

The Healthy Investment, Investment Bond (Series 4)

The Society has undertaken a review of its Investment Bond (series 4) that is only available through financial advisers. 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:	<p>Minimum premium £2,000</p> <p>Maximum premium £1,000,000</p> <p>Minimum age No minimum</p> <p>Maximum age No maximum</p> <p>Term No fixed term</p> <p>Minimum withdrawal No minimum</p> <p>Guarantees Capital and bonus guarantee on the 10th anniversary of investment and every 5th anniversary.</p> <p style="text-align: right;">Capital and bonus guarantee on death.</p>
Target market:	<ul style="list-style-type: none"> • The Healthy Investment, Investment Bond has been designed to be appropriate for a wide range of adult investors, across a broad age range and mix of economic backgrounds. • It is available to UK residents only. • It's a cautious to medium risk investment for mass market distribution. • The product is aimed at investors looking for a single multi-asset ethical With-profits Fund for whom direct investing in a range of diversified assets would not be possible or prohibitively expensive. <p>This Bond would be appropriate for investors who:</p> <ul style="list-style-type: none"> • Have sufficient bank or building society savings for their regular requirements that they can access immediately. • Have a surplus sum between £2,000 and £1,000,000. • Wish to invest for the medium to long term. • Are willing to take some risk that they might get back less than they have invested if they are not able to wait for the next anniversary guarantee date before withdrawing their investment, in return for the possibility for returns in excess of cash deposits.
This Bond would be especially appropriate for:	<ul style="list-style-type: none"> • Investors who are able to access or pay for professional financial advice. • Older investors looking to guarantee their capital in the event of their death. • Investors considering using a range of Trusts as part of a taxation or inheritance planning strategy. • Those 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.

	<ul style="list-style-type: none"> 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 Bond would be especially unsuitable for investors who:	<ul style="list-style-type: none"> Do not currently have bank, building society or other liquid investments that they can access. Are not willing to take the risk that they may get back less than they have invested, unless they wait for the next anniversary guarantee or for market values to recover. Have not first considered the tax benefits of investing in an ISA. Are saving for a significant purchase or life event within the near future. Are looking for a high-risk investment. They want to invest in a mix of asset classes and a wide range of shares, bonds and REITS in order to diversify risk but for whom direct investing would not be possible or prohibitively expensive.
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.
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.	
Benefits (financial):	<ul style="list-style-type: none"> The Bond grows through the addition of annual reversionary bonuses based primarily on the investment return of the Ethical With-profits Fund. An additional final bonus may be added on a partial or full withdrawal. In 2022 a reversionary bonus of 2% was declared. The Bond includes a capital and bonus guarantee on key anniversaries and on death. As an insurance based investment there is no limit on the FSCS cover.
Costs (financial):	Annual Management Charge (AMC) – 0.9%
Risks:	<ul style="list-style-type: none"> In adverse market conditions it might be necessary to apply a Market Value Reduction only when withdrawals from the Bond are made. In exceptional market a nil bonus may be declared.
After undertaking a review of the Investment Bond (series 4) 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.	
Customer understanding :	<ul style="list-style-type: none"> The Society produces pre and post sale 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.
<p>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.</p>	
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 ensures 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.
<p>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.</p>	
Assessment Date:	April 2023
Expected date of next assessment:	April 2024 or when there is a significant change in market or distribution strategy.

