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December 2013

Dear Policyholder

**Policy Number: «Plan\_No»**

## **Glanmore Property Fund (P27)**

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

We last wrote to you in October 2012 regarding the amendments made on the above fund and we would like to remind you again of the current restrictions on this fund.

### **What were the changes previously advised?**

1. The dealing frequency of the underlying fund was changed from monthly to quarterly with effect from 30 September 2012, due to the ongoing lack of liquidity within the fund to meet redemption requests.
2. The directors of Glanmore have been given the authority to extend the postponement of redemption requests by a further 24 months. Any new redemption requests could now potentially have to wait up to 72 months, following completion of the standard notice period. The Glanmore directors have also been given the authority to increase or decrease this time period, depending on circumstances.

We understand that this period of uncertainty is a difficult time for our customers. Additionally, we acknowledge that this has been a lengthy wait, which is unfortunately not under our control, but under that of Glanmore.

### **How does this affect my investment in the P27 Glanmore Property Mirror Fund?**

- a. The Friends Provident International Limited Glanmore Property fund (P27) will remain suspended until further notice.
- b. The value shown on any policy statements you receive will be based on the last unit price, which was published on our systems prior to the fund's suspension. Please be aware that this unit price does not reflect the actual value that may be achievable, should the suspension be lifted. To keep investors informed, the Friends Provident International

website provides the most recent *indicative* unit price. This is based on the latest information received from Glanmore on the net asset value of the underlying fund. (Please visit [www.fpiinternational.com](http://www.fpiinternational.com) – Select 'Funds' from the top menu, then 'Glanmore News' from the left).

- c. The redemption period on the mirror fund will be 72 months for new redemption instructions, in line with the underlying fund. For those clients that have already given us instructions to sell units, the redemption period is extended by a further 24 months. This means that the earliest date for redemptions to be settled would be 01 October 2014 or 72 months from receipt of the completed instruction (whichever is the later).

Please note that these timescales are not guaranteed. As stated above, Glanmore's directors have the authority to increase or decrease this period on the underlying fund, should the need arise. If they do invoke this discretion, the same change will apply to the P27 Glanmore Property mirror fund in which you have invested.

We would like to take this opportunity to remind you that past performance of the Glanmore Fund is not necessarily indicative of future performance. You should also note that there is no guarantee, once the assets are liquidated and the debt positions cleared, that there will be sufficient funds to meet redemption requests at any of the unit prices previously quoted, or at any other price that may be calculated in the future.

The underlying fund continues to postpone redemptions resulting in all payments to shareholders remaining frozen. Glanmore has advised us the Loan to Value (“LTV”) ratio on the underlying fund has increased and the net asset value has fallen over the same period.

We are advised by the Board of the Glanmore Property Fund Limited that they recognise this has been a difficult time for shareholders, and they remain committed to the future of the fund. They will target specific opportunities to meet the requirements of the banks, while maximising the value of the remaining assets. Please be assured that the senior management of Friends Provident International understands that this extended period of time imposed by Glanmore is very frustrating for our customers who have invested in the mirror fund.

If you have any questions regarding the information in this letter in connection with your policy with us, please contact, one of the following departments that correspond with your region:

General telephone number: + 44 1624 821212

Asia-Pacific Team	<a href="mailto:asiapacific@fpiom.com">asiapacific@fpiom.com</a>
Middle East Team	<a href="mailto:me&amp;africa@fpiom.com">me&amp;africa@fpiom.com</a>
Rest of the World Team	<a href="mailto:rowservicing@fpiom.com">rowservicing@fpiom.com</a>
Latin America Team	<a href="mailto:latam.servicing@fpiom.com">latam.servicing@fpiom.com</a>

Yours sincerely,

Group Investments  
Friends Provident International Limited

***Fund prices may fluctuate and are not guaranteed. Investment involves risks. Past performance should not be viewed as a reliable guide of future performance.***

***Please refer to the principal brochure of the scheme for details including charges and risk factors.***

***All policyholders will receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991 of the Isle of Man, wherever their place of residence. Investors should be aware that specific investor protection and compensation schemes that may exist in relation to collective investments and deposit accounts are unlikely to apply in the event of failure of such an investment held within insurance contracts.***

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