

# 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.

## PRODUCT

The Lifetime membership plan (“the plan”) is manufactured by Dentists' Provident Society Limited (“Dentists' Provident”). Please visit [www.dentistsprovident.co.uk](http://www.dentistsprovident.co.uk) or call +44 (0) 207 400 5700 for more information. The Financial Conduct Authority (FCA) is the competent authority responsible for Dentists' Provident. This key information document was produced on 31 December 2023. **You are about to purchase a plan that is not simple and may be difficult to understand.**

## WHAT IS THIS PLAN?

Type	This plan is a contract written under the Holloway system.
Objectives	To allow you to continue building your bonus account after all your income protection cover with us has ended. The plan does not provide any other benefits.
Intended retail investor	This plan is available to retired or retiring dentists who hold income protection plans with Dentists' Provident and our permanent employees and individuals who are invited to apply. All applicants must be living in the UK, the Channel Islands or the Isle of Man. If you subsequently start a new income protection plan with us, or if you stop living permanently in the UK, the Channel Islands or the Isle of Man, your plan will end.
Insurance benefits and costs	The plan allows you to continue building up funds in your bonus account after your income protection plans with us end. There is no maturity date for this plan and the plan does not provide any other benefits. Every year we return part of our financial surpluses to members as bonuses, which are held in their bonus accounts. These bonuses build up a cash fund, available for when the plan ends. Participation units give you the right to share in these surpluses and the number of participation units you have determines how much of our financial surplus is allocated to you. You can decide how much you want to pay towards your participation units. The maximum amount depends on the number of participation units you are entitled to have, which is calculated as the maximum value of your monthly cover in the last five years, divided by 10. You must hold at least 1 participation unit with each plan. The premium for your participation units does not normally change with your age and you can alter the number of units you have, within the above limits, at any time. The value of these benefits is shown in the section 'What are the risks and what could I get in return?'.
Further information	We do not guarantee our future bonuses, and the amount you get back will depend on several factors. For example, the length of your membership, the number of units you held, how well we, and our investments perform, any withdrawals you make from your bonus account and whether any bonus account reductions apply, can all affect the final balance of your bonus account. If our income and reserves are insufficient to meet our financial obligations, the bonuses previously added to your bonus account under this or a previous plan, can be reclaimed to make good any deficiency. We currently do not apply bonus account reductions, but we reserve the right to change our practise at any time, particularly in the event of a significant adverse movement in the investment markets or increase in the level of withdrawals by members. Any change in our practise will be made without prior notice and would apply to all planholders. There are certain instances where we can cancel your plan and your membership before its end date. For example, if you are barred or suspended from your occupation for disciplinary reasons, you are in material breach of our terms and conditions, you are made bankrupt or make any arrangement or composition with your creditors or where you are convicted of an offence which carries a custodial sentence or one involving corruption or dishonesty such as fraud, theft, deception, misrepresentation or misappropriation of funds.

## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

### Risk Indicator



Lower risk ◀.....▶ Higher risk



The risk indicator assumes you keep the plan for 10 years. You may not be able to end your plan easily or you may have to end at a price that significantly impacts how much you get back.

The summary risk indicator is a guide to the level of risk of this plan compared to other plans. It shows how likely it is that the plan will lose money because of movements in the markets or because we are not able to pay you. We have classified this plan as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact the capacity of Dentists' Provident to pay you. This plan does not include any protection from future market performance so you could lose some or all of your investment. If Dentists' Provident 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 Dentists' Provident is unable to pay out?'). The indicator shown above does not consider this protection.

### **Investment performance information**

The return on this plan is dependent on the distribution of financial surplus through bonuses declared by Dentists' Provident, rather than just the performance of the underlying assets. Two types of bonuses are declared each year, an amount added each year dependent on the number of participation units you hold, and interest added on the previously declared bonuses held in your bonus account. In addition, a final bonus may be added to your investment if you hold it to the end of its original term.

In declaring bonuses, the main factors which influence the level of bonus are expected financial surpluses from investments, operating performance from the insurance business, previously declared bonuses and the aim to smooth returns over time.

The investment approach is to invest in a range of different asset classes with varying risk and return profiles. Dentists' Provident aims to declare bonuses over the recommended holding period to achieve cumulative returns comparable to a well-diversified portfolio of global equities with reduced volatility. A suitable proxy to compare investment performance would be the reference portfolio in Dentists' Provident's annual report without the inherent volatility of this proxy.

### **What could affect my return positively?**

Favourable investment returns or operating experience may lead to a higher declared bonus, which would increase the return on this plan. For operating experience, this may include lower insurance costs such as sickness payments or administrative expenses. Any sickness claims you make will not have a direct impact on the return you receive on this plan.

### **What could affect my return negatively?**

Unfavourable investment returns may lead to a lower declared bonus. Dentists' Provident's approach in declaring bonuses is to smooth bonus rates to reduce the volatility of underlying assets. However, the extent it can smooth returns depends on its financial resources. If these are constrained the amount of smoothing may be reduced.

The return will be negatively affected by unfavourable operating experience on its insurance business, such as higher aggregate sickness claims. Finally, Dentists' Provident current tax status means if the current tax treatment of the plan changes in the future, this could negatively impact returns.

In exceptionally unfavourable circumstances, Dentists' Provident may reduce your investment if you decide to redeem early. Even if you hold this plan for its full term, unfavourable financial circumstances at the time the plan is redeemed may lead to a reduction in your investment.

### **WHAT HAPPENS IF DENTISTS' PROVIDENT IS UNABLE TO PAY OUT?**

You may face a financial loss if we cannot meet our obligations due to financial insolvency, but you may qualify for compensation from the Financial Services Compensation Scheme. Most investment business is covered for 100% of the first £85,000 per person, per firm and the scheme may cover you for 100% of any successful insurance claim you make.

### **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 charges. 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 plan 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 (£)	15	256	1,059
Impact on return (RIY) per year (%)	1.54%	1.55%	1.55%

## 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	0.00%	The impact of the costs you pay when taking out this plan. This includes our distribution costs of your plan.
	Exit costs	0.00%	There are no exit charges attributable to this plan.
Ongoing costs	Portfolio transaction costs	0.56%	The impact of the costs of us managing the underlying investments for the plan.
	Insurance costs	0.00%	This plan does not have any insurance benefits.
	Other ongoing costs	0.99%	This is the total ongoing cost of administering this plan.
Incidental costs	Performance fees	0.00%	This plan does not charge any performance fees.
	Carried interests	0.00%	This plan does not charge any carried interest.

## HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

### Recommended required minimum holding period: 10 years

The cash fund you build up is payable when your plan ends. You can take all or part of the funds in your bonus account at any time. This plan will automatically end on your death and the balance of your bonus account will be paid to your estate after any payments to your nominees.

## HOW CAN I COMPLAIN?

To make a complaint, please contact us as soon as you can on:

Telephone: +44 (0)20 7400 5700  
Email: [complaints@dentistsprovident.co.uk](mailto:complaints@dentistsprovident.co.uk)  
Address: PO Box 76944, London, EC1P 1LG

If you have a complaint, we will acknowledge it in writing within five working days of receiving it. We aim to resolve all complaints within four weeks, however sometimes this can take longer. If so, we will write to you to explain the reason for the delay and give you an indication of when to expect our decision, along with details of the options available to you.

More information about our complaints procedure is available on our website at [www.dentistsprovident.co.uk](http://www.dentistsprovident.co.uk).

## OTHER RELEVANT INFORMATION

In addition to this key information document, you will also receive a key features document and a personalised illustration. Further information about Dentists' Provident, this plan and our other plans are available on our website at [www.dentistsprovident.co.uk](http://www.dentistsprovident.co.uk).