

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.

### Aviva Investors – Global High Yield Bond Fund

|   |  |  |                    |
|---|--|--|--------------------|
| <b>Product Type</b>   | ILP Sub Fund <sup>1</sup>  | <b>Launch Date</b>   | 22 September 2008  |
| <b>Units in the ILP Sub-Fund are Excluded Investment Products<sup>2</sup></b> | No   | <b>Custodian</b>   | Not Applicable     |
| <b>Manager</b>  | <u>Management Company</u><br>Aviva Investors Luxembourg S.A.<br><br><u>Investment Manager</u><br>Aviva Investors Global Services Limited | <b>Dealing Frequency</b>                                       | Every Business Day |
|   |  | <b>Expense Ratio for the financial year ended 30 June 2018</b> | 1.42%              |
| <b>Capital Guaranteed</b>   | No   |  |                    |
| <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:

- understand the risks of the ILP Sub-Fund and plan to invest for at least 5 years;
- seek to gain exposure to sub investment grade corporate bond markets; and
- seek to earn a combination of income and investment growth.

The ILP Sub-Fund does not distribute income and where applicable will re-invest any income received from Aviva Investors - Global High Yield Bond Fund A USD (the “Underlying Fund”).

##### Further Information

Refer to Paragraph 5.2 on Page 18 of the Underlying Fund’s Singapore Prospectus for further information.

#### 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 sub-fund of Aviva Investors, a UCITS SICAV incorporated in Luxembourg. It is domiciled outside of Singapore and is a recognised scheme under the SFA.
- The Underlying Fund aims to earn income and/or growth of the shareholder's investment over time.

Refer to Paragraphs 1 and 5 on Pages 7 and 14 of the Underlying Fund’s Singapore Prospectus for further information.

<sup>1</sup> 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.

<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>.

| Investment Strategy   |   |
|---|---|
| <ul style="list-style-type: none"> <li>The Underlying Fund invests mainly in high yield bonds issued by corporations anywhere in the world, with an emphasis on North America and Europe.</li> <li>It invests at least two-thirds of total net assets (excluding liquidities) in bonds that are rated below BBB- by Standard and Poor's or Baa3 by Moody's, or are unrated. The Underlying Fund does not invest in shares or other participation rights, or in convertible securities. The Underlying Fund may invest up to 30% of total net assets in money market investments and bank deposits.</li> <li>The Underlying Fund may also invest in shares or units of UCITS or other UCIs.</li> <li>The Underlying Fund may use derivatives for hedging, efficient portfolio management and investment purposes.</li> <li>The Underlying Fund's derivatives may include futures, options, swap contracts, swaptions, currency forwards, foreign exchange options and credit default swaps.</li> <li>The Underlying Fund may engage in SFTs. Its bonds may be subject to securities lending. The expected proportion of Underlying Fund assets subject to securities lending is 20% up to 100%.</li> </ul>   | <p>Refer to Paragraph 5 on Page 14 of the Underlying Fund's Singapore Prospectus for further information.</p>               |
| Parties Involved  |   |
| <p><b>WHO ARE YOU INVESTING WITH?</b></p> <ul style="list-style-type: none"> <li>The Management Company of the Underlying Fund is Aviva Investors Luxembourg S.A..</li> <li>The Investment Manager of the Underlying Fund is Aviva Investors Global Services Limited who has delegated the asset management of the Underlying Fund to Aviva Investors Americas LLC.</li> <li>The Custodian of the Underlying Fund is J.P. Morgan Bank Luxembourg S.A..</li> <li>The agent for service of process in Singapore and Singapore Representative is Aviva Investors Asia Pte Ltd.</li> </ul>  | <p>Refer to Paragraphs 3 and 4 on Pages 9 and 12 of the Underlying Fund's Singapore Prospectus for further information.</p> |
| KEY RISKS   |   |
| <p><b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b></p> <p>The value of the ILP Sub-Fund may rise or fall. The following key risk factors may cause you to lose some or all of your investment:</p>  | <p>Refer to Paragraph 8 on Page 22 of the Underlying Fund's Singapore Prospectus for further information.</p>               |
| Market and Credit Risks   |   |
| <p><b>You are exposed to the market risk</b></p> <ul style="list-style-type: none"> <li>Prices of securities change daily, and can fall based on a wide variety of factors. The effects of market risk can be immediate or gradual, short-term or long-term, narrow or broad.</li> </ul> <p><b>You are exposed to the counterparty risk</b></p> <ul style="list-style-type: none"> <li>The Underlying Fund suffers loss if a counterparty does not meet its obligations to the Underlying Fund. The Underlying Fund can try to recover loss by using any collateral associated with the obligation, but the value of collateral may be worth less than the cash or securities owed to the Underlying Fund. The Underlying Fund's ability to meet its own obligations to other counterparties may be affected. This could cause a delay in the processing of redemptions.</li> </ul> <p><b>You are exposed to the credit risk</b></p> <ul style="list-style-type: none"> <li>The value of a bond or money market security falls if the financial health of the issuer weakens. In extreme cases, the issuer may delay scheduled payments to investors, or may become unable to make payments, and the issuer's bonds or money market securities may become worthless.</li> </ul> |   |
| Liquidity Risks   |   |
| <p><b>The ILP Sub-Fund is not listed on the Singapore Exchange and you can redeem only on Business Days through Aviva. In respect of Singapore investors, there is no secondary market for the ILP Sub-Fund.</b></p>  |   |

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|--|---|
| <p><b>You are exposed to liquidity risk</b><br/>         Securities that are not publicly traded are difficult to value and sell at a desired time and price. This also applies to publicly traded securities but represent a small issue, trade infrequently, or trade on comparatively small markets or have long settlement times. Liquidity issues can cause delays in the processing of requests to redeem shares.</p>  |   |
| <b>Product-Specific Risks</b>  |   |
| <p><b>You are exposed to Rule 144A Securities risk</b></p> <ul style="list-style-type: none"> <li>• Rule 144A securities are not required to be registered for resale in the United States but can be sold in the United States to institutional buyers. The Underlying Fund may invest in Rule 144A Securities, provided that such securities are issued with registration rights pursuant to which such securities may be registered and traded on the US OTC Fixed Income Securities market. Such securities shall be considered as newly issued transferable securities.</li> <li>• If such securities are not registered within one year of issue, they are securities subject to a 10% limit of the net assets of the Underlying Fund.</li> </ul> <p><b>You are exposed to derivatives risk</b></p> <ul style="list-style-type: none"> <li>• Derivatives transactions are complex and more volatile than traditional investments. They may involve losses that are significantly greater than the cost of the derivative. The pricing and volatility of some derivatives may diverge from the pricing or volatility of their underlying reference(s).</li> <li>• OTC derivatives are less highly regulated than market-traded securities, and carry greater counterparty risk and liquidity risk.</li> <li>• Exchange-traded derivatives have lower risk than OTC derivatives, but a suspension of trading in derivatives or in their underlying assets could make it impossible for an Underlying Fund to realise gains or avoid losses, which in turn causes a delay in handling redemptions of shares.</li> </ul> <p><b>You are exposed to interest rate risk</b></p> <ul style="list-style-type: none"> <li>• When interest rates rise, bond values generally fall. The longer the maturity of bond investments, and the higher the credit quality of the bond, the greater the risk.</li> </ul> <p><b>You are exposed to currency risk</b></p> <ul style="list-style-type: none"> <li>• Changes in currency exchange rates could reduce investment gains or increase investment losses. Exchange rates can change rapidly and unpredictably.</li> </ul> <p><b>You are exposed to operational risk</b></p> <ul style="list-style-type: none"> <li>• The Underlying Fund could suffer from losses through people, process and system failures.</li> </ul> <p><b>You are exposed to securities lending, repurchase, reverse repurchase risks</b></p> <ul style="list-style-type: none"> <li>• There is a risk of collateral received yielding less than securities lent (for securities lending, repurchase and reverse repurchase transactions) by the Underlying Fund. The Underlying Fund may be exposed to risks similar to those associated with options or forward FDIs including counterparty default or delay in the return of securities.</li> </ul> <p><b>You are exposed to the risk of investment in other UCITS or UCIs</b></p> <ul style="list-style-type: none"> <li>• There is the risk that investors will pay investment and/or management fees both to the Underlying Fund and to the UCITS or UCI. These combined fees could be higher than the investor might pay to invest directly in a similar type of investment to the underlying UCITS or UCI.</li> </ul> |   |
| <b>FEES AND CHARGES</b>  |   |
| <p><b>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</b></p> <p><u>Payable directly by you</u><br/>         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>Refer to the Fees and Charges Section of the Product Summary for further information of the Fees and Charges of this investment.</p> |

The Underlying Fund will pay the following fees and charges to the Investment Manager, Administrator, Custodian and other parties:

|                           |                   |
|---------------------------|-------------------|
| <b>Management Fee</b>     | 1.20% p.a.        |
| <b>Custodian Fee</b>      | Up to 0.20% p.a.  |
| <b>Administration Fee</b> | Up to 0.125% p.a. |

The Underlying Fund will pay, out of its assets, other fees and charges as set out in the Underlying Fund's Singapore Prospectus. In addition, a swing price mechanism may be employed in certain circumstances.

## 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 refund the premiums you paid (without interest) after deducting the expenses incurred in issuing the Policy. The refund will be made after we receive the original Policy for cancellation.
  - If there has been a decline in the market value, we will deduct the amount necessary to reflect the change in market value. If there has been an increase in the market value following the date Aviva Ltd accepts your request to cancel the Policy, we will not pay you for such increase or any gain.
- For subsequent withdrawal/surrender or fund switching, transaction requests will need to be received and accepted by Aviva Ltd:
  - (a) before 12 noon (Singapore time) on a Business Day will be processed according to the Unit Prices of the relevant Funds and the exchange rates (if applicable) prevailing on the next appropriate Fund Valuation Date following the day Aviva Ltd has accepted the request.
  - (b) after 12 noon (Singapore time) on a Business Day or on a non-business day will be considered as if received before 12 noon (Singapore time) on the following business day.
- The ILP Sub-Fund will have a single "dealing" price used for all switches and withdrawals/surrenders. There is no bid/offer spread.
- All ILP Sub-Funds 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.

This 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:  
 For a partial withdrawal request of 1000 units of an investment-linked fund.  
 - Assuming the unit price of the fund is S\$1.50:  
 The amount payable to the policyholder will be S\$1500, which is calculated as 1000 units x S\$1.50.

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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**Email:** [cs\\_life@aviva-asia.com](mailto:cs_life@aviva-asia.com)

**Website:** [www.aviva.com.sg](http://www.aviva.com.sg)

**Hotline:** 6827 9929

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** Any day (other than a Saturday or a Sunday) on which commercial banks are open for business in Singapore and is a full bank business day in Luxembourg.

**NAV:** Net Asset Value

**OTC:** Over-the-counter i.e. a security that is not listed and traded on an exchange but traded directly between counterparties

**p.a.:** Per annum

**Rule 144A Securities:** Securities not registered for resale in the United States but can be sold in the US to certain institutional buyers under an exemption

**SFA:** Securities and Futures Act, Chapter 289 of Singapore

**SICAV:** Société d'Investissement à Capital Variable

**UCITS:** Undertaking for Collective Investment in Transferable Securities

**UCI:** Undertaking for Collective Investment