FWD Life Income Secure
Product Summary

Note:
Please read this Product Summary before you decide to take up this product.

Name of the insurer	FWD Singapore Pte. Ltd.
Product name	FWD Life Income Secure

1. What is this product about?

FWD Life Income Secure is a participating whole of life Policy with a non-participating supplementary benefit, the payout booster.

This Policy pays you a stream of yearly or monthly Cash Benefits, until the original Person Insured reaches 120 years of age. If the Person Insured is alive on his or her 120th birthday, you will receive a Maturity Benefit at the end of the Policy term.

This Policy also covers the Person Insured for death and Terminal Illness during the Policy term.

This participating Policy allows you to take part in the performance of the participating fund, in the form of bonuses that are not guaranteed.

Payout Booster

The payout booster is an embedded non-participating supplementary benefit attached to this Policy. It provides guaranteed Death Benefit, guaranteed Cash Benefit and guaranteed Surrender Value for your Policy in the first 6 Policy Years.

The payout booster is part of the non-participating fund, which means that it does not participate in the performance of the participating fund.

Please refer to the Policy Illustration for your guaranteed Death Benefit, guaranteed Cash Benefit and guaranteed Surrender Value, which include contributions from FWD Life Income Secure and the payout booster.

Note:
“You / your” refers to the Policy Owner. For a single party Policy, the Person Insured is also the Policy Owner. “We / us” refers to FWD Singapore Pte. Ltd..

2. What are the benefits I will receive under this Policy?

Your benefits	
Cash Benefit	Depending on the Payout Frequency chosen and as long as premiums are paid up to date, the Cash Benefit will be payable either on every Policy Anniversary from the end of the 2nd Policy Year (for the annual payout option), or on every Policy Monthiversary from the end of the 24th Policy month (for the monthly payout option). It will be payable until the earliest of the following events: ▪ the last Policy Anniversary (for the annual payout option) before the Death Benefit or Terminal Illness Benefit is paid out; ▪ the last Policy Monthiversary (for the monthly payout option) before the Death Benefit or Terminal Illness Benefit is paid out; or ▪ when this Policy ends.

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Your benefits

Cash Benefit	The Cash Benefit is made up of a guaranteed and non-guaranteed component. The guaranteed and non-guaranteed components are paid out at the same time. Please refer to the Policy Illustration for your Cash Benefit amount. **Note:** ▪ If you have chosen the monthly payout option, your monthly Cash Benefit will be calculated by dividing the annual Cash Benefit payout by 12.

The Sum Insured (SI) is equal to the total annual premiums payable throughout the duration of your Policy. It is a value used to determine your Cash Benefit and does not represent the amount you will receive upon the death of the Person Insured.

For Single Premium policies, the Sum Insured (or annual premium) is equivalent to the Single Premium amount.

For Regular Premium policies, the Sum Insured is determined by multiplying the annual premium by the premium payment term. The annual premium refers to the premiums payable on an annual premium payment frequency, even if you choose to pay monthly, quarterly or half-yearly.

Please refer to the Policy Illustration for the Sum Insured and annual premium amounts.

You can choose to receive your Cash Benefit or accumulate them with us at a non-guaranteed interest rate of 3.25% per annum (p.a.) or 2.00% p.a. (at an illustrated investment rate of return of 4.25% p.a. or 3.00% p.a. respectively). The rate of accumulation is subject to change at any time as determined by us. The Cash Benefit will automatically be paid out to you unless you inform us otherwise. The Cash Benefit will be paid based on the Payout Frequency chosen at Policy inception date via the following methods:

(i) For local bank accounts only:
- direct credit transfer;
- PayNow; or
- other modes of payments as specified by us from time to time.

(ii) For foreign bank accounts only:
- telegraphic transfer for annual Payout Frequency only.

You can change the payout option and Payout Frequency at any time during your Policy term. Accumulated Cash Benefit can be withdrawn at any time with no penalty, subject to our requirements.

If the Cash Benefit payout is unsuccessful at any time, that amount will automatically be accumulated with us at a non-guaranteed interest rate.

Your benefits

Surrender Value	You will receive the Surrender Value if you choose to surrender your Policy. The Surrender Value is the sum of the: ▪ guaranteed Surrender Value; ▪ Terminal Bonus; and ▪ any Cash Benefit that you have chosen to accumulate with us, plus any non-guaranteed accumulation interest, less any Policy Debt and interest. Please note that buying a life insurance policy is a long-term commitment. An early termination of the Policy usually involves high costs, and the Surrender Value payable may be zero or less than the total premiums paid. Depending on your Policy and time of surrender, the return on your Policy may be low. It may also be likely that you could incur a loss on your Policy in the event of early surrender. You may wish to refer to your Policy Illustration to understand the cost of surrendering your Policy. **Guaranteed Surrender Value** For Single Premium policies, your guaranteed Surrender Value begins to accrue from the inception of the Policy, once we receive your Single Premium payment. For 2-year Regular Premium payment term policies, your guaranteed Surrender Value begins to accrue at the start of Policy Year 2, provided all premiums have been paid up to date. Your guaranteed Surrender Value is equivalent to the Single Premium or total premiums paid at the end of Policy Year 5, as long as premiums are paid up to date. **Terminal Bonus on surrender** The Terminal Bonus on surrender is a non-guaranteed value. Please refer to the section "What are the bonuses I will receive from this Policy?" for more information on the Terminal Bonus.
Maturity Benefit	We will pay the Maturity Benefit if the active Person Insured is alive at the end of the Policy term upon the original Person Insured's 120th birthday. The Maturity Benefit is the sum of the: ▪ guaranteed maturity value; ▪ Terminal Bonus; and ▪ any Cash Benefit that you have chosen to accumulate with us, plus any non-guaranteed accumulation interest, less any Policy Debt and interest.
Death Benefit	A lump sum Death Benefit will be paid if the active Person Insured dies during the Policy term. The Death Benefit is the sum of: ▪ the higher of: - 101% of the Single Premium or total premiums paid; or - the guaranteed Surrender Value; ▪ Terminal Bonus; and ▪ any Cash Benefit that you have chosen to accumulate with us, plus any non-guaranteed accumulation interest, less any Policy Debt and interest.

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Your benefits	
Death Benefit	However, if there is a secondary Person Insured appointed at the time that the active Person Insured dies, the Death Benefit will not be paid out. Upon the death of the original Person Insured, the secondary Person Insured will become the active Person Insured and the Policy will continue. The Policy will terminate following payment of the Death Benefit.
Terminal Illness Benefit	The Death Benefit will be advanced and paid out in one lump sum if the active Person Insured is diagnosed with a Terminal Illness during the Policy term. However, if there is a secondary Person Insured appointed at the time that the active Person Insured is diagnosed with a Terminal Illness, the Terminal Illness Benefit will not be paid out.

3. What are the bonuses I will receive from this Policy?

This Policy provides you with both guaranteed and non-guaranteed benefits. The non-guaranteed benefits, sometimes referred to as bonuses, are how you partake in a share of the participating fund's profits. The bonuses are recommended by our appointed actuary and determined by us.

The guaranteed benefits will be provided for regardless of the performance of the participating fund. Guaranteed benefits include the guaranteed portion of the Cash Benefit, Surrender Value, Maturity Benefit, Death Benefit and Terminal Illness Benefit.

Bonuses	
Non-guaranteed Cash Benefit	This refers to the non-guaranteed portion of the Cash Benefit. This rate is declared yearly and may vary from year to year, depending on the actual performance of the participating fund.
Terminal Bonus	The Terminal Bonus is a non-guaranteed bonus payable upon termination of the Policy, such as in the event of a Death Benefit or Terminal Illness Benefit claim, surrender, or maturity of the Policy.

4. What is Policy assignment?

Policy assignment	
Policy assignment	You can transfer the benefits and all rights under your Policy to someone else, through an assignment. For us to record this assignment of benefits, you need to provide us the completed required form. We will not be responsible for checking the validity of the assignment. When you (assignor) assign the Policy to another person or company (assignee), you are transferring all ownership and rights over the Policy to the assignee. Upon the Policy being assigned, the assignee will have full control of the Policy as if they are the Policy Owner. For example, upon Policy assignment, the Cash Benefit will be paid to the new Policy Owner. Any unpaid premiums will also be the responsibility of the new Policy Owner. You can assign this Policy any time after the Policy Issue Date.

5. What is the change of Person Insured and secondary Person Insured option?

Change of Person Insured and secondary Person Insured option	
Change of Person Insured	Changing the Person Insured allows you the flexibility to leave your legacy to your loved ones or future generations. You can change the Person Insured under this Policy after 2 years from the Policy Issue Date, provided that: ▪ you must have an insurable interest in the life of the new Person Insured at the time of change. The new Person Insured can be you, your spouse, your child or legal ward, or your key employee; and ▪ the new Person Insured must satisfy the entry age requirement at the time of change. The change of Person Insured is subject to our approval. You can exercise this option to change the Person Insured no more than 2 times throughout the Policy term. Upon change of the Person Insured: ▪ the new Person Insured becomes the active Person Insured and all benefits covering the existing Person Insured will end. We reserve the right to revise the benefits under this Policy upon the change of the active Person Insured; ▪ all exclusions will be applicable to the new Person Insured (refer to section 7: What are the limitations and exclusions under this Policy?). The exclusions will begin from the date we accept and approve to change the Person Insured; and ▪ there is no change to the Policy Maturity Date. The term of your Policy will still end upon the original Person Insured's 120th birthday.
Secondary Person Insured (Not applicable for corporate policies)	With a secondary Person Insured, you can appoint your loved one to continue the Policy in the event of the death of the active Person Insured. This Policy can only have one active Person Insured at any point. You may appoint a secondary Person Insured at application, or any time during the Policy term, provided that all of the following conditions are met: ▪ no nomination of beneficiary has been made for this Policy; ▪ no trust is created under this Policy; ▪ no collateral assignment of this Policy has been made; ▪ you must have an insurable interest in the life of the secondary Person Insured at the time of appointment. The secondary Person Insured can be you, your spouse, child or legal ward; and ▪ the secondary Person Insured must satisfy the entry age requirement at the time of appointment. The appointment of a secondary Person Insured is subject to our approval. You can exercise this option to appoint a secondary Person Insured no more than 3 times throughout the Policy term. **No existing nomination or assignment** If you wish to make a nomination of beneficiary, create a trust under the Policy or make a collateral assignment of the Policy, you must first revoke the appointment of the secondary Person Insured. If the Policy is assigned to a new Policy Owner (excluding an assignment to a trust or a collateral assignment) any time after the appointment of a secondary Person Insured, such appointment will be automatically revoked upon the Policy assignment taking effect (i.e., change of ownership).

Change of Person Insured and secondary Person Insured option	
Secondary Person Insured (Not applicable for corporate policies)	**Upon death of active Person Insured** Upon the death of the active Person Insured: ▪ the secondary Person Insured becomes the new active Person Insured and all benefits covering the former active Person Insured will end. We reserve the right to revise the benefits under this Policy upon the change of the active Person Insured; ▪ all exclusions will be applicable to the secondary Person Insured (refer to section 7: What are the limitations and exclusions under this Policy?). The exclusions will begin from the date we accept and approve the appointment or change of a secondary Person Insured; and ▪ there is no change to the Policy Maturity Date. The term of your Policy will still end upon the original Person Insured's 120th birthday.

6. When will my Policy end?

Your Policy will end on the earliest of the following dates:

- the Policy Maturity Date shown in your Policy Schedule;
- the date we pay out the Death Benefit or Terminal Illness Benefit;
- upon death of the Person Insured, if there is no secondary Person Insured appointed;
- the date we approve your request to fully surrender (cancel) your Policy;
- the date this Policy lapses; or
- the date we are told to terminate your Policy by law or regulation.

7. What are the limitations and exclusions under this Policy?

This Policy has certain exclusions, meaning situations where we won't pay the benefits. We list below the exclusions that apply to the benefits under your Policy.

We may also apply specific exclusions to your Policy when we offer to issue your Policy. If any specific exclusion applies to certain benefits, we will record the details in an Endorsement.

Change of Person Insured and secondary Person Insured option	
Suicide or self-inflicted act or claims arising from pre-existing condition	We will not pay any Death Benefit or Terminal Illness Benefit under this Policy if the claim arises: ▪ from suicide, attempted suicide, an intentional self-inflicted act or due to a pre-existing condition; and ▪ within one year from the start of your Policy cover, the date we last reinstate (restart) your Policy, the date you increase your Regular Premium (on the increased portion), the date we accept and approve to change the Person Insured under your Policy, and the date we accept and approve the appointment or change of a secondary Person Insured. This applies regardless of the mental state of the Person Insured.

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Exclusions	
Suicide or self-inflicted act or claims arising from pre-existing condition	**Pre-existing condition** This refers to a medical condition that is present before the start of your Policy cover, the date we last reinstate (restart) your Policy, the date you increase your Regular Premium (on the increased portion), the date we accept and approve the change of the Person Insured under your Policy, and the date we accept and approve the change or appointment of the secondary Person Insured, and has one or more of the following characteristics: ▪ presented signs or symptoms which you (or the Person Insured) were aware of or should reasonably have been aware of; ▪ treatment was recommended or received from a Medical Practitioner or Specialist for the medical condition; or ▪ you (or the Person Insured) have undergone or were recommended to undergo medical tests or investigations.
Unlawful acts	We will not pay any Death Benefit or Terminal Illness Benefit under this Policy if the claim arises because you or the Person Insured deliberately participated in an unlawful act, or failed to act in accordance with the law.

If any one of the above scenarios happens, and a secondary Person Insured has not been appointed, we reserve the right to cancel the Policy and refund the Single Premium or total premiums paid, less all Cash Benefit paid to you and any Policy Debt and interest owed to us. The Policy will then end.

8. Investment of the participating fund

Investment Objective and Strategy

The investment objective of the participating fund is to achieve stable medium to long-term investment returns needed to meet the projected benefits of the Policy, while ensuring that the participating fund remains financially sound.

The strategic asset allocation and actual allocation (as at 31 December 2024) for the participating fund that this Policy invests in is as set out in the table below.

Asset class	Strategic asset allocation	Actual allocation as at 31 December 2024
Equities	30%	27%
Fixed income (bonds)	65%	57%
Cash	5%	16%

The higher allocation to cash in the actual allocation is to ensure sufficient liquidity in the participating fund and this is typical for a new participating fund. Over time, we expect the actual allocation to be closer to the strategic asset allocation as the participating fund continues to grow and further gain scale.

The allocation for each asset class may change in future according to the investment objective and strategy of the participating fund.

Fund Manager

Assets in the participating fund are fully managed by PineBridge Investments Singapore Limited, an external fund manager appointed by us. PineBridge Investments Singapore Limited is located at, 1 George Street, #21-06, Singapore 049145.

Investment Rate of Return

The historical investment rates of return (after deducting investment expenses) of the participating fund are shown below:

	2022	2023	2024	Averaged over the last 3 years	Averaged over the last 5 years	Averaged over the last 10 years
Net investment return of life participating fund	N.A.	9.6%	3.9%	N.A.	N.A.	N.A.

The allocation for each asset class may change in future according to the investment objective and strategy of the participating fund.

Important:
As the participating fund was newly established in 2023, there are no historical investment rates of return available prior to year 2023. The investment return represents an annualised return that was calculated using money weighted rate of returns, as approved by the Life Insurance Association of Singapore ("LIA").

Please note that historical performance may not be indicative of future performance.

Changes in the economic and investment environment may affect the investment performance of the participating fund and the non-guaranteed benefits that you may receive.

Total Expense Ratio

The Total Expense Ratio is the proportion of total expenses incurred by the participating fund to the assets of the participating fund. These expenses include costs such as investment, management, distribution, taxation and other expenses.

An expected level of expenses to be incurred by the participating fund has been allowed for in the premiums payable for your Policy and is not an additional cost to you. If the actual level of expenses varies significantly from the expected level of expenses, it may affect the non-guaranteed benefits that you may receive.

The historical Total Expense Ratio of the participating fund are shown below:

	2022	2023	2024	Averaged over the last 3 years	Averaged over the last 5 years	Averaged over the last 10 years
Total expense ratio	N.A.	720%	77%	N.A.	N.A.	N.A.

Important:
As the participating fund was newly established in 2023, there are no historical expense ratios available prior to year 2023.

Please note that historical performance may not be indicative of future performance.

The total expense ratio for 2024 has shown considerable improvement from 2023. FWD Singapore provided initial funding to assist with the setup costs of the participating fund. With this seed funding and our expectation for the participating fund to continue its strong growth, the higher expense ratio in initial years is not expected to adversely impact customer bonus, which are set based on a longer-term stable expense. As the participating fund scales, we anticipate that the total expense ratio will decrease to levels comparable to those seen in the industry.

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9. Factors affecting the performance of the participating fund

The key factors affecting the performance of the participating fund would include:

1. Investment performance
2. Expenses incurred
3. Mortality and morbidity experience (where relevant)
4. Surrender and lapse experiences

The performance of the participating fund may affect the bonuses of your Policy each year. When we determine the bonuses to be declared from year-to-year, we will take into account factors such the participating fund's current performance, its future outlook and its financial strength.

Do note that the actual bonus rates may therefore vary from the projected values shown in your Policy Illustration depending on the actual performance of the participating fund.

10. Type of risks shared in the participating fund

The type of risks affecting the participating fund and the bonus levels are primarily investment risk, expense risk, mortality and morbidity risk, surrender and lapse risk.

Premiums paid by Policyholders are combined and invested in the participating fund. When determining the bonus rates, we will group policies from similar products together. In general, all policies in a particular grouping will share in the overall experience and performance, which enables risks to be pooled and diversified. The main consideration is to ensure that all participating Policyholders are treated fairly and equitably.

In determining sustainable bonus rates, we look to the value of the assets available to back the group of policies. Generally, it is calculated as the total premiums received plus actual investment returns and other profits earned by the participating fund, less expenses and benefit outgo.

11. Smoothing of bonuses

As investment performance may vary from year to year, bonuses are smoothed to ensure stable medium to long-term returns on your Policy. This means that bonuses may be held back in good performance years to support the maintenance of the future bonuses in years when the performance of the participating fund is less favourable. Over the long term, the net impact of bonus smoothing is intended to be broadly neutral. Smoothing of bonuses does not reduce any guaranteed benefits of your Policy.

As this is a new product, we have not yet declared a bonus for this product.

12. Expenses and charges

The expenses that are incurred and the charges that can be allocated to the participating fund would include (but not be limited to) commission, distribution costs, investment expenses, general management and overhead expenses such as underwriting expenses, Policy issue and claims expenses.

An expected level of expenses to be incurred by the participating fund has been allowed for in the premiums payable for your Policy and is not an additional cost to you.

13. Premiums

Your premium payment term depends on the options available when you apply for this Policy and the choices you make at that time. Once you select a premium payment term, it will remain fixed for the duration of your Policy term.

For Regular Premium policies, premiums are payable throughout the premium payment term. You can choose to pay monthly, quarterly, half-yearly or annually. Premium rates are guaranteed.

14. Impact of early surrender

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. Please see the Policy Illustration for the loss or low returns you may suffer if you surrender the Policy early.

15. Free-look period

If you aren't completely satisfied with your Policy, and you haven't made a claim under it, you have 14 calendar days from the date you receive your Policy to cancel it. If you exercise the free-look cancellation, we will refund you any premiums paid after deducting any medical examination fees we have paid and/or expenses incurred (if any). We consider the Policy delivered from the time we email it to you.

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16. Performance update

We will provide you with the following documents annually to update you on the performance of the participating fund:

1. Bonus statement
2. Participating fund performance report

17. Conflicts of interest

There is no conflict of interest in relation to the participating fund and its management.

18. Related party transactions

PineBridge Investments Singapore Limited, an external fund manager which manages the participating fund, is a related party to us. We ensure effective governance and have controls in place to ensure related party transactions are conducted at arm's length.

19. Your Guide to Participating Policies

Should you wish to find out more about how participating life insurance policies work, you may refer to "Your Guide To Participating Policies", developed specially by the Life Insurance Association of Singapore (LIA), available on our website (www.fwd.com.sg) or LIA's website (www.lia.org.sg).

20. Is this Policy protected under the 'Policy Owners' Protection Scheme'?

This Policy is protected under the Policy Owners' Protection Scheme, which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for your Policy is automatic and no further action is needed from you. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact us or visit the Life Insurance Association (LIA) website (www.lia.org.sg) or SDIC website (www.sdic.org.sg).

Important information

Buying a life insurance 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.

We reserve the right to terminate or suspend any transactions 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.

The actual benefits payable will be based on the actual performance of the assets of the participating fund. Past performance is not an indication of future performance.

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 Policy and is not exhaustive. It does not have any regard to any specific investment objectives, financial situation or the particular needs of a specific person.

The contents of this Product Summary may vary from terms of cover eventually issued. Please refer to the 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 avoidance of doubt, only the terms and conditions as set out in the Policy Contract will bind the parties.

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