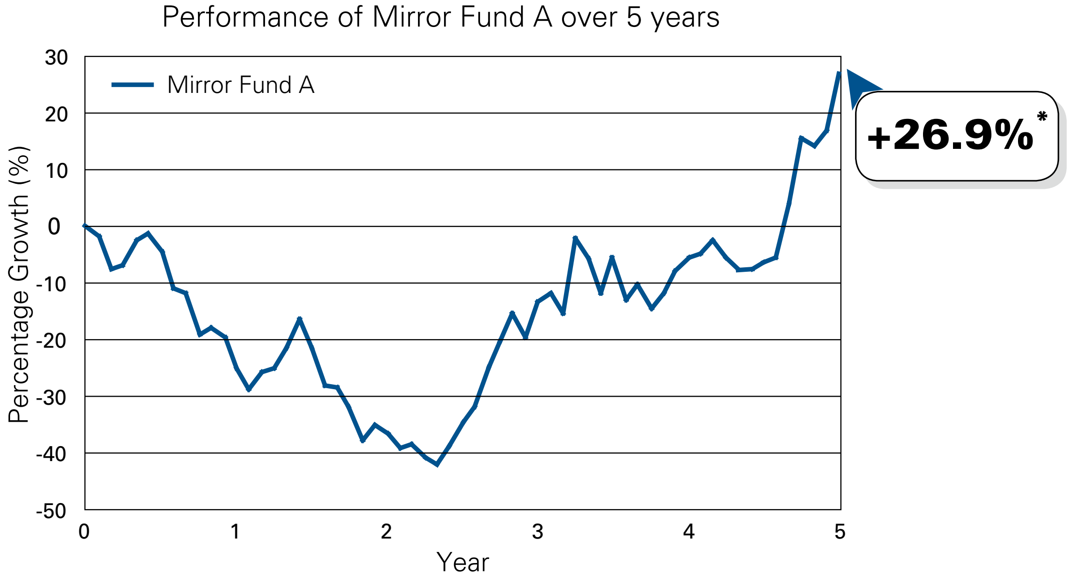
Dollar cost averaging –

How Regular Savers Can Benefit From Volatile Markets

During times of market uncertainty, secure investments are often seen as a more attractive alternative. However, by saving regularly into a unit-linked investment product over a longer term, investors can benefit from market volatility associated with chosen mirror funds as a result of 'dollar cost averaging'.

This leaflet demonstrates how 'dollar cost averaging' works for regular savers.

The graph below shows the performance of a volatile mirror fund (Mirror Fund A) over a 5-year period:



* The figures used are for illustrative purposes only and are not indicative of the actual return likely to be achieved.

According to the graph, the performance of Mirror Fund A over 5 years is +26.9%, and the return difference for a client investing through regular savings and a single investment in the fund is shown as below:

Type of Investment	Amount invested	Years invested in Mirror Fund A	Total Sum of Return	Percentage Change
Single Investment	USD75,000	5	USD95,175	+26.9%
Regular Savings (monthly)	USD1,250 x 12 months x 5 years = USD75,000	5	USD131,775	**+75.7%**

In the example, the investor can receive a better return from regular savings as the investor can benefit from purchasing extra units during a time when the fund is not performing well. This positions the investor well when markets rise and helps smooth the volatility.

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Key benefits of dollar cost averaging

To sum up, the key benefits of 'dollar cost averaging' include:

- Smoothing the peaks and troughs of market volatility.
- Buying more units per premium in falling markets, thus increasing the number of units in the chosen mirror fund.
- Positioning well to take maximum advantage when market rebounds.

Benefits of using a Regular Savings plan

Investing in a unit-linked investment product

- Allows investors to spread smaller investment amounts across a wider choice of mirror funds.
- Allows access to the underlying funds at lower minimum investment amount through mirror funds than investing directly with the fund houses.
- Greatly reduces the administrative burden of holding multiple funds with multiple managers.

Important Notes

Please read in conjunction with the principal brochures and literature of the relevant products.

Regular investments will not always outperform single premium investments.

A regular premium investment does not guarantee a gain and does not prevent a loss in declining markets. It ensures you will not invest all your money at a market high. When deciding between regular investing versus lump sum investing you should consider your financial ability to continue investing through good and bad markets, your attitude to risk, asset allocation, your investment time horizon and affordability.

Investment involves risk and each class of investment will involve its own individual level of risk. We recommend that you discuss the specific risks associated with individual investments with your Financial Adviser before making any investment decisions.

Past performance should not be viewed as an indication of future performance. Fund prices may go up and down depending upon investment performance and are not guaranteed. You may get back less than you paid in. Investments held within a mirror fund may not be denominated in the currency of that mirror fund and, as a result, mirror fund prices may rise and fall purely on account of exchange rate fluctuations.

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.

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.

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