

Key Information Document - Ten Year Qualifying 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, costs, potential gains and losses of this product and to help you compare it with other products.

Product

'10 Year Option Plan (Qualifying)' is manufactured by Metropolitan Police Friendly Society Limited (Metfriendly). Visit www.metfriendly.org.uk or call 01689 891454 for more information. The Financial Conduct Authority (FCA) is the competent authority of Metropolitan Police Friendly Society Limited. This KID was produced on 12 June 2018.

What is this product?

Type	Ten Year Qualifying Savings Plan
Objectives	To provide a lump sum at the end of 10 years. To allow you the option of leaving the money accumulated in the plan invested with Metfriendly until you choose to cash it in. To provide a guaranteed minimum payment - called the "Sum Assured" - on death. Your premiums are invested in Metfriendly's With-Profits fund which is made up of equities, commercial property, bonds and cash. At the end of each calendar year, we normally add a bonus to all your investments and send you a bonus notice. Once added, bonuses are permanent additions to your investment with us. Provided you invest for at least 10 years, we normally add a final bonus when you cash it in. A key factor in determining bonuses is the investment return on the With-Profits fund in recent years.
Intended retail investor	You must be a UK resident aged 18 or over, and you must work or have worked in the UK police service, or be the partner or close relative of such a person. You must take out your plan before age 50 (55 for non-smokers).
Insurance benefits	On death this plan will cease and the current value of your plan will be paid to your estate. This sum will not be less than the Sum Assured.
Term	10 Years

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

Risk Indicator



Lower risk ← → Higher risk

The risk indicator 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.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact the capacity of Metfriendly to pay you. You are entitled to receive back at least 93% of your capital. 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 10 years. If Metfriendly 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 Metfriendly is unable to pay out?'). The indicator shown above does not consider this protection.

Performance Scenarios

This table shows the money you could get back over the next 10 years, under different scenarios, assuming that £1,000 per year is invested by someone aged 50. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

Investment: £1,000		1 year	5 years	10 years
Scenarios				
Stress scenario	What you might get back after costs (£)	833	5,000	10,107
	Average return each year (%)	-16.67%	0.00%	0.19%
Unfavourable scenario	What you might get back after costs (£)	833	5,000	10,264
	Average return each year (%)	-16.67%	0.00%	0.47%
Moderate scenario	What you might get back after costs (£)	833	5,000	11,016
	Average return each year (%)	-16.67%	0.00%	1.75%
Favourable scenario	What you might get back after costs (£)	833	5,000	11,787
	Average return each year (%)	-16.67%	0.00%	2.97%
Accumulated Investment Amount (£)		1,009	5,189	10,755
Death Scenario				
Death	What your beneficiaries might get back after costs based on the Moderate scenario (£)	9,443	10,004	11,016
Accumulated Insurance Premium (£)		5	26	54

What happens if Metfriendly is unable to pay out?

We're covered by the Financial Services Compensation Scheme (FSCS). If we can't meet our obligations, you may be entitled to compensation from the Scheme.

This is a long term insurance product, so this means you're entitled to receive 100% of the whole of the claim. The service is free to consumers.

Further information is available from the FSCS: 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU, 0800 678 1100 (opening hours are: Monday to Friday - 8.30am to 5.30pm), 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 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 based on the Moderate scenario 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 per year If you cash in after...	1 year	5 years	10 years
Total Costs (£)	209	678	1,673
Impact on return (RIY) per year (%)	20.94%	4.27%	2.54%

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	0.80%	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 exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.11%	The impact of the costs of us buying and selling underlying investments for the product.
	Insurance costs	0.09%	The impact of insurance costs that covers the amount paid on death being greater than premiums paid.
	Other ongoing costs	1.53%	The impact of the costs that we take each year for managing your investments. This includes the cost of death benefits.
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 interest.

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

Recommended holding period: 10 years

The plan can be cashed in for a surrender value at any time. You can only cash in the plan completely, part surrenders are not permitted. Once you have been paying premiums for 6 years, the surrender value may exceed what you have paid in – but it could be less in the early years. Surrender values are based on premiums received until the 6th policy anniversary. A surrender penalty of 2 months' premiums applies until the 2nd anniversary and a penalty of 1 months' premium applies until the 4th anniversary.

How can I complain?

Initially we ask you to send your complaint in writing to: Metfriendly, Central Court, Knoll Rise, Orpington, BR6 0JA or email: info@mpfs.org.uk

We will investigate your complaint and send you a written acknowledgement. We will give you a full response seeking to resolve your complaint within eight weeks, or we will indicate when we expect to do so. If you are then still unhappy with our response you may refer your complaint to the Financial Ombudsman Service, Exchange Tower, London, E14 9SR, telephone number 0800 023 4567 or by email complaint.info@financial-ombudsman.org.uk website: www.financial-ombudsman.org.uk

Other relevant information

On taking out this plan you automatically become a member of Metfriendly and are subject to our Rules which are available on our website. Further information is included in the product pages of the Metfriendly website. To find out more about our financial strength you can read our Solvency and Financial Condition Report (SFCR) on our website at www.metfriendly.org.uk/sfcr