

## 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

### Forester Life Shariah Individual Savings Account (ISA)

Foresters (Schroders) Managed Islamic Global Fund

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 14th November 2023.

## What is this product?

**Type:** The Forester Life Shariah ISA is a unit-linked insurance based investment plan. It is a Stocks and Shares ISA and the payments you make (contributions) are invested into buying units in the Foresters (Schroders) Managed Islamic Global 1 Fund. The unit price is valued at the end of each day and is linked to the value of the investments of the Foresters (Schroders) Managed Islamic Global 1 Fund less charges. The amount you receive when you withdraw your investment is calculated by multiplying the total units you have bought by the unit price. After 10 years your units are switched to the Foresters (Schroders) Managed Islamic 1A Fund which is an identical fund but with lower ongoing costs (1% instead of 1.5%).

**Objectives:** The objective is to achieve medium to long-term capital growth by investing in companies worldwide, which comply with Shariah Investment Guidelines.

The Foresters (Schroders) Managed Islamic Global Funds invest in the Schroder Islamic Global Equity Fund (the Fund) which invests its assets in shares and share related securities of Shariah compliant companies worldwide. The Fund will only invest in companies included in the Dow Jones Islamic Market World (Net Total Return) Index. The Shariah Supervisory Board and the Shariah Adviser have been appointed to ensure compliance of the investments in the Fund with the Shariah Investment Guidelines. Some investments will therefore be prohibited and this may mean that the Fund may perform less well than other funds that do not seek to strictly adhere to these criteria. The Fund may hold cash but will not use derivatives.

Investors aged between 18 and 39 can save up to £4,000 per tax year into a Shariah Lifetime ISA which invests in the same way as the Shariah Stocks and Shares ISA, but the Government adds a further 25% of invested to the account. The Lifetime ISA is designed to save towards the purchase of a first home valued up to £450,000 and/or towards later life (after age 60). Contributions into the Shariah Lifetime ISA stop at age 50.

**Intended retail investor:** This describes the typical investors we consider will be suitable for the Forester Life Shariah ISA and therefore who we have determined to be our target market. These are mid-market individuals looking to build or maintain financial resilience but want to invest in accordance with the Shariah Investment Guidelines. The Forester Life Shariah ISA is designed for investors over 18 who have a lump sum or spare income to invest and who wish to use the tax-efficiency of an ISA. The investor is prepared to accept risk to their money. Our Shariah ISA is not necessarily suitable to those who have complex investment needs.

The Fund is professionally managed, so customers do not need to be experienced investors or have knowledge of investing. The Shariah Lifetime ISA is designed for investors aged 18-39 wishing to save towards the purchase of a first home and/or for later life (after age 60).

In the event of the Planholder's death we will pay 101% of the Plan value. There is no maturity date for the Shariah ISA. We reserve the right to close the Shariah ISA and pay the value to the Planholder if, after 5 years contributions have stopped and the Plan is worth under £1,750. 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 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 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 the capacity of Forester Life to pay you. This product does not include any protection from future market performance so you could lose some or all of your investment.

**!** 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.

## Investment Performance Information

The Fund is actively managed, however, there can be no guarantee that the Fund will achieve its return objective. Share securities fluctuate in value in response to many factors, including the activities and financial situation of individual companies, and the condition of the business and economic environment in which they operate. There is a risk that stock markets overall will decline. The success of the Fund's activities will be affected by general economic and market conditions, such as tax rates, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of the prices and the liquidity of the Fund's investments. Volatility or illiquidity could also impair the Fund's profitability or result in losses.

The most relevant benchmark for measuring the Fund's performance (before charges are deducted) is the Dow Jones Islamic Market World Index. This index was chosen as the benchmark for the Fund due to its screening for companies that adhere to Shariah investment guidelines. The index has approximately 3,500 constituents, making it one of the broadest Shariah equity indices available.

### What could affect my return positively?

Higher returns may be generated where global stock markets rise in value. This generally occurs when such markets are stable, interest rates and inflation are low and there are no major interruptions to economic stability such as geopolitical unrest. Such conditions could therefore lead to an investment gain.

### What could affect my return negatively?

Lower returns may be generated where global stock markets fall in value. This generally occurs when there is uncertainty in the markets and the demand for equities decreases. Such uncertainty may arise from increases to inflation and interest rates and major interruptions to economic stability such as pandemics and geopolitical unrest. Such conditions could therefore lead to an investment loss.

The Plan does not have a maturity date, however, if the investment is withdrawn during a period of economic instability, there may be an investment loss and the amount paid out could be less than paid in. Where the investment is withdrawn under severely adverse market conditions, for example a significant fall in the value of global stock markets, the investor could suffer a significant loss of the value of the investment. However, the investor can choose when to withdraw the investment at any time.

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## 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.

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## 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 RIY illustrates how much any gain in the value of the investment is reduced by charges.

The amounts shown here are the cumulative (aggregate) 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.

### Costs over time

#### 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	£17.10	£88.80	£237
Impact on return (RIY) per year	1.69%	1.69%	1.69%

#### 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	£171	£535	£925
Impact on return (RIY) per year	1.69%	1.69%	1.69%

## Composition of costs

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	0.19%	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.

\*This is the annual management charge.

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

### Recommended holding period: 5 years

Once we have received the application we will issue the Plan Documents which includes a cancellation notice. You will have 30 days from receipt of the cancellation notice in which you can change your mind.

The recommended holding period for a Shariah Stocks and Shares ISA is at least 5 years to even out the short-term volatility of the investment and to allow the potential grow in value. A Shariah Stocks and Shares ISA can be withdrawn partially or fully at any time.

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

The recommended holding period for the Shariah Lifetime ISA is up to age 60 (and longer), if it is not being used towards purchasing a first home. The Shariah Lifetime ISA 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 withdraw the Shariah Lifetime ISA element for any other reason than a first home, age 60 or over, or terminal illness, you will incur a Government penalty of 25% of the withdrawal value, and may get back less than you have paid in.

To withdraw a Shariah Stocks and Shares or Lifetime ISA you should 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 withdrawals increase the risk of getting back less than has been invested.

## 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/contact-us/complaints](https://foresters.com/contact-us/complaints) 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 Shariah ISA brochure.

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