

Helping your clients get one step closer to their goals

For financial advisers only.

Since first starting their policy, your client's circumstances and financial goals may well have changed.

Putting away a little extra for the future can help keep your client on track to meet long-term goals, such as providing a first class education for their children or having a more comfortable retirement.

Friends Provident International may also contribute a little extra with enhanced allocation rates to boost your client's investments, depending on the amount of any premium increase. See the table on page 3.

Your client could increase their regular premium if:

- They are an existing Premier policyholder
- They have a minimum of 5 full years remaining on the policy
- They can increase their regular premium by at least **USD 50** per month (or currency equivalent)



Premier top-up example:

Mr Smith has a 20 year Premier plan and currently invests a monthly premium amount of **USD 300**.



Upon reviewing his financial position with his financial adviser, Mr Smith realises he can save a bit more for his future and wants to increase his regular premium amount to **USD 500**.



Mr Smith has now increased his regular saving from **USD 300** to **USD 500** per month with extra allocation, calculated on the premium increase, bringing his saving to **USD 510** per month for the first 18 months.



His new monthly premium amount is **USD 500**. The premium increase of **USD 200** will have an enhanced allocation rate of **105%** during the initial unit period. This extra **5%** will equate to a total extra premium of **USD 180** during the initial period on top of the new premium amount of **USD 500**.

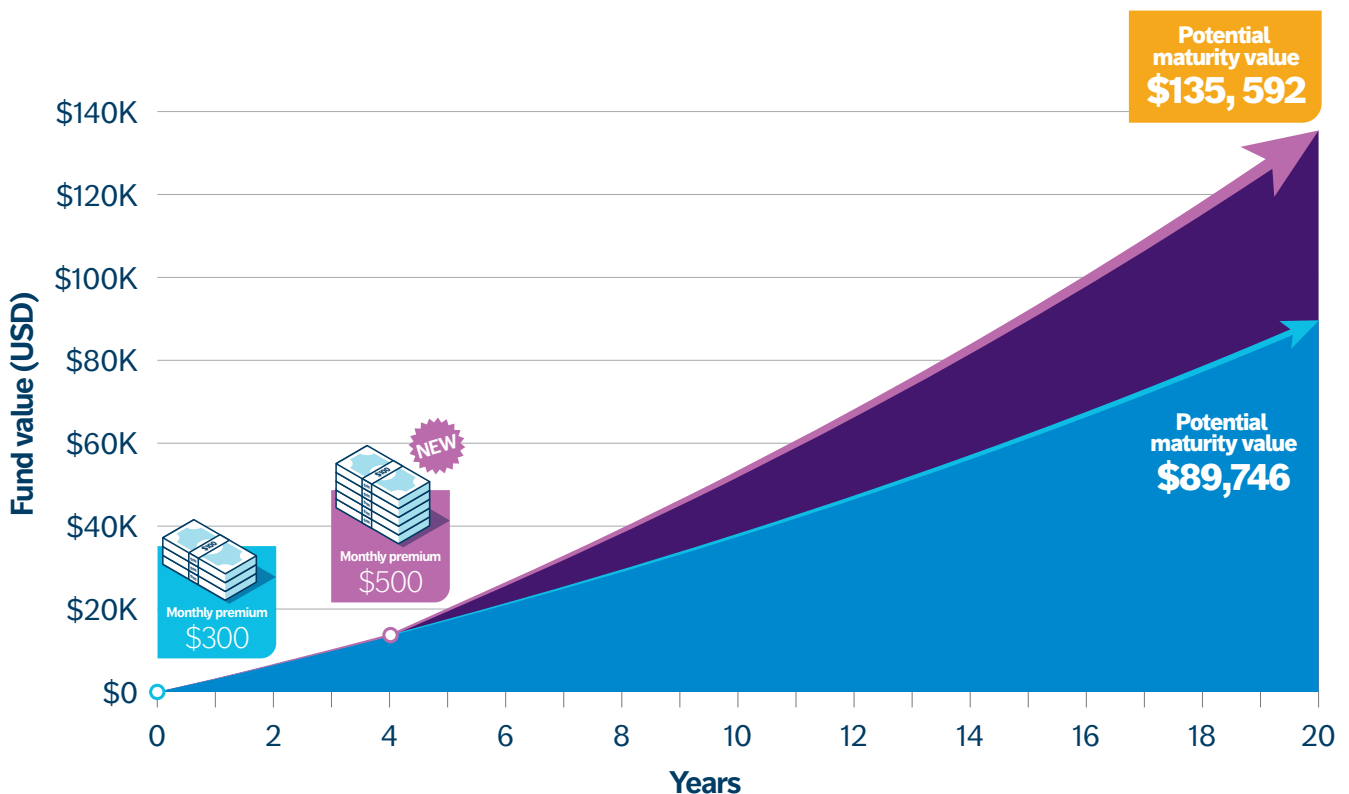
Increasing regular premiums at the earliest opportunity gives investments more time for growth, helping your client's money to work for them. By doing this and selecting funds suited to your client's circumstances, they could achieve a larger lump sum at the end of the term.

The graph below illustrates the potential maturity values for our example top-up. Assuming the premium is increased from **USD 300** to **USD 500** per month in year 4, Mr Smith could increase his maturity value from **USD 89,746** to **USD 135,592**.



Mr Smith could potentially gain up to **USD 45,846** more at maturity, to meet his financial goals by topping up his premium by **USD 200** per month.

How topping up their Premier could benefit your client



This graphic shows the potential outcome in terms of projected (gross) fund values of a Premier policy with a premium increase from **USD 300** to **USD 500** per month from month 49. It assumes a flat **4.2%** growth rate per annum, including enhanced allocation rate, **1.2%** annual management charge and excluding external fund charges. This also assumes that the policyholder maintains premiums for the full 20 year term.

This illustration is for the purpose of Premier policyholders only and does not apply to Premier variants. Please see the Premier product literature for full terms and conditions including summary of charges, including initial unit and surrender charges.

Please note that the graph above is for illustrative purposes only and does not account for market volatility. Actual investment returns will vary and depend on the choice of funds linked to the Premier policy. Past performance should not be viewed as an indicator of future returns. The value of investments can go up and down and are not guaranteed, meaning that the investor could get back less than they had paid in.

Terms and conditions

- The minimum regular premium increase amount is **USD 50** (or currency equivalent) per month and can be made providing that there are at least five full years remaining on the contract. The minimum single contribution increase is **USD 3,000** (or currency equivalent) which will be allocated into accumulation units at rate of 93%.
- A new premium increase will trigger an initial unit period, during which the amount your client's premium increases by will be allocated into initial units. Premier has an initial unit period of 18 months.
- Allocation rates will be determined by the new premium amount and the remaining full years on the policy. The increased allocation rate will only apply to the premium increase amount.
- The initial unit charge is 1.5% per quarter, calculated on the value of the initial unit holdings. The initial unit charge is applied until the option date.
- Subsequent premiums paid after the initial unit period will purchase accumulation units at a rate of 100%.
- Any part remaining years will be rounded down to the nearest full year.
- If your client fails to pay their increased premium amount during its initial period, we will apply the surrender fee to the initial units purchased by the increase in premium.
- If a subsequent initial period is not completed in full as a result of premiums being reduced or stopped, any future increase in premium up to the level of the previous premium amount will be treated as a continuation of the previous incomplete initial unit period.

Initial unit allocation rate of top ups						
Plan Currency	Premium (monthly)					
USD	150-249	250-499	500-999	1,000-1,999	2,000+**	
GBP	100-167	168-333	334-666	667-1,333	1,334+**	
EUR	150-249	250-499	500-999	1,000-1,999	2,000+**	
Term	Initial Unit Allocation Rate					
Full years remaining in savings term	5	95%	100%	105%	110%	115%
	6	95%	100%	105%	110%	116%
	7	95%	100%	105%	110%	117%
	8	95%	100%	105%	110%	118%
	9	95%	100%	105%	110%	119%
	10	95%	100%	105%	110%	120%
	11	95%	100%	105%	110%	121%
	12	95%	100%	105%	110%	122%
	13	95%	100%	105%	110%	123%
	14	95%	100%	105%	110%	124%
	15	95%	100%	105%	110%	125%
	16	95%	100%	105%	110%	125%
	17	95%	100%	105%	110%	125%
	18	95%	100%	105%	110%	125%
19	95%	100%	105%	110%	125%	
20	95%	100%	105%	110%	125%	

**These allocation rates only apply if the original plan was taken out with a premium of above USD2,000 per month (or currency equivalent)

Contact us

Email: alt@fpiom.com

Tel: +44 1624 821153

Copyright © 2020 Friends Provident International Limited. All rights reserved.

Friends Provident International Limited: Registered and Head Office: Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA. Telephone: +44 (0)1624 821212 | Fax: +44 (0)1624 824405 | Website: www.fpiinternational.com. Isle of Man incorporated company number 11494C. Authorised and regulated by the Isle of Man Financial Services Authority. Provider of life assurance and investment products. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. **Singapore branch:** 4 Shenton Way, #11-04/06 SGX Centre 2, Singapore 068807. Telephone: +65 6320 1088 | Fax: +65 6327 4020 | Website: www.fpiinternational.sg. Registered in Singapore No. T06FC6835J. Licensed by the Monetary Authority of Singapore to conduct life insurance business in Singapore. Member of the Life Insurance Association of Singapore. Member of the Singapore Financial Dispute Resolution Scheme. **Hong Kong branch:** 803, 8/F., One Kowloon, No.1 Wang Yuen Street, Kowloon Bay, Hong Kong. Telephone: +852 2524 2027 | Fax: +852 2868 4983 | Website: www.fpiinternational.com.hk. Authorised by the Insurance Authority of Hong Kong to conduct long-term insurance business in Hong Kong. **Dubai branch:** PO Box 215113, Emaar Square, Building 6, Floor 5, Dubai, United Arab Emirates. Telephone: +9714 436 2800 | Fax: +9714 438 0144 | Website: www.fpiinternational.ae. Registered in the United Arab Emirates with the UAE Insurance Authority as an insurance company. Registration date, 18 April 2007 (Registration No. 76). Registered with the Ministry of Economy as a foreign company to conduct life assurance and funds accumulation operations (Registration No. 2013). Friends Provident International is a registered trademark and trading name of Friends Provident International Limited.