

Shariah Junior ISA



A Shariah Junior ISA is a tax-efficient savings designed to allow adults to save on behalf of a child in a Shariah compliant fund.

The money in the account belongs to the child, and at age 18 the Junior ISA will automatically roll into an Adult ISA, where they will have access to the savings.

There are two different types of Junior ISAs available, cash and stocks and shares; and you can save in one or a combination of both if your child is eligible.

To open the Shariah Junior ISA please go online.

Saving with us at a glance

- Tax-efficient savings, starting from as little as £10 a month, up to £9,000 each tax year.
- Simple Shariah compliant investment - the fund is professionally managed by Schroders.
- The child will have access to the money at age 18, when it automatically rolls into an Adult Shariah ISA.
- Family and friends can contribute too.
- Manage the Plan online, visit foresters.com/MyPlans

Our Shariah Junior ISA

Our Stocks and Shares Shariah Junior ISA is a simple and affordable way of building up a tax-free lump sum for their future. If you are investing for the medium to long-term, our Shariah Junior ISA may be suitable.

Even if your child already has a Cash Junior ISA you are still able to take out our Junior ISA. Of course, if your child already has a Stocks and Shares or a Cash Junior ISA or a Child Trust Fund (CTF) you may want to consider transferring to us. We do not charge for any transfer.

The role of the Registered Contact

The Registered Contact is responsible for managing the Plan so should keep all of the Plan information safe, report changes such as change of address and is the only person who can change the account or provider.

At age 16, a child whose Shariah Junior ISA was opened by a person with parental responsibility can become the Registered Contact and manage their own Plan if they wish to.

Contributions

Contribute from £10 by Direct Debit for monthly contributions, or from £20 for single contributions by cheque and/or direct from your bank (direct credit); you can also make debit card payments online and by phone. All contributions to the Junior ISA are considered a gift and cannot be returned to the gifter.

You can amend your existing Direct Debits at any time. The minimum increase, or decrease amount is £5, and the Direct Debit cannot be less than £10.

To keep pace with inflation, monthly contributions will automatically increase in line with the Retail Price Index (RPI), subject to a minimum of 2.5%. We will write to you each year to let you know this is happening, and if you do not wish for your contribution to increase, just let us know 14 days before this is due.

Keeping you informed

You will receive a statement showing the value of the Plan each year, however you can check the value of your child's Plan at any time with MyPlans - foresters.com/MyPlans

Transfers

You are entitled to transfer between ISA providers and our Forester Life Junior ISA can be transferred at no charge.

We accept transfers from both Stocks and Shares and Cash Junior ISAs and CTFs. If you are transferring a Cash Junior ISA this can be transferred in full or in part, however Stocks and Shares Junior ISAs and CTFs need to be transferred in full.

Once a CTF has been transferred to a Junior ISA it cannot be transferred back. If you are transferring from a Cash Junior ISA or Cash CTF you should note that there will now be risk to the investment.

Forester Life does not give advice on transfers. If you are in any doubt about a transfer you should seek full financial advice.

Annual management charge

The annual management charge is 1.5% of the fund value, reducing to 1% after 10 years. This single charge takes into account our distribution, administration and investment management costs.

Accessing the money

All savings are locked in until the Planholder's 18th birthday. At least a month before the Planholder reaches 18 we will write to them providing the details of the options available following their birthday.

On their 18th birthday the Shariah Junior ISA will mature and automatically roll into a Shariah ISA in their name. The Shariah ISA will continue to invest in the same fund as before, with the same charges.

Your investment

The Forester Life Shariah Junior ISA is a unit-linked Plan. The Foresters (Schroders) Managed Islamic Global Fund invests in the Schroder Islamic Global Equity Fund and aims to grow your investment over the medium to long-term by investing in a Shariah compliant portfolio of shares from around the world. The fund will only invest in companies included in the Dow Jones Islamic Market World (Net Total Return) Index. A Shariah Supervisory Board and Shariah Adviser have been appointed to ensure all investments in the fund meet Shariah Investment Guidelines.

Your investment will be looked after by the experts at Schroders who make the investment decisions on your behalf. Schroders is an independent, dedicated asset manager with a strong heritage and culture based on over 200 years' experience of investment markets.

Contributions will be used to purchase units in the Foresters (Schroders) Managed Islamic Global Fund 1. After 10 years the fund and future contributions will be invested in the Foresters (Schroders) Managed Islamic Global Fund 1A, this fund has the same investment approach, however it benefits from a lower charge. The fund has a medium investment risk.



Shariah
Compliant



Appointed Shariah
Supervisory Board



Appointed Shariah
Adviser



Companies in the Dow Jones
Islamic Market World Index

The fund may not invest in companies that derive more than 5% of their total income from prohibited activities or industries such as below...



Alcohol and
tobacco



Entertainment inc.
hotels/gambling



Pork-related
products



Non-Islamic
financial services



Weapons and
defence

Also, any company whose financial arrangements are considered unsuitable for Shariah compliance such as an unacceptable amounts of debt, cash or interest bearing securities. As the fund is managed in line with Shariah Investment Guidelines, it may perform less well than other funds that do not strictly adhere to these criteria.

What happens to investments which become non-compliant?

It is the intention to observe the Shariah Investment Guidelines at all times but this may not always be possible as there may be occasions when a company becomes non-compliant. The requirement to 'purify' prohibited income (and potential investment gains where companies become non-compliant) is likely to result in payments to UK registered charities that have been approved by the Shariah Supervisory Board. These payments could reduce the fund's performance compared with other funds that do not strictly adhere to the Shariah Investment Guidelines.

As with all stock market investments the value may fall as well as rise and you may get back less than has been invested.

For more information about the fund, please refer to the Key Information Document and Investment Bulletin.

Other information

In the unfortunate event of the Planholder's death before age 18 we will pay out 101% of the value of the Shariah Junior ISA.

Tax treatment

The amount paid to the Planholder at age 18 is completely free from UK Income and Capital Gains Tax. Benefits paid out on death could be subject to inheritance tax.

Tax treatment depends on individual circumstances and may be subject to change in the future.

If you change your mind

Once your application is accepted, you will be issued your Plan Document and a notice of your right to cancel. You have 30 days from receipt of this notice to cancel your application.

Should you cancel, any contributions returned may be lower if the value of units bought has fallen.

If the Shariah Junior ISA application is a transfer to us from a CTF, after the transfer completes you cannot transfer back to a CTF.

If you exercise the right to cancel a transfer to us, the amount subsequently transferred to the new ISA provider may be lower, if the price of units has fallen in the meantime.

What your Plan could be worth

The tables indicate what your monthly or single contributions could be worth in years to come assuming an annual investment growth rate of 2% (low), 5% (medium) and 8% (high) an annual management charge of 1.5% (reducing to 1% after 10 years). Monthly contributions are assumed to be increased each year at 2.5% for a low growth rate, 3% for medium and 5% for high, subject to not exceeding the Junior ISA annual allowance.

Monthly contributions

| Monthly amount | Low | | Medium | | High | |
|----------------|---------------|----------|---------------|----------|---------------|----------|
| | Final Premium | 18 years | Final Premium | 18 years | Final Premium | 18 years |
| £20 | £30.43 | £5,760 | £33.09 | £7,780 | £45.86 | £11,800 |
| £50 | £76.08 | £14,400 | £82.67 | £19,400 | £114.61 | £29,600 |
| £100 | £152.16 | £28,800 | £165.28 | £38,800 | £229.23 | £59,200 |
| £350 | £532.56 | £100,000 | £578.49 | £136,000 | £750.00 | £207,000 |
| £750 | £750.00 | £174,000 | £750.00 | £230,000 | £750.00 | £308,000 |

Single contributions

| Single amount | Low | Medium | High |
|----------------------------|----------------------|----------------------|----------------------|
| | Value after 18 years | Value after 18 years | Value after 18 years |
| £1,000 single contribution | £1,130 | £1,900 | £3,170 |
| £3,000 single contribution | £3,390 | £5,720 | £9,510 |
| £9,000 single contribution | £10,100 | £17,100 | £28,500 |

Important notes for projections

These figures are only illustrative and not guaranteed. You could get back more or less than this and you may get back less than you paid in. What you will get back depends on how your investment grows and on the tax treatment of the investment. Investments can go down as well as up.

Inflation would reduce what you could buy in the future.

There is an annual management charge of 1.5% of the value of the funds you accumulate. After 10 years the charge is reduced to 1%.

Every year we will send you a statement showing the value of the Plan.

Charges may vary in the future.

These figures assume contributions are paid including any increase for inflation. Monthly contributions are assumed to be increased at 2.5% for a low growth rate, 3% for medium and 5% for high, subject to not exceeding the ISA annual allowance.

For more information please read the Shariah Junior ISA Key Information Document.

If you are unhappy with our service

We take the concerns of our customers very seriously. 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.

If we do not deal with your complaint to your satisfaction, you can complain to: The Financial Ombudsman Service, 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.

You can view the Forester Life customer complaints procedure at foresters.com or phone 0333 600 0333 for a copy.

Important information

All Forester Life Plans are subject to the law of England and Wales. We will always communicate with you using the English language.

Forester Life fulfils the required standards for meeting financial obligations. You may view our Solvency and Financial Condition Report on our website at foresters.com/SFCR

Full details are set out in the Terms and Conditions which will be provided with your Plan Document. This will be sent to you after your application is accepted. A copy of the Terms and Conditions are available on request or online.

At Foresters Financial we provide products, advice and service that embrace financial sense and simplicity. If there is anything in this brochure you don't understand, or you have specific requirements, please let us know.

This information is issued by Forester Life Limited, Foresters House, 2 Cromwell Avenue, Bromley BR2 9BF. This information should be read in conjunction with the Shariah Junior ISA Key Information Document for any new Shariah Junior ISAs taken out or transferred to us. Information is based on our current understanding of legislation and tax practice as at April 2023, which may change in the future.

Manage your child's savings online

Once you have opened the Plan you can view everything with the touch of a button.



Your online MyPlans account



View how the money is performing

See the Plan value, fund performance, our other products and more at any time.



Make contributions in just a few clicks

It's easy to set up or amend contributions and gift to a child's Plan at your convenience.



You can do it all yourself

Update your personal details and access your documents online.

Go to foresters.com/MyPlans



Scan me!