

Prepared on 5 March 2018

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.

United Choice Portfolios II – United SGD Fund
(invests in United Choice Portfolios II – United SGD Fund Class A(Acc) SGD)

Product Type	ILP Sub-Fund ¹	Launch Date	19 June 1998
Units in the ILP Sub-Fund are Excluded Investment Products²	No	Custodian	Not Applicable
Manager	UOB Asset Management Ltd	Dealing Frequency	Every Business Day
Capital Guaranteed	No	Expense Ratio for the financial year ended 31 December 2017	0.67%
Name of Guarantor	N.A.		

SUB-FUND SUITABILITY

WHO IS THE SUB-FUND SUITABLE FOR?

The ILP Sub-Fund is only suitable for investors who:

- seek to achieve a yield enhancement over Singapore dollar deposits; and
- are comfortable with the volatility and risks of a bond fund which invests in money market and short term interest bearing debt instruments and bank deposits.

The ILP Sub-Fund does not distribute income and where applicable will re-invest any income received from the United Choice Portfolios II – United SGD Fund Class A(acc) SGD (the “Underlying Fund”).

Further Information

Refer to Paragraph 17A on Page 5 of the Underlying Fund’s 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, which is a unit trust constituted in Singapore that aims to provide you with a yield enhancement over Singapore dollar deposits by investing substantially all its assets in money market and short term interest bearing debt instruments and bank deposits.

Refer to Paragraph 15 to 17 and 46A on Pages 5 and 24 of the Underlying Fund’s Prospectus for further information on features of the Sub-Fund.

Investment Strategy

¹ For ILP Sub-Funds that feed 100% into an underlying CIS fund, some of the information provided below could be similar to the underlying CIS fund.

² 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:

- to invest only in deposits or other Excluded Investment Products; and
- 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>.

<ul style="list-style-type: none"> • The Managers intends to achieve the investment objective of the Underlying Fund by investing substantially all the assets of the Underlying Fund in money market and short term interest bearing debt instruments and bank deposits. • Our research process is fundamental and valuation driven, and bottom-up in approach. • For Singapore, Asia and emerging markets, the Managers' team of credit analysts conducts a detailed credit analysis that evaluates industry outlook, business review, financial review, management expertise, strength of ownership and specific debt structure. This results in an implied rating score. Relative valuation will determine corporate credit selection. • For rated issuers, mainly US/Europe high grade issuers, to supplement the fundamental analysis by their G10 credit team, the Managers have implemented a quantitative credit risk approach based from the KMV model. This model uses the Merton option framework to calculate the implied asset volatility or the Expected Default Frequency (EDF) of any corporate bond issue. Other inputs include an asset correlation database, which is generated from a proprietary risk management system. Together, the model will calculate the return-expected loss trade off for any corporate bond issue. • The Underlying Fund may use or invest in financial derivative instruments for the purposes of hedging existing positions in a portfolio, for efficient portfolio management or a combination of both purposes. 	<p>Refer to Paragraph 15, 16, 17D and 22.4 on Pages 5, 6 and 11 of the Underlying Fund's Prospectus for further information on the investment focus and approach of the Underlying Fund and its exposure to financial derivative instruments.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <ul style="list-style-type: none"> • The Management company of the Underlying Fund is UOB Asset Management Ltd. • The Managers of the Underlying Fund is UOB Asset Management Ltd. • The Trustee/Registrar of the Underlying Fund is BNP Paribas Trust Services Singapore Limited. • The Custodian of the Underlying Fund is BNP Paribas Securities Services, Singapore Branch. <p>With effect from 1 April 2017, State Street Trust (SG) Limited will be appointed as the new trustee of the Underlying Fund. The current global custodian, fund administrator and registrar of the Underlying Fund will be replaced by State Street Bank and Trust Company, Singapore Branch.</p>	<p>Refer to Paragraphs 7 to 12 on Pages 2 to 4 of the Underlying Fund's Prospectus for further information on these entities.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT? The value of the Underlying Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:</p>	<p>Refer to Paragraph 21 to 22 on Page 10 of the Underlying Fund's Prospectus for further information on risks of the Sub-Fund.</p>
Market and Credit Risks	
<ul style="list-style-type: none"> • You are exposed to the market risk in the global markets where the Underlying Fund invests. Prices of securities that the Underlying Fund invests in may be affected by changes in economic conditions, interest rates and the market's perception of the securities which in turn may affect the value of your investment. • You are exposed to credit and default risks. Adverse changes in the financial condition of the issuer of the debt securities which the Underlying Fund is invested in, or in general economic conditions, or both, or an unanticipated rise in interest rates, may increase the potential for default. 	
Liquidity Risks	
<ul style="list-style-type: none"> • 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 forms should be submitted to Aviva Ltd. • You are exposed to liquidity risk in the Underlying Fund's investments. Investments by the Underlying Fund in some Asian and/or emerging markets often involve a 	

<p>greater degree of risk due to the nature of such markets which do not have fully developed services such as custodian and settlement services often taken for granted in more developed markets. There may be a greater degree of volatility in such markets because of the speculative element, significant retail participation and the lack of liquidity.</p>	
Product-Specific Risks	
<ul style="list-style-type: none"> • You are exposed to interest rate risk. The Underlying Fund's investments in debt securities are subject to the risk of interest rate fluctuations which may cause the prices of debt securities to go up or down. • You are exposed to political risk The investments of the Underlying Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in the relevant countries. • You are exposed to derivatives risk. The Underlying Fund may use or invest in derivatives, including but not limited to, foreign exchange forward contracts. Investments in derivatives may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment positions. If the required margin is not provided within the prescribed time, the Underlying Fund's investments may be liquidated at a loss. Therefore it is essential that such investments in derivatives are monitored closely. The Managers have the controls for investments in derivatives and have in place systems to monitor the derivative positions of the Underlying Fund. • You are exposed to foreign exchange risk. Where investments made by the Underlying Fund are denominated in foreign currencies, fluctuations in the exchange rates of such currencies against the Underlying Fund's base currency (Singapore dollar) may affect the value of Units. The Underlying Fund's foreign currency exposure may not be fully hedged depending on the circumstances of each case, including the outlook on the relevant currency, the hedging costs and the market liquidity of the relevant currency. • Other risks to your investment include the risk of investing in small capitalisation companies, single country, sector or region risk, counterparty risk, broker risk and risk relating to distributions. 	
FEES AND CHARGES	
<p>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</p> <p><u>Payable directly by you</u></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><u>Payable by the Underlying Fund from invested proceeds</u></p> <p>The Underlying Fund will pay the following fees and charges to the Managers and other parties:</p> <p>Management Fee: Currently 0.63% per annum (maximum 1.5% per annum)</p> <p>Trustee fee: Currently below 0.05% per annum (maximum 0.1% per annum); Subject to a maximum of S\$45,000 per annum</p> <p>Valuation and accounting fee: Based on a tiered structure</p> <p>Registrar and Transfer Agent fee: Based on a tiered structure</p> <p>Audit fee, Custodian fees, transaction costs and other fees and charges: Subject to agreement with the relevant parties. Each of the fees and charges may amount to or exceed 0.1% per annum depending on the proportion that it bears to the Underlying Fund's net asset value.</p>	<p>Refer to Fees and Charges section of the Product Summary for further information on the fees and charges of this investment.</p>

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.

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 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\$6,950 = S\$13,050

Refer to 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
 4 Shenton Way, #01-01 SGX Centre 2, Singapore 068807
 Email: es_life@aviva-asia.com
 Website: www.aviva.com.sg
 Hotline: 6827 9929

APPENDIX: GLOSSARY OF TERMS

Business Day: refers to any day other than a Saturday, Sunday and gazetted public holiday on which commercial banks are generally open for business in Singapore.

CIS Collective Investment Scheme

Class: A class of units in the Sub-Fund.

Dealing Day: In connection with the issuance, cancellation, valuation and realisation of Units of the Underlying Fund, every Business Day or such other day or days at such intervals as the Managers may from time to time determine with the approval of the Trustee provided that reasonable notice of any such determination shall be given by the Managers to all the Holders at such time and in such manner as the Trustee may approve. If on any day which would otherwise be a Dealing Day in relation to the Units of the Underlying Fund, the recognised stock exchange on which investments or other property comprised in, and having in aggregate values amounting to at least 50% of the deposited property of the Underlying Fund (as at the relevant Valuation Point) are quoted, listed or dealt in is not open for normal trading, the Managers may determine that that day shall not be a Dealing Day.

Holder: A holder of Units.

ILP Sub-Fund Investment-Linked Policy Sub-Fund

Launch Date: For the purposes of this Product Highlights Sheet only, means the inception date of the Underlying Fund.

SGD: Singapore dollars.

Units: Units in the Underlying Fund.

Valuation Point: The close of business of the last relevant market in relation to the relevant Dealing Day on which the NAV of the Underlying Fund or a Class of the Underlying Fund is to be determined pursuant to the provisions of the trust deed constituting the Underlying Fund (as amended) or such other time on the relevant Dealing Day or such other day as the Managers with the approval of the Trustee may from time to time determine and the Trustee shall determine if Holders should be informed of such change.

Underlying Fund: Means the United Choice Portfolios II - United SGD Fund