



1. What is an INVESTMENT LINKED INSURANCE PLAN ?

An Investment Linked plan is a life insurance plan combines investment and protection. The premiums that you pay provide you not only with life insurance cover but part of the premiums will also be invested in specific investment funds of your choice. As a policyholder, you can choose how to allocate your insurance premium towards protection and investment

2. How does it work?

A portion of premium payment is used to purchase units in the investment linked funds managed by the insurance company. The protection coverage is provided by paying the risk charges via deductions of units from the investment funds.

3. What are the main features ?

- Low premium*
- Buy investment units in the fund of your choice*
- Have a choice of four funds to invest - Equity , Jati , Income , Balance*
- Enjoy benefits of life insurance protection*
- Withdraw cash as and when necessary - Refer to page 13 & 149 (Partial Withdrawal /Surrender)*
- Allowed to switch from one fund to another - Refer to page 12 (Switching of Funds)*
- Option to top up the investment anytime (minimum RM50 and in multiple of RM10s)*
- Insurance charges are deducted monthly from the units held.*

4. How do I track the performance of my investment?

Your investment updates can be tracked in our daily newspapers, for example NST and The Star. Look in the business section, you will see the Investment Linked column. Updates are also available on our corporate website.

5. Why should I buy the product?

- To assist in creation of wealth as per the goals determined by you. The product gives you the opportunity to participate in an investment scheme with only a small investment so that you:*
- Have the access to professional investment experts in the insurance company*
- Benefit from diversification through the spread of investment which reduces the investors risk exposure in case there is a drop in the value of some of its investment.*
- Enjoy the benefit of insurance protection*
- Have the flexibility in your investment through top up and switching.*



TERMS AND CONDITION

1. What is a valuation?

A valuation is the process of recognizing the values of all investments in the fund based on market values of these investments. The actual worth of the fund is then determined in respect of the fund.

2. What is valuation date ?

The date on which the company carries out a valuation to determine the Offer & Bid prices of a unit. In the normal course the valuation is done at the end of every business day.

3. What is Next Valuation Date ?

This is the Valuation Date immediately following the date of transaction, such as purchase, surrender, partial withdrawal, notification of death/TPD, etc.

4. What is the unit price ?

The unit price is determined daily and is published in the major newspapers. The prices are offer price and bid price. The offer price is used when allocating units to policyholders and the bid price is used when calculating the value of benefits payable to the policyholders.

5. What is an investment unit?

This is the notional division of the investment fund for the purpose of calculating benefits. An investor's total investment in the fund selected is the number of units in his account

6. What is offer price ?

The Offer Price is used to allocate units to policyholders. This price is used to determine the number of units allocated for the amount invested by the policyholder. The Offer Price equals to 105% of bid price.

7. What is bid price ?

The Bid Price is used to calculate the value of benefits payable to the policyholders. This price is used to determine the investment value at the time the investor sells off his units.

8. What is Bid – Offer spread ?

Bid – Offer spread is the difference in price of the Bid and Offer where the Bid will be lower than that of the Offer price. Currently the bid – Offer spread is 5% and it applies to all funds.



9. What is the annual management fee?

The maximum annual management fee is 1.5% for Equity, Balanced or Syariah Fund and 0.5% for Income Fund. The management fee can be varied at the discretion of the company by giving 3 months notice to the Life Assured.

10. What is investment value?

This is the total value of the investments based on the bid price at the NVD of all the units allocated to this policy and is equal to = Number of Units X Bid Price

11. Would I know the charges I pay under my investment-linked insurance plan?

An investment-linked insurance plan is usually more transparent than other plans in disclosing the charges that are levied. These charges, including insurance charges, administration costs and fund management fees, are disclosed in the statement sent to all Investment Linked policyholders.



INVESTMENT MANAGEMENT

1. What is the manager's role ?

They invest prudently to maximize the returns in line with the objectives established for the fund. They will use their skill, knowledge and experience to invest in a wide range of investments and try to balance the risk with the investment rewards that can be made.







2. Does the manager guarantee the investment performance?

The fund manager cannot guarantee any predetermined dividends or investment returns to the investors because there are many risk factors beyond their control and they cannot foresee with any degree of accuracy these factors.

3. What are the authorized investments ?

-  *Securities listed on the KLSE*
-  *Malaysian government securities*
-  *Treasury bills*
-  *BNM certificates*
-  *Government certificates*
-  *Negotiable Certificate of Deposits*
-  *Cagamas Bond*
-  *Private Debt Securities*
-  *Other investment approved by BNM & SC*

4. What are the selection bases used by the manager?

-  *Companies with future potential*
-  *The future potential of the sector*
-  *Good, sound and prudent management*
-  *Good track record in terms of profitability/dividends*
-  *The company should not have political overtones*
-  *Company must have favorable Price-Earning ratio*



5. What are the risk factors ?

- ❖ *Market risk, that is the risk of negative movements that affect the price of all assets within a particular market*
- ❖ *Specific risk that apply to individual companies or stock. Any fluctuations may cause the unit price to go up or down, e.g. competitor, etc.*
- ❖ *Inflation risk, that is the risk that your real rate of investment returns is eroded by the loss of purchasing power due to inflation*
- ❖ *Liquidity risk that is inability to buy or sell the instruments at prevailing market rate because of limited buyers, sellers or number of items.*

Caution:

- ❖ *Each type of investment has a certain degree of risks. Products with greatest potential for capital and income growth carry highest risk.*
- ❖ *Investors must understand the elements of risks and therefore should be prepared to accept a certain degree of risk. It is for this reason that investors should consider their risk tolerance very carefully before deciding on the type of fund to invest in.*

6. How long should I hold my investment-linked insurance plan?

There is no fixed period of time for you to hold on to your investment-linked insurance plan. It is like a savings account in a bank or a unit trust in which you may decide on the duration of holding onto your plan. However, it is not advisable to hold the plan for a short period of time in view of the high initial costs.



TAXATION

1. Is the income from the sale of the units taxable ?

No, it is not taxable. Investment-linked insurance products are basically life insurance products. Thus, the tax aspects of an investment-linked are treated in the same manner as other forms of life insurance policies.



INVESTMENT UNIT ALLOCATION

1. What is the minimum premium ?

The minimum premium is as low as RM100 per month.

2. Is there any up-front charge on the investment?

No, the whole investment amount as per premium allocation will be invested in the preferred fund.

3. How much of the premium is invested ?

The premiums are invested according to the premium allocation table.

4. Can I invest again after the initial investment ?

Yes, anytime with a minimum top-up premium of RM50 for MZ ExtraInvest and RM500 for MZ Capital Growth. The top-up premiums selected must be in multiple of tens for MZ ExtraInvest and hundreds for MZ Capital Growth.

5. When will the investment unit be allocated?

On the Next Valuation Date (NVD) following the date of receipt of premium by the company for cases accepted by the company with no conditions to be attached to the proposal. If the proposal is issued with conditions, it shall be the date the conditions are fulfilled.



INSURANCE BENEFITS

1. What are the insurance benefits?

The product provides insurance benefits in the event of death/Total Permanent Disability (TPD) and Dread Disease. The insurance protection will protect the initial capital outlay through the period of short-term market volatility. Although the unit price fluctuates and may fall below the purchase price, policyholders have the assurance that the death/TPD/Dread Disease benefit will be paid in the event of the occurrence of peril insured, i.e. death/TPD/Dread Disease , even in depressed market.

2. What happen if there is insufficient fund for insurance charge?

The policy and the investment fund lapses.

3. What is the premium rate (table)?

There is no premium rate table.

4. What age basis should be applied?

The age is calculated on next birthday basis.

5. Is there a premium discount for female lives?

No, there is no discount for females.

6. Can I increase my investment?

Yes, you are allowed to Top Up on your existing investment-linked insurance plan at any time. The 'top-ups' are normally used to enhance the investment portion of both single and regular-premium plans without any change in the insurance coverage. You can also increase the coverage for death, critical illness, hospitalization, accident and others.



NEW BUSINESS & UNDERWRITING

1. Eligibility

- *Minimum age at entry : 1 next birthday*
- *Maximum age at entry : 65 next birthday*

2. What is the minimum term?

The term for the policy is 100 years and there is no minimum term.

3. How do I enroll?

- *Complete the proposal form*
- *Select the fund for investment*
- *Indicate the required optional benefit riders and its benefit amount*
- *Make payment for the investment amount*

2. Are there any other documents required?

Our advice is that you submit the age admission documents with the proposal.

3. Can I nominate?

Yes, the distribution of policy money will then be in accordance to the provisions of the Insurance Act.

4. What is the effective date of the policy?

On the Next Valuation Date (NVD) following the date of receipt of premium by the company for cases accepted by the company with no conditions to be attached to the proposal. If the proposal is issued with conditions, it shall be the date the conditions are fulfilled.

5. What rider can be added?

ARCC (Accident Benefit Rider), ECPAB (Enhanced Comprehensive Personal Accident Benefit with or without Medical and Surgical), CAR (Child Accident Rider), NHB (New Hospitalization Benefit) , PBR (Payer Benefit Rider), ILWR (iLink Waiver Raider) and MZ Medilink.



6. How is the rider premiums charged?

The rider premiums are charged together with premiums. Only Payer Benefit Rider, iLink Waiver Raider and MZ Medilink is deducted from the units.

7. What are the medical requirements?

Medical requirement are as per existing life insurance table.

8. What is the company's rules regarding substandard lives?

Existing underwriting rules and policies will be applied. Once a live is classified as substandard, he will be charged a premium loading on the basic coverage at inception of the insurance and/or other limitations could be imposed.

9. Who pays for medical fees?

MCIS ZURICH unless cancelled before issue.

10. What is the plan code for this product?

MZEIN (MZ Extra Invest) and MZCG (MZ Capital Growth)

11. Can a non-Muslim invest in the Jati fund?

Yes.

12. Can a non-Malaysian buy the MCIS ZURICH ExtraInvest Plan?

Yes.

13. Can a Company buy for its employee?

Yes, as a key man policy or employee benefit scheme with the Employer as the Policy Owner.

14. What if a proposer dies before issue of policy?

If the proposal can be accepted on standard basis, we will honor the claim. Otherwise, the premium will be returned without interest.



SERVICING

1. What statement will I get?

- ✚ *After the proposal is accepted by MCIS ZURICH, you will receive a policy document that provide the terms and conditions of the contract for the insurance.*
- ✚ *After a transaction to purchase or cancel of units is performed an Investment Statement will be forwarded to the client.*
- ✚ *At the end of every year we will also provide you a statement that gives:*
 - Number and value of units held at end of previous statement period.
 - Number and value of units bought and sold during the statement period.
 - Number and value of units at end of statement period.
 - Charges incurred during the statement period
 - Total amount of premium received during the statement period
 - Current death benefit and surrender value at the end of current period
 - Amount of outstanding loan, if any, at the end of the statement period
- **An annual report in respect of each of the investment funds managed will be given to you after the accounts of the funds have been closed for the financial year. The report shall contain:**
 - ✚ *Summary of audited financial statements of the fund*
 - ✚ *Trend analysis on the net investment return of the fund*
 - ✚ *Composition and list of investments held by the fund on reporting date*
 - ✚ *Charges levied against the fund during the year*
 - ✚ *Statement on any changes to investment objectives, orientation, restrictions and limitations of the fund during the year*

2. When is the account closed for a financial year?

For MCIS ZURICH, the account is closed for our financial year on 30 June.

3. Can I get income tax relief on the premium I pay?

Yes, on the full amount of single premium or top-up premium in the year of investment subject to the limitation of RM5,000 inclusive of other insurance premiums, EPF contributions and contributions to other approved funds.



4. Will I get a statement that can be given to IRD?

Yes, you will receive a statement of the premiums received in the year of assessment.

5. Can I get a loan?

No. You can however make partial withdrawals from the account subject to the balance in the fund is RM2,000 or more.

6. What is required if I want to withdraw or surrender?

You will have to notify in writing or fill up iLink Movement Form indicating your desire and the effective date of the withdrawal or surrender together with policy document

7. What is premium holiday?

The policy holder may stop paying premium if there are sufficient units to pay insurance charges and policy fees. Since the investment units will be used to pay both charges, the policy will remain in-force.

8. Is there any special form for alteration of Sum Assured?

Yes. Agent or staff can download from intranet.

9. Can Policyholder add riders anytime after the policy has been inforce for more than 2 years?

Yes except riders with Dread disease coverage.



SWITCHING OF FUNDS

1. Can I switch funds?

Yes, you can switch between one fund to another depending on your outlook of the investment, investment risk tolerance and changing needs.

2. What is switching?

A switch is effected upon request by the policyholder to cancel units in existing fund and utilize the proceed to purchase units in another fund.

3. How can the switching be executed

You will have to notify by filling up iLink Movement Form and passing it to the nearest MCIS ZURICH Branch.

4. What are the charges applicable when I switch fund?

The first switch in the year is free. Subsequent switch in the year will attract the charge of 1% of the investment value subject to a maximum charge of RM50 for MZ Extra Invest and RM100 for MZ Capital Growth.

5. Is the number of switches restricted?

No, you can switch as you like subject to the rules mentioned



6. When is the switch effected?

The switch is executed at the end of the NVD following the receipt of the written request from the policyholder.

7. What price will be used in switching?

 *The Bid price will be used.*



PARTIAL WITHDRAWALS

1. Can I partially withdraw my investment?

Yes, you can partially withdraw money from your investment fund subject to:

- i. the amount of withdrawal must be greater than RM100*
- ii. The balance of investment value in the fund after all charges applicable must be greater than RM2,000.*

2. When is the withdrawal affected?

The withdrawal will be affected on Next Valuation Date following the withdrawal date as indicated in writing by the policyholder. This date can be today or any date in the future but cannot be a retrospective date.

3. What are the charges applicable when I partially withdraw my fund?

The charges applicable are:

- i. Partial Withdrawal Charge is RM10.*
- ii. The charge will be levied to the Life Assured's fund by selling sufficient units.*



SURRENDERS / FULL WITHDRAWALS

1. What happens if I surrender my policy?

In the event of surrender, all the units available in your account will be sold off. You will receive the surrender value equal to:

Number of Units X Bid Price

2. When is the surrender affected?

The surrender will be affected on Next Valuation Date following the surrender date as indicated in writing by the policyholder. This date can be today or any date in the future but cannot be a retrospective date. This request must be accompanied with the evidence of ownership.

3. What if client did not indicate the date of surrender?

The surrender will be affected on Next Valuation Date following the date of receipt of written notification.

4. What are the charges applicable when I surrender?

The charges applicable are:

- 1. Surrender Charge is RM 110 for MZ Extra Invest and RM 100 for MZ Capital Growth.*
- 2. The surrender charge will be levied to the Life Assureds fund by selling sufficient units.*

5. Do I have to surrender my investment-linked insurance plan if I decide to change the investment fund?

No, it is not advisable to surrender your existing insurance plan if you decide to change the investment fund. This is because you may get less than what you have invested due to fees and charges. You can apply to switch fund and most insurance companies allow one switch per year without any fee. However, for additional switches within the calendar year, you may be charged a processing fee.



COOLING-OFF

1. What is the Cooling off provision?

- *The cooling off period is 15 days from the receipt of the policy document. If the policy is returned with a notice of cancellation during this period, MCIS ZURICH will refund the premiums paid less medical fees incurred in assessing the risk under this Policy and the company shall be entitled to make any adjustments to reflect the change in the market value of the units.*
- *The unallocated premiums will be refunded 100% and the allocated premiums for investment will be refunded by selling off at bid price at next valuation day.*
- *The allocated premiums for investment will be refunded together with the monthly insurance charge and monthly policy fee.*

2. What price will be used to determine the value after cooling-off?

The price will be on the Next Valuation Date following the mailing date or date of receipt by MCIS ZURICH if returned by hand.



OTHER TERMINATIONS

1. What happen if there is insufficient fund for insurance charge?

- *A reminder will be sent to the policy holder (3 month projection letter). If the policy holder doesn't top up/ pay, then the policy will lapse and remaining units will be sold and refunded to the client.*
- *The policy will remain as lapse as the policy holder has 3 years to reinstate the policy.*
- *After 3 years, the policy will not be allowed to be reinstated.*

2. What happens if the investment value drops below the minimum initial single premium amount?

The investment continues as normal.

3. What happens if the investment value drops below the RM2,000?

The investment continues as normal.



CLAIMS

1. What is required for notification of claims?

Claimant can notify in writing or verbally. Following this, a claim form needs to be completed.

2. What documents/requirements need to be completed?

The existing rules and requirements of life claim division is applicable.

3. What happen in the event the Life Assured commits suicide?

The policy will be void if the life Life Assured dies by suicide within 13 months of the Issue Date of this policy.

4. Is the co-insurance amount applicable for Outpatient Cancer Treatment & Outpatient Kidney Dialysis?

Not applicable.



MZ MEDILINK

1. Is MZ Medilink a cashless card?

Yes it is.

2. What is the procedure to obtain admission in our panel hospitals with the MZ Medilink card?

Just produce the MZ Medilink card to the respective personnel at the hospital admission counter for verification.

3. What happens if the policyholder forgets to bring the card together to the hospital during emergency?

If you are unable to produce the card at that point of time, the policyholder is required to pay the admission fee up to (RM2,500 subject to hospital rates) which will be reimbursed later after verifying the validity of your card.

4. Does the policyholder have to pay any incurred cost? If YES, what is the amount?

Only the co-assurance payment which is RM1,500, the rest will taken care by the card. (Note: However, this does not apply to outpatient cancer treatment and kidney dialysis)

5. What happens if the incurred cost is above what is stated in the policyholder's chosen plan?

The policyholders have to bear the additional cost

6. To whom does the hospital send the billings and how does the billing procedures take place?

Asia Assistance will verify the bill subject to the policyholder's benefit schedule accordingly.

7. Do the policyholders need to renew their MZ Medilink card? If YES, what is the procedure?

It's an automatic renewal subject to lifetime limit and also the availabilities of units in the policyholder's policy.

8. How many panel hospital we have?

We have 52 panel hospitals in Malaysia wide including Sabah and Sarawak.

9. How do I know what plan did I purchased?

There are 3 plans to select from and your agent will inform. The plan type and benefit details are also available in the policy documents.



10. How long before I get my Medical Card after application?

Within 7 working days after policy issued.

11. Do I have to pay anything extra for my MZ Medilink Card beside my normal basic premium?

No, its unit deducting

12. Can I buy MZ Medilink card for my children?

Yes, as long the life assured is the child. No rider on the life of another is allowable.

13. Can I buy MZ Medilink with other life plans?

No, only with MZ Extrainvest Investment-linked plan which is a regular premium plan.

14. Does MZ or AAN inform the agent in the case of admission of the client ?

No

15. If the policy holder is diagnosed with critical illness will the medilink card be terminated?

No.

16. If the policy has PBR and medilink, who is eligible for that medical card?

The life assured.

17. If policy holder is admitted to a non-panel hospital, how do they go about it?

Claim will be paid on reimbursement basis.

18. Does Medilink cover out patient treatment?

Yes but due to accident only and within 24 hours.

19. Can policy holder with medilink plan 1 upgrade their room & board?

Yes, but they have to bear the 20% different.