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**Financial Adviser**

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«AgentCountry»

March 2026

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

Dear Policyholder

**Policy Number: «Policy\_No»  
Your Financial Adviser: «AgentName»  
Region designation: Hong Kong Offshore policyholder**

**Notification regarding the underlying fund of P48 Barings Eastern Europe Side-Pocket (USD) (the “Affected Mirror Fund”)**

We are writing to you as your policy holds units in the Friends Provident International Limited (“FPIL”) Affected Mirror Fund named above. We have received notification from the board of directors (the “Directors”) of Baring International Fund Managers (Ireland) Limited (the “Underlying Fund Manager”) regarding a distribution from the underlying fund of the Affected Mirror Fund (the “Underlying Fund”).

**Background**

The Underlying Fund has been suspended since 1 March 2022, following Russia’s invasion of Ukraine and the subsequent imposition of international sanctions on Russian companies and individuals. **As we advised in our notification of 2 March 2022, your units in the Affected Mirror Fund were therefore also suspended.**

Our further communication in June 2023 advised that with effect from 21 July 2023, the Underlying Fund undertook a side-pocket transaction (the “Transaction”) whereby the liquid assets held at that time were transferred into a new fund, *Barings Eastern Europe Fund* (the “New Underlying Fund”). In addition, the Underlying Fund was renamed as *Barings Eastern Europe Side-Pocket Fund* retaining only the illiquid assets (the “Impacted Assets”); namely assets that are directly and/or indirectly impacted by the Russian invasion into Ukraine and/or impacted by sanctions that have been imposed as a result of Russia’s invasion of Ukraine and have become illiquid or untradeable and/or are difficult to value accurately.

In line with the Transaction, the Affected Mirror Fund was renamed to its present name, *P48 Barings Eastern Europe Side-Pocket (USD)*, and a new FPIL mirror fund **L100\* Barings Eastern Europe (USD)** (the “New Mirror Fund”) was created, linked to the New Underlying Fund. Policyholders received an allocation of units in the New Mirror Fund, equivalent to their holding in the Affected Mirror Fund as of 21 July 2023, on a 1:1 basis. The New Mirror Fund was open to subscriptions, switching in, switching out and surrender from 24 July 2023.

*\* now H13 Barings Eastern Europe (USD) following the Hong Kong fund segregation in November 2024*

The Underlying Fund ceased operations on the first business day after the Transaction, subject to the remaining Impacted Assets being realised when possible, with any surplus assets remaining after the discharge of outstanding liabilities being distributed to unitholders of the Underlying Fund.

**Distribution from the Underlying Fund to policyholders of the Affected Mirror Fund**

The investment manager of the Underlying Fund, Baring Asset Management Limited (the “Underlying Fund Investment Manager”), determined that certain assets of the Underlying Fund became capable of being valued and realised, taking into account the best interests of the unitholders, and these assets have been sold.

The proceeds of this sale, net of the transaction costs incurred by the Underlying Fund, have been made as a distribution payment of capital from the Underlying Fund (the “Distribution”).

Following receipt by FPIL of the Distribution, we have calculated the amount to be allocated to your policy or contract on a pro-rata basis, proportionate to your unit holding in the Affected Mirror Fund.

**This allocation has been applied to your policy by way of a unit allocation with effect 25 February 2026** (the “Mirror Fund Distribution Date”). Because the Underlying Fund remains suspended to redemption and switch-out requests, the Affected Mirror Fund also continues to be suspended and zero priced. The unit allocation has therefore been applied **H45 JPM USD Money Market VNAV** (the “Default Replacement Mirror Fund”). Please refer to the enclosed **Appendix** for information regarding the Default Replacement Mirror Fund.

Where a policy already holds the maximum permissible 10 investment-linked funds, the units have instead been allocated to the mirror fund held on the policy with the highest value as of the Mirror Fund Distribution Date.

***Whilst appropriate due diligence has been carried out on the Default Replacement Mirror Fund, we do not accept any liability for the future performance of this, or any other FPIL fund. This allocation has happened automatically within your policy or contract and you do not need to take any action.***

You are free to switch your existing tradeable investments, including the newly allocated units, at any time, without charge, to other *Hong Kong designated* mirror fund(s) available under your policy. This can be done online through the FPI Portal; simply log in at <https://portal.fpinternational.com>.

### **Future of the Underlying Fund and impact on the Affected Mirror Fund**

Due to the ongoing Ukraine conflict and the sanctions remaining in place, a number of Impacted Assets remain within the Underlying Fund. These will continue to be held until such time as the sanctions are lifted and/or the Underlying Fund Investment Manager determines it is possible to value and dispose of the assets, taking into account the best interests of unitholders.

The Underlying Fund Investment Manager will seek to dispose of these assets at the next suitable opportunity, following which the Underlying Fund Manager intends to return the net proceeds to unitholders, whether by further interim distributions or otherwise, until such time as all remaining assets have been sold. FPIL will contact affected policyholders with further information as and when the Underlying Fund Manager provides such updates.

The notional units of the Affected Mirror Fund that you hold will remain unchanged and are expected to remain unchanged until further notice. The Affected Mirror Fund will continue to be valued at zero and suspended to redemption and switch-out requests.

**We recommend that you seek the advice of your usual financial adviser before making any investment decisions.**

FPIL Fact sheets are available through our *Hong Kong Offshore designated* interactive fund centre research tool on our website for the alternative funds available to you [www.fpinternational.com/fundcentre](http://www.fpinternational.com/fundcentre). Full details on the underlying funds into which the FPIL fund range invests can be found in the fund prospectuses which are available from the fund managers of the corresponding underlying fund of the mirror funds.

### **Who should you contact if you have any questions?**

If you have any questions regarding your policy with us, please get in touch by calling us on +44 1624 821212, or by email at [customer.services@fpim.com](mailto:customer.services@fpim.com).

If you have any questions regarding the operation of the FPIL mirror funds, or the underlying funds, please email our Investment Marketing team at [Fundqueries.Intl@fpim.com](mailto:Fundqueries.Intl@fpim.com)

Yours sincerely



Chris Corkish  
Head of Investment Marketing

### **Important Information**

**Fund prices may fluctuate and are not guaranteed. Investment involves risk. 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, whatever 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.**

## Appendix – Default Replacement Mirror Fund

The appendix is a summary of key information only and does not replace professional advice. Please refer to your usual independent financial adviser and/or the underlying fund documentation for complete details.

	<b>Default Replacement Mirror Fund</b>
<b>Name and code of Default Replacement Mirror Fund</b>	H45 JPM USD Money Market VNAV
<b>Name of underlying fund</b>	JPMorgan Funds - USD Money Market VNAV Fund
<b>ISIN code of underlying fund</b>	LU0945454980
<b>Share class of underlying fund</b>	A Accumulation
<b>Currency of Default Replacement Mirror Fund and underlying fund</b>	USD
<b>Investment objective and investment policy/strategy of the underlying fund</b>  <i>Any terms not defined herein shall have the same meaning as set out in the current prospectus of the underlying fund</i>	<p>The underlying fund seeks to achieve a return in USD in line with prevailing money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity, by investing in USD-denominated short-term debt securities (i.e. money market instruments, eligible securitisations and asset-backed commercial paper), Deposits with Credit Institutions<sup>1</sup> and reverse repurchase transactions.</p> <p>All assets invested in USD-denominated short-term debt securities (i.e. money market instruments, eligible securitisations and asset-backed commercial paper), Deposits with Credit Institutions<sup>1</sup> and reverse repurchase transactions. These debt securities may be rated by an independent rating agency or unrated.</p> <p>In addition to receiving a favourable credit quality assessment pursuant to the underlying fund Management Company's internal credit procedures, debt securities are rated at least A or A-1 by Standard &amp; Poor's (or equivalent ratings given by other independent rating agencies) for long-term and short-term ratings, respectively. Independent rating agencies include Standard &amp; Poor's, Moody's and Fitch. The underlying fund may also invest in unrated debt securities of comparable credit quality to those specified above.</p> <p>The underlying fund Investment Manager assigns an internal credit rating to all debt securities, whether they are rated or unrated by an independent credit rating agency. Credit research of debt securities involves qualitative and quantitative analysis as well as peer group comparison. Ongoing monitoring on debt securities is performed by the underlying fund portfolio management team and a dedicated risk team. The weighted average maturity of the portfolio will not exceed sixty days and the initial or remaining maturity of each money market instrument, eligible securitisation and Asset-Backed Commercial Paper will not exceed 397 days at the time of purchase.</p> <p>In adverse market conditions, investments in short-term debt securities may generate a zero or negative yield. A short-term debt security may have a negative yield if, for example, the security has a zero coupon (i.e. it is a security that normally earns a positive yield by being purchased at a price below its final maturity value, such as a three month US Treasury Bill) and in adverse market conditions is available for purchase only at a price above its final maturity value.</p> <p>The underlying fund may at any time enter into reverse repurchase transactions on over-the-counter markets. The expected proportion of the assets under management of the underlying fund that could be subject to reverse repurchase transactions fluctuates between 0% and 30%, subject to a maximum of 100%. All income generated from reverse repurchase transactions entered into by the underlying fund will accrue to the underlying fund. The underlying fund will only enter into transactions with counterparties which the Management Company believes to be creditworthy. Approved counterparties will typically have a credit rating of A- or above as rated by Standard &amp; Poor's or otherwise similarly rated by Moody's and Fitch. Counterparties will comply with prudential rules considered by the CSSF as equivalent to EU prudential rules. The collateral underlying the reverse repurchase transactions will only include USD-denominated short-term debt securities valued greater than or equal to the value of the reverse repurchase transactions.</p> <p>The underlying fund may invest up to 100% of net assets in Ancillary Liquid Assets<sup>2</sup> on a temporary basis, if justified by exceptionally unfavourable market conditions.</p> <p>The underlying fund will not invest more than 10% of its net asset value in securities issued or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade. The underlying fund does not intend to invest in financial derivative instruments for any purposes.</p> <p><i>(continues)</i></p>

<b>Investment objective and investment policy/strategy of the underlying fund</b>  <i>Any terms not defined herein shall have the same meaning as set out in the current prospectus of the underlying fund</i>  <i>(continued)</i>	<sup>1</sup> <i>Deposits with Credit Institutions mean deposits repayable or withdrawable on demand, with any maturity date no more than 12 months. The credit institutions must either have a registered office in an EU Member State or, if not, be subject to prudential supervision rules the CSSF consider to be at least as stringent as EU rules.</i>  <sup>2</sup> <i>Ancillary Liquid Assets mean bank deposits at sight, such as cash held in current accounts with a bank accessible at any time</i>
<b>Annual management charge of the underlying fund</b>	0.25% of net asset value
<b>Ongoing charges figure of the underlying fund over a year</b>	0.40%  <i>The ongoing charges figure is based on the annualised expenses for the period from 1 July 2024 to 31 December 2024 and may vary from year to year.</i>
<b>FPIL risk/reward profile*</b>	1

\* The risk/reward profile is determined by FPIL from information provided by the underlying fund houses and is based on the following characteristics of the underlying fund:

- volatility;
- asset type; and
- geographical region.

The risk/reward profile will be reviewed and, if appropriate, revised at least yearly by FPIL as a result of our ongoing research analysis. The information given in the risk/reward profile is for reference. Please refer to the underlying fund documentation for full details of the specific risks associated with the Affected and Default Replacement Mirror Funds.