

The Financial Conduct Authority is a financial services regulator. It requires us, Forester Life, to give you this important information to help you decide whether our Stocks and Shares Junior ISA - Options is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

Key Features

Its Aims

- To provide the Planholder with a tax-free lump sum benefit at age 18.
- To invest contributions from yourself, family members, friends and anyone else who wishes to contribute.
- To achieve tax-efficient medium to long-term savings growth.

Your Commitment

- If you are the Registered Contact; to act on behalf of the Planholder until the Planholder decides to take over responsibility for the Plan at age 16 or older.
- To provide the Planholder with the best start in adult life you should aim to make monthly and/or single contributions.
- Monthly contributions will increase automatically each year to keep pace with inflation (within allowable limits). You have the option to opt out or reduce your contributions at any time.
- As the Plan is invested in stocks and shares, you and the Planholder should aim to invest for at least five years.

Risk Factors

- The value of the Plan may fluctuate as the value of the investments in the funds can go down as well as up. The Planholder may get back less than has been invested.
- The favourable tax treatment of Junior ISAs may change in the future. This could reduce the potential growth of the investment.
- Tax treatment depends on individual circumstances and may be subject to change in the future.

Your questions answered

What is a Junior ISA?

- A Junior ISA is a long-term savings account for children under the age of 18, living in the UK.

What is a Stocks and Shares Junior ISA?

- A Stocks and Shares Junior ISA is a 'wrapper' that can be put around a wide range of different savings and investments to enable tax-free savings for the benefit of children.

What is the Junior ISA - Options?

- The Junior ISA - Options offers a flexible and simple way to invest in stocks and shares, whatever your budget.
- You can invest from £10 a month up to £4,080 this tax year (£4,128 from 6th April 2017).

What should the Registered Contact do?

- The Registered Contact is responsible for managing the Plan so should keep all the paperwork, report changes such as change of address and is the only person who can change the account or provider.
- As only one person can be the Registered Contact, if a Registered Contact already exists their consent will normally be required for any changes.
- When the Planholder is age 16, they can choose to become the Registered Contact.

Where is the Junior ISA - Options invested?

- The Junior ISA - Options can be invested in one or a combination of the following funds:
 - Foresters Stakeholder (Schroders) Managed 1 Fund
 - Aberdeen UK All Share Tracker Fund

What are the investment objectives of the funds?

- The Foresters Stakeholder (Schroders) Managed 1 Fund follows a conservative fund strategy with growth targeted by an active approach to managing investment risk, whilst protection against inflation is taken into account. It aims to outperform the IA Mixed Investment 20-60% shares sector median and to generate capital growth over the medium to long-term through an active asset allocation strategy, and the individual performances of underlying investments.
- The Aberdeen UK All Share Tracker Fund aims to achieve long-term capital growth and to produce a return that, before charges and expenses, matches the total return of the FTSE All-Share Index.

What are the investment risks of the funds?

- Foresters Stakeholder (Schroders) Managed 1 Fund has a medium risk profile. The fund is managed in a risk-controlled manner, with savings balanced between stocks and shares and fixed interest holdings.

- The Aberdeen UK All Share Tracker Fund has a high-medium risk profile. The value of the underlying investments in this fund is subject to price fluctuations.

How can contributions be paid?

- Single contributions can be made by cheque, debit card or directly from your bank (direct credit).
- Monthly contributions are collected monthly by direct debit or standing order.
- Contributions will be accepted in date order up to the maximum contribution limit.

Can monthly contributions be increased?

- Each year we will automatically increase the amounts received from each monthly contributor to help the Plan keep pace with inflation.
- There is a minimum increase of 2.5% each year which will provide a boost to the Plan when inflation is low.
- Additional increases can be made at any time subject to a minimum of £5 per month for monthly contributions and £20 for single contributions.
- All increases are subject to HMRC maximum limits.
- If anyone paying a monthly contribution wishes to stop automatic increases to their contribution they should tell us at least 14 days before the increase is due.

Can contributions be reduced or stopped?

- Yes. Any person paying a monthly contribution can stop paying or reduce their monthly contribution at any time.
- Reductions are subject to a minimum ongoing contribution of £10.

How will I keep track of the value of the Plan?

- Every year we will send the Registered Contact a statement showing the payments received, the number of units held and the value of the Junior ISA-Options Plan.
- The Registered Contact can check unit prices at any time by telephoning the Unit Price Information line on 0800 99 00 11, by visiting foresters.com or online at myplans.foresters.co.uk if you have a My Plans account.
- The Registered Contact should monitor the value of the Plan and the level of contributions paid.

Can money be withdrawn from the Plan?

- No. All savings are locked in until The Planholder's 18th birthday.
- At that age the accumulated fund can be payable as a cash lump sum to the Planholder, allowing them to spend or reinvest it as they wish or automatically converted to an Adult ISA.

Is there a death benefit?

- Yes. In the event that the Planholder dies before age 18 we will pay out 101% of the value of the units to their legal personal representatives.
- Payments may also be made in the event of the Planholder suffering a terminal illness, subject to HMRC approval.

What are the charges?

- There is an annual management charge of 1.5% of the value of the funds you accumulate which reduces to 1% after 10 years from the transfer from The Children's Mutual.
- If your fund is valued at £250 throughout the year, this means that we charge £3.75 that year. If your fund is valued at £500 throughout the year, this means that we charge £7.50 that year. After 10 years these deductions reduce to £2.50 and £5 respectively.
- These charges are deducted from the funds that accumulate

- and not paid directly by the contributor(s).
- There are no initial or exit charges.

What is the tax situation on the Junior ISA account?

- The amount paid to the Planholder at age 18 is completely free of Income and Capital Gains Tax.
- In the event that the Planholder dies, tax benefits cease from the date of their death. Benefits paid out on death form part of the deceased's estate and may be subject to Inheritance Tax.
- Tax treatment depends on individual circumstances and can be subject to change in the future.

Can the Junior ISA be transferred?

- Yes, the Junior ISA rules allow the Registered Contact to switch between ISA Managers and a Junior ISA - Options can be transferred at no additional cost.
- Cash Junior ISAs from other providers may be transferred into a Junior ISA - Options, for more information please contact Customer Services on 0333 600 0333.

What might my child get back from the Plan?

The illustrations below give estimated fund values so you can see what could be available in the future. The table indicates what monthly or single contributions could be worth in years to come, assuming an annual investment growth rate of 5% and an annual management charge of 1.5% reducing to 1% after 10 years (from the date of the transfer). Automatic increases in monthly payments of 2.5% per annum to keep pace with inflation are also assumed, where possible.

Monthly Amount	After 10 years		After 15 years	
	Final Monthly Amount	Value	Final Monthly Amount	Value
£30	£37.47	£4,760	£42.39	£8,280
£100	£124.89	£15,800	£141.30	£27,600
£340	£406.33*	£52,900	£488.62*	£90,700

Single Amount	Value after 10 years	Value after 15 years
£500	£700	£828
£1,000	£1,400	£1,650
£4,080	£5,710	£6,760

*The Government has announced that the maximum Junior ISA limit will rise in line with the Consumer Price Index, assumed to increase by 2% pa.

Important Notes

- These figures are only examples and are not guaranteed. The actual value could be more or less than shown, and could be less than has been paid in. What you will get back depends on how much the investment grows and on the tax treatment of the investment.
- Inflation would reduce what you could buy in the future.
- These figures assume contributions and investment over 10 and 15 years.

Effect of deduction of charges

The tables below show how the charges would affect a Junior ISA-Options invested in the Foresters (Schroders) Stakeholder Managed 1 Fund and/or the Aberdeen UK Equity Tracker Fund over 15 years, based on an assumed growth rate of 5%.

They also assume automatic increases of 2.5% pa in respect of regular contributions except for the last column which has assumed rises in line with the government policy of increasing the Junior ISA maximum saving by the Consumer Price Index which has assumed to be 2% pa.

The purpose of the tables is to show the effect of charges and expenses on the investment rather than to give an indication of what you might get back. These figures are not guaranteed - the value of the Junior ISA-Options could be more or less than this.

The last line of the tables show the effect of the total charges and expenses over 15 years. This would have the effect of bringing investment growth from 5% a year down to 3.7% a year.

Regular contributions

Number of years in investment	£30			£100			£340		
	Investment to date	Effect of Deductions	Fund Value	Investment to date	Effect of Deductions	Fund Value	Investment to date	Effect of Deductions	Fund Value
1 year	£360	£3.04	£366	£1,200	£10.10	£1,220	£4,080	£34.50	£4,150
2 years	£729	£12.00	£755	£2,430	£40.30	£2,510	£8,240	£136.00	£8,530
3 years	£1,100	£27.70	£1,160	£3,690	£92.60	£3,880	£12,400	£314.00	£13,100
4 years	£1,490	£50.80	£1,600	£4,980	£169.00	£5,330	£16,800	£573.00	£18,000
5 years	£1,890	£81.90	£2,060	£6,300	£273.00	£6,860	£21,200	£923.00	£23,100
10 years	£4,030	£388.00	£4,760	£13,400	£1,290.00	£15,800	£44,600	£4,340.00	£52,900
15 years	£6,450	£1,040.00	£8,280	£21,500	£3,470.00	£27,600	£70,500	£11,500.00	£90,700

Single Contributions

Number of years in investment	£500			£1,000			£4,080		
	Investment to date	Effect of Deductions	Fund Value	Investment to date	Effect of Deductions	Fund Value	Investment to date	Effect of Deductions	Fund Value
1 year	£500	£7.87	£517	£1,000	£15.70	£1,030	£4,080	£64.20	£4,210
2 years	£500	£16.40	£534	£1,000	£32.80	£1,060	£4,080	£133.00	£4,360
3 years	£500	£25.60	£553	£1,000	£51.30	£1,100	£4,080	£209.00	£4,510
4 years	£500	£35.60	£572	£1,000	£71.30	£1,140	£4,080	£290.00	£4,660
5 years	£500	£46.40	£591	£1,000	£92.80	£1,180	£4,080	£379.00	£4,820
10 years	£500	£114.00	£700	£1,000	£228.00	£1,400	£4,080	£932.00	£5,710
15 years	£500	£210.00	£828	£1,000	£421.00	£1,650	£4,080	£1,720.00	£6,760

Additional information

What law is the Plan subject to?

- All Forester Life Plans are subject to the law of England and Wales.
- We will always communicate using the English Language.
- The information in this document is based on our current understanding of legislation and tax regulations as at December 2016, which may change in the future.

How is my personal information used?

- Any personal information which the Registered Contact or Planholder has provided to Forester Life will be used to set up and administer the Plan, for claims management, for complaint analysis (if appropriate), for research purposes, for fraud prevention and for marketing purposes.
- To complete our processes we may have to share such information with other companies in the Foresters group (who may be based outside the European Economic Area) and other financial services companies and our service providers. These organisations will not use the information for any other purpose.
- We will not disclose any of the information to any other body or organisation except to prevent fraud or if required by law.
- We may on occasion send the Registered Contact marketing information about products and services of Forester Life and third parties whose products and services we offer to our customers. The Registered Contact can opt out of receiving this material at any time. If at any time you no longer wish to receive this material please write to the Data Protection Officer, Forester Life, Foresters House, 2 Cromwell Avenue, Bromley, BR2 9BF or email data.protection@foresters.co.uk

What if I am unhappy with the service I receive?

- 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 at Foresters House, 2 Cromwell Avenue, Bromley BR2 9BF.
- If we do not deal with your complaint to your satisfaction, you can write 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.
- You can view Forester Life customer complaints procedure at foresters.com or phone 0333 600 0333 for a copy.

Are we covered by the Financial Services Compensation Scheme (FSCS)?

- Yes. This means that the Planholder may be entitled to compensation from the FSCS in the unlikely event that we cannot meet our obligations.
- Compensation depends on the type of business and the circumstances of the claim.
- Further information about compensation scheme arrangements is available from the FSCS at fscs.org.uk or by phone on 0800 678 1100.

Where can I find out more?

- Full details are set out in the Terms and Conditions which are provided with the Plan Document. A specimen copy is available on request.

Customer Services
Forester Life
Foresters House
2 Cromwell Avenue
Bromley BR2 9BF

T 0333 600 0333
8:30am to 5:00pm weekdays
Calls are charged at local rates
E service@foresters.co.uk
foresters.com