

<Policyholder name>
<Policyholder address 1>
<Policyholder address 2>
<Policyholder address 3>
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<Policyholder address 6>

For regular premium
paying policies

<Date>

Dear <Policyholder salutation>

IMPORTANT NOTIFICATION THAT REQUIRES YOUR ATTENTION

Changes to the FP Symphony International Balanced (USD) fund Policy number - «POLICY»

Financial Partners, the fund adviser for the **FP Symphony International Balanced (USD) fund** that you invest in via your <Policy type> policy, are planning to make changes to the fund in order to seek an improvement to the performance potential of the fund.

It is their intention to change the underlying asset of the fund to the Harmony Portfolios US Dollar Balanced fund, which is a sub-fund of the Momentum Global Funds SICAV. The fund aims for a balance between capital preservation and capital growth by investing in a diversified portfolio of asset types, with a bias towards US Dollar denominated assets.

In order to effect such a change of underlying asset the fund adviser has initiated the process of selling the current underlying asset.

As the largest shareholder in the fund, we have been advised by the investment manager that when this redemption request has been processed the value of the fund will decrease to a size that would make it difficult for them to manage, and the fixed costs would be too large to be commercially viable for remaining investors.

What does this mean?

In light of the above, and in order to protect the interests of all shareholders, the board of directors of the fund has determined that the fund should be placed into immediate suspension whilst arrangements are made to formally close it and for its net assets to be sold and distributed to its shareholders.

Unfortunately, approximately 13% of the funds portfolio is invested in assets which are currently unable to administer redemption requests (i.e they are currently illiquid). In order to prevent any unnecessary delay in making payments to shareholders the board of directors has determined that an interim payment will be made to shareholders as soon as the fund has sold all its liquid assets. The fund will continue to hold the illiquid assets until they are able to redeem them, at which time the remaining cash will be paid to shareholders.

As the underlying fund has been placed into suspension, it has also been necessary to suspend the **FP Symphony International Balanced (USD) fund** to protect all investors. The suspension was effective 21 September 2012.

Once we have received the expected 87% payment of the redeemed assets we will transfer this to the Harmony Portfolios US Dollar Balanced fund and at the same time will be able to reactivate the pricing of our fund. We have been informed that this interim payment should be complete by the end of the year.

At that point, and to reflect the change in the underlying asset, the **FP Symphony International Balanced (USD) fund** will be renamed to the **FP Harmony USD Balanced fund**. As the Harmony fund follows a similar investment strategy to the current underlying fund the current fund objective will remain unchanged, however the external Annual Management Charge will be reduced from 1.85% to 1.80%.

How this impacts your policy

Suspension of the fund is to protect other policyholders from a sudden drop in value due to a potentially large number of redemptions. Therefore, during suspension policyholders will be unable to withdraw or encash their holding in the **FP Symphony International Balanced (USD) fund**, nor will they be able to switch their current holding of this fund into an alternative fund choice.

Holding a suspended fund also means that you will be unable to obtain a current valuation for your policy.

If you hold other funds in your policy they will continue to price as normal.

Regular premium payments into your policy

As the fund is suspended, we can no longer accept any further premiums into the **FP Symphony International Balanced (USD) fund**.

As you are currently paying regular premiums into the **FP Symphony International Balanced (USD) fund** it will be necessary to redirect this proportion of your premium into an interim fund whilst the fund is suspended, to ensure you remain fully invested. This fund will be the SPI <Ccy> Deposit fund.

**Important - The SPILA Deposit Fund is a money market fund and therefore of a lower risk asset class than the FP Symphony International Balanced (USD) fund. Although it is likely to be a less volatile fund, the returns on these types of funds are also likely to be lower due to the current interest rates available.*

Once the fund starts pricing again we will then transfer the interim units allocated to the SPI <Ccy> Deposit fund into the newly named **FP Harmony USD Balanced fund** and adjust the premium allocation to recommence purchasing units in the **FP Harmony USD Balanced fund**.

No adjustments will be made to the allocation percentage you invest in other funds, and these will remain the same unless you instruct otherwise.

What happens now?

Until we receive further information from the investment manager, we are unable to provide a full picture on whether the remaining 13% will be recouped, or how long this situation may take to resolve. As and when any further shareholder distribution payments become available the investment manager will make a payment to us and we will pay this into the **FP Harmony USD Balanced fund** to benefit policyholders.

We understand this is a worrying time for you so we will write to you again once we have received the interim payment and we have recommenced pricing of the **FP Harmony USD Balanced fund**.

As noted above, we are dependent on receiving information from the investment manager so I am afraid that we are unable to provide you with a definite timeline as to when this matter will be concluded.

Queries

If you have any queries about your policy and the fund options available please contact your financial adviser in the first instance. A copy of this letter has been sent to the adviser firm we have recorded as your nominated agent servicing your policy.

Should you have any other general queries about your policy our Customer Service Team can also be contacted by email: csc@rl360.com or by telephone on: +44 (0)1624 681682, and will be pleased to assist you.

Kind regards,



Natalie Hall
Director of Marketing

cc. «AGENT_NAME»

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