



**Product Summary for AIA Elite Secure Income – 5 Pay  
Version 1.0**

**To help you understand Investment-linked policies better, please refer to ‘Your Guide To Investment-Linked Insurance Plans’ (YGILIP), which can be found at [www.aia.com.sg](http://www.aia.com.sg) or [www.lia.org.sg](http://www.lia.org.sg). YGILIP is also available from your AIA Financial Services Consultant or Insurance Representatives.**

**1. Provider of the Plan**

AIA Singapore Private Limited (Reg. No. 201106386R) ("we, our, us, AIA Singapore")  
1 Robinson Road  
AIA Tower  
Singapore 048542

**2. Nature & Objective of the Plan**

AIA Elite Secure Income is a limited premium investment-linked policy that is designed to help you to maximise your wealth creation needs towards retirement. It provides Secure Monthly Income up to at least 100% of total premiums paid (excluding top-up premium) invested.

You can choose your Monthly Income that you wish to receive from the Payout Age over the Payout Period.

Options available for your retirement planning:

Options	Options
Payout Age	60, 65, 75
Payout Period	10, 15 years

After policy is incepted, you may not at any time change the Payout Age, Monthly Income or Payout Period

This plan is available using cash in both S\$ and US\$ currency.

**3. Benefits Under the Plan**

You will be entitled to the following benefits under the policy:

**(A) Monthly Income:**

The Monthly Income will be payable starting from the policy anniversary occurring on or immediately following the Insured's Payout Age. The Monthly Income consists of Secure Monthly Income and/or Target Monthly Income, payable as follows:

(i) Secure Monthly Income

- We will pay the Secure Monthly Income during the Secure Payout Period, via the redemption of regular premium units and bonus units from the fund.
- The Secure Payout Period is the first X months of the Payout Period, as illustrated in the policy illustration. This will be superseded when, immediately prior to the Payout Period, X is determined as follows:

$$X = \frac{100\% \text{ of Total Premiums Paid (excluding Top-Up Premiums)}}{\text{Monthly Income}}$$

X is rounded up to the nearest integer.

- Before the expiry of the Secure Payout Period, and notwithstanding paragraph (c) or (d) of the Termination Section, the policy will not be terminated solely because the policy value of your policy fall to zero – you will continue to receive the Secure Monthly Income during the Secure Payout Period.



The conditions to be satisfied before Secure Monthly Income is payable are:

- (a) the policy is in force and Premium Holiday has never been activated;
- (b) no partial withdrawal has been made from regular premium units and bonus units; and
- (c) the policy has not been previously reinstated.

(ii) Target Monthly Income

- If there is no Secure Payout Period or if it has ended, we will pay the Target Monthly Income during the remainder of the Payout Period, via the redemption of units from the fund. This continues until the policy value falls to zero, at which point the policy will be terminated. For the avoidance of doubt, our final payment may be for a sum that is less than the Target Monthly Income.

After your policy has been in force for at least one year, either before or during the Payout Period, you may choose not to receive subsequent payments of Monthly Income. If we are informed in writing and if we agree, there will be no subsequent redemption of units during the Payout Period. Additionally, during the Secure Payout Period,

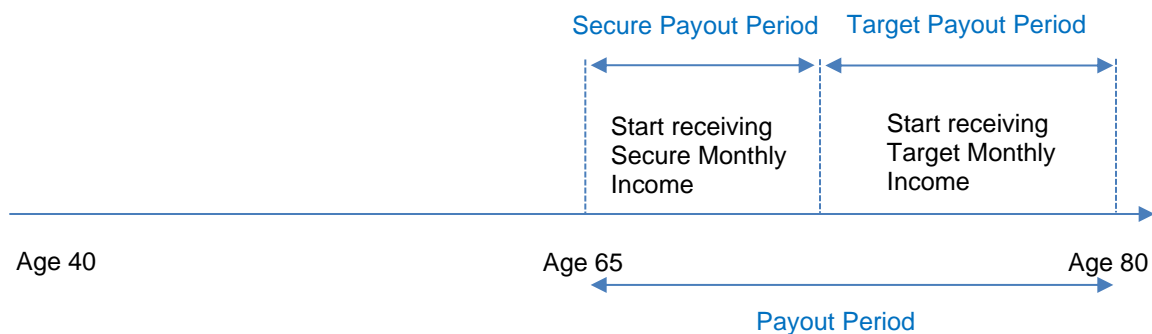
- (a) If the value of the remaining regular premium units and bonus units is greater than the value of the Secure Monthly Income for any month, the relevant regular premium units and bonus units will be converted into reinvested units;
- (b) If the value of the remaining regular premium units and bonus units is less than the value of the Secure Monthly Income for any month, we will convert the remaining regular premium units and bonus units into reinvested units, and add reinvested units;
- (c) The value of these reinvested units converted and/or added for each month shall be equal in value to the Secure Monthly Income, and the quantity converted and/or added shall be based on the relevant bid price prevailing as at the relevant valuation day immediately following the date of Secure Monthly Income payment; and
- (d) Each Secure Monthly Income payment not paid will nevertheless be deemed paid for the purposes of the Death Benefit.

You may subsequently resume receiving payments of Monthly Income any time after the Payout Age, if we are informed in writing and if we agree. You may also make withdrawals from reinvested units at any time, without affecting the Secure Payout Period.

Please note that your policy value is not guaranteed and subject to the performance of the ILP sub-funds.

The following example is for illustration only. Payout Age and Payout Period will vary according to your selection. Please refer to the policy illustration for details.

Example: Mr Lee who is 45 years old chose a Payout Age of 65 and Payout Period of 15 years.



**(B) Power-up Bonus:**

While the policy is in force and provided all the premiums are paid, we will pay a Power-up Bonus from the end of tenth policy year and at the end of every fifth policy year thereafter. The Power-up Bonus will be added to the policy in the form of additional units.



The Power-up Bonus is calculated as follows:

**Regular Premium for 5 years** : 12.5% of Annual Premium x Adjustment Factor

The Annual Premium is the aggregate of the monthly, quarterly or half-yearly premiums due over a policy year.

The Adjustment Factor is the product of all the withdrawal factors for each partial withdrawal after the fifth policy year, and this withdrawal factor is calculated as follows:

$$\text{Withdrawal Factor for Regular Premium} = 1 - \frac{\text{Withdrawn Regular Premium Policy Value at the relevant Valuation Day}}{\text{Regular Premium Policy Value prior to withdrawal at the relevant Valuation Day}}$$

The Regular Premium Policy Value prior to withdrawal will be based on the bid price prevailing as at the valuation day immediately following the date of our receipt or approval of your partial withdrawal.

**(C) Death Benefit:**

In the event of death of the Insured, we will pay the higher of

- (i) 105% of the policy value: or
- (ii) 100% total premiums paid after deducting any Secure Monthly Income paid (or deemed paid), less any applicable fees and charges.

**(D) Accidental Death Benefit:**

If the Insured dies due to an injury within 90 days from the date of the accident that occurs within 5 policy years from the issue date of your policy, in addition to the death benefit set out above, we will pay 50% of total regular premium paid.

**(E) Terminal Illness Benefit:**

In the event Insured is diagnosed with Terminal Illness, upon proof of Terminal Illness satisfactory to us, we will pay the death benefit.

“Terminal Illness” refers to the conclusive diagnosis of an illness that is expected to result in the death of the Insured within 12 months. This diagnosis must be supported by a specialist and confirmed by our appointed physician.

The Terminal Illness Benefit advances the payment of the death benefit under the basic policy.

## 4. Subscription of Units

### 4.1. Single Premiums

Not applicable

### 4.2. Regular Premiums

100% of Regular Premium less Premium Charge will be used to purchase regular premium units at bid price in the ILP sub-fund that you have chosen.



As an example, the number of units in an ILP sub-fund you will receive based on a **regular premium amount** of \$10,000 and at **notional bid price** of \$1.00:

	<b>Regular ( Premium Amount</b>	<b>- Premium Charge )</b>	<b>÷ Bid Price</b>	<b>=</b>	<b>Number of Units</b>
First policy year	(\$10,000	- 30% x \$10,000)	÷ \$1.00	=	7,000
Second policy year	(\$10,000	- 20% x \$10,000)	÷ \$1.00	=	8,000

If you did not pay regular premium on the premium due date or your policy had terminated and was subsequently reinstated, upon your resumption of premium payments, the applicable Premium Charge will continue from the rate that applies to the regular premium due immediately after the last regular premium paid to and accepted by us.

#### 4.3. Top-Up Premium

100% of Top-Up Premium less Premium Charge will be used to purchase top-up premium units at bid price in the ILP sub-fund that you have chosen.

## 5. Fees and Charges

### 5.1. Premium Charge

#### Regular Premium

<b>Number of Regular Premiums paid to and accepted by us</b>				<b>Premium Charge (% of Regular Premium)</b>
<b>Annual</b>	<b>Semi-annual</b>	<b>Quarterly</b>	<b>Monthly</b>	
1 <sup>st</sup>	1 <sup>st</sup> – 2 <sup>nd</sup>	1 <sup>st</sup> – 4 <sup>th</sup>	1 <sup>st</sup> – 12 <sup>th</sup>	30%
2 <sup>nd</sup>	3 <sup>rd</sup> – 4 <sup>th</sup>	5 <sup>th</sup> – 8 <sup>th</sup>	13 <sup>th</sup> – 24 <sup>th</sup>	20%
3 <sup>rd</sup>	5 <sup>th</sup> – 6 <sup>th</sup>	9 <sup>th</sup> – 12 <sup>th</sup>	25 <sup>th</sup> – 36 <sup>th</sup>	10%
4 <sup>th</sup> onwards	7 <sup>th</sup> onwards	13 <sup>th</sup> onwards	37 <sup>th</sup> onwards	0%

#### Top-Up Premium

Premium Charge = 3% of each Top-Up Premium

*The following fees and charges are deducted by cancelling units at bid price.*

### 5.2. Supplementary Charge

The supplementary charge will be deducted from your policy on a monthly basis for first 10 policy years, even during Premium Holiday.

*Supplementary Charge = Annual Supplementary Charge Rate/12 \* Annual Premium*

where Annual Premium is the aggregate of the monthly, quarterly or half-yearly premiums due over a policy year.

The applicable Annual Supplementary Charge rates are as set out in policy illustration.

### 5.3. Premium Holiday Charge

#### Regular Premium

If you missed paying premium when due, a Premium Holiday Charge will be charged on monthly basis. This charge will be stopped once you resume the premium payment by paying us full outstanding premiums.

Such charge will only cease to be applicable after 5 annual/ 10 semi-annual/ 20 quarterly/ 60 monthly regular premium has been paid.



$Premium\ Holiday\ Charge = Premium\ Holiday\ Charge\ Annual\ Rate / 12 \times Annualised\ Regular\ Premium$

Number of Regular Premiums paid to and accepted by us				Premium Holiday Charge Annual Rate
Annual	Semi-annual	Quarterly	Monthly	
1 – 4	1 – 9	1 – 19	1 – 59	35%
5 onwards	10 onwards	20 onwards	60 onwards	0%

Top-up Premium  
Not Applicable.

#### 5.4. Full Surrender Charge

If you request to surrender your policy, full surrender charge will be deducted from your policy value and any remaining policy value will then be paid out.

Regular Premium Units

$Full\ Surrender\ Charge = Full\ Surrender\ Charge\ Rate \times Regular\ Premium\ Policy\ Value$

Policy Year	Full Surrender Charge Rate
1	50%
2	45%
3	40%
4	35%
5	30%
6	25%
7	20%
8	15%
9	10%
10	5%
11 onwards	0%

Top-Up Premium Units  
Not Applicable.

#### 5.5. Partial Withdrawal Charge

If you requested for partial withdrawal, a partial withdrawal charge will be charged to your policy by the cancellation of units.

Regular Premium Units

$Partial\ Withdrawal\ Charge = Partial\ Withdrawal\ Charge\ Factor \times Regular\ Premium\ Policy\ Value\ Withdrawn$

Policy Year	Partial Withdrawal Charge Factor
1	1.000
2	0.818
3	0.667
4	0.538
5	0.429
6	0.333
7	0.250
8	0.176
9	0.111
10	0.053
11 onwards	0.000

Top-up Premium Units  
Not Applicable.



## 5.6. Fund Management Charge

The fees and charges payable through deduction from the net asset value of each ILP sub-fund are set out in the AIA Investment Fund Product Summary.

## 6. Policy Options and Flexibilities

### 6.1. Vary Regular Premium

Varying of regular premium is not allowed.

The minimum regular premiums amount is \$4,800 (Annual); \$2,496 (Semi-annual); \$1,250 (Quarterly); \$418 (Monthly). We reserve the right to revise the minimum premium amount any time at our discretion.

### 6.2. Top-Up

You may request to pay additional top-up premium on an ad-hoc basis, provided all regular premiums are paid when they fall due.

100% of top-up premium less premium charge will be used to purchase of units in ILP sub-fund that you have chosen at bid price. Premium charge is 3% of the top-up premium.

The following minimum premium amounts will apply.

Premium Type	Minimum Premium Amount
Top-Up Premiums	\$1,000

We reserve the right to revise the minimum top-up premium amount any time at our discretion. As an example, the number of units in an ILP sub-fund you will receive based on a **top-up premium amount** of \$1,000 and at a **notional bid price** of \$1.00:

( Top-up Premium Amount	- Top-up Premium Charge	)	÷ Bid Price	=	Number of Units
( \$1,000	- 3% x \$1,000 )		÷ \$1.00	=	970

Topping Up Premiums does not affect your Secure Monthly Income or Secure Payout Period.

### 6.3. Full Surrender

You may surrender your policy at any time by written notice to us, for its surrender value.

The surrender value of your policy is the policy value less full surrender charge as set out at Fees and Charges Section above.

The following example illustrates the amount of redemption proceeds that you will receive based on a redemption of 5,000 **regular premium units**, at a **notional bid price** of \$2.00 and a **full surrender charge** of 50% in the first policy year and 45% in the second policy year:

	Number of Units to be Redeemed	X Bid Price	= Gross Redemption Proceeds	- Surrender Charge	= Net Redemption Proceeds
First policy year	5,000	X \$2.00	= \$10,000	less \$5,000 (50%)	= \$5,000
Second policy year	5,000	X \$2.00	= \$10,000	less \$4,500 (45%)	= \$5,500



#### 6.4. Partial Withdrawal

You may request to make a partial withdrawal from your policy value at any time, subject to partial withdrawal charge as set out at Fees and Charges Section above.

The minimum withdrawal amount is \$1,000 and the policy value after withdrawal must be at least \$10,000. We reserve the right to revise the minimum withdrawal amount and minimum policy value any time at our discretion.

Request for a Partial Withdrawal will reduce the Power-up Bonus according to the Power-up Bonus Calculations. Any partial withdrawal from regular premium units and/or bonus units will affect the Secure Monthly Income payable.

#### 6.5. Fund Switching

Fund Switch is not allowed.

### 7. Other Material Information (Product)

#### 7.1. Non-Payment of Regular Premium

If the full amount of a regular premium is not paid by the premium due date,

- your policy will be deemed to have lapsed unless it has acquired a policy value that is sufficient to pay for all applicable fees and charges for your policy and premiums for the premium-paying supplementary agreements, in which case your policy shall be on Premium Holiday; and
- each Monthly Income that payable during Secure Payout Period will become not guaranteed

When your policy is on Premium Holiday, the premiums payable for any premium-paying supplementary agreements will be deducted by cancellation of units.

Your policy will remain on Premium Holiday until you resume payment of the full outstanding amount of regular premiums or until your policy lapses, whichever occurs first. As long as your policy is not lapsed, you may resume paying your regular premium, subject to you meeting our terms and conditions imposed. When you resume payment of regular premiums, the premiums for any premium-paying supplementary agreements will resume to be payable by cash premium.

#### 7.2. Free-look Period

After purchasing a life insurance policy, you have a 14 day free-look period starting from the day you receive your policy documents to review the documents carefully. During this time, if you choose to cancel your policy, the insurer will refund you the premiums you have paid without interest, in accordance with the insurer's prevailing premium refund formula and after making the necessary adjustments on the following:

- (i) any change in the market value of the underlying assets of the fund chosen by you as at the valuation day immediately following the date of our receipt of your request; and
  - (ii) less any medical fees and other expenses, such as payments for medical check-ups and medical reports incurred by the insurer,
- such refund being subject always to a maximum amount of the premiums that you have paid.

This free-look period also applies to all supplementary agreements (if any).

If you opted for an electronic copy of your policy, the 14-day free-look period will start when you receive our SMS or email notification, informing you that the policy contract documents are available for your viewing on our customer portal (My AIA SG or such other name as we may choose for our customer portal from time to time).

If we have posted your policy to you, the 14-day free-look period will start 7 days from the date of our posting of your policy to you.

If the policy was delivered to you by hand, the 14-day free-look period will start 7 days from the date on which the policy was given to the postal/courier company or your insurance representative.



For the avoidance of doubt, where a surrender request is made by you or received by us during the time indicated in the paragraphs above, such request will be processed under the free-look provision of your policy.

### 7.3. Reinstatement

Unless your policy has been terminated as described in paragraphs (i), (ii), (iii), or (v) of section 7.4, the policy may be reinstated within 5 years from the date that the policy is lapsed, subject to satisfaction of our terms and conditions.

For reinstatement, you are required to back-pay all outstanding premiums and all applicable fees and charges. After reinstatement, each Monthly Income payable after the reinstatement shall be paid as Target Monthly Income.

### 7.4. Termination

Your policy shall automatically terminate on the occurrence of the earliest of the following in accordance with the basic policy contract:

- (i) upon our receipt of notification of the death of the Insured; or
- (ii) upon full surrender of your policy; or
- (iii) when your policy value is insufficient to provide the payment of the Monthly Income in full at the relevant valuation day; or
- (iv) when for any reason whatsoever the policy value falls to zero or a negative value, whether during a Grace Period or otherwise, and regardless whether the regular premiums have been paid in full; or
- (v) payment of Terminal Illness Benefit that fully accelerates or advances the payment of the Death Benefit.

### 7.5. Limitation of Benefit

Our liability under the policy shall be limited to 100% of the policy value in case of the following:

- (i) if the Insured, whether sane or insane, commits suicide within one year from the issue date or reinstatement date of the policy, whichever is later; or
- (ii) any material misrepresentation or concealment during the 2-year period beginning from the issue date or reinstatement date of the policy, whichever is later; or
- (iii) fraud at any time.

Your basic policy shall not cover any Terminal Illness caused directly or indirectly, wholly or partially, by any of the following occurrences:

- (i) any Terminal Illness the symptoms of which first occurred prior to the issue date or reinstatement date of your policy, whichever is later, or for which the diagnosis of Terminal Illness was made within 30 days following the issue date or reinstatement date of your policy, whichever is later.
- (ii) where, in our opinion, the Terminal Illness was directly or indirectly due to Acquired Immunodeficiency Syndrome (AIDS) or infection by any Human Immunodeficiency Virus (HIV).

For the purpose of your policy:

- (a) the definition of AIDS shall be that used by the World Health Organisation in 1987, or any subsequent revision by the World Health Organisation of such definition; and
- (b) infection shall be deemed to have occurred where blood or other relevant tests indicate, in our opinion, either the presence of any HIV or antibodies to HIV.

There are certain conditions under which the Accidental Death Benefit will not be payable. The Accidental Death Benefit shall not cover any event or loss that is caused directly or indirectly, partly or wholly by any of the following occurrences:

- a) War-related events
  - (i) war (whether declared or, undeclared or otherwise), invasion, civil war, revolution or any warlike operations;
- b) Deliberate acts that endanger self
  - (i) violation or attempted violation of the law or resistance to arrest; or





- (ii) suicide or attempted suicide or intentional self-injury or from deliberate exposure to exceptional danger (except in an attempt to save human life), whether sane or insane;
- c) Health-related or Pre-existing Conditions
  - (i) childbirth, pregnancy or miscarriage or any complications concerning therewith notwithstanding that such event may have been accelerated or induced by Injury, and/or any treatment arising from any such event therefrom; or
  - (ii) treatment of alcoholism, drug abuse or any other complications arising there-from, or Accidents caused by or whilst under the influence of drugs or alcohol or drug overdose (whether intentional, accidental or otherwise);
- d) Adventurous or Competitive activities
  - (i) engaging in air travel (except as a fare-paying passenger in any properly licensed private and/or commercial aircraft, or as a crew member in a properly licensed commercial aircraft operated by a commercial passenger airline on a regular scheduled passenger trip over its established passenger route); or
  - (ii) engaging in a sport in a professional capacity or where the Insured would or could earn income or remuneration from engaging in such sport; or
  - (iii) engaging in racing of all kinds (other than on foot and swimming);
- e) Occupations related
  - (i) engaging or taking part in air, military, naval training, exercises, manoeuvres, warlike operations or handling of explosives and demolition materials or while under orders for restoration of public order, whether in time of peace, declared, undeclared war or otherwise, except where operationally ready national service duties are carried out in Singapore or overseas (if applicable) pursuant to the Enlistment Act (Cap.93)

You are advised to read the policy contract for the full list of exclusions.

## 8. Other Material Information (Funds)

### 8.1. Available ILP Sub-Funds

Please refer to AIA Investment Fund Product Summary for details on available ILP Sub-Funds. The risks specific to the ILP sub-funds are set out in the AIA Investment Fund Product Summary.

### 8.2. Pricing and Cut-off Times

Units are issued on a forward pricing and pricing is done on a bid-bid basis.

The cut-off time for submission of applications and receipt of premiums is 2.00 p.m. (Singapore time) on each valuation day. Applications submitted or premiums received after the cut-off time will be transacted based on the bid price prevailing as at the next valuation day.

We reserve the right to revise any cut-off time any time at our discretion.

### 8.3. Obtaining Prices of Units

You may obtain the indicative bid prices of the units of the ILP sub-funds, from our corporate website at [AIA.COM.SG](http://AIA.COM.SG).

Please note that all published and quoted prices do not represent the actual prices of the units of the ILP sub-funds issued or redeemed (as the case may be) on the day of publication or quotation since the units are usually priced on a forward-pricing basis. As the prices of the units are independently computed by an ILP sub-fund or its Manager, we do not take responsibility for their timeliness, accuracy or otherwise.



#### 8.4. Top-Up Application

We reserve the right to terminate or suspend the top-up premiums option at any time at our discretion. We shall not be responsible for any losses arising from or attributable to our decision to terminate or suspend the top-up premium option.

#### 8.5. Suspension of Dealings

We or the relevant Manager may at any time in relation to the relevant ILP sub-fund suspend the determination of the net asset value and the issue and redemption of the units during, and/or suspend payment in or out of such ILP sub-fund, extend the period for the payment of the redemption monies by the number of days comprised in, the whole or any part of a period:

- (i) during which any stock exchange, commodities exchange, futures exchange or over-the-counter market on which a significant part of the relevant ILP sub-fund's or underlying fund's investments is quoted, listed, traded or dealt in is closed (other than customary weekend and holiday closing) or trading on any such stock exchange or market is restricted or suspended; or
- (ii) when circumstances exist as a result of which in the opinion of the Manager it is not reasonably practicable for the relevant ILP sub-fund to dispose of investments or as a result of which any such disposal would be materially prejudicial to its policyholders; or
- (iii) when a breakdown occurs in any of the means normally employed in ascertaining the value of investments or the net asset value or the issue and redemption price per unit of the relevant ILP sub-fund or when for any other reason the value of the relevant ILP sub-fund's investments or other assets of that ILP sub-fund cannot be reasonably or fairly ascertained; or
- (iv) during which dealings in the units of an ILP sub-fund under the policy are suspended as provided for in the prospectus and constitutive documents of the ILP sub-fund or for any other reason, or during which the relevant ILP sub-fund is unable to repatriate funds for the purpose of making payments on the redemption of units or during which any transfer of funds involved in the redemption or acquisition of investments or payments due on redemption of units cannot in the opinion of the Managers be effected at normal rates of exchange; or
- (v) for any period pursuant to an order or direction from the Monetary Authority of Singapore or any other relevant authorities;
- (vi) during which the existence of any state of affairs is a result of act of God, changes in laws, regulations, government policies, taxation, currency or capital controls or political developments, restrictions in foreign investments imposed, breakdown in communication systems or by reason of any other act, matter or thing beyond our reasonable control which, in our opinion, may seriously prejudice the policy, require a suspension of dealings and/or valuation, or may substantially impair our conduct or ability to conduct our business activities.

You will be notified, as soon as reasonably practicable, of any such suspension, and the termination of such suspension, by means of a written notice. We may also defer the payment of benefits under the policy and postpone the transaction of any redemption request as provided for in the policy contract.

#### 8.6. Soft Dollar Commissions/ Arrangements

We and the relevant Manager do not retain, for our own account, cash or commission rebates arising out of transactions for the ILP sub-funds whether executed in or outside Singapore.

We, the relevant Manager and the fund managers of the underlying funds ("underlying fund manager") shall be entitled to receive soft-dollar commissions/arrangements in respect of the relevant ILP sub-fund or the respective underlying funds. Soft-dollar commissions/arrangements do not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

We, the relevant Manager and the underlying fund manager will comply with applicable regulatory and industry standards on soft-dollars.



The soft-dollar commissions which we, the relevant Manager and underlying fund manager may receive include specific advice as to the advisability of dealing in, or the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial service in relation to the investments managed for clients.

We, the relevant Manager and underlying fund manager will not accept or enter into soft-dollar commissions/arrangements unless soft-dollar commissions/arrangements would, in our opinion and the opinion of the relevant Manager and/or the underlying fund manager, reasonably assist us, the relevant Manager and/or the underlying fund manager in our management of the relevant ILP sub-fund and the respective underlying funds, provided that (a) we, the relevant Manager and the underlying fund manager shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and (b) no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

Please refer to the AIA Investment Fund Product Summary for details on soft-dollars commission currently received and/or soft-dollar arrangements entered into by the Managers in respect of the underlying funds.

### **8.7. Conflicts of Interest**

Where we issue other investment-linked policies and where the relevant Manager manages funds other than the ILP sub-funds under the policy, we and the Managers may from time to time have to deal with competing or conflicting interests between the policy and such other investment-linked policies issued by us or between the relevant ILP sub-fund and such other funds managed by the Manager (as the case may be). For example, we or the Manager may make a decision on behalf of an investment-linked policy or one fund (as the case may be) without making the same decision on behalf of any other investment-linked policies or funds, as a decision whether or not to make the same decision in respect of the investment-linked policies and funds depends on many other factors, for example the investment or sale for any fund depends on factors such as the cash availability and portfolio balance of such funds. However, we and the Managers will use our reasonable endeavours at all times to act fairly in respect of all investment-linked policies issued by us and all funds managed by the relevant Manager and to balance the interests of the policy and the relevant ILP sub-funds thereunder.

We are currently the issuer of other investment-linked policies and the Managers manage other funds in addition to the relevant ILP sub-funds.

We will conduct all transactions with or for the policy and the Managers will conduct all transactions with or for the relevant ILP sub-fund on an arm's length basis.

We, or our affiliates or the relevant Manager and its affiliates (together the "parties") are or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest with the policy and the other investment-linked policies issued by us and the management of the relevant ILP sub-fund and the other funds managed by us. Each of the parties will ensure that the performance of their respective duties will not be impaired by any such involvement. In the event a conflict of interest does arise, the parties will endeavour to ensure that it is resolved as quickly as possible and as far as possible, in your interest or as otherwise as equitably as possible.

We and the Managers may own, hold, dispose or otherwise deal with units in the relevant ILP sub-fund in its own capacity. In the event of any conflict of interest arising as a result of such dealing, we and the Manager (as the case may be) will resolve such conflict in a just and equitable manner as we deem fit.

We and the Managers shall conduct all transactions with or for the ILP sub-funds at arm's length.

### **8.8. Reports**

The financial year end is 31 December. We will send you statements within thirty (30) days after each policy anniversary. We will also send you semi-annual reports and annual audited reports of each of your ILP sub-funds within 2 months and 3 months respectively from the last date of the period to which the reports relate. The latest semi-annual reports and annual audited reports in relation to each ILP sub-fund may be obtained at AIA Tower, 1 Robinson Road Singapore 048542 or you may visit our website at [AIA.COM.SG](http://AIA.COM.SG)



The Auditor for the ILP sub-funds is PricewaterhouseCoopers of 7 Straits View, Marina One East Tower, Level 12, Singapore 018936.

### 8.9. Tax Considerations

You should consult your own professional advisers as to the implications of buying, holding or disposing of units and to the provisions of the laws of the jurisdiction in which you are subject to tax.

### 8.10. ILP Sub-Fund Valuation

You may contact us or your AIA Financial Services Consultant or Insurance Representative or refer to the policy contract for details on the valuation of each ILP sub-fund.

## 9. Risk

Investment in the policy is meant to produce returns over the long-term. You should not purchase this policy with the aim of achieving short-term gains. The performance of the ILP sub-fund(s) is not guaranteed and the value of the units in the ILP sub-fund(s) and the income accruing to the units, if any, may fall or rise. This will affect the Target Monthly Income and the Payout Period which are paid to you by redeeming units from your policy value which is not guaranteed as it is subject to the performance of the ILP sub fund. Past performance is not an indicator of future performance. You should realise that a possible loss of your premiums cannot be ruled out. Investment risks include foreign exchange risks and in addition, the Singapore dollar return for US\$ denominated policies (where applicable) will depend on prevailing exchange rate which may be highly volatile.

## 10. Important Notes:

- AIA Elite Secure Income is an investment-linked policy (ILP) offered by AIA Singapore, which invests in ILP sub-fund(s). Investments in this plan are subject to investment risks including the possible loss of the principal amount invested. The performance of the ILP sub-fund(s) is not guaranteed and the value of the units in the ILP sub-fund(s) and the income accruing to the units, if any, may fall or rise. The actual policy value will depend on the actual performance of the ILP sub-fund(s) as well as any premium holiday or partial withdrawals. There is a possibility that the policy value will fall to zero and in this case, policyholder can avoid the policy lapsing by topping up additional premium. Past performance are not necessarily indicative of the future performance of the ILP sub-fund(s). You should seek advice from an AIA Financial Services Consultant or Insurance Representative and read the product summary and product highlights sheet(s) before deciding whether the product is suitable for you.
- This insurance plan is underwritten by AIA Singapore. All insurance applications are subject to our underwriting and acceptance. Submission of an application and payment of premium does not constitute and should not be construed as acceptance by us. We reserve the right to withdraw the plan or reject applications at any time or for any reason without notice.
- This product summary does not form a part of any contract of insurance. It is intended only to be a simplified description of the product features applicable to this plan and is not exhaustive. The contents of this product summary may vary from the terms of cover eventually issued. Please refer to the actual policy contract for all terms and conditions, including exclusions whereby the benefits under your policy may not be paid out. You are advised to read the policy contract. For the avoidance of doubt, only the terms and conditions as set out in the policy contract will bind the parties.
- As buying a life insurance policy is a long-term commitment, an early termination of the policy usually involves high costs and the surrender value, if any, that is payable to you may be zero or less than the total premiums paid. You should consider carefully before terminating the policy or switching to a new one as there may be disadvantages in doing so. The new policy may cost more or have fewer benefits at the same cost.
- The fees and charges set out herein are not guaranteed. We reserve the right upon prior notification of not less than 1 month in writing to you, to vary the fees and charges set out in the policy, or to introduce new fees or charges and the manner in which such fees and charges may be imposed from time to time, up to, where applicable, the maximum limits stated.



- We reserve the right to terminate or suspend the partial withdrawal, automatic fund switch, and automatic fund rebalancing facilities at our discretion. We shall not be responsible for any losses whatsoever arising from or attributable to our decision to suspend or terminate these facilities.
- We will not be liable for any changes in the price of the units of the relevant ILP sub-funds from the time of receipt of your instructions to redeem or switch until the time of redemption or switch of the units, or for the failure or refusal of a ILP sub-fund or its manager to process the subscription and/or redemption of units (as the case may be).