

March 22, 2023

Dear Brokers,

Subject: Medical / Travel Insurance Plans

Premiums Adjustments and Change of Terms in 2023

Annually on April 1st Pacific Cross Insurance Company updates its premiums and benefits to align with medical cost inflation increases as well as market demands.

This letter is to inform you that the premiums of "Pacific Cross" medical products will increase by 4.5% effective April 1, 2023. A premium rate table for our medical plans can be found via the 1st web link in this email. Travel insurance plans will not have their premiums adjusted and will remain the same for 2023.

Also, please note policy terms and scope of coverage have been reviewed and adjusted for improvement. The 2nd link below contains an Important Notice showing existing clauses along with new changes for easy reference.

Along with premium adjustments and changes to policy terms, Pacific Cross has also made enhancements to its products which we feel increase value for clients. Listed below are some of the changes. For full details, please refer to the "Important Notice" mentioned above and linked below.

- No increases to premiums for members over age 65. Increases will, however, apply for dental and vision benefits.
- The No Claim Discount (NCD) will be extended up to 25% for members not claiming for 4 years or more.
- For the sake of clarity our "Maximum Coverage For Any One Disability or Combination of Disabilities Each Year" is being replaced by "Maximum Limit per Policy Year".
- We are introducing a number of benefit enhancements (for full details refer to the 2023 brochure once available), for instance:
 1. Inpatient home nursing benefits will be extended from the current 30 days to 45 days
 2. We are increasing organ transplant benefits by 50% for all products.
 3. We explicitly include day surgery as part of inpatient coverage.
 4. We will cover kidney dialysis performed on outpatient basis as part of inpatient coverage.
 5. We are increasing the Hospice Care benefit to US\$ 50,000 for Comprehensive and Standard Plans; to US\$ 25,000 for the Premier Plans; and to US\$ 50,000 for Major Medical Plans.

6. We are increasing maternity benefits by 25% for all Plans.
 7. The geographical scope of private room and board coverage under our Major Medical Plans is extended to include Cambodia, Laos, Myanmar, Vietnam and Taiwan.
- The preventative benefit introduced in 2020 will be refined and made available to all policyholders from year 2 onwards. Later in 2023 we will issue electronic vouchers to all our qualifying policyholders covering specific preventative check-ups dependent on age and gender. This benefit will not affect any accumulated or future No Claim Discount.
 - The application of discounts will be multiplicative on new policies starting from April 1, 2023. So, a new applicant opting for the Treatment Area Limit (TAL), excludes Outpatient Coverage and opts for 20% Co-Payment will pay 42.1875% of the published rate table. This is consistent with our treatment for loadings which are also multiplicative. For existing policies, discounts in place currently will be maintained.
 - Singapore was added as a TAL country 3 years ago. We have now also eliminated Singapore from the "ASEAN Private Room" coverage under our Premier Plan and also added it to the semi-private list for our Standard Plan. For both Singapore and Hong Kong residents we are increasing the territorial loading to 25%. For existing Singapore residents, we apply a loading of 10% only for policies renewing after April 1, 2023.
 - On the other hand, we are adding Germany to the countries where we would not levy an additional loading and where we offer private coverage under our Standard Plan.

For our Bon Voyage and Annual Travel travel insurance we are introducing some refinements, notably:

- A reduced baggage delay requirement from 12 hours to 6 hours
- An extended sea depth of diving from 30m to 40m
- We add coverage of loss of tablet computer into Baggage & Personal Effects.

Please read the Important Notice carefully and let us know if you have any questions. Also note the Policy Document has been amended to reflect the changes.

Again, policy and premium changes take effect April 1, 2023.

We thank you for your continued support of Pacific Cross Insurance.

Very truly yours,
Pacific Cross Insurance Company Ltd
Wolfgang Droste
Group CEO