

**APPENDIX 2**  
**INSURANCE CHARGES REVISION FOR <UDR Plan>**  
**Frequently Asked Questions (FAQs)**

NO	QUESTIONS	ANSWERS		
1.	<b>Why are you revising my insurance charges?</b>	<p>This revision is necessary to keep up with the escalating medical costs and increasing medical claims, mainly driven by the following factors:</p> <ul style="list-style-type: none"> <li>a) Increase in cost of medication and treatment</li> <li>b) Adoption of new medical technologies, medicines and equipment</li> <li>c) Evolving lifestyle with increase in chronic illnesses such as diabetes, high cholesterol and obesity that lead to growing health risks and long-term care.</li> <li>d) Higher demands for better medical care.</li> </ul> <p>At Zurich Life Insurance Malaysia Berhad, we are committed to ensure that you are not only protected but have access to medical services and treatments whenever you need it.</p>		
2.	<b>How do you determine the quantum for revision of my insurance charges?</b>	<p>In determining the revision, we take various factors such as actual healthcare costs, current healthcare inflation as well as customer affordability into consideration. How much your insurance charges will go up depends on your age, occupation, gender, and the specific plan you've chosen.</p>		
3.	<b>Why is there a revision to my insurance charge when I have not made any claims?</b>	<p>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.</p>		
4.	<b>When will my insurance charges be revised?</b>	<p>The new insurance charges will take effect on your next policy anniversary date immediately on or after <a href="#">&lt;repricing date&gt;</a>.</p>		
5.	<b>What is the difference between premiums and insurance charges?</b>	<p><b><u>Premiums</u></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><u>Insurance charges</u></b>            Insurance charges are deducted monthly from the fund value of your investment-linked policy to pay for your insurance coverage. Insurance charges increase as you get older each year.</p>		
6.	<b>Do I need to pay a different premium amount after the revision?</b>	<p>Your investment-linked policy's fund value may be insufficient to pay for your insurance charges in the later years. Hence, we strongly encourage you to review your premium from time to time to ensure your policy is sustainable until maturity.</p>		
7.	<b>What are the factors that may impact my fund value?</b>	<p>The following may result in your fund value being insufficient to sustain your policy:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> <li>✓ Exercising premium pause</li> <li>✓ Revision of cost of insurance and/or other charges</li> <li>✓ Partial or early withdrawal</li> </ul> </td> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> <li>✓ Unfavorable investment return experience</li> <li>✓ Addition of rider(s)</li> <li>✓ Increase in insurance coverage</li> </ul> </td> </tr> </table>	<ul style="list-style-type: none"> <li>✓ Exercising premium pause</li> <li>✓ Revision of cost of insurance and/or other charges</li> <li>✓ Partial or early withdrawal</li> </ul>	<ul style="list-style-type: none"> <li>✓ Unfavorable investment return experience</li> <li>✓ Addition of rider(s)</li> <li>✓ Increase in insurance coverage</li> </ul>
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8.	<b>If there is a premium waiver rider attached to the policy, will the waiver sum assured for this rider also increase?</b>	<p>Your regular premium consists of basic regular premium and any regular top up. If the current waiver rider waives regular top-up, the waiver rider's sum assured will increase accordingly with the increased top up. Otherwise, the waiver rider sum assured will not be increased.</p>		

9.	<b>If my policy is under waiver status (premium payments waived), do I need to pay the single premium top-up?</b>	The insurance charges will increase on the policy anniversary, however, for policy under waiver status, the premium waived will remain the same. Hence, it is possible that the fund value in the policy may not be sufficient to pay for the insurance charges in later years. We strongly encourage you to pay the suggested single premium top-up to cover the higher insurance charges.
10.	<b>Why are there 2 phases of revision and how do you determine the quantum for revision of my insurance charge? [ValueCare only]</b>	To ensure you are adequately protected, medical plans are regularly revised against current healthcare cost. Splitting the revision into 2 phases is to ensure affordability by minimizing the impact and aiding your financial planning. Various economic factors such as increase in hospital charges, doctor fees, advancement in treatment and drugs will be taken into consideration in determining the quantum each revision. Customers will be notified of the 2nd phase revision 30 days before the next policy anniversary.
11.	<b>Does this mean I will need to reassess the sustainability of my investment-linked plan in 1 year's time? [ValueCare only]</b>	Yes, the suggested premium provided in the letter is only based on the first phase of revision.
12.	<b>Will there be another revision in the future?</b>	We continue to review our medical plans against the healthcare cost on a regular basis and make every effort to actively manage healthcare costs together with our hospital partners. If there is a need for future revisions, we will notify you accordingly.

**FAQ for policy sustaining until end of contractual term @ maturity date**

13.	<b>Will my policy coverage sustain until the end of the contractual term post re-pricing?</b>	<p>Your policy is expected to sustain until the end of the contractual term based on our estimated projected fund value.</p> <p>Kindly note that the estimated projected value of your investment-linked policy is based on the information available as at <a href="#">&lt;Extraction date&gt;</a> with the following assumptions:</p> <ul style="list-style-type: none"> <li>▪ You will continue to pay your current premiums by its due date;</li> <li>▪ You will not make any partial / early withdrawals in the future;</li> <li>▪ No changes have been made to your policy (e.g. addition or removal of rider(s) and/or changes to the sum insured);</li> <li>▪ There are no changes to your fund selection. The allocation of premium in the calculations are based on existing fund selection;</li> <li>▪ The best estimate fund rate based on fund selections are used. They also do not reflect potential volatility over the short-term resulting in potential sharp movements, up or down, of the underlying assets of the funds;</li> <li>▪ The payment of premium is not a guarantee of sustainability as the value of the Unit Funds may fall below the amounts of premiums paid depending on the performance of the underlying assets;</li> <li>▪ The projection is based on our estimates of future outcomes which may differ from year to year, depending on the actual experience and economic outlook. Actual experience may differ from our estimates (e.g. due to better or worse actual investment performance), and your fund value may deplete to zero earlier or later than our estimation.</li> </ul>
14.	<b>Do I have other options for sustaining my policy until the end of the contractual term?</b>	<p>Yes, you have the following options for maintaining your policy until the end of the contractual term:</p> <p>a) You can opt to downgrade to a medical plan with lower coverage, provided your medical plan is not the lowest plan level, by completing and submitting the 'Request for Change Form' to the nearest Zurich branch. However, you should assess if a lower medical plan is sufficient to cover your medical insurance needs by:</p>

		<ul style="list-style-type: none"> <li>i. Contacting your Wealth Planner or</li> <li>ii. Contacting Zurich Call Center at 1-300-888-622 or email us at <a href="mailto:callcentre@zurich.com.my">callcentre@zurich.com.my</a>; or</li> <li>iii. Visit your nearest Zurich branch</li> </ul> <p>b) You can switch to other medical riders offered by Zurich Life Insurance Malaysia Berhad which provide similar or more comprehensive medical coverage. However, standard underwriting process and terms and conditions apply.</p> <p>c) To improve your policy's account value, you can opt to:</p> <ul style="list-style-type: none"> <li>• Reduce your coverage (reduce sum assured and/or remove rider(s))</li> </ul> <p>It is important that you understand the changes you wish to make to your insurance policy as the coverage amount may be affected.</p> <p>For more information on available products, please visit our website at <a href="http://www.zurich.com.my">www.zurich.com.my</a> or contact your Wealth Planner for further details and assistance. Alternatively, you may contact Zurich Call Centre at 1-300-888-622 or email us at <a href="mailto:callcentre@zurich.com.my">callcentre@zurich.com.my</a> if you have any questions.</p>
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FAQ for policy not sustainable until end of contractual term @ maturity date		
15.	<p><b>Currently, my policy is not sustainable until end of contractual term and if I opt to increase my Regular Premium &amp; Single Premium Top-Up (if applicable) as per suggested, will my policy coverage sustain until end of contractual term post re-pricing?</b></p>	<p>Your policy is expected to sustain until the end of the contractual term based on our estimated projected fund value.</p> <p>Kindly note that the estimated projected fund value of your investment-linked policy is based on the information available as at &lt;Extraction date&gt; with the following assumptions:</p> <ul style="list-style-type: none"> <li>▪ You will continue to pay your current premiums by its due date;</li> <li>▪ You will not make any partial / early withdrawals in the future;</li> <li>▪ No changes have been made to your policy (e.g. addition or removal of rider(s) and/or changes to the sum assured);</li> <li>▪ There are no changes to your fund selection. The allocation of premium in the calculations are based on existing fund selection;</li> <li>▪ The best estimate fund rate based on fund selections are used. They also do not reflect potential volatility over the short-term resulting in potential sharp movements, up or down, of the underlying assets of the funds;</li> <li>▪ The payment of premium is not a guarantee of sustainability as the value of the unit funds may fall below the amounts of premiums paid depending on the performance of the underlying assets;</li> <li>▪ This sustainability test is conducted annually. The projection is based on our estimates of future outcomes which may differ from year to year, depending on the actual experience and economic outlook. Actual experience may differ from our estimates (e.g. due to better or worse actual investment performance), and your fund value may deplete to zero earlier or later than our estimation.</li> </ul>
16.	<p><b>What other options do I have other than paying the revised premium?</b></p>	<p>You have the following options:</p> <ul style="list-style-type: none"> <li>a) You may choose to maintain your existing coverage while not increasing your current insurance premium. However, your policy's fund value may not be sufficient to cover the higher insurance charges in later years and this may cause your policy to lapse. Hence, we strongly encourage you to increase your current premium as suggested in our letter; <i>or</i></li> <li>b) If affordability is a concern, you can opt to downgrade to a medical plan with lower coverage, provided your medical plan is not the lowest plan level, by completing and submitting the 'Request for Change Form' to the nearest Zurich branch. However, you should assess if a lower medical plan is sufficient to cover your medical insurance needs by:</li> </ul>

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17.	<p><b>Can I opt to increase my premium to an amount other than the one suggested?</b></p>	<p>Yes. However, we strongly encourage you to pay the suggested new regular premium and perform single premium top-up (if applicable) so that your policy will have enough fund value to cover the higher insurance charges.</p> <p>You may complete the 'Request for Change Form' (RCF) and</p> <ul style="list-style-type: none"> <li>i) Submit to the nearest Zurich branch or</li> <li>ii) Contact your Wealth Planner or</li> <li>iii) Contact Zurich Call Centre at 1-300-888-622 or email us at <a href="mailto:CallCentre@zurich.com.my">CallCentre@zurich.com.my</a></li> </ul>								
18.	<p><b>How can I pay the suggested new regular premium and single premium top-up? What is the procedure?</b></p>	<p>You may pay the new premium by completing the enclosed '<b>Reply Slip</b>' and return it to us. The completed form must reach us latest by <b>&lt;Policy Ann. Date + 30 days&gt;</b>. Otherwise, you may need to refer to your wealth planner to get a revised suggested new premium and single premium top-up (if applicable).</p> <p>The new premium will take effect from your <u>policy's next premium due date</u>.</p> <p>Depending on your current premium payment method, you may need to make further arrangements with your bank for us to collect the new amount. Please see the table below for more details.</p> <table border="1" data-bbox="280 1451 1469 2089"> <thead> <tr> <th data-bbox="280 1451 560 1509">Current Payment Method</th> <th data-bbox="560 1451 1469 1509">What action should I take?</th> </tr> </thead> <tbody> <tr> <td data-bbox="280 1509 560 1727">Cash/Cheque</td> <td data-bbox="560 1509 1469 1727"> <p>There is no change to your current payment arrangement.</p> <p>For your added convenience, we invite you to switch to credit/debit card. Please download the Visa/MasterCard Auto Debit Form <a href="https://bit.ly/ZurichAutoDebit">https://bit.ly/ZurichAutoDebit</a></p> <p>Please send the completed Visa/MasterCard Auto Debit Form to us.</p> </td> </tr> <tr> <td data-bbox="280 1727 560 1879">Credit or Debit Card, Auto-Debit (With no transaction amount limit)</td> <td data-bbox="560 1727 1469 1879"> <p>There is no change to your current payment arrangement.</p> </td> </tr> <tr> <td data-bbox="280 1879 560 2089">Direct Debit e-Mandate (With transaction amount limit)</td> <td data-bbox="560 1879 1469 2089"> <p>Please complete Direct Debit Registration at this link: <a href="https://mya.zurich.com.my/AdhocPayment/Page/DirectDebitRegistration.aspx">https://mya.zurich.com.my/AdhocPayment/Page/DirectDebitRegistration.aspx</a>.</p> <p>This will enable us to deduct the suggested new premium amount from your bank account.</p> <p>For existing registrant, if the maximum limit in your bank account auto debit form is less than the suggested new premium, you may change the maximum limit by</p> </td> </tr> </tbody> </table>	Current Payment Method	What action should I take?	Cash/Cheque	<p>There is no change to your current payment arrangement.</p> <p>For your added convenience, we invite you to switch to credit/debit card. Please download the Visa/MasterCard Auto Debit Form <a href="https://bit.ly/ZurichAutoDebit">https://bit.ly/ZurichAutoDebit</a></p> <p>Please send the completed Visa/MasterCard Auto Debit Form to us.</p>	Credit or Debit Card, Auto-Debit (With no transaction amount limit)	<p>There is no change to your current payment arrangement.</p>	Direct Debit e-Mandate (With transaction amount limit)	<p>Please complete Direct Debit Registration at this link: <a href="https://mya.zurich.com.my/AdhocPayment/Page/DirectDebitRegistration.aspx">https://mya.zurich.com.my/AdhocPayment/Page/DirectDebitRegistration.aspx</a>.</p> <p>This will enable us to deduct the suggested new premium amount from your bank account.</p> <p>For existing registrant, if the maximum limit in your bank account auto debit form is less than the suggested new premium, you may change the maximum limit by</p>
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		1) login to our customer portal at <a href="https://myzurichlife.com.my">https://myzurichlife.com.my</a> or 2) submit a new form to the bank to change the maximum limit.
	Standing Instructions with banks	Please make the necessary arrangements with your bank to update existing Standing Instruction(s) so that the suggested new premium amount can be remitted to us.
19.	<b>What if I submit the Reply Slip later than the stated date?</b>	The suggested premium may be revised. Your policy may lapse due to insufficient account value. Please refer to your Wealth Planner for a revised premium.