

FREQUENTLY ASKED QUESTIONS

Global Income Fund

Q1. What is investment objective of Global Income Fund?

- A1. To provide income and capital growth over the medium- to longer-term by investing primarily in global equities and global fixed income securities directly or indirectly through the use of Investment Funds or financial derivative instruments (including, but not limited to, futures, options and credit default swaps).

Q2. What is the investment strategy?

- A2. The sub-fund invest 100% in Schroder International Selection Fund Global Multi-Asset Income which is managed by Schroder Investment Management Limited.

At least two-thirds of the underlying fund (excluding cash) will be invested directly in shares and bonds of companies worldwide, bonds and currencies of governments and government agencies worldwide or indirectly through funds and derivatives. The underlying fund will not invest more than 10% into funds. The underlying fund aims to provide a sustainable level of income. It invests in a broad range of assets from around the world, and seeks to identify attractive sources of income whilst diversifying risk. The regional allocation and allocation of asset classes may vary over time. The underlying fund may also hold cash on deposit. Financial derivative instruments and cash may be used to achieve the investment objective, to reduce risk or manage the underlying fund more efficiently.

A3. Who is the manager of the sub-fund?

- A3. The sub-fund is managed by NTUC Income Insurance Co-operative Limited. It invests all or substantially all of its assets in Schroder International Selection Fund Global Multi-Asset Income which is managed by Schroder Investment Management Limited.

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

- A4. The sub-fund is suitable for investors who:
- seek capital growth and income;
 - understand the risks associated with investing in shares and bonds of companies worldwide, bonds and currencies of governments and government agencies worldwide or indirectly through funds and derivatives; 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 Global Income Fund?

- A6. You can invest in this sub-fund via any of the following ways:
- i. Purchase a new GrowthLink;
 - ii. Topping up into an existing GrowthLink; or
 - iii. Switching funds within an existing GrowthLink.

More information on GrowthLink can be found on GrowthLink's product page on our website.

Q6. What is the Annual Management Fee?

- A6. The annual management fee is currently set at 1.25% per annum. This is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the 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.

A8. When is the Declaration Date for monthly distribution?

- A8. The Declaration Date is usually set on the 4th Tuesday of the 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 Global Income 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.

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

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

Q12. What happens to the unit price of the sub-fund after distribution?

A12. 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 the sub-fund.

Q13. Will reinvestment of the distribution increase the insurance coverage provided by the ILP?

A13. No, the reinvestment of distribution from the sub-fund does not increase the insurance coverage.

Q14. Will withdrawal of funds after they have been reinvested, reduce the insurance coverage?

A14. Yes, withdrawal funds after they have been reinvested will reduce the insurance coverage.

Q15. What is the cut-off time used to determine pricing of the units?

A15. 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 working day.

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 working 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.

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 working 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.

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 03 April 2017.