

# INFORMATION SHEET

## THINK BIG. START SMALL

### Begin with Share Builders Plan

### *Build your Portfolio Today!*



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## WHAT IS SHARE BUILDERS PLAN?

Share Builders Plan (SBP) is a regular fixed-dollar amount investment plan, which enables you to buy shares on a consistent and incremental basis so as to build up a portfolio of securities eventually. Therefore you do not need a huge amount of funds to invest in equity market since SBP presents a new opportunity for you to buy odd lots at a reduced cost.

By investing a fixed amount of funds consistently every month over a period of time, your average cost of shares purchased will generally be lower than the average price of the shares over the same period of time. This is possible since with the same amount of funds, you will buy more shares when prices are low and fewer shares when prices are high. This investment method is known as dollar-cost-averaging and it is especially useful in hedging against market volatility. With such a disciplined and consistent method, you will eventually build up a portfolio of stocks at a lower average cost.

## HOW TO PARTICIPATE?

### Eligibility

Applicant(s) must be above 18 years old to set up SBP.

### Joint Application

SBP allows for joint account application. Either applicant is authorized and empowered to act in accordance with the terms and conditions of SBP.

### Application Procedure

To participate in SBP with Phillip Securities Pte Ltd (PSPL), you can apply online through POEMS 2.0. Alternatively, you may complete an SBP Application Form, an Inter-bank GIRO form and apply for a POEMS trading account (if you do not have any).

## INVESTING IN SBP

### Investment Amount(s)

You will have to decide on the gross investment amount that you wish to commit for each month.

The minimum amount of investment is \$100 per month, subject to a minimum of \$100 per counter.

You will also have to determine the SBP counters you wish to invest in and the investment amount per counter. For example, \$200 to invest in DBS and \$300 to invest in SIA every month, hence total amount per month is \$500.

### Purchase of Shares

The aggregate monthly investments of all clients for any particular selected SBP counter will be done on the 18<sup>th</sup>\* of every month ("Transaction Date") on a non-discriminatory and non-preferential basis. Your SBP will be credited with the nearest rounded-down whole number of the designated share counter that can be purchased with your fixed monthly investment less our handling fee. If the 18<sup>th</sup> of the month falls on a non-market day, buying of the counter will be done on the next available market day.

*\*PSPL reserves the rights to buy on any other date where the need arises without notification to you.*

### Deduction of Handling Fee

For example, if you indicate that your investment amount for SIA is \$300 and if our handling fee is \$6.42 (inclusive of GST), the actual investment amount for SIA will be \$293.58 every month.

### Excess Funds Aggregation

If there are excess funds in your SBP, these funds will be added to your current month's investment amount for purchasing your preferred counter. The excess funds may arise from, but are not limited to un-invested balances brought forward from previous month as well as corporate actions such as dividends, cash offers, bonus or rights issues.

For example, if the un-invested amount last month was \$8.70, then the investment amount for SIA this month will be \$302.28, which is the sum of \$300 plus the un-invested amount of \$8.70 less handling fee of \$6.42 (inclusive of GST).

By reinvesting the excess funds, you are eventually purchasing more shares. However, if you would like to withdraw any excess funds from

your SBP, you may do so by informing your Trading Representative at least 3 business days prior to the Transaction Date.

### **Insufficient Funds**

Purchase of the selected SBP share counters will only be executed when funds from clients are received **at least 6 business days before the Transaction Date** of each month. PSPL reserves the right to cancel the transaction in the event that funds are not received for the month. An “insufficient funds” charge of \$5.35 (Inclusive of GST) will be imposed.

### **Priority of Balance**

Monthly investment will be effected only if there are sufficient funds in your bank account to execute your SBP investment instructions. **No partial** investment will be made in the event of insufficient funds.

### **Amendments**

The investment amount and SBP counter(s) to be invested may be changed by submitting an amendment request online via POEMS or by filling in the SBP Amendment Instruction Form. However, amendments for the month will be effected only if instructions are completed and received by PSPL no later than 6 business days before the Transaction Date. Otherwise, the amendment will be effective from the next investment month.

### **Selling of SBP Shares**

The sale of shares may be executed through POEMS online or your Trading Representative via your share trading account that is linked to your SBP. If you are selling the shares via POEMS online, it is important for you to notify your Trading Representative that you are selling from your SBP shareholdings. The sales proceeds from SBP will be credited to your share trading account that is linked to your SBP.

### **Payment**

Inter-bank GIRO is used for fixed monthly transfer of funds from your bank account to PSPL for the

purpose of investment. Clients have to ensure that sufficient funds are available at least 6 business days before the Transaction Date (18<sup>th</sup> of every month) of each month. Pending your bank’s approval of your GIRO application, you may choose to submit an online withdrawal via your POEMS trading account to fund your SBP for the first month of investment. This is available for all account types except cash trading account.

### **Corporate Actions**

Script and/or cash entitlements such as bonus, rights issue, dividends, proceeds from cash offers etc will be credited into SBP. The cash entitlements will form part of the excess funds and will be reinvested into your preferred counter subsequently.

As part of the product features, PSPL will arrange for the Rights Shares (the “Rights”) to be sold as “nil-paid” rights on the SGX-ST during the trading period. The net proceeds allocated after the deduction of SGD5.35 (inclusive of GST) handling fee, if any, will be credited into your SBP to form part of the excess funds and will be reinvested into your preferred counter. Brokerage for this liquidation will be waived.

### **\*Monthly Handling Fees**

<b>Handling Fees</b>	≤2 counters	≥3 counters
Total Investment Amount ≤ \$1000	S\$6	S\$10
Total Investment Amount > \$1000	The higher of 0.2% or \$10	

### **\*Other Fees and Charges**

<b>**Dividend Charges</b>	1% min S\$1 capped at S\$50
<b>Scrip Dividends</b>	\$10
<b>Other Corporate actions (except right issue)</b>	\$10
<b>Share Transfer Charges</b>	\$20 per counter per transfer charged by CDP and PSPL
<b>Failed GIRO collection charge</b>	\$5
<b>Hard Copy statement (if Opt-Out of E-Statement)</b>	\$2

\* All fees are subjected to GST.

### **Note:**

\*\*Dividend charges will be equivalent to dividend amount, if the dividend amount is less than S\$1.

### **Monthly Statement**

A monthly administrative fee of S\$2.14 (inclusive of GST) will be levied for each hardcopy statement that we send to you. You may opt for E-statement where no monthly administrative fee levied.

### **EXAMPLE OF PARTICIPATION IN SBP**

A hypothetical example of a monthly investment of \$400 in ABC shares for a 2-year period. The figures below give a comparison of the average price of the share as well as the average cost of the share, the total investment amount and savings per share.

<b>ABC shares</b>	
Investment Amount (via Inter-bank GIRO every month)	\$400
SBP handling charge per month (inclusive of GST):	\$6.42
Total share holdings :	994
Total Investment amount (less fees; Dividends not included):	\$9,445.92
Average Share Price (Closing price/no. of months):	\$12.02
Dollar-cost Average Price:	\$9.50
Amount saved per share (absolute):	\$2.52
Amount saved per share (percentage):	26.53%

For illustrative purposes only, returns are not guaranteed.

### **Disclaimer:**

This information sheet is provided for you for general information only and does not have any regard to your specific investment objectives, financial situation and any of your particular needs. Accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of your acting based on this information. SBP is a Regular Savings Plan and is not a deposit and not principal protected nor a capital guaranteed plan.

Investments are subject to investment risks including the possible loss of the principal amount invested. The value of the shares and the income from them may fall as well as rise. Past performance is not necessarily indicative of future performance. Investments in Regular Savings Plan are designed to produce returns over the medium to long term and are not suitable for short-term speculation.

Any opinion or view herein is made on a general basis and is subject to change without notice.

You may wish to obtain advice from a qualified financial adviser, pursuant to a separate engagement, before making a commitment to purchase any of the investment products mentioned herein. In the event that you choose not to obtain advice from a qualified financial adviser, you should assess and consider whether the investment product is suitable for you before proceeding to invest and we do not offer any advice in this regard unless mandated to do so by way of a separate engagement.

The information is correct as at the date of print and the company reserves the right to revise the charges.

**Updated as of 13 November 2020**



### Counters Available for Share Builders Plan

No.	Full Company Name	Counter Name In POEMS	Sector	*Dividend Yield
1	ABF Singapore Bond Index	ABF SG BOND ETF	ETF	2.01%
2	AEM Holdings	AEM	Technology-Semiconductors	2.33%
3	Ascendas REIT Estate Inv Trust	ASCENDAS REIT	REIT Industrial	4.53%
4	Ascott Residence Trust Management Limited	ASCOTT TRUST	REIT Hospitality	3.93%
5	CapitaLand Limited	CAPITALAND	Property	3.82%
6	CapitaLand Integrated Commercial Trust	CAPLAND INTCOM T	REIT Retail	5.43%
7	City Developments Limited	CITYDEV	Property	1.10%
8	ComfortDelgro Corporation Limited	COMFORTDELGRO	Transport	3.31%
9	DBS Group Holdings Limited	DBS	Finance	3.89%
10	Frasers Centrepont Trust	FRASERS CPT TR	REIT Retail	4.24%
11	Frasers Logistics & Commercial Trust	FRASERS L&C TR	REIT Industrial	4.84%
12	Frasers Property Limited	FRASERS PPT	Property	1.26%
13	Genting Singapore Limited	GENTING SING	Consumer	2.81%
14	Japfa	JAPFA	Consumer – Food Processing	1.10%
15	Keppel Corporation Limited	KEPPEL CORP	Conglomerate	2.00%
16	Keppel DC REIT	KEPPEL DC REIT	REIT Industrial	3.15%
17	Keppel REIT	KEPPEL REIT	REIT Office	5.01%
18	Lendlease Global Commercial REIT	LENDLEASE REIT	REIT Commercial	2.27%
19	Lion-OCBC Sec Hang Seng TECH ETF	LION-OCBC HSTECH S\$	TECH	N.A
20	Lion-Phillip S-REIT ETF	LION-PHILLIP S-REIT	ETF	4.12%
21	MapleTree Commercial TRUST	MAPLETREE COM TR	REIT Office	4.03%
22	MapleTree Industrial Trust	MAPLETREE IND TR	REIT Industrial	4.37%
23	MapleTree Logistic Trust	MAPLETREE LOG TR	REIT Industrial	4.09%
24	Netlink NBN Trust	NETLINK NBN TR	Business Trust- Telco	5.30%
25	NikkoAM Inv Grade Corporate Bond	NIKKOAM SGD IG C	ETF	2.72%
26	NikkoAM-Straits Jap REIT ETF	NIKKAM-STC REIT	ETF	4.02%
27	Oversea-Chinese Banking Corporation	OCBC	Finance	4.21%
28	Phillip SING Income ETF	PHILLIP SING INC	ETF	3.96%
29	Raffles Medical Group	RAFFLES MEDICAL	Healthcare	2.60%
30	SATS Limited	SATS	Transport	N.A
31	Sembcorp Industries Ltd	SEMCORP IND	Conglomerate	1.79%
32	SembCorp Marine Ltd	SEMCORP MARINE	MISC	N.A
33	Singapore Exchange Limited	SGX	Finance	3.20%
34	Sheng Shiong Group Limited	SHENG SIONG	Consumer	3.33%
35	Singapore Airlines Limited	SIA	Transport	N.A
36	Singapore Post Limited	SINGPOST	Transport	3.17%
37	Singapore Telecommunications Ltd	SINGTEL	Telco	4.38%
38	SPH REIT	SPH REIT	REIT Retail	5.85%
39	Starhub Ltd	STARHUB	Telco	3.74%
40	Singapore Press Holdings Limited	SPH	Consumer	2.10%
41	SPDR Straits Times Index ETF	STI ETF	ETF	2.72%
42	Singapore Technologies Engineering	ST ENGINEERING	MISC.	3.99%
43	Suntec Real Estate Inv Trust	SUNTEC REIT	REIT Office	4.90%
44	Thai Beverage Public Company Limited	THAIBEV	Consumer	2.48%
45	United Overseas Bank Limited	UOB	Finance	3.94%
46	UOL Group Limited	UOL	Property	2.35%
47	Venture Corporation Limited	VENTURE	MISC	3.75%
48	Wilmar International Limited	WILMAR INTL	MISC	2.50%
49	YOMA Strategic Holdings	YOMA STRATEGIC	Real Estate	N.A

\*Source: Bloomberg, 12-month dividend yield is as of 09/02/21, and is subjected to changes.