PRODUCT KEY FACTS

[Issuer's name and logo
e.g. ABC Insurance
Company]

[Product name, e.g. ABC ILAS Plan]
[Date]

This statement provides you with key information about this product.
This statement is a part of the offering document.
You should not invest in this product based on this statement alone.

Quick facts

Name of insurance company:	[●]	**Policy currency:**	[●]
Single or regular premium:	[●]	**Life insurance protection level:**	☐ High protection ☐ Low protection
Policy term:	[●]		
[Minimum] premium payment term:	[●]		
Period with surrender charge:	[●]	**Governing law of policy:**	[●]

Things to know before you invest ⚠

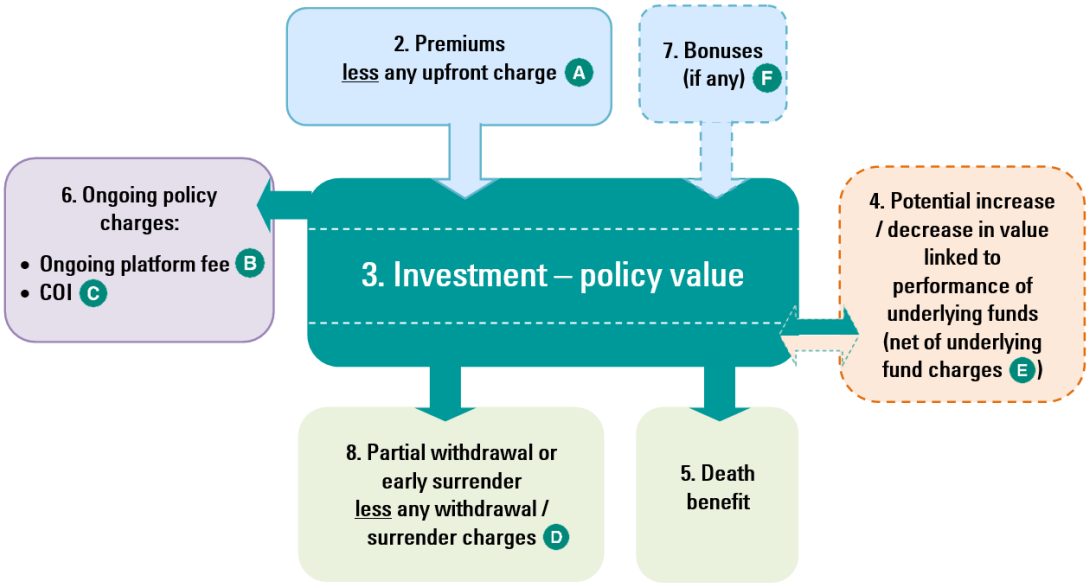
- **This investment-linked assurance scheme ("ILAS policy") is a long-term investment-cum-life insurance product. Your principal will be at risk and subject to the credit risks of ABC Insurance.**
- **This ILAS policy is subject to [an upfront charge of up to [●]% of the premiums paid for [●] years and/or a surrender charge of up to [●]% of the policy value for [●] years]. It is only suitable for investors who are prepared to hold the investment for a long term period.**
- **If you are not prepared to hold your policy for at least [●] years, this policy is not suitable for you and it may be cheaper to purchase an insurance policy and make separate fund investments. You should seek independent professional advice.**

What is this product and how does it work?

1. Product nature	Life insurance policy that provides: • investment in investment options; and • [limited – *include for low protection ILAS*] insurance protection.
2. Premiums	The premiums you pay [, after deduction of any upfront charge,] will be used by ABC Insurance to allocate notional units of investment options you select and will go towards accretion of the value of your ILAS policy.
3. Investment	The range of investment options (and corresponding underlying funds) available for selection under this product are listed in the [investment option brochure]. They [may include/are] funds authorised by the SFC pursuant to the Code on Unit Trusts and Mutual Funds ("UT Code") [and other portfolios internally managed by ABC Insurance on a discretionary basis not authorised by the SFC under the UT Code]. You may switch between investment options over time to suit your investment plan and risk profile. The features and risk profiles of the underlying funds can be found in their offering documents which are available from ABC Insurance upon request.

4. Investment returns	The value of your ILAS policy is calculated by ABC Insurance based on the performance of your selected investment options (linked to the corresponding underlying funds). Your return under this ILAS policy is subject to various fees and charges levied by ABC Insurance (see item 6 below) and will be lower than the return of the corresponding underlying funds.
5. Insurance protection	*[Include description on the determination of death benefit and, where applicable, describe the drop in level of death benefit after age 65]* [The cost of insurance ("COI") used to cover the insurance protection will be deducted from your ILAS policy. This charge may increase significantly when the insured gets older or your investments make a loss, etc.]
6. Fees and charges	There are various fees and charges under this ILAS policy. Please see below for details. Policy charges: Upfront charge (A), Ongoing platform fee (B) } Platform fee; COI (C); Early surrender/withdrawal charge (D) Underlying fund charges (E): E.g. management fee and performance fee [Separately, the managers of the underlying funds may pay [up to [●]% of their annual management fees] as a rebate to ABC Insurance subject to various terms and conditions.]
7. Bonuses (F)	You may be entitled to [name of bonuses/rebates/*other similar features*] subject to conditions [and clawback in certain events].
8. Partial withdrawal and early surrender	You may request to make partial withdrawal or early surrender your policy subject to conditions [and any withdrawal/surrender charges]. [You may also lose your entitlement to bonuses.] If you choose to fully surrender your policy early, you may not get back the full amount of premium you pay. Your personalised illustration will provide an indication of the policy surrender values over time.

[INSERT ANY OTHER KEY PRODUCT FEATURES AND MODIFY AS APPROPRIATE]



The numbers in this graph follow the items numbered in the table right above.

What are the key risks?

Investment involves risks. Please refer to the principal brochure of ABC ILAS Plan for details including the risk factors.

- **Credit and insolvency risks** – This product is an insurance policy issued by ABC Insurance. Your investments and insurance protection are subject to the credit risks of ABC Insurance.
- **No ownership over assets** – All premiums you pay towards your ILAS policy, and any investments made by ABC Insurance in the underlying funds, will become and remain the assets of ABC Insurance. You do not have any rights or ownership over any of those assets. Your recourse is against ABC Insurance only.
- **[Limited life protection after age 65** – This ILAS policy will no longer provide high life protection when the insured reaches age 65 and the amount of death benefit payable may be significantly reduced. *[Include for high protection ILAS with similar features]*]
- **Insurance benefits are at risk** – As [part of] your death benefit is linked to the performance of the investment options you selected from time to time, your death benefit is subject to investment risks and market fluctuations. The death benefit payable [may be significantly less than your premiums paid] and may not be sufficient for your individual needs.
- **Market risks** – Return of this ILAS policy is contingent upon the performance of the underlying funds corresponding to the investment options you selected and therefore there is a risk of capital loss.
- **Some investment options have higher risk** – The investment options available under this product can have very different features and risk profiles. Some may be of high risk. [*Include risks associated with specific investment options. For example,*
  - Investment options linked to funds that are designated as complex products for distribution in Hong Kong (which generally refer to funds whose terms, features and risks are not reasonably likely to be understood by a retail investor) .
  - Some investment options linked to funds that pay dividends out of capital which may result in an immediate reduction of the funds' net asset value per unit and hence reduce the value of your ILAS policy.]
- **Early termination risks** – Reduction or suspension of premium contribution (during premium holiday), or withdrawal from the policy, may significantly reduce the value of the ILAS policy while all fees and charges are still deductible. Poor performance of the underlying funds may further magnify your investment losses. If the value of your ILAS policy becomes insufficient to cover all the ongoing fees and charges, your ILAS policy may be terminated early and you could lose all your premiums paid and benefits.
- **Foreign exchange risks** – The investment returns of your ILAS policy may be subject to foreign exchange risks as some of the underlying investments may be denominated in a currency which is different from that of your ILAS policy.

[INSERT ANY OTHER KEY RISKS WHERE RELEVANT]

Is there any guarantee?

[This ILAS policy does not have any guarantees. You may not get back the full amount of premium you pay.]

What are the fees and charges?

Total policy charges illustration

	Estimated policy charges for a non-smoking 40 year-old male over the respective holding periods (% of premiums) (Note 1)		
	10 years	**15 years**	**20 years**
Platform fee (net of bonuses) A + B – F	[●] % → **equivalent to [●]% of policy value per year**	[●] % → **equivalent to [●]% of policy value per year**	[●] % → **equivalent to [●]% of policy value per year**
COI C	[●] %	[●] %	[●] %
Total	[●] %	[●] %	[●] %

The actual percentage(s) may change depending on individual circumstances of each case, and will be significantly higher if [the premium amount is lower, the sum insured is higher and/or your selected underlying investments are making losses].

Policy charges payable to ABC Insurance

Platform fee		
	Annualised rate	When and how the charges are deducted
Upfront charge A	[●]	[Deduct upfront from each premium you pay]
Ongoing platform fee B	[●]	[Deduct from policy value monthly while the policy is in effect by redeeming units of investment options]

Cost of insurance protection		
COI C	[Insert determination basis of COI] Please ask your intermediaries and/or refer to the customised illustration documents for the details.	[Deduct from policy value monthly while the policy is in effect by redeeming units of investment options]

Charge on early surrender [or partial withdrawal]		
Early surrender/withdrawal charge D	[●]	[Deduct from policy value upon early surrender/partial withdrawal during the first [●] policy years]

[ABC Insurance may vary the charges or imposes new charges with not less than [1] month prior written notice or such shorter period of notice in compliance with the relevant regulatory requirements.]

Underlying funds charges E

Underlying funds corresponding to the investment options have separate fees and charges on top of the policy charges set out above. Such charges will be deducted and reflected in the unit price of the underlying funds.

Intermediaries' remuneration

- Although you may pay nothing directly to the intermediary who sells/distributes this ILAS policy to you, your intermediary will receive remuneration which, in effect, will be borne out of the charges you pay and is therefore not independent. Your intermediary should disclose to you in writing at the point-of-sale information about intermediary remuneration.
- The amount of remuneration actually receivable by your intermediary may vary from year to year and may be higher in the early policy years. You should ask your intermediary before taking up your ILAS policy to know more about the remuneration that your intermediary will receive in respect of your ILAS policy. If you ask, your intermediary should disclose the requested information to you.

What if you change your mind?

– Cooling-off period

- Cooling-off period is a period during which you may cancel this policy and get back your original investments (subject to market value adjustment) within the earlier of 21 calendar days immediately following the day of delivery of the policy or a notice to you or your representative. Such notice should inform you of, among other things, the availability of the policy and expiry date of the cooling-off period.
- You have to tell ABC Insurance by giving a written notice. Such notice must be signed by you and received directly by ABC Insurance at [Address of the issuer's Hong Kong Main Office]
- You may get back the amount you paid, or less if the value of the investment options chosen has gone down.

Additional information

- You should read the principal brochure of ABC ILAS Plan and the offering documents of the underlying funds, which are available from ABC Insurance upon request, for details of the product features, risks and charges.

[INSERT ANY OTHER ADDITIONAL IMPORTANT INFORMATION]

Insurance company's information

[Name of insurance company]
Address: [●]

Phone: [●]
Email: [●]
Website: [●]

Important

ABC Insurance is subject to the prudential regulation of the Insurance Authority. However, the Insurance Authority does not give approval to individual insurance products, including the ABC ILAS plan referred to in this statement.

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

Note

1. The estimated total policy charges figures are calculated based on the following assumptions:

   (a) [the insured is a non-smoking 40 year-old male [with a sum insured of [●]]];
   (b) the payment of [single premium of [HKD1,000,000 or the minimum required single premium, whichever is higher] / regular premium of [HKD100,000 or the minimum required regular annual premium, whichever is higher] per annum] [throughout the premium payment term];
   (c) you hold your ILAS policy for 10, 15 and 20 years respectively;
   (d) there is no early withdrawal / termination of your ILAS policy;
   (e) an assumed rate of return of 3% per annum; and
   (f) [any optional supplementary benefits are not included *(only if the fee table includes charges for optional supplementary benefits)*].

   The platform fee per year means the equivalent annual fee (as a percentage of policy value) in respect of the total platform fee (net of all non-discretionary bonuses) levied under this ILAS policy.

Guidance for preparing this statement

1. If you want to include a responsibility statement in this statement, please make sure that such statement is consistent with the responsibility statement in other parts of the principal brochure.
2. Where an ILAS product is described as having been authorised by the SFC, please include a SFC non-endorsement statement in this statement pursuant to the requirements of the Code on Investment-Linked Assurance Schemes.
3. Disclosures shall be visually reader-friendly and written in plain language so that prospective scheme participants can easily read and understand them. Use of technical jargon or complex sentences shall be avoided.
4. Use of visual aids, graphs or charts is generally encouraged to illustrate the product structure and features.
5. Depending on the actual circumstances of the case, the contents of each statement may differ. Nevertheless, the headings set out in the template above are generally expected to be observed unless there are good reasons to do otherwise. Words inside the square brackets in the template are drafting notes. They should be construed as examples rather than suggestions, and are not meant to be exclusive or prescriptive. Issuers are responsible for what is and what is not to be included in the statement.
6. High protection ILAS refers to an ILAS product with death benefit of at least 150% of total premium payable before the insured reaches age 65. An ILAS product with death benefit of less than 150% of total premium payable before the insured reaches age 65 is regarded as low protection ILAS.
7. Issuers should determine the expected holding period to be disclosed under the section "Things to know before you invest" taking into account, amongst others, the level of insurance protection and other benefits, premium payment term and the level and period of surrender charge. Issuers may also make reference to their fee assessment (e.g. the time period for investors to receive a comparable payout if they surrender this ILAS policy as compared to the corresponding alternative products).
8. In the case where an ILAS product contains any guaranteed features provided by a third party guarantor, disclosure as regards the credit risks of such guarantor, amongst others, shall be disclosed in this statement.
9. "Underlying funds" can be used in the event that it has disclosed in the offering document that it will be investing the net premium received from the scheme participants into the funds corresponding to the investment options as selected by the scheme participants for such issuer's asset liability management. Otherwise, the issuer should adopt the term "reference fund(s)".
10. Issuers should also refer to the Guidance Note on Total Policy Charges Illustration Disclosure when preparing this statement.