

## Purpose

This document provides you with the 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

### Individual Savings Account (ISA)

Forester Life Limited (Forester Life)

Visit [foresters.com](https://foresters.com) or call us on 0333 600 0333 for more information.

Forester Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

This document was last updated on 1<sup>st</sup> March 2021.

## What is this product?

**Type:** The Forester Life ISA is a unit-linked plan.

**Objectives:** To achieve medium to long-term capital growth in a risk-controlled fund, where contributions will be balanced between global stocks and shares and fixed interest holdings, to build up tax-efficient savings. Contributions purchase units in the Foresters Stakeholder (Schroders) Managed 1 Funds and the return is based on the price of the units when cashed in.

Investors aged between 18 and 39 have the option to save up to £4,000 per tax year into our Lifetime element which attracts an addition of a Government bonus of 25% of the amount saved. The Lifetime element can be used to save towards the purchase of a first home valued up to £450,000 or towards later life. Contributions into the Lifetime element cease at age 50.

**Intended retail investor:** An investor who is looking for a flexible, low-cost way to build up savings, using the ISA allowance over the medium to long-term. Our ISA is designed for a wide range of investors, who wish to invest in a professionally managed risk-controlled fund, and are prepared to accept some risk to their capital.


The fund is professionally managed, so whether you are an experienced investor or have no knowledge of investing, you may find the ISA suitable. The Lifetime element is designed for investors aged 18-39 wishing to save towards the purchase of a first home and/or for later on in life.

In the event of the Planholder's death we will pay 101% of the Plan value as shown in the tables below as the 'in the event of death' scenario. The figures shown are based on the 'moderate' performance scenario also shown below.

There is no maturity date for the ISA. We reserve the right to terminate an ISA if contributions stop and the Plan is of low value, we will give you 30 days written notice if we intend to exercise this right.

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



 The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

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 a 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and market conditions are unlikely to impact the capacity of Forester Life to pay you. This product does not include any protection from future market performance so you could lose some of your investment.

## Performance Scenarios

### Regular premium paid

| Investment £1,000<br>Insurance premium £0 |   | 1 year  | 3 years | 5 years<br>(recommended holding period) |
|---|---|---------|---------|---|
| <b>Scenarios</b>                          |   |         |         |   |
| Stress scenario                           | What you might get back after costs               | £371    | £1,940  | £3,380                                  |
|   | Average return each year                          | -62.89% | -20.15% | -12.70%                                 |
| Unfavourable scenario                     | What you might get back after costs               | £955    | £2,930  | £5,040                                  |
|   | Average return each year                          | -4.46%  | -1.15%  | 0.32%                                   |
| Moderate scenario                         | What you might get back after costs               | £1,060  | £3,420  | £6,090                                  |
|   | Average return each year                          | 6.79%   | 6.70%   | 6.67%                                   |
| Favourable scenario                       | What you might get back after costs               | £1,180  | £3,970  | £7,330                                  |
|   | Average return each year                          | 18.72%  | 14.73%  | 13.05%                                  |
| Accumulated invested amount               |   | £1,000  | £3,000  | £5,000                                  |
| <b>Scenario</b>                           |   |         |         |   |
| In the event of death                     | What the beneficiaries might get back after costs | £1,070  | £3,450  | £6,150                                  |
| Accumulated insurance premium             |   | £0      | £0      | £0                                      |

### Single premium paid

| Investment £10,000<br>Insurance premium £0 |   | 1 year  | 3 years | 5 years<br>(recommended holding period) |
|--|---|---------|---------|---|
| <b>Scenarios</b>                           |   |         |         |   |
| Stress scenario                            | What you might get back after costs               | £3,710  | £7,670  | £7,070                                  |
|  | Average return each year                          | -62.89% | -8.45%  | -6.67%                                  |
| Unfavourable scenario                      | What you might get back after costs               | £9,550  | £10,000 | £10,700                                 |
|  | Average return each year                          | -4.46%  | 0.08%   | 1.52%                                   |
| Moderate scenario                          | What you might get back after costs               | £10,600 | £12,100 | £13,700                                 |
|  | Average return each year                          | 6.79%   | 6.67%   | 6.65%                                   |
| Favourable scenario                        | What you might get back after costs               | £11,800 | £14,600 | £17,500                                 |
|  | Average return each year                          | 18.72%  | 13.49%  | 11.92%                                  |
| <b>Scenario</b>                            |   |         |         |   |
| In the event of death                      | What the beneficiaries might get back after costs | £10,700 | £12,200 | £13,900                                 |

These tables show the money you could get back over the next 5 years, under different scenarios, assuming that you invest a regular premium of £1,000 per year or a single premium of £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 investment/product.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the unlikely situation where we are not able to pay you.

The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back. As with all stock market investments the value may fall as well as rise and you may get back less than has been invested.

## What happens if Forester Life is unable to pay out?

The Financial Services Compensation Scheme (FSCS) is the UK's compensation fund for customers of authorised financial services firms. Individual customers are covered by the FSCS which means that in the unlikely event that we cannot meet our obligations you will be entitled to make a claim for compensation from the FSCS. Forester Life's insurance and protection Plans, ISAs, Savings & Investment Plans, Pension Plans and all children's savings Plans are fully covered under the FSCS. This means you would be entitled to 100% of the value of your Plan. You can find out more about the FSCS by visiting their website [www.fscs.org.uk](http://www.fscs.org.uk) or by calling 0800 678 1100.

## What are the costs?

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 a regular premium of £1,000 per year or a single premium of £10,000. The figures are estimates and may change in the future.

### Regular premium paid - Investment £1,000

| Scenarios                       | If you cash in after 1 year | If you cash in after 3 years | If you cash in after 5 years |
|---------------------------------|-----------------------------|------------------------------|------------------------------|
| Total costs                     | £17                         | £90                          | £245                         |
| Impact on return (RIY) per year | 1.64%                       | 1.64%                        | 1.64%                        |

### Single premium paid - Investment £10,000

| Scenarios                       | If you cash in after 1 year | If you cash in after 3 years | If you cash in after 5 years |
|---------------------------------|-----------------------------|------------------------------|------------------------------|
| Total costs                     | £169                        | £544                         | £969                         |
| Impact on return (RIY) per year | 1.64%                       | 1.64%                        | 1.64%                        |

The table below 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, and the meaning of the different cost categories.

| This table shows the impact on return per year |                             |       |  |
|--|-----------------------------|-------|--|
| One-off costs                                  | Entry costs                 | 0%    | The impact of the costs you pay when entering your investment. The impact of the costs already include in the price. This includes the cost of distribution of your product. |
|  | Exit costs                  | 0%    | The impact of the costs of exiting your investment.  |
| Ongoing costs                                  | Portfolio transaction costs | 0.14% | The impact of the costs of us buying and selling underlying investments for the product.   |
|  | Other ongoing costs         | 1.50% | The impact of the costs that we take each year for managing your investments and the cost presented in the tables above.   |

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

### Recommended holding period: 5 years

Your ISA has no specific investment term, however you should aim to invest for at least five years to even out the short-term volatility of the stocks and shares investment and allow the investment potential to grow.

Once we have approved the application we will issue the Plan Documents and the right to cancel. You have 30 days from receipt of the notice in which you can change your mind and have your contributions returned.

An ISA can be encashed fully or partially, to encash the ISA please provide written notification (by post, fax or email). Payments can only be made to the Planholder, and only to an account held in their name. Early encashments increase the risk of getting back less than has been invested.

There are no exit costs, or penalties made for partially or fully encashing your Stocks and Shares ISA element.

The recommended holding period for the Lifetime ISA element is up to age 60, if it is not being used towards purchasing a first home. The Lifetime element needs to be held for at least 12 months before it can be used towards the purchase of a first home. If you partially or fully encash the Lifetime element for any other reason than a first home, age 60 or terminal illness, you will incur a Government penalty of 25% of the value, and may get back less than you have paid in.

## How can I complain?

If you are unhappy with any aspect of the service provided by us, please write to the Customer Relations Officer, Forester Life, Foresters House, 2 Cromwell Avenue, Bromley BR2 9BF. You can view Forester Life Complaints Report and our complaints procedure at [foresters.com/customer-care](https://foresters.com/customer-care) or phone 0333 600 0333 for a copy.

If we do not deal with your complaint to your satisfaction, you can complain to: The Financial Ombudsman Service (FOS), Exchange Tower, London E14 9SR (telephone 0300 123 9123, email [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk) or visit [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)). Making a complaint will not prejudice your right to take legal action.

## Other relevant information

You will also be provided with the Individual Savings Account brochure.

Other information is available online at [foresters.com](https://foresters.com)

