

November 2016

Important changes to your Growing Up Bond (GUB)

FORESTER FUND MANAGEMENT LIMITED ("The Children's Mutual") are transferring the management of The Children's Mutual GUBs to FORESTER LIFE LIMITED ("Forester Life").

Forester Life is an insurance company incorporated in the UK that is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The registered address of Forester Life is Foresters House, 2 Cromwell Avenue, Bromley BR2 9BF.

Both The Children's Mutual and Forester Life are part of Foresters Financial and to streamline both companies, Forester Life is taking over the GUBs.

The planned change of management date (the "**Change of Management Date**") for Your Account is the 1st January 2017. From the Change of Management Date The Children's Mutual will cease to act as a provider of GUB accounts.

The rest of this letter sets out the change of management in more detail.

Change of management from The Children's Mutual to Forester Life

The Children's Mutual is transferring the management of the Growing Up Bond accounts that it has provided, including Your Account to Forester Life.

From the Change of Management Date, The Children's Mutual will cease to act as a provider of the GUB accounts.

What this means for Your Account

There will be no break in the management of Your Account as part of this change.

From the Change of Management Date, Forester Life will be the provider of Your Account. On completion of the change of management Forester Life will issue the Plan Document which will include the Terms and Conditions (the "**Forester Life Plan**").

Forester Life will continue to provide you with access to the same funds that Your Account was invested in prior to the change of management.

As Forester Life is an insurance company, the form of the Forester Life Plan will be a unit-linked life insurance policy between you and Forester Life, which will be invested in the funds.

Under the Forester Life Plan, the annual charge for Your Account will not change. Once the management of Your Account has been changed to Forester Life there will be no initial charges applied to any contributions made and any switches between funds.

Once the management of Your Account has changed to Forester Life your product will be renamed the Savings & Investment Plan – Options.

Your right for Your Account not to be managed by Forester Life

You have the right to instruct The Children's Mutual that you do not wish for Your Account to be managed by Forester Life.

Foresters Financial hopes that you will appreciate the benefits offered from the transfer, as detailed in the enclosed information.

Instead of the change of management to Your Account to Forester Life you can close Your Account and your investment in the funds of Your Account will be encashed. Please take careful consideration before you make your decision. Any such closure of Your Account and encashing of your investments will be done by The Children's Mutual in accordance with the Terms and Conditions which govern Your Account.

To allow enough time for The Children's Mutual to action your closure request The Children's Mutual must receive written instruction by 16th December 2016. You can close Your Account any time after the change of management to Forester Life has been completed.

The Children's Mutual or Forester Life will not make any charge for the closure of Your Account, however you may be liable for Capital Gains Tax. A copy of your current Terms and Conditions can be found at thechildrensmutual.co.uk/keydocs

Further information

If you would like further information then please call The Children's Mutual on 0330 024 1210 lines are open Monday to Friday 8am to 8pm and Saturday 9am to 1pm.

The Children's Mutual,
PO Box 1137,
Cheltenham
GL50 9QS

Yours sincerely,



Euan Allison
Chief Executive Officer
On behalf of Foresters Financial, Forester Life and The Children's Mutual



What you need to know about the Savings & Investment Plan – Options

At Foresters Financial we understand how important it is to save for your future. We are always looking for ways to help improve the service and features we provide for our customers. Some of the benefits you will get with us are:



More choice



No initial charges



More fund options



Member benefits

More ways to do business with us

You will be able to do business with us in a way that suits you; online, over the phone, by post or with a Forester Life Financial Adviser.

No more initial charges

Many of the specialist funds with The Children's Mutual may have had an initial charge on contributions and fund switches. Foresters Financial are removing these and guarantee no initial charges will ever apply in the future.

More fund options

In addition to your current fund choice you will have the option to switch part or all of your investment into other funds that we offer.

Providing a boost to your contribution

If you have a Direct Debit, each year your contribution will increase to keep pace with inflation (subject to a minimum of 2.5%). You will receive written notification before the increase occurs and you have the option to opt out of this at any time.

Giving you more

As you will have a Plan directly with Forester Life you will become a member of Foresters Financial. Some of the membership benefits are detailed overleaf.

Your Questions Answered

Do I need to do anything?

No you do not need to do anything. The transfer will happen automatically in the New Year.

Do I need to amend my Direct Debit or standing order?

No, there is no need to make any changes. For a Direct Debit your bank statement will show *Forester Life*, following the receipt of your Plan Document, rather than *The Children's Mutual* as the payment reference. You will continue to enjoy the full benefits of the Direct Debit Guarantee as detailed on the right. Please retain this for your future reference.

Can I still make one-off payments?

You can continue to contribute to your Plan. Between 30th December 2016 and 3rd January 2017 we're unable to accept debit card payments.

Is there any change to where my savings are invested?

The fund(s) you currently invest in will not change, however the name(s) may change in the future to better reflect the nature of the investment.

What about taxation?

The taxation of your investment will change as it will become a unit-linked life insurance policy. You will no longer be liable to Capital Gains Tax on the proceeds but may have to pay tax on any profit you make if you are, or become, a higher rate tax payer. You will no longer receive a Tax Voucher and will not need to report this on your annual return. Tax treatment depends on individual circumstances of each investor and may be subject to change in the future.

What happens next?

When the transfer occurs you will receive a closing statement from The Children's Mutual together with your Plan Document from Forester Life. You will also receive instructions on how to set up your online account. The name of your Plan will change to the Savings & Investment Plan – Options.

The Direct Debit Guarantee



- This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits.
- If there are any changes to the amount, date or frequency of your Direct Debit Forester Life Ltd will notify you 3 working days in advance of your account being debited or as otherwise agreed. If you request Forester Life Ltd to collect a payment, confirmation of the amount and date will be given to you at the time of the request.
- If an error is made in the payment of your Direct Debit, by Forester Life Ltd or your bank or building society, you are entitled to a full and immediate refund of the amount paid from your bank or building society.
 - If you receive a refund you are not entitled to, you must pay it back when Forester Life Ltd asks you to.
- You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.

If you have any further questions about the transfer please visit foresters.com/tcmfaq or call The Children's Mutual Customer Services team on 0330 024 1210.

About Foresters Financial



Foresters Financial is an international financial services organisation which has been looking after families for over 140 years and now looks after over £25.8bn* funds under management. We share our financial strength with more than 3 million customers across the UK, Canada and the United States who benefit from the foundation of experience, expertise and reliability we have built up for more than a century.

In the UK Foresters Financial operates under the legal name of Forester Life and has over 1.3m customers and over £3.7bn* of funds under management.

In 2013 Forester Life took over The Children's Mutual and both are part of Foresters Financial. To enable you to become a member of Foresters Financial we are transferring your account from The Children's Mutual to Forester Life. The administration of your account will be looked after in our UK based head office.

*as of 30th September 2016

Our rich history

We believe in enriching lives and building strong communities – that's our purpose. It has defined us since 1874, and it helps us continually redefine what a financial provider can do for you and your family.

Our savings, investment and protection products are just a starting point to help families achieve long-term financial security. Our financial strength gives families the confidence and security they need to invest with us, and we're here to help you reach your financial goals, protect your family and make a difference in the community.

Doing more for you

To make sure that you have a great experience, we're committed to providing you with the highest level of service and reliability. As part of this, we will provide greater choice in how you do business with us, whether that's online, over the phone, by post or with one of our Financial Advisers.

What this means for you

Foresters Financial is a mutual organisation that is driven to share not shareholder driven. This means that the organisation is run for the benefit of our members and as such, we always look for ways to act in our members' interests. Instead of paying shareholders a dividend, our aim is to invest in the things that are of importance to our members and put their needs at the forefront of everything we do.

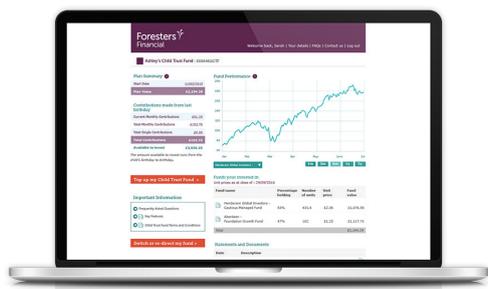
We provide a range of member benefits and opportunities that enable you to enjoy quality time at complimentary family events and to organise and support volunteer projects in your local community, making it easy for you to give a little something back if you would like to get involved.

In 2015 we gave over £2.8 million in Community Grants creating 1,900 fun family and volunteer activities attended by 160,000 members and guests.

We know just how important it is to make the most of your investments so you can provide your family that head start in life.

At Foresters Financial we believe in doing more - for you, your family and your community

If you would like to know more about Foresters Financial, please visit foresters.com



Online account management at your fingertips

As someone who appreciates the importance of saving for your future, we want to make it as simple as possible for you to continue to save. My Plans allows you to view your Forester Life investment easily online, making it easy to manage your account. Take a look at the benefits below:

- 24/7 account management
- View how much your investment is worth
- Access important documents
- Instruct us to switch between the funds
- Access to additional Forester Life products