



Smart Child Education Plan

KEY FACT STATEMENT

Important facts to be considered before signing up a policy with Prudential Life Assurance Zambia

KEY FACTS

Smart Child Education Plan

Please read this to help you understand the product before you decide to sign for this insurance policy. You are required to sign your application as confirmation of your understanding and acceptance of the terms and conditions as stipulated in the Policy Benefits and Conditions Booklet which forms part of the contract. This document does not contain full product details and is not the contract neither is it a summary of the Policy Benefits and Conditions Booklet which is given to you on signing up. Please read the "Before you decide" section at the end of this document before you decide whether to or not to sign up to this plan.

1. What does this policy provide?

- This policy provides you a selected benefit (Sum Assured) payable on maturity of the selected policy term for the sake of the nominated beneficiary(ies). The benefit amount (sum assured) must be selected by yourself.

2. How long is the policy term?

- You have an option to select any policy term between five (5) and twenty (20) years. The longer the term the lower the premiums and higher the benefit derived.

3. Are there any cash withdrawals during the policy term?

- No. This policy does not allow for any mid-term encashments until maturity when the main benefit (Sum Assured) is paid out.

4. What happens if I die before finishing the policy term?

- Prudential will waive all future premiums and pay a full maturity benefit on the date of maturity, in favour of your nominated child through your nominated Trustee or Next of Kin if your child(ren) would still be minors.

5. Does the policy offer any bonuses, how are they calculated?

- Yes. Policies seven (7) years or above will attract a bonus of 1% of the Sum Assured for each year. For example, a seven-year (7) policy earns 7% of the Sum Assured, eight (8) years earn 8%, ten (10) years earn 10% etc. The bonus is however not applicable where the maturity benefit is paid after waiver of premiums.

6. What happens if I fail to pay premiums?

- There is a lapse grace period of up to three (3) months after which you may reinstate to continue the policy by paying the arrears due.
- Where you are unable to reinstate the policy after the lapse period, you have an option to stop paying premiums and wait for a Paid-up benefit (which is a reduced maturity at the end of the term). This is only applicable if you have paid a minimum of twenty-four (24) months' premiums
- If you fail to pay premiums due to incapacity resulting from a listed critical illness or disability as defined in the conditions, Prudential waives all future premiums, and you will be entitled to a full maturity benefit at the end of the policy term as if you paid all premiums.
- The onus to pay premiums lies with you, the policyholder. Prudential is not liable for unpaid premiums which fall into arrears due to any failure in the collection process.

7. Can I pay premiums in advance or upfront?

- Premiums are payable in advance by monthly, quarterly, half yearly or yearly instalments.
- Any premiums paid upfront, ahead of the selected payment frequency will be posted to the suspense account and do not accrue any interest on this policy.

8. Can I cancel this policy before maturity?

- Yes. The policy can be cancelled any time if you choose to do so.
- You have a right to cancel this policy within the first thirty (30) days of paying the initial premium and get a full refund of that first payment.
- In case of cancellation after thirty (30) days, within first year, there is **no refund payable**.
- Cancellation after the first year i.e., between thirteen (13) and twenty-four (24) months, you have a right to a Surrender Value (refund) of 50% of premiums less Policy Fees and Insurance premium tax (Levy) paid in the period.
- Surrender Value of 75% is paid for cancellation after twenty-four (24) months.

9. Can I change the Beneficiary child, Trustee or Next of Kin?

- Yes. You can change beneficiaries, Trustee or Next of Kin details any time during the policy term.

10. How often do I get contribution statements on this policy?

- You may request for a statement once yearly which shows your policy status, contributions paid and outstanding premiums if any.
- Premiums paid under this policy do not accrue direct interests that will be indicated on a statement but are a contribution towards the purchased endowment benefit (Sum Assured).

11. How do I make a claim on this policy?

- Obtain and complete the claim form online or at any Prudential office and submit it with required attachments. Attachments required include your NRC (passport if you are not a Zambian nation) and proof of bank details for payment.
- In case of cancellation/surrender claim, you will be required to also give written instruction for cancellation with reasons for surrendering the policy.

12. Why might a claim not be payable?

- In case of cancellation of a policy in the first year, there is no surrender benefit payable under this policy.
- While in the process of claiming, investigations reveal that the claim is fraudulent You or another entitled claimant attempt to or commit any fraud or other illegal act to influence the process of the claim, such a claim shall be repudiated.

Before you proceed to sign up for this policy

- Consider whether this product meets your needs and is suitable for you.
- If it does, consider a suitable amount of benefit that meets your need and premiums you can afford to pay every month.
- Remember that this Statement is just a summary. Before signing anything look at more detailed information on the plan in the Conditions and Terms booklet.

Complaints Procedure

- We will acknowledge receipt of your complaints across all Prudential branches after which an investigation will be done, upon conclusion our findings and actions will be communicated to you within 5 working days.



Signed by Customer: _____
(Name)

(Signature)