

# Access a world of opportunities with **Reserve**



**Flexibility. Choice. Consolidation. Transfer.**

Friends Provident International (FPI) is very proud to offer the multiple award-winning Reserve portfolio bond as part of its product range for NRIs in the UAE.



Making up 11% of the global High Net-Worth (HNW) expatriate population, NRI is the largest HNW expat segment in the world, according to GlobalData<sup>1</sup>. Indians are also the fastest-growing wealth market segment globally.

Today wealthy NRIs in the UAE take pride in being opinion leaders. As they have built their fortunes over time, they look for solutions that are customised and based on their individual profile and investment objectives. As no single asset class performs consistently over the long term, a wealthy NRI wants access to various asset classes, investment styles, themes and time horizons.

They are looking to diversify their portfolios geographically and to invest in areas, ideas and themes not readily available back home in India.

That's why Reserve is the ideal vehicle to help NRIs achieve their medium- to long-term investment goals. It is suitable for people who have a lump sum to invest for at least five years, particularly those seeking capital growth, the flexibility to access their investments, or a combination of these.

## How does Reserve work?

Reserve is available to investors with as little as **USD75,000** (or equivalent in other currencies) to invest. It offers access to a very wide range of assets including stocks and shares, bonds, alternatives 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.

With Reserve, you can invest to build up capital and, as life moves on and priorities change, use the bond's flexibility to adapt to support new aspirations. In addition, you can re-balance your portfolio whenever you need to, either by adjusting existing investments or exploring new options.

Reserve provides flexibility and tax efficiency and by enabling you to consolidate your investments in one place, keeps administration to a minimum.

Reserve could be the ideal investment for you if you are looking to preserve and grow your wealth, for example, to fund your retirement or pass on wealth to future generations. Perhaps in the future, you want to buy a property in the location you send your children to study, so that they can live in the same kind of luxury that they are used to at home.

**Friends Provident International has been developing sophisticated investment solutions for the expatriate market for 40 years.**

## Flexibility



We understand that your circumstances can change quickly and your investments need to evolve accordingly. Whether you are investing for a particular life goal, such as retirement, you need a plan with the flexibility to adapt quickly and easily.

That's why Reserve has been developed with all the flexibility you will ever need. From the choice of investment currency, to the way you choose to pay plan charges, to the range of investments at your disposal, Reserve offers you the opportunity to tailor your investment to suit your needs.

You are able to switch your investment holdings at any time and can choose from a range of assets such as Global equities, mutual funds, ETFs, structured notes – the list is almost endless.

You have easy access to your Reserve investment and can encash part of your investment on an ad hoc basis or have regular withdrawals, paid directly to your bank account.

You can appoint either an investment adviser or a discretionary fund manager.

- An investment adviser will choose appropriate funds for you and in some circumstances may place deals on your behalf.
- A discretionary fund manager will manage and hold custody of the investments.

**For maximum flexibility, Reserve can be set up on your own life, on the life of another person or on up to 10 lives.**

## Choice



### Investments

You have a huge choice of investments that can be included within Reserve, including:

- Equities and fixed interest securities (including Sukuks) quoted on most recognised stock exchanges
- Unit trusts
- Open-ended investment companies
- Investment trusts
- Offshore reporting and non-reporting funds
- Hedge funds, funds of hedge funds and exchange traded funds
- Structured notes and structured deposits
- Canadian and Australian mutual funds where investments are held with a discretionary fund manager
- Cash, including bank and building society deposits.

**Note: For the precise terms of allowable investments, please refer to the Reserve literature.**

### Plan charges

Reserve offers you the flexibility to choose how you pay your plan charges. There are a number of ways in which you can do this.

### Establishment charge structure

If the establishment charge structure is chosen, a charge is taken as a percentage of the original investment and any additional investment(s). You may opt for an establishment charge period of five, eight or 10 years.

This charge is taken at outset, or quarterly from the general transaction account (GTA) – which is the cash element of a Reserve investment – during the establishment charge period you have chosen.

## Annual policy charge structure

If the annual policy charge structure is chosen, an annual policy charge and initial charge will apply.

The annual policy charge is equivalent to a percentage of the fund value or the total investment, whichever is higher. This charge is taken at the end of each calendar quarter.

This charge does not apply if the establishment charge structure is chosen.

An initial charge is a percentage of the original investment, and any additional investment(s), taken at outset, or quarterly from the GTA over an initial period of five years.

An initial charge will not apply if the establishment charge option is chosen.

## 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 the funds are listed on a stock exchange, stockbroker, settlement and safe custody fees will apply.

If an investment adviser is appointed to choose and place deals on your behalf, you can agree to pay them by regular withdrawals from your Reserve, based on a fixed fee per quarter or a percentage of the value of the investments at each valuation over the term of the policy.

## Consolidation



Apart from the convenience and versatility offered by the Reserve portfolio bond it is an ideal 'wrapper' for many investors, as it can be used to hold a wide range of different assets.

Holding multiple assets in one wrapper means simplified, consolidated reporting for you as this is taken care of by FPI. This means that if you want to return to India, a consolidated investment report will help with the management of investments in one single document.

In addition, you receive a single valuation for all the underlying investments making it easy to calculate the net value.

## Transfer



With increasing wealth your needs become more complex, which in turn drives demand for more sophisticated financial advice and flexible products.

A constructive transfer of wealth is a major component of a successful wealth management plan. While assets can grow over a lifetime, so can the need to consider a variety of products and services to protect wealth for the future. A well thought out financial planning strategy that includes writing a will, estate planning, life insurance and trusts helps to ensure a lasting legacy for you and your loved ones.

While there is currently no Inheritance Tax in India, you need to consider estate planning to ensure your family is protected and do not face delays with the passing on of your assets.

Consider who you wish to benefit from your assets and put together a list of objectives, such as ensuring your assets will be transferred smoothly. Beyond having a will and estate plan, you may want to set up trusts.

With an in-depth understanding of your requirements and the various assets available through an investment in Reserve, your financial adviser can offer comprehensive financial advice which goes beyond investment such as succession planning, estate planning and trusts.

## Safeguarding investments through Trusts

You can safeguard your investment by placing Reserve in trust. A trust is recognised in India under the Indian Trust Act 1882. This ensures your wealth is used as you intended both during your lifetime and after you die. Some benefits of placing Reserve in trust are:

- Consolidation of assets
- Making provision for dependents/minor beneficiaries
- Preventing family disputes
- Ease of succession
- Asset preservation

Trust solutions using Reserve can also be used to meet philanthropic objectives.

## One product | Limitless possibilities

**This is a brief summary of how the many benefits of the Reserve portfolio bond ticks all the right boxes for NRI investors.**

**For more details, please refer to the Reserve literature.**

## How to get started

- 01** Speak with your financial adviser to learn more about Reserve and which investments are best suited to your circumstances.
- 02** Visit <https://www.fpinternational.ae/expats/indian-expatriates/> to find out more.
- 03** Once you have set up a Reserve policy, you can manage your portfolio online via our Portal by simply registering at <https://portal.fpinternational.com>.

### Risks

- What you get back in the future depends on how well the investments perform.
- The value of your investment can go up and down. You could get back less than you've paid in.
- 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.

### 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](http://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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