

Annex XII: Amendments to the provisions of the AGHR pertaining to the Individual Medical Insurance Plan, the Individual Life Insurance Plan, the Post Retirement Group Life Insurance Plan, the Individual Dependent Life Insurance Plan, and the Force Majeure Protection Program

Section E.VII.

Current text:

6.3 Participants, including retirees, may opt to terminate coverage for themselves and / or their dependents, without their dependents' consent. However, staff or retirees married to other staff or retirees cannot voluntarily terminate their own coverage without terminating that of their spouse, and cannot voluntarily terminate their spouse's coverage without terminating their own coverage.

6.4 Coverage under the GMIP may be extended for a maximum period of six (6) months on a fully contributory basis or be converted to the Individual Medical Insurance Plan (IMIP) upon terms and conditions agreed between the Fund and the insurer.

6.5 For participants and dependents who do not avail of the conversion option, coverage shall continue up to one (1) year without payment of premium, for medical conditions existing on the termination date of the GMIP coverage, provided the GMIP contract is still in effect.

6.6 Upon the death of a participant (in active service or in retirement) insured in the GMIP, the insured dependents may opt to continue their participation in the GMIP under the retiree category. The premium levels for dependents of a deceased retiree will not change as a result of the death of the retiree. However, premiums for dependents of a deceased participant in active service will increase because retiree premiums are higher than staff premiums. The subsidy for the premiums will be suspended if the deceased participant has less than ten (10) years of GMIP participation at the time of death. The subsidy resumes as soon as the total period of the GMIP coverage of the participant at death when added to the total period of GMIP coverage of the dependents after the participant's death totals ten (10) years.

Amended text:

6.3 Participants may opt to terminate coverage for themselves and / or their dependents, without their dependents' consent. However, staff married to other staff cannot voluntarily terminate their own coverage without terminating that of their spouse, and cannot voluntarily terminate their spouse's coverage without terminating their own coverage.

6.4 [Deleted]

6.5 Coverage shall continue up to one (1) year without payment of premium, for medical conditions existing on the termination date of the GMIP coverage, provided the GMIP contract is still in effect.

6.6 [Deleted]

Section E.VIII

Current text:

2.5 Conversion to Individual Life Insurance Plan

(a) Upon termination of a participant's service with the Fund or upon termination of the life insurance contract between the Fund and the insurance company (subject to the participant having been insured for at least five (5) years), the participant may convert from GLIP, without evidence of insurability, to the Individual Life Insurance Plan (ILIP) by submitting the appropriate form within 61 days from the date of termination of the GLIP coverage.

(b) The ILIP coverage will commence at the end of the 61-day period until which time the participant remains covered under GLIP. The amount of ILIP coverage shall not exceed the amount of the terminated GLIP coverage. Insured persons under the ILIP will pay the insurance premium in full. The Fund and the insurance company will determine the schedule of the annual rates of contributions from insured persons which may change from time to time.

(c) If any insured person dies during the 61-day conversion period, the amount of GLIP coverage will be paid, whether or not conversion has been applied for.

Amended text:

2.5 [Deleted]

Current text:

3. Post retirement group life insurance (PRGLIP) for retirees

3.1 Eligibility

(a) Coverage is available to participants who retire on normal, early or incapacity retirement.

(b) Retirees must enrol within 61 days from their retirement date. After the 61-day enrolment period, pensioners are no longer eligible to join the PRGLIP.

(c) A retiree who terminates coverage in the PRGLIP may not reinstate coverage.

3.2 Effective Date of Coverage for Retirees

The insurance coverage of a retiree, whose enrolment form is received by the Fund on or before the eligibility date, or within 61 days after the eligibility date, shall become effective on the eligibility date, which is the date of retirement.

3.3 Extent of Coverage

The extent of coverage is described in a separate booklet specific to this benefit.

3.4 Premium Rates for Pensioners

Insured retirees under the PRGLIP will pay the insurance premium in full. The Fund and the insurance company will determine the schedule of annual premium rates which will change from time to time. Premiums from the insured pensioners are due monthly through pension deduction.

Amended text:

3. [Deleted]

Section E.X

Current text

6. Conversion Option

6.1 The Life Cover may be converted to the Individual Life Insurance Plan without evidence of insurability upon:

(a) Termination of employment or death of the staff member; or

(b) Ineligibility of a dependent, due to divorce for the spouse, or marriage or attainment of twenty-four (24) years of age for dependent children included under paragraph 3.1.

The conversion option should be availed of within 61 days of the termination of the Life Coverage.

6.2 Any insured dependent below the age of 65 may apply for the conversion option to the Individual Life Insurance Plan.

6.3 Staff members whose dependents are insured under the DLDIP will pay the insurance premium in full. The Fund and the insurance company will determine the schedule of annual premium rates from time to time. Premiums for coverage of insured dependents are due semi-monthly through payroll deduction.

6.4 Extra premiums paid by the staff member to the Fund due to the delay in reporting of her/his dependent's ineligibility will not be refunded.

Amended text

6. [Deleted]

Section E.XI

Current text:

XI. Force Majeure Protection Program

1. Policy

1.1 It is the policy of the Fund to provide basic force majeure protection to Internationally Recruited Staff (IS) against loss or damage to personal property when such protection through insurance is generally not commercially available in the market, or only available at prohibitive cost. The force majeure protection programme is intended to supplement the normal insurance protection which Internationally Recruited Staff should have for household, other property and for automobile(s).

2. Eligibility

2.1 In order to be covered by the programme, staff must have insured their personal property on their own, under appropriate insurance policies, against risks which do not include force majeure risks. For household and other personal property, a householder's policy would have to be maintained. For automobiles, a comprehensive insurance contract covering loss and damage and third party liability is required.

3. Coverage

3.1 The Programme provides protection against force majeure risks which include the following:

(a) Riots, strikes and civil commotions – physical losses or damage resulting from any act committed in the course of a disturbance of the peace by any person taking part with others in such a disturbance; any wilful act of any striker or locked out worker done in the furtherance of a strike or in resistance to a lockout; any act of a lawfully constituted authority for the purpose of suppressing or minimizing the consequences of any existing disturbance of the peace or for the purpose of preventing or minimizing any wilful act of any striker or locked-out worker as above.

(b) Malicious damage – all physical losses or damage resulting directly from a malicious act caused by anyone, whether or not such act is committed during a disturbance of the peace. Such acts shall include loss caused by sabotage and acts committed by any and all persons who are members of an organization whose aim is or includes the overthrowing of any legal or de facto government by terrorism or violence.

(c) Confiscation, expropriation and nationalization – all physical loss or damage resulting directly from confiscation, seizure, appropriation, expropriation, requisition for title or use of, wilful destruction by or under the order of a government or public or local authority.

3.2 However, the Programme does not provide cover in respect of "Acts of God" such as typhoons, floods, earthquakes, or similar disasters as well as loss or damage caused by or arising from burglary, housebreaking, theft, larceny, ionizing radiations or contamination by radioactivity from nuclear fuel or other hazardous properties of any nuclear assembly.

3.3 The Programme covers the following items:

(a) Household property consisting of:

(i) Household goods and appliances;

(ii) Furniture, fixtures, and equipment; and

(iii) Jewellery, watches, and objects of fine art;

(b) One automobile; and

(c) Depending on the amounts covered under the Programme for household property and one automobile, a second automobile which must have been acquired through the exercise of the second duty free car privilege for the Fund's internationally recruited staff (IS).

3.4 The amounts covered under the Programme are equal to the insured values of the items under the staff's commercial insurance policies, subject to the following provisions:

(a) An aggregate limit of US\$ 130,000 for the household property and two automobiles;

(b) If the staff's insured values for the household property and two automobiles exceed US\$130,000, then the amount covered for the automobile acquired through the exercise of the second duty free car privilege is reduced to such an amount that it could be accommodated within the US\$ 130,000 limit; and

(c) If the staff member's insured values for household property and the first automobile exceed US\$ 130,000, then the amounts covered for these two types of property will be adjusted proportionately such that the amounts covered under the Programme equal US\$ 130,000.

3.5 Losses which are not major in nature will be borne by the staff member, and no claim may be made unless the aggregate amount of the claim, resulting from a single event, exceeds 10 per cent of the amount covered under the Programme. For household property, the 10 per cent limit applies to the aggregate amount covered by the Programme, and not 10 per cent of the value of each household item. For losses which exceed the 10 per cent limit, and for which a claim is filed, the Programme will reimburse the entire loss, and not only the loss in excess of the 10 per cent limit, subject to the above-mentioned amounts covered under the Programme.

4. Claims Procedures

The procedures for filing claims as established or amended from time to time are set forth in the Appendix of this rule.

5. Responsibility

5.1 The Director, Support Services is responsible for the proper administration of the Programme, processing the claims from staff, appointing the commercial appraiser, and advising the Support Services Division of claim payments to be made to staff.

5.2 The Support Services Division is responsible for processing the claim payments to be made to staff.

5.3 Staff members covered under the Programme are responsible for insuring their household property and automobile(s) under household insurance and comprehensive automobile insurance policies, ensuring that these policies are always kept in-force, and promptly reporting to the Fund losses greater than the 10 per cent limit, resulting from force majeure, as described in this Order rule.

Amended text:

XI. [Deleted]

Current Text:

Appendix 1: Force Majeure Protection Program

1. Claims Procedures

1.1 In order to facilitate claim processing and preclude confusion regarding the items which are covered under the household insurance policy, the staff member should ensure that a list of the covered items is included in the policy.

1.2 In case of loss, which should be greater than 10 per cent of the aggregate limit, staff members should send a memo explaining the event which gave rise to the loss and listing the items that were damaged or lost during the event.

1.3 Staff should submit copies of the insurance policies together with the memo explaining the loss.

1.4 If the claim is valid, i.e. the claim is greater than 10 per cent of the aggregate limit and the items are covered under household insurance and comprehensive automobile insurance policies which are in-force as of the date of the loss, then the Fund shall request a commercial appraiser to determine the value of the items that were damaged or lost. The Fund shall then arrange for

payment to staff, in accordance with the appraiser's valuation of the losses, subject to the above-mentioned amounts covered under the Programme.

Amended Text:

Appendix 1. [Deleted]