PRUSteady Income
Frequently Asked Questions

1. What is PRUSteady Income?

PRUSteady Income is a limited-pay 20-year non-participating endowment insurance plan that offers protection, and guaranteed cash payouts from the end of the eleventh (11th) policy year until the maturity of the policy if the insured is alive during the payout dates. In addition, customers may also choose from our optional riders for more protection.

2. Who can get PRUSteady Income?

PRUSteady Income may be purchased by a Policyowner for him or herself as long as he/or she is at least 18 years old or for a Life Insured who is 7 days to 60 years old.

3. How long is the insurance coverage period and what are the benefits of PRUSteady Income?

PRUSteady Income provides insurance coverage for 20 years. It provides the following benefits:

a. **Insurance Coverage –** Beneficiary/ies will receive 200% of the Sum Assured plus accumulated payouts (if any) less any outstanding policy loans and interest in the event of death of the Life Insured before the maturity of the policy.
b. **Maturity Benefit –** Receive 100% of the Sum Assured plus any accumulated payouts less outstanding policy loans and interest will be payable if the Life Insured reach the policy maturity date.
c. **Guaranteed Cash Payouts –** Enjoy 10% of the Sum Assured payable starting at the end of the eleventh (11th) policy year and each anniversary thereafter until the plan's maturity date, as long as the Life Insured is alive, and the policy is in force when a payout is due. The guaranteed cash payouts may be left to accumulate with interest set by the Company. The payout accumulation rate is not guaranteed. The guaranteed cash payouts may be reduced by any outstanding loans and interest.
d. **Accumulation of Guaranteed Cash Values –** The policy accumulates cash value starting at the 2nd policy year. The amount of cash value depends on the policy's Sum Assured, the length of time it has been in force, and the length of the premium payment period. If your policy has available cash value, you may apply for a loan against it, subject to policy loan guidelines, or use the policy's Non-Forfeiture Option.
e. **Flexible Payment Terms** - pay for 5 or 10 years. The chosen payment term is fixed and final.
f. **Option to Attach Riders** – add optional accident and disability benefits to the policy for more comprehensive protection. Available riders to attach are: Total and Permanent Disability (TPD) Plus, Accidental Death and Disablement (ADD) Waiver of Premium on TPD (WPTPD), Payor Waiver of Premium Benefit.

g. **Non-Forfeiture Options (NFOs) –** Ensure that the policy will remain in force when premium due is not paid and the policy has cash value by electing any of the following NFOs, such as: Automatic Premium Loan, Extended Term Insurance, Reduced Paid Up, or Net Surrender Value. If there is no selected NFO during product application, Automatic Premium Loan, the default NFO as reflected in the Policy Booklet, shall apply. Inclusion of accumulated guaranteed cash payouts to the computation of the selected NFO, applicable only for Extended Term Insurance, Reduced Paid Up, or Net Surrender Value, are subject to the consent of the Policyowner which is provided during product application process.

4. When will the 10% annual guaranteed cash payout start?

The 10% annual guaranteed cash payout will start at the end of eleventh (11^{th}) policy year and will be given until the plan's maturity, as long as the Life Insured is alive on each policy anniversary when a payout is due and the policy is in force. The 10% annual guaranteed cash payout is applicable regardless of the chosen premium payment term of 5 or 10 years.

5. How will the customer receive Guaranteed Cash Payouts Benefit?

There are two (2) payout options for guaranteed cash payouts:

a. **Paid in Cash** – guaranteed cash payouts will be disbursed to your elected bank details on its scheduled payout dates.
b. **Left to Accumulate and Earn Interest** – guaranteed cash payouts will be left to Pru Life UK to earn interest, which the Policyowner may withdraw at any point during the lifetime of the policy. The interest rate is non-guaranteed and may change from time to time depending on the Company's operating results and conditions.

Regardless of the chosen payout option, the Policyowner shall be requested to provide his or her bank account details during the product application process. The guaranteed cash payouts may be reduced by any outstanding loans and interest.

6. Can a customer change the bank details provided during the product application process for the payout disbursement?

Yes, the bank details you initially provided can be updated through your Pru Life UK Agent or by emailing contact.us@prulifeuk.com.ph. Updated bank details shall be effective on the next payout schedule.

7. Is there a minimum withdrawal amount and minimum number of withdrawals for guaranteed cash payouts?

None. Guaranteed cash payouts shall be applied or released depending on the elected payout option as they fall due.

Only Policyowners who selected *Left to Accumulate and Earn Interest* as their payout option can withdraw from their accumulated payouts anytime with no minimum withdrawal amount and withdrawal charge. Policyowners who selected *Paid In Cash* payout option shall receive the guaranteed payouts as they fall due.

The guaranteed cash payouts may be reduced by any outstanding loans and interest regardless of selected payout option,

Policyowners who opt to modify their selected payout option for guaranteed cash payouts may do so through their Pru Life UK agent or by emailing contact.us@prulifeuk.com.ph.

8. Does Pru Life UK withhold taxes from the plan's payable benefits?

No, Pru Life UK does not withhold taxes from the plan's payable benefits including guaranteed cash payouts.

Whatever the amount of death benefit, maturity benefit and guaranteed cash payout that is declared in the policy contract, the Policyowner or beneficiaries will receive them in full unless there is an outstanding policy loan when these benefits are payable.

For tax-related concerns, it is advisable to consult with the appropriate tax authorities or a certified tax adviser.

9. How many times can a Policyowner loan from his/her PRUSteady Income plan?

There is no limit on how many times a Policyowner may take out a loan from his/her PRUSteady Income policy provided that the policy has earned cash values and subject to the maximum loanable amount and/or existing loan balance does not exceed 80% of the cash values.

10. Is there a minimum policy loan amount?

There is no minimum policy loan amount. The maximum loan amount a Policyowner may apply for is 80% of his or her policy cash values. Pru Life UK may postpone the granting of a loan, other than to pay a premium due, for not more than six (6) months after receiving the loan application.

11. What happens if Policyowner was not able to pay the loan plus its interest?

When a policy loan is applied against the policy cash values of a PRUSteady Income policy, the loan amount plus interest is payable on or before the next policy anniversary.

If the loan remains unpaid by then, both loan and interest are converted into a new loan on which interest will be charged at the rate in effect on that date. All outstanding loans and interests are deducted automatically from any proceeds (guaranteed cash payouts,

death benefit, or maturity benefit) of the policy and if the total indebtedness becomes equal to or exceeds the cash value, the policy will automatically terminate.

12. If outstanding loans and interest are deducted from the guaranteed cash payouts and other plan benefits, is it possible that a Policyowner will not receive payout for a given time?

Yes, it is possible that Policyowner will only receive guaranteed cash payouts for a specific period, depending on the outstanding loan amount and its interest.

If the outstanding loan balance plus interest is higher than the guaranteed cash payout due, after deduction from the guaranteed cash payout relevant to that policy year, the remaining balance of the policy loan and its interest will be deducted from the succeeding guaranteed cash payouts as they fall due. Policyowner will only receive his/her guaranteed cash payouts until such time the outstanding policy loan and interest is paid or the remaining balance is lower than the guaranteed cash payout.

13. What is the interest rate if I apply for a Policy Loan?

The current interest rate for Policy Loan is 10%. Interest rate is not guaranteed and may change.

14. What are the available non-forfeiture options (NFOs) for PRUSteady Income? Are these options the same for other Traditional Life Plans?

The following are the available non forfeiture options of PRUSteady Income

1. **Automatic Premium Loan –** Any premium due remaining unpaid at the end of the grace period is automatically paid as a *Policy Loan* from the remaining cash value, which earns interest and is compounded every policy anniversary. If the cash value is not sufficient to pay the premium due, the next smaller modal premium will be paid as long as it is not lower than the monthly premium. When the cash value becomes lower than a monthly premium due, customers will be notified in writing that their coverage is about to expire and the remaining term of their coverage.
2. **Extended Term Insurance (ETI) –** The policy's basic life coverage will continue to be in-force even without further premium payments as a non-participating plan. The ETI Sum Assured of the policy at that time will be 200% of the original sum assured

   but the protection period will be reduced based on what the cash value less any indebtedness can buy. The guaranteed cash payouts will also cease once converted to ETI.
3. **Net Surrender Value –** Surrender the policy equivalent to its cash value plus any accumulated payouts. Once surrendered, the policy shall terminate.
4. **Reduced Paid-up Insurance (RPU) -** The policy's basic life coverage will continue to be in-force even without further premium payments as a non-participating plan. The Sum Assured will be reduced corresponding to what the cash value less any indebtedness can buy. Maturity date will remain the same. The Death Benefit and Maturity Benefit will remain to be 200% and 100% of the *reduced* Sum Assured,

respectively. The guaranteed cash payouts of 10% of the *reduced* Sum Assured will also continue to be paid, as long as the Insured is alive at each payout date.

The Non-Forfeiture Options mentioned above are also available in other Traditional plans with cash value component.

The Policyowner has the option to include his or her accumulated guaranteed cash payouts in the computation of the selected Non-Forfeiture option, applicable only for Extended Term Insurance, Reduced Paid Up, or Net Surrender Value, this may be done during the product application process with their Pru Life UK agent.

15. Can a customer still change the selected Non-Forfeiture Option (NFO) and/or Guaranteed Cash Payout Option after issuance?

Yes, the Policyowner may change the initially selected Non-Forfeiture and/or Guaranteed cash payouts option after policy issuance, provided that

- the initially selected NFO has not taken effect yet; and/or
- disbursement of the cash payout has not started yet

at the time when the Policy Amendment request was sent.

Policyowners may do this by informing his/her Pru Life UK Agent and filling out the Policy Amendment Request Form. Policyowners may also directly send the request and filled-out form to contact.us@prulifeuk.com.ph.

16. What available riders can I attach in a PRUSteady Income plan?

The following are the riders that may be attached to a PRUSteady Income plan:

a. **Total and Permanent Disability (TPD) Plus** - Get a benefit amount if the Life Insured becomes totally and permanently disabled due to bodily injury or disease for a continuous period of 6 months.
b. **Accidental Death and Disablement (ADD)** - Get additional benefit amount in case of accidental death, disablement, or dismemberment of the Life Insured.
c. **Waiver of Premium on TPD (WPTPD)** - This rider waives the remaining premiums of the base plan and ADD Benefit if the Life Insured becomes totally and permanently disabled.
d. **Payor Waiver of Premium Benefit** - This rider waives the remaining premium of the base plan, TPD Plus, and ADD Benefit in the event of death or total and permanent disability of the Payor.

All riders can be attached as long as the Life Insured is within the eligible issue age of the applicable rider. Terms and conditions of each rider apply, whichever will be attached in the PRUSteady Income plan.

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17. Are there also insurance and rider charges for PRUSteady Income and are these charges deducted from the cash value?

None. Insurance and rider charges do not apply to PRUSteady Income. The annual policy fee amounting to PhP400 is already added to the base plan premium amount.

18. How can a customer get PRUSteady Income and what are the underwriting guidelines?

Customers can get PRUSteady Income through licensed Pru Life UK Agents. All submitted applications will undergo regular underwriting with health-related questions.

19. Can a customer avail more than one PRUSteady Income?

Yes, a Policyowner may avail more than one PRUSteady Income policy subject to Pru Life UK' overall insurance coverage limit per life, considering existing policies and the policy being applied for.

20. Can a customer cancel his/her policy?

Yes, cancellation of PRUSteady Income policy is allowed either during the Free Look Period or at any time thereafter.

If you decide this Policy is not suitable for your needs and wish to cancel your policy, simply complete and submit the appropriate form to contact.us@prulifeuk.com.ph within fifteen (15) days from the date you received your ePolicy Kit. We will refund the premium paid in full upon completion of the cancellation request.

If cancellation was decided beyond the Free Look period, the policy may be surrendered to terminate the plan through your servicing Pru Life UK Agent or by simply sending an email to contact.us@prulifeuk.com.ph. If the policy has cash values and accumulated guaranteed cash payouts, less any outstanding loans, these will be given to the Policyholder as a Surrender Benefit.

Policyowners are strongly encouraged to keep their PRUSteady Income policy to maximize the coverage and living benefits of the plan.

21. Can a customer change the payment term or increase the Sum Assured of an existing PRUSteady Income policy?

No, selected payment term for PRUSteady Income policy cannot be changed at any time while the policy is in-force. The chosen payment term during application is deemed final and must be chosen carefully upon application.

Increasing or decreasing a PRUSteady Income policy's Sum Assured is allowed within the allowable period only and subject to the minimum Sum Assured limit. Policyowners

can reach out to their servicing Pru Life UK Agent or send an email to contact.us@prulifeuk.com.ph to help facilitate this request.

22. Can a customer convert his/her PRUSteady Income policy to a Unit Linked Plan or any other plans?

No, a PRUSteady Income policy cannot be converted to a unit linked plan or any other plans offered by PLUK.

23. Does a customer have to renew his/her PRUSteady Income annually?

No, annual renewal is not applicable to PRUSteady Income policy since this is a limited-pay endowment insurance plan, where in the premium payment period is fixed. Policyowners are encouraged to continuously pay his/her premiums as they fall due to keep their policy in force and maximize its benefits.

24. When will a PRUSteady Income policy terminate?

A PRUSteady Income policy will terminate at the earliest of the following dates:

- on the Policy Maturity Date; or
- in the event of the death of the Life insured; or
- upon failure to pay premiums due within the Grace Period and while the Policy has no cash value; or
- upon Company's approval of the availment of Net Surrender option under Section 3.5 of the Policy Contract, or
- when the Policy lapses; is surrendered; or terminated

25. How can a beneficiary claim the death benefit from a PRUSteady Income policy?

Filing a claim may be done through any Pru Life UK business centers or by sending the claim requirements to makeaclaim@prulifeuk.com.ph with email subject ***Claims_New Request_Policy Number*** for new claim request.

The following are the Standard claim requirements:

a) Death certificate of the Life Insured
b) One (1) Claimant Statement Form per beneficiary
c) One (1) valid government-issued photo ID of the beneficiary

While the following may be asked as conditional requirements:

Documents	Conditions

Attending Physician's Statement	For claims within two years from the effective date or reinstatement date of the policy
Medical records	
Police report	Accidental Death

Pru Life UK reserves the right to ask the beneficiary or claimant to provide at their own expense more documents or evidence to help Pru Life UK assess the claim.

Designated beneficiary/ies may access https://www.prulifeuk.com.ph/en/claims/ for the detailed guidelines in filing a claim.

26. Where can customers get more information about this product?

Customers can go to https://www.prulifeuk.com.ph/en/prusteady-income for the complete information on PRUSteady Income.

For any questions, send an email to PRU Customer Action Team at contact.us@prulifeuk.com.ph or call Pru Life UK Customer helpdesk at (632) 8887 LIFE (8887 5433) within Metro Manila or 1 800 10 PRULINK (1 800 10 7785465) for domestic toll-free hotline.