

## Reserve

We have lowered our standard charges on Reserve to make it the market leading offshore portfolio bond for the UK. But don't take our word for it!

The tables in the following pages have been compiled with the help of **LifeBase Offshore**. It is the most widely used product analysis system in the offshore life assurance industry and is produced by the independent consultant actuaries, Boal & Co. *LifeBase Offshore* covers products from providers located in the Isle of Man, Ireland, Channel Islands and Luxembourg.

*LifeBase Offshore* incorporates the very latest analysis tools for assessment of the offshore products available today. We have used its projections facility to produce the projection values and reduction in yield figures given in the tables shown here. The important aspect to this is that *LifeBase Offshore* treats all products on a level playing field using standard assumptions.

All product charging structures on *LifeBase Offshore* are based on 5% initial commission and a 1% per annum external fund manager charge. A growth rate of 7% per annum and a 10 year term have been used. For comparison purposes we have used reduction in yield figures to two decimal points and the 10 year projection value figures have not been rounded to the usual three significant figures.

We have selected four initial premium levels and given the top ten structures only.



INITIAL PREMIUM £100,000				
	COMPANY	STRUCTURE	10 YEAR PROJECTION VALUE £	REDUCTION IN YIELD %
1st	Friends Provident International	Reserve (8 Year Establishment Fee)	162,192	2.05
2nd	Friends Provident International	Reserve (5 Year Establishment Fee)	162,001	2.06
3rd	Friends Provident International	Reserve (Initial Establishment Period)	161,879	2.07
4th	Canada Life International	Premiere Account – Alpha (Option I)	161,495	2.09
5th	Scottish Provident International	Select (Basis B)	161,487	2.09
6th	AXA IOM	Evolution (Charging Option C)	160,694	2.14
7th	Scottish Equitable International (Dublin)	Private Client Portfolio (Initial Costing Option)	160,174	2.18
8th	AXA IOM	Evolution (Charging Option D)	159,913	2.19
9th	Scottish Equitable International (Dublin)	Private Client Portfolio (5 Year Costing Option)	159,260	2.24
10th	Scottish Life International	Protected Investment Management Service	159,163	2.24

Source: LifeBase Offshore +

INITIAL PREMIUM £250,000				
	COMPANY	STRUCTURE	10 YEAR PROJECTION VALUE £	REDUCTION IN YIELD %
1st	Friends Provident International	Reserve (8 Year Establishment Fee)	413,508	1.84
2nd	Friends Provident International	Reserve (5 Year Establishment Fee)	413,031	1.85
3rd	Friends Provident International	Reserve (Initial Establishment Period)	412,726	1.86
4th	AXA IOM	Evolution (Charging Option C)	411,097	1.90
4th	Canada Life International	Premiere Account – Alpha (Option I)	411,007	1.90
6th	AXA IOM	Evolution (Charging Option D)	409,143	1.95
7th	Scottish Equitable International (Dublin)	Private Client Portfolio (Initial Costing Option)	407,685	1.99
8th	Scottish Provident International	Select (Basis B)	406,840	2.01
9th	Scottish Equitable International (Dublin)	Private Client Portfolio (5 Year Costing Option)	405,400	2.05
10th	Scottish Life International	Protected Investment Management Service	404,153	2.08

Source: LifeBase Offshore +

INITIAL PREMIUM £500,000				
	COMPANY	STRUCTURE	10 YEAR PROJECTION VALUE £	REDUCTION IN YIELD %
1st	Friends Provident International	Reserve (8 Year Establishment Fee)	832,368	1.77
2nd	Friends Provident International	Reserve (5 Year Establishment Fee)	831,415	1.78
3rd	Friends Provident International	Reserve (Initial Establishment Period)	830,804	1.79
4th	AXA IOM	Evolution (Charging Option C)	826,951	1.84
5th	Canada Life International	Premiere Account – Alpha (Option I)	826,862	1.84
6th	AXA IOM	Evolution (Charging Option D)	823,044	1.89
7th	Scottish Provident International	Select (Basis C)	821,289	1.91
8th	Scottish Equitable International (Dublin)	Private Client Portfolio (Initial Costing Option)	820,203	1.93
9th	Scottish Provident International	Select (Basis B)	815,763	1.98
10th	Scottish Equitable International (Dublin)	Private Client Portfolio (5 Year Costing Option)	815,635	1.98

Source: LifeBase Offshore +

INITIAL PREMIUM £1,000,000				
	COMPANY	STRUCTURE	10 YEAR PROJECTION VALUE £	REDUCTION IN YIELD %
1st	Friends Provident International	Reserve (8 Year Establishment Fee)	1,670,089	1.74
2nd	Friends Provident International	Reserve (5 Year Establishment Fee)	1,668,181	1.75
3rd	Friends Provident International	Reserve (Initial Establishment Period)	1,666,960	1.76
4th	AXA IOM	Evolution (Charging Option C)	1,658,660	1.81
5th	Canada Life International	Premiere Account – Alpha (Option I)	1,658,571	1.81
6th	Scottish Provident International	Select (Basis C)	1,657,446	1.82
7th	AXA IOM	Evolution (Charging Option D)	1,650,846	1.86
8th	Scottish Equitable International (Dublin)	Private Client Portfolio (Initial Costing Option)	1,645,241	1.90
9th	Scottish Equitable International (Dublin)	Private Client Portfolio (5 Year Costing Option)	1,636,104	1.95
10th	Prudential International	Prudence Portfolio Bond	1,634,725	1.96

Source: LifeBase Offshore +

This document should be read in conjunction with the current Reserve brochure, which, together with the policy document, sets out the terms and conditions of the contract. A copy of the policy document may be obtained from Friends Provident International Limited on request.

The information contained in this document is based on Friends Provident International Limited's understanding of UK tax law and Revenue practice as at December 2004. Tax laws may change in the future. No liability can be accepted for any interpretation adopted by the Inland Revenue to the contrary, or for any action taken or refrained from being taken as a result.

Holders of policies issued by the Company will not be protected by the Financial Services Compensation Scheme if the Company should become unable to meet its liabilities to them. Policyholders will receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991 of the Isle of Man.

You may get back less than you have paid in.

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Incorporated company limited by shares.  
Registered in the Isle of Man No. 11494  
Authorised by the Isle of Man Insurance & Pensions Authority and regulated by the Financial Services Authority for the conduct of investment business in the UK.  
Provider of life assurance and investment products.

**The rules and regulations made by the Financial Services Authority for the protection of investors will not normally apply to persons resident outside the United Kingdom**

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