

PRIVILEGES AND CONDITIONS

1. BENEFITS PAYABLE

- (a) In the event of death or Total and Permanent Disability of the Insured during:
 - (i) the Accumulation Term, we will pay, subject to Clause 1(b)(i), an amount equivalent to 105% of the Single Premium together with any accumulated bonuses declared;
 - (ii) the Pay Out Term, we will pay, subject to Clause 1(b)(ii), an amount equivalent to 105% of the remaining Annual Regular Payment.
- (b) If specified in any special agreement or endorsement to this Policy, or the Insured is suffering from or diagnosed with any Medical Conditions at the time of proposal or within 3 months from the Date of Issue of this Policy, the amount payable:
 - (i) under Clause 1(a)(i) will be equivalent to 101% of the Single Premium together with any accumulated bonuses declared;
 - (ii) under Clause 1(a)(ii) will be equivalent to 101% of the remaining Annual Regular Payment.
- (c) Any payment of this Benefit is subject to any existing charge in our favour (including any charge in respect of any loan and interest) and/or deduction of any money owed by you to us.
- (d) Subject to clause 10, this Policy will terminate upon full payment of this Benefit.

2. CONVERSION

- (a) The Single Premium together with any accumulated bonuses declared upon the expiry of the Accumulation Term ("Conversion Value") will be converted to annual regular payments which will be made to you during the Pay Out Term ("Annual Regular Payment") subject to a minimum Conversion Value of \$5,000 for conversion to Annual Regular Payment.
- (b) We will pay each Annual Regular Payment of an amount equivalent to 5.5% of the Conversion Value at the end of each policy year. The first Annual Regular Payment together with any bonuses declared will be paid on the anniversary date of the Policy Entry Date ("Anniversary Date") in the immediate following year after the conversion. Subsequent Annual Regular Payment together with any bonuses declared will be paid on subsequent Anniversary Dates in each and every year of the Pay Out Term. The bonuses are not guaranteed for each policy year, and when declared for a policy year, will be of such amount as recommended by our appointed actuary and approved by our Board of Directors and valid only for that policy year.
- (c) The Conversion Value and Annual Regular Payment are subject to any existing charge in our favour (including any charge in respect of any interest) and/or deduction of any money owed by you to us.

3. INCONTESTABILITY

After one year from the Date of Issue of this Policy, this Policy shall be incontestable except for fraud or non-payment of the Single Premium.

4. RESIDENCE, TRAVEL AND OCCUPATION

No restrictions are placed upon the Insured with regard to residence, travel and occupation, except as provided in any special agreement or endorsement to this Policy issued by us.

5. SUICIDE

This Policy shall be void if the Insured whether sane or insane, dies by his or her own hands within one year from the Date of Issue of this Policy. If such an event occurs, we will refund the Single Premium without interest.

If any interest in this Policy has been bona fide acquired for valuable consideration by any person other than the Insured, and of which written notice shall have been received by us before the death of the Insured, we will pay that person the amount of such valuable consideration or the Sum Assured, whichever is lesser.

Any refund or payment by us is subject to any existing charge in our favour (including any charge in respect of any loan and interest) and/or deduction of any money owed by you to us.

6. ADMISSION OF AGE

If the date of birth was incorrectly stated in the proposal form, the benefits payable under this Policy shall be based on the correct date of birth on the Policy Entry Date.

7. SURRENDER VALUE

This Policy shall upon full payment of the Single Premium acquire a surrender value of such amount as our appointed actuary shall certify and whose certificate shall be final and conclusive.

This Policy may be surrendered at the written request of the Policyholder, except that during the Pay Out Term, no partial surrender will be allowed.

The surrender proceeds is subject to any existing charge in our favour (including any charge in respect of any loan and interest) and/or deduction of any money owed by you to us.

8. LOAN VALUE

During the Accumulation Term:

- (a) loans on the security of this Policy may be granted as determined by us and subject to such terms and conditions as determined by us from time to time. All such loans and interests thereon will be a first charge on this Policy and will be deducted from any amount payable by us under this Policy. If at any time the amount of such loans and interests exceed the cash value of this Policy, all Benefits under this Policy shall automatically cease.
- (b) repayments in whole or in parts may be made at any time. We shall charge interest on the loan amount and the interest charged shall be based on the rate agreed at the time the loan is taken. We may change the interest rate at any time and, if any change is made, we shall provide 1 month's notice about such change.

No loan will be granted to anyone below the age of 21 years. No loan will be granted during the Pay Out Term.

9. BONUSSES

This is a participating Policy. Bonuses when declared will be added to this Policy out of the surplus arising from the actuarial valuation of the life assurance fund. The amount of bonuses will be recommended by our appointed actuary and approved by our Board of Directors.

10. TOTAL AND PERMANENT DISABILITY

- (a) If the Insured becomes Totally and Permanently Disabled as a result of accidental bodily injury, sickness or disease while this Policy is in force, we will pay this Benefit subject to the following:-
 - (i) the Total and Permanent Disability must occur before the Insured attains the age of 65 years;
 - (ii) we must receive satisfactory evidence of the Insured's Total and Permanent Disability from a Registered Medical Practitioner appointed by us. Where the Insured is Totally and Permanently Disabled as defined in clause 15(j)(i), we require further proof that the Insured has been Totally and Permanently Disabled for a continuous period of at least six (6) months from the Registered Medical Practitioner appointed by us;
 - (iii) we have the right to require satisfactory evidence of the Insured's continuing Total and Permanent Disability to be provided from time to time from a Registered Medical Practitioner appointed by us

before we pay the balance of any Total and Permanent Benefit even though the claim for Total and Permanent Disability has been admitted;

- (iv) the Total and Permanent Disability must not be caused by or the result of the Insured's own deliberate act;
 - (v) we will pay a maximum aggregate sum not exceeding \$1,000,000 (excluding any bonus) as the first payment in respect of the same Insured for Total and Permanent Disability Benefit under this Policy and every other policy issued by us that may be in force. Any amount in excess of the \$1,000,000 (excluding any bonus) will be paid 12 months later provided that the Insured remains Totally and Permanently Disabled; and
 - (vi) when we admit a claim for this Benefit, all supplementary insurances issued under this Policy will cease automatically except for any supplementary insurance covering extended benefits for Total and Permanent Disability. If the Insured ceases to be Totally and Permanently Disabled, we will not reinstate any of the supplementary insurances that have ceased.
- (b) If the Insured dies before this Benefit has been fully paid, we will pay the benefit for death in accordance with Clause 1 less this Benefit which has been paid.
 - (c) If the Pay Out Term expires before this Benefit has been fully paid, we will pay the balance of this Benefit still unpaid subject to the terms of this clause 10.
 - (d) We will cease to pay any balance of this Benefit if satisfactory evidence of the Insured's continuing Total and Permanent Disability as required under clause 10(a)(iii) cannot be furnished or the Insured becomes able to engage in any business or occupation or perform any work of any kind for remuneration or profit.
 - (e) The maximum aggregate liability for Total and Permanent Disability Benefit in respect of the same Insured under this Policy and any other individual life policy issued by us and by any other insurer that may be in force is limited to \$3,750,000 (excluding any bonus). Where the same Insured is covered for more than \$3,750,000 (excluding any bonus), we will admit and pay all claims for Total and Permanent Disability Benefit under policies issued by us in the following priority -
 - (i) firstly, under any mortgage protection policy or policies of like nature; and
 - (ii) secondly, under any other individual life policy.Within sub-clauses (i) and (ii), payment will be made first under the policy which is effected earliest in time.
 - (f) Where the maximum aggregate of \$3,750,000 (excluding any bonus) has been paid for Total and Permanent Disability in respect of the same Insured under this Policy and any other individual life policy issued by us and by any other insurer:
 - (i) the cover for Total and Permanent Disability Benefit under this Policy and any other individual life policy issued by us will automatically cease;
 - (ii) the cover for death will continue provided that the premiums, if payable, are paid. If the Insured dies, we will pay the benefit for death in accordance with Clause 1 less the Total and Permanent Disability Benefit that has been under this Policy.
 - (g) If the Insured ceases to be Totally and Permanently Disabled before the balance of the Total and Permanent Disability Benefit is paid, we will:
 - (i) cease to pay the balance of any Total and Permanent Disability Benefit; and
 - (ii) the cover for death and Total and Permanent Disability will continue provided that the premiums, if payable, are paid. If the Insured dies or becomes Totally and Permanently Disabled, we will pay the benefit for death or Total and Permanent Disability in accordance with Clause 1 less the Total and Permanent Disability Benefit that has been paid under this Policy.

11. ASSIGNMENTS

We shall not be bound by any assignment of this Policy unless we are notified of the assignment in writing and have endorsed this Policy accordingly.

12. PREMIUM THROUGH SRS

The following conditions are applicable to this Policy if this Policy is subject to the provisions of the Supplementary Retirement Scheme (SRS) regulations:

- (a) Loan Value Clause (Clause 8) and Assignments Clause (Clause 11) shall not apply.
- (b) All payments, except the death Benefit under Clause 1, will be paid to Policyholder's SRS Account.
- (c) If the Insured dies, the death Benefit under Clause 1 will be refunded to the executors, administrators, assignees or nominees of the Insured under this Policy.
- (d) In the event that the Single Premium is not received within 30 days from the Date of Issue of this Policy, we reserve the right to cancel this Policy.

13. ARBITRATION

Any dispute or difference as to any matter arising under, out of, or in connection with this Policy shall be referred to Financial Industry Disputes Resolution Centre Ltd ("FIDREC") for resolution provided it is a dispute or difference that can be brought before FIDREC.

If such dispute or difference cannot be referred to or resolved by FIDREC, such dispute or difference shall be referred to and finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this clause. The obtaining of an arbitral award by you shall be a condition precedent to our liability under this Policy.

14. EXCLUSION OF THIRD PARTY RIGHTS

A person who is not party to this Policy shall have no right under the Contracts (Rights of Third Parties) Act (Chapter 53B) to enforce any of its terms.

15. DEFINITIONS

- (a) **"We, us, our or NTUC Income"** means NTUC Income Insurance Co-operative Limited.
- (b) **"Accumulation Term"** means the term as specified in the Schedule commencing from the Policy Entry Date.
- (c) **"Annual Regular Payment"** means annual regular payments which will be made to you during the Pay Out Term.
- (d) **"Conversion Value"** means an amount equivalent to the Single Premium together with any accumulated bonuses declared upon the expiry of the Accumulation Term.
- (e) **"Medical Conditions"** means any of the following:
 - (i) Cancer
 - (ii) Heart and / or Heart Valve Conditions
 - (iii) Chronic Kidney Disease
 - (iv) Stroke
 - (v) Liver Cirrhosis and / or End Stage Liver Failure
 - (vi) Systemic Lupus Erythematosus
 - (vi) Terminal Illness
 - (vii) Severance or total loss of use of one or both limbs OR total loss of use of one or both eyes

- (f) **“Pay Out Term”** means the term of 20 years commencing immediately upon the expiry of the Accumulation Term.
- (g) **“Registered Medical Practitioner”** means a doctor qualified by degree in western medicine who is legally licensed in Singapore or have the qualifications recognised by the Singapore Medical Council.
- (h) **“Single Premium”** means the single premium sum as specified in the Schedule.
- (i) **“Total Physical Loss”** means any one of the following:
 - (i) the total and irrecoverable loss of sight of both eyes;
 - (ii) the loss by complete severance or total and irrecoverable loss of use of both limbs at or above the wrist or ankle; or
 - (iii) the total and irrecoverable loss of sight of one eye and the loss by complete severance or total and irrecoverable loss of use of one limb at or above the wrist or ankle
- (j) **“Total and Permanent Disability / Totally and Permanently Disabled”** means:
 - (i) the complete and continuous inability of the Insured at that time and at all times thereafter to engage in any business or occupation or perform any work of any kind for remuneration or profit; or
 - (ii) Total Physical Loss