

PRIVILEGES AND CONDITIONS

1. BENEFITS

1.1 Benefit Payable

- (a) Subject to Clauses 1.2 and 1.3, if the Insured dies or becomes Totally and Permanently Disabled, we will pay an amount equal to the Cash-in Value or the Basic Benefit, whichever is higher.
- (b) This Policy will terminate immediately upon payment of this Benefit, less any loan or debt.
- (c) For the avoidance of doubt, we will not pay, in addition to this Benefit, the Cash-in Value for your Units in your Policy Account.

1.2 Total and Permanent Disability Benefit

- (a) 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.
- (b) 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.
- (c) Payment of this Benefit is subject to the following conditions:-
 - (i) the Total and Permanent Disability must occur before the Insured attains the age of 65 years;
 - (ii) this Benefit will be payable subject to a maximum payment of S\$1,000,000 each year, and any amount of this Benefit in excess of S\$1,000,000 will be paid 12 months later. But if the Insured dies, we will immediately pay any balance of this Benefit; and
 - (iii) we must receive satisfactory evidence of the Insured's Total and Permanent Disability as certified by a Registered Medical Practitioner.
- (d) The maximum aggregate liability under this Total and Permanent Disability Benefit in respect of this Policy and every other policies issued by us that may be in force is limited to S\$2,000,000 (excluding any bonuses). In such event:
 - (i) we will not be liable for and will not pay any amount in excess of S\$2,000,000 (excluding any bonuses);
 - (ii) this Total and Permanent Disability Benefit will be paid in the following priority:
 - firstly, under any mortgage protection policies or policies of like nature;
 - secondly, under other policies.

Within each category above, payment will be made first under the policy which is effected earliest in time.
- (e) This Policy will terminate immediately upon any payment of this Benefit, less any loan or debt.

- (f) We will not pay this Benefit if the Total and Permanent Disability is a result of any intentional self-inflicted bodily injury.
- (g) If the Insured is Totally and Permanently Disabled as defined under clause 1.2(a)(i), the Insured must provide additional satisfactory evidence to us that the Insured has been Totally and Permanently Disabled for a continuous period of at least six (6) months. Such evidence must also be certified by a Registered Medical Practitioner appointed by us.

1.3 Medical Conditions

- (a) If 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 or the date of receipt by us of any top-up in premiums, the amount of the Benefit payable under Clause 1.1 for:

- (i) an Insured age below 65 (based on age last birthday) will be equivalent to 101%; and
- (ii) an Insured age 65 or above (based on age last birthday) will be equivalent to 100%,

of the total premiums paid (including initial single premium and any top-up in premiums) less any withdrawal or the Cash-in Value, whichever is higher, less any loan or debt.

- (b) Medical Conditions shall mean any of the following:
 - (i) Cancer
 - (ii) Heart and / or Heart Valve Conditions
 - (iii) Chronic Kidney Disease
 - (iv) Stroke and/or Transient Ischaemic Attacks
 - (v) Liver Cirrhosis and / or End Stage Liver Failure
 - (vi) Systemic Lupus Erythematosus
 - (vii) Terminal Illness
 - (viii) Severance or total loss of use of one or both limbs OR total loss of use of one or both eyes
 - (ix) Chronic Obstructive Lung Disease and/or End Stage Lung Disease
 - (x) Diabetes

1.4 Basic Benefit

- (a) **Basic Benefit** means a value calculated as follows:

- (i) for Insureds age below 65 (based on age last birthday*):
 - 1.05 x initial single premium, plus
 - 1.05 x total top-up premiums, less
 - 1.05 x total withdrawals
- (ii) for Insureds age 65 or above (based on age last birthday*):
 - 1.00 x initial single premium, plus
 - 1.00 x total top-up premiums, less
 - 1.00 x total withdrawals

The value of the Basic Benefit for death/Total and Permanent Disability is reflected under the Sum Assured in the Policy Schedule based on the age of the Insured on the Policy Entry Date.

* Age last birthday as at the date on which a written notice of death or Total and Permanent Disability, as the case may be, is received by us.

- (b) Any top-up in premiums on or after the date of death or diagnosis of any Total and Permanent Disability will not be included in the computation of the Basic Benefit and will not increase the amount of the Basic Benefit if a claim is made for the death or Total and Permanent Disability, as the case may be.

2. PREMIUM

2.1 Payment of Initial Single Premium

An initial single premium of such minimum amount as prescribed by us at the prevailing time must be paid and received by us not later than thirty (30) days from the Date of Issue of this Policy.

2.2 Top-up of Premium

- (a) While this Policy remains in force and subject to such conditions as we may impose, you may top-up your premiums with such minimum amount as prescribed by us at the prevailing time. The premium amount that is allocated into each Fund will also be subject to such minimum amount as prescribed by us at the prevailing time.
- (b) Any top-up of premiums will be used to purchase Units in your specified Fund(s) according to your specified allocations pursuant to Clause 3.2, unless you inform us otherwise in writing. But if, in addition to your specified Funds, you wish to purchase Units in new Fund(s), we may determine the amount of minimum allocation for each Fund.

2.3 Premium Allocation

The allocation rate for any premiums paid will be 100%, subject to our revision at any time and upon such conditions as we may impose.

3. INVESTMENT-LINKED FUND

3.1 Policy Account

All premiums received will be credited to and all withdrawals will be debited from your account under this Policy ("**Policy Account**"), and the balance of the monies in the Policy Account will be invested, subject to Clause 3.2, by purchasing the Units in the Funds at the prevailing Offer Price of the Units.

3.2 Investment-Linked Funds

- (a) You shall choose and specify in writing to us to invest in any of the investment-linked funds offered under this Policy ("**Funds**"), subject to terms and conditions as determined by us from time to time.
- (b) Once the Funds and allocations are specified, unless you inform us otherwise in writing, you are deemed to have unconditionally and irrevocably authorised us to invest your premiums paid in the specified Funds according to your specified allocations provided that the premium amount that is allocated into each Fund will be subject to such minimum amount as prescribed by us at the prevailing time.
- (c) The Funds will be divided into units ("**Units**") representing equal shares in the assets of the respective Funds. We shall credit all receipts and income and debit all withdrawals relating to this Policy to the Policy Account.

3.3 Pricing Basis

- (a) The bid price of each Unit ("**Bid Price**") shall be calculated on a daily basis or at such other intervals determined by us based on forward pricing. The Bid Price of each Unit shall be calculated by dividing the total value of the Fund(s), as determined by us, by the total amount of Units in the respective Fund(s).
- (b) In determining the value of the Fund(s), the investments and other assets of the Fund(s) shall be valued in accordance with the Insurance Regulations prevailing at that time. Due allowance shall be made for the expenses charged to the Fund(s), specified under Clause 6, and for any liability of the Fund(s) such as capital gains tax, capital levy or any other taxes.

Offer Price means the price at which the Policyholder purchases the Units of the Fund.

- (c) The buying and selling prices of the Units can be found on NTUC Income's website and major newspapers in Singapore. The dealing days to which such prices apply can be found on NTUC Income's website.

3.4 Reinvestment of Distributions

- (a) Distributions may be declared and paid from certain Fund(s) according to such terms and conditions as determined by us from time to time. The distributions are paid from such Fund(s) if they are specified by you pursuant to Clause 3.2, and not under this Policy.
- (b) You will be entitled to the distributions only if this Policy is in force and the Units of such Fund(s) have been allocated to and are held in your Policy Account on the declaration date as specified in sub-clause (c) below. The amount of distributions will be based on the number of Units of such Fund(s) which are held in your Policy Account on the declaration date as specified in sub-clause (c) below.
- (c) The specific dates relating to the announcement, declaration and payout of the distributions are set out in the Semi annual Fund Report or Annual Fund Report (or their equivalent) ("**Fund Report**") found on NTUC Income's website.
- (d) The default option for any distributions is to reinvest them in the respective Fund(s) from which such distributions are paid unless specified otherwise by you in writing at least 30 days before the declaration date as set out in the Fund Report but any amount of distributions below S\$50 (such amount is subject to change) will be reinvested and encashment is not allowed.
- (e) Any distributions from Fund(s) which Units are purchased using CPFIS or SRS monies will be reinvested and will not be paid into the Policyholder's CPFIS Account or SRS Account.
- (f) In the event of reinvestment, the Units will be purchased based on the Bid Price (unless specified otherwise by us) on the payout date as set out in the Fund Report.
- (g) Distributions (including the amount and frequency of distributions) are given as determined by us and we do not guarantee that any distribution will be made. If any distribution is made, it should not be construed, interpreted nor deemed to be a forecast, indication or projection of the future performance (including the amount and frequency of distribution) of the Fund(s).

3.5 Dealing Deadlines

- (a) All transactions submitted and premiums received by us by 3pm Singapore time, subject to revision at any time ("**Cut Off Time**") each day, will be executed based on the prices of the Units valued for that day. For transactions submitted on a non- working day (i.e. Saturday, Sunday or public holiday), the execution will be based on the prices valued for the following working day.
- (b) If premiums are received after the Cut-Off Time, the transaction will be effected and based on the prices valued on the following working day.

3.6 Fund Switching

- (a) Subject to sub-clause (c) below and any conditions which we may impose, you may change your investment in any or all of your existing Fund(s) to any other investment-linked Fund(s) offered under this Policy provided that you give us prior written notice of your intention, together with specified allocations, on the fund switch.
- (b) The fund switch will be done on a bid-to-bid basis, and transacted based on the dealing deadlines as specified in Clause 3.5.
- (c) We reserve the right to at any time to terminate or suspend this fund switch option, or reject any fund switches if the fund switch amount falls below the prevailing minimum amount as prescribed by us.
- (d) There is no fee imposed for the fund switch, but we reserve the right to charge the fee at any time.

4. SURRENDERS AND WITHDRAWALS

4.1 Full Surrender

At any time while this Policy is in force and subject to such conditions as we may determine, this Policy may be fully surrendered, and we will pay the Cash-in Value less any debt or loan.

4.2 Partial Withdrawals

- (a) At any time while this Policy is in force, subject to such conditions as we may determine, this Policy may be partially surrendered provided that after withdrawal, the remaining Cash-in Value must not be less than such minimum amount (at Policy level and Fund level) as prescribed by us at the prevailing time.
- (b) The partial surrender shall have the effect of reducing the number of Units credited to your Policy Account and the amount of the Cash-in Value and the Basic Benefit will be reduced according to a formula as determined by us.

5. POLICY FEE AND CHARGE FOR INSURANCE COVERAGE

5.1 Policy Fee

While this Policy remains in force and where the Net Premium under this Policy is less than S\$25,000 on each and every anniversary date of the Policy Entry Date, you must pay an annual policy fee of S\$50 or any other amount as we may determine for each and every policy year. This annual policy fee will be automatically deducted by cancelling the number of Units at Bid Price representing the amount of the annual policy fee.

We reserve the right to change the amount or the manner of payment of the policy fee by giving you sufficient prior notice.

5.2 Charge for Insurance Coverage

There is no charge imposed for insurance coverage under this Policy, but we reserve the right to charge at any time by giving you sufficient prior notice.

6. EXPENSES CHARGED TO THE FUND(S)

The following expenses will be charged to the Fund(s):

- (a) all direct expenses related to the purchase, sale and valuation of the investments of the Fund(s); and
- (b) an annual management fee as determined from time to time, which shall not exceed 2.0% of the balance of the Fund(s).

7. POLICY TERMINATION

- (a) This Policy is deemed to be cancelled from the inception if we do not receive the full amount of the initial single premium within 30 days from the Date of Issue of this Policy.
- (b) If your Policy Account falls to zero after deduction of any loan or debt, this Policy will be automatically terminated.

8. GENERAL PROVISIONS

8.1 Incontestability

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

8.2 Residence, Travel and Occupation

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

8.3 Suicide

If the Insured dies by his or her own hands whether sane or insane, within one year from the Date of Issue of this Policy, we will pay the Cash-in Value.

8.4 Admission of Age

If the date of birth was incorrectly stated in the proposal form, then the amount of the Benefits payable under this Policy shall be adjusted based on the correct date of birth.

8.5 Loans

- (a) Loan on the security of this Policy may be granted as determined by us and subject to such terms and conditions determined by us from time to time. All such loans and interest thereon will be a first charge on this Policy and will be deducted from any amount payable under this Policy. If at any time the amount of such loans and interests, together with any debts, exceed the value of the Units standing to the credit 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 one month's notice about such change.

8.6 Assignment

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.

8.7 Arbitration

Any dispute arising out of or in connection with this Policy, including any question regarding its existence, validity or termination, 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 8.7.

8.8 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.

9. PREMIUM THROUGH CPFIS OR SRS

If this Policy is subject to the provisions of the Central Provident Fund Investment Scheme (CPFIS), or Supplementary Retirement Scheme (SRS) regulations, the following clauses shall apply:

- (a) no loan or assignment is allowed;

- (b) this Policy may be cancelled by written request to us within 14 days from receipt of the Policy Document. The Free Look Provision refund will be paid into the Policyholder's CPFIS Account or SRS Account whichever is applicable.
- (c) if this Policy is partially or totally surrendered then the Cash-In Value payable will be paid into the Policyholder's CPFIS Account or SRS Account.
- (d) in the event of Total and Permanent Disability, we will pay the amount of the Benefit payable to the Policyholder's CPFIS Account or SRS Account.
- (e) upon the death of the Insured during the term of this Policy, we will pay the amount of the Benefit payable for death to the nominee(s) under this Policy, less any applicable tax payable on the proceeds where the Insured was a Singapore Permanent Resident or a foreigner.
- (f) in the event that the premium is not received from the Central Provident Fund or Supplementary Retirement Scheme Operator within 30 days from the date of issue of this Policy, we reserve the right to cancel this Policy.

10. SPECIAL CIRCUMSTANCES

- (a) If we deem it necessary to realise the investments of any or all of the Funds in order to meet payments in respect of surrenders and if it is in the best interest of policyholders for us to delay making payments, we shall be entitled to calculate the Bid Price of the Units to be surrendered on a date not later than thirty days from receipt of a written notice requesting surrender. In such event, we will make payment only on the day following such date.
- (b) If at any time during the term of this Policy as a result of any law, legislation or otherwise it becomes impossible or impractical for us to carry out any of the above procedures, then we shall have the right to adjust the basis of calculating the Units, which in our opinion satisfies the principles governing these provisions.
- (c) If we deem it necessary as being in the best interest of the policyholders to change any of the terms in this Policy we shall be entitled to do so by notifying you.
- (d) We reserve the right to create new funds, or close (by expiry or otherwise) or merge any of the Funds if we deem it necessary as being in the best interest of policyholders, by giving you sufficient prior notice.
- (e) Upon closure (by expiry or otherwise) of any Fund(s), unless you inform us otherwise in writing, we will reinvest the Cash-in Value in any of our Fund(s) with investment objectives similar to the Fund(s) which have been closed.
- (f) We reserve the right to suspend dealings/valuation at any time during the term of this Policy as a result of any law, legislation or otherwise, or when circumstances exist as a result of which in the opinion of the fund manager it is not reasonably practical for the dealings/valuation to be carried out.
- (g) The management of the Funds, the selection of respective investments of the Funds and fund managers will be determined by us. We reserve the right to change and determine the investment objectives, focus and approach and fund managers of any Funds.

11. DEFINITIONS

“We, us, our or NTUC Income” means NTUC Income Insurance Co-operative Limited.

“Cash-in Value” means the value of the Units in your Policy Account calculated at the Bid Price prevailing at the date on which a written notice of death or Total and Permanent Disability or surrender (partial or full), as the case may be, is received by us, and payment of the Cash-in Value of the Units may be deferred to the valuation date immediately following the date of receipt of such notice.

“Net Premium” means the balance of the total initial single premium and any top-up premium paid for this Policy after deducting any withdrawal under this Policy.

“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.