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Financial Adviser

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June 2025

**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»

**Notification of merger affecting Friends Provident International Limited (“FPIL”) mirror funds:
S260 Harmony Portfolios Asian Balanced (“Affected Mirror Fund 1”)
S262 Harmony Portfolios Europe Growth (Affected Mirror Fund 2”)
(together the “Affected Mirror Funds)**

We are writing to you as your policy or contract holds units in one or more of the FPIL Affected Mirror Funds listed above.

We have received notification from the Board of Directors of Momentum Global Funds (“Momentum”) that two of its Harmony Portfolio funds, which are the underlying funds of the Affected Mirror Funds, will be closed by way of merger (the “Underlying Fund Mergers”), effective 31 July 2025 (the “Underlying Fund Mergers Effective Date”).

The receiving funds Momentum has selected for each of the Underlying Fund Mergers are underlying funds of existing mirror funds in the FPIL fund range, and consequently we will be accepting the Underlying Fund Mergers and switching unit holdings into the corresponding mirror funds from **22 July 2025** (the “**Effective Date**”).

Background to the merger impacting Affected Mirror Fund 1

Momentum will be merging its Harmony Portfolios Asian Balanced Fund (“Merging Underlying Fund 1”), which is the underlying fund of Affected Mirror Fund 1, into its Harmony Portfolios Asian Growth Fund (“Receiving Underlying Fund 1”).

The assets under management of Merging Underlying Fund 1 have been steadily reducing over the last two years and are likely to reach a level that no longer permits an economically reasonable management in the near future. Momentum believe that the fund is not expected to attract significant inflows in the future while its Asian Growth Fund has better future growth prospects, and therefore the merger would be in the best interests of shareholders.

Background to the merger impacting Affected Mirror Fund 2

Momentum has also advised that it will be merging its Harmony Portfolios Europe Growth Fund ("Merging Underlying Fund 2"), which is the underlying fund of Affected Mirror Fund 2, into its Harmony Portfolios Global Growth Fund ("Receiving Underlying Fund 2").

The assets under management of Merging Underlying Fund 2 have been steadily reducing over the last two years and are likely to reach a level that no longer permits an economically reasonable management in the near future. The underlying investments of Merging Underlying Fund 2 have a bias to investments in Europe and Momentum do not expect the fund to attract significant inflows, as its research indicates that many investors would prefer a more global asset allocation. Momentum has therefore selected Harmony Portfolios Global Growth Fund as the receiving fund, which has a global allocation with a bias to the United States of America, in line with global exposures.

The action FPIL will be taking

As part of the Underlying Fund Mergers, Momentum is implementing a period of trading suspension, on both Merging Underlying Funds 1-2 and Receiving Underlying Funds 1-2, from 24 July 2025 to 31 July 2025 (the "Underlying Funds Suspension Period").

Accordingly, we have decided to switch holdings out and then close the Affected Mirror Funds as of the **Effective Date**, just ahead of the Underlying Funds Suspension Period.

We will switch your existing holding(s) in the Affected Mirror Funds, and where applicable will redirect future regular premium payments, into the Default Receiving Mirror Funds as follows:

Affected Mirror Fund 1	Default Receiving Mirror Fund 1
S260 Harmony Portfolios Asian Balanced	S261 Harmony Portfolios Asian Growth
Affected Mirror Fund 2	Default Receiving Mirror Fund 2
S262 Harmony Portfolios Europe Growth [#]	S235 Harmony Portfolios Global Growth (USD)

[#]Please note that Affected Mirror Fund 2 is priced in Euro, while the Default Receiving Mirror Fund 2 is priced in US Dollar.

From the date of this letter, only continuing regular premium payments will be permitted into the Affected Mirror Funds. No new single or regular premium payments will be permitted into the Affected Mirror Funds, whether from new or existing investors.

Any premium allocation which would usually be applied to one or more of the Affected Mirror Funds will be automatically redirected to the corresponding Default Receiving Mirror Fund with effect **16 July 2025** (the "**Redirection Date**").

All holdings in the Affected Mirror Funds will be switched into the corresponding Default Receiving Mirror Funds from the Effective Date. In line with the Underlying Funds Suspension Period, trading in the Default Receiving Mirror Funds will resume from 1 August 2025.

Whilst appropriate due diligence has been carried out on the Default Receiving Mirror Funds, we do not accept any liability for the future performance of these, or any other FPIL mirror fund.

Please refer to the enclosed [Appendix](#) for comparative information between the Affected Mirror Funds and the corresponding Default Receiving Mirror funds.

These changes will happen automatically within your policy or contract, and you do not need to take any action if you agree with the specified Default Receiving Mirror Funds.

Your options

You can however choose to switch your current holding in the Affected Mirror Funds, and/or redirect your regular premium payments, into a different fund in the FPIL range if you wish to do so. This can be done online through the FPI Portal - simply log in at <https://portal.fpinternational.com>.

Should you wish to override the switch and premium redirection to the Default Receiving Mirror Funds, you must provide us with alternative instructions by the following cut off dates:

Redirection deadline: **3pm UK time on 15 July 2025.**

Switching instruction deadline: **3pm UK time on 18 July 2025**

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

Getting in touch

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

If you have any questions regarding the operation of the FPIL funds or the underlying funds, please contact our Investment Marketing team at Fundqueries.Intl@fpim.com.

Yours sincerely



Chris Corkish
Head of Investment Marketing

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.

Appendix

	Affected Mirror Fund 1	Default Receiving Mirror Fund 1
Name and code of mirror fund	S260 Harmony Portfolios Asian Balanced	S261 Harmony Portfolios Asian Growth
Name, share class, currency and ISIN of corresponding underlying fund	Momentum GF Harmony Asian Balanced C USD - LU0651983719	Momentum GF Harmony Asian Growth C USD - LU0651984105
Investment objective of the relevant underlying fund ("the Fund")	<p>The portfolio will be biased to investments in markets of <u>developed</u> Asian and emerging Asian countries. The portfolio could also hold investments outside these countries. The portfolio aims to provide <u>a balance between capital preservation and capital growth</u>, with a reduced level of volatility via strategic exposures to a wide range of asset classes.</p> <p>There can be no assurance that the Fund will achieve its investment objective.</p>	<p>The portfolio will be biased to investments in markets of <u>established</u> Asian and emerging Asian countries. The portfolio could also hold investments outside these countries. The portfolio aims to provide <u>capital growth</u>, but with a reduced level of volatility via strategic exposures to a wide range of asset classes.</p> <p>There can be no assurance that the Fund will achieve its investment objective.</p>
Investment policy of the relevant underlying fund ("the Fund")	<p>The investment objective is achieved through an actively managed diversified portfolio that invests, primarily via other collective investment schemes, or other similar schemes, across a broad range of asset classes and currencies in varying proportions over time. These include equities, fixed income, commodities, alternative strategies, property, money market instruments and other multi-asset portfolios. <u>As this is a diversified portfolio the majority of these asset classes will typically be represented in the portfolio at all times.</u></p> <p>Although biased to investments in markets of developed Asian and emerging Asian countries the Fund will also hold investments outside the Asian region.</p> <p>The Fund may invest in the units of collective investment schemes which are also managed by the Investment Manager or an associate of the Investment Manager.</p> <p>The Fund may invest a significant portion, above 50% of its net assets, in units of UCITS and/or other UCIs.</p> <p>The Fund may invest indirectly up to 20% of its Net Asset Value in asset-backed or mortgage-backed securities.</p> <p>The Fund may invest indirectly up to 20% of its Net Asset Value in Contingent Convertible Bonds.</p> <p>The Fund may invest up to 20% of its Net Asset Value in REITS.</p> <p>The Fund may invest in forward foreign currency exchange contracts, foreign currency swaps and exchange-traded derivatives, for hedging purposes and efficient portfolio management.</p>	<p>The investment objective is achieved through an actively managed diversified portfolio that invests, primarily via other collective investment schemes, or other similar schemes, across a broad range of asset classes and currencies in varying proportions over time. These include equities, fixed income, commodities, alternative strategies, property, money market instruments and other multi-asset portfolios, <u>with a bias towards asset classes that have the potential for capital growth over the portfolio's investment horizon.</u></p> <p>Although biased to investments in markets of developed Asian and emerging Asian countries the Fund will also hold investments outside the Asian region.</p> <p>The Fund may invest in the units of collective investment schemes which are also managed by the Investment Manager or an associate of the Investment Manager.</p> <p>The Fund may invest a significant portion, above 50% of its net assets, in units of UCITS and/or other UCIs.</p> <p>The Fund may invest indirectly up to 20% of its Net Asset Value in asset-backed or mortgage-backed securities.</p> <p>The Fund may invest indirectly up to 20% of its Net Asset Value in Contingent Convertible Bonds.</p> <p>The Fund may invest up to 20% of its Net Asset Value in REITS.</p> <p>The Fund may invest in forward foreign currency exchange contracts, foreign currency swaps and exchange-traded derivatives, for hedging purposes and efficient portfolio management.</p>

Any terms not defined herein shall have the same meaning as set out in the current prospectus of the relevant underlying fund.

	Affected Mirror Fund 2	Default Receiving Mirror Fund 2
Name and code of mirror fund	S262 Harmony Portfolios Europe Growth	S235 Harmony Portfolios Global Growth (USD) [#]
Name, share class, currency and ISIN of corresponding underlying fund	Momentum GF Harmony Europe Growth C EUR - LU0651985094	Momentum GF Harmony USD Growth C USD - LU0651986738 [#]
Investment objective of the relevant underlying fund ("the Fund")	<p>The portfolio will be biased to investments in <u>Europe</u> but could also hold investments outside this <u>region</u>. The <u>portfolio aims</u> to provide capital growth in <u>Euros</u> but with a reduced level of volatility via strategic exposures to a wide range of asset classes.</p> <p>There can be no assurance that the Fund will achieve its investment objective.</p>	<p>The portfolio will be biased to investments in <u>the United States</u> but could also hold investments outside this <u>country</u>. The <u>investment objective is</u> to provide capital growth in <u>US Dollar terms</u> but with a reduced level of volatility via strategic exposures to a wide range of asset classes.</p> <p>There can be no assurance that the Fund will achieve its investment objective.</p>
Investment policy of the relevant underlying fund ("the Fund")	<p>The investment objective is achieved through an actively managed diversified portfolio that invests, primarily via other collective investment schemes, or other similar schemes, across a broad range of asset classes and currencies in varying proportions over time. These include equities, fixed income, commodities, alternative strategies, property, money market instruments and other multi-asset portfolios. <u>As this is a diversified portfolio the majority of these asset classes will typically be represented in the portfolio at all times.</u></p> <p>The portfolio will maintain a bias towards investments in <u>Euros</u>.</p> <p>The Fund may invest in the units of collective investment schemes which are also managed by the Investment Manager or an associate of the Investment Manager.</p> <p>The Fund may invest a significant portion, above 50% of its net assets, in units of UCITS and/or other UCIs.</p> <p>The Fund may invest indirectly up to 20% of its Net Asset Value in asset-backed or mortgage-backed securities.</p> <p>The Fund may invest indirectly up to 20% of its Net Asset Value in Contingent Convertible Bonds.</p> <p>The Fund may invest up to 20% of its Net Asset Value in REITS.</p> <p>The Fund may invest in forward foreign currency exchange contracts, foreign currency swaps and exchange-traded derivatives, for hedging purposes and efficient portfolio management.</p>	<p>The investment objective is achieved through an actively managed diversified portfolio that invests, primarily via other collective investment schemes, or other similar schemes, across a broad range of asset classes and currencies in varying proportions over time. These include equities, fixed income, commodities, alternative strategies, property, money market instruments and other multi-asset portfolios, <u>with an overall bias towards asset classes that have the potential for capital growth over the portfolio's investment horizon.</u></p> <p>The portfolio will <u>also</u> maintain a bias towards investments in <u>US Dollars</u>.</p> <p>The Fund may invest in the units of collective investment schemes which are also managed by the Investment Manager or an associate of the Investment Manager.</p> <p>The Fund may invest a significant portion, above 50% of its net assets, in units of UCITS and/or other UCIs.</p> <p>The Fund may invest indirectly up to 20% of its Net Asset Value in asset-backed or mortgage-backed securities.</p> <p>The Fund may invest indirectly up to 20% of its Net Asset Value in Contingent Convertible Bonds.</p> <p>The Fund may invest up to 20% of its Net Asset Value in REITS.</p> <p>The Fund may invest in forward foreign currency exchange contracts, foreign currency swaps and exchange-traded derivatives, for hedging purposes and efficient portfolio management.</p>

[#]Please note that S262 Harmony Portfolios Europe Growth and its underlying fund is priced in Euro, while S235 Harmony Portfolios Global Growth (USD) and its underlying fund is priced in US Dollar.

Any terms not defined herein shall have the same meaning as set out in the current prospectus of the relevant underlying fund.

	Affected Mirror Fund 1	Default Receiving Mirror Fund 1
Annual Management Charge (AMC) of the underlying fund	Up to 2.00%	Up to 2.00%
Ongoing Charges Figure (OCF) of the underlying fund*	2.92%	2.94%
Risk/reward profile**	3	3

	Affected Mirror Fund 2	Default Receiving Mirror Fund 2
Annual Management Charge (AMC) of the underlying fund	Up to 2.00%	Up to 2.00%
Ongoing Charges Figure (OCF) of the underlying fund*	2.92%	2.72%
Risk/reward profile**	3	4

*Ongoing Charges Figure ("OCF") includes the Annual Management Charge plus other operational expenses, so better reflects the total costs applied to the underlying fund. The OCF is based on the ongoing expenses for the period July 2025 to December 2025 expressed as a percentage of the underlying fund net asset value as an average over the period.

**The risk/reward profile is determined by Friends Provident International 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 Friends Provident International as a result of our ongoing research analysis. The information given in the risk/reward profile is for reference only.