

BY EMAIL ONLY

Members' Circular No. 74  
29 June 2020

To: All Ordinary and Associate Members

MC 74/20 - LIA Critical Illness (CI) Framework 2019: Extension Of Grace Period

**ACTION: FOR INFORMATION OF ORDINARY MEMBERS THAT ISSUE CRITICAL ILLNESS COVER**

***Reference: LIA Members' Undertaking No. 58 dated 26 August 2019***

In view that COVID-19 has presented a practical difficulty for applications requiring medical examinations, please be advised that the grace period for transition to Version 2019 Definitions will be extended from the original three months to six months, i.e. by 25 February 2021.

Insurers that are implementing Version 2019 Definitions before 26 August 2020 may, if they wish, align to the same cut-off date of 25 February 2021.

**Extract from LIA MU**

**For Individual Policies**

- New CI products introduced before 26 August 2020 may adopt either Version 2014 or Version 2019 definitions. If the insurer chooses Version 2014, the CI product must be withdrawn by 26 August 2020.
- The application of Version 2019 definitions will be based on the Proposal Signed Date.
- ~~For proposals that are signed by 25 August 2020, insurers must ensure that the policies are issued by 25 November 2020. This gives insurers a grace period of three months to issue all such policies under Version 2014 definitions.~~
- **For proposals that are signed by 25 August 2020, insurers must ensure that the policies are issued no later than 25 February 2021. This gives insurers a grace period of six months to issue all such policies under Version 2014 definitions.**

**LIA SECRETARIAT**