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September 2016

Dear Policyholder

**Policy Number: «Plan\_No»**

**Change to the Investment Objective of the underlying fund of R145 HSBC GEM Debt Total Return**

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

We are writing to you as an investor in the above named fund.

We have been informed by HSBC Global Investment Funds (“the Company”) that the underlying fund will be subject to changes to the Investment Objective which are detailed below. These are **effective from 10 October 2016 (the “Effective Date”).**

The reason for the change is to clarify that the underlying fund does not invest in equities. This amendment is reflected by the removal of the following paragraph from the Investment Objective detailed in the underlying fund’s offering documents.

*“Depending on the Investment Adviser’s view as to the attractiveness of the Emerging Markets equity markets, the sub-fund may invest up to 10% of the sub-fund’s net asset value in equity and equity equivalent securities issued by companies which have their registered office in, and with an official listing on a major stock exchange or other Regulated Market of an Emerging Market country, as well as those companies which carry out a preponderant part of their business activities in any Emerging Market country”.*

The Investment Objective of the underlying fund from the Effective Date shall read.

*“The sub-fund aims to provide long term total return by investing primarily in a concentrated portfolio of Investment Grade and Non- Investment Grade rated fixed income and other similar securities, denominated in local currency or in the currencies of OECD countries. These securities are issued or guaranteed by governments or government agencies or supranational bodies of Emerging Markets or issued by companies which have their registered office in Emerging Markets.*

*The Total Return strategy aims to capture the majority of the upside in the Emerging Market debt universe while limiting the downside risk. The Total Return strategy has a flexible allocation across the full spectrum of Emerging Market debt assets. Returns are generated through duration management, yield curve positioning, currency positioning and the selection of individual securities within the investment universe. By seeking multiple sources of return, the Total Return strategy aims to provide over an investment cycle risk-adjusted returns above the investment universe of the sub-fund without reference to a benchmark index. However the Total Return strategy does not imply there is any protection of capital or guarantee of a positive return over time. The sub-fund is subject to market risks at any time. Investments in a combination of convertible bonds and options will be subject to a limit of 25% of the sub-fund's net asset value.*

*The sub-fund may invest up to 10% of its net assets in contingent convertible securities, however this is not expected to exceed 5%.*

*If the Investment Adviser considers that the Emerging Markets offer insufficient opportunities at any time, the sub-fund may invest up to 49% of the sub-fund's net asset value in liquid assets.*

*The portfolio will be actively managed, aiming to achieve total returns to investors without reference to any market index weightings.*

*The sub-fund may also invest in financial derivative instruments such as futures, forwards (including non-deliverable forwards), swaps, options, credit default swaps as well as other structured products. The sub-fund intends to use such financial derivative instruments for, inter alia, the purposes of return enhancement, hedging, tax-advantage access to instruments and whenever the Investment Adviser believes the investment in financial derivative instruments will assist the sub-fund in achieving its investment objectives.”*

There are no other changes to R145 HSBC GEM Debt Total Return or the underlying fund into which it invests.

**You do not need to take any action as a result of this letter** if you wish to remain invested in this fund. You can however choose to switch to a different investment from the range available to you should you wish to do so, and no Friends Provident International charges will arise from this transaction.

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

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

