





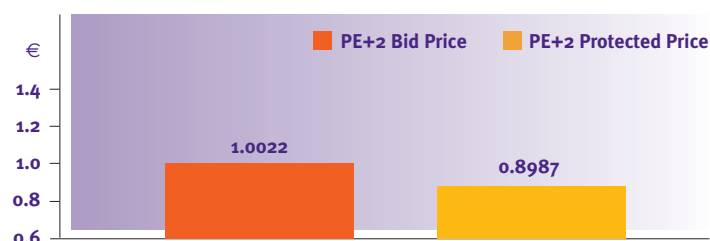
Protected Equity+ 2

Quarterly Fund Factsheet

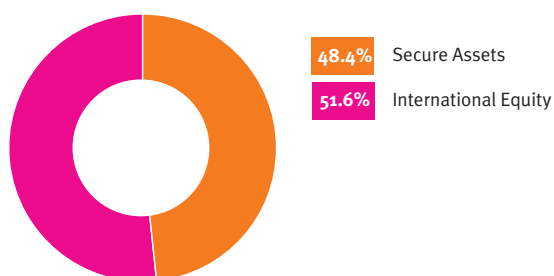
Quarter 2, 2009

Size	New Fund
Asset	 (Equities & Bonds)
Stocks	347
Regions Covered	 5
Diversification	
Overall Risk rating	low  3 high

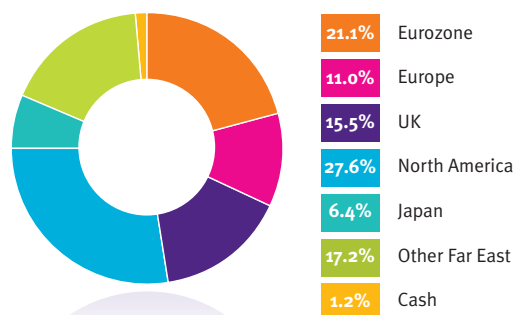
Unit Prices as at 30th June '09



Asset Splits as at 30th June '09



Geographical Breakdown of Equities



Top 10 Equity Stocks

Stock	Country	Weighting
Total	France	1.5%
Nestle	Switzerland	1.5%
BP Amoco	Great Britain	1.5%
Exxon Mobil	United States	1.4%
Telefonica	Spain	1.3%
Roche	Switzerland	1.2%
Credit Suisse	Switzerland	1.2%
HSBC	Great Britain	1.2%
Novartis	Switzerland	1.1%
Nokia	Finland	1.1%

Market Commentary

PE+2 allows you to benefit from the growth potential of international equities whilst protecting you from falls in the market. Your investment can never fall by more than 15% from its highest value, effectively locking in 85% of all growth in the fund.

Equity markets rallied strongly in the second quarter. Share prices recovered as investors sensed that rescue funds injected into world economies were succeeding in slowing the recessionary spiral. However, hard economic data supporting resurgence in sentiment was not in plenty supply and the markets fell back in mid June. The UK stock market performed well in the second quarter as investors took advantage of cheap valuations. Hopes for a cyclical recovery were reflected in the very strong out performance of smaller companies. Irish stocks reclaimed lost ground over the period, most notably led by the financials sector, following further details of NAMA. However, this was tempered by dismal economic fundamentals on the outlook for the Irish economy. US equities made gains over the quarter. Financial stocks performed well as did energy and materials stocks. Europe's economy continued to delve deeper into recession. However, investors are focusing on the positives with surveys such as the IFO showing an improvement in business confidence. In Japan, the release of data showing growth contracted by an annualised 14.2% in the first quarter painted a bleak picture for the economy.

Information Source: Friends First, unless otherwise stated. All figures quoted are as at 30th June 2009, unless otherwise stated.

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Quarterly Fund Factsheet

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Fund Summary

The Protected Equity+ 2 fund is an innovative fund that provides an opportunity to invest in International Equities with the comfort of knowing that a significant portion of your capital is protected.

How does the fund work ?

The Protected Equity+ 2 fund invests in a combination of International Equities, Government bonds and cash. The International Equities drive investment performance, while the Government bonds and cash provide the underlying security.

The proportion of the fund invested in each asset will change over time depending on how the fund is performing. When International Equities are performing well a higher proportion of the fund will be invested in equities. If the equity portion is performing less well, the proportion of the fund invested in it will be reduced.

Key Features of Protected Equity+ 2

- Medium to low risk fund
- Floor on potential losses
- No ceiling on potential growth
- Access to diversified International Equity fund
- Full flexibility to enter or leave the fund

Investing in International Equities

F&C's International Equity fund is the driver for growth in the Protected Equity+2 fund.

Investing in International Equities improves diversification. Historically, investors looking to create balanced portfolios have tended to maintain a strong domestic or regional bias. Using an International Equity fund provides a wider variety of countries and sectors. Even with different markets becoming more correlated, they still have diverging total returns, reinforcing their diversification benefits. Likewise, with around 350 stocks, the International Equity fund avoids situations where a small number of companies dominate the fund.

Warning: Past performance is not a reliable guide to future performance.

Warning: The value of your investment may go down as well as up.

Warning: Funds may be affected by changes in currency exchange rates.

What protection does the fund offer ?

The fund is designed to ensure that the value of your investment does not fall below a certain level. The unit price of the fund cannot drop below 85% of the highest ever unit price no matter what happens to stock markets.

This means that when you buy units in the fund the most these could ever fall by is 15%. However, if the unit price increases the level of protection you get also increases. An example will illustrate this point.

You invest €10,000 at a unit price of €1.00. This means that the 'protected' unit price, i.e. the lowest it could ever fall to would be $€1.00 \times 85\% = €0.85$.

Say equity markets did well and the unit price increased to €1.10. The 'protected' unit price would increase to $€1.10 \times 0.85 = €0.935$.

If markets fell back to €1.00 again the 'protected' unit price would stay at the higher €0.935.

Am I locked into the fund ?

No. Unlike many funds which give protection the Protected Equity+ fund is an open-ended fund and you do not have to commit to a minimum investment period. You are free to switch into another fund, at the prevailing unit price, whenever you like.

Who manages the fund's assets ?

Friends First manages the mix of assets within the fund and provides the assurances that the unit price will not fall below the protected prices.

F&C Asset Management manage the underlying International Equity, Government bond and cash funds.

About F&C Asset Management

F&C Asset Management is a London Stock Exchange listed asset manager who currently has over €102 billion (as at 30th June 2009) in assets under management and over 3 million customers.

F&C adopt a 'multi-specialist boutique' approach to managing funds, where talented professionals work in accountable, tightly-knit teams which are supported by first class research and infrastructure. This approach embodies an entrepreneurial culture within a rigorous and disciplined approach to fund management.



Looking forward to your future