

## **FAQs for Nikko AM SGD Investment Grade Corporate Bond ETF**

### **Initial Offering Period (IOP)**

#### **1. What is the minimum subscription units?**

Client can apply with **minimum quantity of 1,000** and at incremental size of 1,000 for KC, C, CC, M and V Accounts.

Client with Cash Account (T Account) have to subscribe to a **minimum quantity of 50,000 units** and at incremental size of 1,000.

Please call or approach your Trading Representatives or your nearest Phillip Investor Centre to find out which account you are holding.

#### **2. What is the subscription price per unit of ETF?**

Each Unit is priced at S\$1.00 per unit.

#### **3. Will there be balloting or full allotment?**

Client will receive full allotment of the quantity applied.

#### **4. Does client have to fill in any CAR / CKA form?**

No, this is an Excluded Investment Product (EIP). Hence, CAR / CKA form is not required.

#### **5. When is the subscription period?**

From 23 July 2018, 9am (Monday) to 14 August 2018, 5pm (Tuesday). Orders received after the deadline will be void.

#### **6. How can I subscribe to the Initial Offering of this ETF?**

1. Please approach your Trading Representatives or your nearest Phillip Investor Centre for a copy of the Irrevocable Statement.

2. Fill in the Irrevocable Statement and submit to your Trading Representatives or nearest Phillip Investor Centre
3. Ensure that your Ledger-based Trading Accounts (KC, C, CC, M or V) have sufficient funds (inclusive of commission fee, transfer fee and GST) before **16 August 2018, 12 noon**
4. Please contact your Trading Representatives or nearest Phillip Investor Centre to find out how much do you require in your Trading Account for your desired subscription quantity
5. Application will be void if the account does not have sufficient funds after the deadline (16 August 2018, 12 noon)

## **6. How much is the subscription fee in total?**

Commission fee will be a minimum of \$15 or 0.15%, whichever is higher of the application value (Subject to GST).

There will be an additional transfer fee charge of \$10 (Subject to GST)

Example:

### **For less than 10,000 or 10,000 Units Subscribed, commission will be \$15:**

I subscribed to 5,000 units.

Gross:  $5,000 \times \$1.00 = \$5,000$

Commission:  $\$15 \times 1.07$  (w GST) = \$16.05

Total:  $\$5,000 + \$16.05$  (commission fee) + \$10.70 (transfer fee) = **\$5,026.75**

### **For more than 10,000 Units Subscribed, commission will be 0.15%:**

I subscribed to 15,000 Units.

Gross:  $15,000 \times \$1.00 = \$15,000$

Commission:  $\$15,000 \times 0.15\% \times 1.07$  (w GST) = \$24.08

Total:  $\$15,000 + \$24.08$  (commission fee) + \$10.70 (transfer fee) = **\$15,034.78**

Please call or approach your Trading Representatives or your nearest Phillip Investor Centre if you are unsure of the total investment amount.

## **7. What are the important dates to take note?**

Book building for Phillip Securities opens at 23<sup>rd</sup> July, 9am.

Book building for Phillip Securities closes at 14<sup>th</sup> August, 5pm.

Full payment (inclusive of GST) must be in client trading account by 16<sup>th</sup> August 2018, 12pm

Any orders received after 14 Aug, 5pm will be void

Any trading accounts without sufficient funds after 16 Aug, 12pm will be void

## **8. How can I transfer funds into my ledger based trading accounts?**

Electronic Payment of Shares (EPS) via ATM and iBanking. Do ensure that the bank account is linked to your POEMS trading accounts.

Or do a cheque deposit with our cashier at:

Phillip Securities Pte Ltd  
250 North Bridge Road  
#6-00 Raffles City Tower  
Singapore 179101

## **9. How can I make payment if I'm using a Cash Trading Account (T Account)**

For Cash Trading account with GIRO bank linkage, we will deduct the total sum via GIRO on 16<sup>th</sup> August.

Failed GIRO deduction will result in the voiding of order.

For Cash Trading account without GIRO bank linkage, please make payment via bank transfer or cheque and inform your respective TR.

## **10. Can joint account apply?**

Yes. Both applicants have to sign on the same Irrevocable Statement

## **11. Can I apply via ATM?**

No.

## **12. Can I subscribe using CPF account?**

No.

**13. Can I subscribe using SRS account?**

No. However, SRS funds can be used to purchase the ETF after it starts trading on SGX.

**14. What is the estimated dividend yield?**

Bonds inside the benchmark index have an average coupon rate of 3.40% per annum. The net indicative yield will be ~3%.

**15. What is the dividend payment frequency?**

The Manager currently intends to make annual distributions, less the expenses of the Fund, to Holders around January of each year.

**16. Is there any tax on the dividends?**

No.

**17. Is there financing option available for client?**

No. Only Full Cash Subscription is available for this IOP.

**18. What is the expense ratio for this ETF?**

Expense ratio is capped at a maximum of 0.30% per annum. (According to the fund prospectus)

Expense ratio is embedded into the Net Asset Value (NAV) of the ETF.

Investors need not make any further payment for the expense ratio.

**19. When is the listing date for this ETF?**

27 August 2018, Monday. 9 am

Client can start trading the ETF units after it is listed on SGX on 27 August 2018

**20. What is the risk?**

The specific risks of investing in the Fund are Market Risk, Liquidity Risk, Interest Rate Risk, Credit risk, Tracking error risk and so on. Please refer to the Prospectus under the Section IX Risks.

## **21. Whom can I contact if I have more questions on the Initial Offering Period?**

You can contact your assigned trading representatives.

Alternatively you may call us at our general helpline 6531 1555 or email [etf@phillip.com.sg](mailto:etf@phillip.com.sg) for more information