



Manulife (Singapore) Pte. Ltd.
(Reg. No. 198002116D)
51 Bras Basah Road #09-00
Manulife Centre
Singapore 189554

24 September 2018

Reference: 01102018A

Dear Customer,

Notice of fund changes

Thank you for choosing Manulife as your preferred financial partner. We are writing to inform you about changes to the following Investment Linked Policy Sub-Fund(s) ("Fund(s)"):

- Golden Singapore Growth Fund
- Manulife Pacific Equity Fund
- Fortune – Aggressive Portfolio
- Golden Balanced Growth Fund
- Manulife Income Series – Asian Balanced Fund

To remain invested in the Fund(s), you do not need to take any further action.

Alternatively, you may consider the following options and provide us with your instructions:

- 1) Perform a fund switch and/or premium redirection to other fund(s).
- 2) Redeem your units in the Fund(s).

If your policy has not been issued, you may make the above changes once your policy is in force.

Please refer to the enclosed document for more information on the changes.

If you need any assistance, please contact your Financial Consultant or email us at service@manulife.com.

Thank you for your continued support and we look forward to serving you in the years ahead.

Yours faithfully,

Tan Kuan Ho
Head of Product Development
Manulife Singapore

This is a computer-generated letter and no signature is required.

Encl.

Your privacy is important to us. We are committed to protecting your personal data in accordance with our Statement of Personal Data Protection. To understand how we handle your personal data, please visit www.manulife.com.sg.

Introduction of Dilution and Dilution adjustment

The Funds currently feeds into the Underlying Funds (the “Underlying Funds”) which are managed by Schroder Investment Management (Singapore) Ltd (the “Manager”).

Funds	Underlying Fund
Golden Singapore Growth Fund	Schroder Singapore Trust
Manulife Pacific Equity Fund	Schroder Asian Equity Yield Fund
Golden Balanced Growth Fund	Schroder Singapore Trust (60%)
Manulife Income Series – Asian Balanced Fund	Schroder Asian Equity Yield Fund (60%)
Fortune – Aggressive Portfolio	Schroder Asian Equity Yield Fund (30%)

The below changes will take effect on 1 October 2018 (“Effective Date”).

Dilution and dilution adjustment

Each Underlying Fund is single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, redemptions and/or switching in and out of the Underlying Fund. This is known as “dilution”. In order to counter this and to protect unitholders’ interests, with effect from the Effective Date, the Manager will apply “dilution adjustment” as part of its daily valuation policy. This will mean that in certain circumstances the Manager (if in its opinion in good faith it is in the interest of unitholders to do so) will make adjustments in the calculations of the net asset value per Unit, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

In the usual course of business the application of a dilution adjustment will be triggered mechanically and on a consistent basis.

The need to make a dilution adjustment will depend upon the net value of subscriptions, switching and redemptions received by an Underlying Fund for each Dealing Day. The Manager therefore reserves the right to make a dilution adjustment where an Underlying Fund experiences a net cash movement which exceeds a threshold set by the Manager from time to time of the previous Dealing Day’s total net asset value.

The Manager may also make a discretionary dilution adjustment if, in its opinion, it is in the interest of existing unitholders to do so.

Where a dilution adjustment is made, it will increase the net asset value per Unit when there are net inflows into an Underlying Fund and decrease the net asset value per Unit when there are net outflows. The net asset value per Unit of each share class in the Underlying Funds will be calculated separately but any dilution adjustment will, in percentage terms, affect the net asset value per Unit of each share class identically.

As dilution is related to the inflows and outflows of money from an Underlying Fund, it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the Manager will need to make such dilution adjustments.

Because the dilution adjustment for a Underlying Fund will be calculated by reference to the costs of dealing in the underlying investments of the Underlying Fund, including any dealing spreads, which can

vary with market conditions, this means that the amount of the dilution adjustment can vary over time but will not exceed 2% of the net asset value per Unit of the relevant Underlying Fund on the relevant Valuation Day.

As the Funds feeds into the Underlying Funds, the valuation of the Funds will be indirectly affected by the dilution adjustment of the Underlying Funds.

Other than above, there will be no change to all other key features, investment objective, focus and investment approach of the Funds.

All fees and charges for the aforementioned ILP Underlying Funds will remain the same.



Frequently asked questions

Q1) Why is there a need to implement dilution adjustment to the Underlying Funds' daily valuation policy?

The dilution adjustment is intended to protect existing unitholders from the dilution effects they may suffer as a result of transactions by other investors in the Underlying Funds.

Q2) How will the changes affect the Funds that I currently invested into?

As the Funds feeds into the Underlying Funds, the valuation of the Funds will be indirectly affected by the dilution adjustment of the Underlying Fund.

Q3) Are there any changes to the risk profile of the Funds?

No, there are no changes to the risk profile of the Funds as a result of the changes mentioned.

Q4) When will the change take effect?

The changes will take effect on 1 October 2018.

Q5) What must I do to remain invested in the Funds?

No action is required if you wish to remain invested in the Funds.

Q6) What options do I have if I do not wish to remain invested in the Funds?

You may choose to switch to any other Manulife funds or redeem your units in the ILP Underlying Funds.

Q7) What do I have to do if I wish to perform a fund switch or premium redirection to other applicable funds?

To perform a fund switch or premium redirection, log on to our customer portal, *MyManulife*, at mymanulife.com.sg.

Alternatively, please download the *Fund Switch / Premium Redirection / Auto-Rebalancing Form* from manulife.com.sg/pdfs/PS_Fund_Switch_Premium_Redirection.pdf and mail or email the completed form to us. Please mail the completed form to us at: 51 Bras Basah Road, #09-00, Manulife Centre, Singapore 189554 or email the completed form to us at fundswitch@manulife.com.

Please note that you will need to have a valid Customer Knowledge Assessment (CKA) before making a fund switch or premium redirection. Please approach your Financial Consultant if you do not have a valid CKA.

Q8) When must I provide instructions to Manulife for the fund switch and redirection of premiums?

To perform the fund switch and redirection of premiums before the change takes effect, please provide us with your instructions and other required documents (if any) no later than **26 October 2018 3pm**. Please note that you will need to have a valid Customer Knowledge Assessment (CKA) before making a fund switch and premium redirection.

Q9) What do I have to do if I wish to redeem my units in the Funds?

To redeem your units in the Funds, please download the *Surrender / Withdrawal Form* from manulife.com.sg/pdfs/PS_Withdrawal_Surrender.pdf and mail the completed form to us, together with all relevant documents. Please mail the completed form to us at: 51 Bras Basah Road, #09-00, Manulife Centre, Singapore 189554.

Q10) Are there any charges/fees involved if I decide to switch or redeem my units in the ILP Underlying Funds?

There will not be any charges incurred when you perform a fund switch or premium redirection. However, please note that when redeeming your units in the Funds, surrender charges may apply, subject to the policy's terms and conditions. If your policy is under the Central Provident Fund Investment Scheme (CPFIS), the agent bank charges will be borne by us.