

# Save with Foresters Personal Pension Plan



## Our Stakeholder Personal Pension at a glance

- A straightforward, flexible, risk-controlled and affordable way to invest for your retirement.
- If you are self-employed or you have no earnings but can afford to save for your retirement, our Personal Pension Plan may be suitable for you.
- Start saving from as little as £20 with tax relief at the current basic tax rate automatically added to your contributions.
- Your contributions will invest in funds free from UK Income and Capital Gains Tax.
- Up to 25% of the retirement fund that you accumulate can be taken in the form of a tax-free cash lump sum.
- Speak to a Financial Adviser at no direct charge to you.



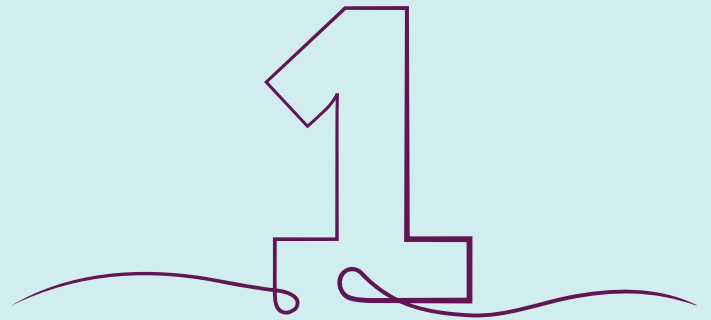
# Your Personal Pension Plan

## Discuss your needs with your Financial Adviser

At Foresters we have our own Financial Advisers who will recommend our Personal Pension to you if it's suitable for your circumstances.

Your Financial Adviser will arrange a meeting with you to ask a set of questions around your circumstances.

Your Financial Adviser will be with you every step of the way to answer any questions you may have.



## Make your pension choices

All you need to decide is...

- **Your intended retirement age**  
This is an assumption of when you will retire and can be changed in the future.
- **How much you want to contribute**  
You can start investing in your pension from as little as £20.

## Next steps and beyond

Once you've opened your Personal Pension Plan, get ready to...

- ✓ **Continue to make contributions**
- ✓ **Access your member benefits**

You also become a member and have access to exclusive member benefits. Including a document preparation service, grants, discounts and more! Find out more on page 8.

*Member benefits are not regulated by the Prudential Regulation Authority or the Financial Conduct Authority and may change in the future.*



# Key Features

## Key Features of the Personal Pension Plan, offering a straightforward, flexible, risk-controlled and affordable way to invest for your retirement.

The Financial Conduct Authority is a financial services regulator. It requires us, Foresters Financial, to give you this important information to help you to decide whether our Personal Pension Plan 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. It is important that you are aware of the aims, your commitment and the risks associated with the Plan.

### It aims...

- ✓ To provide a straightforward, low-cost way for you to save for your retirement using tax concessions.
- ✓ To build up a fund that you will be able to use for regular income and/or a cash lump sum when you retire.
- ✓ To achieve tax-efficient medium to long-term investment growth in a risk-controlled fund which meets stakeholder standards.
- ✓ To reduce the investment risk as you approach retirement by following a 'lifestyle' investment strategy.

### Your commitment...

- ✓ To contribute a monthly contribution each month and/or invest lump sums until your intended retirement date. Monthly contributions will increase each year in line with inflation.
- ✓ You will not normally be allowed to take any money from your Plan until you are aged at least 55 (this will increase to age 57 from 6<sup>th</sup> April 2028).
- ✓ You should review the amount you contribute regularly.
- ✓ You may need to increase your monthly contribution and/or make additional single contributions in order to achieve the pension income you want when you retire.

### Risk factors...

- ✓ The value of your Plan may fluctuate as the value of the investments in the Foresters Stakeholder (Schroders) Funds can go down as well as up. You may get back less than you have invested.
- ✓ If you exercise your right to cancel, the amount returned to you may be lower if the price of units bought on your behalf has fallen.
- ✓ If you stop paying or reduce your monthly contribution, or retire earlier than you had intended, your benefits may be lower than you had expected.
- ✓ The favourable tax treatment and contribution limits of personal pensions may change in the future. Taxation will depend on individual circumstances.

# Our Personal Pension Plan

## What is a Personal Pension Plan?

Personal pensions were introduced to encourage the self-employed and employees without company pension schemes to save for retirement. Personal pensions benefit from extremely generous tax concessions which give a significant boost to your savings:

- Tax relief at the current basic tax rate will automatically be added to your contributions.
- If you are a higher rate taxpayer you can claim additional tax relief from HM Revenue & Customs.
- Your contributions build up in funds free from UK Income and Capital Gains Tax.
- Up to 25% of the pension fund can be taken as a tax-free lump sum at retirement.

## Am I eligible for a personal pension?

You are eligible for the Forester Life Personal Pension Plan if you are aged less than 75 and you are UK resident for tax purposes.

If you are self-employed or you have no earnings but can afford to save for your retirement, our Personal Pension Plan may be suitable for you.

Our Personal Pension is designed to be set up by individuals, not employees. This means we can only offer pensions to the self-employed, sole traders, or if you are the only employee of your own company.

## Can children have a Plan?

Yes. Children can have their own personal pension. The Plan must be opened by a parent or legal guardian who is responsible for the Plan until the child reaches 18.

## What age can I receive my state pension?

The state pension age for both men and women is currently age 66. Between 2026 and 2028 the state pension age is due to increase to 67. Under the current law, the state pension age is due to increase to 68 between 2044 and 2046.

## What will the state pay me?

Since 6<sup>th</sup> April 2016 any one who has reached state pension age has received the new 'single tier' State Pension. The full new State Pension is £221.20 per week for 2024/25. The amount you will get can be higher or lower depending on your National Insurance Record. You will usually need 35 qualifying years to get the full State Pension.

## What is the total limit on benefits?

From 6<sup>th</sup> April 2023 there is no limit on benefits you can build up in your pension funds.

The maximum tax-free lump sum you can take from your pension funds is normally £268,275.

## How much can I contribute?

You can contribute from as little as £20 as a monthly contribution and/or single contribution up to the maximum limits allowed by HM Revenue & Customs.

Contributions will be used to purchase units in the Foresters Stakeholder (Schroders) Managed 1 Fund which switches to the Foresters Stakeholder (Schroders) Managed 1A Fund after 10 years.

## What are the Foresters Stakeholder (Schroders) Managed Funds?

These are the unit-linked funds which your contributions are invested in.

The objectives are to achieve medium to long-term capital growth in a risk-controlled fund, where the assets are balanced between global stocks and shares and fixed interest holdings such as bonds. No more than 60% of the fund is invested in shares.

You initially invest into the Foresters Stakeholder (Schroders) Managed 1 Fund and after 10 years switch to the Foresters Stakeholder (Schroders) Managed 1A Fund which has the same underlying investments but has lower charges.

## How can contributions be paid?

Single contributions can be made by cheque or direct credit.

Monthly contributions, which should be made for at least five years, are collected monthly by Direct Debit or standing order.

## What is the limit on my contributions?

Forester Life will only accept individual contributions up to the maximum eligible for tax relief which is the higher of £3,600 per annum or 100% of your relevant income. Employer contributions are paid gross and can be paid in addition.

If total contributions in a tax year exceed the Annual Allowance they may be subject to a tax charge called the Annual Allowance Charge.

The standard Annual Allowance of £60,000 (for 2024/25) is reduced for high earners on a tapering basis by £1 for every £2 of income above £260,000 subject to a minimum Annual Allowance of £10,000.

If you have previously flexibly accessed any similar pension savings, contributions to your Personal Pension Plan will be subject to a Money Purchase Annual Allowance of £10,000. Your pension provider would have given you notice of this at the time you flexibly accessed your pension fund.

## What might I get back from my Plan in today's money?

The figures give estimated fund and pension income amounts to help illustrate what could be available at your retirement. As price inflation reduces the worth of all savings and investments, all these amounts are shown in today's money to give an indication of how much you might be able to buy with your pension if it was available today.

### Monthly contributions

Monthly amount you pay (net of basic rate tax relief of 20%) <sup>1</sup>	Monthly amount we invest (Gross amount)	Fund value in today's money after...			Possible annual pension income at age 65 <sup>2</sup>
		15 years	20 years	25 years	
£50	£62.50	£12,600	£17,700	£23,300	£1,110
£100	£125.00	£25,200	£35,500	£46,700	£2,220
£200	£250.00	£50,400	£71,000	£93,500	£4,450
£240 <sup>3</sup>	£300.00	£60,500	£85,200	£112,000	£5,350

### Single contributions

Lump sum you pay (net of basic rate tax relief of 20%) <sup>1</sup>	Lump sum we invest (Gross amount)	Fund value in today's money after...			Possible annual pension income at age 65 <sup>2</sup>
		15 years	20 years	25 years	
£1,000	£1,250	£1,570	£1,730	£1,900	£81
£2,880 <sup>3</sup>	£3,600	£4,540	£4,990	£5,490	£233
£5,000	£6,250	£7,890	£8,670	£9,530	£405
£10,000	£12,500	£15,700	£17,300	£19,000	£810

<sup>1</sup>Higher rate taxpayers can claim additional tax relief direct from HM Revenue & Customs. <sup>2</sup>Pension based on fund value after 25 years from now, payable monthly in advance, guaranteed for 5 years and increasing in line with inflation. Assumes no cash lump sum taken. <sup>3</sup>Maximum payment under Personal Pension rules for non-earners.

### Important projection notes

- 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.
- Your pension income will depend on how your investment grows and on interest rates at the time you retire.
- These figures assume an annual investment growth rate of 2.9% above inflation of 2.0%.
- The monthly contributions table indicates the fund value your Plan might achieve if you make monthly contributions over the periods to retirement shown. Monthly contributions are assumed to increase by 3.0% per annum compound to keep pace with inflation.
- The single contributions table indicates the fund value your Plan might achieve if you invest a single contribution over the periods to retirement shown.
- The tables illustrate the size of the pension you might get at age 65 assuming a 25 year investment term. However, you are able to take benefits from your plan from as early as age 55 (age 57 from 6<sup>th</sup> April 2028).
- The Forester Life Personal Pension Plan is a stakeholder contract and as such meets the standard for 'capped charges'. There is an annual charge of 1.5% of the value of the funds you accumulate. If your fund is valued at £500 throughout the year, this means that we charge £7.50 that year. If your fund is valued at £7,500 throughout the year, this means that we charge £112.50 that year. After 10 years from the start date these deductions reduce to £5.00 and £75.00 respectively.
- A statement will be sent annually to allow you to keep track of your benefits.
- You can choose when to take benefits from your Plan once you have reached age 55 (age 57 from 6<sup>th</sup> April 2028). Forester Life does not offer pension annuities and flexi-access drawdown.
- This information is based on our understanding of current legislation and HM Revenue & Customs practice and may be subject to change. Taxation will depend on individual circumstances.

# Additional information

## How to claim tax relief on contributions?

Forester Life will automatically claim basic rate tax relief direct from HM Revenue & Customs and add it to your contributions. You obtain this tax relief even if you are a non-taxpayer.

If you are a higher rate taxpayer you can claim additional tax relief from HM Revenue & Customs as part of your annual tax assessment.

In addition to the tax relief, your contributions benefit from tax-efficient growth. Forester Life invests your contributions and all the profits from these investments are free from Capital Gains Tax.

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

## Can I see how my Plan is performing?

Every year we will send you a statement showing how much has been paid into your Plan, how many units you have, and how much your Plan is worth. The Fund(s) is divided into units of equal value, which will rise and fall depending on the value of the fund's assets. Units are added to your Plan each time you invest at the unit price at the time.

You can check unit prices at any time. Simply visit our website [foresters.com](http://foresters.com)

You should monitor the value of your Plan, and the level of your contribution, to ensure that it is sufficient to meet your retirement needs.

## Can I increase my contributions?

Yes, we will automatically increase the amount of your monthly contribution each year in line with the Retail Price Index to help you keep pace with inflation.

There is a minimum increase of 2.5% each year, which will provide a boost to your Plan when inflation is low.

You can make additional increases to your Plan at any time subject to maximum contribution limits.

## Can I stop/reduce monthly contributions?

Yes, you can stop and restart your monthly contributions without a penalty. You can reduce the amount you contribute monthly, subject to a minimum ongoing saving of £20.

If you wish to cancel the automatic increases, you should tell us at least 14 days before the increase is due.

## When can I access my pension fund?

You can access the value you have built up in your pension fund any time after your 55<sup>th</sup> birthday (57<sup>th</sup> birthday from 6<sup>th</sup> April 2028). You do not have to retire (stop working) in order to start taking your benefits.

You can also choose to leave your fund untouched when you reach your original intended retirement date if you do not wish to access it at that time.

## How can I access my pension?

Four months before your intended retirement date, we will write to inform you of your options as these could be subject to change, either by Government announcement or by our choice.

You can take up to 25% of the Plan value as a tax-free lump sum and use the balance to Plan a policy that gives you a guaranteed income for life (known as a lifetime annuity) from another provider. This is known as the Open Market Option. This pension is taxed as earned income.

We offer you the option to take the Plan value as a cash lump sum, either in full or in parts. 25% of each lump sum is paid tax-free with the balance taxed as earned income.

If you choose to take a partial lump sum payment from your pension fund any subsequent contributions will be subject to the Money Purchase Annual Allowance.

You also have the option to transfer your entire fund, free of charge, to another pension provider. This may be beneficial if you wish to take advantage of the wider range of pension options, including flexi-access drawdown, available in the marketplace.

A full range of the options that can be offered by pension providers can be found on the Government's Pension Wise website [www.pensionwise.gov.uk](http://www.pensionwise.gov.uk)

## What are the charges?

The Forester Life Personal Pension Plan is a stakeholder pension scheme and as such meets the Government standard for 'capped charges'.

There is an annual management charge of 1.5% of the value of the funds you accumulate, reducing to 1% after 10 years. This annual management charge takes into account our distribution, administration and investment management costs.

The funds have transactional charges for the buying and selling of investments, this is not a direct charge to you.

These charges are calculated daily and reflected in the unit price, this means that you will not see a charge applied directly to your Plan value. There are no other charges to you.

## What are stakeholder schemes?

Stakeholder pensions were introduced to encourage more people to save for their retirement by meeting standards to make sure they offer value for money, flexibility and security.

In order to qualify as stakeholder, a pension scheme must satisfy Government standards including minimum payments from £20, a default investment option, a range of payment methods, and charges of no more than 1.5% pa of fund value (reducing to 1% pa after 10 years).

Scheme investments must be suitable and take into account the need for diversification, with lifestyling to progressively reduce the investment risk in the run up to your retirement.

Whilst our Pension Plan meets the standard for a stakeholder scheme this does not necessarily mean that the investment is suitable for you or that there is any guarantee of performance.



## What is lifestyling?

The purpose of Lifestyling is to progressively reduce the investment risk of the Plan in its final years, by moving the investments from the current fund, to the Foresters Stakeholder (Schroders) Lifestyler 1 Fund, which follows a more conservative fund strategy designed to provide growth potential with reduced risk.

If you have been saving in your pension with us for over 10 years, this will switch into the Foresters Stakeholder (Schroders) Lifestyler 1A Fund, which has the same underlying investments but has lower charges.

## Does my Plan have to be lifestyled?

We will write to tell you when lifestyling is due to commence which will normally be five years before your intended retirement date.

At that time you can choose whether you wish your Plan to be lifestyled or to continue to be fully invested in the Foresters Stakeholder (Schroders) Managed Funds.

Unless you opt out of Lifestyling, we will progressively redirect your contributions, and switch units, from the Foresters Stakeholder (Schroders) Managed Funds into the Foresters Stakeholder (Schroders) Lifestyler Funds which invest in Government and corporate bonds.

## Will my eligibility for state pension benefits be affected?

Depending on your personal circumstances any pension or cash lump sum payment from this Plan may affect your eligibility for means tested pension benefits from the Government. It will not affect your state pension entitlement.

## What if my circumstances change?

You should tell us if there is any change in your employment circumstances or your tax status as this may affect the amount you can contribute or your eligibility for your Plan.

## What happens if I'm automatically enrolled after taking out my Plan?

All eligible employees should be enrolled by their employers into a workplace pension.

Normally this will be the case if you are age 22 or over, but have not reached state pension age, and earn more than a specified minimum each year and are contracted to ordinarily work in the UK.

Other employees have the right to join a workplace pension scheme.

It's possible to pay into both a Personal Pension Plan and a workplace pension, or you may choose to contribute to just one of them depending on your circumstances.

However, with your workplace pension you will get a contribution from your employer plus other benefits that you won't get with your Personal Pension Plan.

## Can I transfer my Plan?

Yes, HM Revenue & Customs rules allow you to switch between approved pension providers and Forester Life will not apply a charge to the amount being transferred.

You can transfer the value of registered pension schemes you hold elsewhere to your Forester Life Personal Pension Plan and Forester Life will not apply a charge to the amount being transferred.

For more information about how to transfer into, or from your Plan, please speak to your Financial Adviser or contact Customer Services.

## What happens if I die?

If you die before you take the benefits of your pension we will pay the value of your Plan as a lump sum, usually to your nominated beneficiaries.

Any lump sum benefit is normally paid free of Inheritance Tax.

If you die after the age of 75 then any remaining value of your Plan will be subject to income tax (based on the marginal tax rate of the beneficiary).

## If you change your mind

After we have approved your application we will issue you with your Plan Document and a notice of your right to cancel. You then have 30 days from receipt of this notice in which you can change your mind about taking out your Plan and have your contributions returned.

The amount you will have returned may be lower if the value of units bought on your behalf has fallen.

## 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](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.

You can view Forester Life customer complaints procedure at [foresters.com](http://foresters.com) or phone 0333 600 0333 for a copy.

# Member benefits

## By saving with us you have access to member benefits!

When you become a member with Foresters you gain access to a range of exclusive benefits. Including a will writing service, a wellness app with rewards, and volunteer grants - just to name a few!

Take advantage of your member benefits at [MyForesters.com](https://www.foresters.com)



Scan me!

*Description of member benefits that you may receive assumes you are a Foresters member. Members must be 18 years of age or older and must have an active Foresters Plan and maintain it in good standing. Foresters member benefits are non-contractual, subject to benefit specific eligibility requirements, definitions and limitations and may be changed or cancelled without notice. Member benefits are not regulated by the Prudential Regulation Authority or the Financial Conduct Authority.*

## We are covered by the FSCS

This means that you may be entitled to compensation from the Financial Services Compensation Scheme (FSCS) in the unlikely event that we cannot meet our obligations.

Compensation depends on the type of business and the circumstances of the claim but insurance businesses are covered for 100% of the claim without any upper limit.

Further information about compensation scheme arrangements is available from the FSCS at [fscs.org.uk](https://www.fscs.org.uk) or by phone on 0800 678 1100.

## Other information

Full details are set out in the Terms and Conditions. A specimen copy is available on request.

Alternatively, you can telephone us on 0333 600 0333, email us at [service@foresters.co.uk](mailto:service@foresters.co.uk) or visit our website [foresters.com](https://www.foresters.com) For information about the financial planning service offered by Forester Life, and about your data protection rights, please refer to our 'Financial planning service' brochure.

## 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 is required to prepare and publish a Solvency and Financial Condition Report each year under the Solvency II regulations. You may view our Solvency and Financial Condition Report on our website at [foresters.com/SFCR](https://www.foresters.com/SFCR)

Please let us know if there is anything in this brochure you don't understand, or you have any specific requirements.

This brochure is issued by Forester Life Limited, Foresters House, 2 Cromwell Avenue, Bromley BR2 9BF and is a guide to the Key Features of our Personal Pension Plan. Information is based on our current understanding of legislation and tax practice as at March 2024, which may change in the future.

## We're here to help



### Email us

[service@foresters.co.uk](mailto:service@foresters.co.uk)



### Financial Advice

Visit [foresters.com/advice](https://www.foresters.com/advice)



### Call us

0333 600 0333

Our Customer Services team is based in the UK and ready to help with any questions - Monday to Friday 8:30am to 5:00pm.