

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)

Foresters Stakeholder (Schroders) Managed Fund

Forester Life Limited (Forester Life)

Visit 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 25th September 2024

What is this product?

Type: The Forester Life ISA is a unit-linked insurance based investment Plan. It is a Stocks and Shares Stakeholder ISA and complies with the Stakeholder Regulations which include capped charges, low minimum investment and restrictions on how your money is invested.

Objectives: To achieve medium to long-term capital growth. Any money you save (contributions) is used to buy units in the Foresters Stakeholder (Schroders) Managed 1 Fund. The value of the investment, less the deduction of charges, determines the unit price at the end of each business day. 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 Stakeholder (Schroders) Managed 1A Fund which is an identical fund but with lower ongoing costs (1% instead of 1.5%).

The funds are managed by Schroders who invest in a combination of global shares (equities), fixed interest holdings and cash. A share is a part ownership of a company, whilst fixed interest holdings (often called bonds) are loans to a company or government. In the UK government bonds are known as gilts. Bonds offer a fixed date for repayment and interest paid at regular intervals. The investment into shares is limited to 60% of the fund in accordance with the Stakeholder Regulations.

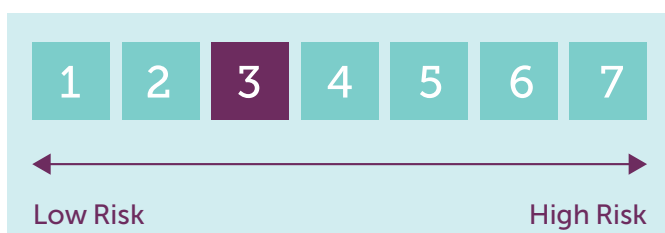
Investors aged between 18 and 39 can save up to £4,000 per tax year into a Lifetime ISA which invests in the same way as the Stocks and Shares ISA, but the Government adds a further 25% of the amount invested to the account. The Lifetime ISA is designed to save towards the purchase of a first home valued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

Intended retail investor: This describes the typical investors we consider will be suitable for our ISA and therefore who we have determined to be our target market. These are mid-market individuals looking to build or maintain financial resilience. Our 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 some risk to their money. Our ISA is not necessarily suitable to those who have complex investment needs.

The funds are professionally managed, customers do not need to be experienced investors or have knowledge of investing. The Lifetime ISA is designed for investors aged 18-39 wishing to save towards the purchase of a first home and/or later on in 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 ISA. We reserve the right to close the 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 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.

⚠ 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 invests in global shares, government and corporate bonds, and cash. The use of derivatives (such as equity and bond futures) is permitted for the purposes of managing and stabilising the fund. In accordance with the Stakeholder Regulations no more than 60% is invested in shares at any given time. Future returns will be determined by the performance of the equities, bonds and foreign exchange positions held in the fund. Such performance may be positive or negative and will depend on general movements in the global financial markets. General movements in the global markets could be the result of political, regulatory, market, economic or social developments at a local, regional, and global level.

In addition, certain investments in the fund are represented in their local currencies, whereas the currency of the fund is in pounds, movements in the respective exchange rates against the pound may have an impact on performance.

The fund's performance is measured against a benchmark. As investments will go up and down comparison against a benchmark will give a relative view of the performance of the fund. For example, if the fund increased in value by 10% over a certain period, but the benchmark increased by 12%, the fund will be considered to have not performed well.

The benchmark is a combination of the following financial indices and fund performance measurement against it is adjusted for charges:

- 25% MSCI All Country World Index (ACWI) Net Dividends Re-invested (NDR) unhedged in Great British Pounds (GBP or Sterling) terms
- 15% MSCI World Index NDR 100% hedged to GBP
- 10% FTSE All Share Total Return (TR)
- 5% MSCI Emerging Markets (EM) NDR in GBP terms
- 36% Barclays Global Aggregate Corporate Index 100% hedged to GBP
- 8% Barclays Global Aggregate Treasury Index 100% hedged to GBP
- 1% Sterling Overnight Cash Index

This benchmark has been selected because it follows the fund's compliance with the Stakeholder Regulations, with the aim to give investors the opportunity to benefit from medium to long-term capital growth. The portfolio will be managed with an expected tracking error of up to approximately 2.5% p.a.

What could affect my return positively?

Higher returns may be generated where global equity and bond 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 equity and bond markets fall in value. This generally occurs when there is uncertainty in the markets and the demand for equities and bonds 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.

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 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 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	£16.50	£83.40	£218
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	£165	£501	£844
Impact on return (RIY) per year	1.64%	1.64%	1.64%

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	0.14%	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.

*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 your 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 Stocks and Shares ISA is at least five years to even out the short-term volatility of the investment and to allow the potential to grow in value. A Stocks and Shares ISA can be withdrawn fully or partially at any time.

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

The recommended holding period for the Lifetime ISA is up to age 60 (and longer), if it is not being used towards purchasing a first home. The Lifetime ISA 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 withdraw the 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 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 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 or visit 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