



# **Product Key Facts Statement Template for Investment-Linked Assurance Schemes**



# PRODUCT KEY FACTS

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

[Product name and type, 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:	[ • ]	Base currency:	[ • ]
Single or regular premium:	[ • ]	Min investment:	[ • ]
Irregular contribution allowed:	[ • ]	Max investment:	[ • ]
Minimum premium payment term:	[ • ]	Death benefit:	[101% of policy value OR premium paid (less prior withdrawal), whichever is higher]
Period with surrender charge:	[ • ]		

## What is this product and how does it work?

- ABC ILAS Plan is an investment-linked assurance scheme ("ILAS"), which is an insurance policy issued by ABC Insurance with benefits linked to the performance of investment options selected by you.
- Returns payable under ABC ILAS Plan may be determined by ABC Insurance with reference to the performance of the underlying funds/assets as referred to in the principal brochure.
- [Performance of the underlying funds/assets which linked to your investments may not be identical to the performance of the corresponding SFC-authorized funds due to charges levied by ABC Insurance.]
- [You are not investing in the underlying funds/assets/ ABC Insurance will be investing into investment options selected by you] and you do not have any rights or ownership over these underlying funds/assets.
- [ABC ILAS Plan offers death benefit of 101% of the account value upon death of the life insured.]

## What are the key risks?

**Investment involves risks. Please refer to the principal brochure for details including the risk factors.**

- **Credit and insolvency risks** – This product is an insurance policy issued by ABC Insurance. Your investments are subject to the credit risks of ABC Insurance.
- **Early surrender/withdrawal penalty** – Early surrender or withdrawal of the policy may result in a significant loss of principal or bonuses awarded.
- **Premium holiday** – with no premium contribution during premium holiday, your account value may be significantly reduced due to fees and charges, which are still deductible during premium holiday.
- **Market and foreign exchange risks** – Return of ILAS is contingent upon the performance of the underlying funds/assets and therefore there is the risk of capital loss. The value of the underlying funds/assets may be subject to foreign exchange risks as the underlying investment may not be denominated in the currency of the investment options.
- **[Market value adjustment (MVA)** – For with-profits ILAS, your surrender value may be significantly reduced by MVA and the maximum amount deducted by MVA can be up to 100% of the surrender value. You should ask your intermediary for the prevailing MVA rate. ]

- [The life coverage under the ILAS is linked to the prevailing market value of your account/policy. Thus the amount of death benefits is subject to investment risks and may be significantly less than your investment amounts.]
- **[INSERT ANY OTHER RISKS WHERE RELEVANT]**

## Is there any guarantee?

- [State the guarantee] /[State that if the guarantee condition is not satisfied, scheme participants will not be able to get the guarantee]

### Guarantee conditions

### Bonuses

### Whether this is a with-profits plan and whether there is MVA

### Factors that will affect the guarantee

(Non-exhaustive suggested list of items)

## What are the fees and charges?

### Scheme level

	Annualised rate	Deduct from
<b>Policy fee</b>	[ • ]	Account value on the last business day of each month by redeeming units of investment choices in proportionate to the premium allocation instruction
<b>Administration charge</b>	[ • ]	
<b>Account maintenance charge</b>	[ • ]	
<b>Insurance charge</b>	Depends on the age, sex and risks associated with the life insured	
<b>Early surrender charge</b>	[ • ]	Account value on the date the surrender request is made

Please refer to section • (page • to •) of the Principal Brochure of ABC ILAS Plan for details of the charges.

### Underlying funds level

You should note that the underlying funds of the investment options may have separate charges on management fee, performance fee, bid-offer spread and/or switching fee. You do not pay these fees directly – either (1) the fees will be deducted and such reduction will be reflected in the unit price of the underlying funds or (2) units will be redeemed from your investment options to pay these fees. For details, please refer to the prospectus of the underlying funds and/or the principal brochure.

## Additional Information

- [INSERT ANY OTHER ADDITIONAL IMPORTANT INFORMATION].

## What if you change your mind?

### – Cooling-off period

- Cooling-off period is a period during which life insurance policyholders may cancel their policies and get back their original investments (subject to market value adjustment) within the earlier of:
  - 14 days after the delivery of the policy, or
  - 21 days after the issue of a notice to you informing you of the availability of the policy, the policy issue date and the expiry date of the cooling-off period.

Please refer to the cooling off initiative issued by HKFI from time to time for reference.

- You have to tell your insurer by giving a written notice. Such notice must be signed by you and received directly by [Address of the insurer's Hong Kong Main Office]
- You may get back the amount you paid, or less if the value of the investment options has gone down.

## Insurance company's information

[Name of insurance company]	Phone: [●]
Address: [●]	Fax: [●]
	Email: [●]
	Website: [●]

## Important

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.

## 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 a scheme is described as having been authorized 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.  
*Note: For example, flowcharts may be used to assist scheme participants' understanding of the product structure.*
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 this statements.
6. In the case where the ILAS 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.