

## POLICY TERMS AND CONDITIONS

### SECTION 1 – DEFINITIONS

<i>Accidental Death</i>	Sudden, unforeseen, and unexpected death.
<i>Accrued Bonus</i>	Refers to additional amount added to the sum assured on an annual basis. This figure which is a percentage of the sum assured shall vary from year to year depending on the performance of Prudential's fund. The accrued bonuses are then added to the sum assured and paid out at the end of the policy term the maturity value.
<i>Assignment</i>	Means the transfer by the Policyholder of the proceeds of the policy to a licensed financial institution or money lender as collateral for a loan. In the event of death of the Policyholder, the lender is paid first and then the balance (if any) is paid to the beneficiary.
<i>Beneficiary</i>	Is the person the Policyholder designates to receive the death benefit from the policy.
<i>Claim</i>	Means a death claim, total and permanent disability, or any other benefit payable under the terms and conditions of this insurance policy.
<i>Cooling off period</i>	Refers to a period within which the Policyholder has the right to cancel or make amendments to the policy term or benefits on the insurance policy. The cooling-off period shall be 30 days from date of issuance of the policy.
<i>Cover start date</i>	Refers to the specific date when the cover commences upon receipt of first premium and the proposal or application for insurance cover has been received and accepted by the company (Prudential Uganda). This may also be referred to as the inception date.
<i>Endorsement/amendment</i>	Refers to alteration of policy benefits or the client's policy particulars.
<i>Grace Period</i>	Means ninety (90) cumulative days where premiums may remain unpaid without lapsing the policy.
<i>Lapsing of Policy</i>	Occurs once the cumulative unpaid premiums exceed the maximum allowable grace period of ninety (90) cumulative days. Lapse date shall mean the last day of the grace period.
<i>Maturity Date</i>	Means the date on which the policy term expires.
<i>Maturity value</i>	Means the Sum Assured plus accrued bonuses, which will be paid as a lumpsum (with an option of three equal annual installments).
<i>Natural death</i>	Occurs when an individual passes away due to causes other than accidents. These causes include illnesses, diseases, or the natural aging process.
<i>Paid up value</i>	Paid up refers to a cash value accrued on a Policy after a period defined by the company, normally with a reduced sum assured on the benefits.
<i>Permanent Total Disability (PTD)</i>	shall mean a condition in which an individual is wholly and continuously unable to engage in any occupation, business, or work for remuneration due to injuries or illness.
<i>Policy Anniversary</i>	the annual date that marks the cover start date of the policy.
<i>Policyholder</i>	shall mean the person who has purchased and owns the insurance policy.
<i>Policy term</i>	refers to the duration of the insurance contract.
<i>Premium</i>	refers to the amount of money paid periodically by a Policyholder to keep the policy in force.

<i>Premium frequency</i>	<i>payment</i>	Refers to how often the premium is required to be paid to keep the life insurance policy in force. Payment can be made either annually, or semi-annually, or quarterly, or monthly.
<i>Paid up</i>		This policy shall have no paid-up value.
<i>Reinstatement</i>		Shall mean the process of reviving a lapsed policy to active status by payment of all the outstanding premiums within 24 months from the lapse date of the policy.
<i>Return of Premiums</i>		Means the amount payable at the expiry of the policy term and survival of the Policyholder; provided premiums have been paid in full and no claims have been made during the policy term.
<i>Sum Assured</i>		Means the amount payable in the event of death, critical illness, Total Permanent Disability of the Policyholder.
<i>Surrender value</i>		<p>Refers to an amount payable to the Policyholder (for a policy that has been in force) after a period of at least 2 years of consecutive premium payment from the cover start date.</p> <p>This can be a result of either non-payment of premiums or upon the Policyholder's request. The surrender value is subject to a penalty/charge since it is a breach of the policy terms and conditions.</p>
<i>Survival period</i>		Refers to a specified duration in which certain conditions must be met for a policy benefit to be paid out.
<i>Waiver of Premium</i>		Refers to the exemption of the Policyholder from paying any further premiums in the event of either death (due to accidental or natural causes) or permanent total disability for the remaining duration of the policy term.

## SECTION 2 – PRIVILEGES & GENERAL CONDITIONS

### 2.1 Contract

- 2.1.1 This policy, along with the attached policy schedule, the terms, and conditions (soft or hard copy) and the policy application (which is incorporated by reference), form an essential part of the entire contract. When applying for the policy, any statements made will be considered representations (not warranties) unless there is evidence of fraud. No statement will be used to invalidate the contract or alter its terms unless it is explicitly included in the written application.
- 2.1.2 This policy is held by the Policyholder and PRUDENTIAL ASSURANCE UGANDA LIMITED, which expression shall where the context so admits include its affiliates, successors, and assigns.

### 2.2 Cooling Off Period and Right to accept

- 2.2.1 Upon receipt of the policy document, the Policyholder shall read the policy thoroughly.
- 2.2.2 If the Policyholder disagrees with any clause in the policy, the Policyholder may cancel or make endorsements within a period of thirty (30) days from the cover start date. All communication shall be made in writing and the duty to ensure communication is received by Prudential shall rest with the Policyholder.
- 2.2.3 Any cancellations after the cooling off period shall lead to forfeiture of the policy benefits and premiums paid.

### 2.3 Currency

All payments to or by the Company shall be made in United States Dollars (USD) which is an acceptable Currency in the Republic of Uganda in which the contract has been entered.

### 2.4 Due diligence and update of personal details

The Policyholder is expected to ensure completeness of the customer due diligence 'KYC' prior to the cover start date and during the policy term. The Policyholder shall ensure that the identification documents (National ID / Passport/work permit), and other details such as preferred contact (phone number and email), physical address, bank account remain updated throughout the policy term.

### 2.5 Notices

- 2.5.1 Any notice required to be given under this Policy shall be in writing sent by e-mail or SMS text which shall constitute a valid notice. The Policyholder/beneficiary may contact the company through the various communication channels: email [customercare@prudential.ug](mailto:customercare@prudential.ug) or toll-free number 0800-200-052, WhatsApp +256707 444 467.

### 2.6 Law Applicable and Dispute Resolution

- 2.6.1 The laws of Uganda shall be applicable in the interpretation and resolution of any queries or disputes in this contract.
- 2.6.2 Any dispute between the parties may first be resolved amicably between the Policyholder and the insurance company, without the intervention of a third party. Where the parties fail to reach a

resolution, the dispute may be escalated to the Complaints' Bureau of the Insurance Regulatory Authority of Uganda. An appeal may be lodged with the Insurance Appeals Tribunal in accordance with the Insurance Act and Regulations before resorting to other mediation, arbitration, litigation, or any other form of dispute resolution.

## **2.7 Disputability**

This Policy is indisputable after having been in force for (2) two years from the date of commencement of the insurance cover as stated in the schedule except on the grounds of fraud.

## **2.8 Utmost good faith**

This contract has been entered into in good faith. If any person fails to provide information that is material to the company's decision to issue this policy or any supplementary contract, or if any person misrepresents any information the company requests, whether fraudulently or otherwise, the contract may be declared null and void from inception.

## **2.9 Jurisdiction**

The policy shall be free from all restrictions as to the Policyholder's future occupation, travel or residence unless otherwise stated herein.

## **2.10 Data Protection and Personal information collection**

2.10.1 Prudential shall comply with the applicable data protection laws and regulations. The Company maintains technical and organizational security measures to prevent unauthorized or unlawful processing or access to your personal data.

2.10.2 We, Prudential Assurance Uganda Limited will send you information by text, email, telephone, post or other means about our products and services.

## **2.11 Compliance with Anti-Money Laundering and Counter Terrorism Financing regulations**

2.11.1 The Policyholder's activities in connection or relating to premium payment obligations under this Agreement will not cause the company to be in breach of any anti-money laundering and counter terrorism financing regulations.

2.12.2 Prudential shall have the right to terminate this Agreement in compliance with the laws and regulations without liability to the Policyholder.

## **2.12 Policy assignment**

The Policyholder may assign this policy or pledge it as security for a loan facility with a licensed financial institution/moneylender. However, Prudential will not be liable for the indebtedness above the contributed premiums, and neither shall Prudential be responsible for the maintenance of the policy upon default by the Policyholder.

## **2.12 Beneficiary**

Benefits from this policy will be paid directly to the Policyholder but in case the Policyholder passes on, the proceeds will go to the elected beneficiary (ies). If the beneficiary is a minor at the time of payment of the

benefit, it will be paid to the nominated trustee/Next of Kin . If none of the beneficiaries can be contacted, the proceeds of the policy will be payable to the estate. Of the Policyholder upon application by the legally appointed administrator/executor or executrix of the estate of the deceased.

In the event of the death of a beneficiary, a different beneficiary can be substituted. Alternatively, the policy may be surrendered.

### **2.13 Bonus**

The bonus rate shall be at the discretion of the company, declared annually upon completion of the actuarial valuation, subject to the performance of the Prudential Policyholder fund. The bonus amount is expressed as a percentage of the original sum assured. Accrued bonuses cannot be claimed for cash and are processed either at maturity or surrender of the policy.

### **2.14 Loans**

Policy loans are not permissible under this contract.

### **2.15 Judicial Death Sentence and Death While Engaged in Illegal or Unlawful Activities**

If the Policyholder's death is caused as a consequence of the execution of a judicial sentence of death, or death while engaged in illegal or unlawful activities, the Company's liability shall be limited to the amount of the surrender value of the Policy less indebtedness, if any, at the time of such death.

### **2.16 War Risks**

If the death of the Policyholder shall be caused as a direct or indirect consequence of war or warlike operations, whether war be declared or not, of invasion, act of foreign enemy, hostilities, riot, civil commotion, civil war, rebellion, revolution, insurrection, 'conspiracy, military or usurped power, martial law or state of siege, the liability of the Company under this Policy shall be limited to the amount of the surrender value of the Policy less indebtedness, if any, at the time of such death.

## SECTION 3 - POLICY TERMS & CONDITIONS

### 3.1 Premium Payment

- 3.1.1 Premiums are payable before or on the date on which payment is due according to the frequency of premium payment (Monthly, Quarterly, Semi-Annually, or annually) selected at the point of sale or the latest amendment to this policy if applicable. It is the Policyholder's responsibility to ensure that Prudential receives the premium regularly and on the scheduled date.
- 3.1.2 The Policyholder will receive an acknowledgement of receipt of premiums from Prudential via SMS text and/or email. No receipts for premiums whether issued in hard or soft copy will be valid unless issued by a duly authorized officer of Prudential.
- 3.1.3 A premium statement reflecting the Policyholder's payment history shall be made available on the client portal and a summary of the policy payment status can also be accessed using the USSD Code 'Prudential GO'.
- 3.1.4 Premium payments can be made using a bank direct debit instruction or, bank visa or MasterCard card online (RealPay) or, making a bank deposit to designated banks in the name of Prudential Assurance Uganda Limited and through mobile money. Proof of set up of auto-deduction modes of payment should be submitted to Prudential through your servicing agent or to Prudential customer care.
- 3.1.5 The Policyholder should indicate a policy number as a payment reference in the event that premium payments are made using mobile money, bank deposits, standing orders, bank transfers to enable timely receipting and reconciliation.
- 3.1.6 The Policyholder may choose to settle premium arrears using other modes of payment by paying directly to Prudential using non-cash modes of payment such as mobile money, bank deposits, and transfers. For all payment references, the Policyholder is required to indicate their respective policy number as the payment reference. Prudential shall not be liable to pay any benefits on premiums that were unallocated as a result of poor narration.
- 3.1.7 The Company through the Policyholder's Bank shall discontinue any auto deduction mandate should the insurance policy lapse beyond the allowable period for reinstatement, or upon payment of full benefits as per the product specifications or as a result of policy termination in accordance with the policy terms and conditions.

### 3.2 Grace Period

- 3.2.1 The allowable grace period for non-payment of premiums shall be ninety (90) cumulative days. The Policyholder is encouraged to make all efforts to maintain the policy in active status by remitting regular premiums.
- 3.2.1 The said grace period and any other circumstances other than Total Permanent Disability or death do not waive the Policyholder's obligation to pay full premiums throughout the policy term. In the event of a claim within the said days of grace, and before the payment of the outstanding premium by the Policyholder, the sum assured shall be reduced by the unpaid premium.

### 3.3 Lapsing of the policy

- 3.3.1 If the premium is not received within the grace period which is ninety (90) cumulative days from the due date, the policy will lapse upon which all premiums paid and any accrued benefits under this Policy shall be forfeited by the Policyholder.

- 3.3.2 If any of the insured event(s) occurs after the policy has lapsed, no benefits or refund of premium shall be payable on this policy.

### **3.4 Reinstatement of a lapsed policy**

A lapsed policy, as defined in clause 3.3 above, may be reinstated within a period of 24 calendar months from the lapse date, subject to the conditions outlined below:

- 3.4.1 If outstanding premiums are paid within the first six (6) months from the date of lapse, the policy shall be automatically reinstated without a waiting period.
- 3.4.2 Where the policy is lapsed for a period exceeding six (6) months but within 12 months from the date of lapse, the policy shall be automatically reinstated upon payment of all outstanding premiums and such interest as may be determined by the company. A waiting period of two (2) calendar months shall be imposed on the Policyholder during which the benefits will not be payable.
- 3.4.3 Where the policy is lapsed for a period exceeding twelve (12) calendar months but within 24 calendar months from the date of lapse, the policy will be reinstated upon written application by the Policyholder either by email or formal letter to the company, payment of the full outstanding premiums and satisfactory proof being given to the Company of the continued good health of the Policyholder. A waiting period of two (2) calendar months shall be imposed on the Policyholder during which the benefits will not be payable.
- 3.4.4 The policy shall be reinstated without alteration to the original policy terms and conditions subject to any endorsements within the period.

### **3.5 Final lapse**

- 3.5.1 The Policy shall finally lapse upon non – payment of premiums for more than twenty – four (24) cumulative calendar months. Policies in Final Lapse state cannot be reinstated.
- 3.5.2 If any of the insured event(s) occurs after final lapse, the policy shall be cancelled, and no benefits are payable on this policy except for a refund of premiums received by the Company beyond the lapse date.

### **3.6 Surrender**

- 3.6.1 A surrender value will be available after two full years premiums have been paid and the policy has been in force for a minimum of 2 years and shall be computed as per the surrender value tables applicable as at the surrender date. Upon termination of the policy, all other benefits will cease.
- 3.6.2 Surrender value should not be construed to mean refund of full premiums.

### **3.7 Elected Paid Up**

- 3.7.1 A paid-up policy will be granted after two full year's premiums have been paid and the policy has been in force for a minimum period of 2 years, provided the application for such grant is made to the company before the expiry of the Days of Grace. No more premiums will be required after the conversion to a paid-up policy, but the policy continues and will be eligible to participate in bonuses where applicable. On maturity or death, a reduced sum assured will be paid. The option to elect

paid up can only be effected only once during the policy term.

- 3.7.2 Any premiums received on a policy that has been converted to Paid up shall be treated as an overpayment and shall be refunded upon written request by the Policyholder.

### **3.8 Termination of policy**

- 3.8.1 Termination of this policy by the Policyholder after the allowable cooling off period of thirty (30) days will lead to forfeiture of all policy benefits and premiums received on the policy.
- 3.8.2 If the Policyholder terminates this policy after the cooling off period and before the expiration of a (2) two-year period from the date of inception, except for premiums received after lapse, no additional premium refunds or benefits shall be payable.
- 3.8.3 If the Policyholder terminates the policy after the (2) two-year period has elapsed and has fully paid the premiums for that duration, the surrender value will be computed as per the surrender value tables applicable as at the surrender date. On termination of the policy, all other benefits will cease.

### **3.9 Premium/Sum Assured endorsement or changes**

A Policyholder may (except for where an inflation rider has been selected) alter the sum assured or premium on the policy anniversary upon written application to the insurance company. The alteration may be accepted by the Company once during the first 2 (two) years of the policy term.

#### **3.9.1 Policy Exclusions**

This Policy shall not cover death, loss or disability that is as a result of:

- i) Any undisclosed physical defect or infirmity which existed prior to the commencement of the policy, suicide/attempted suicide (within three years of the cover start date shown on the schedule or within three years of the date of policy revival), self-injury, insanity, unlawful act on the part of the Policyholder; or
- ii) The Policyholder's engagement in any military, naval or auxiliary services or adopt hazardous occupations, sports and pastimes such as ballooning, gliding, parachuting, boxing, diving (as amateur or deep sea), rock climbing or mountaineering necessitating the use of ropes or guides, sliding, ice hockey, hunting, horse racing, motor racing, autocross, circuit racing, race track racing, hill climbing, rallying, carting, grass track racing, motor-cross (scrambling), speedway, mountaineering or engage in aviation (except as a fare paying passenger on a recognized airline operating on regular scheduled air routes or in any chartered aircraft duly licensed as a recognized air carrier) unless in each of the above cases, permission of the Company has been obtained and such extra premium as may be charged paid; or
- iii) Intentional excessive intake of drugs, alcohol, or inhalation of fumes; or
- iv) Active participation in war (whether declared or undeclared), acts of terrorism, riot, civil commotion, rebellion insurrection. War shall mean invasion by an enemy, act of foreign enemy or hostilities. Terrorism shall mean the use of violence for political ends and shall include any use of violence for the purpose of putting the public or any section of the public in fear; or
- v) Engaging in aviation except in so far as the policyholder is a passenger on a recognized airline operating on regular scheduled air routes or in any chartered aircraft duly licensed as a recognized air carrier unless in each case the permission of the Company has previously been obtained and such extra premium as may be charged paid.

- vi) Death or Disability' in connection with any undisclosed medical condition and /or related condition or complication thereof for which the Policyholder had received medical treatment, advice or to the best of his/her knowledge and belief, was aware existed within a period of five years prior to the date of taking up the policy.

### **3.10 Changes in Law of Tax**

Should there be any change in the law or in taxation affecting the Policy or in the event of any levy on the Company being imposed by or be paid under statute or statutory authority, the company may adjust the benefits, premiums and policy terms and conditions (or any of them) in such manner as the Actuary to the Company deems appropriate. Notice of any such adjustment shall be sent in 'writing to the last email address of the Policyholder recorded by the Company and shall be deemed to have been received by the Policyholder by the fifth working day.

## SECTION 4 – POLICY BENEFITS

### 4.1 Permanent Total Disability (PTD) BENEFIT & Death Benefit

50 % of the Sum Assured shall be paid to the beneficiary(ies) in the event of the untimely death or permanent disability of the Policyholder, before the end of the premium paying term.

### 4.2 Waiver of Premium

Premiums are waived for the rest of the term in the event of death or permanent total disability of the Policyholder. The policy will continue in force until the maturity date.

### 4.3 Maturity value

At the maturity date, 100 % of the Sum Assured plus accrued bonuses shall be paid to the Policyholder or any other appointed legal representative in the event of death/PTD in a lumpsum, with an option of three equal instalments. The cover shall cease, and no further premiums shall be payable. Any premiums received after the expiry of the policy term shall be refundable to the Policyholder upon written request.

## SECTION 5 - CLAIMS

### 5.1 Claims Procedure

5.1.1 The Policyholder or beneficial/ any other appointed legal representative is encouraged to notify Prudential of the claim in writing within a reasonable timeframe as highlighted below:

- a. In the event that the Policyholder passes on within one (1) year from the date of the death.
- b. In the event of a Total Permanent Disability, within three months after the waiting period.

5.1.2 Claim settlement shall be completed by Prudential within five (5) working days provided that all supporting documentation has been assessed and found to be in order.

### 5.1.3 Requirements for claims processing

#### Death Claim.

- a. Completed claim intimation Form (the form is provided by Prudential).
- b. Certified Copy of a Death Certificate from an authorized government body. or
- c. Postmortem report or medical certificate for cause of death; or. a legal document that confirms the occurrence of the event for which the claim is being made.
- d. Police Report (for only accidental death).
- e. A copy of the claimants valid ID (national ID, driving permit or passport, birth certificate or immunization card for minors)
- f. A copy of the deceased's valid ID (national ID, driving permit or passport)

#### Maturity Claim

- A copy of the claimants valid ID (national ID, driving permit or passport)
- Signed Discharge Voucher (where applicable)

## Permanent Total Disability (PTD)

- Completed claim intimation Form (this is provided by Prudential).
- Medical examination report.
- A copy of the claimants valid ID (national ID, driving permit or passport)
- Last attending physician's treatment notes.

### 5.1.4 Rejection of a claim

The following circumstances may render a claim not payable:

- a. The event causing the loss reported is not covered under this insurance policy
- b. The Claimant does not provide the necessary documents that support the claim in question
- c. The policy is not in force at the time the claim event occurred
- d. Non-disclosure of all material facts when applying for the insurance policy
- e. The event causing the loss is excluded from the policy
- f. The premium payment record is not UpToDate
- g. A claim for more than what is payable
- h. The claimant does not Inform or notify/intimate Prudential about a change in the circumstances that are related to the policy
- i. A claimant does not fulfil the set conditions of the policy in place
- j. Rejection based on fraud (Any claim found to be fraudulent and the Policyholder or anyone acting on his/ her behalf has given the company any false documents or information.

NOTE: To make a claim, send an email to [customercare@prudential.ug](mailto:customercare@prudential.ug) or deliver an intimation letter and the supporting documents to any of our branches.

*PRUDENTIAL UGANDA CONTACT DETAILS*

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