



# **PRU***Lifetime Income Premier III(SGD)*

Product Information Pack  
for  
Financial Consultants / Representatives

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*(unavailable on 1<sup>st</sup> July 2021, will be updated)*

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# PRULifetime Income Premier III(SGD)

## PRODUCT FEATURES

### 1. INTRODUCTION

PRULifetime Income Premier III (SGD) is a single premium participating whole life insurance plan denominated in Singapore Dollars (SGD).

It provides financial protection against death for as long as the life assured lives and an accidental disability benefit until the policy anniversary before the life assured turns 70 years old. In addition, it provides a guaranteed and non-guaranteed yearly Cash Benefit from the 5<sup>th</sup> policy anniversary and 2<sup>nd</sup> policy anniversary onwards, respectively. The policy also allows the policyholder to participate in the performance of the participating fund in the form of non-guaranteed bonuses and Cash Benefit.

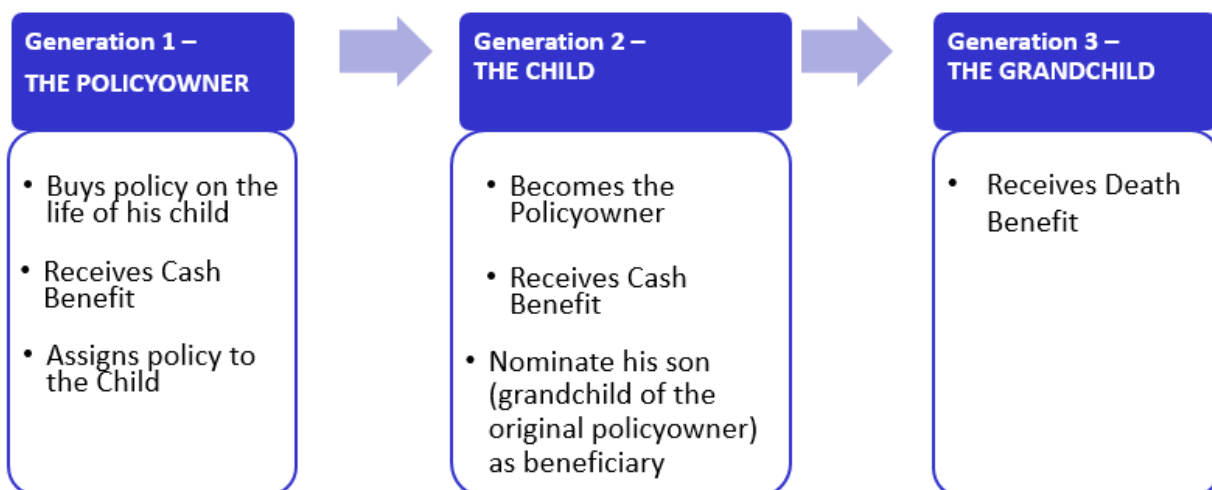
Key change from PRULifetime Income Premier II (SGD) includes:

- Change of Life Assured Benefit
- Reduced the percentage of guaranteed yearly cash benefit from 1.5% to 1.0% of single premium (payable from 5<sup>th</sup> policy anniversary)

This plan can provide financial benefits by:

- A regular stream of yearly income for retirement planning or children education
- Leaving a legacy for the next generation

PRULifetime Income Premier III (SGD) serves to complement our existing suite of product. It also caters for 3-generations planning.





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## **2. BENEFITS OF PRULIFETIME INCOME PREMIER III (SGD)**

### **2.1 Death Benefit**

The death benefit will be the higher of:

- (i) 105% of the single premium; or
- (ii) 101% of the surrender value as at the time of death,  
plus any cash benefit left with us, less any amounts the customer owes us.

We will deduct any overpaid guaranteed and non-guaranteed Cash Benefit due to the late notification of death.

The whole policy and all its benefits automatically terminate once a death claim is paid.

### **2.2 Accidental Disability Benefit**

If a life assured becomes totally and permanently disabled because of an accident before age 70, we pay the higher of:

- (i) 105% of the single premium; or
- (ii) 101% of the surrender value as at the date the life assured was certified to be totally and permanently disabled because of an accident;  
plus any cash benefit left with us, less any amounts the customer owes us.

The accidental disability benefit will terminate by the Policy Anniversary immediately before the life assured turns 70 years old.

We will deduct any overpaid cash benefit due to the late notification of the accidental disability benefit claim.

We will pay this benefit 6 months after a registered medical practitioner confirms the onset of total and permanent disability (the deferment period).

The deferment period does not apply if the life assured suffers:

- total and permanent blindness in both eyes as confirmed by an ophthalmologist;
- the physical loss of any two limbs, each above the wrist or ankle but not just the hands and feet; or
- total and permanent blindness in one eye as confirmed by an ophthalmologist and physical loss of any one limb at or above the wrist or ankle but not just a hand or foot.

We will pay the accidental disability benefit up to SGD2,000,000. If the accidental disability benefit is above SGD2,000,000, we pay the balance sum assured (in other words any amount that is above SGD2,000,000) in a lump sum:

- 12 months from the date of the first lump-sum payment; or
  - on the death of the life assured;
- whichever happens first.

If the life assured stops being totally and permanently disabled before the balance sum assured is due for payment, we stop payment immediately. In this case, the customer can still continue the policy for the death benefit. The sum assured will be equal to the balance sum assured (in other words, any amount that is above SGD2,000,000).



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The whole policy and all its benefits automatically terminate once we have fully paid an accidental disability benefit claim.

### **2.2.1 Definition of Accidental Disability Benefit**

The accidental disability benefit will terminate by the Policy Anniversary immediately before the life assured turns 70 years old.

We pay if the life assured has an accident and:

- between the age of 28 days and 15 years is totally and permanently disabled as a result of which they have to stay in a home, hospital or other institution and need constant care and medical attention for at least six months in a row; or
- between the age of 16 and 65 years old is totally and permanently disabled as a result of which they:
  - cannot take part in any occupation, business or activity which pays an income; or
  - suffer total and permanent loss of use of:
    - both eyes;
    - any two limbs, each above the wrist or ankle but not just the hands and feet; or
    - one eye and any one limb at or above the wrist or ankle but not just the hand or foot.

For a life assured between the ages of 66 and 70 years old, we pay when the life assured is totally and permanently disabled, as a result of which they:

- suffer total and permanent loss of use of:
  - both eyes;
  - any two limbs, each above the wrist or ankle but not just the hands and feet; or
  - one eye and any one limb at or above the wrist or ankle but not just the hand or foot, or
- are unable to perform (whether aided or unaided) at least three of the following six activities of daily living for a continuous period of at least six months.

Activities of Daily Living:

- Washing - the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means;
- Dressing - the ability to put on, take off, secure and unfasten all garments and, as appropriate, any braces, artificial limbs or other surgical or medical appliances;
- Feeding - the ability to feed oneself once food has been prepared and made available
- Toileting - the ability to use the lavatory or manage bowel and bladder functions so as to maintain a satisfactory level of personal hygiene;
- Mobility - the ability to move indoors from room to room on level surfaces;
- Transferring - the ability to move from a bed to an upright chair or wheelchair and vice versa.

The above is the definition of totally and permanently disabled. The disability must be confirmed by a registered medical practitioner.

We can ask for a medical examination to be carried out by a medical practitioner registered with the Singapore Medical Council if the medical reports you give us are not enough for our purposes.



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We will only pay the accidental disability benefit if the accidental disability happens within 12 calendar months from the date of the accident.

A registered medical practitioner is any person properly qualified with a degree in western medicine to practice medicine, and is licensed by the appropriate medical authority of the country they live in to practice medicine within the scope of his licensing and training. This cannot be the customer, the life assured or a family member of either.

An **accident** is an unexpected and involuntary event, which directly causes death or injury by violent, external and visible means and is not linked to any other cause (such as illness or disease of the life assured).

### 2.3 Yearly Cash Benefit

The yearly cash benefit is made up of a guaranteed and non-guaranteed portion. It is a percentage of the single premium.

#### Yearly Cash Benefit for PRULifetime Income Premier III (SGD):

	Guaranteed yearly Cash Benefit	Non- guaranteed yearly Cash Benefit	
Paid on the Policy Anniversary	5 <sup>th</sup> onwards	2 <sup>nd</sup> – 20 <sup>th</sup>	21 <sup>st</sup> onwards
Percentage of the Single Premium	1.00%	1.50%	2.50%

The illustrated non-guaranteed cash benefit in this section is based on the projected investment rate of return of the participating fund at 4.25% per annum. The actual non-guaranteed cash benefit that may be declared in the future may turn out to be higher or lower than those projected in this section.

The customer also has the option to leave the cash benefit with us to accumulate in value. The initial choice is shown on the proposal form.

If the customer chooses to leave the cash benefit with us, we use a yearly interest rate on the Cash Benefit. Interest accrues on a daily basis. On each policy anniversary, we add the previous year's interest to the cash benefit and credit interest on the total amount.

We can change the interest rate but will give the customer 30 days' written notice if we do so.

We use the cash benefit and the interest that we have paid into the account to pay any loan and interest (if any) that the customer owes us under the policy loan or surgical and nursing loan option.

If the customer has built up some cash benefit with us, the customer can apply to withdraw at least \$1,000 at any time. If at the time of the application the customer has less than \$1,000 with us, the customer must withdraw the whole amount if the customer decides to proceed with the application.



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To apply to withdraw the cash benefit, the customer must use our appropriate application form and meet the conditions on it. We will notify the customer if we accept the application.

When there is a death benefit or accidental disability benefit claim, the cash benefit will end.

## 2.4 Change of life assured benefit

The request to change from one Life Assured to another will only be allowed after 2 years from the cover start date of the policy.

Once this benefit is activated by the Policyowner, the following will be triggered:

- Policy will have a Cover Expiry Date set at age 110, taking reference from the Original Life Assured's Age
- The Accidental Disability Benefit and all attached supplementary benefits (if any) will be terminated
- Maturity Benefit will be payable upon the Cover Expiry Date
- Yearly Cash Benefit and all coverage will cease upon the Cover Expiry Date

For individual policies, the Policyowner will only be allowed to change the Life Assured once throughout the policy term.

For policies owned by a business organisation (Employer – employee benefit), there are no limits to the number of changes allowed throughout the policy term.

Upon the change of Life Assured:

- (i) You will receive a revised Certificate of Life Assurance with the New Life Assured's particulars.
- (ii) The cover on the Original Life Assured terminates and the cover on the New Life Assured will commence on the new cover start date (effective next monthiversary) as stated in the revised Certificate of Life Assurance and all rights under the Former Life Assured terminates with immediate effect.

Such a change is subject to:

- (i) Satisfactory evidence of sufficient insurable interest in the New Life Assured in accordance with any prevailing applicable laws and regulations;
- (ii) Usual Administrative requirements;
- (iii) Date of birth of the New Life Assured must not be later than initial Policy Issue Date

To apply for the Change of Life Assured, the Policyowner must use our appropriate application form and meet the conditions on it.

## 3. POLICY LIMITS

### 3.1 Age at Entry

	Minimum age at entry (ANB)	Maximum age at entry (ANB)
Death	1	70
Accidental Disability	1	64



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### 3.2 Age at Expiry

	Maximum Expiry (ANB)
Death	Whole Life
Accidental Disability	70

### 3.3 Policy Term

Whole of life

### 3.4 Premium Term

Single Premium

### 3.5 Size of Policy

Plans	Minimum Single Premium	Maximum Single Premium
PRULifetime Income Premier III (SGD)	100,000	\$5,000,000*
Accidental Disability	N.A	N.A

In multiples of \$100 Single Premium

\*Maximum single premium allowed is still subject to GIO Aggregation Rule.

### 3.5 Aggregation Rules

The aggregate premiums payable for selected plans per life assured issued in the past 24 months cannot exceed S\$5 million (or equivalent). The calculation is based on the total committed premiums of the product (e.g. 10 x annual premium for a 10-year premium term product, or full single premium for a single premium product). US dollar denominated policies will be aggregated after applying an exchange rate of US\$1 to S\$1.40 on the premiums payable. We reserve the right to review/vary this rate.

### 3.6 Mode of payment

Single premium.

### 3.7 Method of payment

Available via cash/cheque.

GIRO and Credit Card will not be allowed.



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#### **4. POLICY VALUES**

##### **4.1 Surrender Values**

The policy acquires a 80% day 1 guaranteed surrender value immediately after the single premium has been paid and the policy is in-force.

There will still be non-guaranteed surrender value payable in the form of Performance Bonus.

##### **4.2 Policy Loan**

A policy loan may be taken against the surrender value of the policy. The maximum loan amount is set at 70% of the surrender value at the time the loan is taken up. An interest rate, currently at 5.25% p.a. will be levied on the loan amount starting from the date of the loan. Interest accrues on a daily basis. We can change the interest rate but will give the customer 3 months' written notice if we do so.

##### **4.3 Bonus Surrender**

Bonus Surrender is not applicable for this product.

##### **4.4 Surgical & Nursing Loan**

If the policy has a surrender value and the certificate of life assurance shows that the customer has this option, the customer can apply for an interest-free loan to pay for medical expenses the customer has to pay as a result of a surgical operation performed on the life assured.

The customer can only apply for the loan on the part of the medical bills where cash payment was made and if the customer cannot claim the medical expenses from any source.

The customer can apply for more than one loan, but each loan amount must be at least \$200 and the total of all loans cannot be higher than:

- 10% of single premium paid; or
- the surrender value of the policy.

whichever is the lowest.

The customer cannot apply for a loan if the surgical operation arises directly or indirectly out of one of the following:

- dental treatment
- acquired immunodeficiency syndrome (AIDS), AIDS-related complex or infection by the human immunodeficiency virus (HIV);
- cosmetic surgery
- pregnancy, miscarriage or childbirth

Customers can repay the loan at any time. We deduct the loan amount from any payment we make under their policy.





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If the total outstanding amount the customer owes us under their policy exceeds the surrender value, the policy terminates immediately.

To apply, the customer must use an appropriate application form and meet the conditions on it. We will notify the customer on the outcome of the application.

#### **4.5 Withdrawal of Cash Benefit**

If the customer chooses to payout the Cash Benefit (default option), we shall pay the customer the yearly Cash Benefit through direct credit to their bank account. The policyholders will receive non-guaranteed Cash Benefit together with the guaranteed Cash Benefit.

If the customer chooses to accumulate the Cash Benefit with Prudential, a non-guaranteed interest will be accrued daily and compounded yearly. Policyholders can only do partial encashment of the accumulated Cash Benefit plus the interest earned any time during the policy term. The minimum withdrawal amount is \$1,000.

### **5. POLICY CONDITIONS**

#### **5.1 Free Look Provision**

We give the customer a period of 14 days after the date of receiving the policy to review its terms and conditions.

If the customer decides that this policy is not suitable for their needs, simply write to us within the 14-day review period. We will refund any premium the customer has paid, less medical fees, other expenses we have had to pay and any amounts the customer owes us in connection with the policy.

#### **5.3 Policy Alteration**

Reduction of single premium is allowed, subject to the following conditions:

- Reduction of single premium must be in multiples of \$100;
- Minimum remaining single premium of \$100,000 must be observe;
- Alteration can only be done on the next policy anniversary;
- No refund of pro-rated premium; and
- Partial surrender paid will be less of indebtedness, if any.

#### **5.5 Changes to Policy Benefits / Conditions / Plan**

We can end or change the policy benefits, conditions or plan at any time if any material fact affecting the risk is incorrectly stated or represented to us or the customer has failed to give us in any of the documents the customer provided to us.



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## **5.6 Governing Law**

This plan is governed by laws of the Republic of Singapore, and the Singapore courts alone will deal with any dispute arising from your policy

## **5.7 Notice of Claim**

### For Death Claim:

- a completed Claimant Statement;
- the current Certificate of Life Assurance;
- a completed Clinical Abstract Application Form;
- a medical report from the life assured's Registered Medical Practitioner;
- the death certificate issued by the relevant authority;
- the identification documents of the person claiming;
- evidence that the person is entitled to receive the payment (e.g. birth certificate, marriage certificate, Will, Letter of Administration or Probate, Trust Deed etc.); and
- any documentary proof we may need.

As well as the documents shown above, we will also need the following.

- if death is due to unnatural causes (e.g. Accident, suicide, and so on), we need:
  - the Post mortem report;
  - the Coroner's verdict; and
  - a Police report.
- if death occurs outside of Singapore, we need an official document from the relevant authority proving the death of the life assured.

### For Accidental Disability Claim:

- a completed Disability claim form;
- the current Certificate of Life Assurance;
- a medical report including clinical, radiological, imaging evidence, laboratory and histological evidence from the life assured's Registered Medical Practitioner;
- any documentary proof we may need (e.g. a police report); and
- a completed Clinical Abstract Application Form.

The life assured must also give us evidence to our satisfaction of continuing disability before each payment.

We reserve the right to ask the life assured or life assured's legal representative to provide, at his/her own expense, more documents or evidence to help in the assessment of the claim.

## **5.9 FATCA & CRS**

PRULifetime Income Premier III (SGD) is in-scope for FATCA and CRS.



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## **5.10 Taxes**

### 5.10.1 Goods and Services Tax

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

### 5.10.2 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 at 22% (based on the prevailing highest individual tax rate) on such payment of interest on death claims to non-residents.

The filing and payment of withholding tax must be made to IRAS by the 15th of the second month from the date with the withholding tax form to be filed electronically via myTax Portal and withholding tax payment to IRAS.

Please note that the withholding tax rate may change from year to year.

## **5.11 Termination**

The benefits under the PRULifetime Income Premier III (SGD) policy will end:

- when the life assured dies;
- if the policy lapses because the amounts the customer owes us are more than the surrender value;
- if the customer surrenders the policy;
- when we pay a claim for death or accidental disability and pay the full benefit; or
- maturity of the policy (for policies with the change in life assured benefit activated), whichever event happens first.

## **6. EXCLUSIONS**

### **6.1 Death Benefit**

If the life assured dies from suicide within 12 months from the cover start date of the policy, we will make the policy void, we cancel it and refund the single premium\* received from the customer. We will deduct any policy loans (including interest), surgical and nursing loans and all other amounts the customer owes us in connection with the policy and expenses (including administrative, sales related and medical expenses) we have had to pay for the policy.

If the life assured dies from a pre-existing condition within 12 months from the cover start date of the policy, we will refund the single premium\* received from the customer. We will first deduct any policy loans (including interest), surgical and nursing loans and all other amounts the customer owes us in connection with the policy and expenses (including administrative, sales related and medical expenses) we have had to pay for the policy.



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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.

*\*Single premium paid refer to Death premium. If there is a reduction in the Single Premium, the single premium paid used in computing the benefit payable in the event of Death will be based on the revised single premium set out in the new Certificate of Life Assurance and will be calculated as if this revised single premium amount had been paid since the issue of the policy.*

## **6.2 Accidental Disability Benefit**

We do not pay if the accidental disability of the life assured arises directly or indirectly out of one of the following.

- If the claim was made when the life assured had already died at the time of the claim. We will pay the Death Benefit instead.
- If the accidental disability happened before the life assured was 28 days old.
- If the accidental disability existed at the cover start date or date of reinstatement (if any) of this benefit.
- From war, riot, revolution or any similar event.
- From terrorism involving nuclear, biological or chemical agents.
- From illnesses or diseases of any kind, including fits, hernia, venereal disease, acquired immunodeficiency syndrome (AIDS) or food poisoning.
- From illnesses or diseases as a result of bites from, or contact with, an animal or insect, if they are infected by, or is a carrier of, illnesses or diseases.
- From a physical or mental condition which existed at the cover start date or date of reinstatement (if any) of this benefit.
- Accidents arising and due to pregnancy or confinement and related complications.
- Deliberate acts such as taking intoxicating liquor or drugs, committing suicide or attempted suicide or deliberate self-injury while sane or insane.
- Unlawful acts or deliberate and reckless exposure to unnecessary danger except in trying to save a human life.
- Any injury suffered while the life assured is committing or is attempting to commit an offence or is resisting arrest.
- Injuries as a result of committing, attempting or provoking an assault.
- From a state of unsound mind.
- Taking part in a dangerous activity or sports unless carried out legally under the supervision of a licensed organisation.
- Taking part in professional or competitive sports if the life assured would or could earn income or pay from doing so.
- Being in an aircraft of any type, or boarding or getting off any aircraft, except as a fare-paying passenger in an aircraft that is on a regular scheduled route operated by a commercial airline.
- Radiation or contamination from radioactivity.
- Racing of all kinds, other than on foot or bicycle.
- Taking part in commando or bomb-disposal duties or training, active military duties such as maintaining civil order, taking part in hostilities, whether war is declared or not, and travel by military aircraft or waterborne vessel. (This exclusion overrides all other terms and conditions relating to military services.)



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- An activity under the special exclusions and special terms and conditions shown on the certificate of life assurance.

## **7. SUPPLEMENTARY BENEFITS**

No supplementary benefits can be attached.

## **8. UNDERWRITING GUIDELINES**

### **8.1 Medical Underwriting**

PRULifetime Income Premier III (SGD) is a guaranteed issuance plan ie. no medical underwriting is required at application.

### **8.2 Aggregation Rules**

Aggregation rules apply. Refer to section 3.5.

### **8.3 Restriction on Nationality**

It is available to all Singaporean, Singapore Permanent Resident and foreigner with valid passes. Other pass holders will be considered on case by case basis.  
Please refer to PruInfo's Foreigner Guidelines (File named: New Business) for more info.

### **8.5 Convertibility / Buy another policy**

Convertibility / Buy another policy are not applicable.

### **8.6 Backdating**

Backdating is not allowed.

## **9. PREMIUM**

### **9.1 Large Sum Discount**

Large Sum Discount is not applicable.

### **9.2 PRUSmart Lady / PRULady / PRUMan / PRUTerm Plus Advantage Discount**

Not applicable.

### **9.4 Policy Fees**

There are no policy fees



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## PRULifetime Income Premier III (SGD)

### FREQUENTLY ASKED QUESTIONS

#### PRODUCT FEATURES

#### **Q1 Why are we launching PRULifetime Income Premier III (SGD)?**

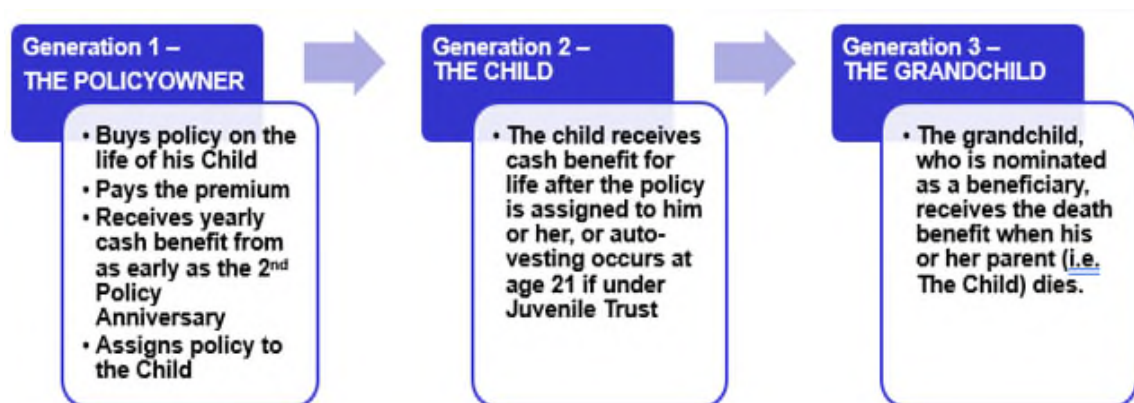
A1 PRULifetime Income Premier III (SGD) addresses the needs of our customers who would want to receive a stream of yearly income throughout their entire life in the form of cash benefit with some protection.

This plan can provide the following financial benefits:

- A regular stream of yearly income for retirement planning or children education
- Leaving a legacy for the next generation

Being able to provide a cash benefit payout as early as from the 2<sup>nd</sup> policy anniversary and the ability to provide a cash benefit across the entire life span, PRULifetime Income Premier III (SGD) will be appealing to your potential customers.

PRULifetime Income Premier III (SGD) serves to complement our existing suite of products. It also caters for 3-generations planning.



With the launch of PRULifetime Income Premier III (SGD), the current PRULifetime Income Premier II (SGD) will be withdrawn.



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**Q2 What are the key benefits of PRULifetime Income Premier III (SGD)?**

A2 PRULifetime Income Premier III (SGD) provides a stream of yearly income in the form of guaranteed and non-guaranteed cash benefit from the 5<sup>th</sup> policy anniversary and 2<sup>nd</sup> policy anniversary onwards, respectively.

It also offers financial protection against death for as long as the life assured lives, and an accidental disability benefit until the policy anniversary before the life assured turns 70 years old.

**Q3 What will Prudential pay for death benefit?**

A3 If a life assured is shown on the Certificate of Life Assurance to be covered for this benefit and dies, we pay the higher of:

- 105% of the single premium; or
  - 101% of the surrender value as at the time of death,
- plus any cash benefit left with us, less any amounts you owe us.

We will deduct any overpaid cash benefit due to the late notification of death.

The whole policy and all its benefits automatically terminate once we pay a death claim.

**Q4 What will Prudential pay for accidental disability benefit?**

A4 If a life assured is shown on the Certificate of Life Assurance to be covered for this benefit becomes totally and permanently disabled because of an accident before the cover end date, we pay the higher of:

- 105% of the single premium; or
  - 101% of the surrender value as at the date the life assured was certified to be totally and permanently disabled because of an Accident;
- plus any cash benefit left with us, less any amounts you owe us.

The accidental disability benefit will terminate by the Policy Anniversary immediately before the life assured turns 70 years old.

We will deduct any overpaid cash benefit due to the late notification of the accidental disability.

We will not accept any claim for this benefit if the life assured is already deceased at the time of the claim. We will pay the death benefit instead.

The whole policy and its benefits automatically terminate once we have fully paid an accidental disability benefit claim.



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**Q5 What are the non-guaranteed benefits for PRULifetime Income Premier III (SGD)?**

A5 The non-guaranteed benefits are non-guaranteed cash benefit and performance bonus. They are not guaranteed and will vary according to the future experience of the participating fund.

Performance bonus is a one-time bonus which may be paid when you surrender your policy. The amount will vary depending on the end date of your policy

There are no reversionary and maturity bonus.

**Q6 There is a new change of life assured benefit. What is it about and what happens upon activation of this benefit?**

A6 This benefit allows the policyowner to change the main life assured after 2 years from the cover start date of the policy. This is subject to satisfactory evidence of sufficient insurable interest in the New Life Assured.

Upon activation of change of life assured benefit:

- 1) The cover for the original life assured ends and the cover for the new life assured starts on the new cover start date as shown in the revised certificate of life assurance. All rights under the original life assured ends with immediate effect.
- 2) The policy will have a cover expiry date set at 110 of original life assured's age
- 3) Accidental Disability Benefit will be terminated
- 4) Maturity Benefit will be payable upon cover expiry date
- 5) Yearly Cash benefit and all coverage cease upon cover expiry date

**Q7 How many times can my customer activate this change of life assured benefit?**

A7 For policies owned by individuals, policyowner will only be allowed to change the Life Assured once throughout the policy term.

For policies owned by a business organisation (Employer – employee benefit), there are no limits to the number of changes allowed throughout the policy term.

**CASH BENEFIT**

**Q8 When will my customer receive his first Cash Benefit payment?**

A8 Under the PRULifetime Income Premier III (SGD), the customer can expect to receive:

1. Non-guaranteed cash benefit from the 2<sup>nd</sup> policy anniversary
2. Guaranteed cash benefit from the 5<sup>th</sup> policy anniversary

**Q9 How will my customer receive his cash benefit?**

A9 If the customer opts for the cash benefit to be paid out, we shall pay the customer his cash benefit through direct crediting to their bank account.





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**Q10 How much cash benefit will the customer receive?**

A10 PRULifetime Income Premier III (SGD) will pay the following:

**Cash Benefit for PRULifetime Income Premier III (SGD):**

	Guaranteed yearly Cash Benefit	Non-guaranteed yearly Cash Benefit	
Paid on the Policy Anniversary	5 <sup>th</sup> onwards	2 <sup>nd</sup> – 20 <sup>th</sup>	21 <sup>st</sup> onwards
Percentage of the Single Premium	1.0%	1.5%	2.5%

The illustrated non-guaranteed Cash Benefit is based on the Illustrated Investment Rate of Return of the Participating Fund at 4.25% p.a. The non-guaranteed Cash Benefit is NOT guaranteed and will vary according to the future experience of the participating fund.

**Q11 How will my customer be informed of the changes in non-guaranteed benefits (Cash Benefit & Performance Bonus)?**

A11 An Annual Bonus Update will be sent to the customer when the policy starts to pay non-guaranteed Cash Benefit. This document aims to keep the customer informed of the performance of the fund and its future outlook. The customer will be informed whenever there is a change in the declared non-guaranteed Cash Benefit or bonus rates. The customer will also receive from us an update on the changes in future non-guaranteed Cash Benefit or bonuses. The customer may expect to receive this update after April of each year.

**Q12 Can my customer choose to accumulate the Cash Benefit?**

A12 Yes. If the customer chooses to leave the Cash Benefit with us, we apply an annual interest rate on the accumulated Cash Benefit. The interest accrues on a daily basis. On each policy anniversary date, the accrued interest will be added to the accumulated Cash Benefit to form the new accumulated Cash Benefit. The interest accruing on the following year will be based on the new accumulated Cash Benefit.

We reserve the right to vary the interest rate but will not do so before giving the customer 30 days' written notice.

**Q13 What is the interest payable when customer chooses to accumulate the Cash Benefit?**

A13 The current interest rate is at 2.50% p.a.

Please note that this rate is not guaranteed and we reserve the right to vary the interest rate but will not do so before giving the customer 30 days' written notice.

Once the Cash Benefit has been paid, we will not allow it to be back paid for accumulation.



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**Q14 If my customer chooses to accumulate the Cash Benefit, can he withdraw the Cash Benefit in the future?**

A14 If the customer chooses to accumulate the Cash Benefit, the customer can apply to withdraw at any time, subject to a minimum withdrawal of \$1,000.

If at the time of the application for withdrawal, the accumulated Cash Benefits are less than \$1,000, the customer must withdraw the whole amount.

**NEW BUSINESS**

**Q15 Who can purchase PRULifetime Income Premier III (SGD)?**

A15 The plan is available to all Singaporeans, Singapore Permanent Residents and foreigners with valid passes. Other pass holders will be considered on case by case basis. Please refer to PruInfo's Foreigner Guidelines (File named: New Business) for more info.

**Q16 Can the customer choose to backdate the policy?**

A16 No, single premium policy cannot be backdated.

**Q17 Is there any maximum limit (death limit/premium limit) imposed on PRULifetime Income Premier III (SGD)?**

A17 Yes, the aggregate premiums payable for selected plans per life assured issued in the past 24 months cannot exceed S\$5 million (or equivalent). The calculation is based on the total committed premiums of the product (e.g. 10 x annual premium for a 10-year premium term product, or the full single premium for a single premium product). US dollar denominated policies will be aggregated after applying an exchange rate of US\$1 to S\$1.40 on the premiums payable. We reserve the right to review/vary this rate.

**Q18 Which selected plans are included in this aggregation?**

A18 Please refer to our Prudential website for the list of Prudential plans which are subjected to Aggregation Rule: <https://www.prudential.com.sg/company/understanding-insurance>

**Q19 I have submitted an application under PRULifetime Income Premier II (SGD) and has yet to be incepted. My customer wishes to change the plan to PRULifetime Income Premier III (SGD), how do I go about doing it?**

A19 Please submit:  
A) FC memo to 'non-taken up' the PRULifetime Income Premier II (SGD) application &  
B) Submit fresh application under PRULifetime Income Premier III (SGD).



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## **PREMIUM RATES**

### **Q20 Are premium rates guaranteed?**

A20 The premium rates for PRULifetime Income Premier III (SGD) are guaranteed.

## **POLICY SERVICES**

### **Q21 Can my client choose to administer a reduction of single premium to his/her PRULifetime Income Premier III (SGD) policy?**

A21 Yes. Reduction of single premium is allowed, subject to the following conditions:

- Reduction of single premium must be in multiples of \$100;
- Minimum remaining single premium of \$100,000 must be observed;
- Alteration can only be done on next policy anniversary;
- Partial surrender value paid will be less of indebtedness, if any. There will be no refund of pro-rated premium.

### **Q22 Can customer do a top-up to his PRULifetime Income Premier III (SGD) policy?**

A22 No. This product does not allow top-up of premiums.

### **Q23 Is cancellation of the Accidental Disability Benefit allowed?**

A23 No, cancellation of the Accidental Disability Benefit is not allowed.

## **CLAIMS**

### **Q24 What happens upon a claim should there be outstanding loans (i.e. policy loan or Surgical and Nursing loan)?**

A24 We will deduct any amounts owing to us before paying any approved claims. Thereafter, the policy will terminate.

### **Q25 Will the policy pay any Maturity Benefit?**

A25 No, PRULifetime Income Premier III (SGD) is a whole of life plan with no maturity date. Hence, Maturity Benefit is not applicable. However, upon activation of change of life assured, there will be a maturity benefit. (see Q6)



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### **SALES ADVISORY STANDARD**

**Q26 What do I need to take note of when completing the PruPlanner for this product?**

A26 PRULifetime Income Premier III (SGD) is suitable for customer who wish to address Wealth Accumulation goal of Retirement / Savings / Children's Education / Children's Savings.

The Single Premium (SP) payable of PRULifetime Income Premier III (SGD) is to be used for comparison with the customer's Wealth Accumulation shortfall to assess for any overselling.

If the SP exceeds the customer's shortfall and/or the policy term exceeds the customer Wealth Accumulation timeline, the FC needs to highlight to the customer on the detriment / implication that may arise, and document a justification to explain the basis of recommendation, the customer's awareness and agreement with the deviation.

For more information on PruPlanner documentation, please refer to The Guide to PruPlanner Documentation and FAQ to the Guide to PruPlanner Documentation, which are available in PruRaise >> PruInfo >> Competence and Compliance >> Sales Advisory Materials.

### **MARKETING SUPPORT**

**Q27 Will there be brochures for PRULifetime Income Premier III (SGD) ?**

A27 Electronic brochure will be made available and you can direct your customers to Prudential's corporate website at [www.prudential.com.sg](http://www.prudential.com.sg).

### **GENERAL**

**Q28 Is the PRULifetime Income Premier III (SGD) training session compulsory?**

A28 Training for PRULifetime Income Premier III (SGD) is not mandatory. However, as PRULifetime Income Premier III (SGD) is one of the new 8th Series SGD Participating products launch due to LIA PAR PI Changes 2021, a mandatory e-assessment on 'PAR PI Changes' must be completed.

**Q29 Will there be a new version of SQS? When will it be available?**

A29 Yes, there will be a new version of SQS on PRUONE Express/Online PRUONE Express and it will be available on 1 July 2021.



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## PRULifetime Income Premier III

### SALES & MARKETING PROPOSITIONS

PRULifetime Income Premier III is a single premium participating whole life insurance plan denominated in Singapore Dollars (SGD). It provides a stream of income in the form of yearly cash benefit from the 2<sup>nd</sup> policy anniversary. The yearly cash benefit comprises of a guaranteed and a non-guaranteed portion.

PRULifetime Income Premier III also provides coverage against death for as long as the life assured lives and an accidental disability benefit until the policy anniversary before the life assured turns 70 years old.

PRULifetime Income Premier III provides the following financial benefits:

- A regular stream of yearly income for retirement planning or children education
- Leaving a legacy for the next generation

Here are some **Marketing Propositions**, which you may find useful for promoting **PRULifetime Income Premier III**:

<b>Stream of income</b>	PRULifetime Income Premier III starts providing a stream of yearly cash benefit from the 2 <sup>nd</sup> policy anniversary.
<b>One-time financial commitment</b>	PRULifetime Income Premier III allows your customer to pay a single premium.
<b>Offers guaranteed and non-guaranteed Cash Benefits</b>	<p>PRULifetime Income Premier III starts providing a stream of income in the form of guaranteed and non-guaranteed yearly cash benefit from the 5<sup>th</sup> policy anniversary and 2<sup>nd</sup> policy anniversary onwards, respectively.</p> <p>The yearly cash benefit creates a stream of regular income to supplement customer's lifestyle or to meet customer's retirement planning needs.</p> <p>The non-guaranteed yearly cash benefit is <u>not</u> guaranteed. It is based on the projected investment rate of return of the participating fund at 4.25% per annum and will vary according to the future experience of the participating fund.</p>



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<b>Having the liquidity to meet desired needs</b>	<p>PRULifetime Income Premier III provides customer the flexibility to receive the yearly cash benefit or to leave it with us to accumulate in value.</p> <p>By choosing to receive the yearly cash benefit, the customer is able to fulfill his/her dreams e.g. pursuing a new hobby, going on holiday trips, etc.</p> <p>Alternatively, the customer can opt to accumulate all his/her yearly cash benefit and defer the payout for his/her loved ones.</p> <p>If the customer chooses to leave the cash benefit with us, we use a yearly interest rate on the cash benefit. Interest accrues on a daily basis. On each policy anniversary, we add the previous year's interest to the cash benefit and credit interest on the total amount.</p> <p>We reserve the right to vary the interest rate but will not do so before giving you 30 days' written notice.</p>
<b>Added coverage against Accidental Disability</b>	<p>If the life assured becomes totally and permanently disabled before he turns 70 years old, we will pay the higher of:</p> <ul style="list-style-type: none"> <li>- 105% of single premium; or</li> <li>- 101% of the surrender value as at the time of accidental disability;</li> </ul> <p>plus any cash benefit left with us, less any amount the customer owes us.</p> <p>This payout will help the customer and the family to tide through the unfortunate event.</p>
<b>Liquidity in case of an emergency (for the Accumulation Option)</b>	<p>Customers who have left their Cash Benefit with us can choose to withdraw the accumulated yearly cash benefit at any time, subject to a minimum withdrawal of \$1,000</p>



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Here are some **Market Segments** that may be suitable:

<b>Matured adults with families</b>	<p>PRULifetime Income Premier III can appeal to those who are in the prime of their careers and are planning to save for their retirement needs or to fulfil other commitments. With this plan, it can potentially help them achieve their financial goals while giving them peace of mind.</p> <p>The stream of income can also help them to maintain their lifestyle in retirement or to fund for their children's education.</p> <p>The accumulation option enables customers to accumulate all the guaranteed and non-guaranteed yearly cash benefit which they can withdraw it at a later stage of life or leave it for their loved ones.</p>
<b>Career minded singles</b>	<p>Being single, they have to take care of their own medical bills and living expenses once they retire. They also do not have a spouse to support them or to lean on financially. With this plan, it can help them to supplement their retirement needs.</p>