

AIA International Limited

SPECIAL TIME-LIMITED NO CLAIM DISCOUNT ENDORSEMENT

This endorsement is only applicable to successful applications in respect of AIA Voluntary Health Insurance Flexi Scheme submitted from 1 October, 2021 to 31 December, 2021, both dates inclusive.

This endorsement provides special time-limited no claim discount and is issued in conjunction with the VHIS Certified Plan contained in the Policy. This endorsement shall only be attached to the designated plans under “Special Time-limited No Claim Discount Programme”. Except as otherwise provided in this endorsement, all terms, conditions, provisions and definitions of the Policy shall have full force and effect. This endorsement shall be attached to the Policy and form part of the VHIS Certified Plan.

Special time-limited no claim discount

- (a) Provided that the Policy and this endorsement are in full force and effect throughout and subject to the Terms and Conditions of the Policy, commencing on the first (1st), and on each subsequent Renewal Date of the Policy, the Policy Holder can earn and accrue a no claim discount (“Special Time-limited No Claim Discount”) to reduce the premium payable for the relevant Policy Year, provided that no benefits have been paid under these Terms and Benefits by the Company for a certain number of consecutive Policy Years (“Claims Free Years”) immediately preceding the relevant Renewal Date. For the purpose of this endorsement, any benefits paid by the Company shall be attributed to the Policy Year in which the relevant expenses were incurred. The Special Time-limited No Claim Discount for a relevant Renewal Date shall depend on (i) the applicable Special Claims Free Years as determined in Section (b) below and (ii) the number of consecutive Claims Free Years from the Policy Effective Date as set out in Section (c) below.

In this regard, for purposes of accrual of the Special Time-limited No Claim Discount, any benefits payable for the expenses incurred for Day Case Procedure(s) under the Terms and Benefits and any benefits payable under Sections 3(f), 3(g) and 3(k) of Part C of the Other Benefits Endorsement shall not affect accrual of the Claims Free Years.

- (b) The no claim duration (“Special Claims Free Years”) shall be determined based on the no claim information declared by the Policy Holder in the Application and approved by the Company, which shall only be counted on a full year basis and any duration which do not amount to a full year will not be counted. According to the no claim information approved by the Company, two (2) Special Claims Free Years shall be applied to the Policy.
- (c) Based on two (2) Special Claims Free Years, the Special Time-limited No Claim Discount that corresponds to the relevant Claims Free Years is as follows:

<u>Consecutive Claims Free Years from Policy Effective Date</u>	<u>Special Time-limited No Claim Discount</u>
One (1)	Five (5) %
Two (2)	Ten (10) %
Three (3) or more	Fifteen (15) %

For the avoidance of doubt, there shall only be at most one single Special Time-limited No Claim Discount, which is the highest applicable discount out of the three (3) in the table above, applied to the calculation of the discounted premium of the applicable Policy Year.

Notwithstanding anything to the contrary, if the Policy Holder is qualified for both the Special Time-limited No Claim Discount and No Claim Discount (as defined and referred in No Claim Discount Endorsement) for a Policy Year, only the higher discount shall apply.

- (d) Subject to Sections (a) and (b) above, the premium payable for a relevant Policy Year shall be reduced by an amount equal to the total due and payable premium paid to the Policy in the Policy Year immediately preceding the relevant Renewal Date multiplied by the applicable Special Time-limited No Claim Discount.

The content on this page is part of the Terms and Benefits of Certified Plan (No. F00022).

*** End of Page 59 ***

AIA International Limited

- (e) In the event a claim for expenses incurred during a Policy Year (other than any benefits payable for the expenses incurred for Day Case Procedure(s) under the Terms and Benefits and any benefits payable under Sections 3(f), 3(g) and 3(k) of Part C of the Other Benefits Endorsement) is paid under these Terms and Benefits by the Company, this endorsement will expire. Despite the expiry of this endorsement, the No Claim Discount Endorsement shall continue to apply and the applicable No Claim Discount (if any) will be determined by Sections (c) and (d) of such endorsement.
- (f) In the event a claim for expenses incurred in any previous Policy Year is eventually payable or paid under these Terms and Benefits by the Company after the Policy Holder has earned the Special Time-limited No Claim Discount corresponding to any of the consecutive Claims Free Years from Policy Effective Date and thereby paid the respective discounted premium(s) in accordance with this endorsement (the "Discounted Premium Paid"), the Company shall use the actual number of consecutive Claims Free Years from Policy Effective Date and its corresponding Special Time-limited No Claim Discount referred to in Section (c) above, as the case may be, to recalculate the respective actual premium(s) after eligible discount, if any, in the manner provided in Section (d) above. The Policy Holder will upon demand by the Company immediately pay the difference between the recalculated actual premium(s) after eligible discount and the Discounted Premium Paid in full to the Company.

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