

*This statement provides you with key information about this product.*

*This statement is a part of the offering document.*

*You should not invest in this product based on this statement alone.*

*There is a 'Glossary' section at the end of this statement. For those words which are underlined, please refer to the 'Glossary' section for explanations.*

## Quick facts

<b>Name of insurance company:</b>	Friends Provident International Limited ('Friends Provident International')	<b>Policy currency:</b>	GBP / EUR / USD / HKD
<b>Single or regular premium:</b>	<ul style="list-style-type: none"> <li>• Single premium</li> <li>• <u>Additional Premium(s)</u> (Optional)</li> </ul>	<b>Minimum investment:</b>	
		<b>For single premium:</b>	GBP 10,000 / EUR 15,000 / USD 15,000 / HKD 150,000
		<b>For each <u>Additional Premium</u>:</b>	GBP 6,667 / EUR 10,000 / USD 10,000 / HKD 100,000
<b>Regular premium frequency:</b>	N/A	<b>Maximum investment:</b>	Total premium of GBP 2,000,000 / EUR 3,000,000 / USD 3,000,000 / HKD 24,000,000 per policy (inclusive of the <u>Initial Premium</u> , and any <u>Additional Premiums</u> paid)
<b>Minimum premium payment term:</b>	N/A		
<b>Period with surrender charge:</b>	First 5 years		
<b>Governing law of policy:</b>	The Isle of Man	<b>Death benefit:</b>	105% of <u>Policy Value</u>

## Important

- This investment-linked assurance scheme ('ILAS policy') is a long-term investment-cum-life insurance product. It is only suitable for investors who:
  - understand that the principal will be at risk.
  - have both investment and estate planning objectives as it is a packaged product that includes both investment and insurance element with death benefits payable to third party beneficiaries.
- This ILAS policy is **not** suitable for investors with short- or medium-term liquidity needs.
- **Fees and charges –**

18% of your premiums (after taking into account the welcome bonus and loyalty bonus) will be paid to Friends Provident International to cover all the fees and charges at the ILAS policy level, of which 0% is the cost of life protection, and this will reduce the amount available for investment.

Please note that the above figures are calculated based on the following assumptions: (a) the payment of single premium of HKD 1,000,000; (b) you hold your ILAS policy for 20 years; (c) an assumed rate of return of 3% per annum throughout 20 years; and (d) there is no early withdrawal/termination of your ILAS policy.

You must understand that these ILAS level charges are on top of, and in addition to, the underlying funds level charges. The above figures do not take into account any surrender charge.

**The above percentages of your premiums for covering the total fees and charges are calculated based on the assumptions above for illustration purposes. The actual percentages may change depending on individual circumstances of each case, and will be significantly higher if the premium amount is lower.**

- **Long-term features –**

### **Early surrender charge:**

- (a) There will be an early surrender charge of up to 8% of (i) the Initial Premium or (ii) any Additional Premiums in case of policy termination or surrender within the first five years from (i) the Commencement Date of the ILAS policy or (ii) the payment date of any Additional Premiums respectively. You may also lose your entitlement to loyalty bonuses.

### **Loyalty bonuses:**

- (b) You will be entitled to a loyalty bonus of 0.5% of the Policy Value relating to (i) the Initial Premium or (ii) each Additional Premium (if any) on the third to fifth anniversary (inclusive) of (i) your ILAS policy Commencement Date and (ii) each Additional Premium payment date respectively. The loyalty bonus rate will increase to 0.75% on the sixth to tenth anniversary (inclusive) and 1.00% on the eleventh anniversary, and on every respective anniversary date thereafter, of (i) your ILAS policy Commencement Date or (ii) each Additional Premium payment date, respectively.

**Important** (cont.)

- **Intermediaries' remuneration**

Although you may pay nothing directly to the intermediary who sells/distributes this ILAS policy to you, your intermediary will receive remuneration which, in effect, will be borne out of the charges you pay. Your intermediary should disclose to you in writing at the point-of-sale information about intermediary remuneration. The amount of remuneration actually receivable by your intermediary may vary from year to year and may be higher in the early policy years. You should ask your intermediary before taking up your ILAS policy to know more about the remuneration that your intermediary will receive in respect of your ILAS policy. If you ask, your intermediary should disclose the requested information to you.

**What is this product and how does it work?**

- Summit II is an investment-linked assurance scheme. It is a life insurance policy issued by Friends Provident International. This is not a fund authorised by the SFC pursuant to the Code on Unit Trusts and Mutual Funds ('UT Code').
- The premiums you pay, after the deduction of any applicable fees and charges of your ILAS policy, will be invested by Friends Provident International in the 'underlying funds' corresponding to the investment-linked funds you selected (see below) and will accordingly go towards accretion of the value of your policy. Your ILAS Policy Value will be calculated by Friends Provident International based on the performance of the underlying funds corresponding to the investment-linked funds you selected from time to time and the ongoing fees and charges which will continue to be deducted from your ILAS Policy Value.
- Note, however, that all premiums you pay towards your ILAS policy, and any investments made by Friends Provident International in the underlying funds corresponding to the investment-linked funds you selected, will become and remain the assets of Friends Provident International. You do not have any rights or ownership over any of those assets. Your recourse is against Friends Provident International only.
- Due to the various fees and charges levied by Friends Provident International on your ILAS policy, the return on your policy as a whole may be lower than the return of the underlying funds corresponding to the investment-linked funds you selected. Please see section '**Fees and charges**' (page 15) of the Product Brochure of Summit II for details of the fees and charges payable by you.
- 'Underlying funds' which correspond to the investment-linked funds are listed in the Investment-linked Funds Leaflet.
- Although your ILAS policy is a life insurance policy, because part of your death benefit is linked to the performance of the underlying funds corresponding to the investment-linked funds you selected from time to time, your death benefit is subject to investment risks and market fluctuations. The death benefit payable may be significantly less than your premiums paid and may not be sufficient for your individual needs.

## What is this product and how does it work? (cont.)

- Your Policy Value may fall below the Minimum Policy Value under various circumstances including, without limitation, a market downturn which is beyond your control. We reserve the right to terminate your ILAS policy and apply any applicable early surrender charge (up to 8% of your premium paid) if your Policy Value falls below the Minimum Policy Value in the following events: (i) during the first seven years following the Commencement Date of your ILAS policy and you have made a withdrawal or surrendered individual policies (please refer to section '**Understanding the basics**' (page 7) of the Product Brochure of Summit II for details of individual policies); and (ii) anytime after the first seven years following the Commencement Date of your ILAS policy. As such, it is important for you to evaluate your Policy Value on a regular basis to avoid the Policy Value falling below Minimum Policy Value. Please refer to section '**Accessing your investment**' (page 12) of the Product Brochure of Summit II for details.

## What are the key risks?

**Investment involves risks. Please refer to the principal brochure of Summit II which consists of the Product Brochure and Investment-linked Funds Leaflet for details including the risk factors.**

- **Credit and insolvency risks** – Summit II is an insurance policy issued by Friends Provident International. Your investments are subject to the credit risks of Friends Provident International.
- The investment-linked funds available under Summit II can have very different features and risk profiles. Some may be of high risk. Please read the principal brochure of Summit II and the offering documents of the underlying funds involved for details.
- **Early surrender penalty** – This ILAS policy is designed to be held for a long-term period. Early surrender or withdrawal of the policy/suspension of or reduction in premium may result in a significant loss of principal and bonuses awarded. Poor performance of underlying funds may further magnify your investment losses, while all charges are still deductible.
- **Market risks** – Return of this ILAS policy is contingent upon the performance of the underlying funds corresponding to the investment-linked funds and therefore there is a risk of capital loss.
- **Foreign exchange risks** – The investment returns of your ILAS policy may be subject to foreign exchange risks as some of the investment-linked funds may be denominated in a currency which is different from that of your ILAS policy.
- **Early termination risks** – Your ILAS policy may be terminated by Friends Provident International in the event that your Policy Value falls below the Minimum Policy Value even if you do not make any withdrawals. The Policy Value may fall below the Minimum Policy Value under various circumstances, including, without limitation, a market downturn which is beyond your control. You will also be subject to any applicable early surrender charge upon termination of your ILAS policy.

## Is there any guarantee?

Summit II does not have any guarantee of the repayment of principal. You may not get back the full amount of premium you pay and may suffer investment losses.

## Other features

- A. **Loyalty bonus** – A loyalty bonus as a percentage of your Policy Value relating to the Initial Premium and each Additional Premium (if any) will be paid as additional notional units of investment-linked funds proportionally across all investment-linked funds held in your ILAS policy. For Initial Premium, it is payable on the third anniversary of your ILAS policy Commencement Date, and on every respective anniversary date thereafter. For each Additional Premium, it is payable from the third anniversary of that Additional Premium payment date and on every respective anniversary date thereafter. Any withdrawals taken or the surrender of individual policies will reduce the Policy Value and result in a reduced loyalty bonus. Please refer to section '**Loyalty bonus**' (page 9) of the Product Brochure of Summit II for details.
- B. **Additional Premiums** – You can add an Additional Premium of GBP 6,667 / EUR 10,000 / USD 10,000 / HKD 100,000 or more to your ILAS policy at any time. Please refer to section '**Understanding the basics**' (page 7) of the Product Brochure of Summit II for more information.
- C. **Withdrawals** – You can make regular withdrawals or one-off withdrawals, or surrender individual policies subject to the minimum withdrawal amount of GBP 500 / EUR 750 / USD 750 / HKD 7,500 provided that the remaining Policy Value immediately after the withdrawal or the surrender of individual policies does not fall below the Minimum Policy Value. During the first five years from (i) the Commencement Date of your ILAS policy or (ii) the payment date of each Additional Premium (if any), you are allowed to withdraw only 90% of (i) your Initial Premium or (ii) each Additional Premium (if any), respectively, and such withdrawal or surrender of individual policies is free of charge. Please refer to section '**Accessing your investment**' (page 12) of the Product Brochure of Summit II for more information.

What are the fees and charges?

Friends Provident International reserves the right to vary the fees and charges or impose new fees and charges with not less than three month’s prior written notice, or such shorter period of notice in compliance with the relevant regulatory requirements.

Scheme level

	Applicable rate	Deduct from
Policy level charges		
Establishment charge	1.6% each year (i.e. 0.4% per quarter) of your <u>Initial Premium</u> or any <u>Additional Premiums</u> paid, payable for the first 20 quarters (i.e. five years) from the <u>Commencement Date</u> of your ILAS policy or the payment date of an <u>Additional Premium</u> respectively.	<u>Policy Value</u> by cancellation of notional units in your investment-linked funds in proportion to the value of the investment-linked funds in your ILAS policy. It will be taken in arrears on the first day of each policy quarter. Accordingly, the first establishment charge will be charged on the first day of the second policy quarter, and so on.
Withdrawal charge	Nil.	
Early surrender charge	<p>If you surrender your ILAS policy during the first 20 quarters (i.e. five years) from the <u>Commencement Date</u> of your ILAS policy or the payment date of any <u>Additional Premiums</u>, you will need to pay an early surrender charge which is equal to all outstanding establishment charges.</p> <p>If your <u>Policy Value</u> falls below the <u>Minimum Policy Value</u> during the first seven years following the <u>Commencement Date</u> of your ILAS policy and you have made a withdrawal or surrendered individual policies, we reserve the right to terminate your ILAS policy. If this happens during the first 20 quarters (i.e. five years), an early surrender charge which is equal to all outstanding establishment charges will be applied.</p>	<u>Policy Value</u> by cancellation of notional units in your investment-linked funds in proportion to the value of the investment-linked funds in your ILAS policy at the time of surrender.

**What are the fees and charges?** (cont.)**Scheme level**

	Applicable rate	Deduct from
<b>Investment-linked fund level charges</b>		
Administration charge	1.2% per year of the <u>Gross Value</u> of each investment-linked fund.	Each investment-linked fund on the <u>Dealing Day</u> directly. This charge is reflected in the unit price of the investment-linked fund.
Bid/offer spread	Nil.	
Switching charge	Currently waived. We reserve the right to impose a switching charge which is the greater of (i) up to 1% of the amount to be switched out, and (ii) GBP 10 / EUR 15 / USD 15 / HKD 150 per transaction, in the future.	
Other investment-linked fund related costs	<p>Friends Provident International will be entitled to take from each Friends Provident International investment-linked fund a number of expenses as follows:</p> <ul style="list-style-type: none"> <li>Any cost, expenses and charges incurred by Friends Provident International in acquiring, managing, maintaining, valuing or disposing of the assets relating to that investment-linked fund, not covered by the administration charge described above.</li> <li>Any expense, charge, tax, levy or fiscal enforcement not taken into account elsewhere, which Friends Provident International reasonably considers is a liability relating to that investment-linked fund.</li> </ul>	These expenses are reflected in the unit price of the investment-linked fund.

Please refer to section '**Fees and charges**' (page 15) of the Product Brochure of Summit II for details of the charges. The above fees and charges are payable to Friends Provident International.

**Underlying funds level**

You should note that the underlying funds of the investment-linked funds may have separate charges on management fee, performance fee, bid-offer spread and/or switching fee. You do not pay these fees directly as the fees will be deducted and such reduction will be reflected in the unit price of the underlying funds. For details, please refer to the offering documents of the underlying funds, which are available from Friends Provident International upon request.

## Additional information

- A. **Investment-linked funds** – At any one time, you can invest premiums in a combination of up to (but not more than) ten investment-linked funds.
- B. **Lives assured** – You have the ability to add up to four lives assured. At least one life assured must be aged 73 or less at the ILAS policy Commencement Date. The minimum age for a policyholder is 18. If you have included other lives assured, your ILAS policy will continue to run until the death of the last life assured.
- C. **Multiple policies** – Your Summit II will normally be split into five policies. The maximum number of multiple individual policies is 25. The minimum premium for each individual policy is GBP 1,000 / EUR 1,500 / USD 1,500 / HKD 15,000. Please refer to section '**Understanding the basics**' (page 7) of the Product Brochure of Summit II for details.

## What if you change your mind?

### Cooling-off period

- Cooling-off period is a period during which life insurance policyholders may cancel their policies or additional single premium application and get back their original investments (subject to a market value adjustment) within 30 days after the receipt of the policy and the right to cancel notice\*. Please refer to the cooling off initiative applicable to the investment-linked assurance scheme from time to time for further information.
- You have to tell Friends Provident International by giving a written notice. Such notice must be signed by you and received directly by Friends Provident International at 803, 8/F., One Kowloon, No.1 Wang Yuen Street, Kowloon Bay, Hong Kong.
- You may get back the amount you paid, or less if the value of the investment-linked funds chosen has gone down.

\* Since the exact date a policyholder receives the policy or the right to cancel notice varies, for the purpose of avoiding confusion, we assume policyholder receives them 7 working days after the date of the delivery unless there is adequate proof to the contrary.

## Insurance company's information

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## Important

Friends Provident International is subject to the prudential regulation of the Insurance Authority. However, the Insurance Authority does not give approval to individual insurance products, including Summit II referred to in this statement.

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

## Glossary

**Additional Premium** or **Additional Premiums** means any premium paid by you after the Commencement Date of the policy and stated in an acknowledgement issued by us.

**Bid Price** means the unit price of an investment-linked fund calculated based on the value of the corresponding underlying fund, less the investment-linked fund administration charge and any other investment-linked fund related costs.

**Commencement Date** means the date on which the policy starts and is shown in the policy schedule.

**Dealing Day** means the day when we deal and price units of a Friends Provident International investment-linked fund. The day may vary from one Friends Provident International investment-linked fund to another.

**Gross Value** means the value of the notional units of the investment-linked fund(s) prior to the deduction of the investment-linked fund administration charge.

**Initial Premium** means the premium you paid at the policy Commencement Date.

**Minimum Policy Value** is the greater of (i) 125% of any outstanding establishment charges and (ii) GBP 10,000 / EUR 15,000 / USD 15,000 / HKD 150,000. It will be applied to determine whether a withdrawal or surrender of individual policies can be made under the Summit II policy. (Please refer to the section '**Accessing your investment**' of the Product Brochure of Summit II on page 12 for details).

The Policy Value may fall below the Minimum Policy Value under various circumstances including, without limitation, a market downturn which is beyond your control. We reserve the right to terminate and apply any applicable early surrender charge (up to 8% of the premium paid) if the Policy Value falls below the Minimum Policy Value in the following events:

- (i) during the first seven years following the Commencement Date of the policy and a withdrawal or surrender of individual policies (please refer to '**Understanding the basics**' of the Product Brochure of Summit II on page 7 for details of individual policies) has been made; and
- (ii) anytime after the first seven years following the Commencement Date of your ILAS policy.

**Policy Value(s)** means the total value of any notional units held in your chosen investment-linked fund(s) under the policy. The value of each investment-linked fund at any given time is equal to the respective Bid Price multiplied by the number of notional units in the investment-linked fund held under the policy.

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# Summit II Product brochure







## Important information

- Summit II is an investment-linked assurance scheme ('ILAS policy') under Class C linked long-term business as defined in the Insurance Companies Ordinance. It is a life insurance policy issued by Friends Provident International Limited ('Friends Provident International'). This is not a fund authorised by the Hong Kong Securities and Futures Commission ('SFC') pursuant to the Code on Unit Trusts and Mutual Funds ('UT Code').
- The premiums you pay, after the deduction of any applicable fees and charges of your policy, will be invested by Friends Provident International in the 'underlying funds' corresponding to the investment-linked funds you selected (see below) and will accordingly go towards accretion of the value of your policy. Your Policy Value will be calculated by Friends Provident International based on the performance of the underlying funds corresponding to the investment-linked funds you selected from time to time and the ongoing fees and charges which will continue to be deducted from your Policy Value.
- Note, however, that all premiums you pay towards your policy, and any investments made by Friends Provident International in the underlying funds corresponding to the investment-linked funds you selected, will become and remain the assets of Friends Provident International. You do not have any rights or ownership over any of those assets. Your recourse is against Friends Provident International only.
- Due to the various fees and charges levied by Friends Provident International on your policy, the return on your policy as a whole may be lower than the return of the underlying funds corresponding to the investment-linked funds you selected.
- 'Underlying funds' which correspond to the investment-linked funds are listed in the Investment-linked Funds Leaflet. The investment-linked funds available under Summit II can have very different features and risk profiles. Some may be of high risk.
- Although your policy is a life insurance policy, because part of your death benefit is linked to the performance of the underlying funds corresponding to the investment-linked funds you selected from time to time, your death benefit is subject to investment risks and market fluctuations. The death benefit payable may be significantly less than your premiums paid and may not be sufficient for your individual needs.
- Summit II is designed to be held for a long-term period. Early surrender or withdrawal of your policy may result in a significant loss of principal and bonuses awarded. Poor performance of underlying funds may further magnify your investment losses, while all charges are still deductible.
- Your Policy Value may fall below the Minimum Policy Value under various circumstances including, without limitation, a market downturn which is beyond your control. We reserve the right to terminate your policy and apply any applicable surrender charge (up to 8% of your premiums paid) if your Policy Value falls below the Minimum Policy Value in the following events: (i) during the first seven years following the Commencement Date of your policy and you have made a withdrawal or surrendered individual policies (please refer to section 'Understanding the basics' on page 7 for details of individual policies); and (ii) anytime after the first seven years following the Commencement Date of your policy. As such, it is important for you to evaluate your Policy Value on a regular basis to avoid policy termination due to low Policy Value.
- Credit and insolvency risks – Summit II is an insurance policy issued by Friends Provident International. Your investments are subject to the credit risks of Friends Provident International.
- Foreign exchange risks – The investment returns of your policy may be subject to foreign exchange risks as some of the investment-linked funds may be denominated in a currency which is different from that of your policy.

Please note that all capitalised terms within this document are defined within the section 'Glossary' on page 22.

The Principal Brochure of Summit II consists of this Product Brochure and the Investment-linked Funds Leaflet. The offering documents of Summit II comprise the Principal Brochure and the Summit II Product Key Facts Statement. These documents must be issued and read in conjunction with each other. The offering documents of Summit II are intended to be distributed in Hong Kong only.



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# Contents

06	Welcome to the home of international investment
07	Understanding the basics
08	How Summit II works
09	Loyalty bonus
10	Your investment options
12	Accessing your investment
15	Fees and charges
18	How to apply for Summit II
19	General information
22	Glossary

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# Welcome to the home of international investment

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Friends Provident International has over 35 years of international experience. We provide investment and life protection products to customers in Asia and the UAE. With offices in Dubai, Hong Kong, Singapore and the Isle of Man, we have more than 500 staff worldwide who are committed to helping our customers achieve their financial goals.

Friends Provident International is located at the heart of one of the world's leading international financial centres – the Isle of Man.

The island has Sovereign Credit Rating 'Aa1' from Moody's\* as affirmed in June 2016.

You can find more information on Friends Provident International on our website at [www.fpinternational.com.hk](http://www.fpinternational.com.hk), or ask your financial adviser.

\* Moody's is an independent ratings agency, who assesses the strength of financial centres (<https://www.gov.im/news/2016/jun/30/island-remains-positive-after-credit-rating-revision/>)



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# Understanding the basics

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## Ownership

In order to apply for a Summit II, you as a policyholder must be at least 18 years of age (based on age at last birthday) when applying for the policy.

## Lives assured

Summit II is available on a single or multiple life, last survivor basis.

You have the flexibility to include up to four people as 'lives assured' within a Summit II policy. However, at least one of the lives assured must be 73 years of age (based on age at last birthday) or less at the policy Commencement Date. If you have included other lives assured, your policy will continue to run until the death of the last life assured or until the policy is terminated, whichever is earlier. We will pay the death benefit to your chosen beneficiaries, estate or trustees as appropriate.

## Currency options

Summit II offers the flexibility to allow you to choose your policy to be denominated in Sterling (GBP), Euro (EUR), US Dollars (USD) or HK Dollars (HKD). This is the plan currency and it is also the currency in which your premiums will be paid (the premium currency). Once the policy is issued, the plan currency cannot be changed.

All the benefits under your policy will be paid in your chosen plan currency unless requested otherwise.

Please note that if you choose to receive payment in a currency different from that of your plan currency, which is subject to our acceptance, the amount will be converted at prevailing exchange rate as determined by us with reference to prevailing market exchange rates from time to time and subject to foreign exchange risks.

## Payment methods

You can pay your premiums using the following payment methods:

- Banker's draft; or
- Cheque; or
- Telegraphic transfer

## Multiple policies

Summit II is normally issued as five identical individual policies and the premiums will be split evenly across the number of individual policies chosen. The maximum number of multiple individual policies is 25; the minimum is five and the minimum premium for each individual policy is GBP 1,000 / EUR 1,500 / USD 1,500 / HKD 15,000.

Splitting your investment into a number of identical individual policies does not affect the performance of, or charges applied to your investment, in any way. However, it does give you greater flexibility if you want to take money out in the future because you can surrender individual policies rather than the whole investment. Surrendering individual policies is subject to conditions. Please refer to section '**Accessing your investment**' on page 12 for more information. For further information, please speak to an independent financial adviser or tax adviser.

If you have surrendered individual policies during the first seven years following the Commencement Date of your policy, your policy may be terminated by us and subject to any applicable early surrender charge (up to 8% of your premiums paid) in the event that your Policy Value falls below the Minimum Policy Value. For details, please refer to section '**Accessing your investment**' on page 12.

If you would like to have your Summit II issued as one single policy, you can indicate your choice to us in the application form. Please note that once your Summit II has been issued, you cannot change the number of individual policies.

# How Summit II works

If you are interested in investing through Summit II, the first step is to talk to your independent financial adviser about your investment needs, and then read the offering documents of Summit II.

## Initial Premium

You may start your plan with the below minimum Initial Premium:

GBP	EUR	USD	HKD
10,000	15,000	15,000	150,000

## Additional Premiums

You can pay Additional Premiums into your Summit II policy whenever you like after the policy Commencement Date. The minimum Additional Premium each time is outlined in the table below.

GBP	EUR	USD	HKD
6,667	10,000	10,000	100,000

For each Additional Premium you pay, your Additional Premiums will be allocated as notional units of your selected investment-linked funds. Additional establishment charges will be levied during the first 20 quarters (i.e. five years) from the payment date of any Additional Premiums – please refer to 'Fees and charges' on page 15 for details.

Please note that Friends Provident International reserves the right to vary the minimum Additional Premium with not less than three months' prior written notice.

## Maximum premiums

The total premium (inclusive of your Initial Premium and any Additional Premiums paid) for each policy must not exceed:

GBP	EUR	USD	HKD
2,000,000	3,000,000	3,000,000	24,000,000

## How your premiums are invested

When we receive your premium, we will allocate notional units in your chosen investment-linked funds according to your latest investment allocation instructions. The allocation of units will be made notionally at the ruling Bid Price of your chosen investment-linked funds on the next available Dealing Day after your premium is paid.

Your investment-linked fund allocation instruction for your Additional Premiums (if any) can be different from that of your Initial Premium, subject to a maximum of ten investment-linked funds allowed per policy. If no instructions are provided, existing investment-linked fund allocation instruction will be used.

**The net premiums (i.e. the premiums you pay after the deduction of any applicable fees and charges) you pay will be invested by Friends Provident International in the underlying funds corresponding to the investment-linked funds you selected for Friends Provident International's asset liability management. Units in the investment-linked funds allocated to your policy are notional, and are solely for the purpose of calculating the value which we will pay to you under your policy. All premiums you pay towards your policy, and any investments made by Friends Provident International in the underlying funds corresponding to the investment-linked funds you selected, will become and remain the asset of Friends Provident International. You do not have rights or ownership over any of those assets. Your recourse is against Friends Provident International only.**

# Loyalty bonus

## Loyalty bonus

Summit II has a loyalty bonus. For Initial Premium, it is payable on the third anniversary of your policy Commencement Date, and on every respective anniversary date thereafter. For each Additional Premium, it is payable from the third anniversary of that Additional Premium payment date and on every respective anniversary date thereafter. The loyalty bonus will be paid as additional notional units of the investment-linked funds at the Bid Price proportionally across all investment-linked funds held on the designated anniversary date. The loyalty bonus is calculated on the designated anniversary date as shown in the table below based on a percentage of your Policy Value relating to (i) the Initial Premium or (ii) each Additional Premium (if any), as appropriate (which is calculated after the deduction of any applicable charge, withdrawal and proceeds from surrendering any individual policies).

Number of years since the policy Commencement Date, or the Additional Premium payment date, as appropriate	Loyalty bonus rate (% of your Policy Value relating to the Initial Premium or each Additional Premium (if any), as appropriate, on designated anniversary date)
3 to 5	0.50%
6 to 10	0.75%
11 plus	1.00%

The loyalty bonus will form part of your Policy Value and is therefore subject to the relevant policy fees and charges. Early surrender or withdrawal may result in a significant loss of the bonuses awarded.

Please note that the loyalty bonus rates do not represent the rate of return or performance of your investment.

## Illustrative example to show the calculation of loyalty bonus

Loyalty bonus payable upon each designated anniversary date	=	Policy Value relating to the Initial Premium or each Additional Premium (if any)	x	Applicable loyalty bonus rate
<b>Policy commencement</b> Initial Premium paid		USD 50,000		
<b>On the 5th policy year</b> Additional Premium paid				USD 30,000
<b>On the 8th policy year</b> Assumed Policy Value		USD 63,000		USD 33,000
Applicable loyalty bonus rate		0.75%		0.50%
Loyalty bonus payable		USD 63,000 x 0.75% = USD 472.5		USD 33,000 x 0.50% = USD 165

Please note that the above example is hypothetical and for illustrative purposes only.



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# Your investment options

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Summit II gives you the flexibility to choose from a wide range of investment-linked funds, which are linked to underlying funds from professional fund houses, helping you to effectively balance your investment portfolio to match your individual needs. Full details of our investment-linked funds can be found in the **Investment-linked Funds Leaflet**.

You can select up to a total of ten investment-linked funds in your investment allocation instruction. There is no minimum contribution into each investment-linked fund; however, you must contribute in whole percentages.

Your Initial Premium and Additional Premiums (if any) will be used by us to allocate notional units of your selected investment-linked funds according to your latest investment allocation instructions. Your investment-linked fund allocation instruction for your Additional Premiums can be different from that of your regular premium, subject to a maximum of ten investment-linked funds allowed per policy. If no instructions are provided, the existing investment-linked fund allocation instruction will be used.

Friends Provident International reserves the right to change the maximum number of investment-linked funds you may hold within your policy with not less than three months' prior written notice.

## Investment-linked funds explained

We regularly review the marketplace, meet with fund managers and research new opportunities to maintain a high standard of choice and diversity within our investment-linked fund range.

We select different fund manager groups to build a selection of investment-linked funds to cater for all risk profiles, covering most sectors and geographical regions.

We operate a range of investment-linked funds. The concept is simple: agreements have been set up with investment houses worldwide allowing us to link to specially selected underlying funds chosen on the basis of performance and investment expertise. We have also set up our own investment-linked funds which invest solely in such underlying funds, apart from a proportionately small amount which may be held as a cash balance.

With our wide range of investment-linked funds, you have access to many different fund houses with the potential of the world's fastest growing economies, leading investment specialists and investment-linked funds with a proven track record. The investment-linked funds available to you may vary from time to time.

We will give you three months' prior written notice if we decide to merge or terminate an investment-linked fund. If an investment-linked fund is to be merged or terminated due to the decision of the fund management house, we will give you prior written notice in compliance with relevant regulatory requirements.

## A comprehensive range of investment-linked funds

The choice covers single investment-linked fund solutions that will enable you to diversify your portfolio across a wide range of asset classes and currencies, including equities, fixed-interest securities, commercial property, cash and alternative asset types.

The investment-linked fund range is spread geographically by asset class such as UK, US, Continental Europe, Asia Pacific, Japan, China, Latin America and other developing markets.

We also offer what is known as 'thematic' investment-linked funds, which focus on specific types of asset class, irrespective of geographic constraints, such as commodity, alternative energy, technology or healthcare related securities.

## Understanding your attitude to risk

When investing in our investment-linked funds it's important to understand the level of risk you are comfortable with. Generally speaking, the higher the opportunity to benefit from potential growth, the higher the level of associated risk.

To help you, we grade each of our investment-linked funds into five bands – further information in respect of this grading can be found in our **Investment-linked Funds Leaflet**.

The grading of each investment-linked fund will be reviewed and, if appropriate, revised at least yearly by Friends Provident International as a result of our ongoing research analysis. Together with your independent financial adviser, you can work out how you want to set your investment objectives and how conservative or aggressive you want to be when making your choices.

Investment-linked fund grading is for reference only. SFC has not assessed or approved it, nor has it verified the accuracy of such information.

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# Your investment options (cont.)

## Switching your chosen investment-linked fund options

You can switch between our full range of investment-linked funds at any time, allowing you to adjust quickly to changing market conditions and adjust the balance of your overall investment. You can select up to a total of ten investment-linked funds per policy at any time. All we ask is that switches are made in whole percentages.

On the next Dealing Day of the relevant investment-linked fund(s) after we have received clear instructions from you, we will cancel the notional units of the relevant investment-linked fund(s) from your policy in accordance with your switching instructions. We will replace them with notional units of an equivalent value in the alternative investment-linked fund(s) selected by you.

All switches are currently free. Please note that we reserve the right to charge for switching between investment-linked funds in the future, but we will always give you three months' prior written notice of any such changes, or such shorter period of notice in compliance with the relevant regulatory requirements. For details, please see section '**Fees and charges**' from pages 15 to 17.

## Important investment information

The underlying funds of the investment-linked funds are unit trusts/mutual funds authorised by the SFC. Such authorisation does not imply official recommendation. SFC authorisation is not a recommendation or endorsement of the unit trusts/mutual funds nor does it guarantee the commercial merits of the unit trusts/mutual funds or their performance. It does not mean the unit trusts/mutual funds are suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Investment-linked fund prices may go up and down depending upon the underlying funds' performance or, where investments held within an investment-linked fund are not denominated in the currency of that investment-linked fund, simply because of movements in currency exchange rates. Where we publish performance information, the figures are quoted including all underlying fund level charges payable to underlying fund managers and investment-linked fund level charges payable to Friends Provident International. However, past performance should not be viewed as an indication of future performance – the value of your investment cannot be guaranteed and you may get back less than you paid in.

## Keeping track of your investment

To calculate the progress of your investment, each of our investment-linked funds is divided into 'units'.

Notional units in the investment-linked funds are created or cancelled using the Bid Price (round down to three decimal places). We may reasonably round any calculations. Number of units created and cancelled will be rounded to the nearest two decimal places. Rounding adjustments will accrue to the benefit of policyholders who continue to hold the units in the relevant Friends Provident International investment-linked fund.

The Bid Price of Friends Provident International investment-linked funds are calculated on each Dealing Day. The price of each investment-linked fund is determined by reference to the price of the underlying fund relating to that investment-linked fund and taking into account the investment-linked fund level charges. Consequently, the price and performance of the investment-linked funds will be different from the underlying funds but will mainly move in line with them. For details of the valuation methodology of the investment-linked funds, please refer to the **Investment-linked Funds Leaflet**.

When investing with Summit II, to calculate the value of each of your investment-linked funds at any given time, you can multiply the respective Bid Price by the number of notional units of the investment-linked fund(s) allocated to your policy.

Every year on your policy anniversary, you will receive an up-to-date statement to confirm your current investment holding.

You should read the **Investment-linked Funds Leaflet** and the offering documents of the underlying funds, which are available from Friends Provident International upon request, for details of the underlying funds (including, without limitation, their investment objectives and policies, risk factors and charges).

# Accessing your investment

## Withdrawals/surrendering individual policies

You can make withdrawals or surrender individual policies (please refer to section '**Understanding the basics**' on page 7 for details of individual policies), on Summit II free of charge as long as the below rules are followed:

- The amount for each withdrawal, or the total policy value of the individual policies you would like to surrender each time must meet the minimum amount shown in the table below.

GBP	EUR	USD	HKD
500	750	750	7,500

- The remaining Policy Value immediately after the withdrawal or surrender of individual policies must not fall below the Minimum Policy Value which is the greater of 125% of any outstanding establishment charges and GBP 10,000 / EUR 15,000 / USD 15,000 / HKD 150,000.

- Initial Premium: during the first five years from the Commencement Date of your policy, only 90% of your Initial Premium can be taken out. There is no restriction after that.
- Additional Premium: during the first five years from the payment date of each Additional Premium, only 90% of that Additional Premium can be taken out. There is no restriction after that.

Withdrawals will be taken from the premiums paid in chronological order, starting from the earliest to the latest tranche of premium.

## Illustrative example to show the withdrawal mechanism

	Initial Premium	Additional Premium 1	Additional Premium 2
<b>Policy commencement</b> Initial Premium paid	USD 50,000		
<b>On the 3rd policy year</b> Additional Premium paid		USD 30,000	
<b>On the 6th policy year</b> Additional Premium paid			USD 20,000
<b>On the 8th policy year</b> Assumed Policy Value	USD 60,000	USD 33,000	USD 18,000
Withdrawal request submitted	USD 20,000 (Withdrawals to be taken from the premiums paid in chronological order)	-	-
Policy Value after withdrawal	USD 60,000 – USD 20,000 = USD 40,000	USD 33,000	USD 18,000

Please note that the above example is hypothetical and for illustrative purposes only.



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# Accessing your investment (cont.)

You can make withdrawals in the form of regular withdrawals or one-off withdrawals provided that the rules set out above are followed. You can make one-off withdrawals while you are taking regular withdrawals. There is no maximum number of withdrawals you can take.

Regular withdrawals can be taken monthly, quarterly, half-yearly or yearly. They can also be taken on an ad-hoc basis, subject to Friends Provident International's approval.

All you have to do is fill in the request form for withdrawal or surrender of individual policies and return it to us. Please note you must give us at least one month's written notice of new or amended instructions relating to regular withdrawals. We will cancel the notional units of your investment-linked funds from your policy on the next Dealing Day of your investment-linked funds following the date we process your withdrawal request.

If there are insufficient funds to make a regular or one-off withdrawal on the selected date, you will be given the option to surrender your policy; the withdrawal will not be made and any regular withdrawals will cease.

If you have made a withdrawal or surrendered individual policies during the first seven years following the Commencement Date of your policy, we reserve the right to terminate your policy and subject to any applicable early surrender charge (up to 8% of your premiums paid) in the event that your Policy Value falls below the Minimum Policy Value.

**Withdrawal from the policy or surrender of individual policies will lead to a reduction of Policy Value and may result in a significant loss of the principal and bonuses awarded. Please remember to consider your current Policy Value prior to the submission of any application to withdraw or surrender of individual policies avoid policy termination due to Policy Value falling below Minimum Policy Value.**

If you take money out of your policy, your withdrawal payment or your proceeds from surrendering individual policies will be made in your chosen plan currency (see 'Understanding the basics' on page 7), unless you have stated otherwise.

Please note that if you would prefer to receive the withdrawal amount or the proceeds from surrendering individual policies in a currency different from that of your plan currency (which is subject to our acceptance), the amount will be converted at prevailing exchange rate as determined by us with reference to prevailing market exchange rates from time to time and subject to foreign exchange risks.

Please note that Friends Provident International reserves the right to vary the minimum amount of each withdrawal or the minimum total policy value of the individual policies to be surrendered each time with not less than three months' prior written notice.

## Full surrender

If you decide to surrender your policy, then you will have to pay all outstanding establishment charges as an early surrender charge (up to 8% of your Initial Premium or any Additional Premiums). **Please note that, the earlier the policy is surrendered, the higher the surrender charge will be imposed.**

Once the policy is surrendered, the Surrender Value will be paid and the policy will be terminated.

To surrender your policy, you have to complete a surrender request form and return it to us, including your policy documents and all relevant paperwork. We will cancel the notional units of your investment-linked funds from your policy on the next Dealing Day of your investment-linked funds following the date we process your surrender request. We expect to make the Surrender Value available to you normally within ten working days after receipt of the original policy documents and all relevant paperwork (in exceptional circumstances it may not be possible for the Surrender Value payment to be made within the specified time period. For information on the exceptional circumstances, please refer to the **Investment-linked Funds Leaflet** for details). You should note that no interest is payable for the period between the date the notional units of your investment-linked funds are cancelled from your policy and the date of payment of the Surrender Value.

**Summit II is designed to be held for a long-term period. Early surrender or withdrawal of your policy may result in a significant loss of principal and bonuses awarded.**

Please note that if you would prefer to receive the withdrawal amount or the proceeds from surrendering individual policies in a currency different from that of your plan currency (which is subject to our acceptance), the amount will be converted at prevailing exchange rate as determined by us with reference to prevailing market exchange rates from time to time and subject to foreign exchange risks.

# Accessing your investment (cont.)

## Death benefit

Summit II includes a death benefit of 105% of the Policy Value. We will deduct any outstanding fees and charges (excluding the early surrender charge) owing to us before we pay the death benefit.

Notional units of your investment-linked funds will be cancelled from your policy on the next Dealing Day of your investment-linked funds following the receipt of notification of the death of the sole/last life assured. Payment of the death benefit will normally be made to your chosen beneficiaries, your estate or trustees as appropriate, within ten working days after receipt by us of the original policy documents and all other necessary documentation. **In exceptional circumstances, it may not be possible for the death benefit payment to be made within the specified time period. For information on the exceptional circumstances, please refer to Investment-linked Funds Leaflet for details.** You should note that no interest is payable for the period between the date the notional units of the investment-linked funds are cancelled from your policy and the date of payment of the death benefit.

**The death benefit is linked to the performance of the underlying funds corresponding to the investment-linked funds you selected from time to time. It is subject to investment risks and market fluctuations. The death benefit payable may be significantly less than your premiums paid and may not be sufficient for your individual needs.**

Please note that if you choose to receive death benefit in a currency different to that of your plan currency which is subject to our acceptance, then the amount will be converted at prevailing exchange rate as determined by us with reference to prevailing market exchange rates from time to time and subject to foreign exchange risks.

## Termination

Summit II is a whole of life policy, which means that there is no maturity date at which the policy will automatically terminate. However, the policy will terminate on the earliest of the following events:

1. When the Surrender Value has been paid to you on surrendering your policy.
2. When you have exercised your right to cancel the policy during the cooling-off period and have received a refund of your premiums paid, less any market value adjustment.
3. When the death benefit has been paid.

Except for events 2 and 3 listed above, the policy will be subject to the early surrender charge (up to 8% of your Initial Premium or any Additional Premiums).

Your Policy Value may fall below the Minimum Policy Value under various circumstances including, without limitation, a market downturn which is beyond your control. We reserve the right to terminate your policy and apply any applicable early surrender charge (up to 8% of your premiums paid) if your Policy Value falls below the Minimum Policy Value in the following events: (i) during the first seven years following the Commencement Date of your policy and you have made a withdrawal or surrendered individual policies (please refer to 'Understanding the basics' on page 7 for details of individual policies); and (ii) anytime after the first seven years following the Commencement Date of the policy. As such, it is important for you to evaluate your Policy Value on a regular basis to avoid the Policy Value falling below the Minimum Policy Value.

**Summit II is designed to be held for a long-term period. Early surrender or withdrawal of your policy may result in a significant loss of principal and bonuses awarded. Poor performance of underlying funds may further magnify your investment losses, while all charges are still deductible.**

For details of the early surrender charge, please see 'Fees and charges' on page 15.

# Fees and charges

Policy level charges	
Establishment charge	1.6% each year of your Initial Premium or any Additional Premiums paid, payable for the first 20 quarters (i.e. five years) from the Commencement Date of your policy, or the payment date of an Additional Premium respectively. This is taken as 0.4% of your Initial Premium or any Additional Premiums on each policy quarter by the cancellation of notional units in your investment-linked funds, in proportion to the value of the investment-linked funds in your policy at the time the charge is due. It will be taken in arrears on the first day of each policy quarter. The first establishment charge will be taken on the first day of the second policy quarter.
Withdrawal charge	Nil.
Early surrender charge	<p>If you surrender your policy during the first 20 quarters (i.e. five years) from the Commencement Date of your policy or the payment date of any Additional Premiums, you will need to pay an early surrender charge which is equal to all outstanding establishment charges.</p> <p>If your Policy Value falls below the Minimum Policy Value during the first seven years following the Commencement Date of your policy and you have made a withdrawal or surrendered individual policies, we reserve the right to terminate your policy. If this happens during the first 20 quarters (i.e. five years), an early surrender charge which is equal to all outstanding establishment charges will be applied.</p> <p>This charge is taken by cancellation of notional units in the investment-linked funds in proportion to the value of the investment-linked funds in your policy at the time of surrender.</p>
Investment-linked fund charges	
Administration charge	This is currently 1.2% per year of the Gross Value of each investmentlinked fund, debited directly from the investment-linked funds on each Dealing Day. This charge is reflected in the unit price of the investment-linked fund.
Bid/offer spread	Nil. There is no difference between the price at which the notional units are allocated to your policy and the price at which they are cancelled.
Switching charge	Currently waived. We reserve the right to impose a switching charge which is the greater of (i) up to 1% of the amount to be switched out, and (ii) GBP 10 / EUR 15 / USD 15 / HKD 150 per transaction, in the future.
Other investment-linked fund related costs	<p>We will be entitled to take from each Friends Provident International investment-linked fund a number of expenses as follows:</p> <ul style="list-style-type: none"> <li>Any cost, expenses and charges incurred by us in acquiring, managing, maintaining, valuing or disposing of the assets relating to that investment-linked fund, not covered by the administration charge described above.</li> <li>Any expense, charge, tax, levy or fiscal enforcement not taken into account elsewhere, which we reasonably considers is a liability relating to that investment-linked fund.</li> </ul> <p>These expenses are reflected in the unit price of the investment-linked fund.</p>

# Fees and charges (cont.)

Underlying fund charges	
Underlying fund charges	<p>You should note that the underlying funds of the investment-linked funds may have separate charges on management fee, performance fee, bid-offer spread and/or switching fee. You do not pay these fees directly as the fees will be deducted and such reduction will be reflected in the unit price of the underlying funds.</p> <p>For details of the underlying funds, please refer to the offering documents of the underlying funds which will be available upon request from Friends Provident International's Hong Kong office.</p>

**Note: Friends Provident International reserves the right to vary the fees and charges or impose new fees and charges with not less than three months' prior written notice or such shorter period of notice in compliance with the relevant regulatory requirements.**

# Fees and charges (cont.)

## Illustrative example to show the calculation of establishment charge

Policy Commencement Date	1 January 2015
Initial Premium	USD 50,000
Applicable establishment charge per quarter	= USD 50,000 x 0.4% = USD 200
Total establishment charge	= USD 200 x 20 = USD 4,000

## Illustrative examples to show the calculation of surrender charge

At policy commencement		Paying an Additional Premium a year later	
Policy Commencement Date	1 January 2015	Additional Premium payment date	1 January 2016
Initial Premium	USD 50,000	Additional Premium	USD 10,000
Date of surrender	1 January 2018		
Number of remaining quarters for paying establishment charge	8 quarters	12 quarters	
Outstanding establishment charge	= USD 50,000 x 0.4% x 8 = <b>USD 1,600</b>	= USD 10,000 x 0.4% x 12 = <b>USD 480</b>	
Total outstanding establishment charge (i.e. Total early surrender charge)	= USD 1,600 + USD 480 = <b>USD 2,080</b>		

Please note that the above examples are hypothetical and for illustrative purposes only.

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# How to apply for Summit II

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If you decide to take out a Summit II policy, all you need to do is complete the application form and return it to us together with all the necessary documents and the required payments.

After your premium has been received and cleared through our bank, subject to any additional requirements, we will send you the Summit II policy documents. Then once a year on your policy anniversary, we will send you a statement confirming your current investment holding.



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# General information

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## Product information

Summit II and its offering document has been authorised by the SFC. SFC authorisation is not a recommendation or endorsement of Summit II, nor does it guarantee the commercial merits of Summit II or its performance. It does not mean Summit II is suitable for all investors, nor is it an endorsement of its suitability for any particular investor or class of investors.

Friends Provident International accepts full responsibility for the accuracy of the information contained in the offering document and confirms, having made all reasonable enquiries that, to the best of Friends Provident International's knowledge and belief, there are no other facts the omission of which would make any statement in the offering document of Summit II misleading.

The SFC does not take any responsibility for the contents of the offering document, makes no representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the offering document.

For all details of the policy, please refer to the policy conditions.

**Investment-linked assurance schemes may not be suitable for everyone. Investment involves risk and each investment-linked fund will involve its own individual level of risk. We recommend that you read the Summit II offering documents carefully and discuss fully both the suitability of Summit II and the specific risks associated with individual investment-linked funds with your independent financial adviser before making any investment decisions.**

## Illustration document

Applicants will be required to sign an illustration document as part of the application for a policy. This document includes a table of figures which shows the impact of fees and charges on the Surrender Values and death benefits. The figures are based on certain assumptions as stated in the document and are for illustrative purpose only.

## Terms and conditions

A copy of the policy conditions in English and Chinese for Summit II can be obtained, free of charge, from Friends Provident International's Hong Kong office on request.

## Cooling-off rights

The cooling-off period is a period during which life insurance policyholders may cancel their policies or additional single premium application and get back their original investments (subject to a market value adjustment). After your policy is issued or additional premium application is accepted, you or your representative will be sent information confirming details of your policy and this will include the right of cancel notice which details how to exercise your right to cancel your investment. If you wish to cancel your policy or additional premium application, you should do so and inform us within 30 days after receiving the policy and the right to cancel notice\*. You then need to return the notice to us. Please refer to the cooling off initiative applicable to the investment-linked assurance scheme from time to time for further information.

Should you wish to exercise your right to cancel during the cooling-off period, a written notice must be given to Friends Provident International. Such notice must be signed by you and received directly by Friends Provident International at 803, 8/F., One Kowloon, No.1 Wang Yuen Street, Kowloon Bay, Hong Kong.

**You may get back the amount you paid, or less if the value of the selected funds/assets has gone down.**

\* Since the exact date a policyholder receives the policy or the right to cancel notice varies, for the purpose of avoiding confusion, we assume policyholder receives them 7 working days after the date of the delivery unless there is adequate proof to the contrary.

## Governing law

Each policy is governed by and shall be construed in accordance with the law of the Isle of Man. However, this will not preclude the right to bring legal action in a Hong Kong court.

## Borrowing powers

The policy has no borrowing powers. In exceptional circumstances to cover withdrawals or other special situations (for example, a global catastrophe or Act of God), borrowings may be incurred in a Friends Provident International investment-linked fund provided that such borrowings, inclusive of short-term borrowings, will not exceed 25% of the net asset value of that investment-linked fund.

For details of the borrowing powers of the underlying funds, please refer to the offering documents of the underlying funds.

# General information (cont.)

## Policyholder protection

To ensure the protection of policyholders' interests the Isle of Man Financial Services Authority (the 'Regulator') has put in place a number of statutory measures:

- **Ring-fencing of assets** — in accordance with the Insurance Act 2008 (the 'Act'), Friends Provident International keeps policyholders' premiums received in a special 'long-term business fund', which can only be used to meet the claims and long-term liabilities of policyholders. Friends Provident International also holds funds in excess of its long-term liabilities, and submits independently audited annual solvency reports to the Regulator, in accordance with the Act.
- **A policyholder compensation fund** — in the event that the above measures fail, and the insurer is unable to meet its liabilities, 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. The Regulations ensure that in the unlikely event of Friends Provident International becoming insolvent, a levy would be made against all other Isle of Man resident life assurance companies so that up to 90% of our liabilities to eligible policyholders would be met (without any upper monetary limit).

**Please note that notwithstanding such Isle of Man regulations, there is no guarantee that you may get back up to 90% of the premium paid or the prevailing value of your policy. The final value you receive (if any) may be substantially less than the total premium paid or the prevailing value of your policy.**

Investors should be aware that specific investor protection and compensation schemes that may exist in relation to collective investments and deposits accounts are unlikely to apply in the event of failure of such an investment held within investment-linked assurance schemes.

## Tax information

The information given in this document is based on Friends Provident International's understanding of current Isle of Man and Hong Kong law and taxation practice which may change in the future. No liability can be accepted for any personal tax consequences of Summit II or for the effect of future tax changes or legislative changes and you should appoint an independent financial adviser or tax adviser to help you decide whether Summit II is the right investment option for you.

Friends Provident International is not liable to income tax, capital gains tax or corporation tax on its policyholders' funds. Some dividends may be received net of withholding tax, deducted at source in the country of origin, but once inside your policy they can accumulate free of tax. The personal tax consequences of investing in the policy will depend on many factors. You may have a personal tax liability in respect of the proceeds of the policy. This will largely depend on your country of residence. It is therefore important that professional advice regarding your own particular tax circumstances is sought before proceeding with an investment. We do not condone tax evasion and our products and services may not be used for evading your tax liabilities.

## Tax position of Hong Kong residents

Under current legislation, it is our understanding that Hong Kong residents are not liable to Hong Kong tax in respect of the proceeds of the policy.

## Important note for proposed policyholders who are, or who are planning to become, resident in the UK

Friends Provident International is under a statutory obligation to report to HM Revenue & Customs certain events where benefits are received from the policy by a UK-resident individual, or trust. For further information, please contact us or your independent financial adviser.

## Foreign Account Tax Compliance Act & UK IGA

Under the U.S. Foreign Account Tax Compliance Act ('FATCA'), a foreign financial institution ('FFI') is required to report to the U.S. Internal Revenue Service ('U.S. IRS') certain information on U.S. persons that hold accounts with that FFI outside the U.S. and to obtain their consent to the FFI, as applicable, passing that information to the U.S. IRS. A FFI which does not sign or agree to comply with the requirements of an agreement with the U.S. IRS ('FFI Agreement') in respect of FATCA and/or who is not otherwise exempt from doing so (referred to as a 'nonparticipating FFI') will face a 30% withholding tax ('FATCA Withholding Tax') on all 'withholdable payments' (as defined under FATCA) derived from U.S. sources (initially including dividends, interest and certain derivative payments).

Friends Provident International is a company registered in the Isle of Man which has agreed with the U.S. an inter-governmental agreement ('U.S. IGA') to facilitate compliance by FFIs in the Isle of Man with FATCA.



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# General information (cont.)

Furthermore, under the inter-governmental agreement between the United Kingdom and the Isle of Man (the "UK IGA"), financial institutions ("FIs") in the Isle of Man are required to report certain information on UK persons to Her Majesty's Revenue and Customs ("HMRC") via the Isle of Man Competent Authority.

The U.S. IGA together with the UK IGA create a framework for Isle of Man FFIs / FIs to rely on streamlined due diligence procedures to (i) identify U.S. and UK indicia, and (ii) report relevant tax information of those policyholders via the Isle of Man Competent Authority to the U.S. IRS and the HMRC.

FATCA and the UK IGA apply to Friends Provident International and this ILAS policy. Friends Provident International is a deemed-compliant FFI under FATCA and a reporting FI under UK IGA. Friends Provident International is committed to complying with FATCA and the UK IGA. To do so, Friends Provident International requires you to:

- (i) provide to Friends Provident International certain information including, as applicable, your U.S. and / or UK identification details (e.g. name, address, the US federal taxpayer identifying numbers, UK National Insurance Number etc).
- (ii) consent to Friends Provident International reporting this information and your account information (such as account balances, interest and dividend income and withdrawals) to the Isle of Man Competent Authority for onward transmission to the U.S. IRS or HMRC.

If you fail to comply with these obligations (being a 'Non-Compliant Accountholder'), Friends Provident International is required to report 'aggregate information' of account balances, payment amounts and number of recalcitrant U.S. and UK accounts to the U.S. IRS and the HMRC via the Isle of Man Competent Authority.

We reserve the right to withhold withholding tax if it becomes a legal obligation to withhold tax from the policy under the U.S. IGA.

You should seek independent professional advice on the impact FATCA and UK IGA may have on you or your ILAS policy.

## Data privacy

We take the responsibility of handling your personal data very seriously and we will only ask you for details required to process your requests to us. Please be aware of our privacy policy - please visit <https://www.fpinternational.com.hk/legal/privacy-and-cookies.jsp> to view the full policy or this can be provided on request from our Data Protection Officer.

## Enquiries and complaints

For any enquiries or complaints, please contact Friends Provident International at 803, 8/F., One Knowloon, No.1 Wang Yuen Street, Kowloon Bay, Hong Kong. Telephone: +852 3550 6188, facsimile +852 2868 4983 or email: [customerservicing@fpihk.com](mailto:customerservicing@fpihk.com). Complaints we cannot settle can be referred to the Financial Services Ombudsman Scheme for the Isle of Man.

Please note that some telephone communications with Friends Provident International are monitored.

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# Glossary

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**Additional Premium or Additional Premiums** means any premium paid by you after the Commencement Date of the policy and stated in an acknowledgement issued by us.

**Bid Price** means the unit price of an investment-linked fund calculated based on the value of the corresponding underlying fund, less the investment-linked fund administration charge and any other investment-linked fund related costs.

**Commencement Date** means the date on which the policy starts and is shown in the policy schedule.

**Dealing Day** means the day when we deal and price units of a Friends Provident International investment-linked fund. The day may vary from one Friends Provident International investment-linked fund to another.

**Gross Value** means the value of the units of the investment-linked fund(s) prior to the deduction of the investment-linked fund administration charge.

**Initial Premium** means the premium you paid at the policy Commencement Date.

**Minimum Policy Value** is the greater of (i) 125% of any outstanding establishment charges and (ii) GBP 10,000 / EUR 15,000 / USD 15,000 / HKD 150,000. It will be applied to determine whether a withdrawal or surrender of individual policies can be made under the Summit II policy. (Please refer to the section '**Accessing your investment**' on page 12 for details).

The Policy Value may fall below the Minimum Policy Value under various circumstances including, without limitation, a market downturn which is beyond your control. We reserve the right to terminate and apply any applicable early surrender charge (up to 8% of the premium paid) if the Policy Value falls below the Minimum Policy Value in the following events:

- (i) during the first seven years following the Commencement Date of the policy and a withdrawal or surrendered individual policies (please refer to '**Understanding the basics**' on page 7 for details of individual policies) has been made; and
- (ii) anytime after the first seven years following the Commencement Date of your policy.

**Policy Value** means the total value of any units held in your chosen investment-linked fund(s) under the policy. The value of each investment-linked fund at any given time is equal to the respective Bid Price multiplied by the number of notional units in the investment-linked fund held under the policy.

**Surrender Value or Surrender Values** means the Policy Value, after the deduction of any outstanding fees and charges owing to us (including the early surrender charge), on the next Dealing Day after we have received a valid written surrender request.



**Friends Provident International Limited:** Registered and Head Office: Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA. Telephone: +44 (0)1624 821212 | Fax: +44 (0)1624 824405 | Website: [www.fpinternational.com](http://www.fpinternational.com). Isle of Man incorporated company number 11494C. Authorised and regulated by the Isle of Man Financial Services Authority. Provider of life assurance and investment products. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. **Hong Kong branch:** 803, 8/F., One Kowloon, No.1 Wang Yuen Street, Kowloon Bay, Hong Kong. Telephone: +852 2524 2027 | Fax: +852 2868 4983 | Website: [www.fpinternational.com.hk](http://www.fpinternational.com.hk). Authorised by the Insurance Authority of Hong Kong to conduct long-term insurance business in Hong Kong. Friends Provident International is a registered trademark and trading name of Friends Provident International Limited.

«Policy\_Holder»  
«Policy\_Holder\_Address\_Line\_1»  
«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»

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

**Friends Provident International Limited (“Friends Provident International”) is responsible for the information contained in this notice. To the best of the knowledge and belief of Friends Provident International (having taken all reasonable care to ensure that such is the case), the information contained in this notice is, at the date of this letter, in accordance with the facts and there are no other facts the omission of which would make any statement in this notice misleading. Friends Provident International accepts responsibility accordingly for the information contained in this notification.**

22 May 2020

Dear Policyholder

**Policy Number: «Policy\_Number»**

**Your financial adviser:**

**Re: [Reserve, Premier, Premier II, Premier Ultra, Elite, Zenith, International Investment Account, Premier Investment Plan, Flexible Growth Plan, Executive Savings Plan, International Pension Plan, International Savings Plan, International Portfolio Bond, Managed Portfolio Account, Summit and Summit II] (collectively, the “Schemes”)**

**Withdrawal of authorisation and termination of the Friends Provident International investment-linked fund Templeton Global (J72) (the ‘Affected Investment-linked Fund’), which is available under each of the Schemes**

Due to the size and lack of demand from Friends Provident International Limited’s policyholders for the Affected Investment-linked Fund, Friends Provident International has made the decision to i) withdraw the Securities and Futures Commission (the “SFC”) authorisation of the Affected Investment-linked Fund and ii) terminate the Affected Investment-linked Fund, pursuant to the section headed “Management of Friends Provident International Investment-linked Funds”, “Management of FPIL investment-linked funds” or “Closing a Fund”, as applicable, of the Schemes’ Policy Conditions with effect from **28 August 2020** (the “Effective Date”). We will stop accepting any new investment instruction to the Affected Investment-linked Fund from the date of this letter onwards.

**Action required by investors paying regular premiums into the Affected Investment-linked Fund:**

You are free to re-direct future regular premiums, without charge, to any other investment-linked fund(s) available under your policy by completing a Switch/Redirection instruction form, a copy of which is available on request, and returning it to our Hong Kong office or through our online services



portal on or before 4:30pm (HK time) on **24 August 2020** (the “Deadline”). If you fail to submit an instruction by the Deadline, we will direct, without charge, all your regular premiums received after the Deadline for the Affected Investment-linked Fund to the investment-linked fund named **Fidelity Global Dividend (L46)** (the “Default Investment-linked Fund”).

We select the Default Investment-linked Fund based on various factors which include but are not limited to (1) investment objective and strategy, (2) assets mix, (3) risk profile and (4) currency denomination. As there are no other Friends Provident International investment-linked funds with a mix of assets or investor objective the same as the Affected Investment-linked Fund, Fidelity Global Dividend (L46) which is similar to the Affected Investment-linked Fund in various factors has been chosen as the Default Investment-linked Fund, please refer to the Appendix.

**Action required by policyholders who request a switch-in and/or request for additional single or regular premium into the Affected Investment-linked Fund:**

If a new switch-in request or request for additional single or regular premium into the Affected Investment-linked Fund is submitted from the date of this letter, we will contact you or your independent financial adviser for an alternative instruction. If we are unable to contact either you or your independent financial adviser to obtain an alternative instruction by the Deadline, the request will instead be processed into the Default Investment-linked Fund.

**Action required by policyholders with existing investments in the Affected Investment-linked Fund:**

You are free to switch your existing investments out of the Affected Investment-linked Fund at any time up to the Deadline, without charge, to other investment-linked fund(s) available under your policy. You can do this by completing a Switch/Redirection instruction form and returning it to our Hong Kong office, or through our online services portal by the Deadline. If we have not received any instruction from you by the Deadline, we will automatically switch your existing investments in the Affected Investment-linked Fund into the Default Investment-linked Fund after the Deadline, without charge.

You should read the corresponding offering documents (including Product Key Facts Statement) of the underlying funds of the Default Investment-linked Fund and other investment-linked funds available under your policy, which will be made available by our Hong Kong office upon request, for details of the underlying funds (including, without limitation, their investment objectives and policies, risk factors and charges).

All costs relating to the arrangement herein, including, without limitation, expenses relating to the termination and withdrawal of authorisation of the Affected Investment-linked Fund will be borne by Friends Provident International.

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

Please note that you can always switch your investment-linked funds or redirect future premiums online through the FPI Portal, without charge. Simply login at <https://portal.fpiinternational.com>. It is a simple, convenient and secure way to manage your policy.

If you have any questions regarding your policy or the investment-linked funds in which you are invested, please contact our Hong Kong office:

Friends Provident International Limited  
803, 8/F, One Kowloon  
1 Wang Yuen Street, Kowloon Bay  
Hong Kong

Tel: +852 3550 6188  
Fax: +852 2868 4983  
Email: [customerservicing@fpihk.com](mailto:customerservicing@fpihk.com)

***Investment-linked 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 offering documents of the Schemes for further details.***

Yours sincerely

International Funds & Investments  
Friends Provident International Limited

**Friends Provident International Limited:** Registered and Head Office: Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA. Telephone: +44 (0)1624 821212 | Fax: +44 (0)1624 824405 | Website: [www.fpinternational.com](http://www.fpinternational.com). Isle of Man incorporated company number 11494C. Authorised and regulated by the Isle of Man Financial Services Authority. Provider of life assurance and investment products. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. **Hong Kong branch:** 803, 8/F., One Kowloon, No.1 Wang Yuen Street, Kowloon Bay, Hong Kong. Telephone: +852 2524 2027 | Fax: +852 2868 4983 | Website: [www.fpinternational.com.hk](http://www.fpinternational.com.hk). Authorised by the Insurance Authority of Hong Kong to conduct long-term insurance business in Hong Kong. Friends Provident International is a registered trademark and trading name of Friends Provident International Limited.

**英國友誠國際有限公司:** 註冊及總辦事處: Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA  
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馬恩島的註冊公司號碼為11494C 獲Isle of Man Financial Services Authority認可及監管  
人壽保險及投資產品的供應商 獲Prudential Regulation Authority認可 受Financial Conduct Authority監管及  
受Prudential Regulation Authority有限度監管 有關Prudential Regulation Authority之監管程度可向本公司查詢  
**香港分公司辦事處:** 香港九龍灣宏遠街1號一號九龍803室 電話: +852 2524 2027 | 傳真: +852 2868 4983  
網址: [www.fpinternational.com.hk](http://www.fpinternational.com.hk) 獲香港保險業監管局授權在香港經營長期保險業務  
英國友誠國際為英國友誠國際有限公司的註冊商標及商號

**Appendix - Affected Investment-linked Fund and the corresponding Default Investment-linked Fund**

	<b>Affected Investment-linked Fund</b>	<b>Default Investment-linked Fund</b>
<b>Name and code of Investment-linked fund</b>	Templeton Global (J72)	Fidelity Global Dividend (L46)
<b>Name of corresponding underlying fund</b>	Franklin Templeton Investment Funds – Templeton Global Fund	Fidelity Funds - Global Dividend Fund
<b>Name of management company of underlying fund of investment-linked fund</b>	Franklin Templeton International Services S.à.r.l	FIL Investment Management (Luxembourg) S.A.
<b>Share class of underlying fund</b>	A - Acc	A - Acc
<b>Currency of investment-linked fund</b>	USD	USD
<b>Currency of underlying fund</b>	USD	USD
<b>Investment objective and investment policy/strategy of the underlying fund</b>	<p>The underlying fund aims to increase the value of its investments over the medium to long term.</p> <p>The underlying fund invests principally (that is, at least two-thirds of the underlying fund's net assets) in:</p> <ul style="list-style-type: none"> <li>• equity securities issued by companies of any size located in any country, including emerging markets</li> </ul> <p>In exceptional market circumstances (such as extreme volatility) and on a temporary basis only, 100% of the underlying fund's net assets may be invested in liquid assets, with due regard to the principle of risk spreading.</p> <p>The underlying fund can invest on an ancillary basis in:</p> <ul style="list-style-type: none"> <li>• preferred stock, securities convertible into common stock and fixed income securities</li> </ul> <p>The investment team uses in-depth analysis to select individual equity securities that it believes are undervalued and will provide the best opportunities for increased value over the long term.</p>	<p>The underlying fund is an Equity fund and aims to achieve income and long-term capital growth principally (i.e. at least 70% (and normally 75%) of the underlying fund's assets) through investments in income producing equity securities globally.</p> <p>For the remaining assets, the investment manager of the underlying fund has the freedom to invest outside the underlying fund's principal geographies, market sectors, currency or asset classes.</p> <p>As this underlying fund may invest globally, it may be exposed to countries considered to be emerging markets.</p> <p>As the underlying fund may invest globally, it may invest across different countries and regions. It is unconstrained in the amount it may invest in any single country or region.</p> <p>In selecting securities for the underlying fund, several factors are considered in the investment process; for example, consideration may include, but is not limited to, a company's financials, including revenue and profit growth, return on capital, cash flows and other financial</p>



	<p>For the purpose of generating additional capital or income or for reducing costs or risks, the underlying fund may engage in securities lending transactions for up to 50% of its net assets, in a manner that is consistent with its investment policy. For the avoidance of doubt, any securities lending will be an ancillary activity of the underlying fund only.</p>	<p>measures. In addition, company management, industry and economic environment, and other factors may be considered in the investment process.</p> <p>The underlying fund may invest in assets directly or achieve exposure indirectly through other eligible means including financial derivative instruments ("derivatives"). Such derivatives may include over-the-counter and/or exchange traded instruments such as futures, contracts for difference, equity swaps, options such as puts, calls and warrants, forwards, non-deliverable forwards and currency swaps. The underlying fund may use derivatives with the aim of risk or cost reduction or to generate additional capital or income (including for investment purposes), in line with the risk profile of the underlying fund.</p> <p>The underlying fund will not invest more than 10% of their net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade.</p> <p>The underlying fund will not engage extensively in securities lending, repurchase and reverse repurchase transactions.</p>
<b>Annual Management Charge (AMC) of the underlying fund</b>	1.00%* of net asset value per annum	1.50%* of net asset value per annum
<b>Ongoing Charges Figure (OCF) of the underlying fund</b>	<p>1.83%</p> <p>The ongoing charges figures are based on the annual financial statements for the period ended 30 June 2019. These figures may vary from year to year.</p>	<p>1.89%</p> <p>The ongoing charges figure represents the ongoing expenses based on the annual financial report for the year ended 30 April 2019. This figure may vary from year to year.</p>

<b>Risk/reward profile**</b>	5	4
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\* Policyholders should note that the AMC for the underlying fund of the Default Investment-linked Fund is higher than the AMC for the underlying fund of the Affected Investment-linked Fund.

\*\* The risk/reward profile is determined by Friends Provident International from information provided by the underlying fund houses and is based on the following characteristics of the underlying fund:

- volatility;
- asset type; and
- geographical region.

The risk/reward profile will be reviewed and, if appropriate, revised at least yearly by Friends Provident International as a result of our ongoing research analysis. The information given in the risk/reward profile is for reference only and the SFC has not assessed or approved it, nor has it verified the accuracy of such information.

# Investment-linked Funds Leaflet

Hong Kong – June 2020

This document is applicable to Elite\*, Executive Savings Plan\*, Flexible Growth Plan\*, International Investment Account\*, International Pension Plan\*, International Savings Plan\*, Premier\*, Premier II\*, Premier Investment Plan\*, Premier Ultra\*, Summit\*, Summit II\* and Zenith\* (each a 'Scheme' and, collectively, the 'Schemes') and is to be used in Hong Kong only.

The Principal Brochure of each Scheme consists of the respective Product Brochure for each Scheme and this Investment-linked Funds Leaflet. This document is to be used in Hong Kong only and should be issued and read in conjunction with the respective Product Key Facts Statement for each Scheme and the respective Product Brochure for each Scheme.

You should read the offering documents (including the Product Key Facts Statements) of the underlying funds, which are available from Friends Provident International Limited ('Friends Provident International') upon request, for details of the underlying funds (including, without limitation, their investment objectives and policies, risk factors and charges).

\* These schemes are not available to new investors and are no longer marketed to the public in Hong Kong.



# Investment-linked fund information

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Friends Provident International operates a range of investment-linked funds. The concept is simple: agreements have been set up with investment houses worldwide allowing us to link to specially selected underlying funds chosen on the basis of performance and investment expertise. Friends Provident International has set up its own investment-linked fund which invests solely in such underlying fund, apart from a proportionately small amount which may be held as a cash balance.

The net premiums you pay will be invested by us in the underlying funds corresponding to the investment-linked funds you selected for Friends Provident International's asset liability management and will accordingly go towards accretion of the value of your ILAS policy. Your ILAS policy value will be calculated by us based on the performance of the underlying funds corresponding to the investment-linked funds you selected from time to time and the ongoing fees and charges which will continue to be deducted from your ILAS policy value.

Units in these chosen investment-linked funds allocated to your policy are notional, and are solely for the purpose of calculating the value which we will pay to you under your policy. Friends Provident International is the absolute legal and beneficial owner of all the assets which relate to each investment-linked fund. Policyholders have no rights or entitlements to these underlying assets.

The underlying investments of the investment-linked funds are unit trusts/mutual funds authorised by the Hong Kong Securities and Futures Commission ('SFC'). Such authorisation does not imply official recommendation. SFC authorisation is not a recommendation or endorsement of the unit trusts/mutual funds nor does it guarantee the commercial merits of the unit trusts/mutual funds or their performance. It does not mean the unit trusts/mutual funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

**Please note that certain investment-linked funds available under Friends Provident International's investment-linked assurance schemes may not be linked to a class (or classes) of the underlying funds that is offered to the public investors in Hong Kong. Therefore, you should note that, among others, the fees charged in respect of the underlying fund linked to each of these investment-linked funds may not be the**

**same as that for a class of the underlying fund that is offered to the public investors in Hong Kong. For details, please refer to Friends Provident International and your financial adviser.**

**There are fees for the policy and investment-linked funds that would in turn affect the return on your policy, which may be lower than the return on the underlying funds.**

Please refer to the corresponding offering documents of the underlying funds, which will be made available by our Hong Kong office upon request. These offering documents will help you to understand the underlying funds, their investment objectives and strategies, any charges and fees, the risks that may affect your investment, etc. Please do not rely on these documents alone. We recommend that you discuss fully both the suitability of the investment-linked assurance schemes and the specific risks associated with your investments within these policies with your financial adviser before making any investment decisions.

## Dealing Day and unit prices

The 'Dealing Day' is the day when we price and deal in units of an investment-linked fund. The frequency of Dealing Days follows the frequency of the underlying funds and currently takes place every business day in Dorking (UK), if otherwise, a prior written notice will be provided in compliance with relevant regulatory requirements.

Please note that, in exceptional circumstances beyond our control, we may need to delay creating or cancelling units in our investment-linked funds. This may lead to a delay in acting on your instruction to switch units or in making payments to you with regards to withdrawals, policy surrenders or the death benefit. Such exceptional circumstances may include, but are not limited to, the deferral/suspension of subscription to or redemption from any underlying fund, or system breakdown in the determination of the price or value of any underlying fund.

Notional units in the investment-linked funds are created or cancelled using the Bid Price (round down to three decimal places). We may reasonably round any calculations. The number of units created and cancelled will be rounded to the nearest two decimal places. Rounding adjustments will accrue to the benefit of policyholders who continue to hold units in the relevant Friends Provident International investment-linked fund.

The prices of the investment-linked funds are issued daily at approximately 5pm (UK time).

The price of each investment-linked fund is determined by reference to the price of the underlying fund relating to that investment-linked fund quoted by the managers of the underlying fund on the same Dealing Day and taking into account the investment-linked fund level charges. Consequently, the price and performance of the investment-linked funds will be different from the underlying funds but will mainly move in line with it.

Investment-linked fund prices may go up and down depending upon the underlying investment performance or, where investments held within an investment-linked fund are not denominated in the currency of that investment-linked fund, simply because of movements in currency exchange rates. Where we publish performance information, the figures are quoted including all underlying fund level charges payable to underlying fund managers and investment-linked fund level charges payable to Friends Provident International. **However, past performance should not be viewed as an indication of future performance – the value of your investment cannot be guaranteed and you may get back less than you paid in.**

### Closure of an investment-linked fund

We will give you three months prior written notice if we decide to merge or terminate an investment-linked fund. If an investment-linked fund is to be merged or terminated due to the decision of the management company of underlying fund, we will give you prior written notice in compliance with relevant regulatory requirements.



## Risk factors

Investment involves risks and each investment-linked fund will involve its own individual level of risk:

- Eq** Where an underlying fund invests in equities, it entails risk, as individual stock prices can move up and down more dramatically than other forms of investment. Shares, when sold, may be worth less than their original cost and you may get back less than you paid in.
- Li** Some underlying funds invest in asset classes that are considered illiquid, in that sometimes they may not be so easy to sell. It should be recognised that an investment in an investment-linked fund of this type may have liquidity constraints that may lead to delays in the sale of investment-linked fund units.
- FI** Where an underlying fund invests in fixed interest securities the value can go up and down as interest rates change. For example, if interest rates rise, the value is likely to fall.
- B** Some underlying funds invest in company bonds. High yielding bonds are usually lower grade. These carry an increased risk to both the income and capital value of the investment-linked fund - for example, the company issuing the bond has financial difficulties and stops trading.
- Com** Some underlying funds invest in commodity markets and investment values can move up and down sharply depending on levels of speculation and supply and demand.
- EM** Where an underlying fund invests in emerging markets, investment values can move sharply down or up. These markets tend not to be so well regulated as developed markets and political unrest is more likely.
- D** Many underlying funds can now use derivative instruments as an investment tool. A derivatives instrument normally is a contract between two or more parties and, used in underlying funds, derives its value based on the value of an underlying asset at a particular point in time. The main types of derivatives are futures, forwards, options and swaps, with these instruments generally being used to hedge (reduce) risk, but can also be used for speculative purposes (at increased risk). Losses can be greater than the money put into these instruments.

## Guide to the risk/reward profile of our investment-linked funds on page 8 to 9

The risk/reward profile is determined by Friends Provident International from information provided by the management company of underlying fund and is based on the following characteristics of the underlying fund:

- volatility
- asset type
- geographical region.

The risk/reward profile will be reviewed and, if appropriate, revised at least yearly by us as a result of our ongoing research analysis. The information given in the risk/reward profile is for reference only and the SFC has not assessed or approved it, nor has it verified the accuracy of such information.

**Grade 1:** Investment-linked funds offering conservative return similar to money market rates. **The underlying funds that these investment-linked funds invest in may be exposed to the following risk factors: FI, D.**

**Grade 2:** Low-risk investment-linked funds offering security and potential growth. **The underlying funds that these investment-linked funds invest in may be exposed to the following risk factors: FI, B, D.**

**Grade 3:** These investment-linked funds take a balanced approach to investment by holding a diverse portfolio of assets. **The underlying funds that these investment-linked funds invest in may be exposed to the following risk factors: Eq, FI, B, D.**

**Grade 4:** A more focused asset exposure provides good growth potential with the risk of short-term volatility. **The underlying funds that these investment-linked funds invest in may be exposed to the following risk factors: Eq, Li, FI, B, Com, EM, D.**

**Grade 5:** These aggressive investment-linked funds balance the risk of high volatility with the potential for high capital growth. **The underlying funds that these investment-linked funds invest in may be exposed to the following risk factors: Eq, Li, FI, B, Com, EM, D.**

### Key to the symbols used in this leaflet

- <sup>a</sup> The underlying fund of this investment-linked fund is authorised by SFC under the Code on Unit Trusts and Mutual Funds, but not authorised or regulated under the SFC Code on Real Estate Investment Trusts. Such authorisation does not imply official recommendation.
- <sup>b</sup> This underlying fund may make dividend distributions, which will be received by Friends Provident International and will be reflected in the prices of that investment-linked funds.



# Investment-linked funds: risk/reward profile

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## Grade 1

- JPM USD Money Market VNAV
- Ninety One GS Sterling Money
- Ninety One GS US Dollar Money

## Grade 2

- Fidelity Euro Bond
- Franklin US Government <sup>b</sup>
- Invesco Euro Corporate Bond  
(This investment-linked fund is closed to new investment with effect from 17 April 2020)
- Mellon Global Bond (USD)
- Schroder Global Corporate Bond (USD)
- Schroder Strategic Bond (USD)  
(This investment-linked fund is closed to new investment with effect from 17 April 2020)

## Grade 3

- Barings Developed and Emerging Markets High Yield Bond Fund
- Barings Global Bond (EUR) <sup>b</sup>
- Barings Global Bond (USD) <sup>b</sup>
- Invesco India Bond
- Ninety One GS Global Multi-Asset Income
- PIMCO Global High Yield Bond
- PIMCO Global Real Return  
(This investment-linked fund is closed to new investment with effect from 17 April 2020)
- Schroder Asian Bond Total Return
- Schroder Global Multi-Asset Income (GBP HDG)
- Schroder Global Multi-Asset Income (USD)
- Templeton Asian Bond (USD)

## Grade 4

- BlackRock US Flexible Equity
- Fidelity America
- Fidelity Global Dividend
- Fidelity Global Infrastructure
- First State Asian Equity Plus
- Invesco UK Equity <sup>b</sup>
- Invesco UK Equity (GBP) <sup>b</sup>
- JPMorgan ASEAN
- Ninety One GS Global Equity
- Schroder Global Equity Yield (EUR)
- Schroder Global Equity Yield (USD)
- Schroder Global Cities Real Estate (EUR) <sup>a</sup>
- Schroder Global Cities Real Estate (USD) <sup>a</sup>
- Templeton Global Bond (EUR)
- Templeton Global Bond (USD)
- Templeton Emerging Markets Bond
- Templeton Global Total Return (EUR)  
(This investment-linked fund is closed to new investment with effect from 17 April 2020)
- Templeton Global Total Return (USD)  
(This investment-linked fund is closed to new investment with effect from 17 April 2020)

## Grade 4 (cont.)

- Value Partners Greater China High Yield Income
- Value Partners High-Dividend Stocks <sup>b</sup>

## Grade 5

- Aberdeen Standard SICAV I Asia Pacific Equity
- Aberdeen Standard SICAV I Chinese Equity
- Aberdeen Standard SICAV I Emerging Markets Smaller Companies
- Aberdeen Standard SICAV I Indian Equity
- Aberdeen Standard SICAV I Technology Equity
- Allianz Emerging Asia Equity <sup>b</sup>
- Allianz GEM Equity High Dividend
- Allianz Japan Equity <sup>b</sup>
- Allianz Total Return Asian Equity
- Alquity Africa
- Barings Asia Growth <sup>b</sup>
- Barings Australia <sup>b</sup>
- Barings Eastern Europe
- Barings Hong Kong & China
- Barings Korea Feeder
- BlackRock Japan Opportunities
- BlackRock Sustainable Energy
- BlackRock World Gold
- BlackRock World Mining
- BNP Paribas Brazil Equity
- Fidelity EMEA
- Fidelity Euro Blue Chip
- Fidelity Global Property (USD) <sup>a</sup>
- First State China Growth
- First State Greater China Growth
- Franklin Biotechnology Discovery
- Franklin Mutual European
- HSBC Chinese Equity <sup>b</sup>
- HSBC Hong Kong Equity <sup>b</sup>
- HSBC Indian Equity <sup>b</sup>
- HSBC Russia Equity <sup>b</sup>
- Invesco Asia Opportunities Equity
- Invesco Asian Equity<sup>b</sup>
- Invesco Continental European Small Cap Equity <sup>b</sup>
- Invesco Emerging Markets Equity <sup>b</sup>
- Invesco Global Small Cap Equity <sup>b</sup>
- Invesco Global Health Care <sup>b</sup>
- Invesco US Equity <sup>b</sup>
- Janus Henderson Horizon Asia-Pacific Property Equities<sup>a</sup>
- Janus Henderson Horizon China  
(This investment-linked fund is closed to new investment with effect from 17 April 2020)
- JPM Global Natural Resources
- JPM Global Unconstrained Equity
- JPM Taiwan
- JPMorgan Asia Growth
- JPMorgan Asian Smaller Companies
- JPMorgan India
- JPMorgan Indonesia
- JPMorgan Pacific Securities
- JPMorgan Pacific Technology
- JPMorgan Thailand
- Jupiter European Opportunities
- Jupiter Financial Innovation
- Natixis Harris Associates Global Equity
- Ninety One GS European Equity
- Ninety One GS Global Energy
- Ninety One GS Global Strategic Equity
- Pictet Global Environmental Opportunities
- Principal European Equity
- Schroder Frontier Markets Equity
- Schorder Global Climate Change Equity
- Schroder Japanese Opportunities
- Schroder Latin American
- Schroder Middle East
- Schroder US Smaller Companies
- Templeton BRIC
- Templeton Emerging Markets
- Templeton Latin America

# Friends Provident International's investment-linked funds available for selection

The underlying investments of the investment-linked funds are unit trusts/mutual funds authorised by SFC. Such authorisation does not imply official recommendation. SFC authorisation is not a recommendation or endorsement of the unit trusts/mutual funds nor does it guarantee the commercial merits of the unit trusts/mutual funds or their performance. It does not mean the unit trusts/mutual funds are suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

You should read the corresponding offering documents (including Product Key Facts Statement) of the underlying funds, which will be made available by our Hong Kong office upon request for details of the underlying funds (including, without limitation, their investment objectives and policies, risk factors and charges).

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
P65 Aberdeen Standard SICAV I Asia Pacific Equity	Aberdeen Standard SICAV I – Asia Pacific Equity Fund	Aberdeen Standard Investments Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 5
P33 Aberdeen Standard SICAV I Chinese Equity	Aberdeen Standard SICAV I – Chinese Equity Fund	Aberdeen Standard Investments Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 5
R11 Aberdeen Standard SICAV I Emerging Markets Smaller Companies	Aberdeen Standard SICAV I – Emerging Markets Smaller Companies Fund	Aberdeen Standard Investments Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 5
P54 Aberdeen Standard SICAV I Indian Equity	Aberdeen Standard SICAV I – Indian Equity Fund	Aberdeen Standard Investments Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 5
J96 Aberdeen Standard SICAV I Technology Equity	Aberdeen Standard SICAV I – Technology Equity Fund	Aberdeen Standard Investments Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 5
R62 Allianz GEM Equity High Dividend	Allianz Global Investors Fund – Allianz GEM Equity High Dividend	Allianz Global Investors GmbH	AT – Acc	US dollars	US dollars	Grade 5
J48 Allianz Emerging Asia Equity <sup>b</sup>	Allianz Global Investors Fund – Allianz Emerging Asia Equity	Allianz Global Investors GmbH	A – Dis	US dollars	US dollars	Grade 5
R63 Allianz Japan Equity <sup>b</sup>	Allianz Global Investors Fund – Allianz Japan Equity	Allianz Global Investors GmbH	A – Dis	US dollars	US dollars	Grade 5



Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
R44 Allianz Total Return Asian Equity	Allianz Global Investors Fund – Allianz Total Return Asian Equity	Allianz Global Investors GmbH	AT – Acc	US dollars	US dollars	Grade 5
L26 Alquity Africa	Alquity SICAV – Alquity Africa Fund	Lemanik Asset Management S.A.	A – Acc	US dollars	US dollars	Grade 5
J03 Barings Asia Growth <sup>b</sup>	Barings International Umbrella Fund – Barings Asia Growth Fund	Baring International Fund Managers (Ireland) Limited	A – Inc	US dollars	US dollars	Grade 5
M56 Barings Australia <sup>b</sup>	Barings International Umbrella Fund – Barings Australia Fund	Baring International Fund Managers (Ireland) Limited	A – Inc	US dollars	US dollars	Grade 5
P48 Barings Eastern Europe	Barings Global Umbrella Fund – Barings Eastern Europe Fund	Baring International Fund Managers (Ireland) Limited	A – Acc	US dollars	US dollars	Grade 5
J27 Barings Developed and Emerging Markets High Yield Bond Fund	Barings Global Umbrella Fund – Barings Developed and Emerging Markets High Yield Bond Fund	Baring International Fund Managers (Ireland) Limited	A – Acc	US dollars	US dollars	Grade 3
P87 Barings Global Bond (EUR) <sup>b</sup>	Barings International Umbrella Fund – Barings Global Bond Fund	Baring International Fund Managers (Ireland) Limited	A – Inc	Euro	Euro	Grade 3
M57 Barings Global Bond (USD) <sup>b</sup>	Barings International Umbrella Fund – Barings Global Bond Fund	Baring International Fund Managers (Ireland) Limited	A – Inc	US dollars	US dollars	Grade 3
M55 Barings Hong Kong & China	Barings International Umbrella Fund – Barings Hong Kong China Fund	Baring International Fund Managers (Ireland) Limited	A – Acc	US dollars	US dollars	Grade 5
J46 Barings Korea Feeder	Barings Korea Feeder Fund	Baring International Fund Managers (Ireland) Limited	A – Acc	US dollars	US dollars	Grade 5

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
P56 BlackRock Japan Opportunities	BlackRock Global Funds – Japan Small & MidCap Opportunities Fund	BlackRock (Luxembourg) S.A.	A2	US dollars	US dollars	Grade 5
P69 BlackRock Sustainable Energy	BlackRock Global Funds – Sustainable Energy Fund	BlackRock (Luxembourg) S.A.	A2	US dollars	US dollars	Grade 5
J77 BlackRock US Flexible Equity	BlackRock Global Funds – US Flexible Equity Fund	BlackRock (Luxembourg) S.A.	A2	US dollars	US dollars	Grade 4
M82 BlackRock World Gold	BlackRock Global Funds – World Gold Fund	BlackRock (Luxembourg) S.A.	A2	US dollars	US dollars	Grade 5
P70 BlackRock World Mining	BlackRock Global Funds – World Mining Fund	BlackRock (Luxembourg) S.A.	A2	US dollars	US dollars	Grade 5
P89 BNP Paribas Brazil Equity	BNP Paribas Funds Brazil Equity	BNP Paribas Asset Management Luxembourg	Classic cap	US dollars	US dollars	Grade 5
L47 Fidelity America	Fidelity Funds – America Fund	FIL Investment Management (Luxembourg) S.A.	A – Acc	US dollars	US dollars	Grade 4
L12 Fidelity EMEA	Fidelity Funds – Emerging Europe, Middle East and Africa Fund	FIL Investment Management (Luxembourg) S.A.	A – Acc	US dollars	US dollars	Grade 5
J84 Fidelity Euro Blue Chip	Fidelity Funds – Euro Blue Chip Fund	FIL Investment Management (Luxembourg) S.A.	A – Acc	Euro	Euro	Grade 5
J87 Fidelity Euro Bond	Fidelity Funds – Euro Bond Fund	FIL Investment Management (Luxembourg) S.A.	A – Acc	Euro	Euro	Grade 2

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
L46 Fidelity Global Dividend	Fidelity Funds – Global Dividend Fund	FIL Investment Management (Luxembourg) S.A.	A – Acc	US dollars	US dollars	Grade 4
J97 Fidelity Global Infrastructure	Fidelity Funds – Global Infrastructure Fund	FIL Investment Management (Luxembourg) S.A.	A – Acc	Euro	Euro	Grade 4
P78 Fidelity Global Property (USD) <sup>a</sup>	Fidelity Funds – Global Property Fund	FIL Investment Management (Luxembourg) S.A.	A – Acc	US dollars	US dollars	Grade 5
R30 First State Asian Equity Plus	First State Global Umbrella Fund plc – First State Asian Equity Plus Fund	First State Investments (Hong Kong) Limited	I – Acc	US dollars	US dollars	Grade 4
R51 First State China Growth	First State Global Umbrella Fund plc – First State China Growth Fund	First State Investments (Hong Kong) Limited	I – Acc	US dollars	US dollars	Grade 5
R31 First State Greater China Growth	First State Global Umbrella Fund plc – First State Greater China Growth Fund	First State Investments (Hong Kong) Limited	I – Acc	US dollars	US dollars	Grade 5
L39 Franklin Biotechnology Discovery	Franklin Templeton Investment Funds – Franklin Biotechnology Discovery Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	US dollars	US dollars	Grade 5
P51 Franklin Mutual European	Franklin Templeton International Services S.a.r.l.	Franklin Templeton International Services S.a.r.l.	A – Acc	Euro	Euro	Grade 5
M84 Franklin US Government <sup>b</sup>	Franklin Templeton Investment Funds – Franklin U.S. Government Fund	Franklin Templeton International Services S.a.r.l.	A – Mdis	US dollars	US dollars	Grade 2

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
J55 HSBC Chinese Equity <sup>b</sup>	HSBC Global Investment Funds SICAV – HSBC Global Investment Funds – Chinese Equity	HSBC Investment Funds (Luxembourg) S.A.	AD	US dollars	US dollars	Grade 5
J56 HSBC Hong Kong Equity <sup>b</sup>	HSBC Global Investment Funds SICAV – HSBC Global Investments Funds – Hong Kong Equity	HSBC Investment Funds (Luxembourg) S.A.	PD	US dollars	US dollars	Grade 5
L15 HSBC Indian Equity <sup>b</sup>	HSBC Global Investment Funds SICAV – HSBC Global Investment Funds – Indian Equity	HSBC Investment Funds (Luxembourg) S.A.	AD	US dollars	US dollars	Grade 5
L14 HSBC Russia Equity <sup>b</sup>	HSBC Global Investment Funds SICAV – HSBC Global Investment Funds – Russia Equity	HSBC Investment Funds (Luxembourg) S.A.	AD – Inc	US dollars	US dollars	Grade 5
R25 Invesco Asia Opportunities Equity	Invesco Funds – Invesco Asia Opportunities Equity Fund	Invesco Management S.A.	A – Acc	US dollars	US dollars	Grade 5
J02 Invesco Asian Equity <sup>b</sup>	Invesco Funds – Invesco Asian Equity Fund	Invesco Management S.A.	C – Dis	US dollars	US dollars	Grade 5
L40 Invesco Continental European Small Cap Equity <sup>b</sup>	Invesco Funds – Invesco Continental European Small Cap Equity Fund	Invesco Management S.A.	A – Dis	US dollars	US dollars	Grade 5
J38 Invesco Emerging Markets Equity <sup>b</sup>	Invesco Funds – Invesco Emerging Markets Equity Fund	Invesco Management S.A.	C – Dis	US dollars	US dollars	Grade 5
P74 Invesco Euro Corporate Bond (This investment-linked fund is closed to new investment with effect from 17 April 2020)	Invesco Funds – Invesco Euro Corporate Bond Fund	Invesco Management S.A.	A – Acc	Euro	Euro	Grade 2

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
J57 Invesco Global Health Care <sup>b</sup>	Invesco Funds – Invesco Global Health Care Fund	Invesco Management S.A.	C – Dis	US dollars	US dollars	Grade 5
M87 Invesco Global Small Cap Equity <sup>b</sup>	Invesco Funds – Invesco Global Small Cap Equity Fund	Invesco Management S.A.	A – Dis	US dollars	US dollars	Grade 5
L45 Invesco India Bond	Invesco Funds – Invesco India Bond Fund	Invesco Management S.A.	A – Acc	US dollars	US dollars	Grade 3
J73 Invesco UK Equity <sup>b</sup>	Invesco Funds – Invesco UK Equity Fund	Invesco Management S.A.	A – Dis	US dollars	Sterling	Grade 4
P55 Invesco UK Equity (GBP) <sup>b</sup>	Invesco Funds – Invesco UK Equity Fund	Invesco Management S.A.	A – Dis	Sterling	Sterling	Grade 4
J58 Invesco US Equity <sup>b</sup>	Invesco Funds – Invesco US Equity Fund	Invesco Management S.A.	C – Dis	US dollars	US dollars	Grade 5
P61 Janus Henderson Horizon Asia-Pacific Property Equities <sup>a</sup>	Janus Henderson Horizon Fund – Asia-Pacific Property Equities Fund	Henderson Management S.A.	A2 – Acc	US dollars	US dollars	Grade 5
R98 Janus Henderson Horizon China (This investment-linked fund is closed to new investment with effect from 17 April 2020)	Janus Henderson Horizon Fund – China Fund	Henderson Management S.A.	A2 – Acc	US dollars	US dollars	Grade 5
L19 JPM Global Natural Resources	JPMorgan Funds – Global Natural Resources Fund	JPMorgan Asset Management (Europe) S.a.r.l.	A – Acc	US dollars	US dollars	Grade 5

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
L18 JPM Global Unconstrained Equity	JPMorgan Funds – Global Unconstrained Equity Fund	JPMorgan Asset Management (Europe) S.a.r.l	A – Acc	US dollars	US dollars	Grade 5
R09 JPM Taiwan	JPMorgan Funds – Taiwan Fund	JPMorgan Asset Management (Europe) S.a.r.l	A – Acc	US dollars	US dollars	Grade 5
J42 JPM USD Money Market VNAV	JPMorgan Funds – USD Money Market VNAV Fund	JPMorgan Asset Management (Europe) S.a.r.l	A – Acc	US dollars	US dollars	Grade 1
R08 JPMorgan ASEAN	JPMorgan ASEAN Fund	JPMorgan Funds (Asia) Limited	Acc	US dollars	US dollars	Grade 4
J34 JPMorgan Asia Growth	JPMorgan Asia Growth Fund	JPMorgan Funds (Asia) Limited	Acc	US dollars	US dollars	Grade 5
P66 JPMorgan Asian Smaller Companies	JPMorgan Asian Smaller Companies Fund	JPMorgan Funds (Asia) Limited	Acc	US dollars	US dollars	Grade 5
J30 JPMorgan India	JPMorgan India Fund	JF India Management Limited	Acc	US dollars	US dollars	Grade 5
L36 JPMorgan Indonesia	JPMorgan Indonesia Fund	JPMorgan Funds (Asia) Limited	A – Acc	US dollars	US dollars	Grade 5
J32 JPMorgan Pacific Securities	JPMorgan Pacific Securities Fund	JPMorgan Funds (Asia) Limited	Acc	US dollars	US dollars	Grade 5



Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
J95 JPMorgan Pacific Technology	JPMorgan Pacific Technology Fund	JPMorgan Funds (Asia) Limited	Acc	US dollars	US dollars	Grade 5
J47 JPMorgan Thailand	JPMorgan Thailand Fund	JPMorgan Funds (Asia) Limited	Acc	US dollars	US dollars	Grade 5
R87 Jupiter European Opportunities	The Jupiter Global Fund – Jupiter European Opportunities	Jupiter Asset Management International S.A.	L – Acc	Euro	Euro	Grade 5
S112 Jupiter Financial Innovation	The Jupiter Global Fund – Jupiter Financial Innovation	Jupiter Asset Management International S.A.	L – Acc	US dollars	US dollars	Grade 5
P67 Mellon Global Bond (USD)	BNY Mellon Global Funds plc – BNY Mellon Global Bond Fund	BNY Mellon Fund Management (Luxembourg) S.A.	A	US dollars	US dollars	Grade 2
L42 Natixis Harris Associates Global Equity	Natixis International Funds (Lux) I – Harris Associates Global Equity Fund	Natixis Investment Managers S.A.	RE/A	US dollars	US dollars	Grade 5
J36 Ninety One GS European Equity	Ninety One Global Strategy Fund – European Equity Fund	Ninety One Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 5
P47 Ninety One GS Global Energy	Ninety One Global Strategy Fund – Global Energy Fund	Ninety One Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 5
J06 Ninety One GS Global Equity	Ninety One Global Strategy Fund – Global Equity Fund	Ninety One Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 4

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
J43 Ninety One GS Global Multi-Asset Income	Ninety One Global Strategy Fund – Global Multi-Asset Income Fund	Ninety One Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 3
J74 Ninety One GS Global Strategic Equity	Ninety One Global Strategy Fund – Global Strategic Equity Fund	Ninety One Luxembourg S.A.	A – Acc	US dollars	US dollars	Grade 5
M65 Ninety One GS Sterling Money	Ninety One Global Strategy Fund – Sterling Money Fund	Ninety One Luxembourg S.A.	A	Sterling	Sterling	Grade 1
M66 Ninety One GS US Dollar Money	Ninety One Global Strategy Fund – US Dollar Money Fund	Ninety One Luxembourg S.A.	A	US dollars	US dollars	Grade 1
L21 Pictet Global Environmental Opportunities	Pictet – Global Environmental Opportunities	Pictet Asset Management (Europe) S.A.	P	US dollars	US dollars	Grade 5
L33 PIMCO Global High Yield Bond	PIMCO Funds: Global Investors Series Plc – Global High Yield Bond Fund	PIMCO Global Advisors (Ireland) Limited	E – Acc	US dollars	US dollars	Grade 3
L22 PIMCO Global Real Return (This investment-linked fund is closed to new investment with effect from 17 April 2020)	PIMCO Funds: Global Investors Series Plc – Global Real Return Fund	PIMCO Global Advisors (Ireland) Limited	E – Acc	US dollars	US dollars	Grade 3
J76 Principal European Equity	Principal Global Investors Funds – European Equity Fund	Principal Global Investors (Ireland) Limited	A	US dollars	US dollars	Grade 5
M83 Schroder Asian Bond Total Return	Schroder International Selection Fund – Asian Bond Total Return	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 3

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
L38 Schroder Frontier Markets Equity	Schroder International Selection Fund – Frontier Markets Equity	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 5
R34 Schroder Global Climate Change Equity	Schroder International Selection Fund – Global Climate Change Equity	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 5
P90 Schroder Global Corporate Bond (USD)	Schroder International Selection Fund – Global Corporate Bond	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 2
R33 Schroder Global Equity Yield (EUR)	Schroder International Selection Fund – Global Equity Yield	Schroder Investment Management (Europe) S.A.	A – Acc	Euro	Euro	Grade 4
R32 Schroder Global Equity Yield (USD)	Schroder International Selection Fund – Global Equity Yield	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 4
L37 Schroder Global Multi-Asset Income (GBP HDG)	Schroder International Selection Fund – Global Multi-Asset Income	Schroder Investment Management (Europe) S.A.	GBP hedged – A – Acc	Sterling	Sterling	Grade 3
L41 Schroder Global Multi-Asset Income (USD)	Schroder International Selection Fund – Global Multi-Asset Income	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 3
P83 Schroder Global Cities Real Estate (EUR) <sup>a</sup>	Schroder International Selection Fund – Global Cities Real Estate	Schroder Investment Management (Europe) S.A.	EUR Hedged – A – Acc	Euro	Euro	Grade 4
P82 Schroder Global Cities Real Estate (USD) <sup>a</sup>	Schroder International Selection Fund – Global Cities Real Estate	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 4

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
J71 Schroder Japanese Opportunities	Schroder International Selection Fund – Japanese Opportunities	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 5
J37 Schroder Latin American	Schroder International Selection Fund – Latin American	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 5
R52 Schroder Middle East	Schroder International Selection Fund – Middle East	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 5
P92 Schroder Strategic Bond (USD) (This investment-linked fund is closed to new investment with effect from 17 April 2020)	Schroder International Selection Fund – Strategic Bond	Schroder Investment Management (Europe) S.A.	A – Acc	US dollars	US dollars	Grade 2
J39 Schroder US Smaller Companies	Schroder International Selection Fund – US Smaller Companies	Schroder Investment Management (Europe) S.A.	A1 – Acc	US dollars	US dollars	Grade 5
R97 Templeton Asian Bond (USD)	Franklin Templeton Investment Funds – Templeton Asian Bond Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	US dollars	US dollars	Grade 3
P58 Templeton BRIC	Franklin Templeton Investment Funds – Templeton BRIC Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	US dollars	US dollars	Grade 5
J60 Templeton Emerging Markets	Franklin Templeton Investment Funds – Templeton Emerging Markets Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	US dollars	US dollars	Grade 5
L13 Templeton Emerging Markets Bond	Franklin Templeton Investment Funds – Templeton Emerging Markets Bond Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	US dollars	US dollars	Grade 4

Name of investment-linked fund and code	Name of corresponding underlying fund	Name of management company of underlying fund of investment-linked fund	Share class of underlying fund	Currency of investment-linked fund	Currency of underlying fund	Risk/reward profile
L05 Templeton Global Bond (EUR)	Franklin Templeton Investment Funds – Templeton Global Bond Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	Euro	Euro	Grade 4
L06 Templeton Global Bond (USD)	Franklin Templeton Investment Funds – Templeton Global Bond Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	US dollars	US dollars	Grade 4
L03 Templeton Global Total Return (EUR) (This investment-linked fund is closed to new investment with effect from 17 April 2020)	Franklin Templeton Investment Funds – Templeton Global Total Return Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	Euro	Euro	Grade 4
L04 Templeton Global Total Return (USD) (This investment-linked fund is closed to new investment with effect from 17 April 2020)	Franklin Templeton Investment Funds – Templeton Global Total Return Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	US dollars	US dollars	Grade 4
P52 Templeton Latin America	Franklin Templeton Investment Funds – Templeton Latin America Fund	Franklin Templeton International Services S.a.r.l.	A – Acc	US dollars	US dollars	Grade 5
L51 Value Partners Greater China High Yield Income	Value Partners Greater China High Yield Income Fund	Value Partners Hong Kong Limited	P – Acc	US dollars	US dollars	Grade 4
P40 Value Partners High-Dividend Stocks <sup>b</sup>	Value Partners High-Dividend Stocks Fund	Value Partners Hong Kong Limited	A1	US dollars	US dollars	Grade 4

# Cautionary notes

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## Policy information

Friends Provident International's investment-linked assurance schemes and their offering documents have been authorised by the SFC. Such authorisation does not imply official recommendation. SFC authorisation is not a recommendation or endorsement of an investment-linked assurance scheme nor does it guarantee the commercial merits of an investment-linked assurance scheme or its performance. It does not mean the investment-linked assurance scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Each policy is governed by and shall be construed in accordance with the laws of the Isle of Man. However, this will not preclude the right to bring legal action in a Hong Kong court.

## Illustration document

Applicants will be required to sign an illustration document as part of the application for a policy. This document includes a table of figures which shows the impact of fees and charges on the policy and their effect on surrender values and death benefits. The figures are based on certain assumptions as stated in the document and are for illustrative purpose only.

## Policyholder protection

To ensure the protection of policyholders' interests the Isle of Man Financial Services Authority (the 'Regulator') has put in place a number of statutory measures:

- Ring fencing of assets – in accordance with the Insurance Act 2008 ('the Act') Friends Provident International keeps policyholders' premiums received in a special 'long-term business fund', which can only be used to meet the claims and long-term liabilities of policyholders. Friends Provident International also holds funds in excess of its long-term liabilities, and submits independently audited annual solvency reports to the Regulator, in accordance with the Act.

- A policyholder compensation fund – in the event that the above measures fail, and the insurer is unable to meet its liabilities, 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. The Regulations ensure that in the unlikely event of Friends Provident International becoming insolvent, a levy would be made against all other Isle of Man resident life assurance companies so that up to 90% of our liabilities to eligible policyholders would be met (without any upper monetary limit).

**Please note that notwithstanding such Isle of Man regulations, there is no guarantee that you may get back up to 90% of the premium paid or the prevailing value of your policy. The final value you receive (if any) may be substantially less than the total premium paid or the prevailing value of your policy.**

Investors should be aware that specific investor protection and compensation schemes that may exist in relation to collective investments and deposits accounts are unlikely to apply in the event of failure of such an investment held within investment-linked assurance schemes.

Investment-linked assurance schemes may not be suitable for everyone. We recommend that you read the relevant offering document and all associated documents carefully and discuss fully both the suitability of these investment-linked assurance schemes and the specific risks associated with your chosen investments within these policies with your financial adviser before making any investment decisions.

## Enquiries or complaints

For any enquiries or complaints, please contact Friends Provident International at 803, 8/F., One Kowloon, No.1 Wang Yuen Street, Kowloon Bay, Hong Kong, telephone +852 3550 6188, facsimile + 852 2868 4983 or email: [customerservicing@fpihk.com](mailto:customerservicing@fpihk.com). Complaints we cannot settle can be referred to the Financial Services Ombudsman Scheme for the Isle of Man.

Please note that some telephone communications with Friends Provident International are monitored.





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**Friends Provident International Limited:** Registered and Head Office: Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA. Telephone: +44 (0)1624 821212 | Fax: +44 (0)1624 824405 | Website: [www.fpinternational.com](http://www.fpinternational.com). Isle of Man incorporated company number 11494C. Authorised and regulated by the Isle of Man Financial Services Authority. Provider of life assurance and investment products. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. **Hong Kong branch:** 803, 8/F., One Kowloon, No.1 Wang Yuen Street, Kowloon Bay, Hong Kong. Telephone: +852 2524 2027 | Fax: +852 2868 4983 | Website: [www.fpinternational.com.hk](http://www.fpinternational.com.hk). Authorised by the Insurance Authority of Hong Kong to conduct long-term insurance business in Hong Kong. Friends Provident International is a registered trademark and trading name of Friends Provident International Limited.