

## 招商永隆銀行有限公司 – “保貸通”

招商永隆銀行有限公司（「本行」） - 保費融資 / 保單抵押讓合資格客戶\*利用指定人壽保單^作押獲得額外現金作個人用途及支付保費。

\*合資格客戶為符合本行相關要求的客戶，相關要求涉及評估客戶之信貸記錄報告、財務狀況及客戶背景等。客戶必須已購買人壽保單或已完成人壽保單申請。

^指定人壽保單為招商永隆銀行有限公司不時更新之指定保險公司發出之指定保險保單。保單必須以躉繳或預繳全數支付。

### 主要產品特點

<b>抵押品</b>	指定保險公司之指定人壽保單
<b>最高貸款金額</b>	保單的淨退保價值之 95%
<b>最低貸款金額</b>	港幣 \$1,000,000 元或等值
<b>貸款貨幣</b>	港幣
<b>貸款類別</b>	透支額/借梗貸款
<b>貸款目的</b>	支付保費或作個人用途
<b>有效期</b>	<p>透支：由審批通過日起 12 個月，或由隨後每年的年檢日起 12 個月（如本行該年批准貸款續期）。額度最長持續時間上限為 10 年。</p> <p>借梗：由放款日起 12 個月，或由隨後每年的年檢日起 12 個月（如本行該年批准貸款續期）。額度最長持續時間上限為 10 年。</p> <p>銀行可根據貸款或其他情況自行決定更新和延長貸款和/或調整或取消貸款。除非銀行通知借款人保貸通項下的透支/借梗貸款額度已取消或不再更新，否則借款人可以繼續使用協議項下的透支/借梗貸款額度。儘管透支/借梗貸款授信中有任何規定，本行保留在不提前通知借款人的情況下自行決定增加、減少、取消部分或全部貸款/融資和/或可能要求額外抵押品的權利。</p>

### 利率及費用

<b>年利率</b>	<p><b>按保單購買渠道及客戶關係釐定</b></p> <p>基於香港銀行同業拆息利率</p> <p>一個月香港銀行同業拆息加 0.5%至 3.0%(年利率)(受制於本行酌情權)，但不會超過最優惠利率(P)減 0.25%至 2.75%(年利率)(受制於本行酌情權)，並根據本行以其絕對酌情權決定而不時調整。</p> <p>基於最優惠利率</p> <p>最優惠利率(P)減 0.5%至 3.0%(年利率)(受制於本行酌情權)並根據本行以其絕對酌情權決定而不時調整。</p> <p>定息</p> <p>3.0%至 7.0%(年利率)(受制於本行酌情權)並根據本行以其絕對酌情權決定而不時調整。</p> <p>前期定息，之後基於最優惠利率</p> <p>前期年利率以 3.0%至 7.0% (年利率)(受制於本行酌情權)計算，其後以最優惠利率(P)減 0.5%至</p>
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	<p>3.0%(年利率)(受制於本行酌情權)並根據本行以其絕對酌情權決定而不時調整。</p> <p><i>[香港銀行同業拆息 (HIBOR) 是香港銀行同業市場拆借資金的息率。香港銀行同業拆息為本行在授信額度建立日及/或利率定息日參照香港銀行公會之香港銀行同業拆息(HKAB HIBOR)頁面(或其替代)上午 11 時(香港時間)之報價釐定。]</i></p> <p><i>[最優惠利率 (P) 指本行港元最優惠貸款利率，隨市況調整。</i></p> <p><i>有關本行最優惠利率(P)，請瀏覽本行網頁 <a href="http://www.cmbwinglungbank.com">www.cmbwinglungbank.com</a> (主頁&gt;個人銀行&gt;投資&gt;財經情報&gt;利率&gt;招商永隆銀行最優惠貸款利率]</i></p> <p>透支：</p> <p><b>利率定息日：</b>每月第一個營業日(星期六除外)</p> <p>若授信額度建立日在當月 15 日或之前，定息日將定於下一個月之首個營業日；若授信額度建立日在當月 15 日後的其他日子，定息日將定於隨後第二個月之首個營業日。</p> <p>利息就該貸款下所借取款項之每日尚欠結餘以上述年利率按日累積。利息是根據實際日數並以每年為 365 天(包括閏年)計算，在每月第 25 個曆日及/或貸款結清日收取。</p> <p>借梗：</p> <p><b>利率定息日：</b>如定息期的首日是星期六、日或公眾假期，香港銀行同業拆息將於緊接之前的營業日釐定。</p> <p>利息就該貸款下所借取款項之每日尚欠結餘以上述年利率按日累積。利息是根據實際日數並以每年為 365 天(包括閏年)計算，在每月及/或貸款結清日收取。</p> <p><b>註：</b>當客戶行使冷靜期權時，貸款息率將按貸款提取已使用日期繼續支付。</p>
<b>超出信用額度利率(透支貸款)</b>	透支利息將根據貸款餘額超出其預先安排之貸款的信用額度徵收，按每年最優惠利率加 8% 計算，隨市況調整 (以每日計算) 。
<b>年度手續費</b>	<p><b>按保單購買渠道、客戶關係及保單類型釐定</b></p> <p>授予貸款額度之年利率 0.10% - 0.50% (費用不獲發還)，額度建立後下一個工作天或每年續期日支付。貸款年費由授信額度建立日算起，按每年實際貸款有效日數並以每年為365天(包括閏年)計算。</p> <p>註：當客戶行使冷靜期權時，此年度手續費將被免除。</p>
<b>超出可用貸款額度手續費 (透支貸款)</b>	每次交易收取港幣120元。
<b>超出可用貸款額度利率 (透支)</b>	透支利息將根據貸款餘額超出其可用貸款額度徵收，按最優惠利率加8%(年利率)計算 (以每日計算)，隨市況浮動。
<b>逾期還款手續費 (借梗貸款)</b>	每次逾期還款費用為港幣 400 元；及本行因追討欠款所支付的一切其他合理費用及開支，當中包括所有法律費用及支出。

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<b>逾期還款利率 (借槓貸款)</b>	按合約利率加年利率7%計算，隨市況浮動。除逾期還款利率外，本行保留權利於任何延遲還款時收取本行不時釐定之金額作為行政費。
<b>提前全數還款 (借槓貸款) / 取消額度手續費</b>	原貸款金額之1.00%。如欲提早清還全部貸款餘額/取消額度，必須於1個月前以書面通知本行。
<b>部分還款手續費 (借槓貸款)</b>	還款額之1.00%。如欲部分還款，必須於1個月前以書面通知本行。
<b>重要說明及影響 (此乃重要資料 閣下必須細閱)</b>	
<p>1. <b>什麼是保費融資：</b>保費融資是一種保單融資安排，指閣下作為投保人，向貸款方借款以支付人壽保險保單（「保單」）的保費，同時將閣下所擁有的全部或部分保單權利作為抵押品轉讓予貸款方。</p>	
<p>2. <b>獨立的安排/合約：</b>保費融資是閣下與貸款方之間的獨立安排，既不是也不構成閣下與[獲授權保險公司的名稱]（「保險公司」）之間的保險合約的一部分。保險公司不是貸款合約和保單轉讓協議的合約方之一，因此不受閣下與貸款方所簽訂的合約和協議的條款及細則（包括糾紛調解）約束。如果閣下對相關條款及細則有任何疑問，應聯絡貸款方。</p>	
<p>3. <b>保單權利受限：</b>保單轉讓協議將通過契據形式將閣下所擁有的全部或部分保單權利作為抵押品轉讓予貸款方。根據貸款合約和保單轉讓協議的條款及細則，貸款方將有權行使閣下保單的全部或部分保單權利，而閣下在未經貸款方批准前不能行使這些權利。這些保單權力可能包括：</p> <ul style="list-style-type: none"> <li>• 收取保險公司根據保險合約應支付的任何利益（包括退保價值、身故賠償等）；</li> <li>• 在冷靜期內取消保單、在冷靜期後退保或提取保單價值；</li> <li>• 申請保單貸款或行使保單內的任何選項；及</li> <li>• 更改或修訂保單（例如更改受益人、將保單再次抵押或轉讓）。</li> </ul> <p>因此，閣下應仔細閱讀貸款合約和保單轉讓協議的條款及細則，考慮相關條款及細則對閣下的保單可能造成的潛在不利影響，並考慮該保單是否仍然適合閣下。</p>	
<p>4. <b>實際利益不足：</b>由於部分保單利益將被用於支付保費融資的欠款（包括貸款本金及相關利息），保費融資保單的實際淨利益將少於相關利益說明文件中所顯示的金額。如果閣下打算使用保費融資支付大部分所需保費，此差額可能非常顯著。</p>	
<p>5. <b>保單資料的發放及查閱：</b>貸款方將有權查閱閣下的保單資料，保險公司可能須按貸款方的指示不時將閣下的保單資料發放予貸款方，例如退保價值、現金價值以及保單的任何貸款或墊款資料。</p>	
<p>6. <b>提供額外抵押品及按貸款方要求還款的風險：</b>貸款方可能有權不時重新檢視閣下的貸款，並有權隨時重組或終止該貸款。在貸款合約中訂明的特定情況下，貸款方可能會要求閣下提供額外的抵押品，或即時償還部分或全部欠款。如閣下無法滿足貸款方的要求，貸款方可能會重組或終止該貸款，或行使貸款方所擁有的保單權利，例如退保以收回欠款。</p> <p>閣下應仔細閱讀貸款合約的條款及細則，例如貸款檢視頻率和次數、可能引致上述情況的條件及相關安排等。閣下在使用保費融資購買保單之前，應考慮自己的財務負擔能力是否能夠滿足貸款合約中訂明的各種特定情況。</p>	
<p>7. <b>逾期還款及拖欠還款的後果：</b>如閣下以保費融資貸款支付保費，閣下須根據貸款合約的條款及細則和還款時間表依期償還貸款本金及利息。如有任何逾期或拖欠還款（包括利息和本金），貸款方可能會要求閣下立即償還所有欠款。貸款方亦可能會將閣下的保單退保以收回拖欠款項，從而導致閣下失去保單提供的保障並蒙受重大財務損失。閣下往後亦可能因某些轉變（例如健康狀況）而不能重新投保以獲得相同的保險保障。如保單退保後取回的金額不足以支付欠款，閣下</p>	

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仍須為相關差額負責。

此外，閣下於貸款方的其他結餘（包括任何類型的戶口餘額）有可能被用作支付閣下所拖欠的保費融資貸款。

8. **提前終止保單/退保/提取保單價值的影響**：如果貸款方根據保單轉讓協議的條款及細則在保單期滿前終止保單、退保或提取保單價值：
- 保單利益可能會遠低於已繳交的總保費、貸款合約下的利息支出和提前還款罰款（如適用）的總和，尤其是在保單生效後的最初幾年；
  - 閣下可能會失去部份或全部保單提供的保障，而閣下將來未必能夠重新投保以獲得相同的保險保障；
  - 閣下可能會失去保單應得的各種紅利；
  - 貸款方可能會取用閣下的全部或部分保單利益以支付閣下於貸款方的其他欠款（不論是否與保費融資貸款有關）；及
  - 如閣下同時使用該保單作為業務或其他安排的條件或擔保，保單被終止後可能會導致相關安排違約並帶來不利後果。
9. **受保人身故的影響**：若受保人身故，保單所支付的身故賠償金額可能會遠低於已繳交的總保費、貸款合約下的利息支出和提前還款罰款（如適用）的總和，閣下可能因此蒙受重大財務損失。
10. **利率波動風險**：保費融資貸款的利息支出會影響閣下以保費融資購買保單的預期淨回報率（即扣除利息支出後的回報）。若貸款利率並非固定（即是會不時變動的浮息），閣下可能需承受重大利率風險。即使貸款利率以定息計算，貸款方亦可能有權根據貸款合約不時調整貸款利率。貸款利率上升會增加閣下的償債成本（即定期須支付的利息有所增加）。若貸款利率大幅上升，可能導致閣下未能如數還款而因此違約。此外，若貸款利率遠高於保單的回報，閣下將蒙受重大財務損失。
11. **非保證利益波動風險**：若閣下的保單包含非保證利益，利益說明文件中顯示的非保證利益乃基於投資回報的假設，並不保證可以實現。若閣下保單的投資回報未能達到該假設，閣下可獲得的非保證利益則可能低於利益說明文件中顯示的金額，或大幅低於閣下須支付的貸款利息；在某些情況下，非保證利益甚至可能為零。
- 如果保單的總回報遠低於閣下須支付的貸款利息，閣下將蒙受重大財務損失。
12. **匯率波動風險**：若貸款貨幣與保單貨幣不相同，便會出現匯率風險。在保費融資的情況下，閣下可能需要先將保單收益按當時的匯率由保單貨幣兌換至貸款貨幣，才能償還貸款。若匯率出現不利波動導致閣下的保單收益大幅低於未償還的貸款金額，閣下將蒙受重大財務損失。
13. **信貸風險**：閣下須承受保險公司的信貸風險。若保險公司未能履行其於保單的責任，或其信貸評級有不利變化，貸款方可能有權要求閣下提供額外的抵押品、調整閣下的信貸限額、重組甚至終止貸款。閣下可能須立即償還所有貸款本金、利息及行政費用。如閣下從保單中獲得的收益不足以支付欠款，閣下則仍須為相關差額負責。
14. **付款時間落差**：閣下可能因為保單收益未能在貸款合約規定的還款日或之前匯至貸款方（例如貸款到期日早於閣下的保單期滿日，或保險公司需時處理保單利益發放），而導致閣下拖欠還款而違約。閣下將要全數承擔貸款方根據貸款合約的條款及細則所徵收的任何逾期罰息或違約利息。
15. **對冷靜期權利的影響**：由於閣下在冷靜期內取消保單的權利可能因保單轉讓協議而被轉讓予貸款方，故此任何取消保單的要求均可能須先徵得貸款方同意。即使閣下已在冷靜期內取消保單，閣下可能仍須償還保費融資貸款的本金、提前還款罰款（如適用）、利息及其他行政費用。

**其他資料**

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<b>抵押品風險</b>	<ol style="list-style-type: none"> <li>1. 有關保單之風險，請參閱保單之產品資料概要及保單相關文件。</li> <li>2. 若發出保單的保險公司之相關信用評級被下調，抵押保單之現有價值顯著下降或保險公司破產，本行保留重新審核信用額度之條款及要求額外抵押品的權利。</li> <li>3. 若客戶選擇的貸款貨幣有別於保單貨幣，貨幣價格可升可跌，相關風險請參閱保單之相關文件。而保單貨幣貶值令貸款與抵押品價值比率超過100%時，本行保留要求客戶於每年檢討時注入額外抵押品的權利。</li> <li>4. “保貸通”融資之貸款利率隨市況調整，並根據本行以其絕對酌情權不時決定的利率或條款更改。因此，客戶面對利率風險。</li> <li>5. 未能償付到期應付本行的任何款項，或出現於抵押契據及償還承諾書內所列出的任何其他強制執行理由，本行保留權利根據有關的抵押及押記文件作出任何行動，包括但不限於接管保單並退保。客戶仍然必須承擔退保金額與貸款結欠中之任何不足金額。</li> </ol>
<b>貸款收回風險</b>	<p>本行保留於任何時間或每年檢討時，在審視客戶之還款能力後及 / 或當抵押品風險發生時，在預先通知客戶的情況下加大、減少、取消部份或全部貸款及要求額外抵押品的權利。但是，如果發生事故以致本行認為客戶在財政狀況上出現重大不良影響，本行可能會在沒有預先通知的情況下修改、減少或取消相關貸款。</p>
<b>其他風險</b>	<p>當保單獲轉讓予銀行時，銀行將有權代表客戶行駛該保單下的權利，包括但不限於下項：</p> <ol style="list-style-type: none"> <li>1. 於冷靜期內取消保單、退保及提取保單金額之權利。換言之，保障範圍將被減少或甚至乎下跌至零。</li> <li>2. 領取應付的權益包括但不限於死亡權益、保單所含之現金價值或滿期權益（權益只能於扣除尚欠的貸款金額後付予客戶）換言之，保障範圍將被減少或甚至乎下跌至零。</li> <li>3. 要求保險公司提供任何該保單資料包括但不限於保單之退保或現金價值。</li> </ol> <p>在保單質押協議及其他貸款文件的規限下，客戶亦可能須在取得銀行的同意後方可作出任何有關保單服務的要求，如更改客戶資料、更改受益人、提取保單戶口價值等。</p>

## CMB Wing Lung Bank Limited - Insurance Policy Financing

**CMB Wing Lung Bank Limited ( "the Bank" ) – Insurance Premium Financing /Policy Financing is designed for selected customers\*who are seeking funds for payment of premium for his/her insurance application or to obtain cash for personal usage by using eligible life insurance policies^ as collateral.**

\*Selected customers refer to customers who meet the Bank' s related requirements which involve assessment of customer' s credit report, financial status and customer background, etc. Customer purchased of the life insurance policy or finished subscription of life insurance policy.

^Eligible life insurance policies refer to the selected insurance policies issued by the on list insurance companies accepted by the Bank. The eligible life insurance policies are reviewed and updated periodically. The insurance policy should be single payment or prepayment fully paid up.

### Key Product Features

<b>Collateral</b>	Selected life insurance policies of eligible insurance companies
<b>Maximum Loan Amount</b>	Up to 95% of net cash surrender value of the policy
<b>Minimum Loan Amount</b>	HKD \$1,000,000 or equivalent
<b>Loan Currency</b>	HKD
<b>Loan Type</b>	Overdraft / Fixed Loan
<b>Loan Purpose</b>	Payment of insurance premium or for personal usage
<b>Availability Period</b>	<p>Overdraft: 12 months from the approval date or 12 months from the annual review date in each subsequent year (if renewal of the facility was granted by the Bank for that year), with maximum duration of the facility capped at 10 years.</p> <p>Fixed Loan: 12 months from the drawdown date or 12 months from the annual review date in each subsequent year (if renewal of the facility was granted by the Bank for that year) , with maximum duration of the facility capped at 10 years.</p> <p>The Bank may, at its sole discretion, renew and extend the facility and/or adjust or cancel the facility taking into account of the loan or other circumstances. The Borrower may continue to use the overdraft / fixed loan facility hereunder unless the Bank notifies the Borrower that the facility under Insurance Policy Financing is cancelled or not to be renewed. Notwithstanding any provisions under facility letter, the Bank reserves the right at its sole discretion to request additional securities or to increase, decrease, cancel part or all of the loan/facilities without prior notice to the Borrower.</p>
<b>Fees and Charges</b>	
<b>Interest Rate (per annum)</b>	<b>Subject to insurance policy subscribed channel and customer relationship</b>

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Based On HIBOR

0.5% to 3.0% per annum (p.a.) (subject to our discretion) above one-month HIBOR but shall not exceed Prime Rate minus 0.25% to 2.75% p.a. (subject to our discretion) and subject to fluctuation from time to time which is determined by the Bank at our absolute discretion.

Based On Prime Rate (P)

0.5% to 3.0% p.a. (subject to our discretion) below Prime Rate and subject to fluctuation from time to time which is determined by the Bank at our absolute discretion.

Fixed interest

3.0% to 7.0% p.a. (subject to our discretion) from time to time which is determined by the Bank at our absolute discretion.

Fixed interest in the early period, then based on the best interest rate  
The interest rate will be calculated at 3.0% to 7.0% p.a. (subject to our discretion) in the early period and thereafter at 0.5% to 3.0% p.a. (subject to our discretion) below Prime Rate and subject to fluctuation from time to time which is determined by the Bank at our absolute discretion.

*[ "HIBOR" means the Hong Kong Interbank Offered Rate which shall be determined by the Bank by reference to the HKAB HIBOR page (or its replacement) as of 11:00 a.m. (Hong Kong Time) on the facility set up day and/or Interest Re-fixing Date]*

*[Prime Rate (P) means the Hong Kong Dollar Best Lending Rate from time to time quoted by the Bank, subject to market fluctuation.*

*For details on the Bank's Prime Rate (P), please visit the Bank's website at [www.cmbwinglungbank.com](http://www.cmbwinglungbank.com) (Home> Personal> Investment> Financial Information> Interest Rates> CMB Wing Lung Bank Best Lending Rate)]*

Overdraft :

**Interest Re-fixing Date:** *The first business date (excluding Saturday) of each month.*

*In relation to facility set up on or before the 15th of each month, the Interest Re-fixing Date will be fixed on the first business date of the subsequent month and, in relation to facility set up on any other day, the Interest Re-fixing Date will be fixed on the first business date of the 2nd subsequent month.*

The interest is accrued daily based on the outstanding balance of the loans borrowed under the facility on each day at the Interest Rate mentioned above. The interest is calculated on the basis of the actual number of days

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	<p>elapsed and a 365-day year (including leap years), charged on the 25th calendar day of every month and/or on the loan full repayment date.</p> <p>Fixed Loan :</p> <p><b><i>Interest Re-fixing Date:</i></b> <i>If the first day of an Interest Period is a Saturday, Sunday or public holiday, HIBOR will be determined on the immediately preceding business date.</i></p> <p>The interest is accrued daily based on the outstanding balance of the loans borrowed under the facility on each day at the Interest Rate mentioned above. The interest is calculated on the basis of the actual number of days elapsed and a 365-day year (including leap years), charged every month and/or on the loan full repayment date.</p> <p>Note: Interest charges will be levied during the period from the loan drawdown to the loan cancellation owing to customer exercise the right of cooling-off.</p>
<b>Interest Rate on Overdraft Exceeding Available Loan Amount (Overdraft)</b>	<p>Over-limit interest will be levied in accordance with the amount in excess of the re-arranged limit at <u>8%</u> per annum over Prime Rate, subject to market fluctuations (calculated on a daily basis).</p>
<b>Annual Handling Fee</b>	<p><b>Subject to insurance policy subscribed channel and customer relationship and type of policy</b></p> <p>0.10% - 0.50% per annum on the amount of the facility granted (non-refundable), and charge on the next working day of limit setup or on annual review date. The Handling Charge is calculated from the facility set up day, based on the actual number of effective loan days each year, with a basis of 365 days per year (including leap years).</p> <p>Note: Such annual handling fee will be waived when customer exercise the right of cooling-off period.</p>
<b>Handling Fee for Overdraft Exceeding Available Loan Amount (Overdraft)</b>	<p>HK\$120 per transaction</p>
<b>Interest Rate on Overdraft Exceeding Available Loan Amount (Overdraft)</b>	<p>Over-limit interest will be levied on any amount in excess of the Available Loan Amount at 8% p.a. over Prime Rate (calculated on a daily basis) subject to market fluctuations.</p>

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<b>Late Payment Handling Charge ( Fixed Loan)</b>	HKD400 for each overdue repayment; and all other fees and expenses reasonably incurred by the Bank arising from the recovery of outstanding payment including all legal costs and expenses.
<b>Late Payment Interest Rate ( Fixed Loan)</b>	7% per annum over contract rate, subject to fluctuations. Apart from the late payment interest, we reserve the right to levy administration fees as determined by us from time to time for any late payment.
<b>Early Full Repayment(Fixed Loan)/Facility Termination Charge</b>	1.00% of the original loan amount Early full repayment/ termination of facility is only permitted upon submission of 1 month prior written notice to us.
<b>Partial Repayment Charge (Fixed Loan)</b>	1.00% of the repayment amount. Partial repayment is only permitted upon submission of 1 month prior written notice to us.
<b>Important Notes &amp; Implications (SOME IMPORTANT FACTS YOU SHOULD KNOW)</b>	
<p>1. <b>What premium financing is about:</b> Premium financing is an insurance funding arrangement whereby you, as the proposed policy holder, borrow funds from the lender to pay for the premium of the proposed life insurance policy (the “Policy” ) and in doing so, you would assign all or part of your rights under the Policy to the lender as collateral.</p>	
<p>2. <b>Stand-alone arrangement/contract:</b> Premium financing is a stand-alone arrangement between you and the lender. It is not, and does not form part of the insurance contract between you and <i>[the name of Authorized Insurer]</i> (the “Insurer” ). The Insurer is not a party to the loan contract or policy assignment agreement and is therefore not governed by the terms and conditions (including dispute resolution) of these contract and agreement you enter into with the lender. In case you have any questions about the terms and conditions, you should contact the lender.</p>	
<p>3. <b>Restriction of rights under the Policy:</b> All or part of your rights under the Policy will be assigned to the lender as collateral via a deed of assignment. Subject to the terms and conditions of the loan contract and policy assignment agreement, the lender will be entitled to exercise all or part of the rights under your Policy, and you will not be able to exercise those rights unless the lender’ s approval is obtained. Examples of those rights include:</p> <ul style="list-style-type: none"> <li>• receive any benefits (including surrender value, death benefit, etc. ) payable by the insurer under your Policy;</li> <li>• cancel your policy within the cooling off period, surrender the policy, or make withdrawals;</li> <li>• apply for policy loan, or exercise any options under the policy; and</li> <li>• make certain changes or amendments to your Policy (e.g. appointment of new beneficiary, further pledge or assign the policy).</li> </ul> <p>You should therefore carefully read the terms and conditions of the loan contract and policy assignment agreement, and consider how these potential adverse impacts may affect the outcome of the Policy and whether the Policy is still suitable for you.</p>	
<p>4. <b>Shortfall in actual benefits receivable:</b> The actual net benefits receivable under the proposed policy financed by premium financing will be less than the amount indicated in the relevant Benefit Illustration, as part of the benefit payments would be offset by the repayment of the loan facility (including the principal</p>	

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amount of the loan and the relevant interest). This shortfall may be significant especially if you intend to pay a substantial portion of the premium using premium financing.

5. **Release and access of information:** The lender will be given rights to access your policy information and may from time to time instruct the Insurer to release information relating to your Policy, for example, surrender value, cash value, and any loans or advances on the Policy.

6. **Risk of collateral top-up and repayment on demand:** Your loan facility may be subject to review by the lender and the lender has the right to restructure or terminate the loan facility at any time. The lender may request you to provide additional collateral, or partially or fully repay the outstanding loan, under particular circumstances stated in the loan contract. If you fail to meet the request(s), the lender may restructure or terminate the loan facility or exercise its rights on the Policy such as surrendering the policy.

You should read the terms and conditions of the loan contract, for example the frequency of review, the circumstances that may trigger the request(s) and the relevant arrangements of the request(s). You should consider your financial affordability in meeting the particular circumstances stated in the loan contract before purchasing life insurance products through the use of premium financing.

7. **Consequence of late repayment and default of loan facility:** If the Policy is funded by a loan facility, you are obligated to repay the outstanding loan amount and interest payments according to the repayment schedule under the terms and conditions of the loan contract. Any late or default of loan repayment over the course of the loan facility, including interest payment and principal repayment, may trigger the lender to demand the repayment of the loan immediately. The lender may surrender the policy and recover the defaulted payment, causing you significant financial losses and loss of insurance coverage. You may not be able to obtain the same insurance coverage for reasons such as changes in health conditions. You shall remain liable for any shortfall between the amounts of the proceeds of the policy and the outstanding amount of the loan facility.

In addition, the lender may set off any obligation under the loan facility owed by you to the lender against any obligation owed by the lender to you (including credit balances in any account you maintain with the lender).

8. **Impact of early termination/surrender/withdrawal:** If the lender exercises its right under the terms and conditions of the policy assignment agreement to terminate or surrender the policy, or withdraw cash value before the end of policy term:

- the amount of benefits receivable under the policy may be substantially less than the sum of total premium paid, interest expenses incurred and early repayment penalty imposed (if applicable) under the loan contract, especially in the early years of the policy;
- you may partially or fully lose the insurance coverage and may not be able to obtain the same insurance coverage;
- you may lose the entitlement to dividends, bonuses, etc. under the policy;
- the lender may apply all or part of the benefits receivable under the policy against the outstanding amounts owed by you (whether or not the outstanding amounts are under the loan facility); and

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• in cases where the policy is required as part of conditions in your business or other arrangements, the termination of the policy may trigger further events of defaults in these arrangements with adverse consequences.

9. **Impact of death of insured:** In the event of the death of the insured, the amount of death benefit receivable under the policy may be substantially less than the sum of total premium paid, interest expenses incurred and early repayment penalty imposed (if applicable) under the loan contract, and you may suffer a significant financial loss.

10. **Exposure to interest rate fluctuation:** The interest payment of the loan facility for premium financing will affect the net rate of return (i.e. net of interest payment) you plan to achieve in your Policy with the use of premium financing. You may be exposed to significant interest rate risk if the interest rate of the loan facility is not fixed (i.e. floating rate subject to changes from time to time). Even in the case of fixed interest rate, the lender may have discretion to adjust the interest rate on the loan facility from time to time. Any increase in interest rates applicable to the loan facility will increase the cost of servicing the loan facility (i.e. increase in regular interest payments.). You may not be able to service the loan facility and may hence default when there is a substantial increase in the interest rate. Also, in cases where the interest rate of the loan facility is substantially higher than the returns received from the policy, you will suffer a significant financial loss.

11. **Exposure to risk of non-guaranteed benefits fluctuation:** If your Policy includes non-guaranteed benefits, the projected non-guaranteed benefits shown in the Benefit Illustration are determined under the assumed investment return and are not guaranteed.

If the investment return assumed for your Policy is not achieved, your non-guaranteed benefits may be lower than those illustrated or substantially lower than the interest applicable to the loan facility, and in certain circumstances, may even be zero.

If the total return generated by the Policy is substantially lower than the interest payable under the loan facility, you will suffer a significant financial loss.

12. **Exposure to exchange rate fluctuation:** Exchange rate exposure arises when the loan currency differs from the policy currency. In the case of premium financing, you may be required to convert the proceeds received under your Policy into the loan currency, under the prevailing exchange rate, before being able to settle the loan repayments. In cases where the proceeds received from the policy is substantially lower than the outstanding loan amount due to adverse fluctuation in the exchange rate, you will suffer a significant financial loss.

13. **Exposure to credit risk:** You are subject to the credit risk of the Insurer. In the event that the Insurer becomes default on its obligations or an adverse change in its credit rating, the lender may, at its discretion, ask for additional collateral, adjust your credit limit, restructure or even terminate the loan facility. You may be obligated to repay the loan, the interest and administrative fee accrued immediately, and you shall remain liable for any shortfall between the amounts of the proceeds of the policy and the outstanding amount of the loan facility.

14. **Payment timing mismatch:** There is a possibility that the proceeds from your Policy will not be remitted to

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the lender on or before the repayment date as specified in the loan contract (e.g. due to loan facility maturity date being earlier than your policy maturity date, or turn-around-time for policy benefits disbursement), resulting in the default of loan repayment by you. You will be solely liable for any late penalty interest or defaulting interest imposed by the lender under the terms and conditions of the loan contract.

15. **Impacts on cooling-off right:** Your right to cancel this Policy within the cooling-off period may be assigned to the lender, and therefore any cancellation request may be subject to the lender's consent. For a policy acquired through the use of premium financing and cancelled within the cooling-off period, you may be obligated to repay the loan principal, early repayment penalty (if applicable), interest and other administrative fee accrued under the premium financing facility.

### Additional Information

#### Collateral Risks

1. Please refer to the key facts sheet and relevant documents of eligible insurance policy for risks related to the insurance policy.
2. If the relevant credit rating of the policy issuer is downgraded, the current market value of the collateral drops significantly or the insurance company is in insolvency, the Bank reserves the right to review the offer of the Loan Facility and to call for additional collateral.
3. If the loan currency is different from the policy denominated currency, foreign exchange rate fluctuation may lead to the drop in market value of the insurance policy pledged. The Bank reserves the right to request for additional collateral or loan repayment at annual review date should the loan to value ratio exceed 100% owing to depreciation of the policy denominated currency.
4. The loan interest rate of this insurance policy financing is subject to market fluctuations, as may from time to time be determined by the Bank in accordance with the terms of the loan. Therefore, customer faces interest rate risk.
5. If customer fails to repay any amount due to the bank or unable to provide additional collateral upon the bank's request or if any other reason for enhancement as set out in the security deed and repayment undertaking, the Bank reserves the right to take any action including but not limited to take possession of and surrender the insurance policy pursuant to the terms of the relevant pledge and charge documents. The customer shall remain liable for any shortfall between the amounts of the surrender value of the insurance policy and the outstanding amount of the loan.

#### Loan Recall Risk

The Bank reserves the rights to increase, reduce or even cancel the Loan Facility or any part of it or require additional collateral by prior notice to the customer at any time or on annual review date after reassessing customer's credit performance and/or when the collateral risk arises.

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	<p>However, if the Bank discerns event(s) that may have material and adverse effect on the financial situation of the customer, the Loan Facility may be modified, reduced or cancelled by the Bank without prior notice.</p>
<p><b>Other Risks</b></p>	<p>When the insurance policy is assigned to the bank, the bank is entitled to exercise the right under the insurance policy on behalf of customer, including but not limited to followings:</p> <ol style="list-style-type: none"> <li>1. Cancel the insurance policy within the cooling-off period, surrender the insurance policy and make cash withdrawals under the insurance policy. As a result, the protection coverage will be reduced or even may become zero.</li> <li>2. Collect the benefit payable including but not limited to death benefit, surrender value of the insurance policy or maturity benefit (benefit of the insurance policy will be paid to customer only after netting off the outstanding loan amount of the bank). As a result, the protection coverage will be reduced or even may become zero.</li> <li>3. Request the insurance company for any insurance policy information including but not limited to surrender or cash value of the insurance policy;</li> </ol> <p>Customer may also require to obtain the bank' s consent for making any insurance policy service requests subject to the deed of assignment and other documents under the loan facility, such as change of customer information, change of beneficiary, withdrawal of insurance policy account value.....etc.</p>