



# **PRU***Active Saver III*

Product Information Pack  
for  
Financial Consultants / Representatives

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# PRUActive Saver III (8<sup>th</sup> Series)

## PRODUCT FEATURES

### 1. INTRODUCTION

PRUActive Saver III is a participating endowment insurance plan.

PRUActive Saver III allows the policyholder to choose between a range of premium payment terms: single premium or regular premium term from 5 to 30 years and a range of policy terms from 10 to 30 years.

The plan provides coverage against death only. It is designed for customers who want the flexibility to choose their policy term and premium payment term according to their wealth accumulation goals (ie Savings/Education/Retirement).

Upon maturity of the plan, the policyowner will receive a lump sum maturity benefit payout.

### 2. BENEFITS OF PRUACTIVE SAVER III

#### 2.1 Death Benefit

The term "Sum Assured" will not be used as the customer is not assured for this amount on death. The term "**Face Value**" will be used instead.

***For Regular Premium (Premium Term of 5 to 30 years):***

The Death Benefit will be the higher of:

- (a) 105% of the total premiums paid up to time of death (but not premiums for supplementary benefits [if any]) less any bonus surrendered (if any); or
- (b) 101% of the surrender value at the time of death less any amounts owing to us.

***For Single Premium:***

The Death Benefit will be the higher of:

- (a) 105% of the single premium paid less any bonus surrendered (if any); or
- (b) 101% of the surrender value, less any amounts owing to us.

The policy and all its benefits terminate once a Death benefit claim is paid.

We will deduct from the Death Benefit payable any:

- amount owing to us, including but not limited to policy loan (including interest), Automatic Premium Loan (including interest), S&N loan and all other outstanding amounts owing to us in connection with the policy and expenses (including but not limited to administrative, sales related and medical expenses) incurred by us on the policy.



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If the Policy has a history of transactions relating to the reduction of Face Value, the total premiums paid will be calculated as if the revised reduced premiums had been paid from Policy Inception Date.

## 2.2 Maturity Benefit

A Maturity Benefit is payable upon the Cover Expiry Date.

The Maturity Benefit consists of the

- (a) A percentage of the Face Value;
- (b) accumulated Reversionary Bonus\*;
- (c) Performance Bonus\*; and
- (d) Maturity Bonus\*.

We will deduct from the Maturity Benefit payable any:

- amount owing to us, including but not limited to policy loan (including interest), Automatic Premium Loan (including interest), S&N loan and all other outstanding amounts owing to us in connection with the policy and expenses (including but not limited to administrative, sales related and medical expenses) incurred by us on the policy.

We will also pay out any money paid in excess sitting in suspense account without interest upon maturity of the policy.

\*The bonuses are not guaranteed.

## 3. POLICY LIMITS

### 3.1 Age at Entry

	PRUActive Saver III – RP & SP (Cash)	PRUActive Saver III - SRS
Minimum Age at Entry	1 ANB	19 ANB
Maximum Age at Entry	70 ANB	70 ANB

### 3.2 Age at Expiry

	PRUActive Saver III
Maximum Age at Expiry	80 ANB

### 3.3 Policy Term

	PRUActive Saver III
Minimum Policy Term	10 years
Maximum Policy Term	30 years or up to 80 ANB, whichever is shorter



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### 3.4 Premium Payment Term

	PRUActive Saver III – Regular Premium	PRUActive Saver III – SP (Cash and SRS)
Minimum Premium Term	5 years	Single Premium
Maximum Premium Term	30 years or up to 75 ANB, whichever is shorter	

The premium payment term cannot be more than the policy term.

### 3.5 Size of policy

Premium Term	Minimum Premium	Maximum Premium	Min/Max Face Value
Single premium	\$10,000	\$5,000,000	Subject to minimum/maximum premium
5 – 9 years	\$5,000 p.a.	\$5,000,000 (subject to GIO aggregation rule)	
10 – 30 years	\$1,200 p.a.		

Input of Modal premium in multiples of \$10.

### 3.6 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, excluding premiums for supplementary benefits (if any) (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.

### 3.7 Mode of payment

For regular premium policies: Annually, Half-Yearly, Quarterly or Monthly.  
For single premium policies: Single Premium.

### 3.8 Method of 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, Citibank, UOB, SCB, Maybank and DBS/POSB credit cards are allowed. Other banks' credit cards are not allowed.

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



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## 4. POLICY VALUES

### 4.1 Surrender Values

The guaranteed surrender value plus non-guaranteed surrender value will be payable upon surrender of your policy. The surrender value of your policy will vary with the premium payment term of your policy.

For PRUActive Saver III policy of a single premium payment term, we give you an immediate surrender value.

For the rest of the premium payment terms, we give you a surrender value after 36 months from your first premium due date as long as you have paid premiums for 36 months and have the policy in-force for 36 months.

### 4.2 Policy Loan

A policy loan may be taken against the surrender value of the policy. The maximum loan amount is set at percentage of the surrender value at the time the loan is taken up. An interest rate, currently at 5.25% p.a. will be charged on the loan amount starting from the date of the loan. Interest accrues on a daily basis. The company reserves the right to vary the interest rate but will not do so before giving the policyholder 3 months' written notice.

The policy terminates once the outstanding loan amount including interest exceeds the surrender value of the policy.

**For regular premium policies:** The maximum loan amount is set at 90% of the surrender value at the time the loan is taken up.

**For single premium policies:** The maximum loan amount is set at 70% of the total surrender value at the time the loan is taken up.

**For single premium (SRS) policies:** Policy loan is not available.

### 4.3 Policy Alteration

#### 4.3.1 Face Value

Policyowner can make adjustment to reduce the Face Value (increase in Face Value is not allowed). The reduced FV is subject to minimum annual premium of \$5000/\$1200, depending on the premium term chosen. If there is any partial surrender, it will be paid less off indebtedness. This alteration can only be effective on the next Premium Due Date.

#### 4.3.2 Mode of payment

The change of premium payment frequency will only be effected on the next Premium Due Date i.e. if monthly mode, the change will be effective from the



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following month. If yearly mode, the change will be effective the next Premium Due Date (1 year from last Premium Due Date).

Not Applicable for Single Premium policies.

#### 4.3.3 Mid Term Addition

Mid-term add is allowed for regular premium policies only. Existing limits and underwriting rules apply.

#### 4.3.4 Conversion of smoker status

Applicable. However, it will not affect the premium rates.

#### 4.3.5 Review of loading when health improves

Not applicable for main plan. Only applies to any riders attached to this plan.

#### 4.3.6 Automatic Premium Loan (APL)

In the event of non-payment of premium, the policy will not terminate so long as the surrender value of the policy is sufficient to enable Prudential to pay one or more premium.

If the Surrender Value is insufficient to cover one full modal premium (eg. Mode of Payment = Annual, Annual Premium Due = \$2,400, but Surrender Value = \$2,000), Mode of Payment will be changed to Monthly, Premium Due = \$200 ( $2,400 \times 0.085$ ) and the Surrender Value of \$2,000 will be used to fund the monthly premium due until it expires before lapsing the policy.

An interest rate, currently at 5.25% p.a. will be charged on the loan amount starting from the date of the loan. Interest accrues on a daily basis. The company reserves the right to vary the interest rate but will not do so before giving the policyholder 3 months' written notice. The policy terminates once the outstanding loan amount including interest exceeds the surrender value of the policy.

\*This is not applicable to Single Premium policies.

### 4.4 **Paid-to-date advance**

Advance paid-to-date is allowed.

### 4.5 **Paid-up Values**

Paid-up values will be based on total surrender value and they will not participate in future bonuses. On paid-up, death cover continues.

The Death Benefit will be the higher of

- (a) 105% of the total premium\* that is paid-to-date (but not premiums for supplementary benefits (if any) less any bonus<sup>^</sup> surrendered; or
- (b) 101% of Surrender Value



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less any amounts owing to us.

\* As the Face Value was reduced, total premiums paid will be determined based on the revised premium set out in the new Certificate of Life Assurance and calculated as if this revised premium amount had been paid from the start.

^ The bonuses are not guaranteed.

If the policy is converted to paid-up, these features will no longer apply:

- Policy loan
- Surgical and Nursing loan
- Having any supplementary benefits

Minimum paid-up value is \$1,000 and does not need to be in multiples of \$500.

#### **4.6 Bonus Surrender**

Any attaching Reversionary Bonuses can be surrendered for cash after 36 months of premiums have been paid and in-force for 36 months. Partial cashing of bonus is allowed.

Interim bonus will be calculated if transaction occurs from January to March. Reversionary Bonus will not be recalculated after bonus declaration in April.

This applies for both Regular Premium and Single Premium policies.

#### **4.7 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 incurred as a result of a surgical operation performed on the life assured.

The customer can only apply for the loan:

- (a) on the portion of the medical bills where cash payment was made; and
- (b) 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:

- (a) 10% of the Face Value; or
  - (b) the total premiums paid excluding additional premiums paid for health or hazardous activities and additional premiums paid for supplementary benefits; or
  - (c) the surrender value of the policy,
- whichever is lowest.

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

- (a) dental treatment
- (b) Acquired Immunodeficiency Syndrome ("AIDS"), AIDS-related complex or infection by Human Immunodeficiency Virus ("HIV") condition
- (c) cosmetic surgery



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- (d) pregnancy, miscarriage or childbirth.

The customer can repay the loan at any time. We deduct the loan amount owing to us from any payment we make under the policy.

If the total outstanding amount owing to us under the policy exceeds the surrender value, the policy terminates immediately.

To apply the customer must use our appropriate application form and meet the conditions on it. We will notify the customer if we accept their application.

\*Surgical & nursing loan is not available for SRS policy.

## **5. POLICY CONDITION**

### **5.1 Free Look Provision**

Within 14 days from the date of receipt of the policy, the Policyowner has the right to cancel the policy and receive a full refund of the premiums paid, less any medical fees and other expenses, such as payments for medical check-ups and medical reports, incurred by us.

If the policy document and all other documents are made available electronically via PRUaccess, we consider they have been delivered and received when the Policyowner receive the relevant SMS or email telling them that the documents are accessible on PRUaccess.

The policy is considered delivered and received in the ordinary course of the post, 7 days after the date of posting.

### **5.2 Grace Period for Renewal Premium**

The policyholder has up to 30 days grace period for premium payment. The policy will lapse if premium is not received or if there is insufficient surrender value to deduct from at the end of the grace period.

If there is sufficient surrender value, the insurance coverage can be maintained and the policy goes into Automatic Premium Loan. The premiums will continue to be deducted until the policy has no surrender value at which time the policy will lapse without value.

\*Not applicable to Single Premium policies.

### **5.3 Revival Criteria / Reinstatement of Policy**

As per existing practice, revival is subject to the submission of relevant forms such as revival forms and supplementary proposal form etc.

Revival can be effected by Payment of Arrears. We will charge an interest rate of 5.25% for the outstanding premiums of policies which have lapsed for more than 6 months if the Policyowner chose to revive via Payment of Arrears.





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The interest rate may vary from time to time. The company reserves the right to vary the interest rate but will not do so before giving 3 months' written notice.

Note that Revival by re-dating is only allowed during the premium paying term for Regular Premium plan.

Auto-revival is allowed.

\*Not applicable to Single Premium policies.

#### **5.4 Guaranteed Premium**

The Company guarantees that the premium for PRUActive Saver III remains unchanged throughout the premium payment term of the policy for as long as the required premium is paid before the end of the grace period for premium payment.

#### **5.5 Notice of Claim**

For Death Claim, the beneficiary or legal representative must send us:

- A completed claim form
- Current Certificate of Life Assurance
- Clinical Abstract Application Form
- Medical report at his/her own expense
- Death certificate issued by relevant Authority
- Identification documents of Claimant
- Proof of relationship
- Evidence that the person is entitled to receive the payment (e.g. Deceased's Last WILL, Letter of Administration or Probate, Trust Deed, Assignment Deed etc.)
- Any documentary proof so required by us

In addition to the above documents,

- if death is due to unnatural causes (e.g. Accident, suicide, etc), the following documents are required:
  - the Post mortem report;
  - the Coroner's verdict; and
  - a Police report.
- If death occurs outside of Singapore, the following documents must also be submitted:
  - Official document from relevant Authority proving death of life assured

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.

#### **5.6 Governing Law**

This plan is governed by and interpreted according to the laws of the Republic of Singapore.

#### **5.7 Changes to Policy Benefit and Conditions**



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

## **5.8 FATCA**

PRUActive Saver III is in-scope of FATCA.

## **5.9 CRS**

PRUActive Saver III is in-scope of CRS.

## **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 including SRS 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 22% (based on the prevailing highest individual tax rate) 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. In addition, from 1 Jul 2016, the withholding tax form can only be filed electronically via myTax Portal, for withholding tax payment to IRAS.

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

## **5.11 Termination**

The benefits under the PRUActive Saver III policy will terminate upon:

- the death of the life assured;
  - non-payment of premiums within 30 days of the date that they are due;
  - the surrendering of the policy;
  - the Maturity Date of the policy as shown on the Certificate of Life Assurance; or
  - the policy lapsing because the amounts owing to us within the policy exceeds the surrender value;
- whichever event occurs first.



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## 6. EXCLUSIONS

### 6.1 Death Benefit

If the life assured commits suicide within 12 months from the Cover Start Date of the policy or from the date of reinstatement (if any), the policy becomes void, we cancel it and refund the total premiums\* received less expenses (including but not limited to administrative, sales related and medical expenses) incurred by us on the policy.

If death occurs due to a Pre-existing Condition within the first year from the Cover Start Date of the policy or from the date of reinstatement (if any), the death benefit is restricted to refund of total premiums paid to date\* (excluding premiums paid for supplementary benefits) less any policy loan (including interest), Automatic Premium Loan (including interest), S&N loan and all other outstanding amounts owing to us in connection with the policy and expenses (including but not limited to administrative, sales related and medical expenses) 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.

*\*Total premiums paid refer to Death premiums. If there is a reduction in the policy Face Value, the total premiums paid used in computing the benefit payable in the event of Death will be based on the revised regular premium set out in the new Certificate of Life Assurance and will be calculated as if this revised regular premium amount had been paid since the Policy Inception Date.*

## 7. SUPPLEMENTARY BENEFITS

Supplementary benefits that can be attached to PRUActive Saver III at the time of launch are:

Accident Assist, Recovery Aid (Accident Assist), Fracture Care PA, Crisis Waiver III, Early Stage Crisis Waiver, Payer Security Plus and Early Payer Security.

\*Not applicable for Single Premium policies.

### 7.1 Term of attachable supplementary benefits

The policy term of the riders will follow existing rules.

Riders following premium payment term of PRUActive Saver III: Crisis Waiver III, Early Stage Crisis Waiver, Payer Security Plus, Early Payer Security and Fracture Care PA.

Riders following policy term of PRUActive Saver III: Accident Assist and Recovery Aid (Accident Assist).

The existing policy limits for each individual riders will still applies. (E.g. Accident Assist has a maximum age limit of 75 ANB)



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## **8. UNDERWRITING GUIDELINES**

### **8.1 Medical Underwriting**

PRUActive Saver III is a guaranteed issuance plan i.e. no medical underwriting is required at application.

Aggregation rules apply. Refer to section 3.6.

Full underwriting will apply if there is any supplementary benefit(s) that is not on Guaranteed Issuance Offer (GIO) being attached to the policy.

### **8.2 Restriction on Nationality**

It 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 for more information.

### **8.3 Convertibility / Future Insurance Option**

Not applicable for PRUActive Saver III.

### **8.4 Backdating**

Backdating is allowed for PRUActive Saver III up to 6 months from today. However, backdating should not cross the calendar year of the product launch, which is 2021.

\*Backdating is not applicable for Single Premium policies.

## **9. PREMIUM CALCULATION**

### **9.1 Premium Rates**

Premium rates are not dependent on age, gender or smoker status.

### **9.2 Prusmart Lady/PruLady/PruMan/PruTerm Plus Advantage Discount**

Not applicable for PRUActive Saver III.

### **9.3 Large Size Discount**

Large size discount is applicable for PRUActive Saver III.

There are 3 bandings for large sum discount, based on the Face Value of the plan.

	<b>Band 1</b>	<b>Band 2</b>	<b>Band 3</b>
<b>Face Value Range</b>	<b>\$0 - \$99,999.99</b>	<b>\$100,000 - \$199,999.99</b>	<b>\$200,000 - \$999,999,999.99</b>



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#### **9.4 Policy Fees**

There are no policy fees.

#### **9.5 Frequency Factors for Different Premium Paying Mode**

For regular premium policies, the rates are annual rates. The frequency factors used for conversion into other modes of payment are:

<b>Premium payable</b>	<b>Yearly</b>	<b>Half-yearly</b>	<b>Quarterly</b>	<b>Monthly</b>
Frequency factor	1	0.505	0.255	0.085



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# PRUActive Saver III

## FREQUENTLY ASKED QUESTIONS

### PRODUCT FEATURES

#### **Q1 What is PRUActive Saver III?**

A1 PRUActive Saver III is a participating endowment insurance plan. This plan allows policyholder to choose between a range of premium payment terms: single premium or regular premium term from 5 to 30 years and a range of policy terms from 10 to 30 years. It provides financial protection against death. The policy also allows policyholder to participate in the performance of the participating fund in the form of bonuses that are not guaranteed. Maturity benefit is payable at the end of the policy term if the life assured survives until the end of the policy term.

#### **Q2 What are the key benefits of PRUActive Saver III?**

A2 PRUActive Saver III allows the flexibility of choosing the premium and policy term based on customers' financial needs. It provides a lump sum maturity benefit using a combination of guaranteed benefits and non-guaranteed benefits at the end of the policy term.

#### **Q3 What is the policy term and premium payment term option?**

A3 Premium payment terms range from: Single Premium and or regular premium term from 5 to 30 years.  
The maximum premium payment term that can be chosen is: 30 years or 75ANB – entry age, whichever is lower.

Policy terms range from 10 to 30 years.

The maximum policy term that can be chosen is: 30 years or 80ANB – entry age, whichever is lower.

**Example:** A customer of 60ANB can only choose a maximum premium payment term of 15 years and maximum policy term of 20 years.

#### **Q4 What is the minimum premium contribution for PRUActive Saver III?**

A4 For Single Premium Plan, the minimum premium is \$10,000.

For Regular Premium Plan:

- 5 to 9 years premium payment term has a minimum annual premium of \$5000
- 10 to 30 years premium payment term has a minimum annual premium of \$1200

#### **Q5 What do we pay for Death Benefit?**

##### **A5 For Regular Premium (Premium Term of 5 to 30 years):**

The Death Benefit will be the higher of:

- i) 105% of the total premiums paid up to time of death (but not premiums for supplementary benefits [if any]) less any bonus surrendered (if any); or
- ii) 101% of the surrender value,  
less any amounts owing to us.

The policy and all its benefits terminate once a Death Benefit claim is paid.



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**For Single Premium:**

The Death Benefit will be the higher of:

- i) 105% of the single premium paid less any bonus surrendered (if any); or
- ii) 101% of the surrender value, less any amounts owing to us.

The policy and all its benefits terminate once a Death Benefit claim is paid.

Note: The bonuses are not guaranteed.

**Q6 What do we pay for Maturity Benefit?**

A6 On the maturity date we pay a maturity benefit in a lump sum. The maturity benefit is a percentage of the Face Value plus all the bonuses\* that we have added to the policy, less any amounts owing to us.

\*The bonuses are not guaranteed.

**Q7 What are the non-guaranteed benefits of PRUActive Saver III?**

A7 The non-guaranteed benefits are in the form of Reversionary Bonus, Performance Bonus and Maturity Bonus. They are NOT guaranteed and will vary according to the future experience of the participating fund.

**Q8 Is all combinations of PRUActive Saver III capital guaranteed?**

A8 Yes, PRUActive Saver III is capital guaranteed upon maturity.

**NEW BUSINESS**

**Q9 Who can purchase PRUActive Saver III?**

A9 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.

**Q10 If I have previously submitted a PRUActive Saver II proposal but not yet incepted, how can my customer do a change of plan to PRUActive Saver III?**

A10 You may:  
Submit written instruction to NTU PRUActive Saver II application and;  
Submit fresh application through PruOne Express for PRUActive Saver III

**Q11 With PRUActive Saver II withdrawn by 1<sup>st</sup> July 2021, what will happen to applications submitted before 1st July 2021 but not yet incepted?**

A11 The application will continue to be processed. However, no new submission of PRUActive Saver II will be allowed from 1st July 2021 onwards.



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**Q12 Can the customer choose to backdate the policy?**

A12 Yes. Back-dating is allowed for Regular Premium policies only, however the criteria is as follow:

- (a) up to 6 months;
- (b) allowed to cross before product launch date; and
- (c) it should not cross the calendar year that the product is launched.

Back-dating is not allowed for Single Premium policies.

**Q13 Is medical underwriting required for the application of PRUActive Saver III?**

A13 No. PRUActive Saver III is a Guaranteed Issuance Offer (GIO) policy and no medical underwriting is required. However, do note that full underwriting will apply if supplementary benefits which are not GIO are attached to the policy. Supplementary benefits are not attachable to Single Premium policies.

PRUActive Saver III will still require financial underwriting and is subjected to aggregation limit (see Q14).

**Q14 Is there any maximum limit (death limit/premium limit) imposed on PRUActive Saver III?**

A14 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 annualised 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.

**Q15 Which selected plans are included in this aggregation?**

A15 The list of GIO plans that are subjected to the aggregation rule are stated on our website at: <https://www.prudential.com.sg/company/understanding-insurance>

## **PREMIUM RATES**

**Q16 Are premium rates guaranteed?**

A16 The premium rates for PRUActive Saver III are guaranteed.

**Q17 What will happen to the policy in the event of non-payment of premium?**

A17 The policy will be maintained under the Automatic Premium Loan feature provided there is sufficient surrender value to advance the premium due. The premiums due will be advanced under the Automatic Premium Loan feature of the plan and we will charge an interest of 5.25% per annum. We reserve the right to vary the interest rates from time to time.

The policy will terminate and no benefits will be payable once the outstanding policy loans, premiums and interest exceeds the surrender value of the policy.





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APL will be activated during the premium payment term in case of non-payment of premium but will continue until all outstanding loans has been paid or, when the policy terminates.

APL is not applicable to single premium policies.

## **POLICY SERVICES**

### **Q18 Can my client choose to change the Face Value of his/her PRUActive Saver III policy?**

A18 An increase in the Face Value is not allowed.

The policyholder can make adjustment to reduce the Face Value, which may result in a partial surrender. The reduced Face Value is subject to minimum annual premium, depending on the premium term chosen. If there is any partial surrender value, it will be paid after we less off any indebtedness. There will be no refund of pro-rated premium.

### **Q19 Is Mid-Term Add (MTA) of supplementary benefit(s) allowed?**

A19 Yes, MTA of supplementary benefits are allowed for Regular Premium policies. Do note that terms and conditions of the respective supplementary benefits apply.

### **Q20 Can customers take loans on their policies?**

A20 Yes, customers are allowed to take a policy loan or surgical & nursing loan on their PRUActive Saver III policy if meet the respective conditions. However, taking of loans will not be available for SRS policies.

## **CLAIMS**

### **Q21 What happens upon a claim should there be outstanding loans (i.e. automatic policy loan, policy loan or Surgical and Nursing loan)?**

A21 We will deduct any amounts owing to us before paying any approved claims. Thereafter, the policy will terminate.

### **Q22 How will the death benefit be affected if the customer has reduced the Face Value before?**

A22 If the customer has reduced the Face Value for his PRUActive Saver III policy, we will give the customer a new Certificate of Life Assurance reflecting the revised Face Value and premium payable. The premium will be reduced accordingly and will impact the calculation of the total premiums paid in determining the Death Benefit.

The total premiums paid will be based on the revised premium set out in the new Certificate of Life Assurance and calculated as if the customer has been paying this revised premium amount instead of the premium amount the customer has paid before the reduction of the Face Value.



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### **MARKETING SUPPORT**

#### **Q23 Will there be brochures for PRUActive Saver III?**

A23 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).

### **SALES ADVISORY STANDARDS**

#### **Q24 What are the goals that customer needs to have before able to generate SQS?**

A24 Wealth Accumulation goal of Retirement / Savings / Children's Education / Children's Savings.

#### **Q25 How to assess if there's overselling of PRUActive Saver III?**

A25 As PRUActive Saver III has a maturity date, Projected Maturity Value (PMV), is to be used for comparison with the client's Wealth Accumulation shortfall to assess for any overselling.

If PMV, exceeds the client's shortfall, the FC needs to highlight the deviation / mismatch, together with any detriment / implication that may arise due to the deviation to the client, and document a justification to explain the basis of recommendation, the client's awareness and agreement with the deviation.

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

### **GENERAL**

#### **Q26 Is the PRUActive Saver III training session compulsory?**

A26 Training for PRUActive Saver III is not mandatory if you have completed training and passed assessment for PRUActive Saver previously. However, as PRUActive Saver III is one of the new 8<sup>th</sup> Series SGD Participating products launch due to LIA PAR PI Changes 2021, a mandatory e-assessment on '**PAR PI Changes**' must be completed.

#### **Q27 Will there be a new version of SQS? When will it be available?**

A27 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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# PRUActive Saver III

## Sales & Marketing Propositions

PRUActive Saver III is a participating endowment insurance plan. This plan allows policyholder to choose between a range of premium payment terms: single premium or regular premium term from 5 to 30 years and a range of policy terms from 10 to 30 years. It provides financial protection against death. The policy also allows policyholder to participate in the performance of the participating fund in the form of bonuses that are not guaranteed.

PRUActive Saver III is a plan that helps your customers save their money regularly over a limited period of time to cater for savings needs such as: general savings, saving for a car or dream holiday or saving for child's education.

Here are some **Marketing Propositions**, which you may find useful for **PRUActive Saver III**.

<b>Meet your precise savings goals based on your unique financial needs</b>	This plan has a range of premium payment term (single premium or regular premium term from 5 to 30 years), and a range of policy term (from 10 to 30 years) for customer to meet their wealth accumulation goals (ie Savings/Education/Retirement) according to their life stages.
<b>Achieve financial goals with a lump sum maturity payout</b>	Customers get to choose the policy term of their plan and eventually receive a Maturity Benefit, payable at the end of policy term. The Maturity Benefit a percentage of the Face Value plus all bonuses* added to the policy, less any amounts owing to PACS  *The bonuses are not guaranteed.
<b>Capital Guaranteed</b>	PRUActive Saver III is a plan that ensures capital guaranteed upon maturity. This applies to the base plan and does not include the premium paid for any supplementary benefits.
<b>Coverage on death</b>	Customers will get a basic death coverage when they purchased a PRUActive Saver III plan. They will receive a lump sum payment in an event of death during the term of the policy.
<b>Guaranteed Issuance</b>	PRUActive Saver III will appeal to customers with existing medical conditions but still wish to save or customers who do not want the hassle of going for medical examination.
<b>Guaranteed Premiums</b>	The premiums for the PRUActive Saver III are guaranteed.
<b>Enhanced coverage with optional benefits</b>	For regular premium policies only, customers can attach riders to get additional benefits. They will be required to undergo medical underwriting when riders are attached to the PRUActive Saver III.



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

<b>Customers who are looking for a disciplined insurance savings plan with precise savings goal</b>	This plan will be suitable for customers with financial needs at different life stages – be it young adults who are planning to step into the next stage of life, parents who are saving for their child's university tuition fees; middle aged working class who wish to purchase their dream car; or customers planning for early retirement.
<b>Customers who want to diversify their assets</b>	Customers whose assets are mainly in risky financial instruments such as equity and wish to diversify their assets into a participating insurance plan for their retirement or for the education funding for their children.
<b>Customers who want to focus on their savings need</b>	PRUActive Saver III is mainly meant for savings purpose, customers who already have a high level of insurance coverage may consider this plan.
<b>Married with young children</b>	Parents can use PRUActive Saver III as a tool to plan for their child's tertiary education needs.
<b>Customers with retirement in mind</b>	PRUActive Saver III may be suitable for customers who are planning ahead for their retirement. For instance, a 55 year old customer who buys PRUActive Saver III will find that he can enjoy the lump sum maturity payout at his chosen policy matures age (e.g. age 65) to fund for his new retirement lifestyle or to start a new hobby.