



PRODUCT SUMMARY: PRUActive Life III

This Product Summary and Policy Illustration are for illustrative purposes only and shall not constitute a contract. The following is a simplified description of the key product features. The exact terms can be found in the policy document.

"Your Guide to Participating Policies", which contains generic but important information on how a participating plan typically works and how bonuses are determined in general, is available on our website, www.prudential.com.sg. Alternatively, you may approach a representative of either Prudential Singapore or a distributor duly appointed by Prudential Singapore for a copy of the guide.

Details of Plan Provider:

Prudential Assurance Company Singapore (Pte) Limited ("Prudential Singapore"), 30 Cecil Street, #30-01 Prudential Tower, Singapore 049712. Tel: 1800 - 333 - 0 - 333.

Prudential Singapore is responsible for the product features and contractual provisions and these will be explained to you by a representative of either Prudential Singapore or a distributor duly appointed by Prudential Singapore.

This policy and its Supplementary benefit(s) (if any) is/are protected under the Policy Owners' Protection Scheme which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for your policy and its Supplementary benefit(s) (if any) is/are automatic and no further action is required from you. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact your insurer or visit the General Insurance Association (GIA) /Life Insurance Association (LIA) or SDIC websites (www.gia.org.sg or www.lia.org.sg or www.sdic.org.sg).

The Proposer acknowledges receipt of all the pages of the Product Summary for the Main plan and Supplementary benefits (where applicable). The contents have been explained to his/her satisfaction.

Nature and Objective of the Plan:

Your **PRUActive Life III** policy is a whole of life participating insurance plan with a flexible premium payment term where you choose how long you want to pay your premiums. You would have selected your premium payment term when you applied for the policy. It provides financial protection against death, terminal illness and disability for as long as the life assured lives. You can choose to add critical illness cover and a multiplier benefit that provides a higher payout. The policy also allows you to participate in the performance of the participating fund in the form of bonuses that are not guaranteed.

PRUActive Life III is an 8th series product. The series defines the premium rates and bonus features of the product.

Financial Consultant's Signature

Proposer's Signature



Benefits under the Plan:

Multiplier Benefit table for PRUActive Life III

| Multiplier benefit Expiry Age | Multiplier benefit for death / Terminal Illness / Disability before the Multiplier benefit Expiry Age or Cover End Date ⁺ |
|-------------------------------|--|
| 65 years | 200% |
| | 300% |
| | 400% |
| | 500% |
| 70 years | 200% |
| | 300% |
| | 400% |
| | 500% |
| 75 years | 200% |
| | 300% |
| | 400% |
| | 500% |
| 80 years | 200% |
| | 300% |
| | 400% |
| | 500% |

⁺ *Whichever event occurs first*



What do we pay for Death Benefit?

If the Multiplier benefit was added and the life assured dies before the selected Multiplier benefit expiry age, we pay the higher of:

- the sum assured for death shown in your certificate of life assurance and all the bonuses[^] that we have added to your policy; or
 - the Multiplier benefit*,
- less any amounts you owe us.

If the Multiplier benefit was not added, or the life assured dies from the Multiplier benefit expiry age and above, we pay the sum assured for death shown in your certificate of life assurance and all the bonuses that we have added to your policy, less any amounts you owe us.

[^] *The bonuses stated above are NOT guaranteed.*

** The Multiplier benefit in your PRUActive Life III policy is the relevant percentage of the sum assured for death shown in your certificate of life assurance. You would have selected the relevant percentage and Multiplier benefit expiry age when you applied for the policy.*

If you have already made a claim on the Accelerated Terminal Illness, Accelerated Disability, Crisis Care (PRUActive Life III) or Early Crisis Care (PRUActive Life III) benefit and its sum assured is lower than the sum assured of the Death benefit, then the sum assured of the Death benefit will be reduced by the sum assured of the Accelerated Terminal Illness, Accelerated Disability, Crisis Care (PRUActive Life III) or Early Crisis Care (PRUActive Life III) benefit already paid out and we pay the reduced sum assured.

If the life assured dies from suicide within 12 months from the cover start date or date of reinstatement (if any) of your policy, we will void your policy. In this case, we cancel it and refund the total premiums received from you. We will first deduct any policy loans (including interest), automatic premium loans (including interest), surgical and nursing loans and all other amounts you owe us in connection with your policy and expenses (including administrative, sales-related and medical expenses) we have had to pay for your policy.

If the life assured dies directly or indirectly from an activity under special exclusion or special terms and conditions shown in your certificate of life assurance, we do not pay the sum assured but we will either:

- refund the total premiums received from you less any policy loans (including interest), automatic premium loans (including interest), surgical and nursing loans and all other amounts you owe us in connection with your policy and expenses (including administrative, sales-related and medical expenses) we have had to pay for your policy; or
 - pay you the surrender value (if any),
- whichever is higher.

If you have reduced your sum assured, we will decide on the total premiums paid based on the revised premium set out in your new certificate of life assurance. We will work this out as if you have been paying this revised premium amount from the start of your policy.

What happens after a claim?

Your whole policy automatically ends once a claim for this benefit is paid.



What do we pay for Accelerated Terminal Illness Benefit?

If the Multiplier benefit was added and the life assured is diagnosed as having a Terminal Illness before the selected Multiplier benefit expiry age, we pay the higher of:

- the sum assured for Terminal Illness shown in your certificate of life assurance plus bonuses[^] that we have added to your policy (if applicable). If the sum assured of the Terminal Illness benefit is lower than the sum assured of the Death benefit, then the bonuses will be pro-rated to the sum assured of the Terminal Illness benefit; or
- the Multiplier benefit*
less any amounts you owe us.

If the Multiplier benefit was not added, or the life assured is diagnosed as having a Terminal Illness from the Multiplier benefit expiry age and above, we pay the sum assured for Terminal Illness shown in your certificate of life assurance and all the bonuses that we have added to your policy, less any amounts you owe us.

If the sum assured of the Terminal Illness benefit is lower than the sum assured of the Death benefit, then the bonuses will be pro-rated to the sum assured of the Terminal Illness benefit.

[^] *The bonuses stated above are NOT guaranteed.*

^{*} *The Multiplier benefit in your PRUActive Life III policy is the relevant percentage of the sum assured for Terminal Illness shown in your certificate of life assurance. You would have selected the relevant percentage and Multiplier benefit expiry age when you applied for the policy.*

We pay if the life assured is diagnosed as suffering from Terminal Illness. “**Terminal Illness**” is defined as a condition which, in the opinion of a Registered Medical Practitioner and subject to the acceptance of our appointed doctor, is highly likely to lead to death within 12 months.

A “Registered Medical Practitioner” is any person properly qualified by degree in western medicine to practice medicine, and is licensed by the appropriate medical authority of his country of residence to practice medicine within the scope of his licensing and training and exclude the policyowner, the life assured or a family member of either.

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

What is not covered under Accelerated Terminal Illness Benefit?

We do not pay in any of the following circumstances:

- If the life assured has already died at the time of the claim. We will pay the Death benefit instead;
- If the symptoms of the terminal illness existed at the cover start date or date of reinstatement (if any) of this benefit;
- If the life assured is diagnosed as having a terminal illness caused by:
 - self-inflicted injuries while sane or insane;
 - AIDS, AIDS-related complex or infection by HIV except HIV due to blood transfusion and occupationally acquired HIV;
 - using unprescribed drugs if the drugs are required by law to be prescribed by a registered medical practitioner; or
 - an activity under the special exclusions and special terms and conditions shown in your certificate of life assurance.

What happens after a claim?

Once we pay an Accelerated Terminal Illness claim, the Accelerated Terminal Illness benefit ends. In addition:

- a) If the sum assured of the Death benefit is the same as the sum assured of the Accelerated Terminal Illness benefit, the policy and all its benefits including the Accelerated Disability and Crisis Care (PRUActive Life III) (if added to the plan) benefits will end.
- b) If the sum assured of the Death benefit is more than the sum assured of the Accelerated Terminal Illness benefit, we will reduce the sum assured of the Death benefit to an amount equal to the difference between the sum assured of the Death benefit and the sum assured of the Accelerated Terminal Illness benefit. You can continue the policy for this Death benefit and any other supplementary benefits (except those which ends under c, d, e and f of this section) by paying the necessary premiums.
- c) If the sum assured of the Accelerated Disability benefit is more than the sum assured of the Accelerated Terminal Illness benefit, we will reduce the sum assured of the Accelerated Disability benefit to an amount equal to the difference between the sum assured of the Accelerated Disability benefit and the sum assured of the Accelerated



Terminal Illness benefit. This applies as long as you continue to pay the necessary premiums for both the Death and Accelerated Disability benefits.

- d) If the sum assured of the Accelerated Disability benefit is less than or equal to the sum assured of the Accelerated Terminal Illness benefit, we will end the Accelerated Disability benefit. In this case, we will not pay the Accelerated Disability benefit once we have paid the Accelerated Terminal Illness benefit.
- e) If the sum assured of the Crisis Care (PRUActive Life III) benefit (if added to the plan) is more than the sum assured of the Accelerated Terminal Illness benefit, we will reduce the sum assured of the Crisis Care (PRUActive Life III) benefit to an amount equal to the difference between the sum assured of the Crisis Care (PRUActive Life III) benefit and the sum assured of the Accelerated Terminal Illness benefit. This applies as long as you continue to pay the premiums for both the Death and Crisis Care (PRUActive Life III) benefits.
- f) If the sum assured of the Crisis Care (PRUActive Life III) benefit (if added to the plan) is less than or equal to the sum assured of the Accelerated Terminal Illness benefit, the Crisis Care (PRUActive Life III) benefit will end. In this case, we will not pay for the Crisis Care (PRUActive Life III) benefit once we have paid the Accelerated Terminal Illness benefit.



What do we pay for Accelerated Disability Benefit?

If the Multiplier benefit was added and the life assured is shown in your certificate of life assurance to be covered for this benefit and becomes totally and permanently disabled before the cover end date, we pay the disability benefit as shown in the table.

| Age* at date of Disability | We pay |
|--|---|
| below 1 year | 20% of the Multiplier benefit and the policy ends. |
| From one year old to before the cover end date | <p>(before the Multiplier benefit expiry age), the higher of:</p> <ul style="list-style-type: none"> - the sum assured for Accelerated Disability shown in your certificate of life assurance plus bonuses[^] that we have added to your policy (if this applies). If the sum assured of the Accelerated Disability benefit is lower than the sum assured of the Death benefit, the bonuses will be pro-rated to the sum assured of the Accelerated Disability benefit; or - the Multiplier benefit ** <p>less any amounts you owe us.</p> <p>If the Multiplier benefit was not added, or the life assured becomes Totally and Permanently Disabled from the Multiplier benefit expiry age and above, we pay the sum assured for Accelerated Disability shown in your certificate of life assurance and all the bonuses that we have added to your policy, less any amounts you owe us. If the sum assured of the Accelerated Disability benefit is lower than the sum assured of the Death benefit, the bonuses will be pro-rated to the sum assured of the Accelerated Disability benefit.</p> <p>We will pay this benefit six months after the confirmed onset of total and permanent disability (the Deferment Period) by a registered medical practitioner.</p> <p>The deferment period does not apply if the life assured suffers:</p> <ul style="list-style-type: none"> - total and permanent blindness in both eyes as confirmed by an ophthalmologist; or - 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. <p>We will pay the Accelerated Disability benefit up to \$2,000,000. If your Accelerated Disability benefit is above \$2,000,000, we pay the balance sum assured (in other words, any amount that is above \$2,000,000) in a lump sum:</p> <ul style="list-style-type: none"> - 12 months from the date of the first lump sum payment; or - when the life assured dies, <p>whichever event happens first.</p> <p>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, you can still continue your policy for the Death and Terminal Illness benefits by paying the necessary premiums. The sum assured will be equal to the balance sum assured (in other words, any amount that is above \$2,000,000).</p> |

* age at their last birthday

[^] The bonuses stated above are not guaranteed.

** The Multiplier benefit in your PRUActive Life III policy is the relevant percentage of the sum assured for Accelerated Disability shown in your certificate of life assurance. You would have selected the relevant percentage and Multiplier benefit expiry age when you applied for the policy.



For a life assured whose age is from 28 days to 15 years old, we pay when the life assured 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;

For a life assured whose age is from 16 to 65 years, we pay when the life assured 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 whose age is from 66 years to 70 years, 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 with help or without help) at least three of the following six Activities of Daily Living for at least six months in a row.

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 appliances;
- Feeding - the ability to feed oneself once food has been prepared and made available;
- Toileting - the ability to use the lavatory or otherwise 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.

For a life assured whose age is from 71 years to before the cover end date of this benefit, 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; or
 - 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.

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 we decide the medical reports you give us are not enough for our purposes.

What is not covered under Accelerated Disability Benefit?

We do not pay if the Disability:

- claim was made when the life assured has already died at the time of the claim. We will pay the Death benefit instead;
- happened and the life assured was under 28 days of age;
- existed at the cover start date or date of reinstatement (if any) of this benefit; or
- arises directly or indirectly out of:
 - attempted suicide or self-inflicted injuries while sane or insane;
 - travelling on a non-commercial airline except military aircraft; or
 - an activity under special exclusions and special terms and conditions shown in your certificate of life assurance.

What happens after a claim?

Once we pay an Accelerated Disability claim, the Accelerated Disability benefit ends. In addition:



- a) If the sum assured of the Death benefit is the same as the sum assured of the Accelerated Disability benefit, the policy and all its benefits, including the Accelerated Terminal Illness and Crisis Care (PRUActive Life III) (if added to the plan) benefits, will end.
- b) If the sum assured of the Death benefit is more than the sum assured of the Accelerated Disability benefit, we will reduce the sum assured of the Death benefit to an amount equal to the difference between the sum assured of the Death benefit and the sum assured of the Accelerated Disability benefit. You can continue the policy for this Death benefit and any other supplementary benefits (except those that have ended under c, d, e and f of this section) by paying the necessary premiums.
- c) If the sum assured of the Accelerated Terminal Illness benefit is more than the sum assured of the Accelerated Disability benefit, we will reduce the sum assured of the Accelerated Terminal Illness benefit to an amount equal to the difference between the sum assured of the Accelerated Terminal Illness benefit and the sum assured of the Accelerated Disability benefit. This applies as long as you continue to pay the necessary premiums for both the Death and Accelerated Terminal Illness benefits.
- d) If the sum assured of the Accelerated Terminal Illness benefit is less than or equal to the sum assured of the Accelerated Disability benefit, the Accelerated Terminal Illness benefit will end. In this case, we will not pay for the Accelerated Terminal Illness benefit once we have paid the Accelerated Disability benefit.
- e) If the sum assured of the Crisis Care (PRUActive Life III) benefit (if added to the plan) is more than the sum assured of the Accelerated Disability benefit, we will reduce the sum assured of the Crisis Care (PRUActive Life III) benefit to an amount equal to the difference between the sum assured of the Crisis Care (PRUActive Life III) benefit and the sum assured of the Accelerated Disability benefit. This applies as long as you continue to pay the premiums for both the Death and Crisis Care (PRUActive Life III) benefits.
- f) If the sum assured of the Crisis Care (PRUActive Life III) benefit (if added to the plan) is less than or equal to the sum assured of the Accelerated Disability benefit, the Crisis Care (PRUActive Life III) benefit will end. In this case, we will not pay for the Crisis Care (PRUActive Life III) benefit if we have paid the Accelerated Disability benefit.

What is Surrender Benefit?

The guaranteed surrender value plus non-guaranteed surrender value will be payable upon surrender after 36 months from the first premium due date and the premium had been paid for 36 months.

What is the impact of early surrender?

As buying a life insurance policy is a long-term commitment, an early termination of the policy usually involves high costs and the surrender value, if any, that is payable to you may be zero or less than the total premiums paid.

What are the other features available under PRUActive Life III?

If the policy has a surrender value, the policyowner can apply to surrender part or all of the Reversionary Bonus that we have added to the policy for a cash value. Please do note that this will reduce the long-term value of the policy.

- Automatic Premium Loan, Policy Loan and Surgical & Nursing Loan are available. Please note that taking these loans will reduce the long-term value of the policy. For automatic premium loan and policy loan, a non-guaranteed loan interest will be charged.
- Option to buy another Whole Life, Endowment or Term policy without evidence of good health on selected life events (marries; or becomes a parent / delivers a baby; adopts a child through legal means; death of a spouse; marriage of his/her child; his/her child entering primary school or his / her child entering secondary school) for Life Assured who is aged less than 50 and policy issued on standard terms.
- Kinship Booster Benefit
You get to enjoy a Kinship Booster Benefit on the basic sum assured of your own PRUActive Life III policy when an immediate family member buys a PRUActive Life III policy.

This Kinship Booster Benefit will add an extra 10% of the basic sum assured to the death and terminal illness benefits of your own policy only, up to a maximum of \$100,000, as long as you meet the following conditions:

- You must be below 55 years old when your immediate family bought his policy,



- You bought the policy on standard terms (in other words, you were not given our offer of conditional acceptance where you were offered special terms and conditions for accepting the proposal for life assurance),
- You have paid all the premiums due under your policy,
- You have not made any claim on your PRUActive Life III policy,
- You must show proof of the immediate family relationship.

Your immediate family members include your parents, siblings, husband or wife and children by birth or adoption.

The Kinship Booster Benefit does not:

- apply to the Multiplier benefit, and
- have any surrender value.

Each PRUActive Life III policy will enjoy one Kinship Booster Benefit only.

We will add this extra sum assured the following month after your immediate family's PRUActive Life III policy has passed the 14-day free-look period.

We do not pay this 10% extra sum assured for any claims under the disability, Crisis Care (PRUActive Life III) and Early Crisis Care (PRUActive Life III) benefits.

To apply, you must use our appropriate application form and meet the conditions on it. We will let you know if we accept your application.

- Premium Defer benefit

The Premium Defer benefit allows you to postpone paying premiums for two years or the remaining premium term, whichever is shorter, if the surrender value of the policy is at least 100% of two years' premiums.

We will provide you with an interest-free policy loan that will pay your premiums for two years or the remaining premium term, whichever is shorter. This will mean that your surrender value will not be affected although you have not been paying your premiums. However, if we make any payment to you under your policy during this premium deferment period, we will first deduct any interest-free policy loan amounts granted to you under this Premium Defer benefit.

After the premium deferment period, you will have to pay back this interest-free loan amount. If the loan is not paid back at the end of the premium deferment period, interest will be charged.

We charge a yearly interest rate on the loan amount starting from the end of the premium deferment period. This interest rate may change and accrues on a daily basis. On each policy anniversary of your policy, we add the previous year's interest to the loan amount and charge interest on the total until the loan is repaid.

We can change the interest rate but will give you three months' written notice if we do so.

The loan amount and interest will be amounts you owe us. You can repay the loan at any time. We deduct the loan amount and interest from any payment we make under your policy.

If the total amount you owe us under your policy is more than the surrender value, your policy will end immediately.

If you already have a policy loan or automatic premium loan under your policy, that will continue to incur interest and will affect the surrender value.

You can only use this benefit only once for each PRUActive Life III policy.

To apply, you must use our appropriate application form and meet the conditions on it. We will let you know if we accept your application.

- Family Waiver benefit

Under the Family Waiver benefit, when an immediate family of the life assured dies, we waive the premiums of your PRUActive Life III policy and its supplementary benefits, for up to a period of one year.



The immediate family of the life assured includes the spouse or legal children. Legal children refer to the biological, stepchildren or adopted children of the life assured, including any future child or children that the life assured may have after the cover start date of the policy. This will not include any unborn children.

This benefit will only be activated on a claim with the life assured showing proof of the immediate family relationship.

We will waive 12 months of premiums from the next premium due date following the date of death of the immediate family of the life assured and if the claim is approved. If the end of the premium payment term is less than 12 months from the date of death of the life assured's immediate family, we will waive the premiums from the next premium due date up to the end of the premium term only.

We will not refund any premiums which were due and paid before the waiver start date.

You can claim this benefit only once for each PRUActive Life III policy.

We can review the supplementary benefits allowed under this benefit.

If your PRUActive Life III policy is part of the PRUFirst Promise plan, this benefit will apply to the mother when she is the life assured. When the policy is under the child's life, then this benefit will apply to the child, provided there was no claim previously.

If the benefit was activated and premiums are being waived, they will continue to be waived for a period of up to one year even if during that waiver period, the policy is transferred to the child. As the benefit was claimed under the mother and can only be claimed once, it will end and not be available under the child in the future.

To apply, you must use our appropriate application form and meet the conditions on it. We will let you know if we accept your application.

Please refer to the policy document for the exact terms and conditions of these additional benefits.

Bonuses:

What type of bonuses?

The benefits under this plan are made up of guaranteed and non-guaranteed benefits. The guaranteed benefits, including bonuses which have already been allocated to the participating policyowners, will be paid regardless of the performance of the participating fund. Non-guaranteed benefits are in the form of bonuses. There are two main types of bonuses: Reversionary Bonus and Performance Bonus. The bonuses are NOT guaranteed and will vary according to the future experience of the participating fund. The bonus rates in this section are based on the illustrated Investment Rate of Return of the Participating Fund at 4.25% per annum.

In comparison, at an illustrated Investment Rate of Return of 3.00% per annum, the bonus rates are expected to be adjusted downwards depending on the future outlook of the Participating Fund.

Please refer to the policy illustration for the bonus amount at the illustrated Investment Rate of Return of 3.00% per annum and 4.25% per annum respectively. The two rates are used purely for illustrative purposes and do not represent upper and lower limits of the investment performance of the Participating Fund.

Please note that the actual bonuses that may be declared in the future may turn out to be higher or lower than illustrated in this section.

Reversionary Bonus:

This is an annual bonus that we add to the policy benefits from the start of the calendar year after the policy's second anniversary. Once declared, it will form part of the guaranteed benefits of the plan.

The reversionary bonus rate is illustrated to be \$7.30 per \$1,000 sum assured and \$16.40 per \$1,000 on accumulated Reversionary Bonuses.



Performance Bonus:

This is a one-off bonus which is a percentage of the accumulated Reversionary Bonuses. It may be paid when the policyowner surrenders the policy or makes a claim for any of the basic benefits of the policy. The amount will vary depending on the Termination Date. The illustrated Performance Bonus rates as a percentage of the accumulated Reversionary Bonuses are as follows:

Performance Bonus Table

| No. of completed years in force | Performance Bonus as a percentage of accumulated reversionary bonus |
|---------------------------------|---|
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
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| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |

Future bonuses which have yet to be allocated to the participating policyowner are not guaranteed and the insurer will decide the level of bonus to be declared each year as approved by the Board of Directors, taking into account the written recommendation by the Appointed Actuary.



How are the assets invested and managed?

Prudential Singapore's participating fund consists of both single and regular premium policies segregated into a few sub-funds. Each sub fund's investments are managed separately to match its liability characteristics. Regular premium policies are written in the Regular Premium Life Sub-fund ("RPLF"). In the document below, the term "fund" will be referring to RPLF unless stated otherwise.

Investment Objective

The investment objective is to maximise the long-term returns of the fund through investments consistent with policyowners' reasonable expectations, while meeting internal and regulatory solvency requirements. To achieve this, we set a Strategic Asset Allocation ("SAA") for the fund.

Investment Mix

| Asset Type | Strategic Asset Allocation | Asset Allocation as at 31 Dec 2021 |
|---------------------------|----------------------------|------------------------------------|
| Bonds | 50.0% | 59.4% |
| Equities | 29.5% | 25.8% |
| Property | 7.5% | 7.8% |
| Other Assets ¹ | 13.0% | 7.0% |
| Total Assets | 100.0% | 100.0% |

¹ Other assets include alternative assets, cash and policy loans

The Asset Allocation percentages shown in the table have been rounded to the nearest 0.1%, and hence may not sum to exactly 100%.

SAA is the fund's long-term neutral asset allocation to meet the investment objective of the fund as set out above. Fund managers are allowed to deviate from the SAA, but within a mandated limit to take views on the current market conditions.

Investment Rate of Return

For the RPLF, the past investment rates of return (after deducting investment expenses only) are shown in the table below.

| | 2019 | 2020 | 2021 | Average of last 3 years | Average of last 5 years | Average of last 10 years |
|---------------------------|--------|-------|-------|-------------------------|-------------------------|--------------------------|
| Investment Returns | 12.26% | 5.65% | 5.13% | 7.63% | 6.19% | 6.12% |

Please note that past performance may not be indicative of future performance.

Total Expense Ratio

The Total Expense Ratio is the proportion of total expenses incurred by the Participating Fund to the assets of the Participating Fund. These expenses include costs such as investment, management, distribution, taxation and other expenses.

An expected level of expenses to be incurred by the Participating Fund has been allowed for in the premiums payable for your policy and is not an additional cost to you. If the actual level of expenses varies significantly from the expected level of expenses, it may affect the non-guaranteed benefits you may receive.

For our Participating Fund, the past Total Expense Ratios are shown in the table below.

| | 2019 | 2020 | 2021 | Average of last 3 years | Average of last 5 years | Average of last 10 years |
|----------------------------|-------|-------|-------|-------------------------|-------------------------|--------------------------|
| Total Expense Ratio | 2.92% | 2.50% | 2.67% | 2.68% | 2.77% | 2.86% |

Please note that past expense ratios may not be indicative of actual expenses that may be incurred in the future.



Fund Manager

All investment related to this fund is carried out through Eastspring Investments (Singapore) Limited ("Eastspring Singapore"). Eastspring Singapore may also engage other Prudential plc related companies as sub-fund managers.

Eastspring Singapore address: Eastspring Investments (Singapore) Limited, 10 Marina Boulevard #32-01 Marina Bay Financial Centre Tower 2 Singapore 018983.

What are the risks that affect the bonuses that you will be getting?

The level of bonuses depends on the actual experience of key factors affecting the performance of the fund. In determining the level of bonuses, we also considered the future outlook of these key factors. These key factors are:

- Investment performance and future investment outlook of the fund;
- Claims experience, with respect to death ("mortality") and Terminal Illness("TI") experience of the fund;
- Discontinuance ("surrender") experience of the fund;
- Level of expenses incurred by or allocated to the fund

There may be other factors that could affect the bonus levels, for example, changes in taxation and legislation.

How are the risks shared?

Your policy is exposed to investment, mortality, lapse and expense risks, which are shared within the RPLF, i.e. with other regular premium plans.

In determining the level of bonuses that can be supported, the assets available to back the plan will be derived by accumulating the premiums paid at the actual rate of investment return less the cost of insurance, expenses incurred, commissions paid, taxes and other costs that may be incurred in managing the fund.

How are bonuses smoothed over time?

As investment performance fluctuates over time, bonuses are smoothed to ensure stable medium to long-term returns on your policy. As a result, some of the investment returns in good years may not be distributed immediately so as to boost returns in years where the investment return is low. However, the effect of smoothing is intended to be neutral over time.

Reversionary Bonus

Prudential Singapore's bonus distribution policy is to keep the Reversionary Bonus at a level that is expected to be sustainable over the long-term. Thus, while the Reversionary Bonus is usually reviewed annually, it is not expected to fluctuate from year to year. Nevertheless, it may be adjusted up or down under exceptional circumstances.

There is no Reversionary Bonus declared yet as this 8th Series plan was launched in 2021. Past performance is not necessarily indicative of future performance.

Performance Bonus

The Performance Bonus is reviewed at least annually. In exceptional circumstances, the review may be more frequent. The Performance Bonus is more likely to change from year to year but Prudential Singapore's policy is to limit the yearly variation so that, under normal circumstances, the payout will not be subject to large fluctuations over the short term.

There is no Performance Bonus declared yet as this 8th series plan was launched in 2021.

Past performance is not necessarily indicative of future performance.

What are the fees and charges imposed on this plan?

This plan shares in the experience of the fund. This means that any expenses incurred by the fund can be charged to the policy according to the risk-sharing rules described earlier.

Examples of such expenses include:

- Investment fees paid to fund managers for providing management services
- Mortality (death), Terminal Illness, lapse and surrender claims
- Marketing and other distribution-related costs
- Administration fees incurred in underwriting of new business
- Management and Overhead Expenses
- Commission fees paid to Prudential Financial Consultants or intermediaries

All expenses, including commissions, are shared and charged to the fund (assets backing the policy) according to the risk-sharing rules described earlier. Please refer to the Total Distribution Cost Table in the Policy Illustration for more information.



Please note that the charges described in this section will not be in the form of explicit fees or charges to you; it has already been allowed for in calculating your premium.

How will I be updated on the performance of my plan?

An Annual Bonus Update will be sent to you annually. This document aims to keep you informed of the performance of the fund, its future outlook, the bonuses allocated to your policy for that year and any changes in future bonuses. Whenever there is a change in the bonus rates, you will also receive an update from Prudential Singapore. You may expect to receive the Annual Bonus Update after April each year.

Please contact your representative of either Prudential Singapore or a distributor duly appointed by Prudential Singapore at any time if you wish to receive an updated full policy illustration showing the illustrations of future bonuses based on Prudential Singapore's best estimate of the future performance of the participating fund.

Conflict of Interest:

Potential conflicts of interest arise in the allocation of expenses between the participating and other insurance funds. Over-allocation of expenses to the participating fund is detrimental to policyowners of participating policies. As such, Prudential Singapore strives to achieve a fair allocation substantiated by regular expense investigations.

Related Party Transactions:

The fund manager managing the entire assets of the fund is a related party to Prudential Singapore. The size of RPLF under management by Eastspring Singapore is S\$31,215 million as at 31 Dec 2021.

The Investment Committee ("IC") of Prudential Singapore has oversight responsibility for the activities of the fund managers to ensure that the transactions are carried out at arm's length. It is responsible for setting the mandates for day-to-day fund operation. The Asset and Liability Management Committee ("ALCO") of Prudential Singapore is responsible for the setting of the SAA and monitoring asset and liability matching.

The IC will also periodically review the investment fees charged by the fund managers, and advise Prudential Singapore accordingly. The Board of Directors ("Board") appoints the membership of the IC and ALCO. The Board will be responsible for reviewing and approving the IC and ALCO Constitution or Terms of Reference.

Premiums:

Premiums are payable for the period of protection and can be paid monthly, quarterly, half-yearly or yearly.

We guarantee that the premiums for your policy will remain unchanged throughout its premium term as long as you pay the premiums within 30 days of the date they are due.

This policy is not a Medisave-approved policy and you may not use Medisave to pay the premium for this policy.

Select additional benefits according to your need(s):

With additional premiums, you may add supplementary benefits to this insurance plan for extra protection.

All supplementary benefits are subject to product terms and conditions. Please consult a representative of either Prudential Singapore or a distributor duly appointed by Prudential Singapore for more information.

Exclusions:

The exclusions mentioned above are not exhaustive and there are other conditions including but not limited to death from suicide, disability from certain events, Special Exclusions or Special Terms and Conditions shown on your Certificate of Life Assurance, or Pre-existing Conditions within 12 months from Cover Start Date, or date of reinstatement (if any) under which no benefits will be payable. Please refer to the policy document for the completed list of exclusions.



Note:

Life Insurance is a contract of utmost good faith and a proposer is required to disclose in proposal form fully and faithfully all the facts, which he knows or ought to know, as otherwise the policy issued may be void.

The terms and conditions of your policy are contained in your policy document.

Free Look Period

After purchasing a life insurance policy, you have a 14-day free-look period - starting from the day you receive your policy documents to review the documents carefully. During this time, if you choose to cancel your policy, we will refund you the premiums you have paid (without interest), less any medical fees and other expenses, such as payments for medical check-ups and medical reports, incurred by us.

If we make your policy document and all other documents from us available electronically via PRUaccess, we consider they have been delivered and received when you receive the relevant SMS or email telling you that the documents are accessible on PRUaccess. Otherwise, we consider your policy and all other documents from us as delivered and received seven days from the date of posting to the last-known address you gave us.

If you decide this policy is not suitable for your needs, simply write to us within the 14-day free-look period.



PRODUCT SUMMARY FOR SUPPLEMENTARY BENEFITS

This Product Summary is a simplified description of the key product features and shall not constitute a contract. The exact terms can be found in the policy documents.

Crisis Care (PRUActive Life III) is a Critical Illness Benefit, which provides financial protection upon diagnosis of any one of the 56 Critical Illnesses. The benefit also allows you to participate in the performance of the participating fund in the form of bonuses that are not guaranteed.

What do we pay for Critical Illness Benefit?

If the Multiplier benefit has been added and the life assured is shown in your certificate of life assurance to be covered for this benefit and is diagnosed as having any one of the 56 critical illnesses before the Multiplier benefit expiry age, we pay the higher of:

- the sum assured for Crisis Care (PRUActive Life III) shown in your certificate of life assurance plus bonuses[^] that we have added to your policy (if this applies). If the sum assured of the Crisis Care (PRUActive Life III) is lower than the sum assured of the Death benefit, the bonuses will be pro-rated to the sum assured of the Crisis Care (PRUActive Life III); or
 - the Multiplier benefit^{**},
- less any amounts you owe us.

If the Multiplier benefit was not added, or the life assured is diagnosed as having any one of the 56 critical illnesses from the Multiplier benefit expiry age and above, we pay the sum assured for Crisis Care (PRUActive Life III) shown in your certificate of life assurance plus bonuses that we have added to your policy, less any amounts you owe us. If the sum assured of the Crisis Care (PRUActive Life III) is lower than the sum assured of the Death benefit, the bonuses will be pro-rated to the sum assured of the Crisis Care (PRUActive Life III).

If the life assured undergoes an angioplasty and other invasive treatment for coronary artery before the Multiplier benefit expiry age, we pay 10% of the Multiplier benefit, up to \$25,000. We will reduce the sums assured of the death, Accelerated Disability, Accelerated Terminal Illness and Crisis Care (PRUActive Life III) benefits by the amount paid out on the angioplasty and other invasive treatment for coronary artery claim divided by the applied Multiplier.

From the Multiplier benefit expiry age and above, if the life assured undergoes an angioplasty and other invasive treatment for coronary artery, we pay 10% of the sum assured of the Crisis Care (PRUActive Life III) benefit up to \$25,000. We will reduce the sums assured of the death, Accelerated Disability, Accelerated Terminal Illness and Crisis Care (PRUActive Life III) benefits by a sum that is equal to the amount paid out on the angioplasty and other invasive treatment for coronary artery claim.

[^] *The bonuses stated above are NOT guaranteed.*

^{**} *The Multiplier benefit in your PRUActive Life III policy is the relevant percentage of the sum assured for Crisis Care (PRUActive Life III) shown in your certificate of life assurance. You would have selected the relevant percentage and Multiplier benefit expiry age when you applied for the policy.*

We pay this benefit for one critical illness only, even if the life assured is diagnosed as having a second critical illness. However, if the first critical illness is angioplasty and other invasive treatment for coronary artery, we will pay the remaining sum assured on the next critical illness diagnosed that is not angioplasty and other invasive treatment for coronary artery.

The Critical Illness must be diagnosed by a Registered Medical Practitioner.

A "Registered Medical Practitioner" is any person properly qualified by degree in western medicine to practice medicine, and is licensed by the appropriate medical authority of his country of residence to practice medicine within the scope of his licensing and training and excludes the policyowner, the life assured or a family member of either.



Multiplier Benefit Table

| Multiplier benefit Expiry Age | Multiplier benefit for Crisis Care (PRUActive Life III) before the Multiplier benefit Expiry Age or Cover End Date ⁺ |
|-------------------------------|---|
| Age 65 years | 200% |
| | 300% |
| | 400% |
| | 500% |
| Age 70 years | 200% |
| | 300% |
| | 400% |
| | 500% |
| Age 75 years | 200% |
| | 300% |
| | 400% |
| | 500% |
| Age 80 years | 200% |
| | 300% |
| | 400% |
| | 500% |

⁺ *whichever event happens first*



What Critical Illnesses are covered?

Your benefit covers the following critical illnesses. The critical illness must be diagnosed 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 we decide the medical reports you give us are not enough for our purposes

36 Critical Illnesses that fall under Version 2019***

1. Alzheimer's Disease / Severe Dementia
2. Angioplasty and Other Invasive Treatment for Coronary Artery
3. Benign Brain Tumour
4. Blindness (Irreversible Loss of Sight)
5. Coma
6. Coronary Artery By-pass Surgery
7. Deafness (Irreversible Loss of Hearing)
8. End Stage Kidney Failure
9. End Stage Liver Failure
10. End Stage Lung Disease
11. Fulminant Hepatitis
12. Heart Attack of Specified Severity
13. HIV Due to Blood Transfusion and Occupationally Acquired HIV
14. Idiopathic Parkinson's Disease
15. Irreversible Aplastic Anaemia
16. Irreversible Loss of Speech
17. Loss of Independent Existence
18. Major Burns
19. Major Cancer
20. Major Head Trauma
21. Major Organ / Bone Marrow Transplantation
22. Motor Neurone Disease
23. Multiple Sclerosis
24. Muscular Dystrophy
25. Open Chest Heart Valve Surgery
26. Open Chest Surgery to Aorta
27. Other Serious Coronary Artery Disease
28. Paralysis (Irreversible Loss of Use of Limbs)
29. Persistent Vegetative State (Apallic Syndrome)
30. Poliomyelitis

31. Primary Pulmonary Hypertension
32. Progressive Scleroderma
33. Severe Bacterial Meningitis
34. Severe Encephalitis
35. Stroke with Permanent Neurological Deficit
36. Systemic Lupus Erythematosus with Lupus Nephritis

Besides the above 36 Critical Illnesses, we will also pay for the following 20 critical illnesses:

1. Acute Necrohaemorrhagic pancreatitis
2. Adrenalectomy for adrenal adenoma
3. Creutzfeld-Jacob disease
4. Chronic auto-immune hepatitis
5. Ebola
6. Elephantiasis
7. Idiopathic pulmonary fibrosis
8. Infective endocarditis
9. Medullary cystic disease
10. Meningeal tuberculosis
11. Multiple root avulsions of brachial plexus
12. Necrotising fasciitis
13. Pheochromocytoma
14. Progressive supranuclear palsy
15. Severe cardiomyopathy
16. Severe Crohn's disease
17. Severe Eisenmenger's syndrome
18. Surgery for idiopathic scoliosis
19. Severe myasthenia gravis
20. Severe ulcerative colitis

*** *The Life Insurance Association Singapore (LIA) has standard Definitions for 37 severe-stage Critical Illnesses (Version 2019). These Critical Illnesses fall under Version 2019. You may refer to www.lia.org.sg for the standard Definitions (Version 2019). For Critical Illnesses that do not fall under Version 2019, the definitions are determined by the insurance company.*



Crisis Care Accelerator Benefit

We pay 50% from your Crisis Care (PRUActive Life III) benefit if the life assured:

- has surgery for any of the following vital organs as a result of illness or an accident - heart, lung, brain, kidney or liver, and
- Is admitted to the Intensive Care Unit (ICU) as a result of the surgery, for at least three continuous days,

A certified specialist must confirm that the surgery and hospitalisation is medically necessary.

Any condition must be first considered or claimed against the 56 critical illnesses before being considered under this benefit.

Surgery means any surgical operation listed in MOH's surgical operations fees table 1 to 7 (as at the date of the surgery).

Intensive Care Unit (ICU) refers to the intensive care unit of a hospital. The High Dependency Unit and other hospital wards are not considered intensive care unit.

Medically Necessary means a treatment which, in the opinion of a specialist doctor, is appropriate and consistent with the symptoms, findings, diagnosis and other relevant clinical circumstances of the related illness. The treatment must be provided in accordance with generally accepted medical practice in Singapore.

MOH stands for the Ministry of Health, Singapore.

Only one claim is allowed for each policy up to \$100,000 per life. If there has already been a claim on the policy and the sum assured of the Crisis Care (PRUActive Life III) benefit has been reduced, the Crisis Care Accelerator Benefit would pay 50% from the remaining Crisis Care (PRUActive Life III) benefit.

We do not pay the Crisis Care Accelerator Benefit in any of the following circumstances:

- If it is for overseas medical treatment;
- If the surgery is due to organ donation.
- If any critical illness is due directly or indirectly to a pre-existing condition.
- If the treatment is for investigation or research (for example, experimental or new physiotherapy, medical techniques or surgical techniques, medical devices not approved by the Institutional Review Board and the Health Sciences Authority, and medical trials for medicinal products, whether or not these trials have a clinical trial certificate issued by the Health Sciences Authority or similar bodies);
- If the treatment is for preventive purposes or for health screening or promoting good health (such as dietary replacement or supplement).
- If the treatment is for the convenience of the insured or registered medical practitioner or specialist (for example, treatment that can reasonably be provided out of a hospital, but is provided as an inpatient treatment)
- If the life assured suffered symptoms of or had investigations for or was diagnosed with a critical illness any time before or within 90 days from the cover start date.
- If the critical illness is due to deliberate acts such as self-inflicted injuries, illnesses or attempted suicide;
- If the treatment is for improving appearance, such as cosmetic surgery or any treatment relating to a previous cosmetic treatment;
- If the treatment is for pregnancy, childbirth, miscarriage, abortion or termination of pregnancy, or any form of related stay in hospital or treatment;
- If treatment is for infertility, sub-fertility, assisted conception, erectile dysfunction, impotence or any contraceptive treatment;
- If treatment is for psychological disorders, personality disorders, mental conditions or behavioural disorders, including any addiction or dependence as a result of these disorders such as gambling or gaming addiction;
- If treatment is due to unlawful acts, provoked assault or deliberate exposure to danger; or
- If the treatment is for sexually-transmitted diseases;
- If the life assured undergoes sex-change operations;
- If treatment is experimental or pioneering medical or surgical techniques and medical devices not approved by the Institutional Review Board and the Centre of Medical Device Regulation and medical trials for medicinal products whether or not these trials have a clinical trial certificate issued by the Health Sciences Authority of Singapore;



- If the life assured undergoes alternative or complementary treatments, including traditional Chinese medicine (TCM) or stays in any health-care establishment for social or non-medical reasons;
- If treatment is for injuries due to being directly involved in civil commotion, riot or strike;
- If the critical illness is due to radiation or contamination from radioactivity;
- If the critical illness is due to warlike operations (whether war is declared or not), war, invasion, riot or any similar event
- If the critical illness is due to the deliberate misuse of drugs or alcohol;
- If the critical illness is caused by acquired immunodeficiency syndrome (AIDS), AIDS-related complex or infection by human immunodeficiency virus (HIV), except as stated under HIV due to blood transfusion and occupationally acquired HIV

What is not covered?

We do not pay the Crisis Care (PRUActive Life III) benefit in any of the following circumstances.

- If the critical illness existed before the cover start date or date of reinstatement (if any) of this benefit.
- If any benefit for any critical illness is due directly or indirectly to a pre-existing condition 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 or the date of reinstatement (if any) of this benefit;
- If the life assured is diagnosed as having a heart attack of specified severity, major cancer or other serious coronary artery disease within 90 days of the cover start date or date of reinstatement (if any) of this benefit.
- If a doctor has diagnosed coronary artery disease within 90 days of the cover start date or date of reinstatement (if any) of this benefit. The diagnosis of the coronary artery disease has led to carrying out a coronary artery by-pass surgery or angioplasty and other invasive treatment for coronary artery on the life assured.
- If the life assured is diagnosed as having a critical illness caused by:
 - self-inflicted injuries while sane or insane;
 - AIDS, AIDS-related complex or infection by HIV, except HIV due to blood transfusion and occupationally acquired HIV;
 - using unprescribed drugs if the drugs are required by law to be prescribed by a registered medical practitioner;
 - an activity under the special exclusions and special terms and conditions shown in your certificate of life assurance; or
 - taking part in or attempting to take part in an unlawful act.

What happens after a claim?

Once we pay 100% of the Crisis Care (PRUActive Life III) sum assured, the Crisis Care (PRUActive Life III) benefit ends. In addition:

- a) If we paid out 50% of the Crisis Care (PRUActive Life III) benefit under the Crisis Care Accelerator benefit, the Crisis Care (PRUActive Life III) benefit will continue with the remaining sum assured. The sum assured of the Death benefit, Accelerated Terminal Illness benefit and Accelerated Disability benefit will also be reduced.
- b) If the sum assured of the Death benefit is the same as the sum assured of the Crisis Care (PRUActive Life III) benefit, the policy and all its benefits including the Accelerated Terminal Illness and Accelerated Disability benefits will end.
- c) If the sum assured of the Death benefit is more than the sum assured of the Crisis Care (PRUActive Life III) benefit, we will reduce the sum assured of the Death benefit to an amount equal to the difference between the sum assured of the Death benefit and the sum assured of the Crisis Care (PRUActive Life III) benefit. You can continue the policy for this Death benefit and any other supplementary benefits (except those that have ended under d, e, f and g of this section) by paying the necessary premiums.
- d) If the sum assured of the Accelerated Terminal Illness benefit is more than the sum assured of the Crisis Care (PRUActive Life III) benefit, we will reduce the sum assured of the Accelerated Terminal Illness benefit to an amount equal to the difference between the sum assured of the Accelerated Terminal Illness benefit and the sum assured of the Crisis Care (PRUActive Life III) benefit. This applies as long as you continue to pay the necessary premiums for both the Death and Accelerated Terminal Illness benefits.
- e) If the sum assured of the Accelerated Terminal Illness benefit is less than or equal to the sum assured of the Crisis Care (PRUActive Life III) benefit, the Accelerated Terminal Illness benefit will end. In this case, we will not pay for the Accelerated Terminal Illness benefit once we have paid the Crisis Care (PRUActive Life III) benefit.



- f) If the sum assured of the Accelerated Disability benefit is more than the sum assured of the Crisis Care (PRUActive Life III) benefit, we will reduce the sum assured of the Accelerated Disability benefit to an amount equal to the difference between the sum assured of the Accelerated Disability benefit and the sum assured of the Crisis Care (PRUActive Life III) benefit. This applies as long as you continue to pay the necessary premiums for both the Death and Accelerated Disability benefits.
- g) If the sum assured of the Accelerated Disability benefit is less than or equal to the sum assured of the Crisis Care (PRUActive Life III) benefit, the Accelerated Disability benefit will end. In this case, we will not pay for the Accelerated Disability benefit once we have paid the Crisis Care (PRUActive Life III) benefit.

What is Surrender Benefit?

The guaranteed surrender value plus non-guaranteed surrender value will be payable upon surrender after 36 months from the first premium due date and the premium had been paid for 36 months.

What is the impact of early surrender?

As buying a life insurance policy is a long-term commitment, an early termination of the policy usually involves high costs and the surrender value, if any, that is payable to you may be zero or less than the total premiums paid.

Bonuses:

What type of bonuses?

The benefits under this plan are made up of guaranteed and non-guaranteed benefits. The guaranteed benefits, including bonuses which have already been allocated to the participating policyowners will be paid regardless of the performance of the participating fund. Non-guaranteed benefits are in the form of bonuses. There are two main types of bonuses: Reversionary Bonus and Performance Bonus. The bonuses are NOT guaranteed and will vary according to the future experience of the participating fund. The bonus rates in this section are based on the illustrated Investment Rate of Return of the Participating Fund at 4.25% per annum.

In comparison, at an illustrated Investment Rate of Return of 3.00% per annum, the bonus rates are expected to be adjusted downwards depending on the future outlook of the Participating Fund.

Please refer to the policy illustration for the bonus amount at the illustrated Investment Rate of Return of 3.00% per annum and 4.25% per annum respectively. The two rates are used purely for illustrative purposes and do not represent upper and lower limits of the investment performance of the Participating Fund.

Please note that the actual bonuses that may be declared in the future may turn out to be higher or lower than illustrated in this section.

Reversionary Bonus:

This is an annual bonus that we add to the policy benefits from the start of the calendar year after the policy's second anniversary. Once declared, it will form part of the guaranteed benefits of the plan.

The reversionary bonus rate is illustrated to be \$7.30 per \$1,000 sum assured and \$16.40 per \$1,000 on accumulated Reversionary Bonuses.

Performance Bonus:

This is a one-off bonus which is a percentage of the accumulated Reversionary Bonuses. It may be paid when the policyholder surrenders the policy or makes a claim for any of the basic benefits of the policy. The amount will vary depending on the Termination Date. The illustrated Performance Bonus rates as a percentage of the accumulated Reversionary Bonuses are as follows:



Performance Bonus Table

| No. of completed years in force | Performance Bonus as a percentage of accumulated reversionary bonus |
|---------------------------------|---|
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
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| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |
| <X> | <XX%> |

Future bonuses which have yet to be allocated to the participating policyholder are not guaranteed and the insurer will decide the level of bonus to be declared each year as approved by the Board of Directors, taking into account the written recommendation by the Appointed Actuary.



How are the assets invested and managed?

Prudential Singapore's participating fund consists of both single and regular premium policies segregated into a few sub-funds. Each sub fund's investments are managed separately to match its liability characteristics. Regular premium policies are written in the Regular Premium Life Sub-fund ("RPLF"). In the document below, the term "fund" will be referring to RPLF unless stated otherwise.

Investment Objective

The investment objective is to maximise the long-term returns of the fund through investments consistent with policyholders' reasonable expectations, while meeting internal and regulatory solvency requirements. To achieve this, we set a Strategic Asset Allocation ("SAA") for the fund.

Investment Mix

| Asset Type | Strategic Asset Allocation | Asset Allocation as at 31 Dec 2021 |
|---------------------------------|----------------------------|------------------------------------|
| Bonds | 50.0% | 59.4% |
| Equities | 29.5% | 25.8% |
| Property | 7.5% | 7.8% |
| Other Assets¹ | 13.0% | 7.0% |
| Total Assets | 100.0% | 100.0% |

¹ Other assets include alternative assets, cash and policy loans

The Asset Allocation percentages shown in the table have been rounded to the nearest 0.1%, and hence may not sum to exactly 100%.

SAA is the fund's long-term neutral asset allocation to meet the investment objective of the fund as set out above. Fund managers are allowed to deviate from the SAA, but within a mandated limit to take views on the current market conditions.

Investment Rate of Return

For the RPLF, the past investment rates of return (after deducting investment expenses only) are shown in the table below.

| | 2019 | 2020 | 2021 | Average of last 3 years | Average of last 5 years | Average of last 10 years |
|---------------------------|--------|-------|-------|-------------------------|-------------------------|--------------------------|
| Investment Returns | 12.26% | 5.65% | 5.13% | 7.63% | 6.19% | 6.12% |

Please note that past performance may not be indicative of future performance.

Total Expense Ratio

The Total Expense Ratio is the proportion of total expenses incurred by the Participating Fund to the assets of the Participating Fund. These expenses include costs such as investment, management, distribution, taxation and other expenses.

An expected level of expenses to be incurred by the Participating Fund has been allowed for in the premiums payable for your policy and is not an additional cost to you. If the actual level of expenses varies significantly from the expected level of expenses, it may affect the non-guaranteed benefits you may receive.

For our Participating Fund, the past Total Expense Ratios are shown in the table below.

| | 2019 | 2020 | 2021 | Average of last 3 years | Average of last 5 years | Average of last 10 years |
|----------------------------|-------|-------|-------|-------------------------|-------------------------|--------------------------|
| Total Expense Ratio | 2.92% | 2.50% | 2.67% | 2.68% | 2.77% | 2.86% |

Please note that past expense ratios may not be indicative of actual expenses that may be incurred in the future.



Fund Manager

All investment related to this fund is carried out through Eastspring Investments (Singapore) Limited ("Eastspring Singapore"). Eastspring Singapore may also engage other Prudential plc related companies as sub-fund managers.

Eastspring Singapore address: Eastspring Investments (Singapore) Limited, 10 Marina Boulevard #32-01 Marina Bay Financial Centre Tower 2 Singapore 018983.

What are the risks that affect the bonuses that you will be getting?

The level of bonuses depends on the actual experience of key factors affecting the performance of the fund. In determining the level of bonuses, we also considered the future outlook of these key factors. These key factors are:

- Investment performance and future investment outlook of the fund;
- Claims experience, with respect to death ("mortality") and Terminal Illness("TI") experience of the fund;
- Discontinuance ("surrender") experience of the fund;
- Level of expenses incurred by or allocated to the fund

There may be other factors that could affect the bonus levels, for example, changes in taxation and legislation.

How are the risks shared?

Your policy is exposed to investment, mortality, lapse and expense risks, which are shared within the RPLF, i.e. with other regular premium plans.

In determining the level of bonuses that can be supported, the assets available to back the plan will be derived by accumulating the premiums paid at the actual rate of investment return less the cost of insurance, expenses incurred, commissions paid, taxes and other costs that may be incurred in managing the fund.

How are bonuses smoothed over time?

As investment performance fluctuates over time, bonuses are smoothed to ensure stable medium to long term returns on your policy. As a result, some of the investment returns in good years may not be distributed immediately so as to boost returns in years where the investment return is low. However, the effect of smoothing is intended to be neutral over time.

Reversionary Bonus

Prudential Singapore's bonus distribution policy is to keep the Reversionary Bonus at a level that is expected to be sustainable over the long term. Thus, while the Reversionary Bonus is usually reviewed annually, it is not expected to fluctuate from year to year. Nevertheless, it may be adjusted up or down under exceptional circumstances.

There is no Reversionary Bonus declared yet as this 8th Series plan was launched in 2021. Past performance is not necessarily indicative of future performance.

Performance Bonus

The Performance Bonus is reviewed at least annually. In exceptional circumstances, the review may be more frequent. The Performance Bonus is more likely to change from year to year but Prudential Singapore's policy is to limit the yearly variation so that, under normal circumstances, the payout will not be subject to large fluctuations over the short term.

There is no Performance Bonus declared yet as this 8th series plan was launched in 2021.

Past performance is not necessarily indicative of future performance.

What are the fees and charges imposed on this plan?

This plan shares in the experience of the fund. This means that any expenses incurred by the fund can be charged to the policy according to the risk-sharing rules described earlier.

Examples of such expenses include:

- Investment fees paid to fund managers for providing management services
- Mortality (death), Terminal Illness, lapse and surrender claims
- Marketing and other distribution-related costs
- Administration fees incurred in underwriting of new business
- Management and Overhead Expenses
- Commission fees paid to Prudential Financial Consultants or intermediaries

All expenses, including commissions, are shared and charged to the fund (assets backing the policy) according to the risk-sharing rules described earlier. Please refer to the Total Distribution Cost Table in the Policy Illustration for more information.



Please note that the charges described in this section will not be in the form of explicit fees or charges to you; it has already been allowed for in calculating your premium.

How will I be updated on the performance of my plan?

An Annual Bonus Update will be sent to you annually. This document aims to keep you informed of the performance of the fund, its future outlook, the bonuses allocated to your policy for that year and any changes in future bonuses. Whenever there is a change in the bonus rates, you will also receive an update from Prudential Singapore. You may expect to receive the Annual Bonus Update after April each year.

Please contact your representative of either Prudential Singapore or a distributor duly appointed by Prudential Singapore at any time if you wish to receive an updated full policy illustration showing the illustrations of future bonuses based on Prudential Singapore's best estimate of the future performance of the participating fund.

Conflict of Interest:

Potential conflicts of interest arise in the allocation of expenses between the participating and other insurance funds. Over-allocation of expenses to the participating fund is detrimental to policyholders of participating policies. As such, Prudential Singapore strives to achieve a fair allocation substantiated by regular expense investigations.

Related Party Transactions:

The fund manager managing the entire assets of the fund is a related party to Prudential Singapore. The size of RPLF under management by Eastspring Singapore is S\$31,215 million as at 31 Dec 2021.

The Investment Committee ("IC") of Prudential Singapore has oversight responsibility for the activities of the fund managers to ensure that the transactions are carried out at arm's length. It is responsible for setting the mandates for day-to-day fund operation. The Asset and Liability Management Committee ("ALCO") of Prudential Singapore is responsible for the setting of the SAA and monitoring asset and liability matching.

The IC will also periodically review the investment fees charged by the fund managers, and advise Prudential Singapore accordingly. The Board of Directors ("Board") appoints the membership of the IC and ALCO. The Board will be responsible for reviewing and approving the IC and ALCO Constitution or Terms of Reference.

Premiums:

The premium for Crisis Care (PRUActive Life III) is not guaranteed. These rates may be adjusted based on future experience. We reserve the right to vary the premiums at any time in the future during the premium payment period. However, we will give you 30 days' written notice before doing so. Premiums are payable for the period of premium payment term and can be paid monthly, quarterly, half-yearly or yearly.

Crisis Care (PRUActive Life III) is not a Medisave-approved policy and you may not use Medisave to pay the premium for this policy.

Guaranteed renewability

We guarantee that the Crisis Care (PRUActive Life III) Benefit is renewable up to the Cover Expiry Date as shown in the Certificate of Life Assurance as long as the premiums are paid within 30 days from the date they are due.

Deduction of debts

We deduct all amounts owed to us from the benefits we pay under the policy.

Exclusions:

The exclusions mentioned above are not exhaustive and there are other conditions including but not limited to death from suicide, disability from certain events, Special Exclusions or Special Terms and Conditions shown on your Certificate of Life Assurance, or Pre-existing Conditions within 12 months from Cover Start Date, or date of reinstatement (if any) under which no benefits will be payable. Please refer to the policy document for the completed list of exclusions.

**Termination of benefits**

The benefits under the Crisis Care (PRUActive Life III) Benefit will terminate upon:

- the death of the life assured;
 - non-payment of premiums;
 - the Cover Expiry Date as shown on the Certificate of Life Assurance;
 - a claim under the Crisis Care (PRUActive Life III) Benefit within the PRUActive Life III policy (except if the claim is for Angioplasty and Other Invasive Treatment for Coronary Artery);
 - claiming the full sum assured under the Critical Illness Benefit; or
 - the termination of the PRUActive Life III policy,
- whichever event occurs first.

Note:

Life Insurance is a contract of utmost good faith and a proposer is required to disclose in the proposal form fully and faithfully all the facts, which he knows or ought to know, as otherwise the policy issued may be void.

The terms and conditions of your policy are contained in the policy documents. There are certain conditions whereby the benefits under this plan will not be payable. These are stated as exclusions in the policy documents. You are advised to read the policy documents for the full list of exclusions.

Buying health insurance products that are not suitable for you may impact your ability to finance your future healthcare needs.

This Supplementary benefit is protected under the Policy Owners' Protection Scheme which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for your policy and its Supplementary benefit(s) (if any) is/are automatic and no further action is required from you. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact your insurer or visit the General Insurance Association (GIA) /Life Insurance Association (LIA) or SDIC web-sites (www.gia.org.sg or www.lia.org.sg or www.sdic.org.sg).

Free Look Period:

After purchasing a life insurance policy, you have a 14-day free-look period - starting from the day you receive your policy documents to review the documents carefully. During this time, if you choose to cancel your policy, we will refund you the premiums you have paid (without interest), less any medical fees and other expenses, such as payments for medical check-ups and medical reports, incurred by us.

If we make your policy document and all other documents from us available electronically via PRUaccess, we consider they have been delivered and received when you receive the relevant SMS or email telling you that the documents are accessible on PRUaccess. Otherwise, we consider your policy and all other documents from us as delivered and received seven days from the date of posting to the last-known address you gave us.

If you decide this policy is not suitable for your needs, simply write to us within the 14-day free-look period.