



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

PRU*select*

Product Information Pack for Financial Consultants

CONTENTS

1 Product Features

2 Frequently Asked Questions

3 Market Comparisons

4 Sales and Marketing Propositions

5 Appendix



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

PRUselect

PRODUCT FEATURES

1 INTRODUCTION

PruSelect policy is a regular premium investment-linked plan that allows the policyholder to invest in any of the funds available for this policy. It has a fixed premium payment term of 10, 15 or 20 years.

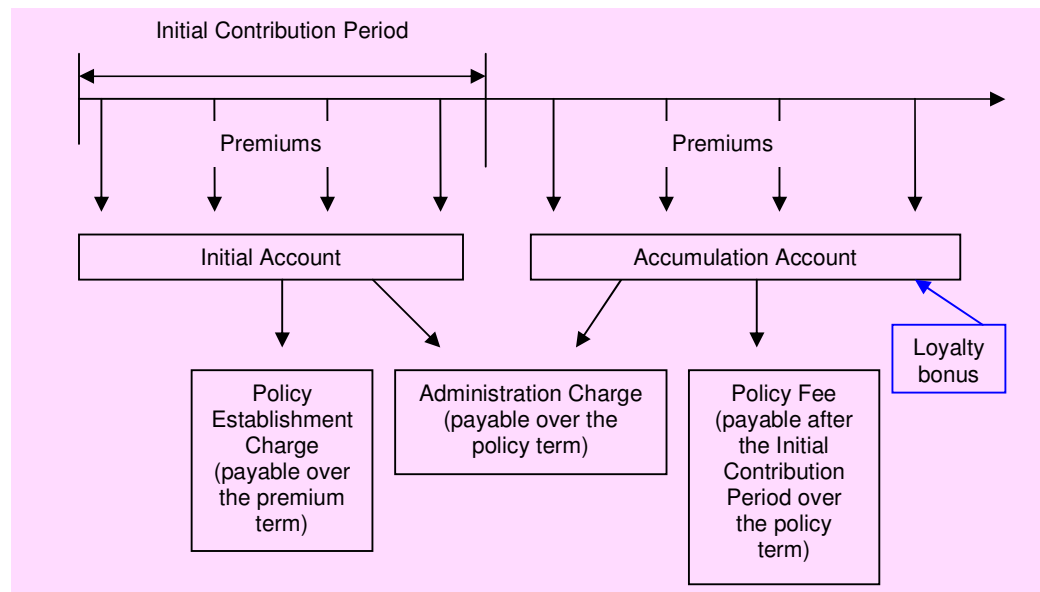
PruSelect policy is available in Singapore dollars ("**SGD**") only.

Premiums received for the first 24 months ("**Initial Contribution Period**") from the first premium due date of the policy will be placed into the Initial Account. Subsequently, premiums received are placed into the Accumulation Account.

Unit prices of the PruSelect Funds may be currently obtained from the company website <www.prudential.com.sg>. The policyholder may also refer to the respective Investment Manager's website for the dealing days to which the prices apply.

The policyholder can invest in any of the funds only if it is available. The list of funds shall be collectively known as "**PruSelect Funds**" in this document. Any single fund shall be known as a "**PruSelect Fund**".

Here is an illustration of how the policy works:





This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

2 LAUNCH DATE

7 October 2014

3 BASIC BENEFITS

3.1 Death Benefit

The following benefit is payable if the life assured dies from (a) Accident or (b) non-accidental causes:

a) Accidental Death

If the life assured dies from an Accident, we pay the higher of:

- the value of all the units in the Account; or
- 105% of (total premiums paid (excluding premiums for supplementary benefits) less any withdrawals and any charges applied on the reduction in premium), less any amounts owing to us.

The coverage for this benefit is up to the Policy Anniversary before the life assured turns 75 years old.

An “**Accident**” is an unforeseen and involuntary event, which directly causes death or injury by violent, external and visible means, and is independent of any other cause (such as illness or disease of the life assured).

b) Death from non-accidental causes

If the life assured dies from other causes (i.e. not from an Accident), we pay the value of all the units in the Account, less any amounts owing to us.

We will calculate the value of all the units in the Account as follows:

To value the units, we use the unit price calculated on the second business day after we receive the notification of death of the life assured with proof of death. For the purposes of this calculation only, business day shall mean a working day in both the jurisdiction of the domicile of the relevant PruSelect Fund as well as Singapore.

Our calculation, and the subsequent determination of the final results, shall be final and binding.

If charges are deducted from the Account at any time before the date of notification of claim for death cover, we will not make any refund of such charges to the policyholder.

If the life assured dies from suicide within 12 months from the Cover Start Date of the policy or from the date of reinstatement (if any), we will void the policy. In this case, we will cancel the policy and refund the total premiums received from the policyholder less any withdrawals, all outstanding amounts owing to us in connection with the policy and expenses (including but not limited to administrative, sales related and medical expenses (if any)) incurred by us on the policy.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

If the life assured dies due to a Pre-existing Condition within 12 months from the Cover Start Date of the policy, we pay the higher of:

- the value of all the units in the Account; or
- the total premiums paid by the policyholder less any withdrawals, all outstanding amounts owing to us in connection with the policy and expenses (including but not limited to administrative, sales related and medical expenses, if any) incurred by us on the policy.

A **"Pre-existing Condition"** is the existence of any signs or symptoms for which treatment, medication, consultation, advice or diagnosis has been sought or received by the life assured or would have caused an ordinary prudent person to seek treatment, diagnosis or cure, prior to the Cover Start Date of this benefit or the date of reinstatement (if any).

3.2 Premium Allocation Rate

We use 100% of the regular premium to buy units at the unit price in the PruSelect Fund or Funds the policyholder has chosen.

If we receive the regular premium and accept the application, we use the unit price calculated on the date on which the Investment Manager determines the net asset value of the fund in accordance with the following formula to buy units:

$T + X$ = the date on which the Investment Manager determines the net asset value of the PruSelect Fund ("the **Unit Purchase Date**")

(where T means the date on which the unit purchase order is placed by us with the relevant Investment Manager; and where X shall be the number of days after T date when the Investment Manager determines the net asset value of the PruSelect Fund of which unit(s) the policyholder purchased).

Our calculation, and the subsequent determination of the final results, shall be final and binding.

Each PruSelect Fund is divided into units of equal value and the number of units the policyholder has is calculated to the number of decimal points as determined by the relevant Investment Manager.

3.3 Loyalty Bonus

We give a Loyalty Bonus after premiums have been paid for a specific duration (refer to the Loyalty Bonus table below). The Loyalty Bonus is a percentage of the Average Annualised Premium and will be converted into additional units and placed in the Accumulation Account.

"Average Annualised Premium" = (total premiums paid* – any withdrawals) ÷ number of years premiums have been paid

**excluding premiums of supplementary benefits (if any).*

If withdrawals exceed total premiums paid, there will be no Loyalty Bonus.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

To qualify for the Loyalty Bonus, premiums must be paid consistently and on time for 5 years/ 10 years/ 15 years/ 20 years, as the case may be. We will only pay the Loyalty Bonus 2 months after the 5th Policy Anniversary/ 10th Policy Anniversary/ 15th Policy Anniversary/ 20th Policy Anniversary, as the case may be, at the earliest. Each Loyalty Bonus given is made in one payment.

"Policy Anniversary" is the anniversary of the first premium due date of the main policy. The first premium due date is shown on the Certificate of Life Assurance.

No Loyalty Bonus is payable if the policyholder discontinues paying premiums at any time. Once the premium payment term ends, the Loyalty Bonus entitlement also ceases.

We reserve the right to deduct any Loyalty Bonus paid out to the policy, from the Accumulation Account, should there be any transaction or reversal of transaction that affects the entitlement to the Loyalty Bonus.

Loyalty Bonus Table

Loyalty Bonus eligibility				
Policy Anniversary	Percentage of Average Annualised Premium	Policy Premium Term		
		10 Years	15 Years	20 Years
5th Policy Anniversary	2.5%	Yes	Yes	Yes
10th Policy Anniversary	5%	Yes	Yes	Yes
15th Policy Anniversary	7.5%	-	Yes	Yes
20th Policy Anniversary	10%	-	-	Yes

4 TOP UP PREMIUM

No top up is allowed.

5 POLICY LIMITS

5.1 Age Limits

5.1.1 Age at Entry

	Premium term of 10 years	Premium term of 15 years	Premium term of 20 years
Minimum Entry	1 ANB	1 ANB	1 ANB
Maximum Entry	65 ANB	60 ANB	55 ANB

5.1.2 Policy Term

Whole of Life

5.1.3 Premium Term

Choice of 10, 15 or 20-year premium payment term.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

5.2 Currency

Only SGD.

5.3 Minimum and Maximum Premium

	Monthly	Quarterly	Half-Yearly	Yearly
Minimum Premium	\$350	\$1,050	\$2,100	\$4,200
Maximum Premium	\$500	\$1,500	\$3,000	\$6,000

5.4 Frequency of Payment

Monthly, quarterly, half-yearly and yearly.

5.5 Method of Payment

Regular Premium payment.

Available via cash, cheque, GIRO and credit card. Payment by all credit card (VISA or MASTERCARD only) is only allowed for first premium.

For subsequent renewal premium, Prudential/ SCB/ DBS/ POSB/ Maybank/ UOB credit cards are allowed. Other banks' credit cards are not allowed.

Monthly

Payment of monthly mode can only be made by credit card and GIRO.

For payment via GIRO, the first 2 monthly premiums must be made via cash, cheque or credit card.

6 CHARGES

From the second month following the first premium due date of the policy and on the same day every month, we bill the policyholder for the charges as shown below.

6.1 Policy Establishment Charge

- deducted from the Initial Account;
- deducted for the duration of the premium payment term; and
- is 4% p.a. of the latest Initial Account value as at the time we bill the policyholder.

Please note that the Policy Establishment Charge is not guaranteed and we reserve the right to vary the charges. However, we will give 30 days' written notice before doing so.

6.2 Administration Charge

- deducted from the Initial Account and Accumulation Account;
- deducted for the duration of the policy term; and
- is 0.75% p.a. of the latest Initial Account and Accumulation Account value as at the time we bill the policyholder. The amounts are deducted from the respective Accounts.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

Please note that the Administration Charges are not guaranteed and we reserve the right to increase the Administration Charges up to a maximum of 1.5% p.a. However, we will give 30 days' written notice before doing so.

6.3 Policy Fee

- deducted from the Accumulation Account;
- deducted after the Initial Contribution Period for the duration of the policy term; and
- is SGD7 per month

Please note that the Policy Fees are not guaranteed and we reserve the right to increase the policy fees up to a maximum of SGD14 per. However, we will give 30 days' written notice before doing so.

6.4 Surrender Charge

The surrender charge shall be calculated as a percentage of the Initial Account value as at the Unit Sale Date (as defined in Section 7.2.2). The applicable percentage shall be in accordance with the Surrender Charge Table below.

Surrender Charge Table

Number of completed months*	10 year Premium Term	15 year Premium Term	20 year Premium Term
1 - 12 (Year 1)	100%	100%	100%
13 - 24 (Year 2)	100%	100%	100%
25 - 36 (Year 3)	39%	58%	70%
37 - 48 (Year 4)	35%	55%	68%
49 - 60 (Year 5)	31%	52%	66%
61 - 72 (Year 6)	23%	46%	64%
73 - 84 (Year 7)	19%	43%	61%
85 - 96 (Year 8)	14%	39%	58%
97 - 108 (Year 9)	10%	35%	55%
109 - 120 (Year 10)	5%	31%	52%
121 - 132 (Year 11)		23%	46%
133 - 144 (Year 12)		19%	43%
145 - 156 (Year 13)		14%	39%
157 - 168 (Year 14)		10%	35%
169 - 180 (Year 15)		5%	31%
181 - 192 (Year 16)			23%
193 - 204 (Year 17)			19%
205 - 216 (Year 18)			14%
217 - 228 (Year 19)			10%
229 - 240 (Year 20)			5%

*from the Cover Start Date



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

6.5 Investment Charges

Please refer to the respective schedules in the relevant fund prospectuses for details.

The Policy Establishment Charges, Administration Charges and Policy Fees will be funded through the cancellation of units in the respective Accounts. If there are insufficient units in an Account, then the charges will be treated as outstanding amounts owing to us.

Every month we will bill the policyholder for the charges. We will calculate the charges in accordance with the following formula:

$C + Y =$ the date on which the Investment Manager determines the net asset value of the PruSelect Fund ("the **Charge Date**")

(where C means the date on which the units are cancelled by us when we place a unit sale order with the relevant Investment Manager; and where Y shall be the number of days after C date when the Investment Manager determines the net asset value of the PruSelect Fund of which unit(s) we have cancelled to pay for the charges).

We use the unit price on the billing date and effect the deduction of charges on the Charge Date. We sell proportionate units from all the PruSelect Funds the policyholder invested in to pay for the charges. We will calculate the proportionate units to be sold based on the number of units still invested by the policyholder in each of the PruSelect Funds within the Initial Account or Accumulation Account as at the time of such sale.

Our calculation, and the subsequent determination of the final results, shall be final and binding.

7 POLICY VALUES

7.1 Surrender Value

The surrender value consists of:

- a) the value of the units in the Account(s) less the surrender charge; and
- b) any premium the policyholder has paid which was intended to be used to buy units but have yet to be invested, less any amounts owing to us.

7.2 Alteration

7.2.1 Change the regular premium distribution

At any time, the policyholder can ask us to change the proportions in which the regular premiums are being invested. The policyholder can only change in multiples of 5% and into any of the funds that are currently available. We make the change the next time the policyholder pays the regular premium.

To make a change, the policyholder must use our appropriate application form and meet the conditions on it. We will notify the policyholder if we accept the application.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

7.2.2 Switching from one fund to another

When the policyholder has enough units in the Account(s), he/ she can ask us to switch them to other PruSelect Fund(s) that are available. The policyholder must specify which Account (the Initial or Accumulation Account) the policyholder wish to switch out from. Funds from the different Accounts cannot be combined (i.e. funds from the Initial Account cannot be transferred into the Accumulation Account and vice versa). They will remain separate even though the policyholder may choose the same fund to switch into.

The minimum amount the policyholder can switch out of a PruSelect Fund is currently SGD20. The remaining units in the PruSelect Fund that the policyholder are switching out from must be worth at least SGD20 based on the unit price at the time the switch is carried out. If not, the policyholder must switch all the units out of the PruSelect Fund. We reserve the right to vary, from time to time, the minimum amount you can switch out of a PruSelect Fund.

We will make the switch in accordance with the following formula and steps:

$S + Z =$ the date on which the Investment Manager determines the net asset value of the PruSelect Fund ("the **Unit Sale Date**")

(where S means the date on which the unit sale order is placed by us with the relevant Investment Manager; and where Z shall be the number of days after S date when the Investment Manager determines the net asset value of the PruSelect Fund of which unit(s) the policyholder has sold).

Step 1: If we accept the application, we will sell the existing unit(s) which the policyholder has instructed to switch out from at the unit price calculated on the Unit Sale Date.

Step 2: After selling such existing unit(s), we will use the proceeds of sale to buy the unit(s) the policyholder has instructed us to switch into, as if such proceeds of sale are the premiums collected under this policy.

For the purposes of this document, the date of acceptance of the application shall mean the date on which we receive the relevant application form from the policyholder before 3pm of that date, provided that all conditions for acceptance have been fully satisfied. If we receive the relevant application form at or after 3pm on any particular date, the date of acceptance of application shall be deemed to be the following business day, provided that all conditions for acceptance have been fully satisfied.

Our calculation, and the subsequent determination of the final results, shall be final and binding.

We currently do not charge for fund switches. However, we reserve the right to levy a switching fee but will give the policyholder 30 days' written notice before doing so.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

7.2.3 Increase the regular premium

No increase in regular premium is allowed.

7.2.4 Reduce the Regular Premium

The policyholder can reduce the amount he/ she pay as regular premium but the reduced amount must be equal to or more than any minimum amount we specify. The reduction starts from the date the next premium is due. After that, the policyholder pays the reduced regular premium every time the premium falls due.

If the policyholder reduces the regular premium during the Initial Contribution Period there will be a charge which is 100% of the extracted amount (i.e. the value of the Initial Account multiplied by the percentage of premium reduced).

Example:

PruSelect policy with a 10-year premium term and a monthly premium of \$500, was inception on 3 October 2014.

If the policyholder reduces the regular premium within the Initial Contribution Period

Application submitted to reduce the regular premium to \$350 per month on 25 November 2014 for next premium due on 3 December 2014.

Value of units in Initial Account as at 25 November 2014
= \$1,200

Percentage of the premium reduced
= $(\$500 - \$350) / \$500 \times 100\%$
= 30%

Total charge to be deducted from the Initial Account
= $\$1,200 \times 30\%$
= \$360

If the policyholder reduces the regular premium after the Initial Contribution Period

Application submitted to reduce the regular premium to \$350 per month on 1 November 2017 for next premium due on 3 December 2017.

7.2.5 Withdraw from the Account

The policyholder can make a partial withdrawal by asking us to sell some of the units from the Accumulation Account.

The policyholder can only make a partial withdrawal if he/ she has a minimum amount in the Accumulation Account. The minimum amount the policyholder can withdraw is currently \$1,000. The remaining units in the Accumulation Account must be worth at least \$1,000 based on the unit price at the time of withdrawal. If not, the policyholder will not be able to make a partial withdrawal. We reserve the right to vary, from time to time, the minimum



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

withdrawal amount in respect of any new application to make a partial withdrawal.

The policyholder cannot make a partial withdrawal from the Initial Account.

If we accept the policyholder's application, we will sell the existing unit(s) which he/ she has instructed to withdraw from at the unit price calculated on the Unit Sale Date (as defined in section 7.2.2).

For the purposes of this document, the date of acceptance of the policyholder's application shall mean the date on which we receive the relevant application form from the policyholder before 3pm of that date, provided that all conditions for acceptance have been fully satisfied. If we receive the relevant application form at or after 3pm on any particular date, the date of acceptance of application shall be deemed to be the following business day, provided that all conditions for acceptance have been fully satisfied.

Our calculation, and the subsequent determination of the final results, shall be final and binding.

We will pay the policyholder no later than 3 working days after receiving the proceeds of sale of the last relevant PruSelect Fund from the relevant Investment Manager.

7.2.6 Surrender the policy

The policyholder can apply at any time to surrender the policy. We pay the policyholder the surrender value which consists of:

- a) the value of the units in the Account(s) less the surrender charge; and
- b) any premium the policyholder has paid which was intended to be used to buy units but have yet to be invested, less any amounts owing to us.

If we accept the policyholder's application, we will sell the existing unit(s) which he/she has instructed to surrender from at the unit price calculated on the Unit Sale Date.

For the purposes of this document, the date of acceptance of the policyholder's application shall mean the date on which we receive the relevant application form from the policyholder before 3pm of that date, provided that all conditions for acceptance have been fully satisfied. If we receive the relevant application form at or after 3pm on any particular date, the date of acceptance of application shall be deemed to be the following business day, provided that all conditions for acceptance have been fully satisfied.

Our calculation, and the subsequent determination of the final results, shall be final and binding.

We will not refund any charges deducted from the Account(s) upon the surrender of the policy.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

We will pay the policyholder no later than 3 working days after receiving the proceeds of sale of the last relevant PruSelect Fund from the relevant Investment Manager.

7.3 Failure to Pay Premiums

(A) What happens if the policyholder fails to pay premiums during the Initial Contribution Period?

If the policyholder fails to pay a premium on time during the Initial Contribution Period, the policy automatically terminates and the relevant surrender charge will apply (refer to the section on surrender charge for more details).

In order for the policy to be reinstated during the Initial Contribution Period:

- the policyholder must submit the relevant application form within 12 months from the last premium due date;
- the policyholder must pay all unpaid premiums; and
- we must have already billed the policyholder for the unpaid charges.

In order for the policy to be reinstated after the Initial Contribution Period:

- the policyholder must submit the relevant application form within 12 months from the last premium due date;
- the policyholder must pay all unpaid premiums due during the Initial Contribution Period. Payment of unpaid premiums for the Accumulation Account is optional provided that there are sufficient units to fund the charges; and
- we must have already billed the policyholder for the unpaid charges that are to be deducted from the Accounts.

(B) What happens if the policyholder fails to pay premiums after the Initial Contribution Period?

After the Initial Contribution Period, if the policyholder fails to pay a premium on time or the policyholder discontinues paying the premiums and:

1. there are units in the Accumulation Account, the policy continues for the same basic benefits. However, all supplementary benefits (if any) automatically discontinue. We continue to bill the policyholder for the various charges from the respective Accounts. The policyholder can resume the regular premium payment for the main policy at any point in time.
2. there are no units in the Accumulation Account, the policy continues for 12 months from the date the last charge was deducted from the Accumulation Account. The Policy Establishment Charge and Administration Charge on the Initial Account continue to be billed during the 12-month period and any charges in the Accumulation Account will be treated as outstanding amounts owing to us. The policyholder must resume the regular premium payment for the main policy during such 12-month period. If the policyholder does not resume the regular premiums, then after such 12-month period, the policy will terminate and we pay the policyholder the surrender value (if any) less any outstanding amounts owing to us. The policyholder cannot reinstate the policy on or after such termination.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

We reserve the right to reinstate the supplementary benefits that are available at the time of reinstatement.

Upon reinstatement, should the PruSelect Fund originally invested in be no longer available then the policyholder must choose another PruSelect Fund to invest in. Accordingly, in the event that the policyholder fails to choose another PruSelect Fund, the reinstatement of the policy may not be successful.

7.4 Paid-up Values

Not applicable.

7.5 Surgical and Nursing Loan

Not applicable.

7.6 Policy Loan

Not applicable.

8 POLICY CONDITIONS

8.1 Free Look Provision

The policy may be cancelled by written request to us within 14 days after the policyholder receives the Policy Document. The amount of refund will be the premiums paid less any outstanding amounts owing to us in connection to the policy.

However, if part or all of the premium has been used to purchase units in the PruSelect Fund(s) that the policyholder has chosen, the fluctuation in the unit prices will be used to work out the amount to be refunded to policyholder less any outstanding amounts owing to us in connection to the policy. We will use a premium refund formula as determined by us, to work out the amount to be refunded.

If the policy is sent by post it is deemed to have been delivered and received in the ordinary course of the post, 7 days after the date of posting.

8.2 Grace Period

30 days from the premium due date.

8.3 Statement of Account

The Statement of Account will be sent to the policyholders for in force policies on the same day every month after policy inception.

8.4 Governing Law

The policy is governed by and interpreted according to the laws of the Republic of Singapore and the Singapore Courts have the exclusive authority to hear and decide on any dispute arising from the policy.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

8.5 Changes to Policy Benefit and Conditions

The Company reserves the right to vary the policy benefits and conditions at any time by giving 30 days notice to the policyholder before doing so.

8.6 Taxes

8.6.1 Goods and Services Tax (GST)

The provision, or transfer of ownership, of life insurance contracts is considered an exempt supply under the Goods and Services Tax (GST) Act. GST is not chargeable on exempt supplies.

Life insurance contract is defined by the Insurance Act to mean any policy which:

- (a) provides for the payment of policy moneys on the death of a person or on the happening of any contingency dependent on the termination or continuance of human life;
- (b) is subject to payment of an annuity for a term dependent on the termination or continuance of human life;
- (c) provides for the payment of an annuity for a term dependent on the termination or continuance of human life; or
- (d) is a combination of any of the above.

However, the policy is not considered to be a life insurance contract if the payment of policy moneys on the death of a person is made only in the event of:

- (a) death by accident; or
- (b) death resulting from specified sickness.

As this product is a Life insurance contract, no GST is chargeable.

8.6.2 Withholding tax

Income, including interest income, from Life insurance policies paid to non-residents is exempt from withholding tax.

However, interest payments on death claims (if applicable) to non-residents is subject to withholding tax.

Withholding tax is applicable at the point of death claims proceed and/or interest payment on death claims for policies purchased using SRS funds by a foreigner or Singapore Permanent Resident (SPR).

Withholding tax is at 20% on 50% of the payment (proceeds and/or interest).

On a separate note, if the date of payment is from 01 July 2012 onwards, the filing and payment of withholding tax must be made to IRAS by the 15th of the second month from the date of payment.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

8.7 Termination

The policy will terminate once any of the following occurs:

- on the death of the life assured;
- when premiums are not paid during the Initial Contribution Period;
- when premiums are not paid, there are no more units in the Accumulation Account and 12 months have passed from the date the last charge was deducted from the Accumulation Account without resumption of premium payment;
- when there are no more units in the Accumulation Account and 12 months have passed from the date the last charge was deducted from the Accumulation Account, despite premiums being paid;
- when the policyholder cancels the policy within the review period under section 8.1; or
- when the policyholder surrenders the policy.

We will not refund any charges deducted from the Account(s) upon the termination of the policy.

9 SUPPLEMENTARY BENEFITS

For PruSelect, the supplementary benefits available are Payer Security III, Early Stage Crisis Waiver and Crisis Waiver III.

10 UNDERWRITING GUIDELINES

10.1 Medical Underwriting

The main policy is a GIO product. There is no medical underwriting at application for the main policy.

Medical underwriting is required if Early Stage Crisis Waiver, Crisis Waiver III or Payer Security III is attached. The usual Regular Premium/ Juvenile proposal form will be used.

10.2 Nationality

Available to all Singaporeans, Singapore Permanent Residents and foreigners with valid passes. Foreigners without valid passes will be assessed on a case by case basis.

For supplementary benefit attachment, the existing underwriting guidelines apply.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

PRUselect

FREQUENTLY ASKED QUESTIONS

PRODUCT FEATURES

Q1 WHAT IS PRUSELECT?

A1 PruSelect is a back-end loaded regular premium investment-linked policy that allows the policyholder to invest in any of the funds available for this policy. It has a fixed premium payment term of 10, 15 or 20 years. The main policy is a GIO product.

PruSelect has a similar structure as per PruSelect Vantage which is a dual account investment-linked plan.

Q2 WHAT IS INITIAL CONTRIBUTION PERIOD?

A2 The Initial Contribution Period ("ICP") is the first 24 months where premium are received from the first premium due date.

Q3 HOW MANY ACCOUNTS DOES PRUSELECT HAVE?

A3 PruSelect has 2 accounts. Premiums received for the first 24 months (ICP) from the first premium due date of the policy will be placed into the Initial Account. Subsequently, premiums received are placed into the Accumulation Account.

Q4 IS THERE LOYALTY BONUS FOR PRUSELECT?

A4 Yes, Loyalty Bonus is a percentage of the Average Annualised Premium payable during premium payment term. *Please see Section 3.3 of the Product Features for more details.

Q5 WHAT ARE THE CHARGES APPLICABLE FOR PRUSELECT?

A5 The charges applicable for PruSelect are:

- Policy Establishment Charge (as a percentage of Initial Account value) payable over the premium term
- Administration Charge (as a percentage of both Initial Account and Accumulation Account value) payable over the policy term
- Policy Fee (deducted from the Accumulation Account) payable after the ICP over the policy term
- Surrender Charge (as a percentage of Initial Account value) is applied during the premium term
- Fund Management Charge (reflected in the net asset value of the respective PruSelect Fund)



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

Q6 WHAT HAPPENS IF THE POLICYHOLDER SURRENDERS HIS POLICY?

A6 There is a surrender charge on the Initial Account if the policyholder surrenders the policy during the premium payment term.

The surrender charge is calculated as a percentage of the Initial Account value as at the Unit Sale Date (as defined in Section 7.2.2 of the Product Features). Please refer to Section 6.4 of the Product Features for the Surrender Charge Table.

Example

PruSelect policy with a 10-year premium term and incepted on 3 October 2014.

Application to surrender the policy is accepted on 5 September 2019.

Let the Unit Sale Date = 7 September 2019.

*Value of units in the Initial Account
based on unit price on 7 September 2019* = \$10,000

*Value of units in the Accumulation Account
based on unit price on 7 September 2019* = \$15,000

Surrender charge percentage = 31%

Surrender charge on the Initial Account = \$10,000 x 31%
= \$3,100

No surrender charge is applicable on the Accumulation Account.

Surrender value payable = \$10,000 – \$3,100 + \$15,000
= **\$21,900**

Q7 IS LUMP SUM TOP UP AVAILABLE FOR PRUSELECT?

A7 Lump sum top up is not available.

Q8 CAN THE POLICYHOLDER CHANGE THE PREMIUM PAYMENT TERM AFTER POLICY INCEPTION?

A8 No. The policyholder cannot change the premium payment term after policy inception.

Q9 CAN THE POLICYHOLDER CHANGE THE REGULAR PREMIUM DISTRIBUTION?

A9 Yes. The policyholder can request for a change in premium redirection at the next premium due date. The distribution of PruSelect Funds needs to be in multiples of 5%. At any one time, the policyholder can only choose a maximum of 10 PruSelect Funds.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

Q10 CAN THE POLICYHOLDER INCREASE REGULAR PREMIUMS?

A10 No, increase in regular premium is not allowed.

Q11 CAN THE POLICYHOLDER REDUCE REGULAR PREMIUMS?

A11 Yes. The policyholder can reduce the amount he/ she pays as regular premium but the reduced amount must be equal to or more than any minimum amount we specify. The reduction starts from the date the next premium is due. After that, the policyholder pays the reduced regular premium every time the premium falls due.

If the policyholder reduces the regular premium during the Initial Contribution Period, there will be a charge which is 100% of the extracted amount (i.e. multiplied by the percentage of premium reduced).

Example

PruSelect policy with a 10-year premium term and monthly premiums of \$500 and incepted on 3 October 2014.

If policyholder reduces the regular premium within the Initial Contribution Period

Application submitted to reduce the regular premium to \$350 per month on 25 November 2014 for next premium due on 3 December 2014.

Value of units in Initial Account as at 25 November 2014 = \$1,200

Percentage of the premium reduced $= (\$500 - \$350) / \$500 \times 100\%$
 $= 30\%$

Charge to be deducted from Initial Account $= \$1,200 \times 30\%$
 $= \$360$

If the policyholder reduces the regular premium after the Initial Contribution Period, there will be no charge.

Q12 CAN THE POLICYHOLDER MAKE A PARTIAL WITHDRAWAL FROM THE INITIAL ACCOUNT?

A12 No. The policyholder cannot make a partial withdrawal from the Initial Account.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

Q13 CAN THE POLICYHOLDER MAKE A PARTIAL WITHDRAWAL FROM THE ACCUMULATION ACCOUNT?

A13 The policyholder can only make a partial withdrawal from the Accumulation Account if there is a minimum amount in the Accumulation Account. The minimum amount the policyholder can withdraw is currently \$1,000. The remaining units in the Accumulation Account must be worth at least \$1,000 based on the unit price at the time of withdrawal. If not, the policyholder will not be able to make a partial withdrawal.

Q14 CAN A POLICYHOLDER DO A FUND SWITCH ACROSS THE INITIAL ACCOUNT AND ACCUMULATION ACCOUNT?

A14 No. Funds from the different Accounts cannot be combined (i.e. funds from the Initial Account cannot be transferred into the Accumulation Account and vice versa). They will remain separate even though the policyholder may choose the same fund to switch into.

The minimum amount the policyholder can switch out of a PruSelect Fund is currently \$20. The remaining units in the PruSelect Fund that the policyholder is switching out from must be worth at least \$20 based on the unit price at the time the switch is carried out. If not, the policyholder must switch all the units out of the PruSelect Fund.

Q15 CAN A POLICYHOLDER ADD SUPPLEMENTARY BENEFITS?

A15 The policyholder can add Early Stage Crisis Waiver, Crisis Waiver III or Payer Security III to PruSelect only if they are available and the life assured is within the age limits at the time the benefits are selected.

Q16 IS POLICY LOAN ALLOWED FOR PRUSELECT?

A16 No. Policy loan is not allowed for PruSelect.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

PREMIUM

Q17 WHAT IS THE MINIMUM AND MAXIMUM ANNUALISED PREMIUM FOR PRUSELECT?

A17 The minimum annualised regular premium is \$4,200 while the maximum annualized regular premium is \$6,000.

Q18 WHY IS THE MAXIMUM ANNUALISED PREMIUM FOR PRUSELECT SET AT \$6,000?

A18 The maximum annualized regular premium is set at \$6,000 in order to mitigate the potential risk of cannibalization on our existing backend load investment-linked plan i.e. PruSelect Vantage, which offers minimum annualized regular premium of \$9,000.

Should the policyholder prefers to commit annualized regular premium of more than \$6,000, the policyholder may consider to buy PruSelect Vantage plan instead.

Q19 WHAT IS THE PREMIUM ALLOCATION RATE?

A19 We use 100% of the regular premium to buy units at the unit price in the PruSelect Fund(s) chosen.

Q20 IS THE PRUPRESTIGE DISCOUNT AND PRUSMART LADY LOYALTY BENEFIT APPLICABLE ON PRUSELECT?

A20 No.

FACT FIND

Q21 WHAT DO I NEED TO TAKE NOTE OF WHEN COMPLETING THE PRUPLANNER FOR THIS PRODUCT?

A21 Risk Profiling Questionnaire (RPQ) section is required to be completed if you recommend this product to your client or if your client opts for this product.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

FUNDS

Q22 FOR PRUSELECT, CAN THE POLICYHOLDER INVEST IN PRULINK FUNDS?

A22 No. The policyholder can only invest in any of the funds available for this policy which can be viewed on our company website at www.prudential.com.sg.

Q23 DOES THE POLICYHOLDER HAVE TO INCLUDE THE FUND CODES OF THE PRUSELECT FUNDS WHEN HE/ SHE FILL IN THE FORMS?

A23 Yes. The policyholder will need to check the website for the fund codes and specify it in the proposal/ application forms.

Q24 WHAT IS THE DIFFERENCE BETWEEN PRULINK FUNDS AND PRUSELECT FUNDS?

A24

PruSelect Funds	PruLink Funds
Direct subscription into the units of the Unit Trust	Subscription into the units of the PruLink Fund
Net Asset Value (NAV)	Bid Offer
Factsheets, Product Highlights Sheet, Prospectus, Semi-annual and Annual reports will be direct from the Investment Manager	PruLink Factsheets, Fund Information Booklet, Product Highlights Sheet, Semi-annual and Annual reports from Prudential
Price will be dependent on the price the relevant Investment Manager provides subject to the holidays of both Singapore and/ or other markets the fund invest in	Price is provided at the PruLink level and is normally subject to Singapore's holiday

Q25 WHAT IS THE UNIT PRICE USED FOR SUBSCRIPTION, SWITCHING AND WITHDRAWAL?

A25 We use the unit price calculated on the date on which the Investment Manager determines the net asset value of the PruSelect Fund in accordance with the following formula to buy units:

$T + X$ = The date on which the Investment Manager determines the net asset value of the PruSelect Fund

T is the date on which the unit purchase or sale order is placed by us with the relevant Investment Manager;

X is the number of days after T date when the Investment Manager determines the net asset value of the PruSelect Fund of which unit(s) are purchased or sold.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

Q26 WHAT IS THE UNIT PRICE USED FOR DEDUCTING CHARGES?

A26 The charges are calculated using the unit price on the billing date. We sell proportionate units from all the PruSelect Funds the policyholder has invested to pay for the respective charges in the respective Accounts.

NEW BUSINESS

Q27 WHO IS ELIGIBLE TO APPLY FOR PRUSELECT?

A27 PruSelect is available to all Singaporeans, Singapore Permanent Residents and foreigners with valid passes. Foreigners without valid passes will be assessed on a case by case basis.

For supplementary benefit attachment, the existing underwriting guidelines apply.

Q28 IS THERE MEDICAL UNDERWRITING FOR PRUSELECT?

A28 The main policy is a GIO product. There is no medical underwriting at application for the main policy.

Medical underwriting is required if Early Stage Crisis Waiver, Crisis Waiver III or Payer Security III is attached. The usual Regular Premium/ Juvenile proposal form will be used.

Q29 WILL THERE BE A NEW PROPOSAL FORM FOR PRUSELECT?

A29 No. PruSelect will be embedded into the existing standalone PruSelect Vantage proposal form. This proposal form can be used for both PruSelect and PruSelect Vantage application. This can only be used when there are no supplementary benefits attached, including application on a child.

If the policyholder purchases Early Stage Crisis Waiver, Crisis Waiver III or Payer Security III, they will need to complete the Regular Premium proposal form (if Crisis Waiver III and / or Early Stage Crisis Waiver are attached) or the Juvenile proposal form (if Payer Security III is attached).

Q30 WHEN IS THE JUVENILE PROPOSAL FORM USED?

A30 The Juvenile proposal form is used when Payer Security III is attached. Otherwise, the standalone PruSelect Vantage/ PruSelect form (for GIO) or Regular Premium form (full underwriting) should be used.

Q31 WHY IS THERE A NEW CLIENT ACKNOWLEDGEMENT FORM FOR PRUSELECT AND PRUSELECT VANTAGE PLAN?

A31 The new Client Acknowledgement Form serves to remind the policyholders if they fail to pay premiums, their policy will be terminated or it will continue to incur the relevant fees and charges which will reduce their policy value and lead to eventual policy termination, as the case may be.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

Q32 WHY ARE ADDITIONAL SIGNATURES REQUIRED FOR THIS NEW CLIENT ACKNOWLEDGEMENT FORM FOR PRUSELECT AND PRUSELECT VANTAGE PLAN?

A32 It is important to highlight the risk mentioned in A31. Therefore a signature field has been added to the Client Acknowledgment form to ensure that client has read and acknowledged the risks..

Q33 IS BACKDATING ALLOWED?

A33 No. Backdating is not allowed for the main policy.

For PruSelect without supplementary benefit attachment, there is no need for a fresh quotation based on increased age next birthday (anb). However, the policy issued will be based on the higher anb. For example, the application was signed one day before the client turns 31 anb and the quotation was generated based on 30 anb. The policy will be issued based on 31 anb but no fresh quotation is required.

For PruSelect attached with supplementary benefits where backdating is required due to increase in premium for the riders, the premiums will be adjusted for the riders only. However, the policy will still be issued based on the higher anb and fresh quotation is not required.

Q34 IS THERE ADVANCE PREMIUM DEPOSIT (APD) FOR PRUSELECT?

A34 APD is available for 10-year premium payment term only.

POLICY SERVICING

Q35 WILL THERE BE A NEW SURRENDER OR WITHDRAWAL FORM FOR PRUSELECT?

A35 No. PruSelect will be embedded into the existing PruSelect Vantage Surrender and Withdrawal Form. The Surrender and Withdrawal Form can be used for both PruSelect and PruSelect Vantage policy.

Q36 WILL THERE BE A NEW FUND SWITCH OR PREMIUM REDIRECTION FORM FOR PRUSELECT?

A36 No. PruSelect will be embedded into the existing PruSelect Vantage esub form. The esub form for fund switch or premium redirection can be used for both PruSelect and PruSelect Vantage policy.

Q37 WHEN WILL THE POLICYHOLDER RECEIVE THE STATEMENT OF ACCOUNT?

A37 We will send the Statement Of Account for inforce policies on a monthly basis.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

Q38 IS PAID TO DATE ADVANCE AVAILABLE FOR PRUSELECT?

A38 No paid to date advance for all PruSelect plans.

Q39 IS MID-TERM ADD (MTA) FOR SUPPLEMENTARY BENEFITS AVAILABLE FOR PRUSELECT?

A39 MTA for supplementary benefits is available for PruSelect.

MARKETING AND GENERAL SUPPORT

Q40 WILL THERE BE BROCHURES AND INFORMATION ON THE CORPORATE WEBSITE?

A40 Yes. The brochure and product information on the corporate website will be available from 7 October 2014.

Q41 WILL THERE BE ANY MARKETING MATERIALS FOR PRUSELECT?

A41 Yes, there will be a new PruSelect brochure and placemat given to all sellers.

Q42 WILL THERE BE A NEW VERSION OF SQS? WHEN WILL IT BE AVAILABLE?

A42 Yes, there will be a new version of PruOne SQS to be released on 7 October 2014.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

PRUselect

1 MARKET COMPARISONS

We have made comparisons of PruSelect with comparable products in the market.

The following areas were looked into:

- Product Features
- Charges

The difference between PruSelect Vantage and PruSelect at a glance can be found in the Appendix for your reference.

Important Notes:

- The information presented is strictly confidential and for internal use only and cannot be reproduced, amended or circulated in whole or in part to anyone, including policyholders and potential prospects, for whatever purpose or reason.
- Please be reminded that representatives of PACS (FCs/FSCs) are not allowed to make any comparisons with the products of other insurers during their sales presentation or when prospecting. This restriction is to comply with the LIA Members' Undertaking 22/12.
- You should refer to the respective product policy documents for exact wordings and details.

2 SCOPE

The companies and products included in this comparison are:

PACS	-	PruSelect
Co Av	-	GSA
Co AX	-	Pul
Co HS	-	GM

The comparison is based on backend-load ILPs available in the market with minimum monthly premium of \$350. HS – GM is a single account ILP whereas the rest are dual account ILP structure.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

3 PRUSELECT vs GSM vs Pul vs GM

	PruSelect	Av - GSA	Ax - Pul	HS - GM
Product Features				
Min Yearly Contribution	SGD 4.200	SGD 3000 /USD 1800	SGD 3000 / USD 3600	SGD 2400
Premium Term	10, 15, 20 years	Between 8 - 30 Years	5 - 30 Years	Whole Life
Age Limit	<u>Premium Term = 10 yrs</u> Policy owner: 19 – 65 ANB Life Assured:1 – 65 ANB <u>Premium Term = 15</u> Policy owner: 19 – 60 ANB Life Assured:1 – 60 ANB <u>Premium Term = 20</u> Policy owner: 19 – 55 ANB Life Assured:1 – 55 ANB	Policy owner: 19 - 67 ANB Life Assured: 1 - 67 ANB Maximum Expire Age: ANB 75	Age 1 month – 70 years (age nearest birthday) Premium payment term + issue age cannot exceed 75 years	Policy owner: 19 – 65 ANB Life Assured:1 - 65 ANB
Policy Term	Whole of Life	Between 8 - 30 Years	To Age 99 (age nearest birthday)	Whole Life
ICP	24 months	18 months	18 months	Nil
Allocation Rate	100%	100%	100%	100%
Currency	SGD	6 Currencies: Sterling, Euro, A\$, US\$, HK\$, S\$	SGD and USD	SGD



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

	PruSelect	Av - GSA	Ax - Pul	HS - GM
Product Features				
Death Benefit	<p>Accidental Death (Till age 75), we will pay the higher of:</p> <ul style="list-style-type: none"> - the value of all the units in the Account(s); or -105% (actual premium paid – total gross withdrawal after Initial Contribution Period – adjustments to account value due reduction in premium within ICP) less any amounts owing to us. <p>On death (not from an accident), we will pay the value of all the units in the Account, less any amounts owing to us.</p>	<p>Accidental Death (Till age 65):106% of NAV*</p> <p>Death: 101% of NAV*</p> <p>*Net Asset Value. Exclusions applies</p>	<p>Upon Death we pay:</p> <p>(a) Basic Death Benefit Option: 101% of the total Account value; or</p> <p>(b) Enhanced Death Benefit Option, the higher of:</p> <ul style="list-style-type: none"> - 101% of the total Account Value; or - the total amt of RP and top-ups paid less total withdrawal amt made. <p>If Death Benefit is not paid within 2 months of the date of claim, interests will be payable on the Death Benefit.</p>	<p>Upon Death or Terminal Illness, the higher of will be paid:</p> <ul style="list-style-type: none"> - The Sum Assured at the time when the claim is received; or - The value of all units under your policy.
Fund Switch	<p>Minimum Fund Switch Amt = \$20, subjected to minimum balance of S\$20 at fund level.</p>	<p>No Fund Switch Charges.</p> <p>Min Fund Switch amt is S\$3,000/US\$1,500</p>	<p>No Fund Switch Charges.</p> <p>Min Fund Switch amt is 10% of the switch amt in the Original Fund.</p> <p>Min Acct Balance to meet: SGD2,400/USD1,500</p>	<p>No Fund Switch Charges.</p>
Partial Withdrawals	<p>No partial withdrawal allowed on the Initial Account.</p> <p>Partial withdrawal allowed only after ICP on Accumulation Account.</p> <p>Minimum withdrawal amount per transaction = SGD1,000. Minimum account balance requirement SGD1,000 in the Accumulation Account after withdrawal.</p>	<p>No partial withdrawal allowed on the Initial Account.</p> <p>Partial withdrawal allowed only after ICP on Accumulation Account.</p> <p>Minimum withdrawal amount per transaction = SGD3,000/USD1500. Minimum account balance requirement SGD3,000/USD1,800 in the Accumulation Account after withdrawal.</p>	<p>No partial withdrawal allowed on the Initial Account.</p> <p>Partial withdrawal allowed only after ICP on Accumulation Account.</p> <p>Min Withdrawal Amt: SGD1,000/USD500</p> <p>Min Acct Balance: SGD2,400/USD1,500</p>	<p>Minimum withdrawal is SGD250.</p> <p>Minimum account balance of SGD1,000 and SGD500 left in each fund after withdrawal.</p>



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

	PruSelect	Av - GSA	Ax - Pul	HS - GM
Product Features				
Non payment of premium i.e. Premium Holiday	Allowed.	Allowed. Policy will lapse if minimum Policy Value is under S\$450/US\$250	Allowed, up to a total of 36 months for premium payment term less or equal to 10 years or a total of 60 months for premium payment term of more than 10 years (after ICP). If exceeded, Early Encashment charges apply (from IA).	Allowed.
Reinstatement	Allowed. Must be reinstated within 12 months from the start date when AA has zero units.	Allowed. Must be reinstated within 2 years from lapse start date and before acct value is below S\$450/US\$250	Allowed. Must be reinstated within 2 years from the lapse start date.	Allowed as long as Policy has enough cash value in the policy account to meet policy charges.
Charges				
Premium Charge / Bid-Offer Spread	Nil	Nil	5% of premium charge applicable to each top-up premium, not applicable to regular premium.	5%
Policy Establish Charge (PEC)	4% pa of the Initial Account Value for the duration of the premium term. Deducted monthly.	4.48% per annum of the value of Initial Account. Deducted quarterly.	4% pa of the Initial Account Value for the duration of the premium term. Deducted monthly. + 0.5%/12 x initial annual Regular Premium x No. of year(s) for which policy has been in force. Refundable at the end of premium term (T&Cs apply)	Nil
Administration Charge	0.75% pa of Initial Account plus Accumulation Account value for the policy term. Deducted monthly.	1.52% pa of the total value of Initial and Accumulation Accounts. Deducted quarterly.	1.5% p.a. of the total value of Initial and Accumulation Accounts. Deducted monthly.	0.125% per month on NAV + unallocated premiums collected for the first 20 years of the policy. Will be extended if policy is on premium holiday.



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

	PruSelect	Av - GSA	Ax - Pul	HS - GM
Charges				
Policy Fee	SGD 7	SGD 11 / USD 7.50	SGD 10 / USD 8	SGD 5
Surrender Charge	Within ICP, 100% surrender charge. After ICP, surrender charge is applicable on the Initial Account.	Within ICP, 100% surrender charge. After ICP, surrender charge is applicable on the Initial Account.	Within ICP, 100% surrender charge. After ICP, surrender charge is applicable on the Initial Account.	Applicable within the first 7 premium year
Insurance Charge	Nil	Nil	For Enhanced Death Benefit only, not applicable to basic DB. SAR x insurance charge rate	Chargeable at per \$1,000 SAR
Bonuses				
First Year Bonus	Nil	Yes. 5% - 30%	Yes. 20% - 144%	Nil
Loyalty Bonus	Paid every 5 years as a percentage of average annualized premium if premiums are paid consistently and on time. Loyalty bonus = 2.5% (5 th year anniversary), 5% (10 th year anniversary), 7.5% (15 th year anniversary, if applicable), 10% (20 th year anniversary, if applicable)	Policy Term 15 years and above: At least 1% of original RP paid. Bonus will increase every year if all premiums are fully paid at Maturity. ie 15 years =1% 16 years=1.1% 17 years=1.2% Up to a maximum of 2% for terms 25 years and longer. Not applicable to Top ups/Increase in prem	(Total amount of Regular Premiums paid during the first 10 policy years – total amount of partial withdrawals and/or top-ups made during the first 10 policy years [if any]) x Loyalty Bonus of 4%	Nil
Upfront Admin Fee	Nil	7.5% of every SP Top up	Nil	Nil



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

PRUselect

SALES & MARKETING PROPOSITIONS

We are pleased to announce the launch of PruSelect. PruSelect aims to help provide a regular investment plan for wealth accumulation.

- With 100% of premium allocation starting from the first day, this helps to potentially create and accumulate wealth.
- With an open architecture fund platform, your customers have access to a wide range of funds.
- Loyalty Bonuses given to your customers for their consistent and diligent regular investment.

Here are some **Marketing Features** which you may find useful for PruSelect:

100% allocation rate	With 100% premium allocation rate, customers get to see their money work from the first day.
Wide range of funds for investments	Customers have access to a range of funds ranging from lower to higher risk, investing into different regions and different asset classes. What's more, should their investment objective or risk profile change, they can switch from one fund to another as many times as they wish, absolutely free ¹ !
Loyalty Bonus	Customers get rewarded with Loyalty Bonuses ² for their consistent and diligent regular investment.

Here are some **Market Segments** that you may want to target:

Customers who want to use the product for wealth accumulation	<p>PruSelect may be suitable for customers who aim to accumulate wealth through regular investment. Regular investment helps to smooth out investment fluctuations.</p> <p>With 100% allocation rate from the first day, PruSelect helps to potentially create and accumulate wealth.</p>
--	---



This information is confidential and is strictly for internal circulation only and is not to be reproduced, in whole or in part, for external circulation to policyholders or prospects for whatever purpose.

Customers looking for a wide range funds	PruSelect may be suitable for customers who are looking for opportunity to invest into a wide range of funds.
Customers who can commit to paying regular premiums	PruSelect may be suitable for customers who can commit to pay regular premiums for a chosen period of time, compared to other single premium products available.
Customers who prefer not to commit to paying high premiums	PruSelect may be suitable for customers who prefer to pay annualized regular premiums of up to \$6,000 per year only.
Customers who are comfortable without any guaranteed surrender values and non-guaranteed charges	PruSelect may be suitable for customers who are comfortable with no guaranteed surrender values and understand that the charges that are deducted from the policy are also non-guaranteed.
Customers who want some investment control	PruSelect may be suitable for customers who want to have investment control through the ability to choose funds from our wide range of funds available, and are willing to accept the responsibility of monitoring their investment as fund prices are subject to market volatility and thus shouldering the risks from this product.
Customers who desires flexibility in their policy	PruSelect may be suitable for customers who desire to have control over their investments with fund switches ¹ and make withdrawals ³ .

Notes:

1. We currently do not charge for fund switches. However, we reserve the right to levy a switching fee but will give you 30 days' written notice before doing so.
2. The policy's Loyalty Bonus entitlement ceases once the premium payment term ends (applicable to all premium paying terms). To qualify for the Loyalty Bonuses, you must meet the terms and conditions attaching to it. If withdrawals exceed total premium paid or premiums is discontinued at any time, there will be no loyalty bonus.
3. Partial withdrawal is only available after the ICP. Partial withdrawal can only be made if the plan meets (1) the minimum amount in the Accumulation Account and (2) the minimum withdrawal amount. If not, the policyholder will not be able to make a partial withdrawal.

Appendix - Difference between PruSelect Vantage and PruSelect at a glance

	PruSelect Vantage (PSV)	PruSelect
Product Features		
Premium Range	min = \$750/ month, no max	min = \$350/ month, max = \$500/ month
Premium Term	5 / 10 / 15 / 20 years	10 / 15 / 20 years
Currency	SGD & USD	SGD Only
ICP	24 months	
Policy Term	Whole Life	
Premium Allocation	100%	
Benefit	Death Benefit & Accidental Death Benefit	
Underwriting Requirements	GIO Product, financial underwriting applicable	
Supplementary Benefits Attachment	Payer Security III, Crisis Waiver III & Early Stage Crisis Waiver III subject to existing business rules	
Death Benefit	On Accidental Death (“AD”) (Till age 75), we will pay the higher of: - the value of all the units in the Account(s); or -105% (actual premium paid – total gross withdrawal after Initial Contribution Period – adjustments to account value due reduction in premium within ICP), less any amounts owing to us. On death (not accidental death), we will pay: - the value of all units in the Account(s), less any amounts owing to us.	
Bonuses		
First-Year Bonus	Applicable for annualised premium => S\$18,000	Not Applicable
Loyalty Bonus	5 Pay = 0.2% of AA yearly, starting at the end of 5th year 10/15/20 pay = 5% - 60 months, 10% - 120 months, 15% - 180 months, 20% - 240 months	Halved the Loyalty Bonus payout of PSV: 10/15/20 pay = 2.5% - 60 months, 5% - 120 months, 7.5% - 180 months, 10% - 240 month
Charges		
PEC	4% p.a. of the IA during premium term	4% p.a. of the IA during premium term
Admin Charge	0.75% p.a. of IA + AA during policy term	0.75% p.a. of IA + AA during policy term
Policy Fee	\$12 monthly	\$7 monthly
Surrender Charge	Applicable	Applicable
Funds		
Fund Listing (SGD)	49	16
POS		
Partial Withdrawal	From AA only min of \$1,000, subject to min account balance of \$5,000 in AA after partial withdrawal	From AA only min of \$1,000, subject to min account balance of \$1,000 in AA after partial withdrawal.
Fund Switch	Min = \$20, subject to min balance of \$20 at fund level.	
Premium Reduction	Allowed. During ICP, Reduction in Premium Charges will be levied and clawback of first year bonus will be imposed. After ICP, no charges,	Allowed. During ICP, Reduction in Premium Charges will be levied. After ICP, no charges.
APD	Only applicable for 5 & 10 pay	Only applicable for 10 pay
SOA	Monthly	

Information correct as at 7 October 2014