

Frequently Asked Questions (FAQs) on Deferment of Premium Payment for Life Insurance due to COVID-19

Question	Answer
<p>1. What is deferment of premium payment under this Relief Program due to COVID-19?</p>	<p>This Relief Program is to give the eligible policy owners a deferment period of 3 months to pay the premium for their insurance policy. During this deferment period, we will continue to provide insurance protection.</p> <p>This is NOT an automatic premium deferment program. Therefore, policy owners must approach us to apply for this Relief.</p>
<p>2. Who are eligible for this deferment of premium payment?</p>	<p>The eligible policy owners are:</p> <ul style="list-style-type: none"> • Policy Owners who have been infected by COVID-19 • Policy Owners who are mandatory home quarantined by the authority • Policy Owners who have suffered a loss of income; and small and medium enterprises (SMEs) which have suffered a loss of income, as a result of the economic impact of the COVID-19 situation. <p>Examples of events that lead to such loss of income include retrenchment, shorter working hours and salary reduction for individuals; and loss of business income for self-employed and SMEs.</p> <p>Note: The deferment period of 3 months is applicable to Policy Owners who do not have outstanding premiums and the insurance policy has not lapsed at the time of application.</p> <p>Policy owners who have been granted the premium deferral benefit earlier and have been timely in repaying deferred premiums, may apply to defer again for another three (3) months, subject to meeting the eligibility criteria</p>
<p>3. When is the effective date for this deferment of premium payment?</p>	<p>This applies to all policies where premium is due now till 31 December 2021. The deferment of premium, if approved by us, will be up to a maximum of 3 months from the date of premium due.</p> <p><u>For Example:</u></p> <ul style="list-style-type: none"> • <i>Payment Deferment Application submitted on 23 June 2021 and policy premium due date is 10 July 2021</i> • <i>Payment Deferment Application approved on 26 June 2021</i> • <i>Deferment period ends on 9 Oct 2021</i>
<p>4. If I am currently using automatic deduction from my salary, via bank direct debit or credit card standing instruction, do I need to cancel them?</p>	<p>The automatic deduction will continue as usual. If you wish to temporary cancel them, you are required to contact us.</p>
<p>5. How do I apply if I am eligible and would like to defer my premium payment for 3 months?</p>	<p>You may submit your application to customerservice@hla.hongleong.com.my together with the following documents, starting from now till 31 December 2021.</p> <p><u>Email Subject Title:</u> Payment Deferment Application: <Your Name> Policy Number <xxxxxxxxxxxxxx></p> <p><u>Supporting Documents:</u></p> <ol style="list-style-type: none"> Doctor's Letter confirming COVID-19 infection (if Policy Owner is infected); or Letter of home quarantine from authority; or Other relevant proof of documents, if any (e.g. retrenchment letter, company letter or bank statements to show salary reductions, hawker center closure notice etc.) <p>Should you have any enquiry, please feel free to contact our Head Office Customer Service Hotline at 03-7650 1288 between 9am to 6pm from Monday to Friday or email us at customerservice@hla.hongleong.com.my.</p>

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6.	How will this benefit me as a Policy Owner?	<p>Policy Owners are eligible for this deferment of premium payment due to COVID-19 through an extension of grace period of 90 days that maintain the policy intact as per original policy terms and conditions during the deferment period.</p> <ul style="list-style-type: none"> • Traditional policy – from premium due date • Investment Link policy (ILP) – from premium due date
7.	What happens if Life Assured dies or admission to hospital within the deferment period of 3 months?	<p>In the event of death or admission occurs within the deferment period, the *claim payable will be deducted by the total outstanding premium including the amount due within the deferment period (plus any other deductible or indebtedness based on the terms and conditions of the policies). However, if the claim payable is lesser than the total outstanding premium amount, no claim amount will be paid.</p> <p>*subject to policy terms and conditions</p>
8.	Will there be any interest or charges imposed to my policy during the 3 months deferment period once my application is approved?	<p>No, there will not be any interest or charges imposed during the approved deferment period.</p> <p>However, there may be interest or charges to be imposed from the premium due date after the expiry of the deferment period if the total outstanding premium is yet to be settled.</p> <p>Notes: For ILP policy, the insurance charges (including cost of insurance and policy fee) will continue to charge according to the charge due date if there is sufficient account value (fund value) in the policy.</p>
9.	How long will you take to process my application	We will process your application within 5 working days upon receipt of full documentation.
10.	How do I know whether my application of deferment is approved by the Company?	We will inform you via email/sms/letter once your application is approved.
11.	I am self-employed or SMEs. How do I proof my loss of income?	You can submit your latest 3 months bank statement and your previous bank statements in December 2020 and Jan 2021 or other supporting documents that can proof your income before and after COVID-19.
12.	I have already paid my premium due from 18 th March 2021 to 31 st December 2021. Can I request for refund and apply for the relief?	<p>No, there will not be any refund if the premium due has already been paid.</p> <p>Other options refer to Q18</p>
13.	My policy is running on Automatic Premium Loan (APL) or Premium Holiday, am I eligible?	<p>The deferment period of 3 months is applicable to Policy Owners who has been paying the premium promptly (according to premium due) in the past but is not able to pay the current premium due as a result of COVID-19. Hence the policy currently running on APL or premium holiday is not eligible for the Relief Program.</p> <p>Refer to Q2 for the definition of eligible Policy Owners.</p>
14.	Do I need to resubmit the auto deduction request (salary deduction, auto debit & credit card standing instruction) after the 3 months deferment period if I have temporary cancel it?	<p>No, you do not need to resubmit a new application. We will update for you automatically after the 3 months of deferment period.</p> <p>Refer to Q15.</p>

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15. After deferment period, will HLA charge my total outstanding premium due if my policy originally signed up with direct debit or CCSI?	<p>For CCSI, we will charge your credit card for the total 3 months outstanding premium after the deferment period.</p> <p>For Direct Debit, you are required to pay us the total 3 months outstanding premium first before we can reactivate your direct debit arrangement. (Notes: There may be maximum amount allowed for direct debit set by the Policy Owners)</p>
16. What happens if I am still not able to pay my premium after the 3 months deferment period?	<p>Your policy will lapse if the policy does not have enough cash value or account value (fund value) to support the premium due or insurance charge due.</p> <p>The customers can request for reinstatement without underwriting evidence by paying all the outstanding premiums within 30 days after the expiry of the 3 months deferment period. Revival amount and interest will be charged and is subject to the policy terms and conditions.</p> <p>Notes: Deferment of premium payment is NOT waiver of premium. The policy owners are required to pay all the outstanding premiums due BEFORE the expiry of the deferment or repayment period.</p>
17. Can I pay partial outstanding premium during or after the deferment period that approved by HLA?	<p>No, you are required to settle the total outstanding premium due before the expiry of the deferment period except if your Policy is a Traditional Plan, Investment Link Plan with Non-Unitization Premium Paying rider / Auto Surrender feature and application for premium deferment received from 29 January 2021 to 31 December 2021. Otherwise, the policy will lapse if the policy cash value or account value (fund value) is not sufficient to cover the total premium due or total insurance charges due. The policy original terms and conditions apply.</p> <p><u>Applicable for application for premium deferment received from 29 January 2021 until 31 December 2021 (Traditional Plan or Investment Link Plan with Non-Unitization Premium Paying Rider / Auto Surrender feature)</u></p> <p>After the expiry of the deferment period, you would only be required to repay the outstanding 3 months premium over the next 6 months. To illustrate:</p> <ul style="list-style-type: none"> ➤ Let's say deferment started in June 2021. Hence, the June 2021, July 2021 & Aug 2021 dues will be under deferment. Premium Due: RM 100.00 per month ➤ The accumulated outstanding of $RM\ 100 \times 3 = RM\ 300.00$ will be divided by 6 over the next 6 months. For this example, it would be Sept 2021 onwards. Instalment amount: RM 50 per month ➤ Existing premium due for that particular Month would also need to be paid as usual. Hence, Total Premium required for Sept 2021 to Feb 2022 would be: $RM\ 100$ (usual premium due) + $RM\ 50$ (6-month instalment) = $RM\ 150.00$ <p>Refer to Q16.</p>
18. Other than deferment of premium payment, what other measures HLA is offering to assist the Policy Owners who are affected by COVID-19?	<p>Other than deferment of premium payment, we will also provide the following options to the Policy Owners who are affected by COVID-19 until 31 December 2021. The request is subject to review and approval by the Company.</p> <ul style="list-style-type: none"> • Extend the period during which a Policy Owner can reinstate a policy that has lapsed; (auto revival within 60 days from lapse date/premium due date, allow revival with full underwriting for policy lapsed up to three years) • Provide options to enable Policy Owners to continue to meet their premium payments and maintain their policies. This may include <ul style="list-style-type: none"> ○ adjustments to the premium structure (payment frequency/mode and/or target premium amount) ○ changes in the sum assured and/or coverage ○ conversion into a paid-up or extension term insurance (ETI) policy.

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		(Notes: after paid-up or ETI, all the attached riders will be terminated)

Refer to **Agency/Banca/FA Portal: Servicing >> Panel & Guidelines >> Services Guidelines & Procedures**

Refer to **HLA360** Frequently Asked Questions.