

Frequently Asked Questions

Welcome to AIA Agents Protector!

1. Why do I need to buy AIA Agents Protector?

You owe a duty of care to your clients. They may bring a claim against you for your actual or alleged breach of duty, negligent act, error, omission, misleading statement which occurs when you are performing your professional services.

In this rapid changing business landscape, it is also essential to safeguard against sensitive data breaches when handling your clients' data.

Our AIA Agents Protector provides a unique and comprehensive coverage which enables you to conduct your business without the burden of costly individual litigation and potential liability.



About the Policy:

2. What is the core coverage of AIA Agents Protector ?

AIA Agents Protector is composed of two sections
Section A - Professional Indemnity
Section B – CyberEdge

3. What is being covered in Section A - Professional Indemnity of AIA Agents Protector

It covers the sale, distribution and promotion of insurance products offered by AIG Insurance Hong Kong Limited, Zurich Insurance Hong Kong, AIA International Limited or AIA Company Limited (coverage is now extended to products that come with the AIA Vitality Program), and Mandatory Provident Fund Scheme products offered by AIA International Limited (or any company in the AIA Group).

4. What is the Policy Period of AIA Agents Protector?

AIA Agents Protector is a 12-month policy.

The Policy Effective Date is October 1, 2020 and Policy Expiring Date is September 30, 2021.

If a financial planner enrolls during the Policy Period, the cover will be effective from a different date (please refer to Question 12 & 13).

AIA Agents Protector Frequently Asked Questions (Cont)

5. What is the policy limit of AIA Agents Protector?

	Financial Planner	Agency Leader
Section A – Professional Indemnity:	HK\$2,000,000 any one Claim and in aggregate	HK\$10,000,000 any one Claim and in aggregate
Section B – CyberEdge:	HK\$2,000,000 any one Loss and in aggregate	HK\$3,000,000 any one Loss and in aggregate

(For Internship Financial Planner, please refer to Question 27)

6. What is the self retention for AIA Agents Protector?

For Section A – Professional Indemnity, Self retention is HK\$10,000 per claimant, for both AIA Financial Planners, AIA Agency Leaders and AIA Intern.

For Section B – CyberEdge, Self retention is HK\$10,000 each and every claim, for both AIA Financial Planners, AIA Agency Leaders and AIA Intern.

7. Why do I need CyberEdge and what does it cover?

The development of information technology and digitalization of data have provided us with much greater convenience in our course of business. However, the new mode of conducting business also exposes us to increased cyber liability. As an insurance financial planner, you have to handle a huge volume of personal and corporate data on daily basis, whether it can be clients' ID numbers, credit card information, medical records, customer lists, or corresponding profiles of employees. When the data is misused, stolen, improperly collected or stored with inadequate security, you may be subject to inquiries from regulatory body, and become liable to relevant legal liability.

CyberEdge is a cutting edge insurance coverage that provides comprehensive solutions in response to the increasing exposure to cyber liability. Its coverage includes:

- Personal Data Liability - Breach of personal information/Data Protection.
- Corporate Data Liability - Breach of corporate information.
- Data Security Liability – Breach of data security due to malicious intrusion, unauthorized access to the computer system, theft of access code or physical hardware, etc. Damages resulting from breach of duty such as contamination by malicious code of data, disclosure or leakage of data, destruction or damage of data stored.
- Defence Costs – Coverage for defence costs incurred to defend any civil, criminal or regulatory proceedings
- Data Administrative Investigation - Coverage for costs and expenses incurred for legal advice and representation in connection with a formal investigation by a data protection authority or other regulator.
- Data Administrative Fines – Coverage for insurable fines and penalties imposed by a data protection authority or other regulator.
- Repair of Individual's Reputation – Reimbursement of costs incurred in relation to mitigate reputational damage.
- Notification & Monitoring – Coverage of costs and expenses incurred for the legally required disclosure to Data Subjects and costs and expense associated with identity theft education and credit file or identity monitoring arising from a Breach of Personal Information or Breach of Data Security.

AIA Agents Protector Frequently Asked Questions (Cont)

8. What should I do if I was aware of a circumstance or a claim happened before I enrolled AIA Agents Protector?

There is a "Prior Claims/Circumstance" exclusion under the policy. All prior known circumstance or claim is not covered under the policy. You should declare all known claims or circumstances to AIG in the enrollment form for proper record.

9. When I submit the application of AIA Agents Protector, is there any chance that AIG will decline the application?

No. You just need to declare the claim history for our record.

10. Would a Claim be declined If the alleged Wrongful Act was committed before I enrolled to the Policy?

This is a "Claim-made Basis" Policy and AIG is providing unlimited/fully retroactive cover to you, meaning that Claims arise during the Policy Period will be accepted regardless of when the alleged Wrongful Act was committed, provided that it is not a known Claim or Circumstance.

Premium and Payment Method:

11. What is the premium of AIA Agents Protector and how to pay the premium?

First time applicant * – by online application via e-Platform,

**Annual Premium
HK\$529 + IA Levy**

* Leader will receive an email from AIA after his new Financial Planner gets an Agent Code from AIA. The link and QR Code for access to the e-Platform for application and payment for the AIA Agents Protector will be included in the email.

Renewal - Premium payment will be deducted from Financial Planner's payroll annually, if there is insufficient fund in payroll account, AIG will send an email / SMS notification to Financial Planner. This email / SMS will contain dedicated link which directs to the e-Platform. Financial Planner simply follows the instruction in the e-form and pay the premium to complete the renewal.

Notes:

1. Policyholders are responsible for paying the IA levy in this policy year (2020/21).

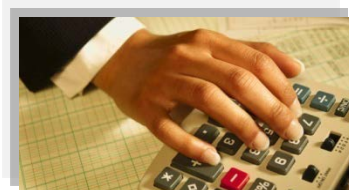
The Levy applies to policies with policy periods commencing on or after 1 January 2018 (whether the policy is a new policy or a renewal policy). For more information, please refer to the following:
<https://www.aig.com.hk/levy>.

AIA Agents Protector Frequently Asked Questions (Cont)

12. I have just started my career as an AIA Financial Planner. Can I enroll the plan during the policy period and how to calculate the premium?

All new AIA Financial Planners and AIA Agency Leaders are required to enroll AIA Agents Protector and they can enroll the plan within the policy period. Premium will be charged according to the table below:

<u>Policy Effective Date</u>	<u>Premium Payment including IA levy</u>	<u>Policy Expiring Date</u>
1-Oct-2020	HK\$529.4	30-Sep-2021
1-Nov-2020	HK\$485.3	30-Sep-2021
1-Dec-2020	HK\$441.2	30-Sep-2021
1-Jan-2021	HK\$397.1	30-Sep-2021
1-Feb-2021	HK\$353	30-Sep-2021
1-Mar-2021	HK\$308.8	30-Sep-2021
1-Apr-2021	HK\$264.8	30-Sep-2021
1-May-2021	HK\$220.6	30-Sep-2021
1-Jun-2021	HK\$176.5	30-Sep-2021
1-Jul-2021	HK\$132.4	30-Sep-2021
1-Aug-2021	HK\$88.3	30-Sep-2021
1-Sep-2021	HK\$44.1	30-Sep-2021



13. After I submit the application of AIA Agents Protector via e-platform, does that mean I have successfully enrolled to the Policy?

After you have completed the application online, a confirmation email with Certificate of Insurance will be sent to you. Please note successful application is subject to underwriting and compliance review. AIG will contact you within 1 month if the enrollment is not successful.

AIA Agents Protector Frequently Asked Questions (Cont)

14. How to apply the Premium Schedule?

Here are some examples:

	Contract with AIA on	Effective Date	Expiry Date	Premium Including IA levy
For New Financial Planners (application date is within 3 contract months):	Apr 1, 2021	Apr 1, 2021	Sep 30, 2021	HK\$264.8
	Sep 1, 2021	Sep 1, 2021	Sep 30, 2021	HK\$44.1

	Contract with AIA on	Effective Date	Expiry Date	Premium Including IA levy
For New Financial Planners (application date is out of 3 contract months):	Jan 1, 2021	May 1, 2021	Sep 30, 2021	HK\$220.6

If you have joined AIA for more than 3 months, Inception Date will be the first day of next month, e.g. Contract Date is Jan 1st, enroll in Apr and Inception Date is May 1st.

15. Can I have the premium refund on pro-rata basis if I want to terminate the coverage, for any reason, prior to policy expiry?

The premium is non refundable.

16. If I don't need cyber coverage, is there any premium reduction?

No. AIA Agents Protector is an insurance policy arranged by LUSEB for all AIA Financial Planners and AIA Agency Leaders aiming at providing a comprehensive protection against potentially liability while conducting business. Amendment on policy terms and conditions by individual AIA Financial Planner or AIA Agency Leader is not available.

AIA Agents Protector Frequently Asked Questions (Cont)

17. Shall I inform AIG if I retire or leave AIA? Will the policy become invalid immediately?

No, you do not have to report to AIG.

If you have retired or left AIA, you are still held liable for your actions while you were an AIA Financial Planner or AIA Agency Leader. Your policy remains valid when you leave AIA, and shall provide you continuous coverage for another 12 months immediately following the date of retirement or leave under the extension "Run-Off Coverage for Retired Insured".

However, the "Run-Off Coverage for Retired Insured" is only applicable to ex-financial planners/ ex-agency leaders who leave AIA for any reason other than disqualification, dismissal from employment or office, for breach of contract or for breach of their agency agreement.

Claims:

18. Shall I notify AIG if I receive a written or verbal complaint from my client?

- (i) If there is a written complaint against you, or
- (ii) If there is a civil or administrative proceeding brought against you, or
- (iii) If there is an investigation conducted by authority or regulatory

in respect of alleged wrongful act committed by you, you should report the case to AIG as soon as practicable and during policy period. If you are aware of any verbal complaint, you are also suggested to report it to AIG as soon as practicable and during the policy period.



19. AIA provides a complaint log to AIG on a monthly basis containing complaint cases received by AIA. Do I need to report complaint cases to AIG by ourselves again?

It is suggested that you should report any potential claim to AIG for our further processing.

20. Referring to Question 18, what do I need to submit to AIG as notification of potential claim if I have already reported the same case to AIA?

You should provide us with a copy of all relevant correspondence and documents that you have exchanged with AIA. AIG may request for further information upon reviewing the initial documents provided.



21. Shall I appoint lawyers to handle the defence?

You can appoint lawyers for your own defense. Please provide us with details of the appointed lawyer including the lawyer's name, position in the firm, CV and hourly rate for our prior approval.

AIA Agents Protector

Frequently Asked Questions (Cont)

22. Do I need to pay the defence cost first and subsequently seek reimbursement under the policy?

According to the policy terms and condition, you should settle the defence costs and seek reimbursement under the policy at completion of the claim. If individual insured financial planner has any difficulty in making interim payments of defense costs, please contact AIG Claims Department to discuss.

23. If I have a reported case and have incurred defence costs without AIG's written consent, are such defense costs covered under the policy?

There is a condition "Insurer's Consent" in the policy which says all defence costs incurred by you without AIG's prior written consent are not covered under the policy.

24. If I have a reported case and I incurred defense costs with AIG's prior consent, what is the arrangement if it is eventually held that the wrongful acts were committed by me intentionally?

You will be required to return the defence cost paid by AIG.

25. Does the "Court Attendance" of AIA Agents Protector have any self retention?

No.

26. Does a valid claim case have any impact on the renewal premium of its policy in the following year?

No. AIA Agents Protector is a Group Policy under Group Underwriting, and so a valid claim will not have any impact on the renewal premium of the policies as a whole.

AIA Agents Protector Frequently Asked Questions (Cont)

Interns:

27. I am a new/existing Intern, is it mandatory to enroll for “AIA Agents Protector”?

Yes, from the clients' point of view, Interns are the same as other Financial Planners, they owe a duty of care to the clients and are liable for breach of professional duty.

28. What is the limit of cover provided under AIA Agents Protector to Interns?

There are two options available to Interns with different policy limit. AIA Interns can select Option 1 or Option 2 according to their needs:

	Option 1	Option 2
Section A – Professional Indemnity:	HK\$500,000 any one Claim and in aggregate	<ul style="list-style-type: none"> • The first 3 months of the Policy Period - HK\$500,000 any one Claim and in aggregate • After the first 3 months of the Policy Period - HK\$2,000,000 any one Claim and in aggregate
Section B – CyberEdge:	HK\$500,000 any one Loss and in aggregate	<ul style="list-style-type: none"> • The first 3 months of the Policy Period - HK\$500,000 any one Loss and in aggregate • After the first 3 months of the Policy Period - HK\$2,000,000 any one Loss and in aggregate

The renewal terms of this Option 2 will be the same as other financial planners' terms in the following Policy Period (Same Limit of Liability and Premium).

29. May I change my coverage Option during the Policy Year?

No, you are not allowed to switch to another Option once your cover is in effect.

30. Will the short term payment schedule be applied to Interns?

Yes, please refer to below:

<u>Policy Effective Date</u>	<u>Premium Payment (Option 1 / Option 2) including IA levy</u>	<u>Policy Expiring Date</u>
1-Oct-20	HK\$153.1/HK\$461.4	30-Sep-2021
1-Nov-20	HK\$140.4/HK\$422.9	30-Sep-2021
1-Dec-20	HK\$127.6/HK\$384.5	30-Sep-2021
1-Jan-21	HK\$114.8/HK\$346	30-Sep-2021
1-Feb-21	HK\$102.1/HK\$307.6	30-Sep-2021
1-Mar-21	HK\$89.3/HK\$269.1	30-Sep-2021
1-Apr-21	HK\$76.6/HK\$230.7	30-Sep-2021
1-May-21	HK\$63.8/HK\$192.3	30-Sep-2021
1-Jun-21	HK\$51.1/HK\$153.8	30-Sep-2021
1-Jul-21	HK\$38.3/HK\$115.4	30-Sep-2021
1-Aug-21	HK\$25.5/HK\$76.9	30-Sep-2021
1-Sep-21	HK\$12.8/HK\$38.5	30-Sep-2021

AIA Agents Protector Frequently Asked Questions (Cont)

31. How to apply the Premium Schedule?

Here are some examples:

For New Interns
(application date is
within 3 contract months):

Contract with AIA on	Effective Date	Expiry Date	Premium Payment (Option 1 / Option 2) Including IA levy
Apr 1, 2021	Apr 1, 2021	Sep 30, 2021	HK\$76.6/HK\$230.7
Sep 1, 2021	Sep 1, 2021	Sep 30, 2021	HK\$12.8/HK\$38.5

For New Interns
(application date is
out of 3 contract months):

Contract with AIA on	Effective Date	Expiry Date	Premium Payment (Option 1 / Option 2) Including IA levy
Jan 1, 2021	May 1, 2021	Sep 30, 2021	HK\$63.8/HK\$192.3

If you have joined AIA for more than 3 months, Inception Date will be the first day of next month, e.g. Contract Date is Jan 1st, enroll in Apr and Inception Date is May 1st.

AIA Agents Protector Frequently Asked Questions (Cont)

Contact & Support

32. Where can I access the e-platform?

Leader will receive an email from AIA after his new Financial Planner gets an Agent Code from AIA. The link and QR Code for access to the e-Platform for application and payment for the AIA Agents Protector will be included in the email.

Moreover, renewal premium payment will be deducted from payroll annually. If there is insufficient fund in payroll account, AIG will send an email / SMS notification to Financial Planner. This email / SMS will contain dedicated link which directs to the e-Platform. Financial Planner simply follows the instruction in the e-form and pay the premium to complete the renewal.

33. Where can I access the AIA Agents Protector Video?

Web address: <https://www.youtube.com/watch?v=AiCuUyBA-UE&feature=youtu.be>

34. How can I get the policy copy?

Please contact LUSEB at luseb.hk@aia.com.hk

35. Who should I contact for general enquiries?

AIG Enquiry hotline: 3666 7012 (Mon - Fri 9:00am - 5:30pm)