

# Conditions for SAIL (single premium)



## Your policy

This is a single-premium endowment plan. Its value will increase by **us** adding regular bonuses.

This policy helps **you** to build up savings during the **accumulation period**, to provide a regular income during the 20-year payout period.

If the insured becomes **totally and permanently disabled** (before the age of 70) or dies during the term of the policy, **we** will pay a lump-sum benefit instead.

**You** may cash in this policy. However, this policy is designed to provide the best value in the long term, so **you** should consider this carefully. **We** recommend that **you** get financial advice.

## 1 What your policy covers

If the insured becomes **totally and permanently disabled** (before the age of 70) or dies during the **accumulation period** or **payout period**, **we** will pay the benefit shown in this table.

Time of claim	Benefit
During the <b>accumulation period</b>	<ul style="list-style-type: none"> <li><b>Standard life</b> 105% of the <b>net single premium</b>, and 105% of bonuses</li> <li><b>Non-standard life</b> 101% of the <b>net single premium</b>, and 101% of bonuses</li> </ul>
During the <b>payout period</b>	<ul style="list-style-type: none"> <li><b>Standard life</b> 105% of the remaining <b>regular payments</b></li> <li><b>Non-standard life</b> 101% of the remaining <b>regular payments</b></li> </ul>

The policy will end when **we** make this payment.

## 2 Our responsibilities to you

### a Converting to regular payments

When the **accumulation period** ends, **we** will work out the **conversion value** of this policy. If the **conversion value** is at least \$10,000, the **payout period** will begin and **we** will pay the **regular payment** for the next 20 years. Otherwise, **we** will pay **you** the **cash value** and the policy will end.

Each **regular payment** is 5.5% of the **conversion value** and **we** pay it every year. **We** will pay the first **regular payment** one year after the end of the **accumulation period**.

If the **conversion value** is at least \$50,000, **you** can choose to receive the **regular payment** every month, every three months or every six months. In this instance, **we** will make the first **regular payment** one month, three months, or six months after the end of the **accumulation period**. **We** will decide on the amount of each **regular payment**.

This table shows the maximum number of **regular payments** **we** will pay.

Frequency of regular payment	Maximum number of regular payments
Every year	20
Every six months	40
Every three months	80
Every months	240

## 3 What you need to be aware of

### b Cash value

**You** may cash in this policy for its **cash value** and it will end.

**We** may review and revise the way **we** work out the **cash value**.

During the **accumulation period** only, **you** may choose to cash in this policy partially and keep the benefits on the part that **you** do not cash in.

### c Loans

During the **accumulation period**, **you** may take a loan from this policy depending on **our** terms and conditions. **We** will take all loans and their interest from any amount **we** may be due to pay under this policy. If at any time the amount of the loans and interest is more than the **cash value**, this policy will end.

**You** may repay all or part of the loan at any time. The interest charged on the loan will be based on the rate agreed at the time **you** took the loan. **We** may change the interest rate at any time by giving **you** 30 days' notice.

**You** may not take a loan during the **payout period**.

### d Bonuses

**You** have bought a participating policy from **us** and it forms part of the Life Participating Fund. This policy will share in the profits and losses from this fund as **we** add bonuses.

During the **accumulation period**, there are two types of bonuses.

- **We** add an 'annual' or 'reversionary' bonus to this policy each year. Once **we** have added an annual bonus, **we** cannot remove it.
- The 'terminal' or 'special' bonus is an extra bonus which **we** pay at the time of making a claim or if **you** cash in this policy.

During the **payout period**, **we** may pay a bonus on top of each annual **regular payment**. **We** may or may not pay a bonus every year.

Bonuses are not guaranteed. They are recommended by **our** appointed actuary and approved by **our** board of directors. This policy will become eligible for bonuses after two years from the **policy entry date**.

### a Suicide

This policy is not valid if the insured commits suicide within one year from the **cover start date**.

**We** will refund the total premium paid, without interest, from the **cover start date**.

### b Total and permanent disability benefit

Under the definition of **total and permanent disability** (TPD), if the insured is under 65 years old, he or she must be unable to carry out any occupation. **We** do not pay if the insured is merely unable to perform the same job as before, or is unable to perform a job to which his or her training, education or experience is suited for.

If the insured is 65 years old and above, but under 70 years old, he or she must be suffering from a **severe disability**. Otherwise, **we** will not pay the benefit.

However, if there is **total physical loss**, and the insured is under 70 years old, **we** will pay.

**We** will pay this benefit in a lump sum, up to \$1 million each year. If the benefit is more than \$1 million, **we** will pay in yearly installments. Once **we** begin paying the TPD benefit, this policy will immediately end.

If before **we** have finished paying all the yearly TPD installments the insured dies, or the policy reaches the end of its payout period, **we** will pay the rest of the yearly TPD installments in a lump sum. **We** will not pay for death as the policy would have already ended.

**We** may ask **you** to provide proof of continued TPD before each yearly installment. If the insured is no longer **totally and permanently disabled**, **we** will stop the yearly TPD installments. The policy will then resume, but the benefits under the resumed policy will be based on a reduced amount, to take into account the amount of TPD benefit which has already been paid. **We** will tell **you** the amount of the reduced benefits.

**We** will not pay this benefit if your claim arises from:

- deliberate acts such as self-inflicted injuries, illnesses or attempted suicide;
- unlawful acts, provoked assault, or deliberate exposure to danger; or
- the effects of alcohol, drug or any dependence.

**We** will also not pay this benefit unless the insured is certified by a **registered medical practitioner** to have been **totally and permanently disabled** for at least six months in a row.

If the insured is also covered for TPD under any policies which have been issued in the past (whether issued by **us** or by any other insurer), the total TPD benefit due under all these policies cannot be more than S\$3.75 million (not including bonuses). In this case **we** will first take into account the amounts due under the earlier policies, and then pay out only an amount to bring the total payments to S\$3.75 million (not including bonuses). The cover for death will be reduced by the TPD payment. **We** will work out the remaining cover.

### c Making a claim

**We** must be told within six months after the diagnosis or the event giving rise to the claim.

### d Transferring the legal right of the policy

**You** cannot assign (transfer) this policy unless **you** tell **us** in writing and **we** agree to the assignment.

### e Excluding third-party rights

Anyone not directly involved in this policy cannot enforce it under the Contracts (Rights of Third Parties) Act (Chapter 53B).

### f Supplementary Retirement Scheme (SRS)

If premiums for this policy have been paid with funds from the SRS account, this policy will follow the SRS regulations, which include the following.

- **You** cannot take a loan from the policy, or assign (transfer) the policy.
- **We** will make all payments, except the death benefit, to the policyholder's SRS account.

## 5 Definitions

**Accumulation period** means the period shown in the policy schedule, starting from the **policy entry date**.

**Cash value** means the amount available when **you** cancel a policy that has a savings feature before **we** pay a benefit under it (for example, for death), or it becomes due for payment (maturity), for example, an endowment policy. **We** work out the amount of the **cash value**.

**Conversion value** means the **net single premium** and any accumulated bonuses declared during the **accumulation period**, after taking off any policy loan.

**Cover start date** means the date:

- **we** issue the policy;
  - **we** issue an endorsement to include or increase a benefit; or
  - **we** reinstate the policy;
- whichever is latest.

**Net single premium** means the single premium amount as shown in the schedule, or the reduced single premium amount if a part of the policy has been cashed in earlier.

**Non-standard life** means an insured who has been diagnosed with any of the following medical conditions at any time before or within 90 days after the **cover start date**.

- Cancer
- Heart or heart-valve conditions
- Chronic kidney disease
- Stroke
- Liver cirrhosis or end-stage liver failure
- Systemic lupus erythematosus
- **Terminal illness**
- Total loss of, or total loss of use of one or both limbs, or total loss of use of one or both eyes

**Payout period** means the period of 20 years beginning immediately after the end of the **accumulation period**.

**Policy entry date** means the 'Policy entry date' shown in the policy schedule.

**Registered medical practitioner** means a doctor who is qualified in western medicine and is legally licensed in Singapore or has the qualifications recognised by the Singapore Medical Council.

**Regular payment** means the payments which are paid out during the **payout period**. Each regular payment is 5.5% of the **conversion value** and it is paid yearly.

**Severe disability** means the inability to perform at least three of the following activities of daily living, even with the aid of special equipment and always needing the help of another person throughout the entire activity.

- Washing - the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- Dressing - the ability to put on, take off, secure and unfasten all garments and, as appropriate, any braces, artificial limbs or other surgical appliances.
- Transferring - ability to move from a bed to an upright chair or wheelchair and vice versa.
- Mobility - the ability to move indoors from room to room on level surfaces.
- Toileting - the ability to use the lavatory or otherwise manage bowel and bladder functions so as to maintain a satisfactory level of personal hygiene.
- Feeding - the ability to feed oneself once food has been prepared and made available.

**Standard life** means an insured who is not a **non-standard life**.

**Terminal illness** means an illness which, in the opinion of the **registered medical practitioner** involved and depending on acceptance by a **registered medical practitioner** we have appointed, is highly likely to lead to death within 12 months.

**Total and permanent disability**, and **totally and permanently disabled**, mean any of the below.

- If the insured is under 65 years old, **total and permanent disability**, and **totally and permanently disabled** mean **total physical loss**, or the inability to take part in any paid work for the rest of a person's life.
- If the insured is 65 years old and above but under 70 years old, **total and permanent disability**, and **totally and permanently disabled** mean **total physical loss**, or **severe disability**.

**Total physical loss** means:

- the total and permanent loss of sight in both eyes;
- the loss of, or total and permanent loss of use of, two limbs at or above the wrist or ankle; or
- the total and permanent loss of sight in one eye and the loss of, or total and permanent loss of use of, one limb at or above the wrist or ankle.

**We, us, our** means NTUC Income Insurance Co-operative Limited.

**You** means the policyholder shown in the policy schedule.