

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

Child Tax Exempt Savings Plan - Foresters Friendly Society

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, 05/02/2018.

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

What is this product?

Type This is a tax free savings plan for a child with contributions of £25 per month payable for a term selected at commencement.

Contributions of £15 per month are available for existing members and can be obtained by contacting Member Services. The contributions are invested in the Foresters Friendly Society's with profits Order Insurance Fund. The term which is selected at commencement can vary from 10 to 25 years but must not end before the child's 16th birthday. The figures in this document are for a selected term of 15 years.


Objectives At the end of the selected term and providing all the contributions have been paid the child is guaranteed to receive a tax free lump sum of at least 91% of the contributions paid which is £4,095 for a selected term of 15 years and contribution of £25 per month. Depending on the investment conditions, this minimum guaranteed value may be increased due to the possible addition of tax free yearly or final bonuses.

Intended retail investor Anyone can take out this plan for a child so long as they can afford the selected regular monthly contribution for the selected term and the child does not have any other Friendly Society Tax Exempt Savings Plan. All contributions should be seen as a gift to the child and cannot be returned to the person who paid them.

Insurance benefits This plan does not protect against the financial consequences of death.

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

Risk Indicator

1	2	3	4	5	6	7
<div style="display: flex; justify-content: space-between;"> ← Lower risk Higher risk → </div>						
 <p>The risk indicator assumes you keep the product for the selected term of 15 years. The actual risk may vary significantly if you cash in at an early stage and you may get back less.</p> <p>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 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are unlikely to impact our capacity to pay you. You are entitled to receive back at least 91% of your capital. Any amount over this, and any additional return, depends on future market performance and is uncertain. However this protection against future market performance will not apply if you cash-in before your selected term (15 years) or fail to make your payments in time.</p> <p>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.</p>						

Performance Scenarios

Investment £1,000pa
Insurance premium £0pa

1 year

8 years

15 years

Recommended holding period

Survival Scenarios

Stress Scenario	What you might get back after costs	£197	£6,460	£13,600
	Average return each year	-98.45%	-5.34%	-1.26%
Unfavourable Scenario	What you might get back after costs	£210	£8,240	£19,700
	Average return each year	-98.06%	0.74%	3.58%
Moderate Scenario	What you might get back after costs	£173	£8,790	£22,000
	Average return each year	-99.05%	2.33%	4.93%
Favourable Scenario	What you might get back after costs	£138	£9,380	£24,600
	Average return each year	-99.65%	3.94%	6.30%
Accumulated invested amount		£1,000	£8,000	£15,000

This table shows the money the child could get back over the next 15 years, under different scenarios, assuming that you invest £1,000 per year. 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 £1,000 each year. 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 £1,000pa Scenarios	If you cash in after 1 year	If you cash in after 8 years	If you cash in after 15 years (at the recommended holding period)
Total costs	£871	£2,510	£7,390
Impact on return (RIY) per year	107.54%	6.13%	3.53%

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	1.14%	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	2.27%	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: The selected term (15 years)

The guarantee that the child will receive back at least 91% of what has been paid in only applies if the product is kept for the full term selected at commencement and all the monthly payments are made as agreed when the product commenced.

There is no cash-in value for this product within the first year. If monthly payments cease in the first year the product lapses and nothing will be paid to the child.

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.