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April 2015

Dear Policyholder

Policy Number: «Plan_No»

April 2015 update regarding the J99 Brandeaux Student Accommodation Fund (the “J99 Fund”)

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

Further to our previous letters regarding the J99 Fund, Friends Provident International Limited (“Friends Provident International”) has received confirmation from Brandeaux that following the sale of the remaining assets owned by the Brandeaux Student Accommodation Fund, a further payment will be made to shareholders in April 2015 (the “April Payment”).

Copies of our previous letters and the accompanying Questions and Answers document which was sent to you in March 2015, are available on our website (please visit www.fpinternational.com/brandeaux).

Brandeaux’s latest announcement (as at 16 April 2015) states:

“Following the announcement of the sale of its entire student accommodation property portfolio to the Canada Pension Plan Investment Board (“CPPIB”) on 6 March 2015, the Fund has now secured the release of the remaining consideration held in escrow.

The Fund will process a further compulsory redemption of 4% of shareholdings by 30 April, bringing the total shareholdings compulsorily redeemed to 99%. The Multi Currency Fund and the Dual Asset Funds will also process further compulsory redemptions by 30 April, bringing the total shareholdings compulsorily redeemed in those funds to 99%.

The directors are writing today to all registered shareholders in the Student Funds and Dual Asset Funds confirming details of the redemptions to be made.

A final distribution in relation to the remaining 1% shareholding in the Student Funds and Dual Asset Funds will be made in due course once the liquidation of the Funds has been completed, expected to be during Q4 2015.”

A full copy of the announcement is available on the Brandeaux News section of our website, www.fpinternational.com.

Friend Provident International has reviewed the decision by Brandeaux to retain 1% of shareholdings to cover costs incurred in winding-up the fund and how this will affect policyholders in the J99 Fund. The conclusion is that it is not viable to retain what, for many policyholders, will be a minimal unit holding and we have made the decision to close the J99 Fund following receipt of the April payment, rather than waiting to see if any residual payment will be made following completion of the winding-up process by Brandeaux.

We will maintain details of the unit holdings of all policyholders invested in the J99 Fund as at the date that the April Payment is received. If any final payment is received from Brandeaux upon completion of the winding-up of the underlying fund, this final payment will be allocated *pro rata* to affected policyholders, subject to a *de minimus* of GBP 25.00 (or currency equivalent) for policies that are no longer In Force, or GBP 10.00 (or currency equivalent) for policies still In Force at that time.

In light of the circumstances, we have considered the options available to us and decided that closure of the J99 Fund at the earliest instance represents the fairest solution to affected policyholders. The alternative would have been to delay payment until Brandeaux had completed the winding-up process on the underlying fund later in the year.

What does this mean for your investment in the J99 Fund?

Once this April Payment has been received by Friends Provident International, we will close the J99 Fund and distribute the proceeds received from Brandeaux to each investor by switching out all your remaining unit holdings from the J99 Fund.

Your units will be switched, without further instruction from you, into Friends Provident International's L37 Schroder Global Multi-Asset Income (GBP HDG) fund.

When the switch completes, a standard formatted confirmation will be automatically generated by our systems, which will confirm the new fund details, unit holdings and prices. This confirmation may indicate that the switch has been undertaken at your request. Please accept our apologies in advance for any confusion that this wording might cause.

Once you receive confirmation from us that this switch has been completed, if you do not wish to remain invested in the L37 Schroder Global Multi-Asset Income (GBP HDG) fund, you may select an alternative fund from the range available to you if you prefer, and no Friends Provident International charges will arise from this transaction. Fund Transfer Request forms are available on request.

What does this mean if I am waiting for proceeds to be paid out?

For those policyholders waiting for redemption payments, we will process such payments once the switch into L37 Schroder Global Multi-Asset Income (GBP HDG) has taken place. Please note that we will not be in a position to prioritise individual payments.

What about the remaining balance in the J99 Fund?

The J99 Fund will be closed once the April Payment is received from Brandeaux and this will be reflected on your next anniversary or closing statement. Should the underlying fund be in a position to distribute any residual balance to shareholders following completion of the winding-up process, we will contact you at that time, if an additional payment is due to be made to you. The timescale for the payment of any residual balance from Brandeaux (should there be one) is not yet known, but is anticipated to be before the end of 2015.

If you decide to select an alternative Friends Provident International mirror fund or request to withdraw money from your policy, we strongly recommend that you seek the advice of your usual financial adviser before making any investment decisions.

Factsheets are available through the "Fund Centre" section of the Friends Provident International website (www.fpinternational.com – select the Fund Centre tab from the top menu, then Factsheets, daily prices and performance figures from the International funds from the drop down menu and then select Factsheets, daily prices and performance figures from the International funds - Isle of Man section) for the full range of alternative funds available to you. Full details of the underlying funds into which the Friends Provident International mirror funds invest can be found in the fund prospectuses, which are also available on request.

Who should you contact if you have any questions?

If you have any questions regarding your policy with us that are not covered in this letter or the accompanying Questions & Answers document, **please contact your financial adviser**, or contact our Customer Services department on:

General telephone number: + 44 1624 821212

e-mail: gm-fpiBrandeaux@friendsprovident.co.uk

Yours sincerely

International Funds & Investments
Friends Provident International Limited

Fund prices may fluctuate and are not guaranteed. Investment involves risks. 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, wherever 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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