

## With-profits Tax Exempt Endowment Savings Plan

### 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 Tax Exempt Endowment Savings Plan' is manufactured by Healthy Investment, which is the trading name of The Rechabite Friendly Society Limited. Visit [www.healthyinvestment.co.uk](http://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 Tax Exempt Endowment Savings Plan.

### Objectives

The Healthy Investment With-profits Tax Exempt Endowment Savings Plan aims to pay out a tax free cash sum at the end of the fixed term of the plan. It provides a minimum guaranteed payment if the policyholder dies before the policy matures. It allows you to invest a mix of UK and global stocks and shares, government and corporate bonds, commercial property and cash deposits through a single With-profits Fund.

It aims to increase the guaranteed minimum maturity value by bonuses based on the investment performance of the Ethical With-profits Fund.

### 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.

The minimum you can invest is £10 per month or £120 annually and due to the tax advantages, the government limits the maximum you can invest to £25 per month or £270 annually.

The minimum term of the plan is 15 years and the maximum is 25 years. The savings plan must mature before the investors 65<sup>th</sup> birthday.

### Insurance benefits and costs

On death, the sum assured plus any bonuses to date will be paid to your estate.

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 is agreed at the start of your plan.

If you cash in your policy within the first year it is likely that it will have no value. If you have made more than a year of payments into your policy it may have a 'cash in' value but it may be less than what you have paid in.

### 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. This product guarantees to pay your sum assured plus bonuses to date on maturity or on death. If you cash-in early you may receive less than you've paid, especially within the first year as your policy is likely to have no value. If Healthy Investment is not able to pay you what is owed, you could lose your entire investment, however you may benefit from a consumer protection scheme (see the section 'What happens if Healthy Investment is unable to pay out?').

## 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 Tax Exempt Savings Plan, 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. The guaranteed pay out of the sum assured on maturity and the inclusion of life insurance results in a lower risk investment strategy which can dampen investment returns.

## 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 you cash in your savings plan before the end of the agreed term you are likely to receive less back than you invested. If investment values rise less than expected or fall, you will receive a lower return through lower reversionary and terminal bonuses.

## What might I get back in severely adverse market conditions?

Even in adverse market conditions you are guaranteed to receive back the guaranteed 'sum assured' providing you continue paying your premiums until the agreed maturity date. 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](http://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. They include potential early exit penalties. The figures assume you invest £1,000 per 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: £993.49 Insurance premium: £6.51 (each year) If you cash in after....	1 year	8 years	15 years
Total Costs (£)	£441	£1,346	£3,039
Impact on return (RIY) per year (%)	44.09%	3.33%	1.82%

## 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	0.48%	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	0.00%	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	1.29%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	This product does not charge any performance fees.
	Carried interests	0.00%	This product does not charge any carried interests.

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

The recommended required 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.

You can cash in your policy at any time, though there is no guarantee on the amount you will receive and it may be less than you have paid in.

If you cancel your policy in the first 12 months you will not receive any payment.

## 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](http://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](mailto: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**

**2 The Old Court House, Tenterden Street, Bury BL9 0AL**

**0161 762 5790**

**[www.healthyinvestment.co.uk](http://www.healthyinvestment.co.uk)**

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