Friends Provident International

Prepared on 31/05/2024

**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.**

# R171 FPIL Ninety One GS Sterling Money
# (Invests in Ninety One Global Strategy Fund - Sterling Money Fund A Acc GBP)

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|---|---|---|---|
| **Product Type** (Specified Investment Product) | ILP Sub-Fund[1] | **Launch Date** | March 2015 |
| **Management Company** | Ninety One Luxembourg S.A. | **Custodian** | AllFunds Bank S.A.U |
| **Capital Guaranteed** | No | **Dealing Frequency** | Every UK Business Day |
| **Name of Guarantor** | N/A | **Expense Ratio for the underlying fund** | 0.60% (as at 28/03/24) |

## SUB-FUND SUITABILITY

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|---|---|
| **WHO IS THE SUB-FUND SUITABLE FOR?**<br>-The ILP Sub-Fund is only suitable for investors who wish to manage their longer-term cash positions or their short-term liquidity. An investor should be prepared to remain invested for at least one year.<br>-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.<br>-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. | **Further Information**<br>-Refer to the section on 'Fees and Charges' in the relevant Product Summary.<br>-Refer to 'Sterling Money Fund' in Appendix 1 of the underlying fund's prospectus for further information on the suitability of the Sub-Fund. |

## KEY FEATURES OF THE SUB-FUND

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|---|---|
| **WHAT ARE YOU INVESTING IN?**<br>You are investing in an ILP Sub-Fund that invests in the Ninety One Global Strategy Fund – Sterling Money Fund* ("the Fund" or "underlying fund"), apart from a proportionately small amount which may be held in cash to optimise dealing efficiencies in the underlying fund. We endeavour to maintain a cash balance limit of up to 0.75%.<br>-The underlying fund of the ILP Sub-Fund is an accumulation fund, which means the fund will automatically reinvest any dividends.<br>*The underlying fund is a sub fund of the Ninety One Global Strategy Fund, which is an Open-Ended Investment Company incorporated in Luxembourg and its home regulator is the Commission de Surveillance du Secteur Financier (CSSF). | -Refer to the 'The Fund Structure' section of the underlying fund's prospectus for further information on the features of the Fund. |

PRODUCT HIGHLIGHTS SHEET

[1] For an ILP sub-fund that feeds 100% into an underlying fund, some information provided below could be similar to the underlying fund. In this instance, this ILP sub-fund will at minimum feed 99.25% into the underlying fund, Ninety One GS Sterling Money Fund.

| Investment Strategy | |
|---|---|
| -The Sub-Fund aims to give holders of the relevant Shares access to income at wholesale Eurocurrency market Interest Rates in Sterling. This Sub-Fund is a short-term variable net asset value money market fund and while the Sub-Fund aims to preserve capital, this is not guaranteed.<br><br>-The Sub-Fund seeks to achieve its objective by investing in short-term deposits and other short-term financial instruments available on the Eurocurrency markets and on the relevant domestic markets (where interest is earned free of withholding tax). The deposits shall have a maximum maturity of six months and certificates of deposit and other short-term financial instruments (including bank acceptances, commercial paper, liquid short-term Debt Securities including treasury bills, Bonds, Floating Rate Notes and other Debt Securities) shall have a maximum residual maturity of twelve months. The weighted average life and weighted average maturity of the portfolio will fluctuate according to the Investment Manager's opinion on Interest Rates, but without exceeding a weighted average life of 120 days, or a weighted average maturity of 60 days.<br><br>-A conservative and rigorous approach to credit assessment is adopted and specific limits are established for each bank and institution with which deposits maybe made and whose other short-term financial instruments maybe held in respect of the Sub-Fund.<br><br>-Although the investments comprising the Sub-Fund are usually denominated in Sterling, investments may be made which are denominated in another currency provided the relevant currency exposure is Hedged back into Sterling.<br><br>The Sub-Fund will exclusively be allowed to use Derivatives for the purposes of hedging Interest Rate risk or exchange rate risks inherent in other investments of the Sub-Fund. | -Refer to 'Sterling Money Fund' in Appendix 1 of the underlying fund's prospectus for further information on the suitability of the Sub-Fund. |
| **Parties Involved** | |
| **WHO ARE YOU INVESTING WITH?**<br><br>**Management Company of the underlying fund**: Ninety One Luxembourg S.A.<br><br>**Investment Manager of the underlying fund:** Ninety One UK Limited<br><br>**Depositary of the underlying fund:** State Street Bank International GmbH, Luxembourg Branch<br><br>**Singapore Representative of the underlying fund:** Ninety One Singapore Pte. Limited | -Refer to the 'Directory' 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. |
| **KEY RISKS** | |
| **WHAT ARE THE KEY RISKS OF THIS INVESTMENT?**<br><br>-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, a fund (subject to the Appointed Actuary's agreement and provisions allowed for in the Policy Conditions), may need to change the way its price is calculated, to ensure that those moving into and out of the fund are treated fairly. This can have a negative effect on a fund's price and performance.<br><br>-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.<br><br>**These risk factors may cause you to lose some or all of your investment:** | **Further Information**<br>-Refer to the 'Valuations and Pricing' section of your Policy Conditions for further information.<br><br>-Refer to 'Appendix 2: Risk Factors' of the underlying fund's for further information. |

## Market and Credit Risks

**Investment Risks:** The underlying investments of the Fund may fall in value and therefore your investment in the Fund may suffer losses. The Fund has no guaranteed dividend payment.

**Money Market Instruments Risks:** Money market instruments in which the Fund invests are subject to the solvency of the underlying issuer. The buying and selling of money market instruments is exposed to liquidity constraints in the market. While every effort will be made to maintain the capital value of the Fund, there is no guarantee that this will be the case as a loss made on an instrument held by the Fund could reduce the capital value of the Fund.

**Default Risks:** There is a risk that the issuers of fixed income investments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed.

## Liquidity Risks

**Liquidity risks:** There may be occasions when the fund manager is unable to sell some or all of the assets within the portfolio, which could delay payment or redemption of proceeds.

## Product-Specific Risks

**Negative Yield Risks:** As a result of market conditions, including but not limited to a reduction in Interest Rates, certain money market instruments in which the fund invests may trade at a negative yield. Consequently, this may result in a reduction in value for accumulation shares and in the amount of income available for distribution in respect of income shares.

**Interest Rate Risks:** The earnings or market value of the Fund may be affected by changes in Interest Rates. Any such changes may have a direct effect on the income received by the Fund and its capital value.

## 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 28/03/24 and are payable by the ILP Sub-Fund from invested proceeds)**

| | |
|---|---|
| Annual Management Charge (AMC)* | 0.50% |
| Additional Expenses | 0.10% |
| Expense Ratio | 0.60% |
| Performance Fee | Nil |

-Refer to the section on 'Fees and Charges' in the relevant Product Summary.

-Refer to the 'Charges' section of your Policy Conditions for further information.

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## 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 30 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 an alternative Fund(s) by sending us a completed Switch/Redirection 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*:

| Realisation price proceeds | Number of units sold | Gross Realisation |
|---|---|---|
| S$0.93 | x 100,000 | = S$93,000 |

| Gross Realisation price proceeds | Realisation Fee | Net Realisation |
|---|---|---|
| S$93,000 | - S$3,720 | = S$89,280 |

**Further Information**

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

*Refer to the section on "Fees and Charges" in the relevant Product Summary.

## CONTACT INFORMATION

**HOW DO YOU CONTACT US?**

For enquiries in relation to the Fund or any FPIL ILP Sub-Fund contact the Singapore representative at Friends Provident International Limited (Singapore Branch), 182 Cecil Street, Level 17 Frasers Tower, Singapore 069547, telephone number: (65) 6320 1088, email singapore.enquiries@fpiom.com

## APPENDIX : GLOSSARY OF TERMS

**Bond**

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.

**Commercial Paper**

An unsecured obligation issued by a corporation or bank to finance its short-term credit needs.

**Debt Security**

A debt investment, with which the investor loans money to an entity (company or government) that borrows the funds for a defined period of time at a specified Interest Rate. The indebted entity issues investors a certificate, or bond, that states the Interest Rate (coupon rate) that will be paid and when the loaned funds are to be returned (maturity date).

**Derivatives**

Formally known as Financial Derivative Instruments (FDI). These are financial contracts, the value of which is tied to an underlying asset. Derivatives include futures and options.

**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.

**Floating Rate Note**
A bond with a variable Interest Rate. For example, a note may have an Interest Rate of "EURIBOR + 1%" and pay whatever the EURIBOR rate happens to be at the time plus 1%.

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

**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.

**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
https://www.esma.europa.eu/sites/default/files/library/2015/11/10_674.pdf

**Open-Ended Investment Company**
An open-ended collective investment vehicle, structured as an investment company, where new shares are created or redeemed, depending on demand from investors.

**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.

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