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«Policy\_Holder\_Address\_Line\_2»  
«Policy\_Holder\_Address\_Line\_3»  
«Policy\_Holder\_Address\_Line\_4»  
«Policy\_Holder\_Address\_Line\_5»  
«Policy\_Holder\_Address\_Line\_6»

August 2017

Dear Policyholder

**Policy Number:** «Policy\_Number»

### **Fund Closure of P50 Allianz Oriental Income**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.  
IF IN DOUBT PLEASE SEEK PROFESSIONAL ADVICE.**

We are writing to you as your policy holds units in the Friends Provident International Limited (“Friends Provident International”) fund named above.

At Friends Provident International we continually monitor the performance of our products and fund range to ensure we are providing investors with the highest levels of professional service. A specialist team reviews each fund to ensure it meets the needs of the international investor. These reviews will involve the closing of some funds that no longer meet the requirement of our proposition, as well as selecting new funds that we feel are appropriate to align our strategy with the changing demands of our market. As a result, policyholders will observe that some funds on the platform will be closing and new funds may be selected in their place.

As **P50 Allianz Oriental Income** no longer meets the minimum size requirements necessary for the continued administration of a fund, we have taken the decision to close this fund with effect from **22 November 2017** (the “Closure Date”), and will be closed to any further investments from this date.

When a fund is closed we select a fund from our internal fund range to act as an alternative investment for the resulting proceeds (default fund) and, in this case, your investment will be switched to **R112 First State Asian Equity Plus**. Details of the closing fund and the default fund are set out in the following table:

	<b>Before 22 November 2017</b>	<b>From 22 November 2017</b>
<b>Fund name</b>	<b>Allianz Oriental Income</b>	<b>First State Asian Equity Plus</b>
<b>Fund code</b>	P50	R112
<b>Currency</b>	USD	USD
<b>Investment objective and policy of the underlying fund</b>	At least 50% of the Fund assets are invested in equities, as well as warrants to subscribe for equities. Included in this limit are	The Fund invests primarily in securities in the Asia Pacific region (excluding Japan). Such companies will be selected on the

	<p>index certificates and other certificates whose risk profile typically correlates with such assets or with the investment markets to which such assets can be allocated.</p> <p>Up to 30% of the Fund assets may be invested in the China A-Shares market either directly via Stock Connect or indirectly through all eligible instruments as set out in the Fund's investment principles.</p> <p>At least 80% of the Fund's equity portion as described above are invested in equities, as well as warrants to subscribe for equities, of companies which are incorporated in an Asian country, in New Zealand or in Australia. Included in this limit are index certificates and other certificates whose risk profile typically correlates with such assets or with the investment markets to which such assets can be allocated.</p> <p>The Fund's investments can exceed or fall below the limits specified above if the respective market risk potential as a whole adheres to those limits.</p> <p>Interest-bearing securities may be acquired for the Fund. Index certificates and other certificates whose risk profile typically correlates with interest-bearing securities or with the investment markets to which these assets can be allocated may also be acquired for the Fund.</p> <p>The Fund may invest in derivatives for efficient portfolio management (including for hedging) and will not invest</p>	<p>basis of their high dividend yields and their potential for long term capital appreciation.</p> <p>The Investment Manager will select investments which it believes offer the potential for sustainable above average dividend yields in addition to price appreciation.</p> <p>The Fund's maximum exposure to China A Shares (whether via Stock Connects, QFII quota (as defined below) or otherwise) is 25% of the Net Asset Value of the Fund. Stock Connects is a stock-trading and clearing linked program established between the Shanghai Stock Exchange (SSE) and the Hong Kong Exchanges and Clearing Limited which allows foreign investors (such as the Company) to have access to the Chinese market through trading in a range of eligible securities listed on the SSE. Currently, certain Funds have access to China indirectly via investing in other investment funds and/or via the qualified foreign institutional investor (QFII) quota held by the Company's sub-investment manager. Investment via Stock Connects will now also allow the relevant Funds access to a greater range of investments in China with potentially higher liquidity.</p>
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	extensively in derivatives for investment purposes.	
<b>Annual Management Charge (AMC) (underlying fund)</b>	1.80% per annum of the Net Asset Value of the underlying fund.	1.50% per annum of the Net Asset Value of the underlying fund.
<b>Ongoing Charges Figure (OCF) of the underlying fund</b>	1.85%	1.59%
<b>Risk profile (determined by Friends Provident International for reference only)</b>	Grade 4	Grade 4

**Please be advised that great care has been taken in the selection of the default fund, however Friends Provident International cannot accept any liability for the future performance of this fund.**

Where applicable any future regular premium contributions into the closing fund will be redirected from the Closure Date to **R112 First State Asian Equity Plus**.

**This change will happen automatically within your policy and you do not need to take any action if you are happy with the default we have selected.** However, you can choose to switch to a different investment choice from our fund range should you wish to do so before 3pm Singapore time on 21 November 2017 and no Friends Provident International charges will arise from this transaction.

Fact sheets are available, through the Fund Centre section of our website for the alternative funds available to you (<http://www.fpinternational.sg>). Full details on the underlying funds into which the Friends Provident International fund range invests can be found in the fund prospectuses, which are also available through the Fund Centre.

**We recommend that you seek the advice of your usual financial adviser before making any investment decisions.**

If you have any questions regarding the information in this letter in connection with your policy with us, please contact our enquiries team, by either phone or email.

Singapore Enquiries Team: + 65 6320 7399

Email: [singapore.enquiries@fpiom.com](mailto:singapore.enquiries@fpiom.com)

Yours sincerely

International Funds & Investments  
Friends Provident International Limited

**Important Information**

**Fund prices may fluctuate and are not guaranteed. Investment involves risk. Past performance should not be viewed as a reliable guide of future performance.**

**Please refer to the principal brochure of the scheme for details including charges and risk factors.**

**All policyholders will receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991 of the Isle of Man, whatever their place of residence. Investors should be aware that specific investor protection and compensation schemes that may exist in relation to collective investments and deposit accounts are unlikely to apply in the event of failure of such an investment held within insurance contracts.**

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