

Swiss Fortune Universal Life Plan

Product Brochure

Limited offer:
2 years
premium payment term



Zurich Life Insurance (Hong Kong) Limited

Manifest your dream life and build your wealth towards a better future

When you have set clear goals in life or dreams in mind, you need to plan ahead to ensure your future is up to your expectations. Having a disciplined way of saving money today can go a long way toward ensuring your future financial needs are met.

There when you need it.

Do you want to grow your wealth while mitigating risk exposure?

Swiss Fortune Universal Life Plan ("Swiss Fortune") is here to meet your wealth management need while providing flexibility to suit your financial needs.

Swiss Fortune is a universal life insurance policy. It offers competitive crediting interest and loyalty bonus to enhance your long-term saving growth potential.

In this product brochure, "we", "us", "our" or "Zurich" refer to Zurich Life Insurance (Hong Kong) Limited.

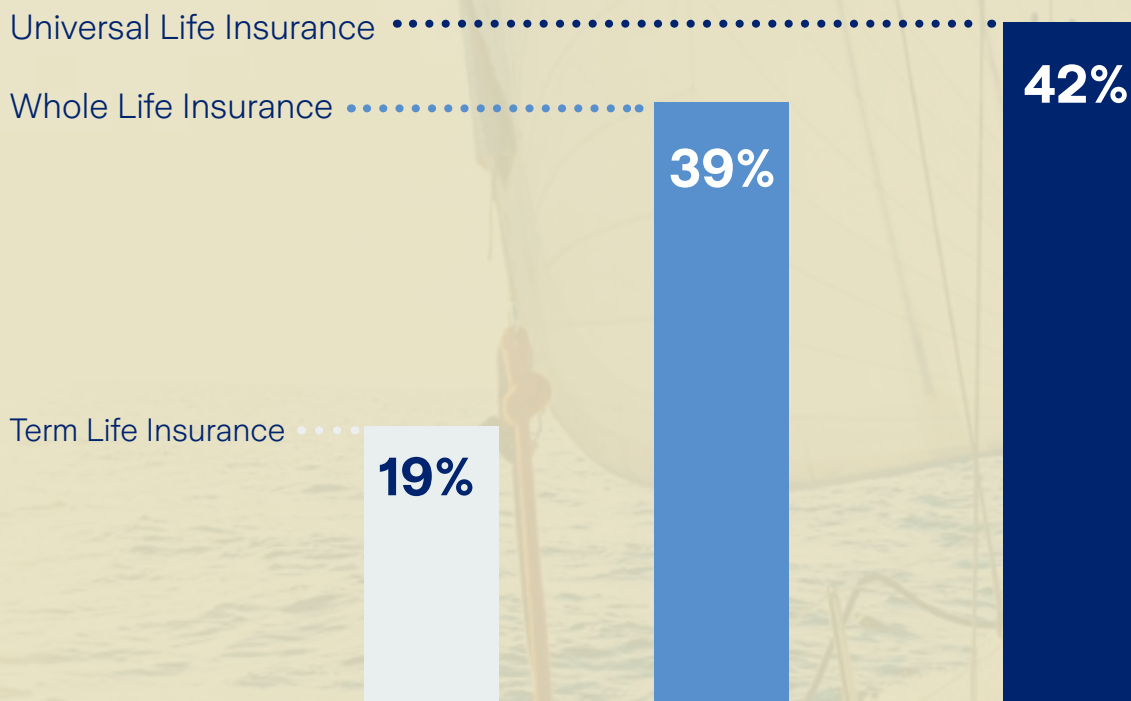


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Universal Life has taken over Traditional Life to become the preferred option in developed markets.

In today's developed markets like the United States, universal life insurance plans play an increasingly significant role, making them the preferred choice for many individuals.

The U.S. Market



Source: LIMRA International Inc. - 2023 Marks Third Consecutive Year of Record Sales for U.S. Individual Life Insurance (Published in Feb 2024)

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Product highlights

1.



Wealth accumulation to meet your saving goals

- Seizing upside opportunities
11.7% p.a. maximum crediting interest rate¹
- Safeguard during market downturn
Crediting interest rate¹ will never be negative even in turbulent market conditions

2.



Flexible premium payment

- Premium holiday^{3,8}
- Change of regular premiums option⁸

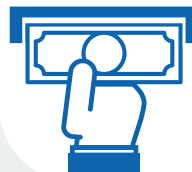
3.



Policy split option⁴

- Help you pass on your wealth

4.



Withdraw cash flexibly

- Fulfil your changing needs



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A) Product features

Wealth accumulation to meet your saving goals

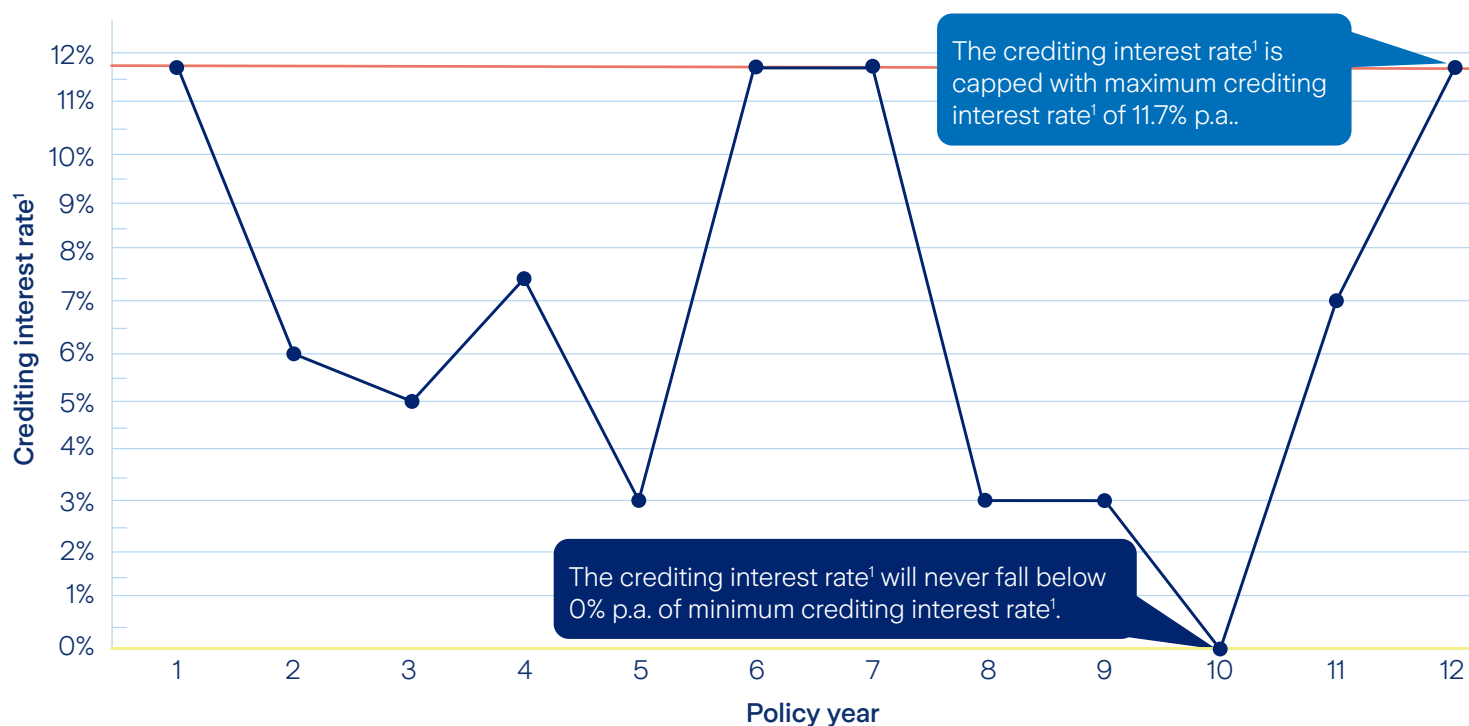
Swiss Fortune offers crediting interest and loyalty bonus to help accumulating your wealth to meet your saving goals. Your account value⁶ will earn crediting interest at the crediting interest rate¹ declared by us from time to time during the policy term, which is subject to fees and charges⁷ that will support the maintenance of your policy, allowing you to preserve your wealth over time.

Crediting interest

After the 1st policy year until the end of the policy term, the account value⁶ will be accumulated crediting interest rate¹ which will be credited monthly and accrued to your account value⁶ for your wealth accumulation.

- i. **Minimum crediting interest rate¹:** Your account value⁶ is protected from market downturns with a minimum crediting interest rate¹ of 0% p.a.. Rest assured, your crediting interest rate¹ will never be negative even in turbulent market conditions.
- ii. **Maximum crediting interest rate¹ (currently 11.7% p.a. as of June, 2024):** Embrace the potential for wealth accumulation with a maximum crediting interest rate¹ of 11.7% p.a.. Harness the opportunity to maximize your returns and accelerate your financial growth.

Crediting interest rate¹ changes based on underlying investment returns



This is a hypothetical example for illustrative purposes only. Assume maximum crediting interest rate¹ is 11.7% p.a. for the example above. The maximum crediting interest rate¹ is determined by Zurich and is subject to change from time to time at our sole discretion.

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Demonstrating crediting interest rates¹ and loyalty bonuses in different scenarios

Policy year	Crediting interest rate ¹ (credited monthly to the account)			Loyalty bonus [^]
	Pessimistic scenario	Current assumed basis	Optimistic scenario	
1st year bonus rate 8% p.a. ⁹	1	3.9% p.a.	6.9% p.a.	The first loyalty bonus is payable at the end of the 10th policy anniversary if a 2 years or 5 years premium payment term policy is purchased.
	2	3.9% p.a.	6.9% p.a.	
	3	3.9% p.a.	6.9% p.a.	
	4-9	same as above		
	10	same as above		
	11-14	same as above		
	15	same as above		
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The table above illustrates crediting interest rate¹ under various scenarios including pessimistic, current assumed basis and optimistic scenarios. The crediting interest rates¹ are for illustrative purposes only and do not represent or guarantee the minimum or maximum crediting interest rates¹ that may be applied. Actual crediting interest rates¹ are determined by Zurich and is subject to change from time to time at our sole discretion.

How Swiss Fortune offers protection during market downturns



This is a hypothetical example for illustrative purposes only, the actual value of a policy may be higher or lower than the above illustrated figures. The maximum crediting interest rate¹ is determined by Zurich and is subject to change from time to time at our sole discretion. The crediting interest rate¹ is not the actual rate of return of the policy and the figures do not include fees and charges⁷ that will be incurred during the policy term. For detailed information of the fees and charges⁷ of the policy, please refer to the benefit illustration.

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Loyalty bonus

To reward you for your commitment, you will be entitled to a loyalty bonus varied with premium payment term as stated in the following table, allowing you to capture long-term growth potential.

Premium payment term	Policy anniversary after which first loyalty bonus will be credited to the account	Loyalty bonus rate*
2 years	10th policy anniversary and every 5 years thereafter	2% p.a.
5 years		
10 years	15th policy anniversary and every 5 years thereafter	

Average of the account value⁶ at the end of each policy month for previous 5 years

X

Loyalty bonus rate*

=

Loyalty bonus

* The loyalty bonus rate is a fixed rate.

Example loyalty bonus calculation

Assuming a 5 years premium payment term policy is purchased, the first loyalty bonus will be credited to the policy at the end of the 10th policy anniversary.

Policy year	Average monthly account value
6	\$510,000
7	\$555,000
8	\$600,000
9	\$650,000
10	\$693,000
Average monthly account value of the preceding 5 years	\$601,600

Average monthly account value for the preceding 5 years

\$601,600

X

Loyalty bonus rate*

2% p.a.

=

Loyalty bonus

\$12,032

The first loyalty bonus to be credited to the policy at the end of the 10th policy anniversary is **\$12,032**.

The above figures are not actual and are for illustrative purposes only.

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Flexible premium payment

Swiss Fortune can help you achieve your financial goals by flexible premium payment. You can choose 2 years, 5 years or 10 years premium payment term that best suits your financial needs.

Premium holiday³

(only applicable to policies with 5 years and 10 years premium payment term)

After the 3rd policy year, you may apply for exercising premium holiday³ in order to cope with your financial needs. During the premium holiday³, the policy remains in force, the crediting interest and loyalty bonus will continue to be accrued to your account value⁶. All the applicable fees and charges⁷ of the policy will continue to be deducted from your account value⁶ during the premium holiday³.

Change of regular premiums

(only applicable to policies with 5 years and 10 years premium payment term)

After the 3rd policy year, you may reduce your regular premium to address your financial needs, subject to the minimum regular premium requirement as set out in section "Product summary" in this product brochure and our administrative rules.

Life protection and death benefit settlement option⁵ to safeguard your family

Death benefit

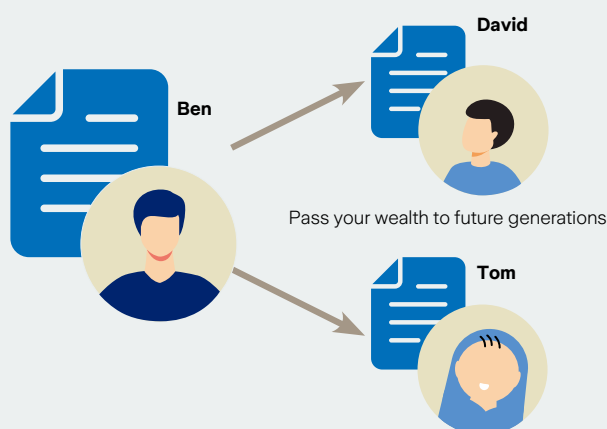
Swiss Fortune provides death benefit which offers financial assistance to loved ones when unfortunate happened to life insured. In the event of death of life insured while the policy is in force with no contingent life insured assigned, we will pay the death benefit to whom selected in policy as beneficiary(ies).

Death benefit settlement option⁵

Apart from a lump sum payment of death benefit, the death benefit can alternatively be paid to beneficiary(ies) in regular installments. It gives you extra peace of mind that your loved ones are continued to be taken care of, with regular income support.

Policy split option⁴ to help you pass on your wealth

After the 5th policy year, you can exercise the policy split option⁴ according to your need. The policy split option⁴ allows you to transfer certain account value⁶ and notional amount² from your policy ("Original Policy") to a new policy(ies) ("Split Policy(ies)") based on the designated percentage of the notional amount² requested by you.



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Inherit your wealth with your loved ones with up to 150 years policy term

Swiss Fortune helps you pass on your wealth to whom matters most to you.



Change of life insured option

After the 1st policy year, you may request for change of life Insured named under the policy to another loved one.

Assignment of contingent life insured option

After the 1st policy year, you may assign a contingent life insured to ensure the policy will be continued upon the death of the life insured. In case of death of life insured, the contingent life insured will become the life insured so the policy can remain in force.

Unlimited number of times for change of life insured and contingent life insured

Change of life insured and contingent life insured can be exercised with unlimited number of times.

Withdraw cash flexibly to fulfil your changing needs



Partial withdrawal

Partial withdrawal can be requested after the 2nd policy year (for 2 years premium payment term) and the 3rd policy year (for 5 years and 10 years premium payment term). The partial withdrawal charge applies when you withdraw part of the account value⁶ before the 6th policy year (for 2 years and 5 years premium payment term) and before the 11th policy year (for 10 years premium payment term).

Regular withdrawal

After the 5th policy year (for 2 years and 5 years premium payment term) and the 10th policy year (for 10 years premium payment term), you can request for regular withdrawal per month. Regular withdrawal is free of charge, however, if there is any change after regular withdrawal has been confirmed, we will charge USD 20 nominal fee for each change from account value⁶.

We will only approve and process a withdrawal request provided that:

- (i) The account value⁶ is larger than or equal to the withdrawal amount;
- (ii) The withdrawal amount is at least USD 1,000 (for partial withdrawal)/USD 500 per month (for each regular withdrawal); and
- (iii) The surrender value, as if surrender request is made at the time immediately after each of the withdrawal is made, is at least USD 10,000.

We reserve the right to vary (ii) the minimum withdrawal amount; and (iii) the minimum surrender value, as if surrender request is made at the time immediately after each of the withdrawal is made, with not less than one month's prior written notice.

The application of the aforementioned product features is subject to our prevailing administrative rules. Approval is required for the use of these product features.

Product summary

Benefits:			
Crediting interest rate ^{#1}	Your account value ⁶ will earn crediting interest at the crediting interest rate ¹ declared by us from time to time starting from the 2nd policy year until the end of the policy term. Current assumed crediting interest rate ¹ is 6.9% p.a.. The crediting interest will be credited monthly to the account.		
Loyalty bonus	Loyalty bonus amount = average of account value ⁶ at the end of each policy month for previous 5 years at the time of paying loyalty bonus x the loyalty bonus rate		
	Premium payment term	Policy anniversary after which first loyalty bonus will be credited to the account	Loyalty bonus rate*
	2 years	10th policy anniversary and every 5 years thereafter	2% p.a.
	5 years		
	10 years	15th policy anniversary and every 5 years thereafter	
Death benefit	<u>Within premium payment term:</u> The higher of: (i) 101% of account value ⁶ ; and (ii) 100% of the total premium paid by you, less any accumulated partial withdrawal amount(s) that has/have been paid to you, less any indebtedness which may be owing under the policy. <u>After premium payment term:</u> Death benefit equals to 100% of account value ⁶ .		
Maturity benefit	It is equal to the account value ⁶ at the earlier of (i) policy maturity date; or (ii) the end of the policy month immediately after the 100th birthday of the life insured.		
Policy information:			
Premium payment term	2 years/5 years/10 years		
Premium payment frequency	Monthly/Annually		
Policy term	The earlier of (i) 150 years; or (ii) life insured's age 100 (age next birthday)		
Life insured's issue age	2 years premium payment term: 1 (15 days) - 80 (age next birthday) 5 years and 10 years premium payment term: 1 (15 days) - 75 (age next birthday)		
Policy currency	USD		
Minimum notional amount ²	USD 4,800		
Minimum regular premium amount	Monthly: USD 400 Annually: USD 4,800		
Surrender value	It is equal to the account value ⁶ less any applicable surrender charge.		
Fees and charges ⁷	Please refers to the benefit illustration for more details of the fees and charges ⁷ . <ul style="list-style-type: none">Policy administration fee: Deducted monthly from account value⁶ throughout the policy term.Yearly management charge: 1.2% p.a. of prior month's account value⁶, deducted monthly starting from the 6th policy year (for 2 years premium payment term) and from the 11th policy year (for 5 years and 10 years premium payment term).		

[#] Crediting interest rate¹ is not guaranteed. For detailed information on account values under various scenarios, please refer to the benefit illustration. This includes projections based on current assumed basis, conservative basis, pessimistic scenario and optimistic scenario.

* The loyalty bonus rate is a fixed rate.

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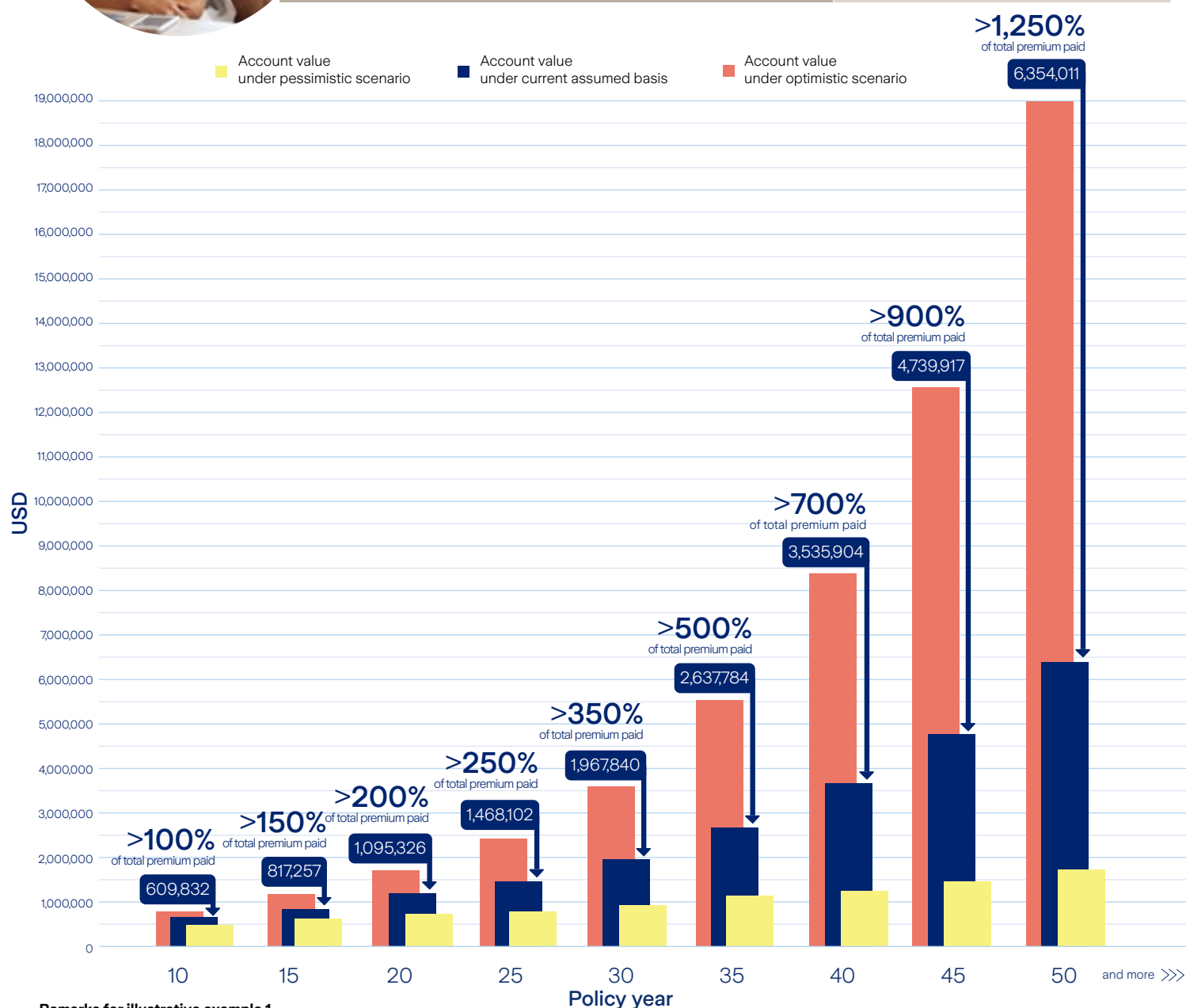
Illustrative example 1

Rebecca is a young professional, married with no children. She wants to grow her wealth and plan for her retirement. So, Rebecca purchases **Swiss Fortune**.



Rebecca's policy details

Policyholder and life insured	Rebecca (age 30)
Premium payment term and premium payment frequency	5 years, annually
Annual premium and notional amount ²	USD 100,000
Total premium paid	USD 500,000



Remarks for illustrative example 1

- The above example is hypothetical and is for illustrative purposes only. The actual account value payable may be lower or higher than those illustrated.
- The age referred to in this document is the age of life insured on his/her next birthday unless otherwise specified.
- The figures of the account value under current assumed basis illustrated in the above example are based on Zurich's crediting interest determined under current assumed basis, current fees and charges⁷ scales (ie. calculated using the assumed crediting interest rate¹ since the second policy year 6.9% p.a., assumed promotional first year bonus rate 8% p.a.⁹).
- The above example assumed all premiums are paid in full when due and insurance levy is not included. It is assumed that no regular or partial withdrawal is made during the policy term.
- The above example assumed no change on the regular premium throughout the policy term.

Illustrative example 2



Peter is married and is welcoming a newborn one-month old daughter Fiona. Peter is looking for a savings plan with flexibility in arranging his legacy and he wants to prepare a long-term wealth accumulations solution to Fiona. Therefore, Peter purchases **Swiss Fortune** to meet his financial goal.

Peter's policy details	
Policyholder and life insured	Peter (age 35)
Premium payment term and premium payment frequency	5 years, annually
Annual premium and notional amount ²	USD 50,000

Peter makes a withdrawal of USD 200,000 for Fiona to study abroad.

Cash withdrawal: USD 200,000
**Balance of account value⁶:
USD 298,109**
(119% of total premiums paid)

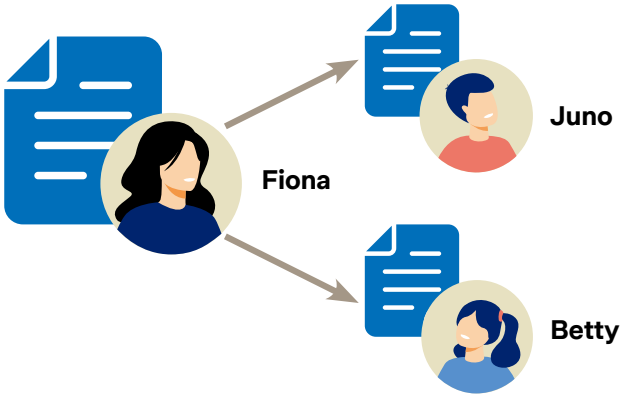
Peter passes the policy to Fiona. He changes the policyholder and life insured of the policy to Fiona.

Fiona split the policy into two policies evenly for her son Juno and daughter Betty.

**Balance of account value⁶:
USD 3,358,560**

Withdrawal USD 200,000 + surrender value USD 3,358,560= **1,423%** of total premiums paid
(approximately equivalent to **14.3 times** the total premium paid)

Original Policy	
Policyholder	Juno
Life insured	Juno
Account value ⁶	USD 1,679,280
	672% of total premium paid



Split Policy	
Policyholder	Betty
Life insured	Betty
Account value ⁶	USD 1,679,280
	672% of total premium paid



Remarks for illustrative example 2

(i) The above example is hypothetical and is for illustrative purposes only. The actual amount payable may be lower or higher than those illustrated.

(ii) The age referred to in this document is the age of life insured on his/her next birthday unless otherwise specified.

(iii) The projected withdrawal amount and returns figures illustrated in the above example are based on Zurich's crediting interest determined under current assumed basis, current fees and charges⁷ scales (i.e. calculated using assumed crediting interest rate¹ since the second policy year 6.9% p.a., assumed promotional first year bonus rate 8% p.a.⁹ and loyalty bonus rate 2% p.a.).

(iv) The above example assumed all premiums are paid in full when due and insurance levy is not included.

(v) The above example assumed no change on the regular premium throughout the policy term.

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Remarks

1. The crediting interest rate is not guaranteed and may even be zero. It is determined by Zurich from time to time.
2. The notional amount is an amount we use to calculate the premium, policy charges and relevant policy values. The notional amount is irrelevant to death benefit we will pay upon the death of life insured. Change of regular premium, exercise premium holiday and making partial or regular withdrawals will not affect the notional amount.
3. Exercising premium holiday may lower the account value, which is used to calculate the loyalty bonus, surrender value and death benefit. Nevertheless, exercising premium holiday will not affect your entitlement to the loyalty bonus rate but it will reduce the account value and, therefore, it may reduce the amount of loyalty bonus you may receive. Besides, your policy may be terminated early due to exercising premium holiday if the account value is insufficient to cover 3 months of the on-going fees and charges⁷ under the policy. In this case, the policy will be terminated due to the account value dropping to zero and you may lose all your account value and benefits. During premium holiday, all the applicable fees and charges⁷ of the policy will continue to be deducted from your account value. We will conduct sustainability checking on the policy regularly whether the account value is sufficient to cover three months of the on-going fees and charges⁷. If the account value is not sufficient to cover three months of the on-going fees and charges⁷ in our latest sustainability checking, the policyholder will be notified by us. The policy will be lapsed and terminated if the account value drops to zero. The policyholder may resume the premium payment anytime during premium holiday, and choose to either (i) fully repay; or (ii) do not repay the premium(s) unpaid and due during premium holiday, subject to our approval. After the 3rd policy year, if the premium due remains unpaid within the grace period of 30 calendar days after premium due date, your policy will automatically enter a premium holiday (only applicable to policies with 5 years and 10 years premium payment term) provided that the account value is sufficient to pay all the fees and charges⁷.
4. Application of policy split option is subject to our approval and latest prevailing administrative rules, including but not limited to the following requirement: (i) application of policy split option can only be made once per policy year and the Split Policy(ies) cannot apply for policy split option; (ii) both Original Policy and Split Policy(ies) must meet minimum notional amount requirement at the time of your application; (iii) your application of policy split option cannot be withdrawn or changed once approved; (iv) if we approve your application, policy split will be in effect as of the policy anniversary following the submission of your application; (v) there is no cooling-off period for the Split Policy(ies); This is an administrative arrangement, such application is subject to our latest administrative rules which shall be determined and modified by us from time to time without prior notice. The availability of the service and the acceptance of the application are at our sole and absolute discretion.
5. You can choose either one of the death benefit settlement option while the life insured is alive and the policy is still in force. Please refer to the relevant form for more details on the terms and restrictions applicable to the death benefit settlement option. This is an administrative arrangement, such application is subject to our latest administrative rules which shall be determined and modified by us from time to time without prior notice. The availability of the service and the acceptance of the application are at our sole and absolute discretion.
6. The account value of the policy is:

a) total premium paid; less	e) any partial withdrawal charge or nominal fee; less
b) yearly management charge; less	f) any partial and regular withdrawal; plus
c) any premium charge; less	g) any crediting interest; plus
d) policy administration fee; less	h) any loyalty bonus.
7. There is a 1% premium charge for monthly premium payment policies. Zurich reserves the right to vary the current scale of fees and charges with not less than one month's prior written notice to policyholders.
8. Premium holiday and change of regular premium option are not applicable to policies with 2 years premium payment term.
9. The first year bonus rate is offered by promotion. The special offer for the first year bonus is calculated by multiplying the first year annualized premium by the applicable first year bonus rate of 8%. The eligibility of the promotional first year bonus rate is subject to the terms and conditions of the promotional offer, please refer to the relevant promotion flyer for details.

⁷ For policies with 10 years premium payment term, the first loyalty bonus will be credited to the policy on the 15th policy anniversary. For detailed information about the loyalty bonus, please refer to Section A: Loyalty bonus.



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B) Important information

Crediting interest rate¹, fees and charges⁷ philosophy

This is a universal life insurance product designed for individuals looking for long term financial planning to meet their financial needs. The premium received, after deducting applicable fees and charges⁷ of the product, will be invested in an investment portfolio as determined by us according to investment policy developed by us. Your policy will accrue crediting interest at a declared crediting interest rate¹ determined by us. We aim to ensure a fair crediting interest determined from the underlying investment and among different groups of policyholders.

We will review and determine the crediting interest rate¹ to be declared to the policyholder each month and to reflect the on-going equity market performance. The crediting interest rate¹ will be determined based on the current earned return and exhibit fluctuation over time. Policyholders will receive the investment returns, after allowing for the costs incurred by, and profits attributable to the company in the form of crediting interest rate¹. The actual crediting interest rate¹ declared may be higher or lower than the crediting interest rate¹ illustrated in any product materials provided (e.g. product brochure or benefit illustration). The volatility of the crediting interest rate¹ could be curbed with the use of derivative investment from limiting downside risk and upside potential of equities. We may retain returns during periods of strong investment performance to support or maintain stronger crediting interest rate¹ during periods of less favorable investment performance. Therefore, the crediting interest rate¹ we declare may not immediately reflect the ups and downs in the asset portfolio. It is expected that Zurich will not make any gain or loss from such handling of crediting interest rate¹ in the long run.

The non-guaranteed crediting interest rate¹ and policy fees and charges⁷ are subject to review regularly and may be adjusted if necessary with the authorization from the Board. Determination and review of the crediting interest rate¹ as recommended by the Appointed Actuary, would be approved by our Board of Directors once a year or more frequent if required.

To determine crediting interest rate¹, we consider the actual experiences and the expected outlook of various factors. With respect to investment returns, these include interest earning of the investment portfolio, the market value changes of the investment portfolio reflecting different market factors such as bond yield, options price and default experience. The return of equity-like assets (including derivatives and equities) is the most important among all of investment returns factors to determine the crediting interest rate¹. Besides, the unusual experience in policy lapses, surrenders, partial withdrawals and the corresponding impact on investments backing the product may be considered under extreme circumstances.

When determining the fees and charges⁷ of the policy, we may consider the actual experience and the expected outlook of various factors, including the above-mentioned investment returns and persistency factors as well as claims and expenses. Claims factor refers to the cost of providing death benefit under the policies while expenses factor includes any policy applicable expenses, such as commission and general administrative expenses etc.

You may browse our company website (<https://www.zurich.com.hk/en/crediting-interest-rate>) to learn about our crediting interest rate¹ history for reference. Please note that historical crediting interest rate¹ should not be taken as indicator of the future performance of this product and the crediting interest rate¹ shown on the website is before the deduction of any applicable fees and charges⁷.

Investment policy, objective and strategy

The investment policy aims to achieve the targeted long-term investment results, taking into account of risk control, diversification, liquidity and relationship between assets/liabilities.

The investment objective is to provide policyholder the upside return potential of equity market whilst limit the downside risk from traditional equity investment. The strategy utilizes a mixture of fixed income and equity-like investments to achieve this objective and is designed to profit from a moderate rise in equities.

Our current long-term target asset mix attributed to **Swiss Fortune** is as follows:

Asset class	Target asset mix (% of market value)
Bonds and other fixed income assets	50% to 100%
Equity-like assets	0% to 50%

The bonds and other fixed income instruments predominantly include investment grade government and corporate bonds, as well as private debt, and are mainly invested in the geographic region of the United States and Asia-Pacific. For equity-like assets, it may include derivatives and equities (e.g. call options on the S&P 500) to provide equity market upside with limited downside risk. Investments are predominantly denominated in US dollars. Actual investments (e.g. asset mix, geographical mix, credit rating) would depend on market opportunities at the time of purchase. Hence it may differ from the target asset mix.

The investment strategy may subject to change depending on the market conditions and economic outlook. Should there be any material changes in the investment strategy, we will inform policyholder for the changes, reasons for changes and the impact to the policyholder.

Key product risks

Non-guaranteed account value risk

The account value⁶ under this plan is non-guaranteed. The crediting interest is non-guaranteed and maybe zero. They are determined by Zurich from time to time at its absolute discretion, and it is subject to the overall market outlook. The actual amounts of account value⁶ may be higher than or lower than those illustrated in product materials. Therefore, the actual future amounts of benefit and/or account value⁶ maybe higher than or lower than the currently illustrated in the product materials.

Market risk

The plan may make a certain portion of its investment in equity-like assets. Returns of equity-like assets are generally more volatile than bonds and other fixed income assets, you should note the target asset mix of the product as disclosed in this product brochure, which will affect the crediting interest rate¹ on the account value⁶ of your policy. The account value⁶ of the plan is subject to risks and possible loss. The crediting interest rate¹ of this product is not guaranteed and is determined by us from time to time. The actual crediting interest credited to the policy may be higher or lower than the amount illustrated in any product information provided to you. Under certain circumstances, the crediting interest rate¹ may be zero.

Early surrender risk and liquidity risk

Making partial or regular withdrawal will lead to a reduction in account value⁶ and benefits payable under the policy. There is a risk that the account value⁶ of the policy is unable to cover the applicable charges after your withdrawal and may result in termination of the policy. Should you terminate your policy early, you may suffer a significant loss. Surrender value is zero if you surrender the policy within the first 2 policy years (for 2 years premium payment term) or within the first 3 policy years (for 5 years and 10 years premium payment terms). Thus, application of this plan may constitute the liquidity risk to your financial condition.

Risks from the fees and charges⁷ increment

The current scale of fees and charges⁷ of this product is not guaranteed, and Zurich reserves the right to vary the fees and charges⁷ with not less than one month's prior written notice to policyholders. In the situation where the scale of fees and charges⁷ increases, there is a risk that account value⁶ of the policy is insufficient to cover the applicable charges, and results in termination of the policy.

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Premium payment term

You should only apply for this product if you intend to pay the whole premium during the premium payment term you selected. During the first 2 policy years (for a 2 years premium payment term) and during the first 3 policy years (for 5 years and 10 years premium payment terms), if the regular premiums due remain unpaid within the 30 calendar days of the grace period after its due date, the policy will be lapsed with **zero surrender value**. If the policy is terminated or lapsed due to non-payment of premium, the surrender value received by the policyowner may be less than the total premium paid and the policyowner will lose the benefits provided by the policy.

Inflation risk

Please note that the cost of living in the future is likely to be higher than it is today due to inflation. In that case you will receive less in real terms even if we meet all of our contractual obligations under the policy.

Credit risk

Swiss Fortune is not a bank savings product, it is an insurance policy issued by us. Therefore, the benefits payable under the policy are subject to our credit risks. If we are unable to satisfy the financial obligation of the policy, you may lose your premium paid and benefits.

Currency conversion and exchange rate risk

We may at our discretion accept any premium payment in currencies other than the policy currency. If it is the case, we will convert the premium paid by you into the policy currency. The currency conversion will be conducted at a prevailing exchange rate reasonably determined by us in good faith and a commercially reasonable manner with reference to the market rates on the transaction date and is therefore subject to foreign exchange risks due to the fluctuation in exchange rate. Please refer to www.zurich.com.hk for the prevailing exchange rates.

Key product disclosures

Termination

Your policy shall be terminated at the earliest of the following:

- (i) the death of the life insured with no contingent life insured assigned;
- (ii) the surrender of the policy; or
- (iii) the maturity of the policy on earlier of (i) the policy maturity date; or (ii) the end of the policy month immediately after the 100th birthday of the Life Insured; or
- (iv) the lapsation of the policy due to premium due during the first 3 policy years remaining unpaid within the grace period of 30 calendar days after its due date; or
- (v) the lapsation of the policy when the account value⁶ dropping to zero.

Termination right due to sanctions

All financial transactions are subject to compliance and applicable trade or economic sanctions laws and regulations. We will not provide the policyholder, life insured, contingent life insured, beneficiary or any third party with any services or benefits including but not limited to acceptance of premium payments, claim payments and other reimbursements, if in doing so we may violate applicable trade sanctions laws and regulations.

We may terminate the policy if we consider the policyholder, the life Insured, the contingent life insured, the beneficiary or the directors or officers of the policyholder as sanctioned persons, or the policyholder, the life insured, the contingent life insured, the beneficiary or the directors or officers of the policyholder conduct an activity which is sanctioned, according to trade or economic sanctions laws and regulations.

We may terminate the policy if we consider the policyholder, the life Insured, the contingent life insured, the beneficiary or the directors, or officers of the policyholder as sanctioned persons, or the policyholder, the life insured, the contingent life insured, the beneficiary or the directors or officers of the policyholder conduct an activity which is sanctioned, according to trade or economic sanctions laws and regulations.

The above clause shall also apply for any trade or economic sanction law or regulation that we deem applicable or if the life insured or other party receiving payment, service or benefit is a sanctioned person.

Such right of termination of the policy is permitted by the applicable laws and regulations. We will act fairly, in good faith and on reasonable grounds when exercising such right. If the policy is terminated under such circumstances, no surrender charge or any other form of penalty will be applied to the policy.

Termination right due to regulatory exposure

If you move to another country during the lifecycle of your policy, you must notify us of such planned change prior to such change but no later than within 30 days of such change. Please note that you may no longer be eligible to make payments into your policy. The local laws and regulations of the jurisdiction to which you move may affect our ability to continue to service your policy in accordance with the policy provisions. Therefore, we reserve all rights to take any steps that we deem appropriate, including the right to cancel the policy.

Exceptional circumstances

We reserve the right to defer the amount payable under the policy, including but not limited to the amount payable to death benefit, surrender value, partial withdrawal, regular withdrawal and maturity benefit for a period not exceeding 6 months from the date of request under exceptional circumstances beyond our control. No interest is payable on such amounts for the period during which the payment is deferred. We are not responsible for any losses arising from or attributable to such deferment.

Important documents

Your licensed insurance intermediary will explain and give you the following documents before you make an application for a **Swiss Fortune** policy:

- (i) the product brochure of **Swiss Fortune**;
- (ii) a personalized benefit illustration document, which demonstrates how fees and charges⁷ affect the surrender value, account value⁸ and death benefit based on hypothetical returns as specified in the benefit illustration document.

Application

To apply for a **Swiss Fortune**, you must send us a completed application form, a signed benefit illustration document together with all required documents and your initial premium. Zurich reserves the right to reject any application in accordance with Zurich's approval and any underwriting requirements. If an application is rejected, Zurich will return the premium and levy (if any) paid by you without any interest.

Cooling-off period

The cooling-off period is a period during which you may cancel the policy and obtain a refund of any premium and levy (if any) paid by you, within 21 calendar days immediately following either the day of delivery of the policy or the cooling-off notice to you or your nominated representative (whichever is the earlier). Cooling-off notice should inform you of the availability of the policy and expiry date of the cooling-off period. You have to notify Zurich by giving a written notice if you want to cancel the policy within the cooling-off period. Such notice must be signed by you and received directly by Zurich at 25-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong.

Taxation

The levels and bases of taxation that apply to any benefits payable from **Swiss Fortune** will depend on the status of the individual receiving the benefits and will be subject to any changes in relevant tax legislations. You are advised to seek professional advice regarding your own tax circumstances and liability before purchasing a **Swiss Fortune**.

Zurich Life Insurance (Hong Kong) Limited

U.S. Foreign Account Tax Compliance Act

Under the U.S. Foreign Account Tax Compliance Act ("FATCA"), a foreign financial institution ("FFI") is required to report to the U.S. Internal Revenue Service ("IRS") certain information on U.S. persons that hold accounts with that FFI outside the U.S. and to obtain their consent to the FFI passing that information to the IRS. An FFI which does not sign or agree to comply with the requirements of an agreement with the IRS ("FFI Agreement") in respect of FATCA and/or who is not otherwise exempt from doing so (referred to as a "nonparticipating FFI") will face a 30% withholding tax ("FATCA Withholding Tax") on all "withholdable payments" (as defined under FATCA) derived from U.S. sources (initially including dividends, interest and certain derivative payments).

The U.S. and Hong Kong have agreed an inter-governmental agreement ("IGA") to facilitate compliance by FFIs in Hong Kong with FATCA and which creates a framework for Hong Kong FFIs to rely on streamlined due diligence procedures to (i) identify U.S. indicia, (ii) seek consent for disclosure from its U.S. policy holders and (iii) report relevant tax information of those policy holders to the IRS.

FATCA applies to us and this policy. We are a participating FFI and are committed to complying with FATCA. To do so, we require you to:

- (i) provide us with certain information including, as applicable, your U.S. identification details (e.g. name, address, the U.S. federal taxpayer identifying numbers, etc.); and
- (ii) consent to us reporting this information and your account information (such as account balances, interest and dividend income and withdrawals) to the IRS.

If you fail to comply with these obligations, we are required to report "aggregate information" of account balances, payment amounts and number of non-consenting U.S. accounts to IRS.

We could, in certain circumstances, be required to impose FATCA Withholding Tax on payments made to, or which it makes from, your policy. Currently the only circumstances in which we may be required to do so are:

- (i) if the Inland Revenue Department of Hong Kong (the "IRD") fails to exchange information with the IRS under IGA (and the relevant tax information exchange agreement between Hong Kong and the U.S.), in which case we may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your policy and remit this to the IRS; and
- (ii) if you are (or any other account holder is) a nonparticipating FFI, in which case we may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your policy and remit this to the IRS.

You should seek independent professional advice on the impact FATCA may have on you or your policy.

The Automatic Exchange of Information ("AEOI")

As a result of G20-led initiative carried out by the Organisation for Economic Cooperation and Development, Hong Kong will exchange financial account information with other jurisdictions, thereby enabling them to know taxpayers who place their assets abroad.

Under AEOI, banks and other financial institutions collect and report to the tax authority information in relation to financial accounts held by residents of reportable jurisdictions. The IRD exchanges this information with the foreign tax authorities of those residents of reportable jurisdictions (i.e. jurisdictions with which Hong Kong has signed the competent authority agreement). In parallel, the IRD receives financial account information on Hong Kong residents from foreign tax authorities.

We must comply with the following requirements of the Inland Revenue Ordinance to facilitate the IRD automatically exchanging certain financial account information as provided for thereunder:

- (i) to identify certain accounts as reportable accounts*;
- (ii) to identify the jurisdiction(s) in which reportable account* holding individuals and entities reside for tax purposes;
- (iii) to determine the status of certain reportable account* holding entities as "passive nonfinancial entities" and identify the jurisdiction(s) in which their "controlling persons" reside for tax purposes;

- (iv) to collect certain information on reportable accounts* ("Required Information"); and
- (v) to furnish certain Required Information to the IRD (collectively, the "AEOI requirements").

You shall agree to comply with requests made by us to comply with the AEOI requirements; otherwise your application for this policy will not be processed. For further details, please refer to the terms and conditions.

Please contact your licensed insurance intermediary for more details and professional advice if you are in doubt with the AEOI.

* "Reportable Account" has the meaning ascribed to it under the Inland Revenue Ordinance (Cap.112).

Borrowing powers

Swiss Fortune does not provide policy loans and has no borrowing power.

Insurance Authority levy

From January 2018, the Insurance Authority ("IA") requires all Hong Kong policyholders to pay a levy on their insurance premiums. The purpose of the levy is to finance the IA, and it is calculated as a percentage of the premium paid. The levy collected by the IA will be imposed on this policy at the applicable rate.

For more information on levy, please visit our website at <http://www.zurich.com.hk/ia-levy> or webpage of the Insurance Authority at www.ia.org.hk/en.

Complaints and enquiries

If you are dissatisfied with our service, you have the right to complain by contacting us or your licensed insurance intermediary(ies). If you have any enquiries, you can also contact us.

Governing law

Swiss Fortune is governed by and shall be construed in accordance with the laws of the Hong Kong Special Administrative Region.

Rights of third parties

Other than Zurich and the policyholder, any person who is not a party to the policy (including but not limited to, the life insured, the contingent life insured or the beneficiary(ies)) shall have no rights to enforce any terms of the policy. The policy or any document issued pursuant to the policy is excluded from the application of the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong).

Responsibility

We accept full responsibility for the accuracy of the information contained in the offering documents and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement misleading. The information given in the offering documents is not designed to address your particular situation. Please also refer to the policy provisions for details. You are advised to seek professional advice for your own circumstances.

Authorization

Swiss Fortune is issued by Zurich, which is subject to the prudential regulation of the Insurance Authority.

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Learn more about
Swiss Fortune



Zurich Life Insurance (Hong Kong) Limited

About Zurich

Zurich Insurance Group (Zurich) is a leading multi-line insurer that serves its customers in global and local markets. With about 60,000 employees, it provides a wide range of property and casualty, and life insurance products and services in more than 200 countries and territories. Zurich's customers include individuals, small businesses, and mid-sized and large companies, as well as multinational corporations. The Group is headquartered in Zurich, Switzerland, where it was founded in 1872. The holding company, Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information about Zurich is available at www.zurich.com.

About Zurich Hong Kong

Zurich Insurance (Hong Kong) is part of the Zurich Insurance Group, with its presence in Hong Kong dating back to 1961. Since then, we have been dedicated to serving the Hong Kong community with a full range of flexible general insurance and life insurance solutions for individuals, as well as commercial and corporate customers – attending to all their insurance, protection and investment needs.

At Zurich Life Insurance (Hong Kong), we protect our customers by providing appropriate health protection and financial protection products. We work closely with our trusted partners to help customers and their loved ones achieve their financial aspirations, look farther, and accelerate towards a brighter future. Further information about Zurich in Hong Kong is available at www.zurich.com.hk.



Strong heritage since **1872**
with over **150** years of history



Serving **200**+ countries and territories¹



One of world's top
10 insurance companies²
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Market capitalization
USD 70 bn¹



Assets under management
>USD 230 bn³



Trusted by over
70 million customers¹



AA/ stable

Standard & Poor's financial strength rating of Zurich Insurance Company Ltd¹

1. As at December 31, 2023 2. Forbes 2023 The Global 2000 ranking 3. As at February 26, 2024



The information in this document is intended as a general summary for your reference only and does not constitute financial, investment or taxation advice or advice of whatsoever kind. You are recommended to seek professional advice from your independent advisors if you find it necessary. For full terms and conditions, please refer to the policy provisions which shall prevail in case of inconsistency. In the event of any discrepancy between the English and Chinese versions, the English version shall prevail. Zurich Life Insurance (Hong Kong) Limited reserves the right of final approval and decision on all matters.

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Zurich Life Insurance (Hong Kong) Limited (a company incorporated in Hong Kong with limited liability)

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