

# Key Information Document

## 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, costs, potential gains and losses of this product and to help you compare it with other products.

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## Product

### Adult Savings Plan

Transport Friendly Society Limited

([www.tfs.uk.com](http://www.tfs.uk.com))

Call 020 7833 2616 for more information



Transport Friendly Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

## What is this product?

The product is a tax-exempt with profits endowment plan with contributions payable for a fixed term with a minimum of 10 years. The maximum age at entry is 65. **This document shows values based upon a policy term of ten years and an investor aged 40.**

### Objectives

- To build a tax-free cash sum
- To allow you to take advantage of your friendly society tax exempt savings allowance
- To provide a guaranteed tax-free cash lump sum for your loved ones should you die during the term of the Plan.

### Intended Retail Investor

The Plan is available to anyone under the age of 65 when they join, associated with passenger transport, and their family and friends.

The insurance benefits included in this Plan are a guaranteed lump sum plus attaching bonuses, if any, payable to your family should you die. The average cost of this life cover assuming your age is 40 is £2.37 per annum.

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

1 2 3 4 5 6 7

Lower risk

Higher Risk



The Summary Risk Indicator (SRI) assumes you keep the product for 10 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less than you paid in. The summary risk indicator is a guide to the level of risk of this product compared to other products. We have classified this product as 3 out of 7 which is a medium-low risk class. This rates the potential loss from future investment performance as medium-low. This is because you are entitled to receive back at least the Guaranteed Sum Assured at maturity. Any amount over this and any additional return depends on future market performance and is uncertain. However, this protection against future market performance will not apply if you cash in before the maturity date or fail to make all your payments on time. You will receive nothing back if you stop the policy during the first year. If we are 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 we are unable to pay you"). The indicator shown above does not consider this protection.

## Performance Information for the Adult Savings Plan

### Main factors likely to affect future returns:

We pool your money with other contracts in our with-profits Fund and you are then entitled to a share of this Fund. The size of your share depends on how much you paid in and when you paid it.

The amount you get back will depend on how the Fund's investments, a mix of stocks and shares, fixed interest and property, perform.

The value of the Fund changes over time due to:

- **Investment returns** – The value of the Fund can move up or down
- **Deductions** – Any deductions we take from the Fund to cover investment management fees, ongoing management costs and the costs of guarantees.

### How the mix within the Fund could impact performance and risk

The mix of assets in the Fund may change during the policy lifetime to maintain a healthy balance between risk and reward. Because the Fund is invested in a mix of assets, there is no single index to represent the performance of the Fund.

Payouts on with-profits policies are smoothed to reduce the impact of ups and downs in market performance. This means that when profits from the Fund are strong some may be held back to be used to support payouts when profits are weak. When possible, bonuses will be added to your policy which once added cannot be taken away.

### What could affect my payout positively?

You may receive a better payout on your savings if the Fund performs well over the period of your Plan.

You may receive a better payout on your savings if our investment management fees, ongoing management costs and the costs of guarantees are lower than we anticipate.

### What could affect my payout negatively?

You may receive a lower payout on your savings if the Fund performs badly over the period of your Plan.

If you surrender your policy early, you are likely to incur charges and you may have to pay tax on any gains you have made.

You may receive a lower payout on your savings if our investment management fees, ongoing management costs and the costs of guarantees are higher than we anticipate.

### Payouts in difficult market conditions

Your Plan's guaranteed sum at maturity means that no matter how bad markets get, you will receive at least your guaranteed sum assured at maturity. We will monitor the market continually and if necessary will alter the investment mix.

You may not receive additional bonuses if markets perform badly but when you do receive bonuses and you keep your policy to maturity these bonuses cannot be taken away.

### What happens if Transport Friendly Society is unable to pay out?

If Transport Friendly Society is unable to meet its liabilities, compensation may be payable by the Financial Services Compensation Scheme. Further information on the Scheme is available from the Financial Services Compensation Scheme on 020 7892 7300 or at [www.fscs.org.uk](http://www.fscs.org.uk)

### 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 Plan itself, for three different holding periods. They include potential early exit penalties. The figures assume that you invest £1,000 each year. The figures are estimates and may change in the future.

### Costs over Time

Investment Scenarios	If you cash in after 1 year	If you cash in after 5 years	If you cash in after 10 years
Total Costs	£1,070	£875	£2,020
Impact on return (RIY) per year	106.97%	5.17%	2.57%

<b>Composition of costs</b>			
The table below shows:			
<ul style="list-style-type: none"> <li>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;</li> <li>The meaning of the different categories.</li> </ul>			
This table shows the impact on return per year			
<b>One-off costs</b>	<b>Entry costs</b>	1.05%	The impact of the costs already included in the price. (This is the most you will pay, and you could pay less).
	<b>Exit costs</b>	0.00%	The impact of the costs of exiting your investment when it matures.
<b>Ongoing costs</b>	<b>Portfolio transaction costs</b>	0.06%	The impact of the costs of us buying and selling underlying investments for the product.
	<b>Other ongoing costs</b>	1.46%	The impact of the costs that we take each year for managing your investments.
<b>Incidental costs</b>	<b>Performance fees</b>	0.00%	The impact of performance fees.
	<b>Carried interests</b>	0.00%	The impact of carried interests
<b>How long should I hold it and can I take the money out early?</b>			
<p>It is important to remember that this Plan is a long term contract. In the first year, after the cooling-off period if you decide that you do not want the Plan you will not be entitled to any of the money you have paid in. However, if after one year, and before two years have elapsed, you decide that you want to cash it in early, you would be entitled to a refund of one third of what you have paid in. After you have paid in for two years or more you would have the choice of one of the following two options:</p> <ul style="list-style-type: none"> <li>Leave the money paid in with a corresponding lower sum assured, or</li> <li>Surrender the Plan for its surrender value. If you surrender the Plan, particularly in the early years you may get back less than you have paid in.</li> </ul>			
<b>Recommended Minimum Holding Period</b>			
Taking into account the above information, the recommended holding period for the Plan is the full term of the Savings Plan which you agreed when you took out the Plan.			
<b>How can I complain?</b>			
<p>If you have a complaint or are not satisfied with any aspect of the Society, its products or its services please contact us at Transport Friendly Society Limited, Derbyshire House, St. Chad's Street, London WC1H 8AG. Telephone 020 7833 2616.</p> <p>If the complaint is not dealt with to your satisfaction, you can refer your complaint to the Financial Ombudsman Service, Exchange Tower, London E14 9SR (Telephone 0800 023 4567). Following this complaints procedure does not affect your rights to take legal action.</p>			
<b>Other relevant information</b>			
<b>Contributions payable</b>			
Please note that the figures assume that you invest £1000 each year, which is the amount we are required to show based on current regulations. As such, this KID should be read in conjunction with the product guide, which provides additional examples of what you could get back based on a lower investment amount.			
<b>Advice</b> - No advice will be given to you by the Society regarding this Plan. It is your responsibility to ensure that the Plan meets your needs. If advice is required, you should consult an independent financial advisor.			
<b>Tax</b> - If the Plan is maintained in full force until death or maturity, the benefits payable are currently free of all UK income and capital gains taxes.			
<b>Membership of TFS</b> - When you take out a Plan with Transport Friendly Society you become a member of the Society and are subject to its rules, a copy of which is available on request.			
<b>Friendly Society</b> - A friendly society is a mutual organisation which has no shareholders. It is run by its members for its members. TFS is a member of the Association of Financial Mutuals.			
<b>Law</b> - In any legal disputes the Law of England and Wales will apply.			
<b>Contract</b> - This leaflet is based on the Society's understanding of current law and Inland Revenue Practice which may be subject to change. This document provides a guide to the Plan in a format prescribed by the Society's Regulators. Full details are contained in the policy schedule, terms and conditions which is the legally binding contract between you and the Transport Friendly Society Limited.			