

NTUC Income

Frequently Asked Questions Capital Plus (CPN12)

For insurance advisers

1. Why did we launch Capital Plus (CPN12)?

We received feedback that a lot of policyholders are looking for guaranteed products in the light of recent financial turmoil. CPN12 is launched because we managed to source for quality bonds with reasonable yields to address the needs of our policyholders.

2. What is the campaign period?

CPN12 will be open for application from 9th December. We will stop accepting application from 19 December 2008 or when we have reached the sales target of \$200 million, whichever is earlier.

Please ensure that application is complete to avoid unnecessary delay in policy issue. Cases pending due to incomplete documentation or delay in premium payment may be considered as NTU, and single premium refunded without interest once the sales target is achieved.

3. Who can buy CPN12?

CPN12 is only open to all existing policyholders.

4. How to apply for CPN12?

You are required to submit the completed hardcopy proposal form, Benefit Illustration / Product Summary, and Product Advice with a photocopy of applicant's NRIC.

5. Can the campaign period be extended so that advisers have more time to follow-up with policyholders to cross sell other products?

Extending the campaign period would not help because application will be closed once we have reached the cap of \$200 million. A recommended approach is to prioritise the policyholders and reach out to them as soon as possible.

6. What is the maximum entry age?

The maximum entry age is 80 last birthday.

7. What is the term of this plan and guaranteed yield?

This is a 2 year plan with a guaranteed yield of 2% per annum.

8. What is the cash value if the policy is surrendered before maturity?

Early termination of the plan could result in a surrender value less than the single premium paid. The illustration for cash value based on a male, aged 45 with \$30,000 single premium investment is as follows:

End of year	Total Premium Paid	Cash Value		
		Guaranteed	Non-Guaranteed	Total
1	\$30,000	\$29,376	\$0	\$29,376
2	\$30,000	\$31,212	\$0	\$31,212

9. Is it safe to invest in CPN12?

Yes. NTUC Income is in a financially sound position, despite the recent turmoil in the financial markets. Our Standard & Poor's rating remains at AA, the strongest in the region, and we comply with MAS regulations in having sufficient assets to meet all our obligations to policyholders.

CPN12 offers 2% guaranteed yield. This product is backed by bonds which we have bought specifically for this tranche. Your money is safe at home with us.

10. What is the minimum single premium investment for CPN12?

The minimum single premium investment is set at \$30,000. This is the case size that is needed for us to provide a guaranteed yield of 2%.

11. Is there any insurance coverage provided?

The single premium will be refunded, without interest, if death or TPD before age of 65, were to occur within 1 year from date of policy issue.

Sum assured equivalent to 105% of the single premium will be paid in the event of death, or TPD before age of 65, after the policy has been in forced for 1 year. Please refer to policy privileges and conditions for details.

12. Will applicants be subjected to medical underwriting?

No. There will be no medical underwriting since the single premium will be refunded, without interest, in the event of death or TPD before age 65, within 1 year from date of policy issue.

13. Can policyholder submit the application for CPN12 first and transfer the funds after the campaign?

Only applications with payment or with instruction for GIRO transfers will be accepted. Cases pending premium payment may be considered as NTU once the sales target is achieved. It is better to manage expectation of policyholders by informing them to make payment promptly as this promotion is on a first-come-first-serve basis.

14. Can CPN12 be bought as a third party policy?

No. Third party policies are not allowed.