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version as of 02 Apr 2025

Important Notes

- If your loan repayment is in default, the lending institution may instruct us to pay directly to it all such moneys as are payable under your policy (including any surrender or cash value), after deducting any amount that you may owe us under the policy, or comply with all of its directions insofar as the lending institution is exercising its rights of the policy under the Assignment, including but not limited to the right to cancel the policy within the cooling-off period of the policy, surrender the policy and make cash withdrawals under the policy. As a result, the protection coverage will be reduced or even may become zero.
- If, at the time of the death of the insured under the policy or the maturity of the policy, the loan is not wholly repaid, the lending institution may instruct us to pay the death benefit, after deducting any amount that you may owe us under the policy, directly to it for the repayment of any outstanding loan. As a result, the protection coverage will be reduced or even may become zero.
- The lending institution may instruct us to release such information relating to the policy as it may from time to time request, including but not limited to the surrender or cash value of the policy.
- Unless we have received the prior consent of the lending institution, we cannot pay to you any money, whether by way of cash withdrawal, policy loan, refund of any surrender or cash value (upon cancellation or termination of the policy) or refund of all or part of any premium (upon cancellation of the Policy within the cooling-off period of the policy).
- You may not be permitted to designate your spouse or children (or any of them) as beneficiary(ies) under the policy, or change the beneficiary(ies) under the policy to your spouse or children (or any of them) without the prior consent of the lending institution.
- You should read and understand the terms and conditions of Assignment set out by the lending institution before using your policy as security.
- AIA does not participate nor has any interest in the Assignment.

Risk Disclosure

Credit Risk:
You are subject to the credit risk of AIA. In the event of any adverse change in credit rating of or default of AIA, the lending institution may review and adjust the credit limit and to call for additional collateral if required.

Collateral top-up risk:
Collateral top-up may be required if the outstanding loan amount is higher than the credit limit granted by the lending institution.

Loan adjust and recall risk:
The lending institution may increase, reduce or cancel the whole or any part of the loan facility at any time. If you are unable to repay the loan facility, the lending institution may exercise its rights of the policy under the Assignment including but not limited to instruct us to fully/partially surrender the policy, make cash withdrawals and pay all such moneys directly to it and comply with any other instructions pursuant to the Assignment.

Insurance policy assignment risk:
With Premium Financing loan or other credit facilities advanced by a lending institution, the rights of the policyholder under the insurance policy will be assigned to the lending institution. This means all proceeds payable under the policy are to be paid to the lending institution first, and any changes or amendment to the policy are subject to the lending institution's approval. In case the policyholder passes away, the lending institution may surrender the policy and use the surrender value to repay the outstanding loan. You shall ensure the beneficiary(ies) is (are) fully aware of this.

Surrender risk and death benefit risk:
Once the policy is assigned to the lending institution, the lending institution shall have the sole right to exercise the rights under the policy on behalf of the policyholder, including but not limited to receive any dividends payable under the policy, surrender the policy and receive any surrender value, apply for policy loan and exercise any non-forfeiture options.

Interest rate risk :
When the loan interest rate or crediting interest rate of the policy changes, it may result in higher costs of interest payments and the value of the policy will be lower than the loan balance. Interest rates applicable to the loan are subject to changes according to (including but not limited to): (1) lending institution's policy and discretion and (2) prevailing market conditions on the demand and supply on the currency the loan is denominated in (e.g. Hong Kong Interbank Offered Rate).

Rate of return risk:
Changes in interest rates applicable to the loan (i.e. increase) may increase the cost of serving the loan and therefore reduce the overall rate of return of the policy under this financing arrangement. In the worst case, the financing interest rate may be higher than the returns received from the policy and you may be subject to significant financial loss. You should be aware of the adverse financial implications in the event the rate of return generated from the policy is insufficient to allow the value of the policy to meet your financial obligations to the lending institution.

Exchange rate risk:
Exchange rate exposure arises when you choose a loan currency different to the policy currency. For instance, in case of premium financing, you are required to convert the premium loans (e.g. HKD loans) into the policy currency (e.g. USD) in the form of a separate foreign exchange transaction with the lending institution for premium settlement. Similarly, any proceeds received under the policy are required to be converted into the loan currency before being used for the loan repayment. The fluctuation in exchange rate may have impact on the amount of loan repayment and you may be required to top it up in case of shortfall.

Life & Wealth Management Proposition Department
Premium Financing ***English Version***

version as of 02 Apr 2025

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Overview
Business Partners for Premium Financing Arrangement

1st tier – AUM> US$1M	BANKOFSINGAPORE Asia's global private bank A subsidiary of OCBC Bank INDOSUEZ WEALTH MANAGEMENT 東方匯理財富管理 BEA東亞銀行 J. SAFRA SARASIN Sustainable Private Banking since 1841 大新銀行 DAH SING BANK
2nd tier – AUM US$100K -1M	ICBC 工银亚洲 華僑永亨銀行 OCBC WING HANG
3rd tier – AUM <US$100K	集友銀行 Chiyu Banking Corporation Ltd. BEA東亞銀行 中国建设银行(亚洲) China Construction Bank (Asia) ORIX DBS 富途 airstarbank

Remarks: Premium financing and pledging service only provided for policies with single premium US$100K or above.

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1st Tier (AUM requires US$1M or ABOVE)	**1st Tier**				
(Hong Kong)	**Ideal Premium Size: Over US$500K - US$1M**				
	Bank of Singapore	**CA Indosuez (Switzerland) SA Hong Kong Branch**	**The Bank of East Asia (Private Banking)**	**Bank J. Safra Sarasin Ltd, Hong Kong Branch**	**Dah Sing Bank (Private Banking)**
Eligible AIA Products	**SLE2, SLE3, SLE5, WE, WE2, WO, WP3, WP3I, WP5, WU, WU2**	**SLE2, SLE3, SLE5, WE, WE2S, WO, WP3, WP3I, WP5, WU, WU2**	**BPV, GP, SLE3, SLE5, WE, WER, WP3, WP3I, WP5, WU, WU2**	**SLE3, SLE5, WE, WE2, WER, WO, WP, WP2, WP3, WP3I, WP5, WU, WU2**	**AL, BP, BPV, EX-LIFE, FP, GP, PIP, SLE2, SLE3, SLE5, WE, WE2R, WE2S, WER, WO, WP, WP2, WP3, WP3I, WP5, WU, WU2**
Max. Loan Ratio	90% of CSV	90% of CSV	90% of surrender value	90% of CSV (hair cut 10% for cross currency)	90% of CSV
Min. Loan Amount (per policy)	**US$1M**	**US$1M** **(Below US$1M, subject to bank approval)**	**US$520K**	**US$1M**	**US$500K**
Account Opening Requirement **Min. Investable Assets (AUM)**	**US$5M**	**US$2M**	**US$1.03M (Net)**	**HKD8M**	**US$1M** **(at least 60% of total premium)**
Loan interest rate of premium financing	COF + 0.8%	COF + 1%	1-mth H/L + 2%	COF + 1%	Investment Amount (US$) 1-3M: COF + 0.9-1% 3M or above: COF + 0.75-0.85%
COF reference (Floating)	COF varies in different currency	COF varies in different currency	N/A	COF varies in different currency	HKD: Approximate to HIBOR; Other Currencies: Please Reach Bank
Cross Currency Loan	Y	Y	Y	Y	Y
Set-up fee (of loan amount)	None	None	None	None	0.5% to 1% of loan amount (set up and annual review fee)
Interest Repayment Periods	1-month to 12-month (interest rollover subject to approval)	1-week to 12-month (principal rollover only)	1-month to 12-month (interest rollover subject to approval)	Quarterly / Monthly / Weekly	1-mth or 3-mth (interest cannot rollover)
Max. Loan vs. AUM Requirement	Subject to bank's approval	Subject to bank's approval	Subject to bank's approval	AUM : Loan = 1 : 2.5	Subject to bank's approval
Remarks	Beneficiary must be Policy Owner	Beneficiary must state own estate or individual aged 18 above	Accept Company/ BVI account holder	Beneficiary must be Own Estate	Beneficiary must state own estate or individual aged 18 above
Service Type Provided: **1. Premium Financing of Single-pay Policies** **2. Premium Financing of Regular-pay Policies** **3. Policy Pledging of Single-pay Policies** **4. Policy Pledging of Regular-pay Policies**	3, 4	1, 3, 4	1, 3	1, 3	1, 3, 4
Contact Points	Andrew Wong (9868 8425) Chelsea Chao (9015 1608)	Nelson Ng (3763 6716)	Bonnie Leung (3608 0492) LEUNGBOY@hkbea.com	Tracy Chow (9708 8721) tracy.chow@jsafrasarasin.com	Ivan Wong (9611 1897) ivanwong@dahsing.com

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2nd Tier (AUM requires US$150K - 1M)
(Hong Kong) — **Ideal Premium Size: Over US$200K - US$500K**

	ICBC (Asia)	OCBC Wing Hang Bank	
Eligible AIA Products	**BPV, FP, SLE3, SLE5, WE, WER, WP5, WU2**	**AL2, BPV, FP, FP2, SLE2, SLE3, SLE5, WE, WE2S, WER, WO, WP2, WP3, WP5**	
Max. Loan Ratio	HK$ Loan: 90% of Day 1 CSV 95% for SLE5 and WER	HK$ Loan: 85% of Day 1 CSV USD$ Loan: 90% of Day 1 CSV (95% of Day 1 CSV is offered to OCBC Premier Banking customers with (i)HK$1M AUM; (ii)either total monthly income > HK$80K or with Net Asset Value ≥ HK$2M; (iii)not applicable to Top-Up and policy finance).	
Min. Loan Amount (per policy)	**HK$1M** **Max: HK$80M (per borrower)**	**US$150K**	
Account Opening Requirement **Min. Investable Assets (AUM)**	**HK$800K**	**HK$1M**	
Loan interest rate of premium financing	Premium Financing 1-mth H + 1.8% or Cap at P -1.8% Policy Pledging P - 1.8%	Interest rate for HKD Loan 1-mth H + 0.7%	Interest rate for USD Loan 1-mth COF + 0.7%
COF reference (Floating)	N/A	**COF depends on Currency**	
Set-up fee (of loan amount)	0.5% (one-off)	0.3% (one-off)	
Interest Repayment Periods	1-mth	1-mth	
Max. Loan vs. AUM Requirement	Subject to bank's approval	Subject to Bank's approval	
Remarks	1. Max. Loan Tenor = 10 years + 21 days 2. (Loan Tenor + Age of Insured) <= 80 3. Policy Owner must be Life Insured 4. Beneficiary must be aged 18 or above and having AC in ICBC 5. P = HKD Prime Rate	1. Applicants must be aged 18 above; 2. If Policy Owner is NOT equal to Insured, Beneficiary must be Policyowner; 3. If Policy Owner is equal to Insured, Beneficiary must be Own Estate; 4. Applicants must not be resident in USA, Canada or green card holder	
Service Type Provided: **1. Premium Financing of Single-pay Policies** **2. Premium Financing of Regular-pay Policies** **3. Policy Pledging of Single-pay Policies** **4. Policy Pledging of Regular-pay Policies**	1, 3, 4	1, 3	
Contact Points	Victoria Chan (6742 3729) victoria.chan@icbcasia.com Scottie Lui (3510 3736) scottie.cy.lui@icbcasia.com Perry Li (3510 3631) lisheungchit.perry@icbcasia.com Ted Man (3510 1184) mankwanching.ted@icbcasia.com	Vincent Wong (9857 1121) Celia Mak (9589 6719) Jeff Lam (5540 8208)	

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3rd Tier (AUM requires US$0 - 150K)	**3rd Tier**					
(Hong Kong)	**Ideal Premium Size: Over US$100K**					
	Chiyu Bank	**Bank of East Asia (Retail Banking) - (Premium Financing Only)**				**ORIX Asia Limited**
Eligible AIA Products	**FP, SLE3, SLE5**	**BPV, GP, GP2, GP3, SLE2, SLE3, SLE5, WE, WE2R, WE2S, WER, WO, WP, WP2, WP3, WP3I, WP5, WU, WU2**				**BP, BP2, BP3, FP, FP2, GP, GP2, GP3, PIP, PIP2, SLE2, SLE3, SLE5, WE, WE2R, WE2S, WO, WP, WP2, WP3, WP3I, WP5, WU, WU2**
Max. Loan Ratio	95% of CSV	90% of CSV				95% CSV for HKD, 90% for USD and 85% for JPY
Min. Loan Amount (per policy)	**HK$1M**	**HK$500K**				**HK$500K**
Account Opening Requirement **Min. Investable Assets (AUM)**	**HK$50k**	**No minimum AUM requirement**	**HK$0.25M AUM**	**HK$0.5M AUM**	**HK$1M AUM**	**No minimum AUM requirement**
Loan interest rate of premium financing	**Limited quota starting from 15 Apr 2024 (according to application date)** 1) HK$1M < Loan Amt < HK$4M: P-1.3% 2) HK$4M <= Loan Amt < HK$8M: P-1.5% 3) Loan Amt => HK$8M: P-1.7% All application must drawdown within 2 months. Otherwise the quota will be forfeited.	First 3 years: 1-mth H + 1.4%, Thereafter: 1-mth H + 1.7%	**Loan amount <= HK$5M:** First 3 years: 1-mth H + 1.4%, Thereafter: 1-mth H + 1.7% **Loan amount>= HK$5M:** First 3 years: 1-mth H + 1.3%, Thereafter 1-mth H + 1.7%	**Loan amount <= HK$5M:** First 3 Year: 1-mth H + 1.3% Thereafter: 1-mth H + 1.6% **Loan amount > = $5M:** First 3 Year: 1-mth H + 1.2% Thereafter: 1-mth H + 1.6%	**Loan amount <= HK$5M:** First 3 years: 1-mth H + 1.2%, Thereafter: 1-mth H + 1.4% **Loan amount > = $5M:** First 3 years: 1-mth H + 1.1%, Thereafter 1-mth H + 1.4%	**Premium Financing (til 30 Jun 2025 with limited quota):** HKD: 1 month H+1.25% (Cap P-1.4%, Loan amount <=$7M) USD: SOFR+1% JPY: 3 years Fix rate 2.5% - 2.7% OR Floating rate 1month H+2% **Policy Pledging:** HKD: 1 month H+1.5%, OR P-0.75% USD: SOFR+1.5% JPY: Fix rate 2.7% - 3.0% or Floating rate 1month H+2%
COF reference (Floating)	N/A	N/A				N/A
Set-up fee (of loan amount)	1.50%	Set-up fee (one-off): 0.4% Annual fee (starting from 2nd year): 0.4%	Set-up fee (one-off): 0.3% Annual fee (starting from 2nd year): 0.3%	Set-up fee (one-off): 0.25% Annual fee (starting from 2nd year): 0.25%	Set-up fee (one-off): 0.2% Annual fee (starting from 2nd year): 0.2%	1%
Interest Repayment Periods	1-mth	1-mth				1-mth, 3-mth or 6-mth
Max. Loan vs. AUM Requirement	Subject to bank's approval	Loan : Net worth = 1:1				Max. Loan Amount HK$20M
Remarks	Applicant must be Own Estate	1. Max. Loan amount = HK$10M; 2. Prepayment fee (if early repay within first 2 years): Interest Payable for the remaining repayment period 3. Life Insured, Policy Owner and Beneficiary must be same person.				*Required 6- 12 months prepaid interest
Service Type Provided: **1. Premium Financing of Single-pay Policies** **2. Premium Financing of Regular-pay Policies** **3. Policy Pledging of Single-pay Policies** **4. Policy Pledging of Regular-pay Policies**	1	1				1,3,4
Contact Points	劉美玲 (3556 9500) 金巧萍 (3556 9521) 陳展雄 (3556 9741)	Premium Financing Hotline: 2211 1211 Jasper Luo (3608 2025) LUOJJ1@hkbea.com				Rena Zhang rena.zhang@orix.com.hk Rachel Wong Rachel.wong@orix.com.hk

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3rd Tier (AUM requires US$0 - 150K) **(Hong Kong)**	**3rd Tier** **Ideal Premium Size: Over US$100K**				
	China Construction Bank (Asia)	**DBS Bank**		**Futu Lending Limited**	**Airstar Bank Limited**
Eligible AIA Products	**BP, BP2, BP3, BPV, SLE2, SLE3, SLE5, WE**	**BPV, SLE5, WE2R, WE2S, WER**		**SLE5, WE2R, WE2S, WER**	**BP, BP2, BP3, BPV, FP, FP2, GP3, SLE2, SLE3, SLE5, WE, WE2R, WE2S, WER, WP5, WU2**
Max. Loan Ratio	85% of GCV or 90% of CSV whichever is lower	Below age 65: 90% of Day 1 CSV Age 65 to 70: 70% of Day 1 CSV		90% of CSV	90% of CSV
Min. Loan Amount (per policy)	**HK$400K**	**HK$1M**		**US$500K**	**HK$100K**
Account Opening Requirement **Min. Investable Assets (AUM)**	**No minimum AUM requirement**	**HK$100K**	**HK$1m**	**No minimum AUM requirement**	**No minimum AUM requirement**
Loan interest rate of premium financing	**Limited quota from 1 Mar 2025 to 30 Jun 2025** **Loan Amount ≥ HK$0.4M** 1-month H +1.8% (Cap P-1.4%)	**Limited quota from 21 Feb 2025 to 30 Jun 2025**		**SOFR + 1.75%（USD loan）**	**Limited quota from 1 Feb 2025 to 30 Apr 2025** **1-month H + 1.35% or P – 0.65%** **whichever is lower**
		Interest rate for HKD H+ 1.7% Interest rate for USD COF+1.4% *For DBS Treasures customers only	**First 2 years** Interest rate for HKD: H+ 0.8% (Cap. 3.8%) Interest rate for USD: COF+0.5% (Cap. 3.8%) **Afterward** Interest rate for HKD: H+ 0.8% Interest rate for USD: COF+0.5% *For DBS Treasures customers only		
COF reference (Floating)	N/A	COF varies in different currency		N/A	N/A
Set-up fee (of loan amount)	**Annual fee: 0.25% (charged annually)** **(min. charge HKD 1,000)**	Waived		N/A	Annual fee: 0.25% (charged annually, no min. charge)
Interest Repayment Periods	1-mth	1-mth		1Q / 1 semi-yr / 1 yr	1-mth
Max. Loan vs. AUM Requirement	Loan : Asset = 1:2	Subject to Bank's approval		N/A	Subject to Bank's approval
Remarks	1. Beneficiary must be 18 years of age or above; 2. Policy Owner is required to contact bank for loan renewal before the end of loan period	1. Applicant must be Policy Owner and Life Insured		N/A	1. Loan Currency: HKD 2. USD1:HKD7.75 3. Max Loan Tenor = 10yr
Service Type Provided: **1. Premium Financing of Single-pay Policies** **2. Premium Financing of Regular-pay Policies** **3. Policy Pledging of Single-pay Policies** **4. Policy Pledging of Regular-pay Policies**	1, 3, 4	1		**1**	**1,3**
Contact Points	Dedicated hotline for AIA Financial Planners: 3179 5511 support@asia.ccb.com	Ivy Cheng (9230 8057) Pansy Wu (9072 1275) Edward Tsui (5187 8026) pfapp@dbs.com		Tina Li tinalixl@fututrustee.com Don Huang donhuang@fututrustee.com	Donald Hung (3961 3953 / 5322 8612) donald.hung@airstarbank.com

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Life & Wealth Management Proposition Department
Premium Financing English Version

version as of 02 Apr 2025

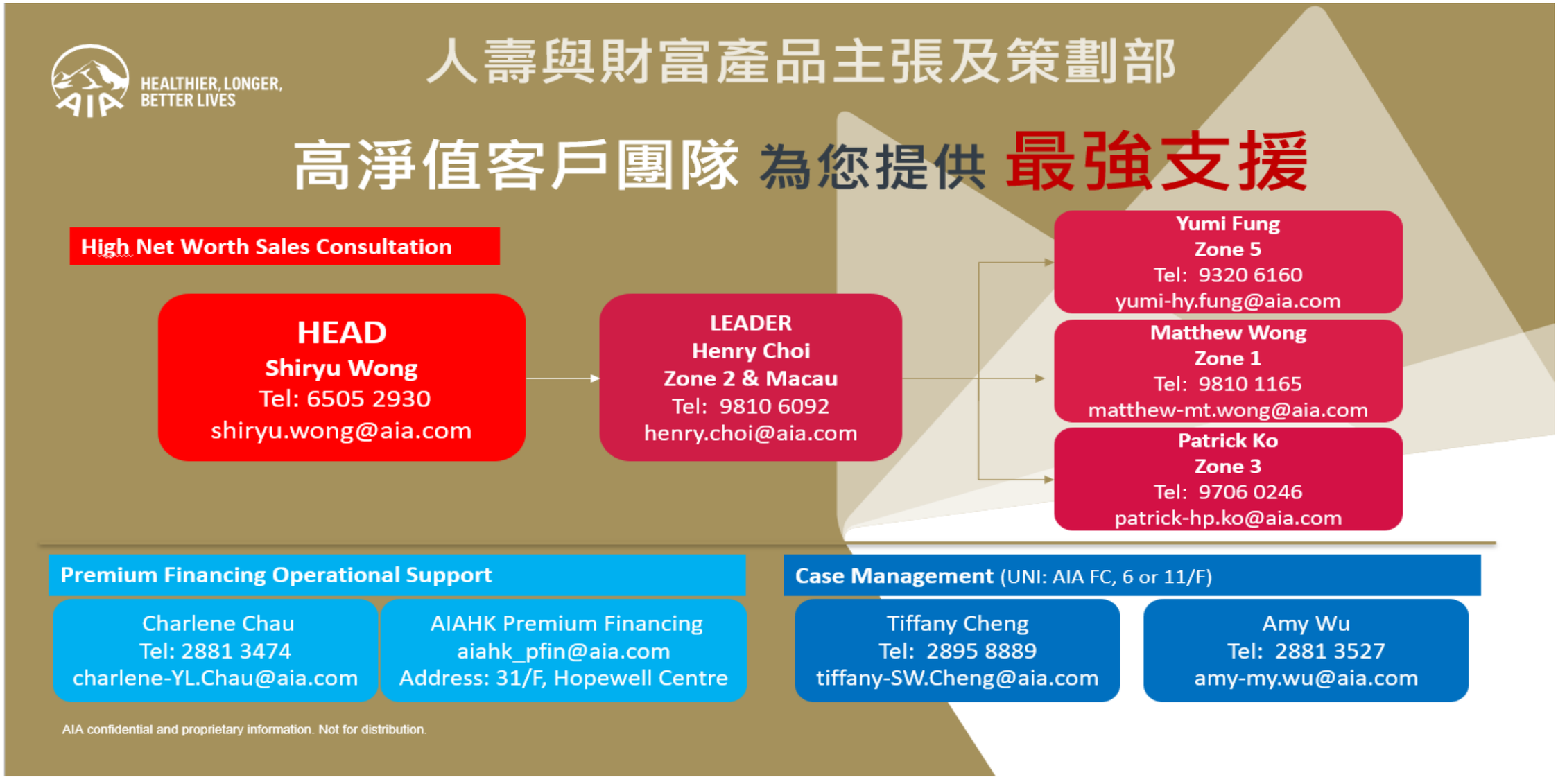
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2. The client has to submit the **"Important Notes and Risk Disclosure on Assignment of Life Insurance Policy"**.
3. Beneficiar(ies) is/are required to sign consent letter and/or assignment documents in person at bank or under witness of bank's staff, subject to individual bank's requirements and policy.
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Contacts - Life & Wealth Management Proposition Department



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