

January 2012

Current Charges

We try to keep the charges to a minimum so that you can make more of your money work for you. The charges we take ensure that we can offer you the service you expect no matter how long you hold your plan. The Reserve brochure describes when charges are taken. This leaflet details the value of the charges and how they change. These charges are current as at 1 January 2012.

Establishment Charge

Depending on which term you choose we will either take an Establishment Charge at the start or on the first day of each calendar quarter to cover the previous quarter's charge. The exact charge and how many are taken will be determined by your personal charging structure. These charges are based on the amount of money you invest and so will not change as the value of your investment does.

Establishment Charges will also be taken on each additional contribution.

Administration Charge

We will take a fixed amount Administration Charge on the first day of each calendar quarter to cover the previous quarter's charge. The current charges are:

GBP 118.00	CHF 169.40	USD 184.40
AUD 179.70	EUR 137.30	SEK 1,243.00
HKD 1,432.00	JPY 14,370.00	

If you agreed to your Financial Adviser receiving trail commission, then we will take an additional charge to allow for this.

Dealing Charge

We will take a fixed amount Dealing Charge each time you buy or sell an asset in your Reserve. We will take any Dealing Charges on the last day of the quarter of the deal in the currency of the deal. We will not charge this fee when you transfer money from a General Transaction Account in one currency to one in a different currency. The current charges are:

GBP 26.00	CHF 37.30	CDN 41.30
NZD 52.00	USD 40.60	AUD 39.60
SGD 52.00	SAR 326.00	EUR 30.30
SEK 274.00	DKR 225.00	HKD 316.00
JPY 3,170.00	NKR 235.00	

Ad Hoc Charge

We will take this charge in your valuation currency each time you request one of the alterations listed in the brochure. The current charges are:

GBP 130.00	CHF 186.70	USD 203.10
AUD 198.00	EUR 151.30	SEK 1,370.00
HKD 1,578.00	JPY 15,840.00	

Asset Exchange Charge

We will take a charge in sterling for each individual asset you use to pay a premium into your Reserve using the Asset Exchange option. If it is necessary to convert it into another currency we will do this at the exchange rate on the day the charge is taken.

- Charge per asset GBP 100.00
- Maximum total charge per premium GBP 1,000.00

Inflation

Our Appointed Actuary increases the fixed sterling amounts once a year, 28 days before the end of December, in line with Isle of Man inflation. We may increase the charges if there are increases in our costs above inflation (for example, as a result of tighter regulation of the insurance industry).

The fixed amount charges in currencies other than sterling are set by the Appointed Actuary four times each year, 28 days prior to each calendar quarter. The amounts are based on the sterling charges but can vary from quarter to quarter depending on movements in exchange rates.

Mirror Fund Charge

If you have included Friends Provident International Limited mirror funds in your portfolio of assets, an annual management charge of, currently, 1.2% of the bid value of each mirror fund each year, will be applied. This charge is debited directly to the mirror fund on each valuation day.

External Fund Charges

With investments like Reserve it is common for charges to be applied to the underlying assets. However, we have used our buying power to negotiate substantial discounts with fund management houses on the initial charges, which would be unavailable to the individual investor. These are then passed on to you. Full details of the underlying assets are available from the relevant investment house, which you should contact for more information.

General Transactions Account

A General Transactions Account will be opened in connection with your policy. If the General Transactions Account is overdrawn we will levy interest at the rate of 2% above the three month London Inter Bank Offered Rate (LIBOR) for the currency, where available.

Safe custody on securities

Any agents' charges, in respect of securities, which are held by safe custodian banks throughout the world, will be taken monthly from your General Transactions Account.

Delivery and receipt charges

Any agents' fees charged for receipt and delivery of securities (such as Eurobonds and equities) will be taken from your General Transactions Account.

Stockbrokers' fees

These are charged when you buy or sell assets. You will not see these listed separately in your statements, as they are included in the total value shown for each sale or purchase.

Important Information

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The information given in this document is based on the understanding of Friends Provident International Limited of current law and Isle of Man taxation practice, which may change in the future. No liability can be accepted for any personal tax consequences of this scheme or for the effect of future tax or legislative changes.

Past performance should not be viewed as a reliable guide of future performance, fund prices may go up and down depending upon investment performance and are not guaranteed. You may get back less than you paid in. All fund performance quoted is net of annual charges. Please note that securities held within a fund may not be denominated in the currency of that fund and, as a result, fund prices may rise and fall purely on account of exchange rate fluctuations.

All policyholders will receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991 of the Isle of Man, wherever their place of residence.

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

Complaints we cannot settle can be referred to the Financial Services Ombudsman Scheme for the Isle of Man.

Some telephone communications with the Company are recorded and may be randomly monitored or interrupted.

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. If you effect a policy whilst resident in the United Arab Emirates, all disputes regarding the policy shall be subject to the non-exclusive jurisdiction of the courts of the United Arab Emirates.

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
Provider of life assurance and investment products

Authorised by the Office of the Commissioner of Insurance to conduct long-term insurance business in Hong Kong

Registered in the United Arab Emirates as an insurance company (Registration No.76)
and as a foreign company (Registration No. 2013)

Authorised by the United Arab Emirates Insurance Authority to conduct life insurance and savings business

Registered in Singapore No. F06835G

Registered by the Monetary Authority of Singapore to conduct life insurance business in Singapore

