

## **FREQUENTLY ASKED QUESTIONS**

### **Multi-Asset Premium Fund**

#### **Q1. What is investment objective of Multi-Asset Premium Fund?**

A1. To provide regular income and long-term capital appreciation by investing in various asset classes.

#### **Q2. What is the investment strategy?**

A2. The underlying fund may invest in global markets through collective investment schemes, other investment funds, exchange traded funds (ETFs), real estate investment trusts (REITs), listed and unlisted securities (including but not limited to equities, fixed income/debt securities and securitized/asset-backed instruments), alternatives (including but not limited to listed and over-the-counter financial derivative instruments (OTC FDIs)), money market instruments, cash deposits and other permissible investments deemed appropriate. The underlying fund may opportunistically allocate into private equities, commodities and other alternative investments for additional diversification.

The underlying fund may invest 30% or more of its net asset value (NAV) into any of an umbrella of Fullerton Lux Sub-Funds, the Fullerton SGD Cash Fund, or in any other collective investment schemes as notified by the Managers from time to time.

The underlying fund may use financial derivative instruments (FDIs) for hedging, efficient portfolio management, optimising returns and lux fund or a combination of all three objectives.

#### **Q3. Who is the manager of the sub-fund?**

A3. The sub-fund is managed by NTUC Income Insurance Co-operative Limited. It invests 100% of its assets in Fullerton Premium Fund which is managed by Fullerton Fund Management Company Ltd.

#### **Q4. Who should be considering this sub-fund for investment?**

A4. The sub-fund is only suitable for investors who:

- seek long-term capital appreciation;
- also seek regular income;

- are comfortable with the greater volatility and risks of a fund which is exposed to fixed income or debt securities denominated in US Dollar and Asian currencies (which may include non-investment grade securities) and to Asian equities primarily via collective investment schemes and other investment funds (including ETFs), and to REITs, private equities, commodities and other alternative investments; and
- appreciate that the sub-fund is not a capital guaranteed fund, i.e. the amount of capital invested or return received is not guaranteed.

**Q5. How can I invest in Multi-Asset Premium Fund?**

A5. You can invest in this sub-fund via any of the following ways:

- i. Purchase a new GrowthLink, VivaLink or VivoLink;
- ii. Topping up into an existing GrowthLink, VivaLink or VivoLink; or
- iii. Switching funds within an existing GrowthLink, VivaLink or VivoLink.

More information on GrowthLink, VivaLink and VivoLink can be found on GrowthLink's, VivaLink's and VivoLink's product page on our website.

**Q6. What is the Annual Management Fee?**

A6. The annual management fee is currently set at 1.30% per annum of sub-fund balance, which includes management fee charged by the investment manager of the Fullerton Premium Fund. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% per annum globally of the sub-fund balance at any point of time.

**Q7. What is the frequency of distribution?**

A7. We intend to make monthly distribution and will distribute all payouts received from the underlying fund within 45 days from the declaration date. The distribution is not guaranteed. The sub-fund intends to provide a monthly distribution with effect from 30 May 2018.

**Q8. When is the declaration date for monthly distribution?**

A8. The declaration date is set on the 2nd last business day of every month. If these dates fall on a weekend/public holiday, the last business day before these dates will be taken as the declaration date. The declaration date is subject to review and the Manager has the sole discretion to determine the rate and frequency of the distribution.

**Q9. What happens to the unit price after distribution?**

A9. The unit price of the sub-fund will be reduced accordingly after the distribution. The number of units available will remain the same, unless the distribution is reinvested into this sub-fund.

**Q10. What options are available for distribution?**

A10. The default option for distribution is to reinvest them at bid price into Multi-Asset Premium Fund.

If policyholder wishes to encash the distribution, he will need to either indicate his choice in the application form or notify us in writing at least 30 days before the Declaration Date. A cheque would be sent to policyholder within 45 days from the Declaration Date.

However, any distribution below S\$50 has to be reinvested and encashment is not allowed. Also, any distribution from funds purchased using SRS monies, if applicable, will also be reinvested.

The unit prices for reinvestment will be determined on Payout date, which would be within 45 days from the Declaration Date.

Some Investment-linked Plan (ILP) do not allow encashment of distributions. Please refer to the respective ILP product summaries for more details.

**Q11. Will the distribution affect the insurance coverage provided by the ILP?**

A11. No, the insurance coverage is not affected by the distribution.

**Q12. Will reinvestment of the distribution increase the insurance coverage provided by the ILP?**

A12. No, the reinvestment of distribution from the sub-fund does not increase the insurance coverage.

**Q13. Will withdrawal of funds after they have been reinvested, reduce the insurance coverage?**

A13. Yes, withdrawal funds after they have been reinvested will reduce the insurance coverage.

**Q14. What is the cut-off time used to determine pricing of the units?**

A14. All ILP funds are valued daily on an offer/bid basis. All transactions for ILP are based on forward pricing. The prices are updated on the website of NTUC Income on each business day. The transactions submitted must come with complete instructions.

For cash policy, all transactions submitted and premiums received by us by 3 pm (Singapore time) each day will be executed based on the unit prices of the same business day. For transactions submitted and received by us after 3 pm (Singapore time) each day or transactions submitted on a non-business day (i.e. Saturday, Sunday or public holiday), the execution will be based on the prices valued for the following business day.

For SRS policy, all transactions received by us by 3 pm (Singapore time) each day will be executed based on the unit prices of the same business day. For transactions submitted and received by us after 3 pm (Singapore time) each day or transactions submitted on a non-business day (i.e. Saturday, Sunday or public holiday), the execution will be based on the prices valued for the following business day.

We reserve the right to revise the cut-off time.

Life & Health Operations

**IMPORTANT NOTES**

This information is not to be construed as an offer or solicitation for the subscription, purchase or sale of any investment-linked plan (ILP) fund. The information and descriptions contained in this material are provided solely for general informational purposes and do not constitute any financial advice. It does not have regard to the specific investment objectives, financial situation and particular needs of any persons.

Investments are subject to investment risks including the possible loss of the principal amount invested. Past performance, as well as the prediction, projection or forecast on the economy, securities markets or the economic trends of the markets are not necessarily indicative of the future or likely performance of the ILP fund. The performance of the ILP fund is not guaranteed and the value of the units in the ILP fund and the income accruing to the units, if any, may fall or rise. A product summary and product highlights sheet(s) relating to the ILP fund are available and can be obtained from your insurance adviser. A potential investor should read the product summary and product highlights sheet(s) before deciding whether to subscribe for units in the ILP fund.

Information is correct as of 27 April 2018.