

# 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 Income security 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 2024. **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 help replace the income you lose if you can't work because you are ill or injured and to give you a cash fund that's payable when your plan ends. The plan achieves this by providing you with regular benefit payments when on a claim and by sharing with other members any surpluses we make on our insurance and investment activities each year.
Intended retail investor	This plan is available to both current and prospective members of Dentists' Provident who are less than 57 years old, are allowed to practise as a dentist in the UK and are living in the UK, the Channel Islands or the Isle of Man.
Insurance benefits and costs	The plan is a personal income protection insurance plan which pays you regular benefit payments to help replace the income you lose if you cannot work because you are ill or injured. This plan comes with a number of features to help customise it to suit your needs. Your premiums depend on the amount of your cover and several other factors such as your age, nicotine use, how you have chosen to customise your plan, whether any personal underwriting terms apply and how much you want to pay towards your participation units. The maximum amount you can pay towards your participation units depends on the number of participation units you are entitled to have, which is calculated as the value of your monthly cover divided by 10. You must hold at least 1 participation unit with each plan. You must pay your monthly premiums in full and when they are due by Direct Debit. The value of these benefits is shown in the section 'What are the risks and what could I get in return?'
Further information	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. You remain responsible for ensuring that your plan is and continues to be appropriate to your professional and personal circumstances and that you do not insure yourself for more than you are entitled.

## 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 30 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 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level, and poor market conditions will likely 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.

If the plan is redeemed early, an early withdrawal charge will be applied to your investment. If this redemption is within two years of the start of the plan, you will not receive anything.

### 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	15 years	30 years
Total Costs (£)	133	1,812	5,141
Impact on return (RIY) per year (%)	100.00%	10.50%	3.56%

## 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	2.47%	The impact of the costs you pay when taking out this plan. This includes our distribution costs of your plan.
	Exit costs	0.00%	We will apply an exit charge if your plan is cancelled before the end of the recommended holding period.
Ongoing costs	Portfolio transaction costs	0.57%	The impact of the costs of us managing the underlying investments for the plan.
	Insurance costs	0.00%	This table does not include the costs of your income protection insurance.
	Other ongoing costs	0.52%	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: 30 years

Your plan and your entitlement to benefits will end automatically when all your covers end, which will normally be on your 65th birthday. To realise the full benefits of the plan, it is recommended that you hold this plan for its full duration. If your plan is cancelled within its first two years, you will not receive anything from your bonus account. After that, if your plan is cancelled before you are 55 years old, we will apply an early withdrawal charge to your bonus account, equal to the bonuses you received in the last two years.

## 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: 20-21 Red Lion Court, London, EC4A 3EB

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).