



## ELDERSHIELD PLAN

The Policyholder named in the Schedule has entered into this contract of insurance (“this Policy”) with Aviva Ltd (“the Company”). This Policy is made up of:

- a this Policy document;
- b the Schedule;
- c the proposal form if applicable; and
- d any endorsements made at the issue of this Policy document or subsequent to the issue of this Policy document.

The Company will pay the benefit stated in the Schedule in exchange for the premium(s) paid by the Policyholder if it is satisfied that the event for which the benefit is payable and the title of the person claiming payment, has been proven. The Company will pay the benefit to the Policyholder.

This Policy is signed on the date of issue.

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CEO

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The table of contents, headings and sub-heading in this Policy are inserted merely for convenience of reference and will be ignored in the interpretation of the terms and conditions contained in this Policy.

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# ElderShield Plan

## 1. Definition of Severe Disability

Severe Disability shall mean the inability of the Policyholder to perform at least 3 of the following Activities of Daily Living, even with the aid of special equipment, and always to require the physical assistance of another person throughout the entire activity.

### A. Washing

The ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash by other means.

### B. Dressing

The ability to put on, take off, secure and unfasten all garments and, as appropriate, any braces, artificial limbs or other surgical or medical appliances.

### C. Feeding

The ability to feed oneself food after it has been prepared and made available.

### D. Toileting

The ability to use the lavatory or manage bowel and bladder function through the use of protective undergarments or surgical appliances if appropriate.

### E. Mobility

The ability to move indoors from room to room on level surfaces.

### F. Transferring

The ability to move from a bed to an upright chair or wheelchair, and vice versa.

## 2. Definition of Pre-existing Disability

Pre-existing Disability means suffering from the Severe Disability as defined in paragraph (1) before the Policy Commencement Date, except in the case of a policyholder insured under the Auto-Coverage Arrangement where the Severe Disability caused solely by an accident that occurs during the Offer Period shall not be regarded as a Pre-existing Disability.

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### 3. **Definition of Pre-existing Conditions**

Pre-existing conditions are defined as conditions for which the Policyholder received medical treatment or was diagnosed in the 12-month period immediately before Policy Commencement Date. For the avoidance of doubt, the following conditions are not pre-existing conditions:

- a. Conditions for which the Policyholder received medical treatment or were diagnosed more than 12 months before the Policy Commencement Date but not during the 12-month period immediately before the Policy Commencement Date; and
- b. Conditions which existed during the 12-month period immediately before the Policy Commencement Date for which the Policyholder did not receive any medical treatment and were not diagnosed during the 12-month period.

### 4. **Definition of Policy Commencement Date**

Policy Commencement Date for each Policyholder shall be the date on which the ElderShield coverage commences for that Policyholder.

### 5. **Definition of Government**

Government means the Government of the Republic of Singapore and includes any officer authorised by the Government to act on its behalf.

### 6. **Definition of Medisave**

Medisave shall have the same meaning as in the Central Provident Fund Act (Cap 36) and any subsidiary legislation enacted thereunder.

### 7. **Definition of Offer Period**

Offer Period means the 90-day period prior to the commencement of a policy under the Auto-Coverage Arrangement during which a person may opt-out of the ElderShield Scheme.

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## 8. **Definition of Auto-Coverage Arrangement**

Auto-Coverage Arrangement means the arrangement under which a person is automatically insured under the ElderShield Scheme on the last day of the calendar month of his 40<sup>th</sup> birthday unless he opts out of the ElderShield Scheme before the commencement of such auto-coverage or who is uninsurable under the ElderShield Scheme because of a Pre-existing Disability.

## 9. **Definition of Opt-In Arrangement**

Opt-In Arrangement refers to the arrangement under which any Singapore Citizen or Permanent Resident aged 40 to 64 (inclusive), who is not eligible to be automatically insured under the Auto-Coverage Arrangement, or who was eligible to be automatically insured under the Auto-Coverage Arrangement but who had opted out of the ElderShield Scheme, may apply to be insured under the ElderShield Scheme.

## 10. **Guaranteed Renewable**

The policy is guaranteed to be renewable annually, subject to Clause 17 on Termination.

## 11. **Deferment Period**

Deferment Period means the 90-day period from the claim date (inclusive). The first benefit payment shall be payable immediately after the Deferment Period. The claim date shall be deemed to be the date on which the ElderShield Claim Form is certified by an assessor from the panel appointed by the Insurer.

The benefit payments shall cease if the Policyholder ceases to suffer from Severe Disability. If within 180 days from ceasing to suffer from Severe Disability, the Policyholder again suffers from Severe Disability arising from the same cause, the Deferment Period for the new claim shall be waived. If the Policyholder suffers Severe Disability arising from the same cause after the 180-day period or suffers Severe Disability arising from a different cause, the Deferment Period of 90 days shall apply for the new claim.

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## 12. **Grace Period**

If any premium is not paid on or before its due date, that premium is in default. A grace period of 75 days from the due date of the premium will be granted for the payment of the overdue premium. During the grace period, the policy shall continue in force and shall be valid and effective as though the overdue premium has been paid. If the overdue premium is still not paid at the expiration of the Grace Period, subject to the Clause on the Non-Forfeiture, this policy shall terminate immediately.

## 13. **Reinstatement**

If this policy terminates because of non-payment of premiums, the Policyholder may apply for reinstatement of coverage under this policy within 180 days from the expiry of the Grace Period, and reinstatement shall be granted provided the Policyholder, at his own expense, gives evidence of insurability satisfactory to the Insurer and payment of overdue premiums and any interest charged by the Insurer which have accumulated up to the date of reinstatement is made at the time of application for reinstatement. If evidence of insurability is not satisfactory to the Insurer, the Insurer shall have the right not to reinstate this policy and any overdue premiums paid shall be refunded to the Policyholder. Should the Policy be reinstated under this Clause, the effect will be as if the termination never occurred.

## 14. **Lifetime Coverage**

Coverage under this Policy is guaranteed for life and the Insurer undertakes not to terminate coverage under this Policy for any reason except as provided in Clause 17 on Termination and Clause 19 on Waiting Period.

## 15. **Incontestability**

After one (1) year of continuous coverage from the Policy Commencement Date or the date of reinstatement (whichever is later), the Insurer shall not void this Policy or deny any claim under this Policy for misstatements or failure to disclose on the part of the Policyholder, except on the following grounds:

- a. Where a Policyholder is insured under the Auto-Coverage Arrangement, the Policyholder did not disclose his Pre-existing Disability (see Clause 16);

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- b. Where a Policyholder had applied to be insured under the Opt-in Arrangement, the Policyholder made a fraudulent misstatement in his application to the Insurer for ElderShield coverage; and
  - c. Where the Policy was reinstated, the Policyholder made a fraudulent misstatement in his application for reinstatement.

## 16. Non-disclosure of Pre-existing Disability

Subject to the Severe Disability caused by Accident, which occurs during the Offer Period as described in Clause 18(b), where a Policyholder is insured under the Auto-Coverage Arrangement, and where Pre-existing Disability is discovered after the Policy Commencement Date, and the Pre-existing Disability was not disclosed prior to the Policy Commencement Date, the Insurer shall refund all premiums paid by or on behalf of the Policyholder and the Policy shall be cancelled.

## 17. Termination

This Policy will terminate on the earliest of:

- a. Subject to the Clause on Non-Forfeiture, the date of expiration of the Grace Period, if the Policyholder fails to make the required Premium payment prior to the expiration of the Grace Period, unless the Policy is reinstated.
- b. The date of death of the Policyholder;
- c. The date the last benefit payment is received; or
- d. Subject to the Clause on Non-Forfeiture, the date on which written notice of termination is received by the Insurer from the Policyholder. Such termination will only be effective from the next renewal date and there will be no pro-rated refund of premiums.

## 18. Exclusions

- a. This Policy shall not cover any Severe Disability arising directly or indirectly, wholly or partly from any one of the following occurrences:
  - i. Intentionally self-inflicted injury, or attempted suicide whether the Policyholder is sane or insane;

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- ii. War, whether declared or undeclared;
  - iii. Alcoholism or drug addiction.
- b. In the case of a person insured under Auto-Coverage Arrangement, no benefit payments shall be made for Pre-Existing Disability (except where the Severe Disability was caused solely by accident(s) which occur during the Offer Period).
  - c. In the case of a person insured under Opt-In Arrangement, no benefit payments shall be made for a Disability arising from Pre-Existing Conditions.

## 19. **Waiting Period**

No claims, except claims resulting solely from Accident, shall be paid during the first 90 days from the Policy Commencement Date (inclusive). Should the Policyholder become Severely Disabled during the waiting period, other than solely due to accidents, the policy will terminate and the Policyholder will receive a full refund of premiums.

The Waiting Period shall be waived for persons insured under the Auto-Coverage Arrangement.

## 20. **Definition of Accident**

For the purposes of this Policy, Accidents shall be defined as unforeseen, violent, external, visible events.

## 21. **Benefits**

Upon receipt of an ElderShield Claim Form certified by an assessor from the panel appointed by the Insurer, and subject to the terms and conditions of this Policy, a benefit equal to SGD400 shall be payable to the Policyholder each month, up to a maximum of 72 months per lifetime.

Upon certification of the claim, the first benefit payment shall be payable on the day immediately after the Deferment Period, and thereafter on the same day every month until all benefit payments have been made.

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The benefit payment shall cease immediately on the earliest of the following dates:

- a. The date of recovery from Severe Disability;
- b. The date of death of the Policyholder; or
- c. After 72 benefit payments have been made.

## **22. Right of Recovery**

If the Policyholder receives any benefit payment which the Policyholder is not entitled to or ceases to be entitled to, the Policyholder shall repay such benefit payment to the Insurer upon demand.

If the Policyholder fails to make such payment to the Insurer, the Policyholder will fully indemnify the Insurer against any loss, damage, cost and expense whatsoever, including any legal cost on a full indemnity basis, which may be incurred by the Insurer as a result of the Policyholder failing to fully repay the benefit payment or if the Insurer has to enforce its rights to recover the benefit payment.

## **23. Waiver of Premium**

The Insurer will waive the payment of premiums if the Policyholder is Severely Disabled and eligible to receive benefit payments under this Policy on the date when premium is due. The Policyholder is eligible to receive benefit payments under this Policy only after the claim has been approved by the Insurer and the Deferment Period has been met. Premium payment will resume after the Policyholder is no longer disabled and the benefit payments have ceased.

## **24. Certification by Assessor on Appointed Panel**

In order to claim under this Policy, a completed ElderShield Claim Form, including certification by an assessor from the panel appointed by the Insurer, must be submitted to the Insurer. The Policyholder shall be responsible for the cost of the first examination, which shall be reimbursed by the Insurer if the claim is subsequently admitted. The Insurer shall be responsible for the cost of further medical examination or second opinion, if indicated in the ElderShield Claim Form as necessary by the assessor from the appointed panel. The Insurer may also on its own accord require further medical examination and shall bear the cost of such examination.

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## 25. **Right of Periodic Examination**

While claim payments are being made, the Insurer shall have the right to appoint a doctor to examine the Policyholder periodically, and the Policyholder must afford the Insurer a reasonable opportunity to do so. The cost of this examination and other medical evidence necessary to establish whether the Disability is ongoing, shall be borne by the Insurer.

## 26. **Arbitration**

In the event where a claim is denied by the Insurer on the grounds that the Policyholder is not Severely Disabled, and where the Policyholder disputes the Insurer's decision, the Policyholder and the Insurer shall submit their dispute to an Arbitration Panel set up by the Ministry of Health, which may appoint a Geriatrician or other qualified medical practitioner to assess the Policyholder. Costs incurred with this assessment shall be borne by the Insurer if the Arbitration Panel decides that the Policyholder is Severely Disabled, and shall be borne by the Policyholder if the Arbitration Panel decides that the Policyholder is not Severely Disabled. Costs associated with maintaining the Arbitration Panel and conducting arbitration proceedings shall be borne by the Government. The decision of the Arbitration Panel shall be final and binding on both the Insurer and the Policyholder.

## 27. **Maximum Premium Adjustment**

Premium adjustments may be made to the Premiums based on an actuarial investigation by an independent party approved by the Government. Any adjustments made will reflect changes in the expected future claims experience and/or changes in the expected investment conditions. Expected future claims experience shall be derived from actual claims experience which shall form part of the actuarial investigation.

Premiums will not be adjusted more than once every 5 years from the preceding adjustment. The maximum premium adjustment allowed for each 5-year period from the start of the scheme shall be 20% of the previous premium charged. Any of this 20% adjustment that has not been used will be carried forward indefinitely and successive unused percentage adjustments will be compounded to calculate the maximum premium increase. Premium adjustments shall not be made if the adjustment is less than 5%.

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The increases referred to here are exclusive of any increase due to increases in the level of product benefits.

The premium adjustment shall be subject to the approval of the Government.

## **28. Geographical Coverage**

This Policy shall provide coverage on a 24 hour, worldwide basis.

## **29. Overseas Residence**

Should a Policyholder reside outside of Singapore at the time of claim, the Insurer shall make every reasonable effort to assess the Severe Disability and make claim payments. Under these circumstances, the Insurer shall have the right to commute the benefit payments to a single payment reflecting the present value of future benefit payments. If the Insurer is unable to assess the claim after reasonable attempts have been made, the Insurer has the right to withhold the claim payments until further evidence can be obtained.

## **30. Non-Forfeiture**

After a minimum number of premium payments have been made, this Policy shall not terminate due to non-payment of premiums. Instead, this Policy shall become paid-up with a reduced monthly benefit according to the Table of Paid-Up Values (Refer to Annexes A and B for the minimum number of premium payments to be made and the corresponding paid-up values).

## **31. Entry Ages**

The minimum and maximum entry ages for New Policyholders are 40 years and 64 years respectively.

“New Policyholders” mean ElderShield policyholders who are insured under the ElderShield scheme on or after 30 September 2007.

“Existing Policyholders” mean ElderShield policyholders who were insured under the ElderShield scheme before 30 September 2007.

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### **32. Premium Rebate**

A premium rebate may be given to all Policyholders depending on the claims experience of the whole group of ElderShield Policyholders. The premium rebate will be considered once every 5 years.

The premium rebate shall be subject to the approval of the Government.

### **33. Free Look Privilege**

Within 60 days of the Policy Commencement Date, the Policyholder shall be entitled to cancel this Policy and receive a full refund of premiums paid. After 60 days from the Policy Commencement Date, the Policyholder shall be entitled to cancel this Policy. However, no refund of premiums shall be made. Cancellation should be made in writing to the Insurer.

### **34. Variation of Policy**

The terms of this Policy and the coverage under this Policy shall not be varied except upon the direction or approval of the Government. The Government's decision on the terms and coverage of this Policy shall be final and binding on the Insurer and the Policyholder.

### **35. No Surrender Value**

This Policy has no surrender or cash value.

### **36. Relevant Legislation**

This Policy shall be subject to the Central Provident Fund Act (Chapter 36) (including any subsidiary legislation thereunder) and all other relevant legislation on ElderShield, insurance and Medisave.

## Annex A

### Paid-up Policy (PUP) Values – For New Policyholders who join the new ElderShield scheme from 30 September 2007 (with Benefit of \$400 per month, up to a maximum of 6 years)

Policy Year	Age at inception																									
	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	
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Note: The above Paid-Up Policy Values and all subsequent Paid-Up Policy Values Tables are expressed in Singapore dollars.

## Annex B

**Paid-up Policy (PUP) Values** - For Existing Policyholders (under the Regular Premium Plan and 10-Year Premium Plan) who join the new ElderShield Scheme (with Benefit of \$400 per month, up to a maximum of 6 years) from 30 September 2007

For Existing policyholders who join the new ElderShield Scheme from 30 September 2007, the PUP value is calculated as follows:

$$\text{PUP Benefit} = \frac{\text{Number of Top - Up Premiums Paid}}{\text{Total Number of Required Top - Up Premiums}} * \text{PUP Benefit on } \$400/6\text{yr Basis} + \left(1 - \frac{\text{Number of Top - Up Premiums Paid}}{\text{Total Number of Required Top - Up Premiums}}\right) * \text{PUP Benefit on } \$300/5\text{yr Basis}$$

For Existing Policyholders under the **Regular Premium Plan** (payable up to age 65), the table shown in Annex A will be for the PUP Benefit for \$400 per month, up to a maximum of 6 years' Basis while Table 1 is the PUP Benefit for \$300 per month, up to a maximum of 5 years' Basis.

**Table 1: PUP Table for Benefit of \$300 per month, up to a maximum of 5 years (Regular Premium Plan)**

Policy Year	Age at inception																																											
	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64																			
1																									120																			
2																							100	150	300																			
3																																												
4																		100	100	132	144	173	300																					
5																	100	100	132	173	208	300																						
6													100	100	117	120	125	155	173	228	300																							
7													100	100	115	117	137	144	155	193	228	300																						
8													100	100	115	132	137	160	173	193	241	300																						
9														100	100	112	125	128	132	151	160	187	208	241	300																			
10															100	100	111	122	125	139	144	151	173	187	219	250	300																	
11																100	100	111	122	135	139	155	163	173	199	219	256	300																
12																	100	100	110	111	122	135	149	155	173	184	199	228	256	300														
13																		100	100	109	110	122	135	149	155	173	184	199	228	256	300													
14																			100	100	109	110	122	135	149	155	173	184	199	228	256	300												
15																				100	100	109	110	122	135	149	155	173	184	199	228	256	300											
16																					100	100	109	110	122	135	149	155	173	184	199	228	256	300										
17																						100	100	109	110	122	135	149	155	173	184	199	228	256	300									
18																							100	100	109	110	122	135	149	155	173	184	199	228	256	300								
19																								100	100	109	110	122	135	149	155	173	184	199	228	256	300							
20																									100	100	109	110	122	135	149	155	173	184	199	228	256	300						
21																										100	100	109	110	122	135	149	155	173	184	199	228	256	300					
22																											100	100	109	110	122	135	149	155	173	184	199	228	256	300				
23																												100	100	109	110	122	135	149	155	173	184	199	228	256	300			
24																													100	100	109	110	122	135	149	155	173	184	199	228	256	300		
25																														100	100	109	110	122	135	149	155	173	184	199	228	256	300	
26																															100	100	109	110	122	135	149	155	173	184	199	228	256	300

