

Reserve

The following are the investment links which are available to policyholders of the Reserve - Collective Investments version

Structure

For a fund to be available, it must be structured as follows:

- A UK authorised unit trust within the meaning of section 468 ICTA 1988
- A UK investment trust, excluding warrants, within the meaning of section 842 ICTA 1988
- An open ended investment company (OEIC) within the meaning of section 236 of the UK Financial Services & Markets Act 2000
- An interest in an overseas collective investment* that is structured as one of the following:
 - an open ended investment company
 - a unit trust
 - offshore distributor and non distributor funds.

* "Collective investment" as defined in section 235 of the UK Financial Services & Markets Act 2000.

Hedge Funds and exchange traded funds are permitted, providing they comply with one of the fund structures above. US and Canadian Mutual Funds are permitted only while Reserve is discretionary managed.

Availability

In order for a collective investment to be made available by us to a Reserve - Collective Investments policyholder, ownership must not be restricted in such a way as to prevent us from making it available to other Reserve - Collective Investments policyholders. Collective investments which are structured as partnerships, limited partnerships, private funds or funds restricted to a class of investors not determined by Friends Provident International alone are not acceptable. Insurance policies issued by other life assurance companies are not acceptable.

Subscription frequency

It must be possible to subscribe to and redeem from an investment daily, weekly, monthly or quarterly at the least.

Liquidity

There will be no clauses restricting dealing, e.g. 12 months waiting period before assets can be redeemed. The fund will not be accepted if redemptions are restricted until a buyer is located and the sale matched out.

Pricing

The unit or share price for the fund must be readily available or publicly quoted regularly.

Cash

The holding of cash, including bank and building society deposits and the General Transactions Account (or Current Account for policies which have a Discretionary Fund Manager) is permitted provided it is not held for the purpose of realising a gain on disposal.



Note

We reserve the right to amend the standard menu at any time, providing that at all times any such amendments comply with Regulation 4 of the Personal Portfolio Bonds (Tax) Regulations 1999 of the United Kingdom and any subsequent amendments thereof. We also reserve the right to refuse any asset at our discretion.

Reserve gives you the freedom to select the funds that you invest in. The responsibility for its performance, therefore, rests with you, your Fund Adviser or your Discretionary Fund Manager.

Prospective investors should consult their usual Financial Adviser before entering into a contract of this nature.

This document should be read in conjunction with the current Principal Brochure of Reserve and the relevant Technical Guide, which detail the charges and terms and conditions of Reserve. A copy of the Policy Conditions may be obtained from Friends Provident International on request.

Each Policy is governed by and shall be construed in accordance with the law of the Isle of Man.

The product is intended for medium to long-term investment and is not therefore designed for early surrender. A discontinuance charge will be applied. You may get back less than you have paid in.

Some telephone communications with the Company are monitored and may be randomly monitored or intruded into.

Holders of policies issued by the Company will not be protected by the Financial Services Compensation Scheme if the Company should become unable to meet its liabilities to them. Policyholders will receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991 of the Isle of Man.

Complaints we cannot settle can be referred to the Financial Services Ombudsman Scheme for the Isle of Man or the Financial Ombudsman Scheme in the UK, depending on the parties involved.

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Friends Provident International Limited
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Incorporated company limited by shares.
Registered in the Isle of Man No. 11494
Authorised by the Isle of Man Insurance & Pensions Authority and regulated by the Financial Services Authority for the conduct of investment business in the UK.
Provider of life assurance and investment products.

The rules and regulations made by the Financial Services Authority for the protection of investors will not normally apply to persons resident outside the United Kingdom

The appointed representative of the Company in Hong Kong is
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