

The Product Highlights Sheet is an important document.

Prepared on: 26 November 2019

- It highlights the key terms and risks of the ILP sub-fund and complements the Product Summary.
- It is important to read the Product Summary before deciding whether to purchase the ILP sub-fund. If you do not have a copy, please contact us to ask for one.
- You should not invest in the ILP sub-fund if you do not understand it or are not comfortable with the accompanying risks.

## AIM 2035 FUND

<b>Product Type</b>	<i>ILP Sub-Fund</i>	<b>Launch Date</b>	<i>25 September 2009</i>
<b>Manager</b>	<i>NTUC Income Insurance Co-operative Limited (Income)</i>	<b>Custodian</b>	<i>The Bank of New York Mellon</i>
<b>Capital Guaranteed</b>	<i>No</i>	<b>Dealing Frequency</b>	<i>Every business day</i>
<b>Name of Guarantor</b>	<i>Not applicable</i>	<b>Expense Ratio as of 31 December 2018</b>	<i>1.24%</i>

### SUB-FUND SUITABILITY

<b>WHO IS THE PRODUCT SUITABLE FOR?</b> <p>The sub-fund is <u>only</u> suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth with the intention to accumulate assets until the year 2035;</li> <li>• seek to gain exposure to a diversified portfolio of ILP funds across asset classes such as fixed income securities, equities and alternatives;</li> <li>• understand the risks associated with investing in fixed income securities and equities; and</li> <li>• appreciate that the sub-fund is not a capital guaranteed fund i.e. the amount of capital invested or return received is not guaranteed.</li> </ul> <p>The sub-fund has a maturity date in year 2035. It is not suited for any short-term speculation. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in the sub-fund.</p>	<p>For further information, please refer to “Investment Objective, Investment Scope and Fund Details” of the Fund Summary for ILP.</p>
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### KEY FEATURES OF THE SUB-FUND

<b>WHAT ARE YOU INVESTING IN?</b> <p>The sub-fund aims to generate capital growth at a sensible risk level for investors who intend to accumulate assets for retirement or other purposes until the year 2035.</p> <p>The sub-fund is denominated in Singapore Dollars.</p> <p>The sub-fund is an accumulating fund – the Investment Manager does not intend to make any distribution pay-outs.</p>	<p>For further information, please refer to “Investment Objective, Investment Scope and Fund Details” of the Fund Summary for ILP.</p>
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### Investment Strategy

<p>The sub-fund intends to achieve its objective by investing directly in a diversified portfolio of asset classes including fixed income, equities and alternatives. The allocation between the asset classes will become more conservative as the portfolio approaches its maturity date, reflecting the need for reduced investment risks and volatility as retirement approaches. It is intended for the assets to be switched into the AIM Now Fund once the portfolio reaches its maturity date for investors to enjoy a steady income and stable capital value after retirement.</p>	<p>For further information, please refer to “Investment Scope and Investment Approach” of the Fund Summary for ILP.</p>
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Parties Involved	
<b>WHO ARE YOU INVESTING WITH?</b> <p>The sub-fund is managed by NTUC Income Insurance Co-operative Limited and sub-managed by Schroder Investment Management (Singapore) Ltd.</p> <p>The custodian of the sub-fund is The Bank of New York Mellon.</p>	<p>For further information, please refer to “Fund Manager” of the Fund Summary for ILP.</p>
KEY RISKS	
<b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b> <p>You should consider and satisfy yourself as to the risks of investing in the sub-fund.</p> <p>An investment in the sub-fund is meant to produce returns over the long term. You should not expect to obtain short-term gains from such investments.</p> <p>The securities and instruments in which the sub-fund may invest are subject to market fluctuations and other risks inherent in such investments and there can be no assurance that any appreciation in value will occur.</p> <p>The risk factors may cause you to lose some or all of your investments. A description of the major risks is provided below.</p>	<p>For further information, please refer to “Risks” of the Fund Summary for ILP.</p>
Market and Credit Risks	
<p><b>You are exposed to the following risks:</b></p> <p><b>Market Risks</b>  The value of investments by the sub-fund may go up and down due to changing economic, political or market conditions, or due to an issuer’s individual situation.</p> <p><b>Interest Rate Risks</b>  The sub-fund’s investment in debt securities may be subject to the risk of interest rate fluctuations which may cause the price of debt securities to go up or down. In general, as nominal interest rates rise, the value of fixed income securities is likely to fall.</p> <p><b>Currency Risks</b>  Changes in exchange rates between currencies or the conversion from one currency to another may cause the value of a sub-fund’s investments to diminish or increase. Currency exchange rates may fluctuate significantly over short periods of time.</p> <p><b>Credit Risks</b>  Changes in the financial condition or credit standing of an issuer may negatively affect the underlying fund. An issuer of fixed income securities may suffer adverse changes in its financial condition and unable to pay the principal and/or interest on the instrument.</p>	
Liquidity Risks	
<p><b>You are exposed to liquidity risks.</b>  There is no secondary market for the sub-fund. All redemption requests should be made to the Manager.</p>	
Product-Specific Risks	
<p><b>You are exposed to derivatives risks.</b>  Derivative instruments, including futures, options, warrants, forwards, swaps or swap options, may be used from time to time in managing the investments of the sub-fund. The use of derivatives may expose the sub-fund to a higher degree of risk. Derivative contracts can be highly volatile and a relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative position can hence increase the sub-fund’s volatility. The sub-fund may sustain loss as a result of the failure of a derivatives counterparty to comply with the term of the derivative contract. The sub-fund may also use derivatives to facilitate more complex efficient portfolio management techniques.</p>	

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Sales Charge/Effective Bid-Offer Spread	Up to 3.5% for Cash and SRS Investments. Up to 1.5% for CPF Investments (from 1 October 2018)  Please refer to the fees and charges in the Product Summary of the applicable ILP for details.
Policy Fee	Policy fee may apply. Please refer to the fees and charges in the Product Summary of the applicable ILP for details.
Switching Fee	There is no charge for sub-fund switching for all ILPs, other than FlexiLink. This single premium ILP is entitled to 2 free switches for each calendar year. A fee of either 1% of the transaction value or \$30, whichever is higher, is chargeable for all subsequent switches within the same calendar year. The fund switching fee is payable by cash only. Please refer to the Product Summary for details.
Surrender Charge	There is no surrender charge for all ILPs, other than VivoLink. This regular premium ILP has a surrender charge of up to 25% of the Annualised Premiums of a Premium Stream. Please refer to the Product Summary for details.

#### Payable by the ILP sub-fund from invested proceeds

The sub-fund will pay the following fees and charges to the Manager and other parties:

Annual Management Fee	1.0% per annum. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
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For further information, please refer to “Fees and Charges” in section 4 of the Product Summary for ILP.

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The sub-fund is valued daily on an offer/bid basis. All transactions for ILP are based on forward pricing. The prices are updated on the website of Income on each business day.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You can exit the sub-fund at any time by informing the insurer, either directly or through the financial adviser from whom you purchased the sub-fund.

If you do so within the cancellation period of 14 days from time of purchase, you may do so without incurring the sales charge and fees stated above. However, you will have to take the risk for any price changes in the NAV of the sub-fund since you purchased it.

You will receive the sale proceeds within 7 business days from the time the insurer receives your request to exit from the sub-fund.

Your exit price is determined as follows:

1. If you submit the redemption order before 3 pm on a business day, you will be paid a bid price based on the net asset value of the sub-fund at the close of that business day.
2. If you submit the redemption order after 3 pm, you will be paid a price bid based on the net asset value at the close of the next business day.

The sale proceeds that you will receive will be the exit price multiplied by the number of units sold, less any charges as stated in the terms of the ILP, if applicable.

An example, assuming that redemption charge is not applicable, is as follows:

Exit price	X	Number of units sold	=	Gross Sale Proceeds
S\$1.250	X	1,000	=	S\$1,250
Gross Sale Proceeds	-	Redemption Charge	=	Net Sale Proceeds
S\$1,250	-	S\$0.00	=	S\$1,250

Depending on the ILP that you are investing in, a redemption charge may be applicable. Please refer to the Product Summary of the ILP for more details.

For further information, please refer to "Subscription of Units" and "Redemption of Units" in section 5 and 6 of the Product Summary for ILP.

## CONTACT INFORMATION

### HOW DO YOU CONTACT US?

More information on the sub-fund could be obtained from the following website:

[www.income.com.sg/fund/coopprices.asp](http://www.income.com.sg/fund/coopprices.asp)

Alternatively, you may contact our Customer Service Officers at 6788 1122 / 6788 1777 or email us at [csquery@income.com.sg](mailto:csquery@income.com.sg) for more information.

**APPENDIX: GLOSSARY OF TERMS**

<b>ILP</b>	Investment-Linked Policy
<b>Efficient Portfolio Management</b>	An investment technique that seeks either to reduce the risk or cost or generate additional return consistent with risk profile of the sub-fund.
<b>NAV</b>	Net Asset Value
<b>Offer/Bid Basis</b>	The offer price is the price that is used to purchase units, the bid price is the price that is used when units are sold. The difference in the bid offer price is known as spread. The spread helps to cover distribution costs, marketing and other general administration expenses.
<b>Business Day</b>	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore.