

With-profits stocks and shares Junior ISA (regular)

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, potential gains and losses of this product and to help you compare it with other products.

Product

The 'With-profits stocks and shares Junior ISA' is manufactured by Healthy Investment, which is the trading name of The Rechabite Friendly Society Limited. Visit www.healthyinvestment.co.uk or call 0161 762 5790 for more information. The Financial Conduct Authority (FCA) is the competent authority of Healthy Investment. This Key Information Document was produced on 1 January 2023.

What is this product?

Type

With-profits stocks and shares Junior ISA.

Objectives

The Healthy Investment With-profits stocks and shares Junior ISA aims to increase the value of the money you invest through adding bonuses to your investment that reflects the performance of the investments in the Society's Ethical With-profits Fund. By choosing the With-profits Fund it enables you to invest in a mix of UK and global stocks and shares, government and corporate bonds, commercial property and cash deposits through a single fund. This With-profits investment aims to deliver a consistent return and even out some of the short term movement that could be experienced by investing directly in equities by smoothing the amount of bonuses added to your investment. On specific anniversary dates it guarantees that the minimum return will be the amount of your initial investment plus any bonuses that have been added to your investment, less any withdrawals made.

Intended retail investor

Individuals who already have some bank or building society savings and who are willing to take a low to medium risk in return for the possibility of higher returns and who are able to invest for the medium to long term. Individuals should be looking to invest for at least 5 years.

The minimum initial contribution is £10. You can make additional contributions at any time as long as the total amount invested in any tax year is not above the maximum limit set by the government.

Insurance benefits and costs

Should the child die or become terminally ill the policy will pay out a minimum of 101% of the fund value.

The value of other benefits can be found below in the section 'What are the risks and what could I get in return?'.

Further information

The maturity date of this product is the 18th birthday of the policyholder, however if it is not withdrawn on the child's 18th birthday it will remain invested in an ISA. Before this date money cannot be withdrawn from the account, however the account can be transferred to another provider's Junior ISA.

If the policy is cashed in on or transferred on the child's 18th birthday, or any subsequent 5th birthday, and the investments have been held for over 5 years, we guarantee that we will not apply a MVR. This means that they are guaranteed to receive all of the initial investments plus all the bonuses that have been added.

If the individual investment has been made for less than 5 years when the child reaches 18 the first MVR free guarantee will apply on the 5th anniversary of the investment and every 5th anniversary thereafter.

What are the risks and what could I get in return?

Summary risk indicator



Description of the risk-reward profile

The summary risk indicator assumes that you keep the product for 15 years and is a guide to the level of risk of this product compared to others. We have classified this product as 3 out of 7 which represents a low to medium level of risk. This rating shows how likely it is that you could lose money because of market movements affecting the value of your investment or in the event of business failure of the Society. The product guarantees to pay all your contributions plus added bonuses on specified dates; at other times it can apply a Market Value Reduction to reflect poor investment performance at the time of transfer.

The main factors likely to affect future returns

The performance of the investments within the Healthy Investment Ethical With-profits Fund i.e. the rise or fall in the value of equities, bonds and commercial property and the level of dividend they pay, our expenses that we charge for managing your Junior ISA, interest rates and the financial strength of the Society.

What are the most relevant benchmarks?

We monitor the performance of our With-profits Fund against a benchmark that includes a benchmark for each type of asset we hold based on how much of each type of asset we hold. The most relevant benchmarks are government bonds, corporate bonds and UK equities. We aim to give you a higher return than a bank or building society deposit account, although the features, benefits and risks are different than a cash deposit.

What could affect my return positively?

If investment values rise more than expected, you will receive a higher return through higher reversionary and terminal bonuses.

What could affect my return negatively?

If investment values rise less than expected or fall, you will receive a lower return through lower reversionary and terminal bonuses. This might be less than what you would receive in a bank or building society account. We might apply a Market Value Reduction when you withdraw from your Junior ISA if investment values have fallen lower than the amount we can smooth the investment return. If we apply a MVR you might get back less than you have invested, unless your withdraw from it on one of the capital and bonus guarantee anniversaries.

What might I get back in severely adverse market conditions?

We would need to apply a higher MVR to reduce what you would get back when you withdraw from your ISA, unless you withdraw from it on one of the capital and bonus guarantee anniversaries. In severely adverse market conditions the reversionary and terminal bonus rates could be nil.

What happens if Healthy Investment is unable to pay out?

If we are unable to pay you what you are owed under the terms and conditions of the investment you are covered by the Financial Services Compensation Scheme (FSCS). You can find out more about them from their website www.fscs.org.uk or you can ring them on 0800 678 1100. This product is categorised as an insurance based investment product which means that you are covered for 100% of loss on this product through the FSCS.

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 amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest £1,000 (each year). The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment: £1,000 (each year) If you cash in after...	1 year	8 years	15 years
Total Costs (£)	£3	£425	£1,534
Impact on return (RIY) per year (%)	0.30%	0.99%	0.87%

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;
- 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. This is the most you will pay and you could pay less. This includes the costs of distribution of your product.
	Exit costs	0%	The impact of the costs of cashing your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.05%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.83%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0%	This product does not charge any performance fees.
	Carried interests	0%	This product does not charge any carried interests.

How long should I hold it and can I take money out early?

The recommended minimum holding period is 15 years.

The recommended holding period has been selected to enable investors to benefit from long term growth whilst avoiding short term volatility.

Full and partial surrender are allowed at any time on or after the child's 18th birthday.

Only if you withdraw your investment on the Market Value Reduction free dates are you guaranteed to receive all your invested capital plus bonuses to date.

How can I complain?

To make a complaint about our product or conduct, please contact us.

Details of our complaints procedure are available on our website www.healthyinvestment.co.uk.

You can submit your complaint via post to Healthy Investment, 2 The Old Court House, Tenterden Street, Bury BL9 0AL, or via email to enquiries@healthyinvestment.co.uk.

Other relevant information

Additional information about the product and policy conditions can be found in our Terms and Conditions. This is available on our website.

The Society publishes annually a Solvency and Financial Condition Report which includes important information on the financial performance, solvency and governance of the Society.

Healthy Investment is the trading name of the Rechabite Friendly Society Limited, an incorporated Society within the meaning of the Friendly Societies Act 1992. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register 109994

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