

[Policyholder Name]
[Address 001]
[Address 002]
[Address 003]
[Address 004]

[Date]

Plan: [Plan Name]
Policy Number(s): [Policy Number]

Dear Policyholder,

Participating Fund Update For 2023

Thank you for your continued trust in Zurich Malaysia as your preferred insurance provider.

In 2023, Participating Fund achieved good performance despite the volatility in the financial markets locally and globally. However, the investment outlook remains volatile, as inflation level continues to be elevated; and central banks globally are maintaining interest rates higher for longer. There is also growing geopolitical tension especially in the Middle East.

We are pleased to inform you that we are able to maintain our bonus and dividend payouts for your policy in the Participating Fund for financial year 2023 on the bonus scales which were communicated last year. For plans affected by bonus revision, the new bonus scales communicated in last year bonus statement will be applied to the bonus and dividend payouts for financial year 2023. Details of the bonuses and dividends declared on your policy are available in the bonus statement attached with this letter.

We would like to remind you that future bonus and dividend rates, including maturity and terminal bonuses are **not guaranteed** and will be **subject to review at least annually**. We aim to generate appropriate returns over the lifetime of your policy, thus be rest assured that our decisions will be responsible and equitable at all times to create a brighter future for you and your loved ones.

On behalf of the Zurich Malaysia team, we appreciate your support over the years. We will continue to be with you at each step of your life's journey; caring for what matters.

Note: The benefits payable under eligible policy are protected by PIDM up to limits and the benefits payable from the Unit Portion of an investment-linked policy is subject to limitations. Please refer to PIDM's TIPS Brochure or contact Zurich Life Insurance Malaysia Berhad or PIDM (visit www.pidm.gov.my)

Yours sincerely,



Khoo Poh Beng
Authorised Representative
Zurich Life Insurance Malaysia Berhad

Note: To view the content of this letter in Bahasa Malaysia or Chinese, please visit www.zurich.com.my/PFBonus. If there is any discrepancy between the English, Bahasa Malaysia and Chinese versions, the English version shall prevail.

Customer Service Center

Ground Floor, Block B, Plaza Zurich, 12, Jalan Gelenggang, Bukit Damansara, 50490 Kuala Lumpur.
(for other branches, please refer to company website)

☎ 1300-888-622 ✉ callcentre@zurich.com.my 🌐 www.zurich.com.my Customer portal : www.myzurichlife.com.my

Understanding Your Annual Bonus Statement

The annual bonus statement contains important information about your policy in the Fund. You are encouraged to read it and keep it in a safe place. The information contained in this document covers three topics:

- a) The reversionary bonuses/cash dividends that have been added to your policy for financial year 2023 and the current surrender value of your policy.
- b) How you can obtain more information on the implications of the performance of the Fund over the last year and on the outlook for your policy.
- c) How you may contact us for further information.

For selected products each year, reversionary bonus may be added to your policy; these are declared as an addition to the face amount of your policy and will only be included subject to completion of the required period as stated in your policy contract, i.e. they are payable in the event of death, surrender or maturity of the policy. This bonus belongs to your policy and cannot be reduced or taken away.

For other products, cash dividend may be paid each year; this can be reinvested into the Fund or you may withdraw it as cash. Currently the return on cash dividends re-invested in the Fund remains at 2.25%. You should take note that this is **not a guaranteed rate**.

Table 1 in your annual bonus statement shows the reversionary bonuses or cash dividends payable on your policies. Please be informed that the cash dividend rates for different policy years may vary from year to year as per the original design of the product.

Table 2 provides the details of your policy. Table 3 shows your other **non-guaranteed bonuses**, cash surrender value and loan details as at the statement date. The total net cash surrender value is the amount available to you upon policy surrender, after deducting any outstanding loan and interest payment on any loan that you may have with the company. The information on your policy's Assignees/Nominees in our current records is shown in Table 4.

Critical Year Option

When you purchased your policy, you may have selected the Critical Year Option. This Option means that after a certain period of time – assuming that there is enough cash value or accumulated cash dividends in your policy to allow you to stop paying premiums and enjoy the benefits of the policy for the remainder of the policy term. This Critical Year **is not guaranteed** as it is dependent on the reversionary bonuses and cash dividends declared on your policy. If you have accumulated cash dividends in your policy, the amount will reduce to pay for the premiums under Critical Year Option. If you do not have accumulated cash dividends in your policy, the premiums will be funded by Automatic Premium Loan which will reduce the cash value of your policy. Therefore, it is possible that you will have to extend your premium payments beyond the Critical Year as illustrated at the time your policy commenced, or face the possibility of your policy lapsing (resulting in the loss of protection coverage). It is also possible that you have taken additional benefits – increased protection limits, cash withdrawals, and policy loans – from the policy, which were not anticipated at the time you took out the plan, and these will also have an impact on your Critical Year Option.

If you have not selected the Critical Year Option, you will need to continue paying premiums as usual. Your final maturity benefit may be different from the amount stated in your original sales illustration, as bonuses **are not guaranteed** and could have changed in line with past investment performance and the future outlook for the Fund.

Should you have any enquiries regarding your Critical Year Option and how your policy may be impacted by the bonus revision exercise, please contact us at 1-300-888-622.

Additional Information About The Participating Fund

The following information is available to you either currently or over the course of the coming months of the year on our website at www.zurich.com.my/parfund

- i) A set of Frequently Asked Questions (FAQs), which will address the queries that you may have on the Fund and the products in it (currently available on our website at www.zurich.com.my/parfund).
- ii) A brochure, 'Report on the Life Participating Fund, 2023' detailing the background to the Fund, its purpose and objectives, its development over the 2023 financial year and its current position (available at the end of August 2024 on our website).
- iii) A detailed guide on the principles by which the Fund is managed called the Principles and Practices of Financial Management or PPFM (currently available on our website).