



## **Extended Grace Period (“EGP”) Support Programme**

### **Frequently Asked Questions**

#### **Section 1: During EGP**

- Will I continue to receive premium notices and premium notice reminders during EGP?
- Will my Investment Linked Policy (ILP) go into Premium Holiday during EGP?
- I have been paying for my policy premiums using GIRO/Credit Card. My EGP application has been approved; will GIRO/Credit Card deductions continue during the EGP?
- I have successfully applied for EGP but I noticed that premiums were deducted from my GIRO bank account / credit card. Can you refund these premiums? If yes, how long will it take for me to receive the refund?
- Will my policy go into Automatic Premium Loan during EGP?
- I have successfully applied for EGP but I would like to terminate my policy as I need the cash to tide over my business. What will be my policy surrender value if I terminate my policy during EGP?
- I have selected a payment option to be effected at the end of the EGP. Can I change the payment option subsequently?

#### **Section 2: Payment of Deferred Premiums**

- Is there interest charged on the deferred premiums?
- How can I pay back the deferred premiums?
- Do I have to pay the deferred premiums to AIA in one lump sum?
- Can I pay some of the deferred premiums during EGP in instalments?
- How can I find out the current outstanding amount of deferred premiums?
- When must I pay the deferred premiums? Is there a grace period?

#### **Section 3: End of EGP**

- What do I need to do before the end of EGP?
- Will I be notified before the end of EGP?
- I am unable to pay the deferred premiums. What will happen to my policies?
- I have accumulated coupon deposits on my policy. Can I use this to pay the deferred premiums?
- My policy had gone into Automatic Premium Loan (APL) as I was not able to pay the deferred premiums before the end of EGP. Is there interest charged on APL and when do you start to charge interest (if any)?



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- I would like to surrender my policy at the end of EGP? What will be my surrender value? Do I have to pay the deferred premiums and is there any interest charged?
- My policy was converted to a Reduced Paid-Up or Extended Term Insurance because I could not pay the deferred premiums in full at the end of EGP. Can I request to reinstate the policy back to the original terms?
- My Investment-Linked Policy had gone into Premium Holiday at the end of EGP. Can I request to pay back pay the premiums?

### Section 4: Additional Options Available at the End of EGP

- Can you explain how does Option 3 (Pay in instalments) work? How much will I need to pay every month?
- What will happen to the frequency of my policy premiums when I opt for Option 3 (Pay in instalments)?
- I have selected Option 3 (Pay in instalments) and would like to pay the instalments using GIRO. When will the payments be deducted?
- I have selected Option 3 (Pay in instalments) and would like to pay the instalments using Credit Card. When will the payments be deducted?
- Under Option 3 (Pay in instalments), can I request to make payment using cash instead of GIRO or Credit Card?
- Under Option 3 (Pay in instalments), can I request to customize the instalment period or amount?
- Does Option 3 (Pay in instalments) apply to all policies?
- I had successfully applied for EGP on my AIA HealthShield Gold Max and AIA Max VitalHealth Plans. Would I be able to select to pay the deferred premiums by Option 3 (Pay in instalments)?
- Coupons were due to be paid on my policy during the instalment payment period. Will I be able to withdraw this coupon amount?

### Section 5: Others

- How can I find out the status of my policy?
- I am coming to the end of the further extension of EGP. What options are available to me?
- I am on the 12 months instalment plan but what will happen if my GIRO deduction(s) failed?



## **Section 1: During EGP**

### **1.1 Will I continue to receive premium notices and premium notice reminders during EGP?**

Yes, you will continue to receive premium notices and premium notice reminders for all policies under EGP except policies on monthly mode. This is to help you to keep track of your premiums due and help you to prepare for payment of deferred premiums at the end of EGP.

### **1.2 Will my Investment Linked Policy (ILP) go into Premium Holiday during EGP?**

No. During EGP, your ILP will remain in-force and does not go into Premium Holiday. However, during EGP, monthly mortality charges continue to be levied and no premium holiday charges will be applied.

### **1.3 I have been paying for my policy premiums using GIRO/Credit Card. My EGP application has been approved; will GIRO/Credit Card deductions continue during the EGP?**

No, premium deductions via GIRO/Credit Card will be suspended during EGP.

### **1.4 I have successfully applied for EGP but I noticed that premiums were deducted from my GIRO bank account / credit card. Can you refund these premiums? If yes, how long will it take for me to receive the refund?**

During EGP, all existing GIRO and recurring credit card deductions will be suspended. In the event that a deduction was made and you would like the premium to be refunded, please approach your AIA Financial Services Consultant / Insurance Representative for assistance.

### **1.5 Will my policy go into Automatic Premium Loan during EGP?**

No. During EGP, your policy will remain in-force and non-forfeiture options including Automatic Premium Loan will not apply.

### **1.6 I have successfully applied for EGP but I would like to terminate my policy as I need the cash to tide over my business. What will be my policy surrender value if I terminate my policy during EGP?**

For policies with cash value, the surrender value will be calculated as of the policy's last premium paid date. The deferred premiums will not be deducted from the surrender proceeds.



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### **1.7 I have selected a payment option to be effected at the end of the EGP. Can I change the payment option subsequently?**

Change of payment option is not allowed after the payment option application is approved.

## **Section 2: Payment of Deferred Premiums**

### **2.1 Is there interest charged on the deferred premiums?**

No, we will not charge any interest on the deferred premiums.

### **2.2 How can I pay back the deferred premiums?**

You may pay the deferred premiums via:

1. AIA Pay Ez (<https://myaia.aia.com.sg/en/myaia-payez/login.html>)
2. AXS (kiosk, e-station, m-station)
3. Internet banking (Citibank, DBS, OCBC, UOB, SCB, HSBC)

Payment of deferred premiums can be made anytime during EGP, in multiples of the modal premium amount, and must be paid by the end of EGP.

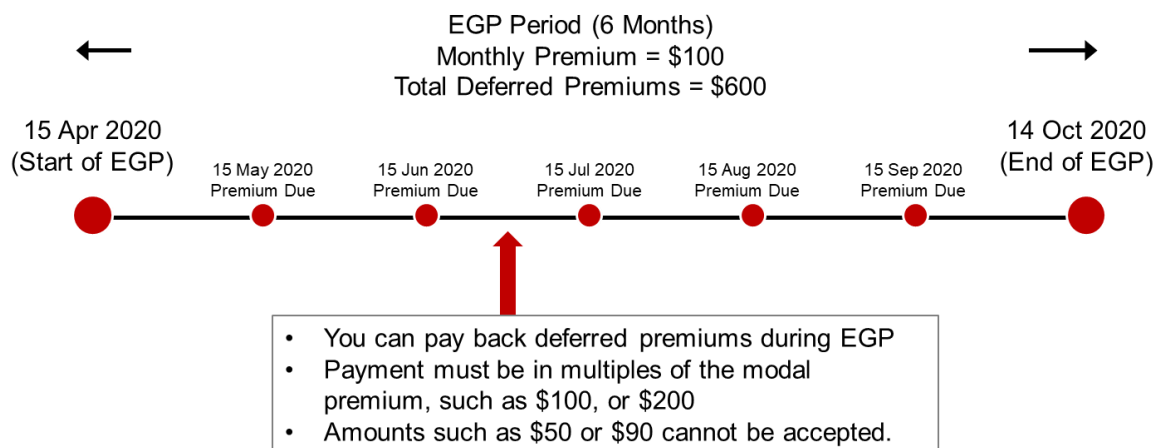
### **2.3 Do I have to pay the deferred premiums to AIA in one lump sum?**

Deferred premiums must be paid in full before the end of EGP. You may pay back the deferred premiums at any time during the EGP and before the end of EGP.

However, please note that the amount that you can pay back at any point in time must be in multiples of the modal premium amount. Below is an example to illustrate:

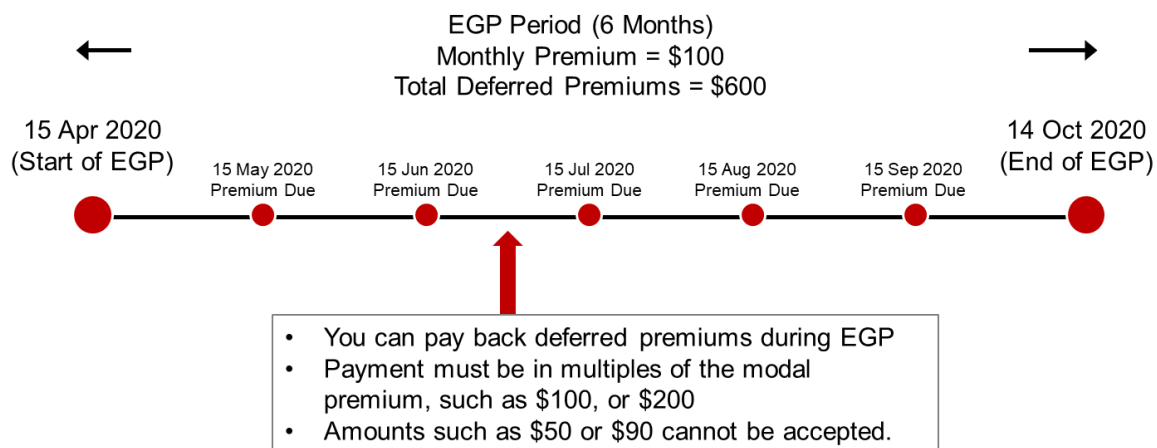


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## 2.4 Can I pay some of the deferred premiums during EGP in instalments?

You may pay back the deferred premiums at any time during the EGP and before the end of EGP. However, please note that the amount that you can pay back at any point in time must be in multiples of the modal premium amount. Below is an example to illustrate:



## 2.5 How can I find out the current outstanding amount of deferred premiums?

You may access My AIA SG to find out the outstanding premium due on your policy. Alternatively, you may connect your Insurance Adviser for help.

## 2.6 When must I pay the deferred premiums? Is there a grace period?

The deferred premiums must be paid, in full, before the expiry of EGP.



## **Section 3: End of EGP**

### **3.1 What do I need to do before the end of EGP?**

You are required to pay the deferred premiums, in full, before the end of EGP. Non-forfeiture options such as Automatic Premium Loan may apply if the deferred premiums are not paid in full. Please refer to Question 3.3 for more information on non-forfeiture options.

### **3.2 Will I be notified before the end of EGP?**

Yes, you will be notified 2 months before the end of EGP. The notification will provide you with an avenue to find out the outstanding deferred premiums amount and the available options for payment of deferred premiums.

### **3.3 I am unable to pay the deferred premiums. What will happen to my policies?**

1. If your policy is an Investment-Linked Policy, your policy will continue to remain in force and go into Premium Holiday as long as there is sufficient value to pay for the monthly charges. If there is insufficient value to pay for the monthly charges, the policy will lapse.
2. If your policy has surrender value, non-forfeiture options will apply. This means that your policy may go into Automatic Premium Loan or Extended Term Insurance or it may lapse. Existing coupon deposits, if any, will be used to pay the deferred premiums before nonforfeiture options apply.
3. If your policy has no surrender value, your policy will lapse.

### **3.4 I have accumulated coupon deposits on my policy. Can I use this to pay the deferred premiums?**

Yes, you may request to withdraw the accumulated deposits to pay the deferred premiums. Please submit a Service Request using My AIA SG or approach your Insurance Adviser for help.

1. If your policy is an Investment-Linked Policy, your policy will continue to remain in force and go into Premium Holiday as long as there is sufficient value to pay for the monthly charges. If there is insufficient value to pay for the monthly charges, the policy will lapse.
2. If your policy has surrender value, non-forfeiture options will apply. This means that your policy may go into Automatic Premium Loan or Extended Term Insurance or it may lapse. Existing coupon deposits, if any, will be used to pay the deferred premiums before nonforfeiture options apply.
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**3.5 My policy had gone into Automatic Premium Loan (APL) as I was not able to pay the deferred premiums before the end of EGP. Is there interest charged on APL and when do you start to charge interest (if any)?**

Yes, prevailing interest rates would apply for APL. Interests on APL will start from the date that the APL was activated.

**3.6 I would like to surrender my policy at the end of EGP? What will be my surrender value? Do I have to pay the deferred premiums and is there any interest charged? For policies with cash value, the surrender value will be calculated as of the policy's last premium paid date.**

If you have applied to surrender your policy before the end of EGP, the deferred premiums will not be deducted from your surrender proceeds and there is no interest charged. However, if you choose to surrender your policy after the expiry of EGP and your policy had gone into Automatic Premium Loan, APL interest will be charged and deducted from your surrender proceeds.

**3.7 My policy was converted to a Reduced Paid-Up or Extended Term Insurance because I could not pay the deferred premiums in full at the end of EGP. Can I request to reinstate the policy back to the original terms?**

Yes, you may request for reinstate the policy back to its original terms. The application will be subjected to health underwriting.

**3.8 My Investment-Linked Policy had gone into Premium Holiday at the end of EGP. Can I request to pay back pay the premiums?**

No. Premium holiday charges are levied on Investment-Linked Policies that are on premium holiday and therefore does not require payment of premiums. Please note that this is different from EGP which is a deferment of premium scheme and no premium holiday charges are levied.





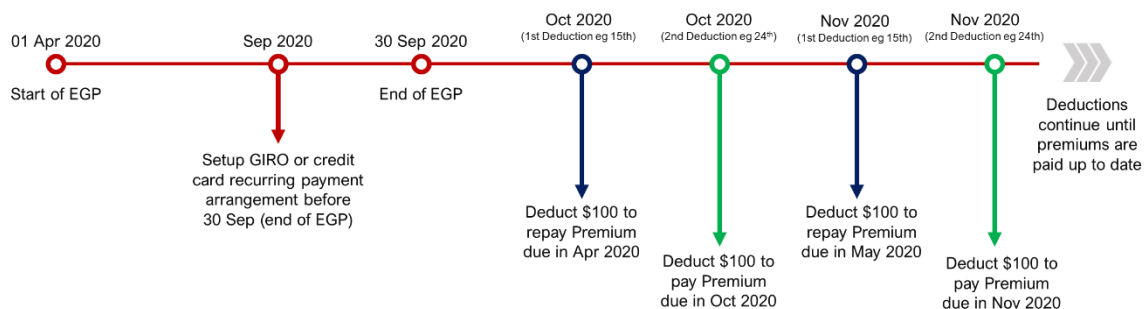
## Section 4: Additional Options at the End of EGP

### 4.1 Can you explain how does Option 3 (Pay in instalments) work? How much will I need to pay every month?

We have designed Option 3 (Pay in instalments) to facilitate the payment of deferred premiums alongside with the payment of current premiums through GIRO or credit card deductions. There will be 2 deductions in each month.

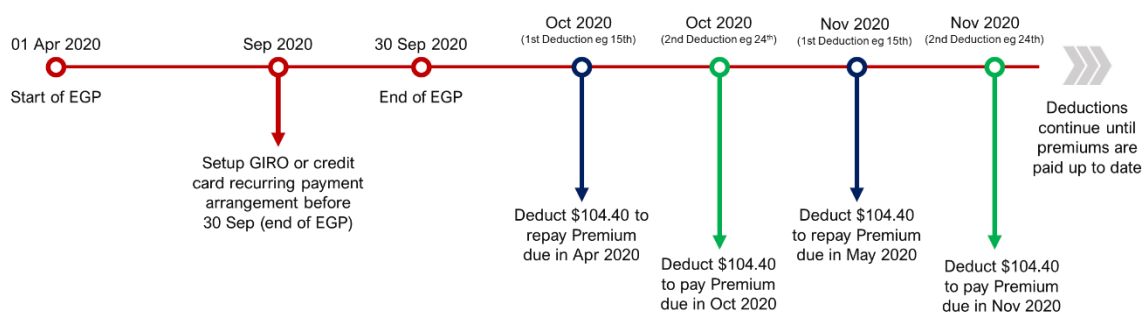
Below are some examples to illustrate how Option 3 (Pay in instalments) work:

#### Example 1: Policy A with monthly premiums of \$100



#### Example 2: Policy B with yearly premiums of \$1200

Under Option 3, we will be converting your policy premiums to monthly mode. In this example, the monthly premiums works out to be \$104.40. Please note that, over a 12-month period, paying premiums on a monthly basis can be more expensive as compared to other payment frequency such as yearly.







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### **4.2 What will happen to the frequency of my policy premiums when I opt for Option 3 (Pay in instalments)?**

The frequency of your policy premiums will be converted into monthly mode. Please note that, over a 12-month period, paying premiums on a monthly basis can be more expensive as compared to other payment frequency such as yearly.

After the deferred premiums have been paid in full at the end of the instalment period, your policy premiums will continue to be paid monthly through GIRO or Credit Card. If you would like to pay your policy premiums in another payment frequency, please submit a Service Request through My AIA SG or you may approach your Insurance Adviser for help.

### **4.3 I have selected Option 3 (Pay in instalments) and would like to pay the instalments using GIRO. When will the payments be deducted?**

- For payments via GIRO (DBS/POSB bank), the monthly premiums will be deducted from your GIRO bank account on the 15<sup>th</sup> and 24<sup>th</sup> of each month.
- For payments via GIRO (other than DBS/POSB bank), the monthly premiums will be deducted from your GIRO bank account on the 2<sup>nd</sup> and 20<sup>th</sup> of each month.

### **4.4 I have selected Option 3 (Pay in instalments) and would like to pay the instalments using Credit Card. When will the payments be deducted?**

For payments via credit card, the deduction will be made 2 days after the end of EGP. This means that if the end date of EGP is 06 October 2020, we will make a deduction from your credit card on 08 October 2020.

If the deduction is not successful, we will try to deduct from your credit card again in another 15 calendar days. Using the same example, the re-attempt will be made on 23 October 2020.

If the deduction falls on a non-working day, the deduction will take place on the next working day instead.

### **4.5 Under Option 3 (Pay in instalments), can I request to make payment using cash instead of GIRO or Credit Card?**

Instalment payments using cash are not allowed. You may pay in instalments using GIRO or Credit Card (only Singapore-issued Mastercard is accepted).



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#### 4.6 Under Option 3 (Pay in instalments), can I request to customize the instalment period or amount?

No, we are unable to allow customisation of the instalment period or amount.

#### 4.7 Does Option 3 (Pay in instalments) apply to all policies?

This option applies to all policies that are approaching the end of EGP, except AIA HealthShield Gold Max Plans.

#### 4.8 I had successfully applied for EGP on my AIA HealthShield Gold Max and AIA Max VitalHealth Plans. Would I be able to select to pay the deferred premiums by Option 3 (Pay in instalments)?

Payment of deferred premiums for AIA HealthShield Gold Max is not accepted by instalment (Option 3).

If you have a AIA HealthShield Gold Max plan with Max Essential or VitalHealth Rider, you will need to pay the deferred premiums for AIA HealthShield Gold Max in full before starting to pay the deferred premiums for AIA Max Essential or VitalHealth Rider by instalment.

Below is an example to illustrate:

Plan	Next Premium Due	Premium Payable
AIA HealthShield Gold Max ("Basic Plan") <ul style="list-style-type: none"><li>\$154 payable by GIRO</li></ul>	01 June 2020	Annual Premium of \$1,134.00 <ul style="list-style-type: none"><li>\$980 payable by Medisave</li></ul>
AIA Max Essential or VitalHealth Rider ("Rider")	01 March 2020	Monthly Premium of \$44.00

30 Nov 2020	End of EGP, Deferred premiums to be paid in instalments through GIRO (DBS/POSB Bank)
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15 Dec 2020	<p>Deduct \$198 by GIRO to pay:</p> <ul style="list-style-type: none"><li>• Annual premium for Basic Plan due 01 June 2020 (\$154)</li><li>• Monthly premium for Rider due 01 March 2020 (\$44)</li></ul> <p>Deduction of \$980 from Medisave account to pay deferred premiums for Basic Plan due 01 June 2020 will take place on the following Friday after successful GIRO deduction.</p>
24 Dec 2020	Deduct \$44 by GIRO to pay monthly premium for Rider due Dec 2020
15 Jan 2021	Deduct \$44 by GIRO to pay monthly premium for Rider due Apr 2020
24 Dec 2021	Deduct \$44 by GIRO to pay monthly premium for Rider due Jan 2021
15 Jan 2021	Deduct \$44 by GIRO to pay monthly premium for Rider due May 2020
Deduction continues, twice a month, until deferred premiums are fully paid and policy premiums are paid up-to-date.	

#### **4.9 Coupons were due to be paid on my policy during the instalment payment period. Will I be able to withdraw this coupon amount?**

Coupons due to be paid on your policy during the instalment payment period will be payable only after you have paid the policy premiums up to the policy anniversary. Depending on the options that you have chosen, you will either receive the coupon pay-out when it is due or it will be kept with our Company to earn interest.

If there is any outstanding policy loan or APL on the policy at the time the coupons are payable, the coupons will be used to it to offset the outstanding policy loan or APL first. Only the balance will be paid out or left on deposit with the company, depending on the option chosen.



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### **Section 5: Others**

#### **5.1 How can I find out the status of my policy?**

Please access My AIA SG to view the status of your policy. Policies under EGP will continue to be in-force even though premiums are overdue.

#### **5.2 I am coming to the end of the further extension of EGP. What options are available to me?**

You may either make a full repayment before the end of the EGP or allow the contractual Non-Forfeiture Options (NFO) to take place automatically. For policies with cash value, the NFO may be Automatic Premium Loan (APL), Extended Term Insurance (ETI) or Reduced Paid-Up (RPU). For Investment-Linked

Policy (ILP), the NFO is Premium Holiday if your policy has sufficient cash value. For policies without cash value, the policy will lapse. Please refer to your policy contract for the full details.

#### **5.3 I am on the 12 months instalment plan but what will happen if my GIRO deduction(s) failed?**

You will need to pay payment(s) via AIA Pay EZ, AXS or Internet Banking, otherwise, NFO may be activated or your policy may lapse (please refer to your policy contract for details).