

SAMPLE POLICY CONTRACT OF DIRECT - GREAT LIFE II 85

GREAT EASTERN LIFE

SECTION A: MAIN BENEFITS

1 DEFINITIONS AND INTERPRETATIONS

- 1.1 **"Basic Sum Assured"** refers to the Basic Sum Assured as set out in the Schedule to the Policy, or as may be revised from time to time subject to the satisfaction of such conditions as may be imposed by the Company in its absolute discretion. Revision of the Basic Sum Assured will apply when there is a partial surrender of the Policy.

"Bonuses" refer to reversionary bonuses and/or terminal bonuses payable (if any) under the Policy.

"Date of Commencement" refers to the date of commencement of the Policy as set out in the Schedule to the Policy.

"Date of Issue" refers to the date of issue of the Policy as set out in the Schedule to the Policy.

"Death Benefit" refers to the benefit as set out in clause 2.1.

"Guaranteed Surrender Value" refers to the surrender value in respect of the end of each Policy Year as set out in Endorsement 143 (GSV) or in respect of any particular point of time during a Policy Year, such other pro-rated amount as surrender value for that Policy Year as may be determined by the Company (taking into account factors as it may deem appropriate) in accordance with the terms therein.

"Life Assured" refers to the person who is the life assured of the Policy as at that point in time during the term of the Policy.

"Medical Practitioner" refers to a surgeon or physician qualified by degree in western medicine, who is legally and duly qualified to practice medicine and surgery and authorised in the geographical area of his practice other than the Policyholder, the Life Assured or a family member of either.

"Policy Anniversary" refers to any anniversary of the Date of Commencement while the Policy remains in force.

"Policy Year" refers to a period which starts on the Date of Commencement or any Policy Anniversary, and ends on the day immediately before the following Policy Anniversary.

"Pre-existing Condition" refers to a condition for which prior to the Date of Issue or the date of any reinstatement (if applicable) of the Policy:

- (a) symptoms of the condition existed that would cause an ordinarily prudent person to seek diagnosis, care or treatment; or
- (b) medical advice or treatment was recommended by or received from a Medical Practitioner.

"Terminal Illness" refers to the conclusive diagnosis of an illness that is expected to result in the death of the Life Assured within twelve (12) months of the diagnosis. This diagnosis must be supported by a specialist and confirmed by the Company's appointed doctor. Terminal Illness in the presence of HIV infection is excluded.

"Terminal Illness Benefit" refers to the benefit as set out in clause 4.1.

"TPD" refers to such total and permanent disability as defined in clause 3.2.

"TPD Benefit" refers to the benefit as set out in clause 3.1.

- 1.2 A reference to one gender shall include reference to the other genders. Words in the singular shall include the plural and *vice versa*.
- 1.3 The headings in the Policy are inserted for convenience only and shall not affect the construction and interpretation of the Policy.
- 1.4 A reference to any government or statutory authority shall include and refer to the authority or body succeeding such authority from time to time.

- 1.5 A reference to any statute or statutory instrument shall include and refer to any statute or statutory instrument amending, consolidating or replacing them respectively from time to time and for the time being in force.
- 1.6 References to clauses are to the corresponding numbered provisions set out in Section A of the Policy and references to paragraphs are to the corresponding numbered/titled provisions set out in Section B of the Policy.

2 DEATH BENEFIT

- 2.1 If the Life Assured dies while the Policy is in force, the Company will pay the Basic Sum Assured plus accumulated Bonuses, less any amounts owed to the Company, in one lump sum.

Exclusions for Death Benefit

The payment of the Death Benefit will not be made for death due to suicide while sane or insane within twelve (12) months from the Date of Issue or the date of reinstatement (if applicable) of the Policy and the Policy will be rendered void. The Company will refund all premiums paid for the Policy without interest (after deducting any outstanding debt, and any benefits and/or bonuses paid).

3 TOTAL AND PERMANENT DISABILITY BENEFIT

- 3.1 If the Life Assured suffers from TPD while the Policy is in force, the Company will pay the Death Benefit in one lump sum, subject to the following conditions:

- (a) The Life Assured's disability under clause 3.2 must occur before the Policy Anniversary on which his age next birthday is sixty-five (65) years.
- (b) The total amount of benefits payable by the Company for total and permanent disability is limited to S\$5,000,000 under the Policy and all other policies and riders issued by the Company on the same Life Assured.

Definition of Total and Permanent Disability

- (a) The Life Assured, due to accident or sickness, is disabled to such an extent as to be rendered totally unable to engage in any occupation, business or activity for income, remuneration or profit; and the disability must continue uninterrupted for at least six (6) consecutive months from the time when the disability started and the disability must, in the view of a medical examiner appointed by the Company, be deemed permanent with no possibility of improvement in the foreseeable future; or
- (b) The Life Assured, due to accident or sickness, suffers total and irrecoverable loss of use of:
- (i) the entire sight in both eyes; or
- (ii) any two limbs at or above the wrist or ankle; or
- (iii) the entire sight in one eye and any one limb at or above the wrist or ankle.

Exclusions for TPD Benefit

Payment of the TPD Benefit will not be made for:

- (a) TPD resulting from self-inflicted injury, while sane or insane; or
- (b) TPD resulting from bodily injury sustained while the Life Assured is in or on an aircraft other than:
- (i) as a fare-paying passenger or a crew member on an aircraft licensed for passenger service and operated by a regular airline on a scheduled route; or
- (ii) as a member of the armed forces travelling as a passenger in a military transport aircraft;
- (c) a diagnosis of TPD due to a Pre-existing Condition.

4 TERMINAL ILLNESS BENEFIT

- 4.1 If the Life Assured is diagnosed with Terminal Illness while the Policy is in force, the Company will pay the Death Benefit in one lump sum.
- 4.2 Exclusions for Terminal Illness Benefit
Payment of the Terminal Illness Benefit will not be made for:
- (a) Terminal Illness in the presence of Human Immunodeficiency Virus ("HIV") infection;
 - (b) a diagnosis of Terminal Illness due to a Pre-existing Condition.

5 REVERSIONARY BONUS

- 5.1 The Policy will be entitled to a reversionary bonus if declared by the Company. The Company usually declares a reversionary bonus each year. The Company does not guarantee that it will declare a reversionary bonus every year.
- 5.2 Reversionary bonus (if any) is payable upon the death, TPD or Terminal Illness of the Life Assured, whichever event occurring first.
- 5.3 Any reversionary bonus declared for the Policy during the initial three (3) years from the Date of Commencement will only take effect after the Policy has been in force for three (3) years from the Date of Commencement, or otherwise as decided by the Company in its absolute discretion.
- 5.4 Where the Policyholder surrenders the Policy after it has been in force for three (3) years, the surrender value of reversionary bonus declared as determined by the Company will be included in the surrender value payable.

6 TERMINAL BONUS

- 6.1 The Policy may be entitled to a terminal bonus. The amount of terminal bonus payable will be determined by the Company in its absolute discretion. It will only be payable once and is not guaranteed.
- 6.2 A terminal bonus (if any) is payable upon surrender of the Policy or upon a claim being admitted under the Policy which terminates the Policy, whichever event occurring first.

7 CONDITIONS

- 7.1 The Policyholder or claimant must notify the Company in writing and produce satisfactory proof of the death, TPD or Terminal Illness of the Life Assured (as the case may be) to the Company on forms furnished by the Company within six (6) months from the death of the Life Assured or the date of diagnosis of the TPD or Terminal Illness (as the case may be).
- 7.2 For TPD and Terminal Illness claims, the Policyholder shall ensure the following:
- (a) The TPD or Terminal Illness suffered by the Life Assured must be certified by a Medical Practitioner and must be supported by clinical, radiological, histological and laboratory evidence acceptable to the Company.
 - (b) If required by the Company, the Life Assured must undergo medical examination by a Medical Practitioner appointed by the Company in connection with the alleged TPD or Terminal Illness.
 - (c) The Company reserves the right to obtain medical evidence at its own expense at any time to confirm the Life Assured's continuing TPD.
- 7.3 All medical reports and any other evidence required by the Company for any claim must be furnished at the Policyholder or claimant's expense.
- 7.4 The Company has the right to request for any other documents to process a claim.
- 7.5 The Company will not be liable if there is a failure to comply with any of the above conditions.

7.6 If there is a claim under the Policy, the Company will not refund any part of the premiums which have been paid, except where expressly set out in an endorsement made by the Company.

8 TERMINATION

8.1 The Policy will terminate on the earliest of the following events:

- (a) the date on which the Company receives the Policyholder's written request to terminate the Policy;
- (b) the date of death of the Life Assured;
- (c) the date on which the Life Assured is diagnosed with TPD or Terminal Illness and the claim is admitted; or
- (d) when the Policy lapses, is surrendered or otherwise terminated.

8.2 All valid claims will extinguish other rights and benefits under the Policy.

SECTION B: GENERAL PROVISIONS

1 VARYING OF THIS CONTRACT OF INSURANCE

1.1 The Policy may only be varied if the Company consents in writing. The Policyholder's and the Life Assured's statements made when applying for the Policy will be taken to be representations and not warranties, unless there is fraud. Any subsequent endorsement made by the Company will take effect from the date of the endorsement.

1.2 The Company may from time to time determine the manner in which the Policy is varied by way of an endorsement to the policy document.

2 RESIDENCE, OCCUPATION AND TRAVEL

The Policy is free from restrictions as regards to residence, occupation and travel.

3 FREE LOOK

3.1 The Policy may be cancelled by written request to the Company within fourteen (14) days after the Policyholder receives the policy document in which case premiums paid less any costs incurred by the Company in assessing the risks for the Policy, including but not limited to, any medical fees incurred, will be refunded.

3.2 If the policy document is sent by post it is deemed to have been delivered and received in the ordinary course of the post seven (7) days after the date of posting.

4 INDISPUTABILITY

The Company will not dispute the validity of the Policy during the lifetime of the Life Assured after two (2) years from the date of issue or the date of reinstatement of the Policy, whichever is later, unless there is fraud, non-payment of premiums or claims which would have been denied if arising from exclusions. For the avoidance of doubt, this clause only applies to life and critical illness policies and riders.

5 PREMIUMS

5.1 The Policyholder has to pay all premiums on or before the due dates without any need for the Company to inform him that a premium is due.

- 5.2 The Policy will continue to be in force as long as the premiums are paid annually in advance. The Company may allow the premiums to be paid by instalments at such frequency as may be permitted by the Company from time to time.
- 5.3 If there is a claim made on the Policy, the Company will deduct any future instalments needed to complete the full year's premium from the claim proceeds.

6 CONFIRMATION OF AGE

The Policyholder must prove the date of birth of the Life Assured to the Company before the Company is required to pay any benefit under the Policy.

7 SURRENDER VALUE

After the Policy has acquired a surrender value, the Company will pay the surrender value to the Policyholder if he surrenders the Policy. If the Policy is entitled for reversionary bonus and the Company has declared any reversionary bonus, the surrender value payable will be inclusive of the surrender value of the reversionary bonus as determined by the Company. If the Policy is entitled to terminal bonus and the Company has determined the amount payable as terminal bonus for the Policy (if any), the terminal bonus (if any) will also be payable. If the Policyholder owes a debt under the Policy, this sum will be deducted from the surrender value and the Company will pay the balance sum. Once the Policy has acquired a surrender value, the following may happen, with regard to the Policy:

7.1 Loans

- (a) The Company will provide the following types of loans:
- (i) the Policyholder may apply to the Company for cash loans which the Company may grant to the Policyholder, the amount of which will be quoted by the Company on application by the Policyholder; or
 - (ii) if the Policyholder fails to pay a premium within the grace period as provided in the Days of Grace paragraph, the Policy will not lapse but:
 - a. the Company will automatically grant an automatic premium loan ("APL") equal to the unpaid premium. However, at the due date of the unpaid premium, the surrender value less any amount owed under the Policy ("net surrender value") must be more than or equal to the unpaid premium. The Policy will continue until the next premium due date; or
 - b. the Company will automatically grant an APL equal to the net surrender value if it is less than the unpaid premium. The Policy will continue for a pro-rated period, in proportion to the APL granted as it relates to the unpaid premium. The Policy will lapse at the end of the pro-rated period.
- The unpaid premium includes premiums payable for all supplementary benefits stated in the Schedule of Supplementary Benefits of the Policy.
- (b) The Company will charge interest on the above loan amount(s) at interest rates to be determined by the Company from time to time. Any unpaid interest will form part of the loan so long as the surrender value of the Policy allows. The Policy will lapse if the total loan amount owed is more than the surrender value of the Policy.
- (c) Any loan or any part of any loan may be repaid while the Policy is in force. If there is no indication how the repayment amount is to be used, the Company will first use that amount in payment of any APL. If there is no APL, then the Company will use that amount to pay any unpaid premiums or any cash loan, in that order of priority.
- (d) Any outstanding loan under the Policy is a first charge against the Policy until it is repaid. If there is a claim under the Policy, any sum owed will be deducted from the claim proceeds before payment is made.

7.2 Paid-up Assurance

- (a) The Policyholder may apply to the Company for a paid up assurance which the Company will grant, with a reduced sum assured, without the need for the Policyholder to pay any more premiums.
- (b) Any debt owed to the Company under the Policy will be deducted from the surrender value before the conversion into a paid-up assurance. The net surrender value immediately before conversion will be used to calculate the reduced benefit payable for the paid-up assurance. The paid-up assurance will only provide death benefits for the Life Assured. The paid-up assurance will not participate in the profits of the Company. The paid-up assurance will not be entitled to any reversionary bonus or terminal bonus.

7.3 Extended Term Assurance

The Policyholder may apply to the Company for an extended term assurance for the full sum assured. Any debt owed to the Company under this Policy will be deducted from the surrender value before the conversion into an extended term assurance. The duration of the extended term assurance will be what the net surrender value can purchase at the age of the Life Assured on the date of the application. The extended term assurance will only provide death benefit for the Life Assured. The extended term assurance will not participate in the profits of the Company. The extended term assurance will not be entitled to any reversionary bonus or terminal bonus.

8 DAYS OF GRACE

- 8.1 The Policyholder has thirty (30) days ("the grace period") from the due date of the premium to pay the renewal premium.
- 8.2 If the Life Assured dies or is diagnosed with TPD or Terminal Illness during the grace period before the premium is paid, the Policy will be as valid and effective as though the premium has been paid. However, the Company will deduct all unpaid premium instalments needed to complete one full year's premium, from the claim proceeds.
- 8.3 The Policy will lapse if there are still unpaid premiums at the end of the grace period and the Company will forfeit any premiums paid unless the Policy has acquired a surrender value as provided for in the Surrender Value paragraph.

9 REINSTATEMENT

If the Policy lapses under clause 7 and 8, the Policyholder may reinstate it within three (3) years from the date of lapsing, at the option of the Company, subject to the following conditions:

- (a) the Policyholder pays all unpaid premiums and any interest charged by the Company which have accumulated up to the date of reinstatement; and
- (b) the Policyholder makes full repayment of any loans and any interest charged by the Company which have accumulated up to the date of reinstatement.

10 NOTICE OF ASSIGNMENT

A written notice of assignment or charge on the Policy only binds the Company, if it is delivered to the Company at its head office or its branch offices. The Company is not responsible for the validity of any assignment or charge by just acknowledging the notice.

11 NOTICES AND CORRESPONDENCE

- 11.1 Any request, notice, instruction or correspondence required under the Policy whether to the Company or the Policyholder has to be in writing and will be delivered personally or sent by courier, or by post, or facsimile transmission or electronic mail addressed to the addressee or by any other means as approved or adopted or accepted by the Company. For the Policyholder, the mailing address is that stated in the proposal or any other address that the Policyholder has informed the Company in writing.
- 11.2 The Company's notice, request, instruction or correspondence is presumed to be received:
- (a) in the case of a letter, on the seventh (7th) day after posting if posted locally, and on the fourteenth (14th) day after posting, if posted overseas;
 - (b) in the case of personal delivery or delivery by courier, on the day of delivery;
 - (c) in the case of a facsimile transmission or electronic mail, on the business day immediately following the day of despatch; or
 - (d) in the case of other means as approved, adopted or accepted by the Company, on the day that the Company decides is reasonable to receive the notice, request, instruction or correspondence.

12 GOVERNING LAW

The Policy will be governed by the laws of Singapore and the Courts of Singapore have exclusive jurisdiction for any disputes arising out of the Policy.

13 EXCLUSION OF THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT CAP. 53B

A person who is not a party to the Policy shall have no right under the Contracts (Rights of Third Parties) Act 53B to enforce any of its terms.

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GREAT EASTERN LIFE

ENDORSEMENT NO. 143 (GSV)

SURRENDER VALUES

(PLAN: DIRECT - GREAT LIFE II 85)

- 1 The surrender values referred to in the Clauses are shown in the table below, which do not include bonuses and/or survival benefits (if any). These values are based on the assumption that premiums have been paid to the end of the policy years shown. If premiums are paid for part of a year, the surrender values will be adjusted in proportion.
- 2 In the table below, Policy Year "1" starts on the Date of Commencement shown in the Schedule to the Policy and ends on the day before the first anniversary of the Date of Commencement. A subsequent policy year will start on an anniversary of the Date of Commencement and end on the day before the next anniversary.

Guaranteed Surrender Values per \$ 1,000 Basic Sum Assured

(based on age at entry 25 years next birthday)

<u>End of Policy Year</u>	<u>Guaranteed Surrender Value</u>	<u>End of Policy Year</u>	<u>Guaranteed Surrender Value</u>	<u>End of Policy Year</u>	<u>Guaranteed Surrender Value</u>
1	0.00	2	0.00	3	12.00
4	19.00	5	26.00	6	34.00
7	41.00	8	49.00	9	58.00
10	66.00	11	75.00	12	84.00
13	93.00	14	103.00	15	113.00
16	123.00	17	133.00	18	144.00
19	155.00	20	166.00	21	178.00
22	190.00	23	203.00	24	216.00
25	229.00	26	242.00	27	256.00
28	269.00	29	283.00	30	297.00
31	311.00	32	324.00	33	339.00
34	353.00	35	367.00	36	382.00
37	396.00	38	411.00	39	426.00
40	442.00				

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GREAT EASTERN LIFE

ENDORSEMENT NO. 642 (PPF-1)

POLICY OWNERS' PROTECTION SCHEME

This policy is protected under the Policy Owners' Protection Scheme which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for your policy is automatic and no further action is required from you. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact us or visit the Life Insurance Association (LIA) or SDIC websites (www.lia.org.sg or www.sdic.org.sg).

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