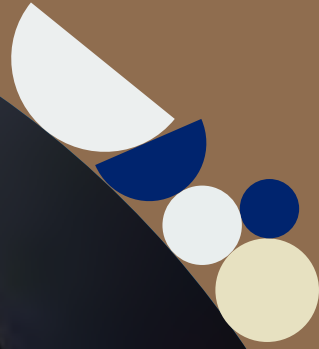


Swiss Fortune

Universal Life Plan

Product Brochure





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

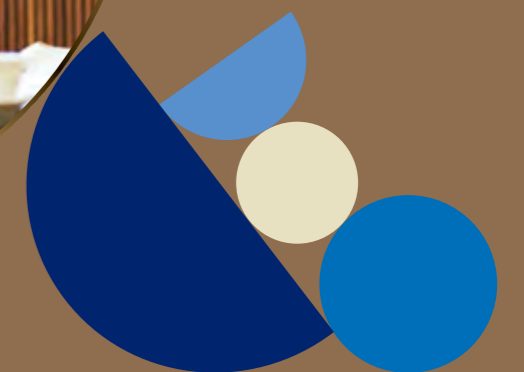
When you have set clear goals in life or dreams in mind, you need to plan ahead to ensure your future is up to your expectations. Having a disciplined way of saving money today can go a long way toward ensuring your future financial needs are met.

Magnify your returns while maximizing flexibility with a savings plan allowing you to confidently build the life you and your family want.

There when you need it.

Do you want to grow your wealth while mitigating risk exposure? Do you want to create a lasting legacy as a gift for your loved ones? **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. The transparent fees and charges and flexible premium arrangement support you in maintaining and accumulating your wealth toward achieving your financial goals, with just 5 or 10 years of premium payment term, and provides you with a long-lasting heritage up to 150 years policy term.

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



Product highlights

1. **Wealth accumulation to meet your saving goals**
2. **Flexible premium payment**
3. **Life protection & death benefit settlement option⁵ to safeguard your family**
4. **Inherit your wealth with your loved ones with up to 150 years policy term**
5. **Policy split option⁴ to help you pass on your wealth**
6. **Withdraw cash flexibly to fulfil your changing needs**



A) Product features

Wealth accumulation to meet your saving goals

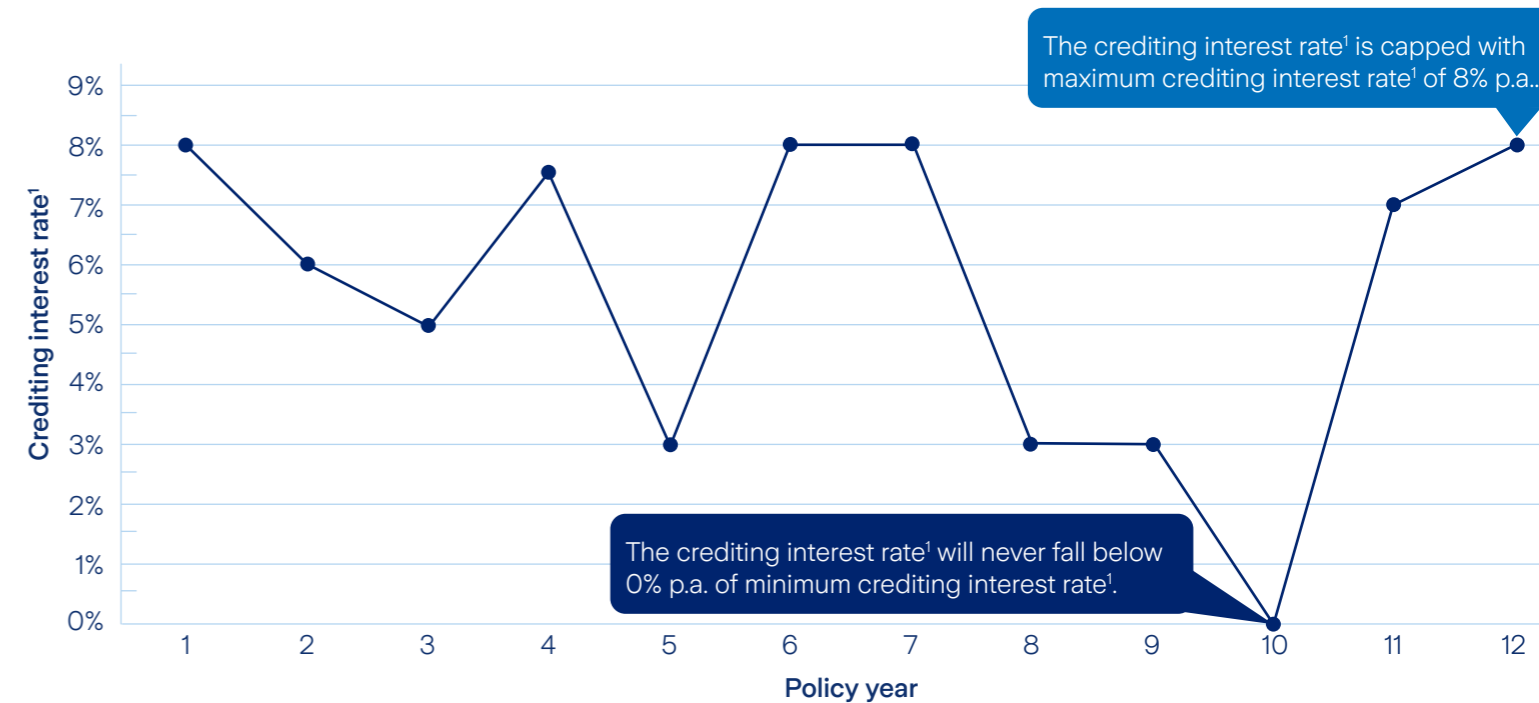
Swiss Fortune offers crediting interest and loyalty bonus to help accumulating your wealth to meet your saving goals. Your account value⁶ will earn crediting interest at the crediting interest rate¹ declared by us from time to time during the policy term, which is subject to fees and charges that will 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 at a non-guaranteed crediting interest rate¹ which will be credited monthly and accrued to your account value⁶ for your wealth accumulation.

- **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.
- **Maximum crediting interest rate¹ (8% as of August, 2023):** Embrace the potential for wealth accumulation with a maximum crediting interest rate¹ of 8% p.a.. Harness the opportunity to maximize your returns and accelerate your financial growth.

Crediting interest rate¹ changes based on underlying investment returns



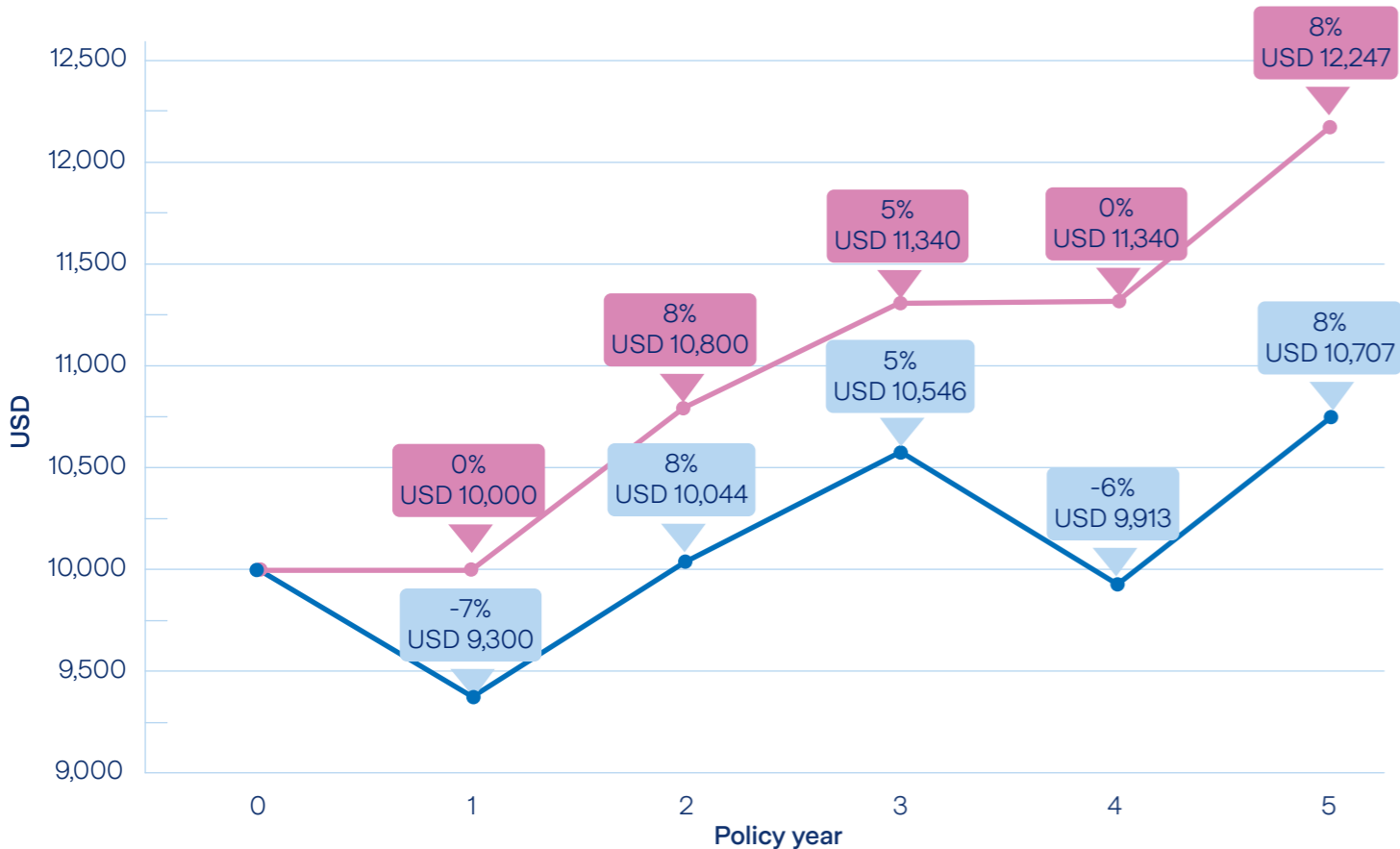
This is a hypothetical example for illustrative purposes only. Assume maximum crediting interest rate¹ is 8% p.a. for the example above. The maximum crediting interest rate¹ is determined by Zurich and is subject to change from time to time at our sole discretion.

How Swiss Fortune offers protection during market downturns

— Market — Swiss Fortune

The minimum crediting interest rate¹ protects your policy from dropping with the market during market downturns.

Since your policy is protected by the minimum crediting interest rate¹, your policy may outperform the market when the market rebounds.



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 charges that will be incurred during the policy term. For detailed information of the fees and charges of the policy, please refer to Section C – Summary of fees and charges.

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	Current loyalty bonus rate
5 years	10th policy anniversary and every 5 years thereafter.	2% p.a.
10 years	15th policy anniversary and every 5 years thereafter.	2% p.a.

Loyalty bonus = $\frac{\text{Average of the account value}^6 \text{ at the end of each policy month for previous 5 years}}{\text{Loyalty bonus rate}}$

Flexible premium payment

Swiss Fortune can help you achieve your financial goals by flexible premium payment. You can choose a premium payment term to suit your financial planning need. The change of regular premiums and premium holiday³ option provide you with extra financial flexibility while keeping the life insured protected and the policy in effect.

Accumulate wealth with two premium payment term option

To suit your long-term wealth accumulation needs and your budget, you have an option to choose 5 years premium payment term or 10 years premium payment term that best suits your financial needs. Also, you may choose to pay your regular premium monthly or annually.

Premium holiday³

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 charges of the policy (please refer to section “C) Summary of fees and charges” for details) will continue to be deducted from your account value⁶ during the premium holiday³.

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 holiday³ provided that the account value⁶ is sufficient to pay all the fees and charges.

Change of regular premiums

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 “B) Product information” in this product brochure and our administrative rules. If you have reduced the regular premium, you may subsequently request to increase it up to the initial regular premium as of the policy date, subject to our approval. Please note that reducing the regular premium will not reduce the notional amount² which means the fees and charges are unchanged. Also, you cannot increase the regular premium to an amount higher than the initial regular premium amount as at the policy date.

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).

Within premium payment term:

Death benefit shall be equal to the higher of:

- (i) 101% of account value⁶; 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.

After premium payment term:

Death benefit equals to 100% of account value⁶.

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, subject to our administrative rules and approval. It gives you extra peace of mind that your loved ones are continued to be taken care of, with regular income support.

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. It allows you to change of life insured and nomination of contingent life insured to another loved one as many times as you wish.

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, subject to our administrative rules, underwriting requirements and our approval.

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, subject to our administrative rules, underwriting requirements and our approval.

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, subject to administrative rules and approval by us. This service can provide you with extra flexibility to pass on your legacy.

Age of new life insured and contingent life insured must fulfill the issue age requirement of this plan at the time of the new life insured or the contingent life insured is assigned. For the issue age of life insured of this plan, please refer to the section “B) Product information” in this product brochure.

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, subject to our administrative rules and approval.

Example	
Policyholder	Ben (age 31)
Life insured	David (Age 1, Ben's son)
Premium payment term and premium payment frequency	5 years, annually
Annual premium and notional amount ²	USD 20,000



Policy no	Z00000888
Policyholder	Ben
Life insured	David
Notional amount ²	USD 20,000
Projected account value ⁶ at the end of policy year 10	USD 109,401

After request for policy split is approved	
Policy no	Z00000888
Policyholder	Ben
Life Insured	David
Notional amount ²	USD 10,000
Projected account value ⁶	USD 54,700.5



Ben's son David is born, he purchases the **Swiss Fortune** for David to prepare for his education fund.

Ben's second son Tom is born.

At the end of policy year 10, Ben decides to split the policy for his second son Tom. He exercises the policy split option⁴ to split 50% of notional amount² and the account value⁶ of the Original Policy into the Split Policy. After the policy split option⁴ is approved, he changed the life insured of the Split Policy to Tom, so that both of his sons can accumulate education fund with the same account value⁶.

Policy no	Z00000999
Policyholder	Ben
Life Insured	Tom
Notional amount ²	USD 10,000
Projected account value ⁶	USD 54,700.5

Remarks

- (i) The above example is hypothetical and is for illustrative purposes only.
- (ii) The age referred to in this document is the age of life insured on his/her next birthday unless otherwise specified.
- (iii) The above example is based on current assumed basis (i.e. calculated using the assumed crediting interest rate¹ since the second policy year 5.5% p.a., assumed first year promotional crediting interest rate¹ 8% p.a. and assumed loyalty bonus rate 2% p.a.) and assume no withdrawal is made in the policy.
- (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.
- (vi) The figures are not guaranteed. The actual amount payable may be lower or higher than those illustrated.
- (vii) The application of policy split option⁴ is subject to our approval.

Withdraw cash flexibly to fulfil your changing needs

To address your changing needs in the future, you can make withdrawals from your account value⁶ after the 3rd policy year. **Swiss Fortune** offers two options of withdrawals to cater your needs:

Partial withdrawal

After the 3rd policy year, you can request for partial withdrawal by submitting prescribed form, subject to partial withdrawal charge as set out in section “C) Summary of fees and charges” in this product brochure and our approval. The partial withdrawal charge will be deducted from account value⁶. We will only approve and process a partial withdrawal request provided that:

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

We reserve the right to vary (a) the minimum partial withdrawal amount; (b) the partial withdrawal charge; and (c) the minimum surrender value, as if surrender request is made at the time immediately after the partial withdrawal is made, with not less than one month’s prior written notice.

Regular withdrawal

After the 5th policy year (for 5 years premium payment term) and the 10th policy year (for 10 years premium payment term), you can request for regular withdrawal per month by submitting prescribed form, subject to our approval. We will only approve and process a regular withdrawal request provided that for each regular withdrawal:

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

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

Transparent fees and charges

All fees and charges related to the product are clearly stated in this product brochure and benefit illustration, allowing your wealth management goals within your grasp.

Hassle-free application

Enjoy hassle-free application for **Swiss Fortune**. You do not need to undergo any medical examination to take out a **Swiss Fortune**, up to certain premium amount and subject to our administrative rules.



B) Product information

Life Insured’s issue age (age next birthday)	1 (15 days) – 75		
Premium payment term	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)		
Policy currency	USD		
Minimum notional amount ²	USD 4,800		
Minimum regular premium amount	Monthly: USD 400 Annually: USD 4,800		
Crediting interest rate ¹	Your account value ⁶ will earn crediting interest at the crediting interest rate [#] declared by us from time to time starting from the 2nd policy year until the end of the policy term.		
Loyalty bonus	Loyalty bonus amount = average of account value ⁶ at the end of each policy month for previous 5 years at 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	Current loyalty bonus rate*
	5 years	10th policy anniversary and every 5 years thereafter.	2% p.a.
	10 years	15th policy anniversary and every 5 years thereafter.	2% p.a.
Death benefit	<p><u>Within premium payment term:</u></p> <p>The higher of:</p> <ul style="list-style-type: none"> (i) 101% of account value⁶; 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. <p><u>After premium payment term:</u></p> <p>Death benefit equals to 100% of account value⁶.</p>		
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.		
Surrender value [^]	It is equal to the account value ⁶ less any applicable surrender charge.		

[#] Crediting interest rate is not guaranteed.
^{*} The current loyalty bonus rate is not guaranteed.
[^] Surrender value is zero for the first 3 policy years.

C) Summary of fees and charges

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.

Applicable charge	Applicable rate/calculation		
Policy administration fee	Policy year	Annual policy administration fee rate	
		Premium payment term 5 years	Premium payment term 10 years
	1	0.275	0.325
	2	0.275	0.325
	3	0.275	0.325
	4	0.140	0.160
	5	0.140	0.160
	6	0.060	0.135
	7	0.060	0.135
	8	0.060	0.135
	9	0.060	0.135
	10	0.060	0.135
11 and thereafter	0.000	0.000	
	Policy administration fee will be deducted from the account value ⁶ at the beginning of each month according to the respective policy administration fee rate as stated in the above table. The charge equals to the annual policy administration fee rate multiplied by the notional amount ² and further divided by 12, plus USD 4 per month per policy will be deducted from account value ⁶ at the beginning of each month throughout the policy term. Any reduction of regular premium will not reduce the notional amount ² .		
Premium charge (only applicable to policy with monthly premium payment frequency)	1% of each premium paid will be deducted upfront during premium payment term. If the premium payment frequency is changed from annually to monthly, the premium charge will be deducted for each premium paid after the change is effective.		
Yearly management charge	1.2% p.a. (i.e., 1.2% ÷ 12 per month) of the account value ⁶ of the previous month end. Yearly management charge will be deducted from account value ⁶ starting from the 11th policy year throughout the policy term. It is deducted at the beginning of each month.		

Partial withdrawal charge and surrender charge

Partial withdrawal charge

The higher of:

- (i) surrender charge rate as shown in the surrender charge rate table below x partial withdrawal amount x 10%; and
- (ii) USD 20.

The partial withdrawal charge applies only when you make partial withdrawal from the account value⁶ before the 6th policy year for 5 years premium payment term and the before 11th policy year for 10 years premium payment term. The partial withdrawal charge will be deducted from account value⁶.

Surrender charge rate table:

Policy year	Surrender charge rate	
	Premium payment term 5 years	Premium payment term 10 years
1	N.A. [^]	N.A. [^]
2	N.A. [^]	N.A. [^]
3	N.A. [^]	N.A. [^]
4	0.480	1.280
5	0.240	1.040
6	0.000	0.800
7	0.000	0.640
8	0.000	0.480
9	0.000	0.320
10	0.000	0.160
11 and thereafter	0.000	0.000

[^] Surrender value is zero if the policy is surrendered or lapsed within the first 3 policy years and partial withdrawal is not applicable within the first 3 policy years.

The surrender charge rate is calculated as follows:

$$A - \left[(A-B) \times \frac{T}{12} \right]$$

where,

A: is the rate, as set out in the "surrender charge rate table", applicable at the beginning of the policy year in which the policy lapse, surrender or partial withdrawal, as the case may take place;

B: is the rate, as set out in the "surrender charge rate table", applicable at the beginning of the next policy year in which the policy lapse, surrender or partial withdrawal, as the case may take place; and

T: is the number of completed policy months in the policy year in which the policy lapse, surrender or partial withdrawal, as the case may take place.

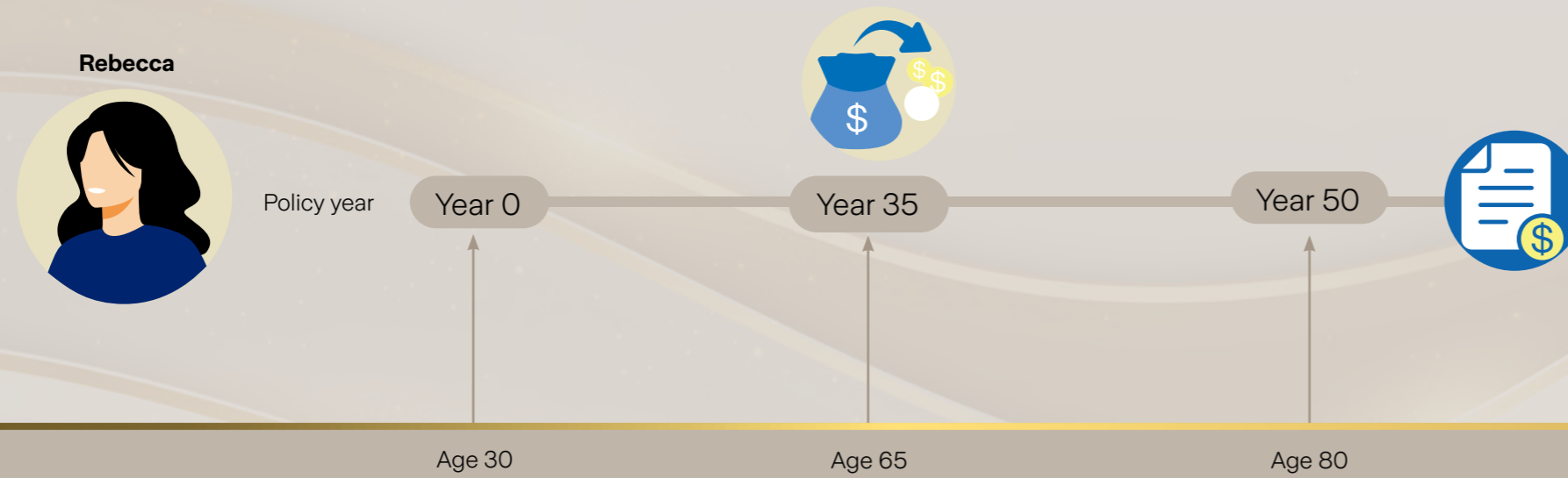
Surrender charge

Surrender value is zero for the first 3 policy years. The surrender charge applies when the policy lapse or surrender during the first 5 policy years for 5 years premium payment term and first 10 policy years for 10 years premium payment term. It is equal to the notional amount² multiplied by the surrender charge rate varies with policy year and premium payment term. Any reduction of regular premium will not reduce the notional amount².

Illustrative example 1

Rebecca is a young professional, married with no children. She wants to grow her wealth and plan for her retirement. Also, she wants to secure her husband's financial future even if she passes away. So, Rebecca purchases **Swiss Fortune** and nominates her husband as the beneficiary.

Rebecca's policy details	
Policyholder and life insured	Rebecca (age 30)
Beneficiary	Rebecca's husband
Premium payment term and premium payment frequency	10 years, annually
Annual premium and notional amount ²	USD 20,000
Death benefit settlement option ⁵	By regular installments



Rebecca retires at age 65 and she makes regular withdrawal of USD 35,000 per year for 15 years to fulfill her retirement goals. At age 80, Rebecca passes away and her husband will receive a death benefit of averaged USD 52,143.9 (included interest) per year by installments for 10 years to support his daily expenses. In above case, Rebecca paid premium USD 200,000 and she and her husband receive USD 1,046,439 (USD 35,000 x 15 + USD 521,439) in total, which is **523%** of total premiums paid.

Remarks for illustrative example 1

- (i) The above example is hypothetical and is for illustrative purposes only.
- (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 stated in the example are based on Zurich's crediting interest, fees and charges scales determined under assumed basis and are not guaranteed (ie. calculated using the assumed crediting interest rate¹ since the second policy year 5.5% p.a., assumed first year promotional crediting interest rate¹ 8% p.a., assumed loyalty bonus rate 2% p.a. and assumed interest rate for remaining balance of death benefit 2% p.a.) and assumed no other withdrawal is made in the policy except of the above mentioned withdrawals. The actual amounts of account value⁶ and death benefit may be higher or lower than the above illustrated figures.
- (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.
- (vi) The figures are not guaranteed. The actual amount payable may be lower or higher than those illustrated.
- (vii) The application of death benefit settlement option⁵ is subject to our approval.

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.

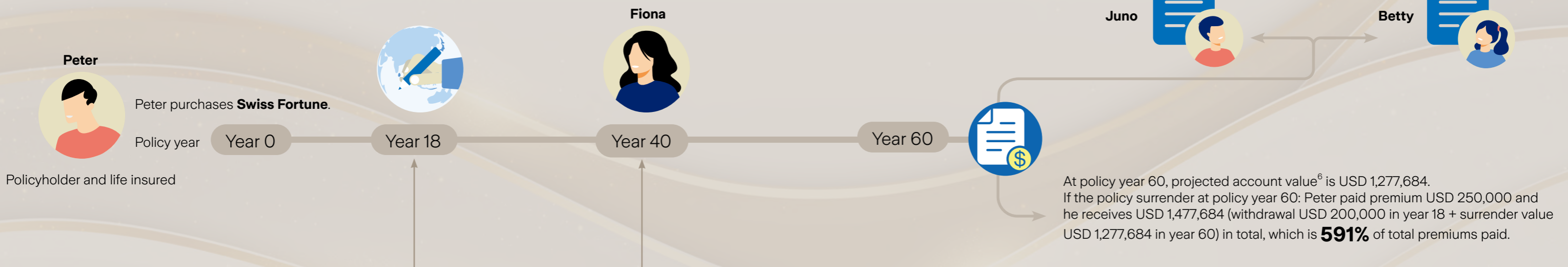
Peter's policy details

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



Fiona split the policy into two policies evenly for her son Juno and daughter Betty. Before the policy split, the projected account value⁶ is USD 1,277,684 at policy year 60. After the policy split, Fiona changes the policyholder and life insured of the Original Policy to Juno and the Split Policy to Betty.

Original Policy		Split Policy	
Policyholder	Juno	Policyholder	Betty
Life insured	Juno	Life insured	Betty
Account value ⁶	USD 638,842	Account value ⁶	USD 638,842



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

Peter is getting old and he passes the policy to Fiona. He changes the policyholder and life insured of the policy to her.

At the end of policy year 18, Peter withdraws USD 200,000 for Fiona to study abroad. Then, he passes the policy to his daughter as part of his legacy in policy year 40. At the end of policy year 60, Fiona reaches retirement age, she wants to pass her wealth to her son and daughter. So, Fiona decides to split 50% of account value⁶ and notional amount² into another policy (Split Policy). After the policy split, Fiona changes the policyholder and life insured of the Original Policy to Juno and the Split Policy to Betty. So that they can manage the policy by themselves.

Remarks for illustrative example 2

- (i) The above example is hypothetical and is for illustrative purposes only.
- (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 stated in the example are based on Zurich's crediting interest, fees and charges scales determined under assumed basis and are not guaranteed (i.e. calculated using assumed crediting interest rate¹ since the second policy year 5.5% p.a., assumed first year promotional crediting interest rate¹ 8% p.a. and assumed loyalty bonus rate 2% p.a.) and assumed no other withdrawal is made in the policy except of the above-mentioned withdrawals. The actual amounts of account value⁶ and death benefit may be higher or lower than the above illustrated figures.
- (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.
- (vi) The figures are not guaranteed. The actual amount payable may be lower or higher than those illustrated.
- (vii) The application of the policy split option⁴ is subject to our approval.
- (viii) The application of change of life insured and policyholder is subject to our approval.

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 charges 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, 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 charges. If the account value is not sufficient to cover three months of the on-going fees and charges 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.
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.



D) Important information

Crediting interest rate¹, fees and charges 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 charges 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, loyalty bonus rate and policy fees and charges 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 loyalty bonus rate, fees and charges 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 charges.

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 from public and private markets, 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 and loyalty bonus are 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 and loyalty bonus of this product are not guaranteed and are determined by us from time to time. The actual crediting interest and loyalty bonus 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 and loyalty bonus rate 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 first 3 policy years. Thus, application of this plan may constitute the liquidity risk to your financial condition.

Risks from the fees and charges increment

The current scale of fees and charges of this product is not guaranteed, and Zurich reserves the right to vary the fees and charges with not less than one month's prior written notice to policyholders. In the situation where the scale of fees and charges 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.

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 3 policy years, 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 charges affect the surrender value, account value⁶ 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**.

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.

Learn more about
Swiss Fortune



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.

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.



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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