

Product guide

Reserve+ is an international investment policy suitable for customers with a lump sum to invest for a minimum of five years, who require capital growth, regular withdrawals, or a combination of both.

Reserve+ is available to those aged 18 and over. For lives assured, the minimum age is two years old and at least one life assured must be 80 or younger at inception.

We've provided this information to help you decide whether Reserve+ is right for you. You should read this document carefully so that you understand what you are buying, and keep it safe for future reference.

Its aims

- To allow you to invest in assets to suit your investment needs.
- To allow you to take regular or one-off withdrawals.

Your commitment

- To view your policy as an investment for at least five years, although you can surrender it in whenever you want (an early surrender charge may apply).

Risks

- What you get back in the future depends on how well the investments perform.
- The value of the policy can go up and down. You could get back less than you've paid in.
- When you surrender your policy, you may get back less than your illustration shows. This could happen for several reasons, for example, if:
 - investment returns are lower than shown
 - our charges are higher than shown
 - you take out more money than shown.
- Some assets carry a higher level of risk than others and may be subject to sudden and large falls in value. This could erode some or all of your capital.
- If you or your investment adviser deal excessively and your portfolio value is relatively small, then the value of your Reserve+ policy may be eroded and the costs may be disproportionately high.
- If you invest in an asset denominated in a currency different to the policy currency, the value can go up and down simply because of changes in the currency exchange rate.
- Inflation will reduce the spending power of any money you get back in the future.

What is Reserve+?

- Reserve+ is an international lump-sum investment product that offers potential for capital growth over the medium-to long-term (five years +).
- The investment options available within Reserve+ are explained in more detail on page 3. Your UAE licensed financial adviser will be able to help with which is the most appropriate asset(s) for you.
- Reserve+ offers access to a very wide range of assets including international equities, fixed interest securities, alternatives, deposits and mutual funds around the world. In fact, you can access most investments available on a recognised exchange, meaning portfolio construction can be optimised to meet your needs. A more detailed list of permitted investments is on page 3.
- Reserve+ can be used to provide you with an income from regular or ad hoc withdrawals, although this may reduce your capital value.

How flexible is it?

- You can choose the currency in which you would like your policy to be denominated. This can be in any one of the following:
 - UK pounds sterling (GBP)
 - US dollars (USD)
 - Euro (EUR)
 - Australian dollars (AUD)
- All payments from Reserve+ will be in your chosen policy currency, unless requested otherwise.
- We set up General Transaction Accounts in the currencies you choose. These operate as cash accounts and are used to receive any payments you make to us or we make to you. Any transactions such as charges, and the costs of buying and selling of investments, will also pass through these accounts.
- Your lump-sum payment can be made in any freely convertible currency.
- You can make additional lump-sum payments into your policy at any time. The minimum additional payment is GBP 5,000.

- You can surrender it in (in full or in part) at any time; an early surrender charge may apply. **Please see 'What are the policy charges?'** on page 3.
- We set up your policy as a series of identical policy segments to give you more flexibility.
- You can appoint an investment adviser or a discretionary fund manager:
 - An investment adviser can choose, and, if appropriate, place deals on your behalf.
 - You can nominate a discretionary fund manager to manage and hold custody of the investments.
- You can set up the policy on your own life, on another person's life, or on up to ten lives.

How much can I pay in?

- The minimum initial payment is as follows:

Currency	Non-discretionary	Discretionary	Part discretionary†
GBP	25,000	75,000	150,000
USD	37,500	112,500	225,000
EUR	37,500	112,500	225,000
AUD	75,000	225,000	450,000

Note: If Fund Platform has been selected as the Investment Management Type then the minimum premiums under Non-Discretionary/Whole of Life apply for 'Establishment Charge Structure'.

- You may make additional investments at any time. The minimum additional payments depends on the charging structure chosen at outset, and is detailed in the table below:

Currency	Minimum additional payments
GBP	5,000
USD	7,500
EUR	7,500
AUD	15,000

Where can I invest?

The following lists details the assets permitted within Reserve+. It is important that you understand the assets you will be investing in and do not invest outside of these parameters. Each asset will be vetted on an individual basis against our criteria and we reserve the right to refuse any asset.

Friends Provident International Limited is the beneficial owner of all of the assets held within the policy, which are held in Friends Provident International Limited's name.

- equities and fixed-interest securities (including Corporate/Government/Sukuks) quoted on most recognised stock exchanges
- UK authorised unit trusts or overseas equivalent
- open-ended investment companies
- UK authorised investments trusts or an overseas equivalent
- UK real estate investment trusts or an overseas equivalent
- hedge funds, funds of hedge funds and exchange-traded funds
- cash, including bank and building society deposits.

In normal circumstances Friends Provident International Limited will not accept the following assets:

- shares in any company which is part of the group of companies of which Friends Provident International Limited is a member
- commodities
- real property
- futures and options
- precious metals
- UK National Savings and investments products
- US mutual funds, unless a fund is discretionary-managed
- Friends Provident International Limited mirror funds.

What are the policy charges?

- We charge for setting up and administering your policy. The charging structure applicable to your policy is:

Establishment charge structure

- An establishment charge, as a percentage of your original investment and any additional investment(s), is taken at outset, or quarterly from your General Transaction Account during your selected establishment charge period of five, eight or ten years.

Other charges

- An administration charge taken quarterly from your General Transaction Account over the lifetime of your policy. The charge is determined by the amount of your initial investment.
- An ad hoc charge taken from your General Transaction Account for additional services, for example:
 - a change of the life-assured
 - a request for a one-off valuation
 - changing, adding or removing a discretionary fund manager and/or custodian.
- If you surrender your policy in full and your original investment or any subsequent investment(s) are still within their establishment period, an early surrender charge will be taken from the final payment equal to any outstanding establishment charges.
- **More detail on all our charges is available in the 'Reserve + Charging structures' document which can be obtained from your UAE licensed financial adviser.**
- **Your illustration will reflect the charges applicable to your policy, based on the above charging structure. Please see the 'Personal charging structure' section of your illustration.**
- You should ensure that you have enough cash in your General Transaction Account to pay for these charges. If the account is overdrawn, we will levy interest at an appropriate rate based on a suitable reference index approved by our appointed actuary. If you have a discretionary fund manager appointed to your policy, interest will not currently be applied if the account is overdrawn. We reserve the right to review this provision at any time.
- If you don't appoint a discretionary fund manager to manage your investments, we will take the following charges from your General Transaction Account:

- Dealing charges each time you buy or sell an asset, taken in the currency of the deal on the last day of the calendar quarter in which we confirm completion of the deal. A calendar quarter is defined by the period of three consecutive months ending 31 March, 30 June, 30 September and 31 December.
- A fixed charge of GBP 100 is taken for each individual asset you exchange into your policy.
- Any charges deducted by our bank from payments made.
- Any charges from our custodian relating to certain assets for which there are handling and safe custody fees. **For more details, please see the ‘Reserve+ Dealing and settlement charges’ document, which can be obtained from your UAE licensed financial adviser.**

What are the investment charges?

- If you invest in funds, the fund management group will deduct their own management and administration charges. There may be further underlying charges. **Please refer to the fund manager for more details.**
- If you purchase or sell a fund listed on a stock exchange, stockbroker, settlement and safe custody fees will apply.

What are the investment adviser fees?

- If you appoint an investment adviser to choose and, if appropriate, place deals on your behalf, you can agree to pay them, by regular withdrawals, either a fixed fee per quarter or a percentage of the value of the investments at each valuation over the term of your policy.

What are the discretionary fund manager’s fees?

- A discretionary fund manager will charge a fixed fee or a percentage of the value of your investments. Expenses and charges will also apply in respect of services for safe keeping, handling and carrying out of transactions, in accordance with your discretionary fund manager’s published rates. We may apply a dealing charge when we send money to, or receive money from the discretionary fund manager. **Please refer to your discretionary fund manager’s schedule of fees for more details.**

Can I take money out?

- You can surrender your policy in full.
- You can surrender your policy in full or in part, and take withdrawals provided the surrender value remaining isn’t less than GBP 10,000 or, if greater, 10% of the original investment and any additional investment within its establishment charging period.
- If you take regular withdrawals, you can decide how much (minimum GBP 250 (or currency equivalent per) each payment) and how often (monthly, quarterly, half-yearly or yearly) you want the money paid into your bank account. We reserve the right to suspend withdrawals if the surrender value remaining falls below the minimum allowed.
- If you have made a withdrawal and wish to reinvest it, you can do this, and no additional establishment charge will apply to the amount reinvested. Only one additional investment may be made in respect of each withdrawal and the additional amount of investment must be less than the amount withdrawn. The additional investment is subject to the minimum additional investment limits detailed on page 3.
- If you surrender, in part of your investment, we’ll surrender one or more policies to make the payment. We’ll make the payment from your General Transaction Account.
- If you take withdrawals, they will be taken proportionately across all policies. We’ll make the payment from your General Transaction Account.
- If you take money out, in excess of the rate at which your investment grows, the value of your policy will reduce.
- We provide an illustration of projected values according to the regulatory guidelines.

What might I get back?

- You'll get back the surrender value of your policy at the time you decide to surrender it.
- The surrender value will depend on several things, including how long you invest for, how well the investments perform, the charges and any withdrawals you take.

What happens to the policy if I die?

- If you set the policy up on your own life, the policy will end if you die. We'll pay a lump sum equal to lower of
 - 101% of the surrender value, and
 - surrender value plus GBP10,000 (or currency equivalent)
- If the policy is set up on multiple lives, we will pay the death benefit on the death of the last survivor only and the policy will then end.
- The death benefit is not a guaranteed amount because we cannot guarantee the value of your policy. It will depend on the Surrender value at the time of death.

What if I change my mind?

You can cancel your policy within 30 days from the day you receive notice from us of your cancellation rights and all contractual documents. These will be sent to you once your policy has been set up. If you exercise this right to cancel your policy, we will refund your premium, adjusted only to reflect the amount of any increase or decrease in the value of your policy's investments from any market movements in the interim. If you wish to cancel you should follow the instructions in the notice from us of your cancellation rights. Upon cancellation, the policy will terminate immediately.

A separate cancellation right of 30 days will apply to any subsequent premium(s) in relation to that new premium only.

What about tax?

- Policyholders may be subject to currency or tax restrictions and/or legislation which may affect their application or any benefits from the policy. [We recommend that policyholders consult their legal, tax or UAE licensed financial adviser regarding their position, as Friends Provident International Limited does not provide legal, taxation or investment advice.](#) Information relating to tax in this product guide is based on our understanding of current UK tax legislation.
Please note that tax legislation may change.
- Friends Provident International Limited is an Insurance company registered in the Isle of Man, currently liable for zero rated tax. Consequently, Friends Provident International Limited is not subject to income, capital gains or corporation tax in the Isle of Man or the UK. Our funds accumulate free of tax (apart from any withholding tax on investment income, deducted at source in the country of origin, which cannot be reclaimed).
- If you take withdrawals (including any to pay investment adviser charges) and later become UK resident, they will be considered part of the annual 5% tax deferred withdrawal allowance to which you are entitled. This allowance is based on the amount(s) you invest in Reserve+. Withdrawals which exceed this cumulative allowance could result in a personal income tax liability.
- Asset exchanges may result in a tax liability, depending on your country of residence. Any liability to tax must be met from your own resources.
- Tax rules are subject to change and the extent of your tax liability depends on your country of residence and personal circumstances. We recommend that you consult a UAE licensed financial or tax adviser for professional guidance. We do not condone tax evasion and our products and services may not be used for evading your tax liabilities.

Important notes on taxation if you plan to live in the UK

If you are planning to live in the UK in the future, we have a statutory obligation to report to HM Revenue & Customs certain events when you receive benefits from your Reserve + policy.

We believe the Personalised Assets option of Reserve+ will be classed as a Personal Portfolio Bond, as defined by section 517 of The Income Tax (Trading and Other Income) Act 2005 and any subsequent amendments thereof. Accordingly, if you become UK tax resident, you will be subject to an annual tax liability based on annual, cumulative 'deemed gains'. To prevent your Reserve+ policy being subject to this tax, you can contact us before moving to the UK and request that the terms of your policy are changed, to restrict it to investing in collective investments.


This information is based on our understanding of current UK law and taxation practice as at February 2020, which may change in the future. [No liability can be accepted for any personal tax consequences of this policy or for the effect of future tax or legislative changes.](#) Please speak with your UAE licensed adviser before you invest to fully understand all the tax considerations.


How do I apply?


- Simply complete the application form and return it to your UAE licensed financial adviser along with the required documents. **For the required documents, please see the 'Reserve+ Application form', which can be obtained from your UAE licensed financial adviser.**
- Payments will only be accepted by:
 - electronic transfer
 - cheque
 - asset exchange.

Other information

How to complain

 Please write to:
UAE Complaints Department
Friends Provident International Limited
Emaar Square Building 6, Floor 5
PO Box 215113, Dubai
United Arab Emirates

 Call us on **+971 4 436 2800** Sunday to Thursday, between 9am and 5pm (GST). We may record calls in order to improve our service.


 Fax us on **+971 4 438 0144**


 Email us at
uaecomplaints@fpinternational.com

- Making a complaint will not affect your legal rights.
- Whilst resident in the United Arab Emirates, complaints we cannot settle can be referred to the United Arab Emirates Insurance Authority or if you wish to the Financial Services Ombudsman Scheme for the Isle of Man
- If you are not resident in the United Arab Emirates or are no longer resident in the United Arab Emirates, complaints we cannot settle can be referred to the Financial Services Ombudsman Scheme for the Isle of Man


How to contact us

- Your UAE licensed financial adviser will normally be your first point of contact. If you have any questions you can call, fax, email or write to us.

 Call us on **+971 (0) 4436 2800** Monday to Friday, between 9am and 5pm (GST). We may record calls in order to improve our service.

 Fax us on **+971 (0) 4438 0144**

 Email us at
GM-fpicustomerservices@fpinternational.com

 Write to us at
Friends Provident International Limited
Emaar Square Building 6
Floor 5
PO Box 215113
Dubai
United Arab Emirates

This document sets out the main features of Reserve+ and should only be used as a general guide. It does not include all the definitions, exclusions and terms and conditions and is not a contractually binding document. If you would like a copy of the Reserve+ Policy conditions please ask your UAE licensed financial adviser or contact us directly.

The information given in this document is based on Friends Provident International Limited's current understanding of United Arab Emirates laws and of Isle of Man and UK law and taxation as at February 2020.

It does not constitute advice or an offer to provide any product or service by Friends Provident International Limited. We do not condone tax evasion and our products and services may not be used for evading your tax liabilities.

Please seek professional advice, taking into account your personal circumstances, before making investment decisions. We can accept no liability for loss of any kind incurred as a result of reliance on the information or opinions provided in this document.

An Arabic version of this document will be made available upon request.

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 www.fpinternational.com/legal/privacy-and-cookies to view the full policy or this can be provided on request from our Data Protection Officer.

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