

Zurich Life Insurance Malaysia Berhad  
**INSURANCE CHARGES REVISION FOR FLEX MEDICAL**  
**Frequently Asked Questions (FAQs)**

<b>INSURANCE CHARGE REVISION</b>		
<b>NO</b>	<b>QUESTIONS</b>	<b>ANSWERS</b>
1	Why are you revising my insurance charges?	<p>As you may be aware, medical and healthcare costs have been rising consistently in recent years - mainly driven by medical inflation and higher frequency of people seeking medical treatments. The medical inflation rate, which is the increase of medical costs, is within the range of 10% to 15% every year<sup>1</sup>.</p> <p>At Zurich, we are committed to ensure that you are not only protected but have access to medical services and treatments when you need it. This is why we conduct reviews of our medical plans against healthcare costs on a regular basis. Revisions are necessary not only to keep up with the escalating healthcare costs and increasing claims of medical benefits, but more importantly, it helps to ensure that there is no interruption to your medical protection.</p> <p><sup>1</sup> Source : Planning for healthcare cost in retirement, The Star</p>
2	How do you decide the quantum for revision of my insurance charges?	<p>Medical costs go up for many reasons; and they include increase in physician's fees or laboratory charges as well as discovery of new medical treatments and prescription drugs.</p> <p>With the escalation of healthcare costs and increasing claims of medical benefits, the total amount of claims that we pay out to our customers increases as well. In order to decide on the quantum for revision of insurance charges, we evaluate the sustainability of our medical portfolio by comparing the total insurance charges collected from all customers against the total claims paid to the same group.</p>
3	Why is there a revision to my insurance charge when I have not made any claims?	Medical insurance operates on a risk-sharing basis where insurance charges collected are used to pay the claims. As a result, all policies will be affected regardless of whether you have made any claim before.
4	When will my insurance charges be revised?	The new insurance charges will take effect on your next policy anniversary date immediately on or after 11 February 2019.
5	Do I need to pay a different premium amount after the revision?	There will be no change to your policy premiums as only the insurance charges for your medical coverage are revised. With this revision, however, your investment-linked policy's fund value may be insufficient to pay for your insurance charges in the later years. Therefore, we would like to encourage you to consider topping up your premium to ensure that your policy has sufficient fund value to cover your insurance charges in the long term.
6	What is the difference between premiums and insurance charges?	<p><b>Premiums</b>            Premiums are the amount that you pay to Zurich for your insurance coverage. For an investment-linked insurance policy, a part or all of the premiums paid is used to purchase units in the selected investment-linked fund(s) while the remaining amount is used to pay upfront charges for insurance expenses and direct distribution costs.</p> <p><b>Insurance charges</b>            Insurance charges are deducted monthly from the fund value of your investment-linked policy to pay for your insurance coverage. Typically, insurance charges go up as you age.</p>
7	How can I top up my premiums?	You can opt to increase the amount of premiums payable on a regular basis to increase the fund value of your investment-linked policy. For more information, please speak to your Wealth Planner or contact our Customer Service at 1-300-888-622.
8	Will there be another revision in the future?	We conduct reviews of our medical plans against the healthcare cost on a regular basis to ensure that our medical portfolio is able to sustain the total amount of claims that are paid out. Should there be another revision in the future, we will notify you accordingly.
9	Can I change my current medical plan to another medical plan?	<p>Yes. We have a wide range of insurance solutions designed to meet your needs at any stage of your life. To view our investment-linked medical plans, please visit our website at <a href="http://www.zurich.com.my">www.zurich.com.my</a>. The available medical plans are:</p> <ol style="list-style-type: none"> <li>1) Max Medic</li> <li>2) Zurich FlexMed 2</li> <li>3) Zurich FlexMed 2 PLUS</li> <li>4) Zurich MegaMed</li> </ol> <p>If affordability is a concern, you can opt to downgrade your current plan to a lower level plan, provided that your current plan is not the lowest level plan. However, you should satisfy yourself that the selected plan would meet your protection needs. Before you decide to change your medical plan, we recommend that you speak to your Wealth Planner so they can review your current protection coverage and advise you on plans that best meet your protection needs. However, do note that you may be subject to underwriting and any terms and conditions applicable during the change.</p>

**MEDICAL UPGRADE OFFER**

NO	QUESTIONS	ANSWERS															
10	Why am I offered the option to upgrade from Flex Medical to FlexMed 2 Plus?	The option to upgrade from Flex Medical to FlexMed 2 Plus is offered exclusively to selected Flex Medical customers with a good claim record, and that includes you. This is a 'guaranteed acceptance' offer - which means you are not required to answer any medical questionnaire or undergo any medical check-up prior to changing plans. You have the option to either upgrade to FlexMed 2 Plus, which has better benefits or maintain your current medical coverage under Flex Medical.															
11	Is FlexMed 2 Plus better than Flex Medical?	<p>At Zurich, we are constantly looking for opportunities to innovate and improve our suite of products to meet the evolving needs of our customers. FlexMed 2 Plus is our latest medical plan that offers comprehensive protection for your healthcare needs.</p> <p>Below are the enhanced benefits of FlexMed 2 Plus as compared to Flex Medical:</p> <table border="1" data-bbox="542 583 1500 1094"> <thead> <tr> <th data-bbox="542 583 883 615"><i>Features</i></th> <th data-bbox="883 583 1235 615"><i>Zurich FlexMed 2 Plus</i></th> <th data-bbox="1235 583 1500 615"><i>Flex Medical</i></th> </tr> </thead> <tbody> <tr> <td data-bbox="542 615 883 793">Overall Annual Limit</td> <td data-bbox="883 615 1235 793">Additional 10% increase every 5 years up to 50% of the Initial Overall Annual Limit. E.g.: RM225,000 Initial Overall Annual Limit potentially grows up to RM337,500.</td> <td data-bbox="1235 615 1500 793">No additional increase</td> </tr> <tr> <td data-bbox="542 793 883 911">Number of days of: - Room &amp; board - In-hospital Physician visit - Daily cash at gov. hospital</td> <td data-bbox="883 793 1235 911">Unlimited days</td> <td data-bbox="1235 793 1500 911">Max. 200 days per annum</td> </tr> <tr> <td data-bbox="542 911 883 947">Accidental Death Benefit</td> <td data-bbox="883 911 1235 947">Up to RM40,000</td> <td data-bbox="1235 911 1500 947">Not available</td> </tr> <tr> <td data-bbox="542 947 883 1094">Infectious Disease Benefits</td> <td data-bbox="883 947 1235 1094">4 Infectious Diseases (up to RM10,000 per infectious disease): Cholera, Tuberculosis, Influenza A, Malaria</td> <td data-bbox="1235 947 1500 1094">Not available</td> </tr> </tbody> </table> <p>For more information or to download a copy of the FlexMed 2 Plus brochure, please visit <a href="http://www.zurich.com.my/flexmed2plus">www.zurich.com.my/flexmed2plus</a></p>	<i>Features</i>	<i>Zurich FlexMed 2 Plus</i>	<i>Flex Medical</i>	Overall Annual Limit	Additional 10% increase every 5 years up to 50% of the Initial Overall Annual Limit. E.g.: RM225,000 Initial Overall Annual Limit potentially grows up to RM337,500.	No additional increase	Number of days of: - Room & board - In-hospital Physician visit - Daily cash at gov. hospital	Unlimited days	Max. 200 days per annum	Accidental Death Benefit	Up to RM40,000	Not available	Infectious Disease Benefits	4 Infectious Diseases (up to RM10,000 per infectious disease): Cholera, Tuberculosis, Influenza A, Malaria	Not available
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12	Can I upgrade to a higher plan under FlexMed 2 Plus as compared to my current Flex Medical plan?	The option to upgrade from Flex Medical to FlexMed 2 Plus is applicable to plans of the same level only. For example, if you would like to upgrade your current Flex Medical plan 2 to FlexMed Plus 2 plan 3, you would be subject to our standard medical underwriting procedure, which may include medical check-up. Approval is not guaranteed.															
13	How long does this offer last?	This Medical Upgrade Offer is valid until 11 April 2019.															
14	How can I take up this offer?	<p>Below are the steps to upgrade your Flex Medical plan to FlexMed 2 Plus plan:</p> <ol style="list-style-type: none"> <li>Complete the attached "Upgrade Request Form"</li> <li>Mail the form to our "Life &amp; Family Servicing Department" at our Head Office in Kuala Lumpur within the offer period</li> <li>Alternatively, you may hand the form to your Wealth Planner or visit the nearest Zurich Life Insurance branch for assistance.</li> </ol> <p>Do take note the completed form must reach us latest by 11 April 2019.</p>															
15	If I accept this offer, when will my new medical coverage take effect?	<p>The effective date of your new medical coverage will be on the next monthly insurance charge due date after we have processed your request. Generally, it takes us about 7 working days to process your request upon receipt of your "Upgrade Request Form".</p> <p><u>Example 1</u> Monthly insurance charge due date – 20 September 2018 Receipt of Upgrade Request Form – 6 September 2018 New medical coverage take effect on – 20 September 2018</p> <p><u>Example 2</u> Monthly insurance charge due date – 20 September 2018 Receipt of Upgrade Request Form – 17 September 2018 New medical coverage take effect - 20 October 2018</p> <p>Note: The new insurance charge amount may vary in accordance with your age.</p>															