Leverage Your Wealth Portfolio

Premium Financing — An Exclusive Solution for High-Net-Worth Individuals
AIA Elite Financial Planning — A bespoke wealth leverage strategy for HNWIs, using low-cost bank financing to amplify policy compounding for asset multiplication and generational wealth transfer.



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The Wealth Mindset of Top Business Owners: "Use the Bank's Money to Multiply Your Assets"

Every dollar sitting idle in your account is a missed opportunity.
Committing nearly HKD 4 million (USD 500,000) entirely into a single asset means forgoing all other business opportunities and growth potential.
The Core Logic: Arbitrage policy compounding against low-cost bank financing while preserving defensive cash flow.
True Wealth Thinking: Keep capital in motion, create compounding through leverage, and secure generational transfer through structure.



Premium Financing: Tri-Party Structure

01

HNWI Client

Pay 30% of premium out-of-pocket, retaining 70% liquidity for other opportunities. Minimal cash outlay unlocks maximum coverage leverage for efficient asset allocation.

02

Partner Bank (HK)

Provides 70% low-interest financing with the AIA policy as prime collateral. Exclusive rate from H+1% (currently ~3.5%), with a hard cap at 3.15%-4.1% and zero Margin Call risk.

03

AIA Universal Life Policy

100% of total premium compounds long-term at an expected annualized IRR of ~6.5%. Policy dividends continuously grow, covering bank interest and generating net positive arbitrage.

04

Fund Flow Overview

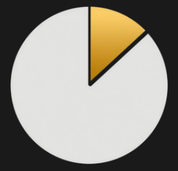
Client pays 30% > Bank funds 70% > AIA policy activates 100% compounding > Dividends offset interest > Wealth grows continuously in a complete positive cycle.

Golden Leverage Ratio: 30% Self-Funded vs 70% Bank-Financed



Total Premium

Capital optimization: With a total premium of USD 500,000, the client pays only ~USD 150,000 (30%), significantly reducing immediate capital commitment.



Self-Funded Ratio

Asset amplification: The remaining USD 350,000 (70%) is funded directly by a Hong Kong note-issuing bank, enabling full 100% policy compounding at minimal cost.



Bank Financing

Bank finances HKD 7M (70%) at exclusive preferential rates of ~1.5%-2.5%, using the policy as prime collateral with no additional asset pledge required.



Leverage Effect

Leverage amplifies death benefit 3-5x. Policy IRR expected at 6.5%, far exceeding financing cost, achieving net positive arbitrage and accelerated wealth growth.

Financing Cost vs Expected Return

Financing Cost

Exclusive HNWI preferential rate as low as H+1% / P-2.25%
Hard cap mechanism at 3.15%-4.1%, effectively locking in extreme rate hike risk
Policy serves as prime collateral, reducing financing risk premium

Expected Return & Arbitrage

AIA participating universal life expected annualized compound return of 6.5%
Even at cap rate (3.15%-4.1%), the 6.5% long-term compounding fully covers interest cost
Net positive spread arbitrage ensures steady asset compounding
Significant wealth multiplication effect with seamless generational transfer

True Cost:
Cash Flow Flexibility



Three pain points of traditional lump-sum payment:
Cash strain: HKD 10M premium paid at once freezes working capital and forfeits business opportunities
High opportunity cost: Full self-funding means giving up other high-return investment windows
Cash flow pressure: Short-term liquidity needs conflict with long-term asset allocation

Premium financing cash flow solution:
Only ~30% down payment required, significantly easing immediate capital pressure
Policy dividends automatically offset bank interest, achieving near-zero net cash outflow
Retain 70% liquidity for business operations and investment flexibility

Structure Comparison
Full Self-Payment vs Premium Financing

Comparative Advantage Analysis

Metric	Full Payment	Premium Financing
Upfront Cash Outlay	100%	30%
Asset Multiplier	1x	3.3x
Liquidity Retained	0%	70%
Death Benefit Leverage	1x	3-5x
Renewal Advantage		Strengthens 7-year QMAS / CIES & PR application financial proof

"Use 30% to unlock 100% coverage, retain 70% financial freedom"



Integrity & Transparency: Rate Risk Defense Mechanisms

01

Locked-In Cap Rate

Even if market rates rise, clients can lock in a financing rate cap upfront, effectively controlling maximum interest expense and ensuring stable, predictable arbitrage margins unaffected by rate volatility.

02

Flexible Currency Switch

Supports 9 major currencies including HKD, USD, and RMB. Clients can flexibly switch financing currency based on FX trends and allocation needs, further optimizing costs and enabling multi-currency hedging.

03

Flexible Early Repayment

Clients may make partial early repayments at any time to reduce outstanding balance and interest. No mandatory repayment schedule — full autonomy over fund deployment, aligned with business cash flow rhythm.

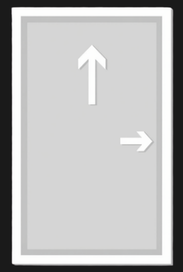
04

Zero Margin Call Risk

Premium financing uses policy cash value as collateral with a robust structure. Banks will not issue margin calls due to market fluctuations — no forced liquidation risk, ensuring safe long-term wealth planning with peace of mind.

Safe Landing Flexible Exit





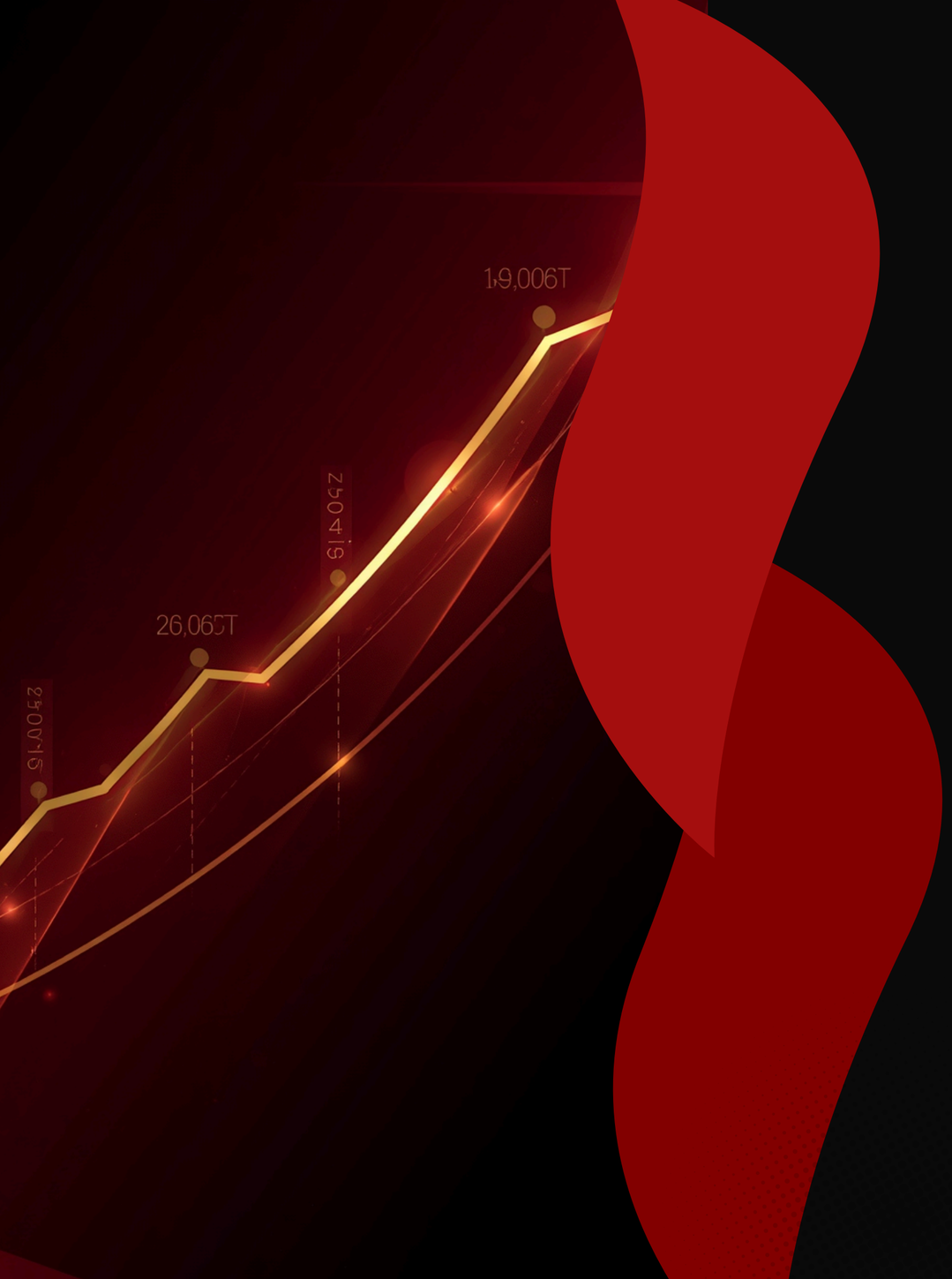
Option A: Long-Term Compounding Exit

Year 7-10: Policy cash value fully covers the outstanding bank loan. You may choose to repay the loan entirely using policy value, with zero personal capital required. Remaining assets continue compounding and can distribute lifetime annuity payments, achieving wealth freedom and secure generational transfer.

Option B: Mid-Term Flexible Liquidation

If liquidity is needed mid-term, flexible options include:
1. Compliant policy transfer to designated beneficiaries or trust structures;
2. Partial withdrawal of policy cash value for business opportunities;
3. Additional financing to further amplify leverage.

Zero Margin Call risk throughout. Multiple safe and controlled exit mechanisms.



Exclusive Plan: USD 500,000 Premium Financing Projection

Plan structure: **Total premium** **US$500,000**,
Client **out-of-pocket** only ~**US$150,000**,
Bank financing covers **US$350,000**.
Key milestone: **Year 7** account value fully covers outstanding loan (breakeven achieved), easily passing the IANG/PR renewal financial nexus assessment.

Year 7: Breakeven, PR Eligibility Achieved

Policy value covers bank loan, achieving breakeven. The premium financing structure passes IANG/CIES PR financial assessment, completing the first identity planning milestone.

Year 20: Asset Value Triples

Policy value reaches ~US$9M (approx. 3x). Flexibly withdraw US$1.5M to support children's education or business ventures. Remaining assets continue compounding with generational transfer arrangements initiated.

Year 50: Value Exceeds 20x, Generational Transfer

Total policy value exceeds US$60M (over 20x). Change of insured enables generational transfer. Low-cost leverage drives cross-generational wealth, achieving a century-long family legacy with lifetime annuity distributions.

Core Conclusion: Complete Family Wealth Protection

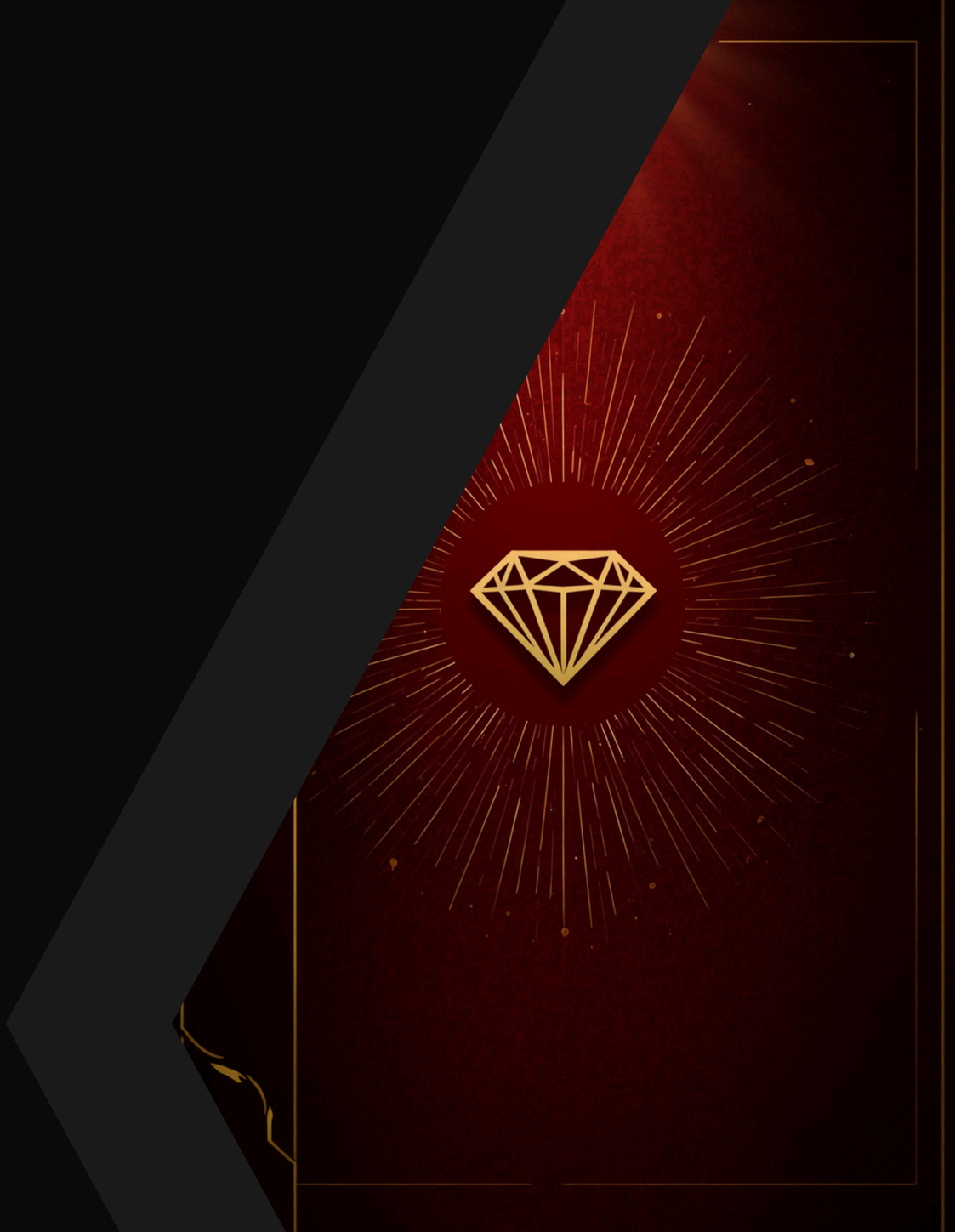
Effectively separates business and family risk, protecting core family assets from commercial volatility. With US$900K out-of-pocket, leverage US$3M in coverage — a 3.3x asset multiplier for seamless wealth transfer.

Tailored for You: Your Exclusive Premium Financing Blueprint

"The framework is set — this is your family's bespoke execution plan."

Lowered entry threshold: Flagship life policy minimum premium reduced from US$1M to US$500K for easy access.
Limited-time bulk discount: Single premium of US$1M+ receives a 3% guaranteed premium discount!

⚠️ DBS Bank's first 5-year H+1% preferential loan offer expires **June 30, 2026**.



Efficient Execution:
Bank Account Opening, Linking & Approval Process



Step 1: Document Pre-Screening

Submit ID/travel document and proof of assets. Kelly's team completes preliminary eligibility review to ensure compliance with bank and AIA policy requirements.



Step 2: Bank Account Appointment

Fast-tracked bank appointment via AIA team, reducing wait times. Efficient completion of HK partner bank account opening and KYC approval.



Step 3: Policy Issuance & Linking

AIA designated policy officially issued. Dedicated policy account opened and linked to bank financing account, ensuring compliant and transparent fund flow.



Step 4: Loan Disbursement

Bank disburses 70% low-interest loan to policy account. Assets immediately begin compounding. Premium financing plan fully activated — wealth growth officially begins.



Dedicated End-to-End Support

Kelly's team provides dedicated one-on-one service throughout, with regular updates on policy performance and financing status, ensuring every HNWI client receives a premium planning experience.

Premium Financing in 5 Minutes

Premium Financing Process Overview

01

Client Pays 30% Premium

Minimal cash outlay for maximum coverage

→

02

Bank Finances 70% Loan

Low rate H+1.2%
Policy as collateral

→

03

AIA Policy 100% Activated

Full premium enters long-term compounding

→

04

Policy Dividends Cover Interest

IRR 6.5%
Net positive arbitrage

→

05

Wealth Growth Continuous Cycle

Cash flow preserved
Asset multiplication

Core Advantages Summary

Leverage Effect

30% capital unlocks 100% coverage
70% cash flow freed for diversification

Positive Arbitrage

Policy IRR 6.5% > Financing cost 2%
Net 4%+ compound spread annually

Zero Margin Call Risk

No Margin Call
Bank guarantees no additional collateral

Client FAQ

Your Top Questions on Premium Financing, Answered

Q1: What is the minimum threshold for Premium Financing?

Typically requires total premium of HKD 1M+, with ~30% self-funded (i.e. from HKD 300K). Exact terms depend on the bank and policy product.

Q2: How is interest calculated? Will it keep rising?

Current rate is approximately H+1.2% (~2%). Some banks offer a capped rate of 3.15% for the first 5 years, ensuring predictable costs.

Q3: Can I switch banks midway?

Yes. We partner with 10+ banks and can flexibly switch based on rate changes — no lock-in to a single bank.

Q4: Is there any Margin Call risk?

No. Our partner banks guarantee No Margin Call — even if policy value fluctuates short-term, no additional collateral is required.

Q5: Can policy dividends cover the interest?

With AIA Universal Life, expected IRR is ~6.5%, well above the ~2% financing cost, generating net positive arbitrage.

Q6: How long does the application process take?

Typically 2-4 weeks for the full process — bank account opening, policy issuance, and loan disbursement. Kelly's team manages end-to-end.

Today's Foresight Builds Tomorrow's Family Legacy

Kelly Ho | Lifetime Wealth & Identity Architect | Elite Team

My vision: To be the most trusted Identity Architect for HNWIs and new Hong Kong families, delivering bespoke holistic asset and settlement solutions with an accountant's precision.

AICPA background: 10+ years in real estate investment, finance, and accounting. Every allocation is data-driven, compliant, and efficient.

Global resource integration: Seamless access to legal, cross-border tax, premium Hong Kong schooling, and full-service property management.

Lifetime commitment: Dedicated one-stop professional service with structural safeguards to protect generational family wealth.

Every Asset Placed Is a Commitment to the Future

Let our expert team build the optimal execution path for your family wealth

In-Depth Review: Detailed analysis of projected returns and risk safeguards to ensure full alignment with family needs.

Detailed Consultation: Online walkthrough or in-person meeting to discuss asset allocation, premium financing, and identity planning.

Execution: Efficient preparation of identity and financial documents, with fast-tracked bank account opening and policy issuance via Kelly's team.

We look forward to embarking on this wealth transfer journey with you.

Kelly | Your Wealth Planning Consultant

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AIA Elite Financial Planning Team | Hong

We plan not just identity and assets, but a century of family wealth transfer.
Connect with our Chief Consultant today to begin your bespoke Premium Financing blueprint.
Kelly Ho | MDRT Member | Head of AIA Elite Financial Planning Team