

SUSPENSION OF FPI MIRROR FUNDS: BRANDEAUX GROUND RENT INCOME (J44) AND BRANDEAUX STUDENT ACCOMODATION FUND (J99)

We have today (Friday 12th December) been informed that Brandeaux have suspended all dealing for their underlying funds (monies in or out) .

They have taken this action with great regret but have been forced to do so because of a significant redemption request from the underlying Funds. Until this event Brandeaux had a healthy level of net subscriptions with more investor money coming in than going out. Although subscriptions have continued to be strong, redemptions have increased markedly across all funds. They are highly concerned that this could trigger a much larger run of redemptions from the funds and hence feel they have no other sensible option in protecting the interests of the existing investor pool. A much worse situation than suspending redemptions for shareholders, whether or not they wish to

redeem, would be the forced sale of performing assets at knock-down prices. Brandeaux have no intention of engaging in a fire sale of quality assets and consequently suspended dealing in all Brandeaux funds.

As you will fully appreciate, the current market climate has already had a significant impact on other alternative asset classes, where suspensions have been invoked very widely. Hence this action should be seen as pre-emptive by Brandeaux to prevent any similar contagion and protect the interests of existing investors.

FPIL MIRRORS SUSPENDED TODAY

As a result of this action, we have no alternative but to fully suspend dealing on J44 and J99 with immediate effect. This will last for an initial review period until **Friday 9th January**, during which time no mirror fund prices will be calculated.

These are major funds for FPIL and we are obviously very disappointed with the news. Once we have more information, we will confirm the position regarding all death claims, policy maturities, existing regular withdrawal schemes, fund switches in/out, policy charges and management fees paid to advisers.

We thank you for your patience in this matter.

If you have any fund queries please contact our Funds Marketing & Research Department - fund.research@fpiom.com