government bonus of £2,500 will be added and you will keep the LISA for 10 years.

Objectives Annual contributions can be made up until age 50 to which the 25% government bonus will be added. No contributions can be made once you turn 50. Depending on the performance of the Order Insurance Fund annual bonuses may be added plus, in favourable investment conditions, a possible final bonus could be added when the LISA is fully cashed in. However in adverse investment conditions a Market Value Reduction (MVR) could be applied when the LISA is fully or partially cashed-in which would reduce the value of your LISA at that time and in some circumstances could mean that you get back less than invested. There will be a 25% government charge on withdrawals before age 60 if you are not purchasing a first home valued under £450,000 which will be in addition to any MVR.

Intended retail investor Anyone resident in the UK for tax purposes who is aged at least 18 and under 40 who wishes to save to buy a first home or, providing they are receiving the maximum contributions from their employer into their workplace pension, wishes to save for retirement. The investor must not contribute to another LISA with another provider in the same tax year.

Insurance benefits The guaranteed minimum death benefit is 100.1% of the contributions you have paid plus attaching bonuses on these payments less any withdrawals ie the guarantee excludes the government bonus and any bonuses added to this amount. The 25% government charge will not be applied on death or if the policy is cashed in because you become terminally ill with less than 12 months to live.

What are the risks and what could I get in return?

Risk Indicator

1	2	3	4	5	6	7
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← Lower risk Higher risk →



The risk indicator assumes you keep the product for the recommended holding period of 10 years.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact our capacity to pay you. This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme (see the section "what happens if we are unable to pay you"). The indicator shown above does not consider this protection.

Performance Scenarios

Investment £10,000
Insurance premium £0

1 year

5 years

10 years
Recommended holding period

Survival Scenarios

Stress Scenario	What you might get back after costs	£12,200	£11,500	£10,600
	Average return each year	-1.95%	-1.63%	-1.62%
Unfavourable Scenario	What you might get back after costs	£12,300	£14,600	£19,000
	Average return each year	-1.51%	3.18%	4.31%
Moderate Scenario	What you might get back after costs	£13,400	£17,600	£24,800
	Average return each year	7.28%	7.13%	7.11%
Favourable Scenario	What you might get back after costs	£14,500	£21,100	£32,100
	Average return each year	16.18%	11.11%	9.92%

Death Scenario

	What your beneficiaries might get back after costs	£13,400	£17,600	£24,800
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This table shows the money you could get back over the next 10 years, under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if Foresters Friendly Society is unable to pay out?

The Financial Services Compensation Scheme (FSCS) covers this plan. You may qualify for compensation from the scheme if we are unable to meet our obligations. You can get further information from us or from the FSCS (www.fscs.org.uk).

What are the costs?

Costs over time

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000 in year 1. The figures are estimates and may change in the future.

Table 1 Cost over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment £10,000 Scenarios	If you cash in after 1 year	If you cash in after 5 years	If you cash in after 10 years (at the recommended holding period)
Total costs	£170	£1,150	£3,350
Impact on return (RIY) per year	1.37%	1.37%	1.37%

Composition of Costs

Table 2 Composition of costs

This table shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period
- What the different cost categories mean.

This table shows the impact on return per year			
One-off costs	Entry costs	n/a	The impact of the costs you pay when entering your investment.
	Exit costs	n/a	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.12%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.25%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	n/a	The impact of the performance fee.
	Carried interests	n/a	The impact of the carried interests.

How long should I hold it and can I take money out early?

Recommended holding period: to age 60 if not buying a first home

The performance scenarios shown assume that the policy is being cashed in to purchase a first home valued under £450,000 or after age 60 or on diagnosis of a terminal illness. If the policy is cashed in at other times a 25% government charge would be applied to the figures shown. This charge removes the government bonus together with any bonuses added to the government bonus and also applies a penalty to the amounts you have invested and any bonuses added to your payments. The returns shown illustrate how the combined investment of your payments and the government bonus could perform.

How can I complain?

If you wish to complain about this product or the service you have received please contact Foresters Friendly Society on the details given in this document. If the complaint is not dealt with to your satisfaction you may contact the Financial Ombudsman Service at Exchange Tower, Harbour Exchange Square, London E14 9SR. Telephone 0800 023 4567. Email complaint.info@financial-ombudsman.org.uk. Website www.financial-ombudsman.org.uk.

Other relevant information

We provide you with a brochure that includes a section headed important information which we strongly advise you to read. This document together with this KID are available on our website the address for which is included in this document.