

# Conditions for Smart Secure

## Your policy

This is a single premium endowment plan.

**We** will start paying a yearly benefit at the end of the first policy year. **We** will pay a maturity benefit at the end of the policy term.

If the insured becomes **totally and permanently disabled** (before the age of 70) or dies during the term of this policy, **we** will pay a lump-sum benefit instead.

**You** may cash in this policy. However, this policy is designed to provide the best value by keeping it till maturity, so **you** should consider this carefully. **We** recommend that **you** get financial advice.

## 1 What your policy covers

### a Total and permanent disability (TPD), and death benefit

If the insured becomes **totally and permanently disabled** (before the age of 70) or dies during the term of this policy, **we** will pay 105% of the sum assured, less all cash benefits paid.

This policy will end when **we** make this payment. **We** will not pay any further benefits.

### b Cash benefit

If the insured survives at the end of one year from the **policy entry date**, **we** will begin to pay out a cash benefit.

Each cash benefit is 25% of the sum assured and **we** pay it every year till the end of the third policy year as long as the insured is still alive and this policy has not ended. **We** will pay the first cash benefit one year from the **policy entry date**.

### c Maturity benefit

If the insured survives at the end of the policy term and this policy has not already ended, **we** will pay 25% of the sum assured.

This policy will end when **we** make this payment.

## 2 Our responsibilities to you

### a Cash benefit

**You** can choose to use the cash benefit to fund premiums of a **specified savings plan** or receive it as a payout.

**You** can use the cash benefit to fund premiums of a **specified savings plan** if all of the following conditions are met:

- the policy number of the **specified savings plan** is stated in the application for this policy;
- the cash benefit amount is the same amount as the annual premium of the **specified savings plan**;
- the **policy entry date** for this policy and the **specified savings plan** is the same; and
- **you** are the policyholder of this policy and the **specified savings plan** when the policies are issued.

**You** will receive the cash benefit as a payout if any of the above conditions are not met.

If **you** have chosen to fund premiums of a **specified savings plan**, **you** may change your choice by giving **us** your instruction at least 30 days before the next cash benefit is due.

Once **you** have chosen to receive the cash benefit as a payout, **you** cannot later choose to use the cash benefit to fund premiums of a **specified savings plan**.

#### **b Maturity benefit**

If **you** have chosen to fund premiums of a **specified savings plan**, the maturity benefit will also be used to fund premiums of the **specified savings plan**.

**You** may change your choice by giving **us** your instruction at least 30 days before the maturity benefit is due.

#### **c Cash value**

**You** may choose to cash in this policy fully. Your policy will end after **you** cash in this policy fully.

**You** can only choose to cash in this policy partially if **you** are receiving the cash benefit as a payout.

If **you** choose to cash in this policy partially, the sum assured after the partial cash payout cannot be less than the minimum sum assured limit or any other amount **we** may tell **you** about.

**We** may review and revise the way **we** work out the **cash value** and the reduced sum assured.

#### **d Loans**

**You** may take a loan from this policy depending on **our** terms and conditions. **We** will take all loans and their interest from any amount **we** may

be due to pay under this policy. If at any time the amount of the loans and interest is more than the **cash value**, this policy will end.

**You** may repay all or part of the loan at any time. The interest charged on the loan will be based on the rate agreed at the time **you** took out the loan. **We** may change the interest rate at any time by giving **you** 30 days' notice.

## **3 What you need to be aware of**

#### **a Suicide**

This policy is not valid if the insured commits suicide within one year from the **cover start date**.

**We** will refund the total premiums paid, without interest, from the **cover start date**.

#### **b TPD benefit**

Under the definition of **TPD**, if the insured is under 65 years old, he or she must be unable to carry out any occupation. **We** do not pay if the insured is merely unable to perform the same job as before, or is unable to perform a job to which his or her training, education or experience is suited for.

If the insured is 65 years old and above, but under 70 years old, he or she must be suffering from a **severe disability**. Otherwise, **we** will not pay the benefit.

However, if there is **total physical loss**, and the insured is under 70 years old, **we** will pay.

**We** will not pay this benefit if your claim arises from:

- deliberate acts such as self-inflicted injuries, illnesses or attempted suicide;

- unlawful acts, provoked assault, or deliberate exposure to danger; or
- the effects of alcohol, drugs or any dependence.

**We** will also not pay this benefit unless the insured is certified by a **registered medical practitioner** to have been **totally and permanently disabled** for at least six months in a row.

If the insured is also covered for **TPD** under any policies which have been issued in the past (whether issued by **us** or by any other insurer), the total **TPD** benefit due under all these policies cannot be more than S\$6.5 million (not including bonuses). In this case **we** will first take into account the amounts due under the earlier policies, and then pay out only an amount to bring the total payments to S\$6.5 million (not including bonuses). The cover for death will be reduced by the **TPD** payment. **We** will work out the remaining cover.

### c Cash benefit

If **you** have chosen to fund premiums of a **specified savings plan**, the following events will result in an automatic change of cash benefit option to be received as a payout:

- change in the ownership of this policy including assignment, bankruptcy, trust and vesting;
- increase in the total premium payable for the **specified savings plan**;
- premium funding for the **specified savings plan** is no longer required; or
- cash benefit, after deduction of payments for loans if any, is less than the annual premium of the **specified savings plan**.

### d Making a claim

**We** must be told within six months after the diagnosis or the event giving rise to the claim.

### f Transferring the legal right of the policy

**You** cannot assign (transfer) this policy unless **you** tell **us** in writing and **we** agree to the assignment.

### g Excluding third-party rights

Anyone not directly involved in this policy cannot enforce it under the Contracts (Rights of Third Parties) Act (Chapter 53B).

## 4 Definitions

**Cash value** means the amount available when **you** cancel a policy that has a savings feature before **we** pay a benefit under it (for example, for death), or it becomes due for payment (maturity), for example, an endowment policy. **We** work out the amount of the **cash value**.

**Cover start date** means the date:

- **we** issue this policy;
  - **we** issue an endorsement to include or increase a benefit; or
  - **we** reinstate this policy;
- whichever is latest.

**Policy entry date** means the 'Policy entry date' shown in the policy schedule.

**Registered medical practitioner** means a doctor who is qualified in western medicine and is legally licensed in Singapore or has the

qualifications recognised by the Singapore Medical Council.

**Severe disability** means the inability to perform at least three of the following activities of daily living, even with the aid of special equipment and always needing the help of another person throughout the entire activity.

- 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;
- Transferring – the ability to move from a bed to an upright chair or wheelchair and vice versa;
- Mobility – the ability to move indoors from room to room on level surfaces;
- Toileting – the ability to use the lavatory or otherwise manage bowel and bladder functions so as to maintain a satisfactory level of personal hygiene;
- Feeding – the ability to feed oneself once food has been prepared and made available.

**Specified savings plan** means the savings plan to be funded by the cash benefit of this policy. The savings plan must meet all of the following conditions:

- the payment term is 5 year(s);
- the payment mode is yearly;
- it has no rider(s) attached; and
- the **policy entry date** is not backdated.

**Total and permanent disability (TPD)**, and **totally and permanently disabled**, mean any of the below.

- If the insured is under 65 years old, **TPD**, and **totally and permanently disabled** mean **total physical loss**, or the inability to take part in any paid work for the rest of a person's life.
- If the insured is 65 years old and above but under 70 years old, **TPD**, and **totally and**

**permanently disabled** mean **total physical loss**, or **severe disability**.

**Total physical loss** means:

- the total and permanent loss of sight in both eyes;
- the loss of, or total and permanent loss of use of, two limbs at or above the wrist or ankle; or
- the total and permanent loss of sight in one eye and the loss of, or total and permanent loss of use of, one limb at or above the wrist or ankle.

**We, us, our** means NTUC Income Insurance Co-operative Limited.

**You** means the policyholder shown in the policy schedule.