

December 2010

Dear Policyholder

Policy Number:

Suspension of FPIL VAM Property Fund (P30) and future closure.

THIS LETTER REQUIRES YOUR IMMEDIATE ATTENTION.

We have been informed by VAM Global Funds that they have suspended dealing in the VAM Property Fund with effect from 31st October 2010, with a view to closing the fund as soon as shareholders have approved and the assets in the fund can be liquidated. This suspension and future closure is as a result of consistent volumes of redemption requests, resulting in it no longer being economically viable to continue running the fund. VAM Global Funds are not able to give a precise timescale for when this liquidation will happen.

Consequently, the FPIL mirror fund will be suspended with immediate effect. For regular premium investors, we will be re-directing any premiums received since the last mirror fund price (on 11th October 2010) to the FPIL Investec GS Sterling Money Fund (M65).

The Sterling Money Fund aims to give holders of the relevant shares access to income at wholesale Euro-currency market interest rates in Sterling. Cash funds are not cash deposit accounts and can fall in value. In a low interest rate environment the charges applied to the fund may be greater than its return, so you may not get back all of your original investment.

Once shareholder approval has been received and the assets in the underlying fund have been liquidated, your existing investment will also be transferred to the FPIL Investec GS Sterling Money Fund (M65). Please note that the eventual liquidation may result in the proceeds being paid in several separate amounts over a period of time.

These changes will happen automatically within your policy and you do not need to take any action. However, once premiums have been re-directed, you can choose a different investment for this part of your premium from our range of mirror funds available to your policy should you wish to do so. Please note that no FPIL charges will arise from a re-direction or the eventual switch transaction. Details of the funds, together with a Switch Form, are available on request. We recommend that you seek the advice of your usual financial adviser before making any investment decisions.

If you have any questions regarding the operation of the mirror funds or the underlying funds, please contact our Funds Marketing & Research Department in the Isle of Man - fund.research@fpiom.com.

If you have any questions regarding the information in this letter in connection with your policy with us, please contact, by either phone or email, one of the following departments that corresponds with your region:

General telephone number: + 44 1624 821212
Asia-Pacific Team – asiapacific@fpiom.com
Middle East Team – me&africa@fpiom.com
Rest of the World Team – rowservicing@fpiom.com
Latin America Team – latam.servicing@fpiom.com

We apologise for any inconvenience these changes may cause.

Yours sincerely

Funds Marketing & Research
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.