

optus

Group Savings Scheme  
**Terms and Conditions**



**FRIENDS PROVIDENT**  
INTERNATIONAL

**Optus International Group Savings Scheme (“the Scheme”) consists of an account maintained by Friends Provident International Limited (“the Company”) from which the benefits due to the Policyholder are determined.**

The Scheme is a Policy written on the life of each Scheme Member consisting of an earmarked account for each Member. Each Member Account will be used to provide benefits to each Scheme Member in accordance with these Scheme Terms and Conditions and any Scheme Rules. You also have the option to create a Non-Earmarked Account which will be written on the same terms as the Member Accounts.

In return for payment of the Contributions shown in the Scheme Schedule the Company will pay the benefits described here to You, the Policyholder, that is the Policyholder named in the Scheme Schedule or anyone later becoming the legal owner of the Policy, as advised to Us at our Head Office, which at the date of issue of the Policy is at Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA.

These Scheme Terms and Conditions (consisting of Part 1: Scheme Provisions, Part 2: Fund Rules and Part 3: Definitions), the Scheme Schedule and any endorsements issued by Us shall be deemed to be incorporated into the Policy.

Signed for and on behalf of Friends Provident International Limited



**Jonathan Hall**  
Director



**Charles Fargher**  
Director

**Important**

This Policy should be examined to see that it is in the exact form that You require. It should be kept in a safe place.

Policy Form Number OPT1  
January 2008

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## Part 1: Scheme Provisions

### 1. Contributions

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- 1.1** The total regular Contribution You anticipate paying, and the frequency of payment, is stated in the Scheme Schedule. Subject to our agreement You may change the frequency at which regular Contributions are paid provided that such change takes effect on the next date when the Contribution is due. Total regular Contributions in respect of a Member must be of the same frequency.
- 1.2** All Employer and Member Contributions will be paid by You. If the Scheme is held by trustees the trustees may agree that Contributions are paid to Us by the employer.
- 1.3** You may pay regular Contributions by telegraphic transfer or by other means agreed by Us and stated in the Scheme Schedule or any endorsement. All costs incurred using the agreed Payment Method will be paid by You.
- 1.4** You may pay an additional single Contribution at any time provided each additional single Contribution is at least USD1,000.
- 1.5** You may pay additional single Contributions by telegraphic transfer or by other means agreed by Us. Any costs incurred by these payment methods will be paid by You.
- 1.6** Members may pay an additional single Contribution at any time of not less than USD1,000 as approved and confirmed by You.
- 1.7** On receipt of the Contribution and Member Account allocation instructions, We will use the Investible Contribution to purchase Units at the Bid Price on the next available Appropriate Dealing Day of the Selected Fund(s). We will allocate the Contributions in accordance with the Member Account allocation instructions.
- 1.8** You may alter both the amount and frequency of the regular Contribution provided that the total regular Contribution to the Scheme is at least USD60,000 per annum and the average regular Contribution per Member Account is at least USD200 per month or such other amount as agreed by Us in writing.
- 1.9** If You do not pay the minimum annual amount of regular Contributions specified in 1.8 during any Scheme Year, We reserve the right to lapse the Scheme and it will be treated as if You had requested a surrender. We will deduct any money owing to Us before We pay the Surrender Value to You.
- 1.10** You may temporarily suspend payment of regular Contributions in respect of a Member or Members at any time. If You wish to suspend payments You must notify Us in writing. We will continue to take charges described in Part 1 Provision 3 during the suspension.
- 1.11** You may permanently cease Contributions for a Member or Members, in which case the Member Account will be treated as paid up.
- 1.12** If a Member Account becomes paid up We will continue to deduct charges set out in Part 1 Provision 3. If the value of the Units allocated to the Member Account is less than USD6,000 We reserve the right to lapse the Member Account in which case it will be treated as if You had requested a surrender. We will deduct any money owing to Us before We pay the Surrender Value to You.
- 1.13** If You cease all Contributions to the Scheme so that all Member Accounts become paid up and the average paid up value per Member Account is less than USD6,000, We reserve the right to lapse the Scheme, in which case it will be treated as if You had requested a surrender. We will deduct any money owing to Us before We pay the Surrender Value to You.

### 2. Fund Choices

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- 2.1** We will use the Investible Contribution to purchase units in the Optus range of FPIL Fund(s) selected by You, hereafter referred to as the FPIL Fund(s). Each Member Account may invest in a maximum of ten funds at any one time, including any Lifestyle Investment Option.
- 2.2** You may request in writing, or any alternative method agreed by Us, that We change the FPIL Fund(s) selected by You. On the next Appropriate Dealing Day after We have received clear instructions from You We will cancel the appropriate Units allocated to the Policy in accordance with your instructions. We will replace them with Units of an equivalent value in the new FPIL Fund selected by You or the Member if the Member has your authority to switch funds.
- 2.3** You may choose to restrict the number of FPIL funds available to the Scheme and choose a default fund(s) into which Contributions will be invested.
- 2.4** Subject to Provision 2.1, You may permit each Member to make their own fund selection from the funds that You choose to make available for selection.
- 2.5** You may request in writing that the number of FPIL funds available for selection is altered. If this results in a Member Account being invested in a fund You have chosen to remove, You must instruct an alternative fund to which future Contributions are to be redirected.

## 2.6 Lifestyle Investment Option

**2.6.1** The Lifestyle Investment Option will, if chosen by You, begin either three-, five- or ten-years before the Member Account Maturity Age or other time period as agreed by Us.

**2.6.2** You may permit Members to make their own decision as to whether the Lifestyle Investment Option will apply to their Member Account.

## 3. Charges

**3.1** We take charges to cover the costs of administering your Scheme as stated in the Scheme Schedule. Where charges are taken by cancelling Units equal in value to the charges being made, We will use the bid value of Units at the time that Units are cancelled. Units will be cancelled from the FPIL Fund(s) linked to each Member Account in proportion to the total bid value of the Units allocated.

**3.2** Where the total annual regular Contribution You anticipate paying is less than USD150,000, on the Commencement Date We will charge a one-off Scheme Installation Charge which will be invoiced to You in advance of setting up the Scheme. If We have not charged a one-off Scheme Installation Charge, We will review the Scheme on the first anniversary of the Commencement Date and if the total Contributions received by that date do not exceed USD150,000, We reserve the right to charge the Scheme Installation Charge at that date.

**3.3** We will deduct the Member Account Fee by either

- (i) monthly cancellation of Units equal in value to the amount detailed in the Scheme Schedule from the Member Account at regular monthly intervals.
- (ii) by annually invoicing You in which case the total fee per Member Account which is due for each Member Account existing on the anniversary of the Commencement Date of the Scheme is detailed in the Scheme Schedule. If the Scheme is held by trustees, the fee can be invoiced to the employer.
- (iii) the Member Account Fee may be waived by Us provided the anticipated average monthly Contributions per Member Account exceed the then published threshold. If the Member Account Fee has been waived, We reserve the right to review the Scheme on each policy anniversary and charge a Member Account Fee for the previous year if the total average monthly Contributions per Member have not exceeded the published threshold at the Commencement Date.
- (iv) If the Member Account Fee has not been waived at Commencement Date, We shall be under no obligation to waive it if future average monthly Contributions per Member subsequently exceed the published threshold from time-to-time.

**3.4** We may take the Other Charges if We perform any of the actions to which the Other Charges relate. We will take the Other Charges by invoicing You when the action is taken. If the Scheme is held by trustees, the charges can be invoiced to the employer.

**3.5** Each Scheme has an Annual Administration Charge, specified in the Scheme Schedule, which is taken by cancellation of Units on a monthly basis. We reserve the right to review this charge from time-to-time.

**3.6** There is no charge for switching Units using our online administration system although We reserve the right to impose a charge if in our opinion, We deem it appropriate to introduce such a charge. We reserve the right to charge for switches requested by other methods. Switches to Funds denominated in currencies other than the Contribution Currency will incur an exchange rate cost.

**3.7** There are a number of further deductions set out in Part 2 Provision 4 which will affect the value of your Scheme.

## 4. Death Benefit

**4.1** The Death Benefit will be 101% of the bid value of the Units allocated to the Member Account on the next Appropriate Dealing Day after We have received the proofs referred to in Part 1 Provision 4.2 below and have finished processing the claim. We will deduct any money owing to Us before We pay the Death Benefit.

**4.2** We will pay the Death Benefit to You once We have received proof of the death of the Member and proof that You are legally entitled to the benefits payable under the Scheme.

**4.3** Where a Scheme Member has nominated a beneficiary You may instruct Us to pay the Death Benefit directly to that beneficiary or to a third party acting on their behalf. We will do so once We have received the proofs referred to in Provision 4.2 above, and any other documentation We may require from time-to-time to enable Us to comply with any relevant legislation which may apply to Us including Anti-Money Laundering provisions. The receipt of such person shall be a full and valid discharge to Us.

**4.4** Once the Death Benefit has been paid We will not accept any further Contributions into the Member Account nor will We pay any further benefits relating to the Member Account. The Member Account will terminate.

## Part 1: Scheme Provisions

### 5. Surrender

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- 5.1** We will charge a Surrender Fee if You surrender the entire Scheme or more than 25% of the bid value of the Scheme before the third anniversary of the Commencement Date. The fee is specified in the Scheme Schedule and will be deducted before We pay the Surrender Value to You.
- 5.2** Once the Scheme has been surrendered in full and the Surrender Value has been paid We will not accept any further Contributions nor will We pay any further benefits. The Scheme will terminate.
- 5.3** You may surrender a Member Account at any time by making a written request to Us. We will pay the Surrender Value of the Member Account to You once We have received proof that You are the person legally entitled to the benefits payable under the Policy.
- 5.4** Once a Member Account has been surrendered in full and the Surrender Value has been paid We will not accept any further Contributions for that Member Account, nor will We pay any further benefits. The Member Account will terminate.

### 6. Withdrawals

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- 6.1** You may make a withdrawal from a Member Account provided that, following the withdrawal, the value of the Units allocated to the Member Account is greater than USD6,000. The Withdrawal Sum must be at least USD1,000.
- 6.2** We will cancel Units allocated to the Member Account equal to the aggregate value of the Withdrawal Sum and Payment Fee of USD50.
- 6.3** You may request that We make payment direct to a Scheme Member, subject to provision of any documentation required by Us to enable Us to comply with any relevant legislation including any Anti-Money Laundering Provisions. Any costs incurred in making the payment will be deducted from the payment.

### 7. Members Leaving the Scheme

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- 7.1** If a Member leaves the Scheme prior to the Maturity Age, You may choose to:
- (i) make the Member Account paid up subject to Provision 1.12.
- (ii) surrender the Member Account, in which case We will pay the bid value of the Units allocated to the account to You after deduction of any money owing to Us.
- (iii) surrender the Member Account and instruct Us to pay a proportion of the Surrender Value to You to meet any vested benefits due to the Member, and to transfer any remaining balance to the Non-Earmarked Account.

(iv) If the value of the required vested benefit is greater than that available from the Member's Account you may make a withdrawal from the Non-Earmarked Account to make up any shortfall, provided sufficient funds exist.

### 8. Maturity

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- 8.1** You may choose a Maturity Age in respect of each Scheme Member subject to a maximum age attained of 75 years. You may choose a default Maturity Age that applies to all Members, or varying Maturity Ages in respect of each Member, or You may allow each Member to choose their own Maturity Age subject to a maximum age attained of 75 years. Upon each Scheme Member attaining the Maturity Age You may elect to:
- (i) make the Member Account paid up, in which case the provisions of Part 1 Provision 1.12 will apply.
- (ii) surrender the Member Account, in which case We will pay the bid value of the Units allocated to the account to You after deduction of any money owing to Us – refer to 7 above – sections (iii) and (iv).
- 8.2** If the Maturity Age is 75 years, the bid value of the Units allocated to the Member Account will automatically be paid to You after deduction of any money owing to Us. The Member Account will terminate.
- 8.3** Upon any Scheme Member attaining Maturity Age, You may request Us to make payment directly to the Member upon Us receiving any documentation required to enable Us to comply with any relevant legislation including Anti-Money Laundering provisions.

### 9. Additional Provisions

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#### 9.1 Proof of Entitlement

Before We make any payment or acknowledgement or act We must be satisfied that the person(s) making the claim or request has the right to do so. We will need reasonable proof and You may have to produce the Scheme documents. We will only be required to pay the Death Benefit or a Surrender Value if You have provided Us with reasonable proof of the death of the Member (if appropriate) and your entitlement to the Member Account proceeds.

#### 9.2 Notices

If You change your address You should write and let Us know. If You do not, and We write to You at the last address of which We have notice, We will as far as the Scheme is concerned be treated as having written to You at the correct address.

If You have to write to Us You should write to Us at Royal Court, Castletown, Isle of Man, IM9 1RA British Isles unless We have written to You to tell You otherwise.

### 9.3 Power of Delay

If the assets held in an FPIL Fund are not readily realisable, We may delay the cancellation of those Units in that FPIL Fund and the payment of a consequent Death Benefit, Surrender Value or Withdrawal Sum. If We have been unable to sell the assets within six months You may request Us, if possible, to transfer the ownership of the assets into your name in lieu of the Death Benefit, Surrender Value or Withdrawal Sum (as appropriate). Otherwise We may delay paying the Death Benefit, Surrender Value or Withdrawal Sum until We have been able to sell the assets. We will not have to pay interest for any delay in payments of the Death Benefit, Surrender Value or Withdrawal Sum under any circumstances.

### 9.4 Currency

**9.4.1** All benefits under the Scheme are payable at our registered office. All sums payable by Us to You under the Scheme will be paid in the Contribution Currency unless requested otherwise. Any costs arising from any currency conversion will be met by You.

**9.4.2** We will use the Contribution Currency to provide valuations of the Member Accounts to You. Once chosen, the Contribution and valuation currency cannot be changed.

**9.4.3** Whenever it is necessary for the purposes of the Scheme to convert any amount denominated in one currency to any other currency We will use the rate of exchange available from our bankers at the time the conversion is made.

**9.4.4** All fees and charges will be calculated in the Contribution Currency.

**9.4.5** If the Contribution Currency is replaced by another currency, the Contribution Currency will become that other currency. The Scheme will continue. If, subsequently, the new currency is abandoned, the Contribution Currency shall revert to the respective currency specified before the conversion or its equivalent.

**9.4.6** All figures quoted in these Terms and Conditions and the Scheme Schedule have been quoted in US dollars (USD). To convert these figures to other currencies, the following conversion rates should be used:

UK sterling	(GBP)	0.5
UAE dirhams	(AED)	3.66
euro	(EUR)	0.75

If the exchange rates of any of these currencies changes by more than 20% We may, by giving You three months' notice in writing, amend the conversion rate or rates to reflect then current market exchange rates.

### 9.5 Taxation and Legislation

If our Appointed Actuary reasonably believes changes in legislation or taxation or if the imposition of a statutory levy means We cannot continue to administer the Scheme as set out in the Scheme Terms and Conditions without adversely affecting ourselves or the interests of our Policyholders, We will make such changes to the Scheme as are necessary to put Us and our Policyholders in the financial position they would have been in but for the change or the levy. We will write and inform You of the change.

### 9.6 Communications

**9.6.1** You may instruct Us by letter, fax, telephone or electronically. We may request You to confirm any instructions by letter but We may act upon instructions which We reasonably believe are valid. We reserve the right not to act upon any instructions until We have received confirmation by letter although lack of any such confirmation will not invalidate any instructions which We have already acted upon. We shall not be required to act upon any instructions where We reasonably believe such action may involve any party in a breach of law, rule or regulation.

**9.6.2** We will not be responsible for any loss, damage or misappropriation arising as a result of any error or breakdown in transmission or misunderstanding regarding the identity of the person or persons giving instructions by letter, fax, telephone or electronic mail.

**9.6.3** You agree to indemnify Us and hold Us harmless against all losses, damages, liabilities, actions, proceedings, claims, costs and expenses (including legal expenses) on a full indemnity basis arising from or in connection with Us acting on instructions given by You by letter, fax, telephone or electronically.

### 9.7 Roundings

We may reasonably round any calculations by an adjustment of not more than 0.1%. Rounding adjustments relating to the purchase or cancellation of Units will usually accrue to the benefit of investors in the appropriate FPIL Fund.

### 9.8 Severability

If any provision of the Scheme (or part of a provision) is invalid or unenforceable to any extent or purpose, this will not affect the validity or enforceability for other purposes of the remaining provisions. The provision shall be deemed to be severed subject to any consequential amendments which may be necessary.

## Part 2: Fund Rules

### 9.9 Entire agreement

The contract between You and Us consists of these Scheme Terms and Conditions, the Scheme Schedule, any endorsements and any statements made to Us by You in connection with the Policy. The Policy can only be amended if We issue a written endorsement signed by two authorised officers. If You have not objected to the contents of an endorsement within three months of the date when We send it to You, You will be deemed to have accepted the change.

### 9.10 Non-waiver

If at any time We fail to enforce any of the obligations or terms contained in the Policy this shall not be construed as a waiver of our rights at any other time to enforce each and every obligation and term contained in these Scheme Terms and Conditions.

### 9.11 Inflation

Any sums stated in these Scheme Terms and Conditions will be increased from time-to-time in line with the Retail Prices Index issued by the Isle of Man Government, or any replacement index.

### 9.12 Governing Law

The Scheme shall be governed by the law of the Isle of Man. However if You effected the Scheme whilst resident in the United Arab Emirates (UAE), all disputes regarding the Scheme will be subject to the jurisdiction of the UAE courts whilst you remain resident in the UAE.

### 9.13 Contracts (Rights of Third Parties) Act 2001

Pursuant to s1(2) of the Contracts (Rights of Third Parties) Act 2001 the parties intend that no term of these Scheme Terms and Conditions may be enforced by a Third Party.

## 1. Nature of Funds and Units

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- 1.1 We have created a number of funds called the FPIL Funds. Each FPIL Fund forms a separate and identifiable part of our life assurance fund. We are the absolute legal and beneficial owner of all the assets which relate to each fund. You have no rights or entitlement to these underlying assets.
- 1.2 Each FPIL Fund is divided into Units. In any fund, all Units of a particular type will be of equal value. We will only create Units in any fund if assets of a value equal to the value of Units created have been added to the fund. Except in the circumstances described in Part 2 Provision 4, assets may only be withdrawn if Units of an equal value are cancelled.
- 1.3 We may delay creating or cancelling Units if our Appointed Actuary reasonably believes that to do otherwise would adversely affect the Member Account, the fund or the Policyholders. We may also delay if it is not possible to sell the underlying assets at what We are advised is their true market value.
- 1.4 Units are notionally allocated to the Member Accounts solely for the purpose of calculating the benefits which We have to pay to You under the Policy.

## 2. Management of FPIL Funds

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- 2.1 We will manage the FPIL Funds and will determine which assets relate to each FPIL Fund. We may delegate the management of any FPIL Fund. We may if We so wish charge the assets relating to each FPIL Fund as security. We may reinsure the FPIL Funds in whole or part. In exceptional circumstances borrowings may be incurred in a FPIL Fund provided that such borrowings will not exceed 25% of the bid value of that FPIL Fund inclusive of short-term borrowings to cover withdrawals or other special situations.
- 2.2 We may from time-to-time make other funds available to your Scheme. Similarly if, at any time, our Appointed Actuary reasonably believes it would be in the best interests of the Policyholders in an FPIL Fund, We may close that FPIL Fund or sub-divide or consolidate Units.
- 2.3 If We decide to close an FPIL Fund We will inform You in writing at least three months before the fund is to close. We will cancel Units in the fund which is closing. You may ask Us, in writing, to allocate Units in another FPIL Fund. If You do not select another fund We will allocate Units in the FPIL Fund which, in the opinion of our Appointed Actuary, is the nearest to the FPIL Fund which has been closed in terms of objective, strategy and risk grading.

### 3. Valuations and Pricing

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- 3.1** Each FPIL Fund will be valued on each Dealing Day. Usually this will not be less frequently than monthly but it depends upon the nature of the underlying assets.
- 3.2** On each Dealing Day We will set the Offer Price of Units and the Bid Price of Units. We will set the prices within the range between the maximum Offer Price (described in Part 2 Provision 3.6) and the minimum Bid Price (described in Part 2 Provision 3.7).
- 3.3** The value of each FPIL Fund will be determined by our Appointed Actuary by reference to the market value of the underlying assets relating to that fund. The market values used will be:
- 3.3.1** where the asset is quoted on a recognised stock exchange, We will use the latest available price published by that exchange on or before the Dealing Day.
- 3.3.2** where the asset is a unit trust, mutual fund or other pooled investment We will use the price most recently available from the managers of the scheme on the day immediately before the Dealing Day. We reserve the right to use the actual price obtained when acquiring or selling the asset.
- 3.3.3** where the asset does not come within Part 2 Provisions 3.3.1 or 3.3.2, We will obtain such professional advice to assist Us to value the asset as We reasonably deem necessary.
- 3.4** On a Dealing Day, We will calculate the offer value of the FPIL Fund by reference to the price at which We have been able to acquire assets or the price at which We would reasonably expect to acquire assets related to the fund. In setting the offer value We will include a provision of reserves against the deductions referred to in Part 2 Provision 4 below, which constitute an actual or a potential liability of that FPIL Fund.
- 3.5** On a Dealing Day We will calculate the bid value of the FPIL Fund by reference to the price at which We have been able to dispose of assets or the price at which We would reasonably expect to be able to dispose of assets related to the fund. In setting the bid value We will deduct a provision of reserves against the deductions referred to in Part 2 Provision 4 below, which constitute an actual or a potential liability of that FPIL Fund.

- 3.6** The maximum Offer Price of Units in an FPIL Fund will be determined by dividing the offer value of the fund (calculated by the method described in Part 2 Provision 3.4 above) by the number of Units created but not cancelled. The resulting figure will be divided by 0.93. This figure will be rounded up to three decimal places.
- 3.7** The minimum Bid Price of Units in an FPIL Fund will be determined by dividing the bid value of the fund (calculated by the method described in Part 2 Provision 3.5) by the number of Units created but not cancelled. The resulting figure will be rounded down to three decimal places.
- 3.8** Although each FPIL Fund will have an Offer Price and a Bid Price (because the FPIL Funds are available to other types of policy) for the purposes of the Scheme all Units will be bought and sold at the Bid Price.

### 4. Additions and Deductions

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- 4.1** If any of the assets relating to an FPIL Fund generate income such as dividends, interest or rent, that income will be added to that fund and will increase the value of that fund.
- 4.2** We will be entitled to take from each FPIL Fund a number of expenses as follows:
- 4.2.1** any charges or fees which We are entitled to make by virtue of Part 1 of these Scheme Terms and Conditions.
- 4.2.2** any costs, expenses and charges incurred by Us in acquiring, managing, maintaining, valuing or disposing of the assets relating to that fund.
- 4.2.3** any expense, charge, tax, levy or fiscal enforcement not taken into account elsewhere, which our Appointed Actuary reasonably considers is a liability relating to that fund.
- 4.3** Any tax liability will be calculated as though the relevant FPIL Fund makes up the whole of our life assurance fund, without allowing for expenses.
- 4.4** Where Units in one FPIL Fund are held as assets relating to another FPIL Fund, We will use all reasonable endeavours to ensure that no double charging occurs.

## Part 3: Definitions

The words in these Scheme Terms and Conditions shall have the meaning as shown below:

**APPROPRIATE DEALING DAY** for the allocation or cancellation of Units in any Fund will be the next Dealing Day of that Fund following the Company acting upon the relevant instructions or, in the case of Contribution receipts, crediting the Investible Contribution to the Policy.

**BID PRICE** means the price at which Units will be cancelled (or sold).

**COMMENCEMENT DATE** means the date on which the Scheme starts and is shown in the Scheme Schedule.

**COMPANY** means Friends Provident International

**CONTRIBUTION** means the regular or single Contribution to be allocated to the Member Account. Each Contribution consists of any combination of the following:

- (i) Employer Contribution
- (ii) Employee Contribution
- (iii) Employee Additional Voluntary Contribution

You must advise Us of how Contributions are to be split in respect of a Member by sending Us a Member allocation instruction with the Contribution.

**CONTRIBUTION CURRENCY** means the currency specified in the Scheme Schedule.

**DEALING DAY** means the day when We deal in Units of an FPIL Fund. The day may vary from one fund to another.

**DEATH BENEFIT** means the sum We pay to You if the Member dies.

**EMPLOYER** means the person or entity who has sponsored the Scheme with the intention of providing benefits to Scheme Members.

**FPIL FUND** means the separate funds We maintain for the purpose of determining the benefits which We have to pay under the policies which We issue to our Policyholders.

**INVESTIBLE CONTRIBUTION** means the percentage of any Contribution which is allocated to the Member Account as shown in the Scheme Schedule or stated in any endorsement as appropriate.

**LIFESTYLE INVESTMENT OPTION** An option to gradually move members' investments into lower risk funds as they approach their Maturity Age.

**MATURITY AGE** means the Maturity Age as specified in the Scheme Schedule.

**MEMBER** means any person who has been accepted by the employer as a Member in the Scheme.

**MEMBER ACCOUNT** means the earmarked account held for the individual Member into which the following Contributions may be paid:

- (i) Contributions paid by the employer on behalf of the employee
- (ii) Contributions paid by the employee

When a Member Account is opened, a Member certificate will be produced unless otherwise agreed between You and Us and indicated on the Scheme Schedule.

**MEMBER ACCOUNT FEE** means the annual or monthly fee as specified in the Scheme Schedule.

**NON-EARMARKED ACCOUNT** means a separate account, the value of which is not earmarked to provide benefits to a specific Member under the terms of the Scheme.

**OFFER PRICE** means the price at which Units in an FPIL Fund will be created (or purchased).

**OTHER CHARGES** means our charges for any additional clerical, technical or professional activities performed by Us in relation to this Scheme. The amount of each of these charges will be agreed between You and Us from time-to-time. All Other Charges will be increased in line with the Retail Prices Index issued by the Isle of Man Government or any replacement index.

**PAYMENT FEE** means the fee We will charge every time an ad hoc withdrawal is made from the Member Account.

**PAYMENT METHOD** means one of the methods stated in the Scheme Schedule by which You can pay the Contributions or charges.

**POLICYHOLDER** means the trustees, the employer or other person responsible for providing benefits under the Scheme as specified in the Scheme Schedule.

**SCHEME SCHEDULE** means the Scheme Schedule first issued with the Scheme and any revised Scheme Schedule issued due to alterations in the terms of the Scheme. The Scheme Schedule states the details specific to your Scheme.

**SCHEME INSTALLATION CHARGE** means the Scheme Installation Charge as stated in the Scheme Schedule.

**SCHEME MEMBER** means an individual insured under the policy.

**SELECTED FUNDS** means the funds selected by You or made available by You for selection by individual Members.

**SURRENDER FEE** means the fee that We will charge if You surrender the entire Scheme, or more than 25% of the Scheme assets, within three years of the Commencement Date of the Scheme.

**SURRENDER VALUE** means the bid value of all the Units allocated to the Scheme or to each Member Account on the next Appropriate Dealing Day after We have received the proof referred to in Part 1 Provision 5.2 and have finished processing the claim. We will deduct any money owing to Us including the Surrender Fee before We pay the Surrender Value.

**SWITCHING FEE** means the charge We may make for changing the FPIL Fund selected by You or each Member. The amount of the charge is set by Us from time-to-time.

**UNITS** means the portions of equal value into which an FPIL Fund is divided.

**WE** and **US** means Friends Provident International Limited.

**WITHDRAWAL SUM** means the single sum You have asked Us to withdraw from the Member Account.

**YOU** means the person or persons who own the Scheme.



United Arab Emirates

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Registered in the United Arab Emirates as an insurance company (Registration No.76) and as a foreign company (Registration No. 2013).

Authorised by the United Arab Emirates Ministry of Economy to conduct life insurance and savings business.

Friends Provident International Limited

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Website: [www.fpinternational.com](http://www.fpinternational.com)

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