

This Product Highlights Sheet is an important document.

- 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.

**FTIF – Franklin European Small-Mid Cap Growth Fund**  
 (invests in Franklin Templeton Investment Funds - Franklin European Small-Mid Cap Growth A Acc EUR)

<b>Product Type</b>	ILP Sub-Fund <sup>1</sup>	<b>Launch Date</b>	3 December 2001
<b>Units in the ILP Sub-Fund are Excluded Investment Products<sup>2</sup></b>	No	<b>Custodian</b>	Not Applicable
<b>Manager</b>	<b>Franklin Templeton International Services S.à r.l.</b>	<b>Dealing Frequency</b>	Every Dealing Day
<b>Capital Guaranteed</b>	No	<b>Expense Ratio for the financial year ended 30 June 2016</b>	1.83%
<b>Name of Guarantor</b>	N.A.		

**SUB-FUND SUITABILITY**

**WHO IS THE SUB-FUND SUITABLE FOR?**

- The ILP Sub-Fund is only suitable for investors who:
  - o seek capital appreciation;
  - o seek to invest in equity securities of small or mid-cap companies any European country; and
  - o plan to hold their investment for the medium to long term.
- The principal may be at risk.

The ILP Sub-Fund does not distribute income and where applicable will re-invest any income received from Franklin Templeton Investment Funds - Franklin European Small-Mid Cap Growth A Acc EUR (the “Underlying Fund”).

Further Information

Please refer to “Fund Information, Objectives and Investment Policies” of the Underlying Fund’s Luxembourg Prospectus for further information on suitability of the Sub-Fund.

**KEY FEATURES OF THE SUB-FUND**

**WHAT ARE YOU INVESTING IN?**

- You are investing in an ILP Sub-Fund that feeds 100% into the Underlying Fund, an open-ended collective investment scheme (referred to as an “undertaking for collective investment in transferable securities” or UCITS) constituted in Luxembourg that aims to provide you with capital appreciation by a growth investment concentrated in equity securities of small or mid-cap companies of any European country.  
 It is anticipated that under normal circumstances, you will receive, in the case of investments in distribution share classes, regular distributions out of income depending on

Refer to “Investment Objective, Focus and Approach of the Funds” section of the Underlying Fund’s Singapore Prospectus, and the “Dividend Policy” section of the

<sup>1</sup> For ILP sub-funds that feeds 100% into an underlying CIS fund, some of the information provided below could be similar to the underlying CIS fund.

<sup>2</sup> In order for units in the ILP sub-fund to be classified as Excluded Investment Products, the investment objectives and investment focus of the ILP sub-fund, and investment approach of the manager have to be stated in the product summary:

- (a) to invest only in deposits or other Excluded Investment Products; and
- (b) not to engage in securities lending or repurchase transactions for the ILP sub-fund.

The definition of “Excluded Investment Product” can be found in Annex 1 to the Notice on Recommendations on Investment Products [Notice No. FAA-N16] at <http://www.mas.gov.sg/Regulations-and-Financial-Stability/Regulations-Guidance-and-Licensing/Financial-Advisers/Notices.aspx>.

<p>the distribution share classes you are investing in. Subject to any legal or regulatory requirements, distributions may also be made out of the capital of the Underlying Fund. Where distributions are made out of capital, it will result in a reduction in the net asset value of the Underlying Fund.</p>	<p>Underlying Fund's Luxembourg Prospectus for further information on features of the Sub-Fund.</p>
<b>Investment Strategy</b>	
<ul style="list-style-type: none"> <li>The Underlying Fund will invest principally in equity and/or equity-related securities of small and mid-cap companies (above EUR 100 million to below EUR 8 billion or the equivalent in local currencies in market capitalisation at the time of purchase) registered under the laws of, or doing significant business in, European countries.</li> <li>It may also invest in other types of transferable securities.</li> <li>The Underlying Fund may invest in derivatives for the purposes of hedging and/or efficient portfolio management.</li> </ul>	<p>Refer to "Investment Objective, Focus and Approach of the Funds" section of the Underlying Fund's Singapore Prospectus for further information on the investment strategy of the Sub-Fund.</p>
<b>Parties Involved</b>	
<p><b>WHO ARE YOU INVESTING WITH?</b></p> <ul style="list-style-type: none"> <li>The Investment company of the Underlying Fund is Franklin Templeton Investment Funds.</li> <li>The Investment manager of the Underlying Fund is Franklin Templeton Institutional, LLC.</li> <li>The Management company is Franklin Templeton International Services S.à r.l.</li> <li>The Custodian of the Underlying Fund is J.P. Morgan Bank Luxembourg S.A.</li> <li>The Singapore representative of the Underlying Fund is Templeton Asset Management Ltd.</li> </ul>	<p>Refer to "Management and Administration" section of the Underlying Fund's Singapore Prospectus for further information on the role and responsibilities of these entities.</p>
<b>KEY RISKS</b>	
<p><b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b></p> <p><b>The value of the Underlying Fund and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment.</b></p>	<p>Refer to "Risk Factors" section of the Underlying Fund's Singapore Prospectus and "Risk Considerations" section of the Underlying Fund's Luxembourg Prospectus for further information on risks of the Sub-Fund.</p>
<b>Market and Credit Risks</b>	
<p><b>Your investments are subject to equity market risks in Europe.</b></p> <ul style="list-style-type: none"> <li>Your investments in equity and equity-related securities may be subject to significant price movements due to the impact of economic, political, market, and issuer-specific factors in Europe.</li> </ul> <p><b>Your investments are subject to currency movements risks.</b></p> <ul style="list-style-type: none"> <li>Since the securities held by the Underlying Fund may be denominated in currencies different from its base currency, your investments may be affected favourably or unfavourably by exchange control regulations or changes in exchange rates.</li> </ul> <p><b>You are subject to the risks of investing in warrants.</b></p> <ul style="list-style-type: none"> <li>Warrants entitle the holder to purchase a specific amount of securities at a set price for an extended period (typically a number of years, but some warrants have no final expiration). Warrants are more volatile than the securities to which the warrants are linked, exposing the Underlying Fund to greater risk.</li> </ul>	

**Liquidity Risks**

<p><b>The Underlying Fund’s liquidity may be affected during exceptional circumstances.</b></p> <ul style="list-style-type: none"> <li>o The Underlying Fund may not be able to easily sell securities during an economic event or due to deterioration in the creditworthiness of issuers in which it invests.</li> <li>o Shares of the Underlying Fund may be redeemed on any Dealing Day. However, during a period when trading on relevant exchanges or the over-the-counter market is substantially restricted or when market conditions make it impracticable to dispose of or value any of the Underlying Fund’s investments, redemption of the Shares may be suspended.</li> <li>o Redemptions of Shares may be deferred when more than 10% of the value of the Underlying Fund’s Shares are redeemed or exchanged on any one Dealing Day.</li> </ul> <p><b>The ILP Sub-Fund is not listed</b></p> <ul style="list-style-type: none"> <li>o The ILP Sub-Fund is not listed and you can redeem only on Business Days. There is no secondary market for the ILP Sub-Fund. All realisation requests should be submitted to Aviva Ltd.</li> </ul>	<p>Refer to the sections “Sale of Shares” and “Suspension of Valuation, Issue, Sale and Switching of Shares” of the Underlying Fund’s Singapore Prospectus for further information.</p>
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**Product-Specific Risks**

<p><b>You are exposed to risks associated with small and mid-sized companies.</b></p> <ul style="list-style-type: none"> <li>o The Underlying Fund may invest in small and mid-sized companies, which tend to have less liquidity and be more sensitive to changes in economic conditions and interest rates than larger, more recognized companies. As a result, the stock prices of small and mid-sized companies tend to fluctuate up and down more than those of larger companies.</li> </ul> <p><b>You are exposed to growth stocks risk.</b></p> <ul style="list-style-type: none"> <li>o Investments in growth stocks can be more volatile and may react differently to economic, political, market and issuer-specific developments than the overall market, especially over the short term. Such stocks may also be more expensive, relative to their earnings, than the market in general.</li> </ul> <p><b>You are exposed to regional market risk.</b></p> <ul style="list-style-type: none"> <li>o The Underlying Fund invests primarily in a single region, and as a result is subject to higher concentration risk and potentially greater volatility compared to funds following a more diversified policy.</li> </ul>	
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**FEES AND CHARGES**

<p><b>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</b></p> <p><b><u>Payable directly by you</u></b></p> <p>There is currently no Switching Fee for fund switching. Sales and/or Surrender Charges may be applicable as described in the relevant Product Summary. However, Aviva reserves the right to review and amend the Fees and Charges.</p> <p><b><u>Payable by the Underlying Fund from invested proceeds</u></b></p> <p>The Underlying Fund will pay the following fees and charges to the Investment Manager, Custodian and other parties:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #D3D3D3;"> <th style="width: 10%;">Class of Shares</th> <th style="width: 15%;">Annual Investment Management Fee</th> <th style="width: 20%;">Annual Maintenance &amp; Servicing Charges<sup>3</sup></th> <th style="width: 55%;">Others<sup>4</sup></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Class A</td> <td style="text-align: center;">1.00%</td> <td style="text-align: center;">Maintenance: Up to 0.50%</td> <td> <ul style="list-style-type: none"> <li>• Annual Custodian Fee: 0.01% to 0.14% p.a.</li> <li>• Annual Admin Fee: Max. 0.20% p.a. plus additional amount per Investor Holding over one year period</li> </ul> </td> </tr> </tbody> </table>	Class of Shares	Annual Investment Management Fee	Annual Maintenance & Servicing Charges <sup>3</sup>	Others <sup>4</sup>	Class A	1.00%	Maintenance: Up to 0.50%	<ul style="list-style-type: none"> <li>• Annual Custodian Fee: 0.01% to 0.14% p.a.</li> <li>• Annual Admin Fee: Max. 0.20% p.a. plus additional amount per Investor Holding over one year period</li> </ul>	<p>Refer to the Fees and Charges Section of the Product Summary for further information of the Fees and Charges of this investment.</p>
Class of Shares	Annual Investment Management Fee	Annual Maintenance & Servicing Charges <sup>3</sup>	Others <sup>4</sup>						
Class A	1.00%	Maintenance: Up to 0.50%	<ul style="list-style-type: none"> <li>• Annual Custodian Fee: 0.01% to 0.14% p.a.</li> <li>• Annual Admin Fee: Max. 0.20% p.a. plus additional amount per Investor Holding over one year period</li> </ul>						

<sup>3</sup> Payable to principal distributor, based on the applicable average net asset value

<sup>4</sup> Payable to custodian, registrar and transfer, corporate, domiciliary and administrative agent (as applicable)

**VALUATIONS AND EXITING FROM THIS INVESTMENT**
**HOW OFTEN ARE VALUATIONS AVAILABLE?**

All ILP Sub-Funds will be priced based on the frequency of the fund manager's pricing. The fund prices are available at Aviva Ltd's website at [www.aviva.com.sg](http://www.aviva.com.sg).

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

- You can exit the ILP Sub-Fund by submitting a request for withdrawal or fund switching (i.e. switches) to Aviva Ltd.
- If your Policy is newly incepted, you may cancel the Policy by giving us written notice of cancellation provided that such notice of cancellation is received by Aviva Ltd at its Registered Office within the free-look period, which is fourteen (14) days from the date on which you receive the Policy.
  - Upon cancellation of the Policy, Aviva Ltd will sell all units allocated to the Policy at the next appropriate ILP Sub-Fund valuation date and will pay all sums received upon such sale to you on or before the settlement date. No increase in market value of the units allocated to the Policy shall be payable to you. No interest shall accrue or be payable on any sums payable to you pending payment. Any applicable fees and credit card Charges deducted from the Policy will be refunded to you and the exit fee (if any) will be waived.
- For subsequent withdrawal/surrender or fund switching, Aviva Ltd must receive your applications by 12 noon (Singapore Time) for the withdrawal/surrender or switches to be based on the same working day's price and currency conversion (if required). Applications received after 12 noon (Singapore Time) will be allocated using the next working day's price and currency conversion. For partial/full withdrawal, exit fee may be applicable.
- The ILP Sub-Fund will have a single "dealing" price used for all switches and withdrawals/surrenders. There is no bid/offer spread, except where the fund house imposes a charge on the Underlying Fund.
- The ILP Sub-Fund will be priced based on the frequency of the fund manager's pricing policy. As units are cancelled using a forward price, the unit price for all switching and withdrawal of units will not be available at the time of receiving your application.

The cut-off time stated is correct as at the time of print. Aviva Ltd reserves the right to change the cut-off time by giving you thirty (30) days' prior notice or any such shorter period of notice as Aviva Ltd may agree with the relevant authorities.

- The Withdrawal Amount you will receive as part of a subsequent withdrawal is illustrated as follows:

Assuming: Policy term of 10 years and the Policyholder wishes to exit in Year 5; Initial Units withdrawn = 10,000; Unit price = S\$2; Exit Fee applicable in Year 5 is S\$6,950.

Withdrawal Amount = 10,000 X S\$2 = S\$20,000

Amount payable to You = S\$20,000 – S\$6950= S\$13,050

Refer to the Pricing of Units & Dealing Deadline, Fund Switching, Withdrawal/Surrender and Free Look sections of the Product Summary for further information

**CONTACT INFORMATION**
**HOW DO YOU CONTACT US?**

**Aviva Ltd**

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