



FREQUENTLY ASKED QUESTIONS

GST at standard-rated 0%

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FREQUENTLY ASKED QUESTIONS

GOODS AND SERVICES TAX (GST) AT STANDARD-RATED 0% - CUSTOMER

1. What is GST at standard-rated 0%?

All supplies of goods and services which are now subject to GST at standard-rated (6%) become (0%) effective 1st June 2018.

2. What does it mean that Prudential will absorb the GST amount?

For premiums which are exempt from GST, there are no changes. For premiums subject to GST, in accordance with the announcement on 16th May 2018, the GST tax rate of 0% will apply for all premiums due from 1st June 2018.

Any premium due in May 2018, which is subject to GST, would still need to be paid in full inclusive of GST. As a gesture of goodwill, PAMB will absorb the full GST amount for any payment paid in May 2018 and will refund by way of direct credit into the policyholder's account.

As the refund will be by way of direct credit, information details of the customer's bank account are a prerequisite.

3. Will I still be charged GST for my insurance premium?

No. Effective 1st June 2018, the GST rate will be revised from 6% to 0%.

4. I have made payment for my May 2018 premium, will Prudential refund the GST amount?

If the premium is subject to GST, then the full premium, inclusive of GST, is still payable in May 2018. In accordance with the announcement on 16th May 2018, the GST tax rate of 0% will only apply for all premiums due from 1st June 2018.

As a gesture of goodwill, PAMB will refund any GST amount in full, in respect of premiums paid in May 2018. The refund will be by way of direct credit, and hence, information details of the customer's bank account are a prerequisite. The refund is expected to be paid into the customer's bank account within 3 months.

5. How do I know that you have credited the refund back to my account? Will there be any letter issue to advise on the changes?

If any credit back is applicable, a SMS will be sent to advise on the amount that has been credited to the customer's bank account once the transfer is done.

6. Will my premium reduce after 1st June 2018?

For premiums which are exempt from GST, there are no changes. For premiums subject to GST, the premium will reduce by the GST amount from 1st June 2018 on the policy's next premium due date. You will be able to check the premium by logging into **PRUaccess** plus.

For an investment link plan policy, the premium will remain the same. The GST for service and insurance charges will be revised to 0% from 1st June 2018 onwards, which means units will not be deducted from the customer's unit account to pay for the GST.



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7. I have signed up for regular premium deduction via credit/debit card or direct debit from my account; do I need to do anything?

Your revised premium (if any) will be deducted as usual from your credit/debit card or direct debit, no action is required from you.

8. Can I still request for a tax invoice for the period before June 2018?

Yes, you will still be able to request for a tax invoice for the period before June 2018.