

**Broker Bulletin No 2022 – 145**

**New Requirements on Premium Financing for Life Insurance Policies**

**有關人壽保險之保費融資的新指引**

Dear Business Partners,

This is to draw your attention to the circular issued by the Insurance Authority (“IA”) in relation to the new requirements on premium financing for life insurance policies. This new requirement will come into effect from 1 January 2023. It applies to all the new business applications of life insurance policies with the premium financing arrangement **received by the Company on or after 1 January 2023**.

The purpose of the circular is to clarify standards and key requirements in the existing codes of conduct and guidelines, for insurers and insurance intermediaries when carrying out their regulated activities with respect to the use of premium financing by (potential) policy holders.

This compliance bulletin aims to remind you of some important notes and respective changes in relation to the guidelines on premium financing.

**What do you need to know/ do?**

<b>Highlights of the Requirements</b>	<b>What should you know/do?</b>
1. Scope of Application	<p>Every application for a new life insurance policy to be acquired using premium financing by individual or corporate customers.</p> <p>Not applicable to policies which have been issued with premium already fully paid by the customers using their own funds, but subsequently assigned by the customers as collateral for loan facility.</p>
2. Types of Products	<p>Eligible products for premium financing:</p> <ul style="list-style-type: none"> <li>• Heritage Builder Universal Life (HBUL)</li> <li>• Grand Heritage II (GH 2)</li> <li>• Max Goal Insurance Plan (MG)</li> </ul>
3. Definition of Premium Financing	<p>Premium Financing is defined as an insurance funding arrangement whereby the customer borrows funds from the lender (usually a financial institution) to pay the premiums of the life insurance policy and, in doing so, assigns all or part of his/her rights under the proposed policy to the lender.</p>
4. Affordability Assessment	<p>To ensure the customer can afford the recommended product, you should ascertain whether the customer:</p> <ul style="list-style-type: none"> <li>• purchases the life insurance policy using funds arising from premium financing.</li> <li>• has sufficient financial resources to – <ul style="list-style-type: none"> <li>I. pay at the outset the portion of the premium not financed by the premium financing facility;</li> <li>II. meet all scheduled repayments (including principal and interest repayments) over the entire tenure of premium financing facility; and</li> <li>III. repay the sum owed under the premium financing facility if demanded by the lender before maturity of the policy.</li> </ul> </li> </ul>

Highlights of the Requirements	What should you know/do?
	<ul style="list-style-type: none"> <li>has any outstanding liabilities and whether his/her existing insurance policies are used as collateral for premium financing facilities or assigned as collateral for a loan facility.</li> </ul>
5. Key Changes of Financial Questionnaire	<ul style="list-style-type: none"> <li>Net Liquid Assets (Total Liquid Assets – Total Liquid Liabilities) is to be calculated to assess the over-leveraging risks. Liquid Liabilities are defined as any liabilities with obligation to be repaid within 1 year or any loan without specified repayment period (Question 2.4).</li> <li>Section 5 - Premium Financing is newly added to the Financial Questionnaire to check whether the customer: <ul style="list-style-type: none"> <li>I. uses/ intends to use funds from premium financing or loan to pay for the premiums (Question 1);</li> <li>II. pledges/ intends to pledge his/her self-occupied property as collateral to get a loan to fund the new policy (Question 2); and</li> <li>III. pledged any existing in-force life insurance policies to any financial institution (Question 3).</li> </ul> </li> </ul> <p>Note: Self-occupied properties should not be used as collateral to obtain a loan for premium financing.</p>
6. Important Facts Statement – Premium Financing (“IFS-PF”)	<ul style="list-style-type: none"> <li>The IFS- PF has set out the potential risks related to the use of premium financing and will replace the existing “Premium Financing Risk Disclosure Form”.</li> <li>If the customer answers “Yes” or “Not yet decided” to Question 1 in Section 5 - Premium Financing of the Financial Questionnaire, it means that the customer is using/ intends to use funds from premium financing or a loan to pay the premiums of the new policy, an IFS-PF is required to be submitted.</li> <li>You should explain to the customer the contents and the risks stated in the IFS – PF in details.</li> <li>You should, at best effort, obtain premium financing facility including name of lender, loan amount, loan interest rate, loan tenor and repayment amount for each installment from the customer to facilitate affordability assessment.</li> <li>The IFS- PF must be signed and dated by both of you and the customer.</li> </ul>
7. Risks of Over-leveraging	<p>Risk of over-leveraging exists when loan repayment requested by the lender before maturity of the policy cannot be fully met by the customer's own funds and can only be met using surrender value of the proposed policy.</p> <p><u>Risk assessment for over-leveraging:</u></p> <ul style="list-style-type: none"> <li>Total loans for premium financing (including loans for existing policies and the total premiums for the new policy) are compared to Net Liquid Assets (i.e. Total Liquid Assets – Total Liquid Liabilities).</li> <li>If the total loans for premium financing are equal to / less than 80% of the Net Liquid Assets, the risks of over-leveraging are relatively low.</li> <li>If the total loans for premium financing are more than 80% of the Net Liquid Assets, the policy application would be declined.</li> </ul>

Highlights of the Requirements	What should you know/do?
	<ul style="list-style-type: none"> <li>Please refer to Appendix for examples of risk assessment for over-leveraging.</li> </ul>
8. Liquid Asset Proof	<p>If the customer pays the full or partial premiums from the funds arising from premium financing, the customer must submit liquid assets proof of at least 100% of the single premium of the new policy.</p> <p><u>Types of assets proof generally accepted:</u></p> <p>i) Individual Customer</p> <ul style="list-style-type: none"> <li>Bank statement showing account balance</li> <li>Security statement with shares' values</li> <li>Time Deposit Certificate</li> <li>Portfolio statement showing portfolio value and asset under management</li> <li>Bank Reference Letter issued by private bank / premier banking</li> </ul> <p>Note: All the above required documents should be issued within the latest 3 months prior to the policy application date.</p> <p>ii) Corporate Customer</p> <ul style="list-style-type: none"> <li>Latest audited financial statement showing value of cash holding or other liquid assets</li> <li>Latest company's bank statement showing account balance within 3 months</li> <li>Company shareholders' bank statement/ liquid asset proof</li> </ul>
9. Cooling-off Notice	<p>If the customer pays the premium for a new policy from funds arising from premium financing, a "Supplementary to Notice of Policy Issuance" will be issued alongside the Welcome Letter, to remind the customer the right to cancel the policy within the cooling-off period may be assigned to the lender, and therefore any cancellation request may be subject to the lender's consent.</p> <p>You should explain to the customer the impact of the use of premium financing on his/ her right to cancel the policy within the cooling-off period.</p>
10. Post-Sales Call	<p>If the customer declares that the insurance intermediary has recommended or solicited him/her to use premium financing to fund the new policy in the IFS-PF, a post-sales call would be conducted within 5 working days after the policy issue date to ensure the customer understands the risks and implications of premium financing.</p>
11. Points to Note	<ul style="list-style-type: none"> <li>You <b><u>should not recommend</u></b> using premium financing to fund a new policy, except the customer initiates the offer.</li> <li>You should only use the Company's approved materials when adverting, marketing, or promoting an insurance product.</li> <li><b><u>If premium financing is applied after policy issued to settle the remaining balance</u></b>, i.e. the policy is issued with partial premium paid by customer himself/ herself, the following requirements need to be fulfilled: <ul style="list-style-type: none"> <li>I. Signed IFS-PF (if not yet submitted at the stage of policy application)</li> <li>II. Liquid Asset proof of amount at least equal to 100% of the single premium amount of new policy</li> <li>III. Over-leveraging assessment reconducted based on the updated financial information. If the Financial Questionnaire is conducted over one year from signing date or the over-leveraging assessment cannot be passed, the customer is</li> </ul> </li> </ul>

Highlights of the Requirements	What should you know/do?
	required to provide updated information in relation to his/her net liquid assets status and any existing policies pledged to financial institutions for premium financing.

The above listed serves as a summary for your easy reference. For details, please visit the website of the IA for "[Circular on the supervisory standards and key requirements on the use of premium financing to take out long term insurance policies](https://www.ia.org.hk/en/legislative_framework/circulars/reg_matters/circulars_on_regulatory_matters_2022.html)" with the below link:  
[https://www.ia.org.hk/en/legislative\\_framework/circulars/reg\\_matters/circulars\\_on\\_regulatory\\_matters\\_2022.html](https://www.ia.org.hk/en/legislative_framework/circulars/reg_matters/circulars_on_regulatory_matters_2022.html).

Enclosed please find the Premium Financing Training materials. You are required to complete the Premium Financing Training by submitting the completed training confirmation form and attendance sheet to AXA **by 28 December 2022**. If you fail to complete the compulsory training before the deadline, you will be suspended for selling Heritage Builder Universal Life, Grand Heritage II and Max Goal Insurance Plan.

Forms & Reference Materials	
Financial Questionnaire (New form code: HNWFQ-202211)	To be downloaded from e-library Life Business > HNWF Operations (HBUL/GH II/Max Goal) > HNWF - Application Form  (Note: The old version (HNWFQ-1901) will no longer valid after 1 January 2023.)
Important Facts Statement – Premium Financing (Form code: HNWF-IFSPF-202211)	To be downloaded from e-library Life Business > HNWF Operations (HBUL/GH II/Max Goal) > HNWF - Application Form  (Note: This IFS-Premium Financing will replace the existing "Premium Financing Risk Disclosure Form")
High Net Worth Technical Guide (December 2022 Version)	To be downloaded from e-library Life Business > HNWF Operations (HBUL/GH II/Max Goal) > HNWF – Technical Guide

Any enquiries, please feel free to contact your Business Development Manager or High Net Worth Operations & Services hotline at 8100 0345.

Life Broker & IFA  
AXA China Region Insurance Company Limited

致各大經銷商：

謹此通知您注意保險業監管局（「保監局」）就人壽保險之保費融資發出新規定的通函，該通函的規定將於 2023 年 1 月 1 日起生效。它適用於本公司在 2023 年 1 月 1 日或之後收到所有保費融資安排的壽險保單新業務的申請。

有關通函旨在闡明現有的行為準則及指引的標準和關鍵要求，以供保險公司和保險中介人在進行受監管活動時，對（潛在）保單持有人使用保費融資的情況進行說明。

本監管通告旨在提醒您有關保費融資的重要事項和相關更改之詳情。

#### 您應該注意／執行的事項？

有關指引的重點	您應該注意及執行的事項？
1. 適用範圍	個人或公司客戶透過保費融資，以支付人壽保單的新生意。 不適用於客戶已使用其資金全繳保費，但其後客戶以該人壽保單作為貸款融資的抵押品。
2. 涉及的產品種類	符合資格的保費融資產品： <ul style="list-style-type: none"><li>• 雋薈萬用壽險計劃</li><li>• 雋盈 II 人壽保障計劃</li><li>• 「尊尚盈家」壽險計劃</li></ul>
3. 保費融資的定義	保費融資為一種保險融資的安排，客戶從貸款方（通常為金融機構）借入資金以支付人壽保單的保費，並在此過程中將其保單下的全部或部分權益轉讓給貸款方。
4. 負擔能力評估	為確保客戶能負擔所推薦的產品，您應該確認客戶是否： <ul style="list-style-type: none"><li>• 以保費融資購買人壽保單。</li><li>• 有足夠的財政資源 –<ul style="list-style-type: none"><li>I. 於最初支付未透過保費融資獲得資金的部分保費；</li><li>II. 在整個保費融資的期限內，繳付所有預定的欠款（包括本金和貸款利息）；和</li><li>III. 如果貸款方在保單到期日前提出要求，則能償還保費融資下的欠款。</li></ul></li><li>• 是否有任何未償還的負債，以及客戶現有的保單是否被用作保費融資的抵押品或轉讓為貸款的抵押品。</li></ul>
5. 「財務問卷」的主要更新	<ul style="list-style-type: none"><li>• 計算淨流動資產（總流動資產 – 總流動負債），以評估過度槓桿的風險。流動負債為有義務在一年內償還或沒有特定還款期限的貸款（問題 2.4）。</li><li>• 「財務問卷」新增第五部分 – 保費融資，以查核客戶是否：<ul style="list-style-type: none"><li>I. 使用 / 打算使用保費融資或貸款的資金，以支付新保單的保費（問題 1）；</li><li>II. 抵押 / 打算抵押其自住物業，以取得貸款來繳付新保單的保費（問題 2）；和</li><li>III. 向任何金融機構抵押現有生效的人壽保單（問題 3）。</li></ul></li></ul> <p>備註：自住物業不應用作抵押品，以取得保費融資的貸款。</p>
6. 「重要資料聲明書 – 保費融資」（“IFS-PF”）	<ul style="list-style-type: none"><li>• IFS-PF 列出了使用保費融資的潛在風險，並將取代現有之「保費融資風險披露表格」。</li><li>• 倘客戶在「財務問卷」第五部分 – 保費融資的問題 1 的答案為「是」或「尚未決定」，即表示客戶使用 / 打算使用保費融資或貸款的資金，以支付新保單的保費，則需遞交 IFS-PF。</li><li>• 您需向客戶詳細講解 IFS-PF 所載的內容及風險。</li></ul>

有關指引的重點	您應該注意及執行的事項？
	<ul style="list-style-type: none"> <li>• 您應盡最大努力向客戶索取保費融資貸款資料，包括貸款方名稱、貸款金額、貸款利率、貸款期及每期還款金額，以評估其負擔能力。</li> <li>• IFS-PF 必須由您和客戶雙方簽署並註明日期。</li> </ul>
7. 過度槓桿的風險	<p>當貸款人在保單到期前要求償還欠款時，客戶無法從自有的資金全數清還欠款，而需使用保單的退保價值來償還，便界定為存在過度槓桿的風險。</p> <p><u>過度槓桿的風險評估：</u></p> <ul style="list-style-type: none"> <li>• 總保費融資貸款(包括現有保單的貸款及新保單的全數保費)與淨流動資產（即總流動資產 - 總流動負債）作對比。</li> <li>• 倘總保費融資貸款等於 / 低於淨流動資產的80%，過度槓桿的風險相對較低。</li> <li>• 倘總保費融資貸款多於淨流動資產的80%，保單申請將被拒絕。</li> <li>• 有關過度槓桿風險評估的例子請參見附錄。</li> </ul>
8. 流動資產證明	<p>倘客戶以保費融資的貸款支付全額或部分新保單的保費，客戶需提交其流動資產證明最少達到新保單的整付保費之100%。</p> <p><u>一般接受的資產證明文件：</u></p> <p>i) 個人客戶</p> <ul style="list-style-type: none"> <li>• 顯示賬戶餘額的銀行帳單</li> <li>• 顯示股票價值的帳單</li> <li>• 定期存款證明</li> <li>• 顯示投資組合價值和資產管理規模的投資組合報表</li> <li>• 私人銀行/ 卓越理財銀行發出的證明信</li> </ul> <p>註：上述要求的文件應在保單申請日期前的最近 3 個月內發出</p> <p>ii) 公司客戶</p> <ul style="list-style-type: none"> <li>• 最新審計的財務報表，顯示現金持有或其他流動資產的價值</li> <li>• 最新的公司銀行帳單，顯示最近 3 個月的賬戶餘額</li> <li>• 公司股東的銀行帳單 / 流動資產證明</li> </ul>
9. 冷靜期通知	<p>倘客戶以保費融資的貸款支付新保單的保費，「保單簽發通知書之附件」連同「保單簽發通知書」將一同發出予客戶，提醒客戶在冷靜期內取消保單的權利可能因保單轉讓予貸款方，以致任何取消保單的要求均可能須先得貸款方同意。</p> <p>您應向客戶解釋使用保費融資對冷靜期內取消保單權利的影響。</p>
10. 售後電話	<p>倘客戶於 IFS-PF 內聲明保險中介人有建議或招攬其使用保費融資獲得的資金購買保單，本公司將在保單簽發日後 5 個工作日內進行售後電話跟進，以確保客戶明白保費融資的風險和影響。</p>
11. 注意事項	<ul style="list-style-type: none"> <li>• 除非客戶主動提出，您<b>不應建議</b>客戶以保費融資購買保險。</li> <li>• 您應該只使用本公司批准的材料作宣傳、營銷或推廣保險產品。</li> <li>• <b>倘在保單簽發後以保費融資來付清餘款</b>，即保單簽發時由客戶支付部分保費，則需遞交以下文件： <ul style="list-style-type: none"> <li>I. 已簽署的「重要資料聲明書 - 保費融資」（倘在申請保單階段尚未提交）</li> <li>II. 流動資產證明有關資產至少等於新保單整付保費的100%</li> </ul> </li> </ul>

有關指引的重點	您應該注意及執行的事項？
	III. 根據最新的財務狀況重新進行過度槓桿的評估。倘「財務問卷」由簽署日期計起超過一年，或未能通過過度槓桿的評估，客戶則需要提供其淨流動資產狀況和任何現有保單抵押給金融機構作為保費融資的最新資料。

以上列出的事項為摘要內容，以供參考。有關詳細內容，請瀏覽保監局的網址以查閱有關規管的通函 ([Circular on the supervisory standards and key requirements on the use of premium financing to take out long term insurance policies](https://www.ia.org.hk/en/legislative_framework/circulars/reg_matters/circulars_on_regulatory_matters_2022.html))，網址詳情如下：  
[https://www.ia.org.hk/en/legislative\\_framework/circulars/reg\\_matters/circulars\\_on\\_regulatory\\_matters\\_2022.html](https://www.ia.org.hk/en/legislative_framework/circulars/reg_matters/circulars_on_regulatory_matters_2022.html).

您必須在 **2022 年 12 月 28 日前** 完成隨附之保費融資的培訓課程，並交回已填妥的培訓確認表格及出席表。倘您未能在限期前完成必修課程，您將被暫停銷售「雋薈萬用壽險計劃」、「雋盈 II 人壽保障計劃」及「尊尚盈家」壽險計劃。

表格及參考資料	
「財務問卷」 (新的表格編號: HNW-FQ-202211)	從電子圖書館下載 人壽保險業務> 高淨值營運 (雋薈萬用壽險/ 雋盈 II / 尊尚盈家) > 高淨值 - 投保書及表格  (註：舊版本 (HNWFQ-1901) 將於 2023 年 1 月 1 日起停止使用)
「重要資料聲明書 - 保費融資」 (表格編號: HNW-IFSPF-202211)	從電子圖書館下載 人壽保險業務> 高淨值營運 (雋薈萬用壽險/ 雋盈 II / 尊尚盈家) > 高淨值 - 投保書及表格  (註：此重要資料聲明書將取代保費融資風險披露表格)
高淨值營運指南 (2022年12月版)	從電子圖書館下載 人壽保險業務> 高淨值營運 (雋薈萬用壽險/ 雋盈 II / 尊尚盈家) > 高淨值 - 營運指南

如有任何查詢，歡迎與您的客戶經理聯絡或致電高淨值營運專線 8100 0345。

安盛金融有限公司

此乃中文譯本，一切以英文為準。公司保留最終決定權。



## Appendix – Examples of risk assessment for over-leveraging

### 附錄 - 過度槓桿風險評估的例子

#### 例子 1

- 現時申請保單保費為 USD1,000,000,在安盛/其他保險公司生效保單尚欠貸款如下列:
- 財務問卷申報之淨流動資產 = **USD5,000,000**

3. Have you already pledged any existing in-force life insurance policies of AXA or/and other insurance companies to any financial institution(s)? If Yes, please provide details.  
閣下是否以安盛或/及其他保險公司的現有生效人壽保單作抵押,向任何金融機構申請保費融資?如是,請提供詳細資料。

Insurance Company 保險公司	Policy No. 保單號碼	Policy Currency 保單貨幣	Outstanding Loan (in Policy Currency) 尚欠貸款額(保單貨幣)	Financing Institution 金融機構
AXA	888-1923xxx	USD	250,000	City Bank
Bxx Life	353-7980xxx	USD	1,000,000	Wealth Bank

- 總保費融資貸款= US\$1,000,000 + 250,000 + 1,000,000 = **2,250,000**

$$\frac{2,250,000}{5,000,000} = 45\%$$

- 過度槓桿風險較低
- 客戶有足夠能力應付銀行隨時追討貸款本金及相關利息,而無需取消保單



#### 例子 2

- 現時申請保單保費為 USD1,000,000,在安盛/其他保險公司生效保單尚欠貸款如下
- 財務問卷申報之淨流動資產 = **USD2,000,000**

3. Have you already pledged any existing in-force life insurance policies of AXA or/and other insurance companies to any financial institution(s)? If Yes, please provide details.  
閣下是否以安盛或/及其他保險公司的現有生效人壽保單作抵押,向任何金融機構申請保費融資?如是,請提供詳細資料。

Insurance Company 保險公司	Policy No. 保單號碼	Policy Currency 保單貨幣	Outstanding Loan (in Policy Currency) 尚欠貸款額(保單貨幣)	Financing Institution 金融機構
AXA	888-16xxxxx	USD	500,000	ABC Bank
MXX Life	333-8090xxx	USD	700,000	MDT Private Bank

- 總保費融資貸款= US\$1,000,000 + 500,000 + 700,000 = **2,200,000**

$$\frac{2,200,000}{2,000,000} = 110\%$$

- 過度槓桿風險很高
- 客戶沒有足夠能力應付銀行隨時追討貸款本金及相關利息
- 保單申請將被拒絕

