

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of the ILP sub-fund and complements the Product Summary. It is important to read the Product Summary before deciding whether to purchase the ILP sub-fund.
- If you do not have a copy, please contact us to ask for one.
- You should not invest in the ILP sub-fund if you do not understand it or are not comfortable with the accompanying risks.

R218 FPIL Amundi Volatility World (invests in Amundi Funds Volatility World AU Acc)

Product Type (Specified Investment Product)	ILP Sub-Fund ¹	Launch Date	February 2018
Manager	Amundi Luxembourg S.A.	Custodian	HSBC Plc
Capital Guaranteed	No	Dealing Frequency	Every UK Business Day
Name of Guarantor	N/A	Expense Ratio for the underlying fund	1.55% (as at 12/02/18)
SUB-FUND SUITABILITY			
WHO IS THE SUB-FUND SUITABLE FOR?			Additional Information
<p>The ILP Sub-Fund is only suitable for investors who seek to protect their investments from volatile investments, and aim to achieve a stable total return through a combination of capital appreciation and income. Please note the ILP Sub-Fund does not distribute income and where applicable will re-invest any income received from the underlying fund.</p> <p>It is important to remember that, as with most investments, the value of your investments are not guaranteed and can go down as well as up. Therefore we suggest that you only invest money that can be committed for the medium to long term. You should also bear in mind that securities held within a fund may not be denominated in the currency of that fund, so unit prices may fall purely on account of exchange rate fluctuations.</p> <p>Please note that Friends Provident International Limited ("FPIL") investment products are intended for medium to long term investment and are not therefore designed for early surrender. If you do surrender early, a product surrender charge may be applied. Please note that the earlier you terminate your plan, the more you may lose.</p>			<p>-For details of surrender charges please refer to the 'Fees and Charges' section of the relevant Product Summary.</p> <p>-Please refer to the 'Volatility World' section of the underlying fund's prospectus for further information on the suitability of the Sub-Fund.</p>
KEY FEATURES OF THE SUB-FUND			
WHAT ARE YOU INVESTING IN?			
<p>You are investing in an ILP Sub-Fund that invests in the Amundi Funds Volatility World Fund* ("the Fund" or "underlying fund"), apart from a proportionately small amount which may be held as a cash balance to optimise dealing efficiencies in the underlying fund. We endeavour to maintain a cash balance limit of up to 0.75%.</p> <p>*This is a fund organised as a société d'investissement à capital variable (SICAV) under the laws of the Grand Duchy of Luxembourg. Its home regulator is the Commission de Surveillance du Secteur Financier.</p>			<p>-Please refer to section 'The SICAV' of the underlying fund's prospectus for further information on the features of the Fund.</p>

¹ For ILP sub-fund that feeds 100% into an underlying CIS fund, some information provided below could be similar to the underlying CIS fund. In this instance this ILP sub-fund will be at minimum feed 99.25% into the underlying CIS fund.

Investment Strategy	
<p>-The objective of the Fund is to achieve a positive return in any type of market condition (absolute return strategy). The Fund seeks to outperform (after applicable fees) the USD LIBOR 1-month index plus 3% a year over any given 3 year period, while offering controlled risk exposure and aims not to exceed a value at risk (VaR) of 35% (ex-ante 12-month VaR of 95%).</p> <p>-The Fund will typically invest in money market instruments and its performance will be mainly from investments in US, Eurozone and Asian equity volatility derivatives. The prices of these derivatives vary depending on the anticipated volatility of equity markets in those three geographic areas.</p> <p>-The Fund will invest in exchange-traded options and variance swaps on indices of the United States, the Eurozone and Asia that have a one-year average maturity. Besides derivatives, the Fund may invest up to 100% of its net assets in money market instruments.</p> <p>-The Fund may invest up to 10% of net assets in units/shares of Undertaking for Collective Investments in Transferable Securities (UCTIS) or other Undertakings for Collective Investments (UCIs).</p> <p>-Derivatives for hedging against risks of equity, interest rates, dividends and currencies.</p> <p>-The base currency of the Fund is USD.</p>	<p>-Please refer to the ‘Volatility World’ section of the underlying fund’s prospectus for further information on the investment strategy of the Fund.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <p>Management Company of the underlying fund: Amundi Luxembourg S.A.</p> <p>Investment Manager of the underlying fund: Amundi (through its main establishment or its London branch, Amundi London Branch)</p> <p>Investment Sub-Manager of the underlying fund: Amundi has delegated the management of the Asian part of the Fund’s portfolio to Amundi Japan.</p> <p>Custodian of the underlying fund: CACEIS Bank Luxembourg S.A.</p>	<p>-Please refer to ‘The Management Company’ section of the underlying fund’s prospectus for further information on the roles and responsibilities of these entities and what happens if they become insolvent.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>-The value of an investment is not guaranteed and can go up and down depending on performance. You could get back less than you have paid in. At times, the ILP Sub-Fund may, subject to the Appointed Actuary’s agreement and provisions allowed for in the Policy Conditions, need to change the way its price is calculated, to ensure that those moving into and out of the ILP Sub-Fund are treated fairly. This can have a negative effect on the ILP Sub-Fund’s price and performance.</p> <p>-Fund managers have the ability, in exceptional circumstances, to suspend trading in their funds for as long as necessary. When this occurs we will need to delay the ‘cashing in’ or switching of units in the relevant fund. You may not be able to access your money during this period.</p> <p>These risk factors may cause you to lose some or all of your investment:</p>	<p><u>Additional Information</u></p> <p>-Please refer to the ‘Valuations and Pricing’ section of your Policy Conditions for further information.</p> <p>-Please refer to the ‘Volatility World’ and ‘Risk Descriptions’ sections of the underlying fund’s prospectus for further information on the risks of the Fund.</p> <p>-Please refer to the ‘Risks’ section of the relevant Product Summary for further information.</p>
Market and Credit Risks	

<p>You are exposed to interest rate risk -The Net Asset Value of the Fund will be affected depending on fluctuations in interest rates. When interest rates decline, the market value of fixed-income securities tends to increase, and conversely. A rise in interest rates would have for consequences a depreciation of the Fund's investments.</p> <p>You are exposed to credit risk -The risk that the issuer of fixed-income securities held by the Fund may default on its obligation and the Fund will not recover its investment.</p> <p>You are exposed to prepayment risk -This risk relates to investment in bonds and/or debt instruments, the Fund may be exposed to the probability that, if interest rates fall, debtors or mortgagors will pay off their obligations (by refinancing them at lower current rates) thus forcing the Fund to reinvest at lower rates.</p> <p>You are exposed to exchange rate risks -The Fund may invest according to variable proportions and limits in values and instruments expressed in other currencies than the base currency of the Fund and, consequently, may lead to be exposed to a variation of the exchange rates.</p> <p>-The Fund may implement systematic hedging and a residual currency risk may exist due to the imperfection of the hedging.</p> <p>You are exposed to volatility risk -The Fund may be exposed to the risk of volatility of the markets and could thus be subject to strong movements within the limit of the target Value at Risk. A strong movement of the volatility of the markets could conduct to negatively impact the performance of the Fund according to its investment objective.</p> <p>You are exposed to counterparty risk -A counterparty risk exists when this counterparty is unable to meet its obligations and/or a contract is terminated as a result, for example, of bankruptcy, illegal actions or a change in the tax or accounting rules applicable to these instruments at the time the contract was drawn up.</p> <p>You are exposed to market risk -The value of the Fund's investments could decrease due to movements in financial markets.</p>	
Liquidity Risks	
<p>You are exposed to liquidity risks -There may be occasions when the manager is unable to sell some or all of the assets within the Fund, which could delay payment or redemption of proceeds.</p> <p>-Due to unusual market conditions or unusual high volume of repurchase requests, the Fund might encounter difficulties to pay repurchase proceeds within the time period as stated in the Prospectus.</p>	
Product-Specific Risks	
<p>You are exposed to derivatives risk -The Fund may engage in various strategies in view of reducing certain risks and/or attempting to enhance return. These strategies may include the use of derivatives instruments such as options, warrants, swaps and/or futures. Such strategies might be unsuccessful and incur losses for the Fund due to market conditions. Derivatives also involve additional specific risks such as the risk of mispricing or improper valuation and the risk that derivatives may not correlate perfectly with underlying assets, interest rates and indices.</p> <p>You are exposed to management and investment strategy risk -The Fund may seek to generate performance by making forecasts on the evolution of certain markets compared to others through the arbitrage strategies. These anticipations can be erroneous and cause a performance lower than the objective of management.</p> <p>You are exposed to the risk of small and medium companies</p>	

-Investment in smaller and medium companies offers the possibility of higher returns but may also involve a higher degree of risk, due to higher risks of failure or bankruptcy and due to a more reduced volume of quoted securities and to the accentuated movements that it implies.

You are exposed to developing countries risk

-Investment in securities of Issuers of Developing Countries involves special considerations and risks, including the risks associated with international investments, such as currency fluctuations, the risks of investing in countries with smaller capital markets, limited liquidity, price volatility, different conditions applying to transaction and control and restrictions on foreign investment, as well as risks associated with Developing Countries economies, including high inflation and interest rates, large amounts of external debt as well as political and social uncertainties.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Charges are deducted by both FPIL and the underlying investment managers at each valuation point before calculating the unit price, as set out below.

FPIL charges (payable directly by you)

-You will need to pay an ILP Sub-Fund administration charge of 1.2%.
-There is currently no charge for switching funds although switching to a fund which differs from your plan currency may involve a cost associated with currency exchange. However, we reserve the right to charge for switches under certain conditions.
-Any sales and/or redemption charges will be determined by the terms of your Policy Conditions.

Underlying investment managers' charges (these charges are as at 12/02/18 and are payable by the ILP Sub-Fund from invested proceeds)

Annual Management Charge (AMC)	1.20%
Additional Expenses	0.35%
Expense Ratio*	1.55%
Performance Fee	20%**

***Please note that with effect from 30 April 2014, the Total Expense Ratio (TER) has been replaced by the Ongoing Charges Figure ("OCF"), which is quoted above as Expense Ratio.**

****A performance fee of 20% is applied should the performance of the Fund reach certain thresholds.**

-For full details of the charges that may apply please refer to the 'Fees and Charges' section of the relevant Product Summary.
-Please refer to the 'Charges' section of your Policy Conditions for further information.
-Please refer to the 'Volatility World' and 'Notes on Sub-Fund Costs' sections of the underlying fund's prospectus for details on the calculation of the performance fee.

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

-Every UK Business Day
-Latest fund prices can be obtained from <http://www.fpinternational.sg/fund-centre/>

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

-There is a Cooling off period of 14 days from when you receive your Policy Documents. If you decide to exit the policy during this time you should complete the cancellation form and send this back to the address provided, together with the original Policy Documents. We will refund any monies paid, less any shortfall (if any) which may result if the value of your investment falls by the time you tell us of your wish to cancel. If you elect to exit your policy after the Cooling off period has expired, penalties may be applied.

-If you no longer wish to invest in this FPIL ILP Sub-Fund you have selected, you may switch all or part of your holdings into alternative fund(s) by sending us a completed Fund Transfer Request form, signed. Switching from one fund to another is done on a bid to bid basis, without charge (although we do reserve the right to charge). If you are switching between currencies, the relevant exchange rates will be applied and shown on your switch confirmation.

-The sale proceeds that you will receive will be the realisation price multiplied by the number of units sold, less any charges. An example (assuming a redemption charge of 4%) is as follows*:

Additional Information

-Please refer to the 'Valuations and Pricing' section of your Policy Conditions for further information.

*For full details of the charges that may apply please refer to the 'Fees and Charges' section of the relevant Product Summary.

<u>Realisation price</u>	<u>Number of units sold</u>	<u>Gross Realisation Proceeds</u>	
S\$0.93	X 100,000	= S\$93,000	
<u>Gross Realisation Proceeds</u>	<u>Realisation Fee</u>	<u>Net Realisation Proceeds</u>	
S\$93,000	- S\$3,720	= S\$89,280	

CONTACT INFORMATION

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APPENDIX : GLOSSARY OF TERMS

Bond/Fixed Interest Security

A bond is a type of investment that represents a written promise to repay a debt at an agreed time and to pay an agreed rate of interest on that debt. It provides periodic payments (which may be fixed or variable) and the return of capital at maturity. Generally, because these types of assets produce an income and can be less risky than other types of assets they offer a lower return.

Derivatives

Also known as Financial Derivative Instruments (FDI). Financial contracts whose value is tied to an underlying asset. Derivatives include futures and options.

Equities

Ownership positions in companies that can be traded in public markets. Often produce current income which may be paid in the form of dividends. In the event of the company going bankrupt equity holders' claims are subordinate to the claims of preferred stockholders and bondholders.

Expense Ratio

The expense ratio provides customers with an indication of the overall costs of investing in a particular fund.

The expense ratio as calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios. Different methods of calculation of Expense Ratio can be used, including Total Expense Ratio (TER) and Ongoing Charges Figure (OCF) but these are broadly the same.

Future

A financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price.

Interest Rate

The measure of the amount paid to the lender by the borrower in return for the initial loan. For example, if the interest rate is 7% and the borrower has borrowed \$100 they will pay interest of \$7 per year. (The average of interest rate offered by financial institutions to one another over the short term is known as LIBOR (the London Inter Bank Offered Rate).

Hedge / Hedging

Any transaction with the objective of limiting exposure to risk such as changes in exchange rates or prices.

Net Asset Value (NAV)

Net Asset Value is the value of the net assets of the Fund after deduction of all expenses.

Ongoing Charges Figure (OCF)

A type of expense ratio. The ongoing charges figure is based on expenses for the previous year and is a ratio of the total ongoing charges to the fund's average net asset value over its last reporting period. This figure may vary from year to year. The charges you pay are used to pay the costs of the underlying ILP sub-fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

For more information about charges, please consult the Prospectus for the underlying fund of the ILP sub-fund invested in, available from <http://www.fpinternational.sg/fund-centre/product-highlight-sheets.jsp>.

Details of the calculation methodology can be found in full at http://www.esma.europa.eu/system/files/10_674.pdf.

Option

A privilege sold by one party to another that offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security at an agreed-upon price during a certain period of time or on a specific date.

Societe d'Investissement a Capital Variable (SICAV)

A Luxembourg incorporated company that is responsible for the management of a mutual fund and manages a portfolio of securities.

Specified Investment Product (SIP)

SIP is a class of investment products defined by the Monetary Authority of Singapore (MAS). Generally, (although not in all instances), financial advisers have to carry out more due diligence, including customer knowledge assessment, when advising about a SIP.

Swap

A derivative in which counterparties exchange certain benefits of one party's financial instrument for those of another party's financial instrument.

UCITS

Undertaking for Collective Investment in Transferable Securities. A type of collective investment (or fund) that allows financial institutions to operate freely throughout the European Union on the basis of a single authorisation from one member state.

Value at Risk (VAR)

A statistical technique used to measure and quantify the level of financial risk within a firm or investment portfolio over a specific time frame.

Variance Swap

A type of volatility swap where the payout is linear to variance rather than volatility. Therefore, the payout will rise at a higher rate than volatility.

Volatility

The relative rate at which the price of a security or fund moves up and down. Volatility is found by calculating the annualised standard deviation of daily change in price. If the price of a stock moves up and down rapidly over short time periods, it has high volatility. If the price almost never changes, it has low volatility.

Volatility Swap

A forward contract whose underlying is the volatility of a given product.

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