

The Healthy Investment Tax Exempt Savings Plan - Adult

The Society has undertaken a review of its TESP (adult). The Board is satisfied that that it fulfils the product and service, price and value, customer understanding and customer support outcomes of the FCA's Consumer Duty regulations.

Product Information:	Minimum monthly premium	£10
	Minimum annual premium	£120
	Maximum monthly premium	£25
	Maximum annual premium	£270
	Minimum age	17 next birthday
	Maximum age	50 next birthday
	Fixed term	15 to 25 years
	Withdrawals	Only on maturity or full early surrender

Target Market:

- The Tax Exempt Savings Plan (adult) has been designed to be appropriate for adult investors between the ages of 16 and 50 looking to commit to saving a modest monthly amount over a fixed 15 to 25 year period.
- It is available to UK residents only.
- It is a cautious to medium risk investment for mass market distribution.
- It has been designed to be appropriate for a wide range and mix of economic backgrounds.

This Tax Exempt Savings Plan for adults would be appropriate for investors who:

- Have sufficient bank or building society savings for their regular requirements that they can access immediately.
- Have surplus income of between £10 and £25 per month that they are looking to commit to saving monthly over the full term of the plan.
- Have already used their tax free ISA allowance and are looking for additional tax free allowances.
- Are looking for an investment that matures on a specific birthday, anniversary or life event.
- Prefer the convenience and discipline of a fixed term monthly investment over higher risk and returns and flexible investments.

This TESP (adult) would be especially appropriate for:

- Investors seeking additional life insurance with no medical underwriting.
- Investors who are keen to do business with a mutual provider that has no shareholders and is run solely for the benefit of its investor members.
- Investors looking for traditional personal service from named and experienced policy administrators.
- Investors wanting an ethical investment that avoids investing their money in industries that do harm

This TESP (adult) would be especially unsuitable for investors who:	<ul style="list-style-type: none"> Do not currently have some bank and building society savings that they can access immediately. Are not confident they can maintain contributions throughout the term of the plan. Are looking for flexibility of contribution and term. Are looking for a high-risk investment. Have not firstly considered, unless they are specifically looking for a fixed term investment, using their ISA or Junior ISA tax free allowances.
Underlying investment fund:	<ul style="list-style-type: none"> The Healthy Investment Ethical With-profits Fund is a multi-asset fund including government and corporate bonds, UK and overseas equities, REITS and commercial deposits. The Society uses external fund managers to maximise growth opportunities within agreed risk tolerances. The current asset allocation is published on the Society's website quarterly.
<p>We have not identified any information or metrics that indicate this product does not meet the needs of the target market. The Society's product governance policies and procedures have been followed in the development and review of this product, including professional input from the Society's With-profits Actuary and scrutiny by the independent With-profits Committee.</p>	
Benefits (financial)	<ul style="list-style-type: none"> The Tax Exempt Savings Plan for adults includes a guaranteed minimum payout on maturity providing premiums have been maintained. The TESP (adult) grows through the addition of annual reversionary bonuses based primarily on the investment return of the Ethical With-profits Fund. On maturity an additional final bonuses may be added. In 2022 a reversionary bonus of 0.65% of the sum assured was declared. The TESP (adult) includes a capital and bonus guarantee on death. As an insurance based investment there is no limit on the FSCS cover.
Costs (financial)	<ul style="list-style-type: none"> In the first year between 15 and 30% of premiums, depending on the term, are taken from your share of the fund to meet the costs of setting up the plan. In each following year 6% of the premiums you pay are taken from your share of fund cover our costs, including the cost of life insurance.
Risks:	<ul style="list-style-type: none"> In exceptional market conditions a nil bonus may be declared. If investment market conditions are poor throughout a significant part of the term of the plan or the plan is surrendered early the return received may be less than the amount invested.
<p>After undertaking a review of the Tax Exempt Savings Plan for adults the Board of the Society is satisfied that, when benchmarked against similar products, the costs and benefits provide fair value to investors and fall within expected tolerance levels.</p>	
Customer understanding:	<ul style="list-style-type: none"> The Society produces pre and post-sales literature that is written in plain English.

	<ul style="list-style-type: none"> • This includes full terms and conditions, Key Information Documents and explanatory leaflets on bonuses and market value reductions, all of which are available on the Society's website. • There is an ongoing process involving member feedback to ensure the information needs of members and advisers are met.
Vulnerable customers:	<ul style="list-style-type: none"> • Where members have disclosed, or the Society is aware that an individual might be vulnerable we will assess their ongoing needs to see if any further support can be provided. • This can include different forms of communications, providing further explanatory information and signposting to external agencies for support.
The Board is satisfied that, based on internal review and member testing and feedback that member and adviser communications are clear, fair and understandable and where necessary tailored to the needs of members.	
Customer support:	<ul style="list-style-type: none"> • The Society provides a personal service to members and advisers. We do not use call centres or third-party administrators. • Calls, emails and webchats are answered personally. • Employees are well trained and knowledgeable. All staff are expected to hold or work towards recognised financial services qualifications. • All members are invited to leave reviews of the service they receive.
Complaints:	<ul style="list-style-type: none"> • We recognise that on occasion things can go wrong. The society has a formal complaints procedure which ensure prompt and fair resolution of any problems, and which is fully compliant with FCA compliant handling rules. • We work in partnership with financial advisers to resolve complaints.
Working in partnership	<ul style="list-style-type: none"> • As part of our commitment to working in partnership with financial advisers we will always keep advisers up to date with product and service developments. • If you, as an adviser, believe that there is any information we should be aware of then please let us know.
Based on the agreed metric the Board is satisfied that the level of service and ongoing support available to members and financial advisers meets their needs.	
Assessment Date:	April 2023
Expected date of next assessment:	April 2024 or when there is a significant change in product or distribution strategy.

