

## 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

### Inherited ISA Allowance Plan - Foresters Friendly Society

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**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 Inherited ISA Allowance Plan is a Stock & Shares NISA which accepts contributions as part of an ISA allowance inherited from a deceased Spouse or Civil Partner. The minimum lump sum contribution is £500 (£250 for subsequent contributions). The minimum regular contribution is £50 per month. Contributions up to the inherited ISA Allowance are accepted up to 3 years after the date of death or 180 days after completion of the estate if later. Contributions are invested in the Foresters Friendly Society's with profits Order Insurance Fund. The Plan can be held for as long as you like but you should view it as a medium to long-term investment. The figures in this document assume that you invest a lump sum of £10,000 and keep the Plan for 10 years.


**Objectives** To achieve long-term growth free of Income and Capital Gains Tax. Your initial sum assured is 70% of your lump sum, this is the minimum amount that would be paid out on death. 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 Plan is fully cashed in. However in adverse investment conditions a Market Value Reduction (MVR) could be applied to the sum assured when the Plan is fully or partially cashed-in which would reduce the value of your Plan at that time and in some circumstances could mean that you get back less than you invested.

**Intended retail investor** Anyone aged between 18 and 80 who has inherited an ISA allowance on the death of a Spouse or Civil Partner. This is a one off additional allowance and has no effect on the investor's normal NISA allowance.

**Insurance benefits** A guaranteed minimum of the initial sum assured plus attaching bonuses less any withdrawals will be payable on death. Irrespective of the investment conditions no MVR will be applied to the sum assured.

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

### Risk Indicator

1	2	3	4	5	6	7
Lower risk				Higher risk		
 <p>The risk indicator assumes you keep the product for the recommended holding period of 10 years.</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 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.</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 £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	£9,720	£8,860	£7,860
	Average return each year	-2.70%	-2.38%	-2.37%
Unfavourable Scenario	What you might get back after costs	£9,770	£11,200	£14,100
	Average return each year	-2.27%	2.43%	3.56%
Moderate Scenario	What you might get back after costs	£10,600	£13,600	£18,500
	Average return each year	6.53%	6.38%	6.36%
Favourable Scenario	What you might get back after costs	£11,500	£16,300	£24,000
	Average return each year	15.43%	10.36%	9.17%

## Death Scenario

	What your beneficiaries might get back after costs	£10,600	£13,600	£18,500
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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](http://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)
<b>Total costs</b>	£211	£1,410	<b>£4,030</b>
Impact on return (RIY) per year	2.12%	2.12%	2.12%

# 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	2.00%	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: 10 years

You can cash-in your Plan whenever you like but you may get back less than you have paid in. The cash-in value will depend on the amount invested, the amounts that have been withdrawn and any annual bonuses that have been added. Depending on the investment returns achieved and our costs, in favourable investment conditions a final bonus may be added. However in adverse investment conditions an MVR may be applied which would reduce the Plan's cash-in value. You may take one-off partial withdrawals of a minimum of £250 whenever you like. After two years you may take regular withdrawals of a minimum of £50 on a monthly, quarterly, half yearly or annual basis. The value of the Plan after any withdrawal must be at least £500. In adverse investment conditions an MVR could be applied to any partial withdrawals which would reduce the value of your Plan.

## 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](mailto:complaint.info@financial-ombudsman.org.uk). Website [www.financial-ombudsman.org.uk](http://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.