

HCMP 460 /2021

IN THE HIGH COURT OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION
COURT OF FIRST INSTANCE
MISCELLANEOUS PROCEEDINGS NO. 460 OF 2021



14 MAY 2021

IN THE MATTER of ZÜRICH
LEBENSVERSICHERUNGS-GESELLSCHAFT
AG (ALSO KNOWN AS ZURICH LIFE
INSURANCE COMPANY LTD)
1st Petitioner

and

IN THE MATTER of ZURICH LIFE INSURANCE
(HONG KONG) LIMITED
2nd Petitioner

and

IN THE MATTER of AN APPLICATION UNDER
SECTION 24 AND SECTION 25 OF THE
INSURANCE ORDINANCE (CAP. 41)

BEFORE THE HONOURABLE MADAM JUSTICE LINDA CHAN IN CHAMBERS

ORDER

UPON the application of the Petitioners, ZÜRICH LEBENSVERSICHERUNGS-GESELLSCHAFT AG (also known as ZURICH LIFE INSURANCE COMPANY LTD) ("ZLIC") and ZURICH LIFE INSURANCE (HONG KONG) LIMITED ("ZLIHK") by way of Petition filed on 8 April 2021 and by way of Summons filed on 8 April 2021

AND UPON READING the First Affirmation of Au Yui Fai Geoffrey, the First Affirmation of Cheng Kwok On, the First Affirmation of Li Tina Pink all filed herein on 16 April 2021 together with the exhibits therein respectively referred to, the First Affirmation of Erik Axel Erixon filed on 19 April 2021 together with the exhibits therein referred to, and the First Affirmation of Lee Ching Lam filed herein on 29 April 2021 together with the exhibits therein referred to

AND UPON HEARING leading counsel for the Petitioners and counsel for the Insurance Authority

IT IS ORDERED that:

1. ZLIC and ZLIHK shall, by 4 June 2021, pursuant to section 24(3)(a) of the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong, the "**Ordinance**"), publish the Statutory Notice in the form annexed hereto as "**Annexure 1**":
 - (1) in the Hong Kong Government Gazette in both English and Chinese;
 - (2) in The Standard in English; and
 - (3) in Sing Tao Daily in Chinese.

2. ZLIC and ZLIHK shall, by 4 June 2021, pursuant to section 24(3)(b) of the Ordinance and for the reasons set out in the Petition, send the relevant Statutory Statement(s) in English and Chinese, the final forms of which are annexed hereto as "**Annexure 2**" (the "**Statutory Statement(s)**"), to:
 - (1) Zurich Insurance Company Ltd and Zurich Insurance Holdings (Hong Kong) Limited (being the sole shareholder of ZLIC and ZLIHK, respectively);
 - (2) each Transferring Policyholder (as defined in the Scheme and the Revised IA Report (as defined below)) whose Transferring Policy(ies) is/are in force as at 28 February 2021;

- (3) each Transferring Policyholder whose Transferring Policy(ies) has/have expired, terminated, matured or surrendered as at 28 February 2021 but who has claims or payments outstanding under such policy(ies) or from whom a notice of claim has been received by ZLIC;
- (4) each Transferring Policyholder whose Transferring Policy(ies) has/have lapsed as at 28 February 2021, but where such policy(ies) are still capable of being reinstated under a reinstatement option (if any) under the policy(ies) (such reinstatement period being 2 years from the lapse date);
- (5) each Transferring Policyholder whose Transferring Policy(ies) has/have lapsed as at 28 February 2021 due to non-payment of premiums, but where as at such date the policy(ies) is/are still providing a post-termination cover (which is the payment of a benefit if death of the insured occurs within 100 days after the lapse date), and
- (6) each long term policy holder of ZLIHK ("**ZLIHK Policyholders**") whose policies is/are in force as at 28 February 2021,

to the registered address of Zurich Insurance Company Ltd and Zurich Insurance Holdings (Hong Kong) Limited and last known address of each such Transferring Policyholder and ZLIHK Policyholder (whether in or outside Hong Kong) on the relevant register as at 28 February 2021.

Save as stated above, the sending of the Statutory Statement(s) to all other long term policy holders of ZLIC be dispensed with.

3. Once the forms of the Statutory Statement(s) are finalised, copies thereof and the report on the terms of the Scheme by an independent actuary

(together with the Erratum dated 5 May 2021) (the “**Revised IA Report**”) be filed with the Court under cover of further affirmations, with any amendments marked up to show the revisions (if any) made.

4. The setting out of the full terms of the Scheme in the Statutory Statement(s) be dispensed with, and that a summary of the terms of the Scheme be set out in the Statutory Statement(s) in place of such full terms.
5. ZLIC and ZLIHK shall, pursuant to section 24(3)(c) of the Ordinance, serve a copy of the Statutory Statement(s), the Petition, the Scheme, and the Revised IA Report on the Insurance Authority, at least 21 days prior to the substantive hearing of the Petition.
6. ZLIC and ZLIHK shall, pursuant to section 24(3)(d) of the Ordinance, make copies of the Statutory Statement(s), the Petition, the Scheme and the Revised IA Report open for inspection at the Customer Service Centres of ZLIC and ZLIHK both located at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong, from 9 a.m. to 5:30 p.m. on normal business days (Monday to Friday (except public holidays)) for 21 days from the date of first publication of the Statutory Notice; and ZLIC and ZLIHK shall maintain a register of the names of persons who inspect the documents.
7. ZLIC and ZLIHK (as the case may be) shall, pursuant to section 24(4) of the Ordinance, furnish copies of the Petition and the Revised IA Report to any person who asks for one at any time before an order sanctioning the Scheme is made on the Petition.
8. ZLIC and ZLIHK shall post the Statutory Statement(s), the Petition, the Scheme and the Revised IA Report on the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer (for English) and www.zurich.com.hk/zh-hk/important-notice/portfoloi-transfer (for

Chinese) on the date of publication of the Statutory Notice and maintain such posting until the end of the substantive hearing of the Petition.

9. Upon finalisation of the Supplementary Report (as defined in the Petition):
 - (1) ZLIC and ZLIHK shall, pursuant to section 24(3)(c) of the Ordinance, serve a copy of the Supplementary Report on the Insurance Authority, at least 21 days prior to the substantive hearing of the Petition; and
 - (2) ZLIC and ZLIHK shall post the Supplementary Report on the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer (for English) and www.zurich.com.hk/zh-hk/important-notice/portfoloi-transfer (for Chinese) and maintain such posting until the end of the substantive hearing of the Petition.
10. The Petition be heard on 9 August 2021 at 10 am with 1 day reserved.
11. ZLIC Hong Kong Branch shall, out of its own funds, pay all costs in relation to the preparation of the Scheme and of ZLIHK's and its presentation to the Court for sanction and all other professional fees related thereto.
12. The Joint Petitioners shall bear the costs of the Insurance Authority in relation to this application.

Dated this 6th day of May 2021.

Registrar

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IN THE MATTER of AN APPLICATION UNDER
SECTION 24 AND SECTION 25 OF THE
INSURANCE ORDINANCE (CAP. 41)

Annexure 1

This is the "Annexure 1" referred to in the Order dated this 6th day of May 2021.

<u>Date</u>	<u>Description of Document</u>	<u>No. of Pages</u>
-	Statutory Notice in English and Chinese	3

INSURANCE ORDINANCE
(CAP. 41 OF THE LAWS OF HONG KONG)
NOTICE OF APPLICATION FOR
SANCTION OF TRANSFER OF LONG TERM BUSINESS
(Pursuant to sections 24 and 25)

ZÜRICH LEBENSVERSICHERUNGS-GESELLSCHAFT AG
(ALSO KNOWN AS ZURICH LIFE INSURANCE COMPANY LTD) and
ZURICH LIFE INSURANCE (HONG KONG) LIMITED

NOTICE IS HEREBY GIVEN that, pursuant to sections 24 and 25 of the Insurance Ordinance, an application, by way of petition, had been made by Zürich Lebensversicherungs-Gesellschaft AG (also known as Zurich Life Insurance Company Ltd) ("ZLIC") and Zurich Life Insurance (Hong Kong) Limited ("ZLIHK"), companies incorporated in Zurich, Switzerland and Hong Kong respectively, to the Court of First Instance of Hong Kong on 8 April 2021 for the sanctioning of and obtaining an order making ancillary provisions for implementing a proposed scheme of transfer of the whole of the long term business carried on by ZLIC in or from Hong Kong through its Hong Kong branch to ZLIHK (which is authorized to carry on long term business in Hong Kong) (the "Scheme"). Subject to the sanctioning of the Scheme by the Court of First Instance of Hong Kong, it is proposed that the Scheme shall become operative on or about 00:01a.m. Hong Kong time on 1 September 2021, or on such other date as ZLIC and ZLIHK may decide which shall be within 90 days after the date on which an order of the Court of First Instance of Hong Kong is granted sanctioning the Scheme.

Copies of the petition (having annexed thereto a copy of the Scheme), a report on the terms of the Scheme by an independent actuary and the statutory statements (setting out the terms of the Scheme and containing a summary of the independent actuary's report) have been posted on www.zurich.com.hk/en/important-notice/portfolio-transfer and are also available for inspection without charge at the Customer Service Centre of ZLIC and ZLIHK situated at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong during normal office hours from the date of this notice until 17 June 2021. Copies of such documents can also be obtained free of charge by writing to ZLIC and ZLIHK at such addresses at any time before the order sanctioning the Scheme is made by the Court of First Instance of Hong Kong.

A supplementary report by the independent actuary will be prepared and made available, upon finalization, on www.zurich.com.hk/en/important-notice/portfolio-transfer in around June/July 2021 until the end of the hearing of the petition in the Court of First Instance of Hong Kong.

The petition is directed to be heard at the Court of First Instance of Hong Kong at High Court Building, 38 Queensway, Hong Kong on 9 August 2021 at 10 a.m. and any person, including any employee of ZLIC and ZLIHK who alleges that he or she would be adversely affected by the carrying out of the Scheme may appear at the time of hearing in person or by counsel. Any person who intends so to appear, and any policyholder of ZLIC and ZLIHK who dissents from the Scheme but does not intend so to appear, should, as soon as possible and before 6 August 2021, give notice in writing (addressed to the Customer Service Centre and quoting reference "HCMP 460/2021") of such intention or dissent, and the reason therefor, at the address set out above. Any policyholder of ZLIC and ZLIHK who wishes to enquire about the Scheme may as soon as possible and before 6 August 2021 send such enquiry in

writing to the address set out above (addressed to the Customer Service Centre and quoting reference "HCMP 460/2021") or contact the designated hotline of ZLIC and ZLIHK at (852) 3405 7283.

Dated this 28th day of May 2021.

Zürich Lebensversicherungs-Gesellschaft AG (also known as Zurich Life Insurance Company Ltd)

25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong

Zurich Life Insurance (Hong Kong) Limited

25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong

<<保險業條例>>
(香港法例第 41 章)

有關申請對轉讓長期業務之認許之公告(依照第 24 及 25 條之規定刊登)

ZÜRICH LEBENSVERSICHERUNGS-GESELLSCHAFT AG
(又名為 ZURICH LIFE INSURANCE COMPANY LTD) 與
蘇黎世人壽保險(香港)有限公司

依照<<保險業條例>>第 24 及 25 條的規定, Zürich Lebensversicherungs-Gesellschaft AG (又名為 Zurich Life Insurance Company Ltd) (「**ZLIC**」) 及 蘇黎世人壽保險(香港)有限公司 (「**ZLIHK**」)(兩家分別在瑞士蘇黎世及香港註冊成立之公司) 於 2021 年 4 月 8 日以呈請書之形式向香港原訟法庭申請認許一項將 **ZLIC** 之透過其香港分公司在或從香港經營之長期業務全部轉讓給 **ZLIHK**(一家獲准在香港經營長期業務之公司) 之擬轉讓計劃(「**該計劃**」), 並申請獲取就該計劃的實施制訂附帶條文之命令。在該計劃獲得香港原訟法庭認許之前提下, 該計劃擬於 2021 年 9 月 1 日大約香港時間凌晨零時零一分或於 **ZLIC** 與 **ZLIHK** 共同決定的另一個日期, 該日期應為香港原訟法庭頒發命令認許該計劃之日後 90 日之內的一日, 開始運作。

從本公告刊登之日起至 2021 年 6 月 17 日止, 上述呈請書(隨附之該計劃), 獨立精算師就該計劃條款作出之報告及法定陳述書(列出計劃條款並包含獨立精算師報告的摘要)之副本已發佈在 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer 上, 並於正常辦公時間內在 **ZLIC** 及 **ZLIHK** 之客戶服務中心(地址為香港港島東華蘭路 18 號港島東中心 25 樓 - 26 樓)可供免費查閱。在香港原訟法庭頒發命令認許該計劃之前, 可隨時致函 **ZLIC** 和 **ZLIHK** 至該等地址, 免費索取該等文件的副本。

獨立精算師將準備一份補充報告並在定稿後於大約 2021 年 6 月/7 月在 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer 上發布, 直至香港原訟法院完成呈請書聆訊。

香港原訟法庭定於 2021 年 8 月 9 日上午 10 時於香港金鐘道三十八號高等法院大樓就上述呈請書舉行聆訊。任何聲稱會因實行該計劃而受到不利影響之人士, 包括 **ZLIC** 及 **ZLIHK** 之任何僱員, 均可親自或委託律師出席聆訊。擬親自或委託律師出席聆訊之任何人士及不贊成該計劃但不打算親自或委託律師出席聆訊之任何 **ZLIC** 及 **ZLIHK** 之保單持有人應盡快及於 2021 年 8 月 6 日前就有關擬出席聆訊或不贊成該計劃之通知以書面形式致函至上文列明之地址(致客戶服務中心並註明參考編號"HCMP 460/2021")並提出有關理由。任何 **ZLIC** 及 **ZLIHK** 之保單持有人如欲查詢該計劃詳情, 可盡快及於 2021 年 8 月 6 日前將書面查詢寄往上文列明之地址(致客戶服務中心並註明參考編號"HCMP 460/2021")或致電 **ZLIC** 和 **ZLIHK** 的指定熱線電話 (852) 3405 7283。

特此公告。

2021 年 5 月 28 日

Zürich Lebensversicherungs-Gesellschaft AG
(又名為 Zurich Life Insurance Company Ltd)
香港港島東華蘭路 18 號港島東中心 25 樓 - 26 樓

蘇黎世人壽保險(香港)有限公司
香港港島東華蘭路 18 號港島東中心 25 樓 - 26 樓

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IN THE MATTER of AN APPLICATION UNDER
SECTION 24 AND SECTION 25 OF THE
INSURANCE ORDINANCE (CAP. 41)

Annexure 2

This is the "**Annexure 2**" referred to in the Order dated this 6th day of May 2021.

<u>Date</u>	<u>Description of Document</u>	<u>No. of Pages</u>
-	Statutory Statements in English and Chinese	217

IMPORTANT INFORMATION

May 27, 2021

[Name]

[Address]

Dear clients,

Proposed transfer of the whole of the long term business carried on in or from Hong Kong by Zurich Life Insurance Company Ltd ("ZLIC") to Zurich Life Insurance (Hong Kong) Limited ("ZLIHK")

We are writing to advise you that, for the purpose of improving operational efficiency allowing us to continue to provide an excellent service, the management of Zurich intends to formally transfer all the long term insurance business underwritten by ZLIC through its Hong Kong branch to another member of Zurich, ZLIHK (the "**Proposed Transfer**").

This letter sets out important information regarding the Proposed Transfer of all the long term insurance business carried on in or from Hong Kong by ZLIC through its Hong Kong branch ("**ZLIC HK Business**") to ZLIHK. As a policyholder of ZLIC, your policy(ies) (whether in force, expired, terminated, matured, surrendered or lapsed) will be included in the Proposed Transfer. The Proposed Transfer will be carried out in accordance with the statutory process set out in section 24 of the Insurance Ordinance (the "**Ordinance**"), under which an application shall be made to the Court of First Instance ("**Hong Kong Court**") for the sanction of a scheme setting out the terms of the transfer ("**Scheme**"). The application has been made by way of petition (the "**Petition**") to the Hong Kong Court in April 2021.

The Scheme will be considered in the Petition hearing of the Hong Kong Court which is scheduled to take place at 10 a.m. on August 9, 2021. The transfer contemplated under the Scheme will not proceed unless, it is approved, among others, by the Hong Kong Court.

An independent actuary, Mr. Paul Sinnott, a Fellow of the Institute of Actuaries (United Kingdom) and a Fellow Member of the Actuarial Society of Hong Kong (the "**Independent Actuary**"), has been appointed by ZLIC and ZLIHK to examine the likely effects of the Scheme on the long term policyholders of ZLIC and ZLIHK and to prepare a report based on the financial information of ZLIC and ZLIHK as of 30 September 2020 for the Hong Kong Court. A summary of the Scheme and the Independent Actuary's report are included in Schedules 1 and 2 to this letter. A supplementary report by the Independent Actuary (the "**Supplementary Report**") will be prepared to provide an update on the relevant financial information as of 31 December 2020 and whether there is any change in the view of the Independent Actuary. It is expected that the Supplementary Report will be finalised and made available on the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer in around June/July 2021 until the end of the final Petition hearing in the Hong Kong Court.

Any person who alleges that he or she would be adversely affected by the carrying out of the Scheme is entitled to be heard in the Petition by the Hong Kong Court. If you intend to appear at the Petition hearing of the Hong Kong Court, you should give not less than three days' prior written notice to ZLIC and ZLIHK. Please refer to the section "**Final Hearing**" in **Schedule 1 - Part 2: "Further Information on the Hearing"** for details. Unless you intend to appear at the Petition hearing of the Hong Kong Court or object to the Scheme, there is no need for you to take any action. However, it is important that you understand the details of the Proposed Transfer. We recommend that you read this letter carefully.

How does the Proposed Transfer affect you?

Subject to the sanctioning of the Scheme by the Hong Kong Court, the Scheme shall become effective at 00:01a.m. Hong Kong time on 1 September 2021, or on such other date as ZLIC and ZLIHK may decide which shall be within 90 days after the date on which an order of the Hong Kong Court is granted sanctioning the Scheme. Unless the Scheme shall become effective on or before 90 days after the date on which the order of the Hong Kong Court is granted, or such later date and/or time, if any, as ZLIC and ZLIHK may decide and the Hong Kong Court may allow, it shall lapse.

If the Hong Kong Court sanctions the Scheme, all the policies in the ZLIC HK Business¹ ("**Transferring Policies**"), including your policy(ies) with ZLIC, will be transferred to ZLIHK. After the Proposed Transfer, all the Transferring Policies will be administered by ZLIHK, which will become the insurer of such policies in place of ZLIC. **Please rest assured that all other terms and provisions of the policies will not change.**

We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect.

If the Scheme is not sanctioned by the Hong Kong Court, the Proposed Transfer will not take place and the Transferring Policies, including your policy(ies), will remain with ZLIC who will continue to be responsible for such policies, including its administration and servicing. If the Proposed Transfer does not take place, we will notify you in writing.

The Scheme has been structured to ensure that the interests of the policyholders are safeguarded. **The Independent Actuary has opined, amongst others, on the likely effects of the Scheme on the reasonable benefit expectations and financial security of the long term policyholders of ZLIC and ZLIHK. You are advised to refer to Part 1: "Key Assessment of the Independent Actuary" and Part 2: "Summary of the Independent Actuary's Report" in Schedule 2.**

Any costs incurred in relation to the Proposed Transfer will be borne by ZLIC and ZLIHK.

¹ The Transferring Policies will include, among others, nine existing investment-linked assurance schemes issued by ZLIC as of 28 February 2021 namely (i) Brilliant Link; (ii) Deluxe Link; (iii) Deluxe Link Junior; (iv) Harvest Link; (v) Maxi Link; (vi) Royal Link; (vii) Smart Link; (viii) Treasure Link; and (ix) Wealth Link.

Further Information

If you wish to obtain further information, you may:

- inspect copies of this letter, the Petition, the Scheme and the report of the Independent Actuary at the Customer Service Centre of ZLIC or ZLIHK at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong, during the following periods between 9 a.m. to 5:30 p.m. (local time), on normal business days (Monday to Friday (except public holidays)) from May 27, 2021 to June 17, 2021;
- visit the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer until the end of the final Petition hearing in the Hong Kong Court;
- obtain the above documents free of charge by writing to the offices of ZLIC and ZLIHK at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong on or prior to the date of the final Petition hearing; or
- refer to the "Frequently Asked Questions" ("**FAQs**") as enclosed in this letter.

If you have any questions about the Proposed Transfer, please contact the designated hotline of ZLIC and ZLIHK at (852) 3405 7283, or write to ZLIC and ZLIHK at the address above, addressed to the Customer Service Centre and marking your envelope with the reference "HCMP 460/2021".

Thank you for your continuous support and we look forward to being of continued service to you.

Yours sincerely,

Zurich Life Insurance Company Ltd, Hong Kong branch

Zurich Life Insurance (Hong Kong) Limited

Schedule 1

Part 1

SUMMARY OF THE SCHEME

Transfer

Zurich Life Insurance Company Ltd ("**ZLIC**") was incorporated in Switzerland and was entered into the Commercial Register of Canton Zurich since 28 December 1922. It is a wholly-owned subsidiary of Zurich Insurance Group Ltd., whose shares are listed on the SIX Swiss Exchange, and which is the ultimate parent company of the group of companies ("**Zurich Group**"). ZLIC is an insurance carrier licensed and supervised by the Swiss Financial Market Supervisory Authority (FINMA). The registered office of ZLIC is situated at Austrasse 46, 8045 Zurich, Switzerland. It was also registered as a non-Hong Kong company under Part XI of the former Companies Ordinance (Cap. 32) (now Part XVI of the Companies Ordinance (Cap. 622)) on 31 August 1984. ZLIC is an authorized insurer under the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) (the "**Insurance Ordinance**") with authorization to carry on Classes A (life and annuity), C (linked long term), and I (retirement scheme management category III) of long term business (as defined under Part 2 of Schedule I to the Insurance Ordinance) in or from Hong Kong. As part of its Class A long term business, ZLIC has underwritten Swiss Individual Life Policies through its Hong Kong branch (the "**ZLIC Hong Kong Branch**"), but the accounting and administration of such policies, including paying claims and collecting premiums, are managed by ZLIC's head office in Switzerland and will continue to be managed by ZLIC's head office in Switzerland under an outsourcing arrangement with Zurich Life Insurance (Hong Kong) Limited ("**ZLIHK**") after such policies are transferred to ZLIHK on the Transfer Date (as defined below) to minimize potential immediate customer impact. However, ZLIHK may reassess the outsourcing arrangement for optimising the longer term administration of such policies as part of its normal business review as to whether the outsourcing arrangement should be continued. Since 1 December 2016, a note has been inserted in the Register of Authorized Insurers maintained by the Insurance Authority, stating that Zurich Life Insurance Company Ltd "has ceased to effect any new contracts of insurance... in or from Hong Kong". The principal place of business of ZLIC in Hong Kong is 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong.

ZLIHK was incorporated in Hong Kong on 7 May 2018.

ZLIHK is a wholly-owned subsidiary of Zurich Insurance Holdings (Hong Kong) Limited, which is in turn a wholly owned subsidiary of Zurich Insurance Company Ltd. ("**ZICL**"). ZLIC is also a wholly-owned subsidiary of ZICL, and all are companies within the Zurich Group. ZICL is a global insurance company with around US\$ 303,433,000,000 of assets under management (comprising group investments and unit-linked investments plus assets that are managed by third parties, on which fees are earned, as at 31 December 2020). Other than in Hong Kong, ZICL and its subsidiaries have operations in other key markets including Europe, Middle East, Africa, North America, Asia Pacific and Latin & America and in more than 215 countries.

As part of a strategic initiative of the Zurich group², it is proposed that the ZLIC HK Business (as defined below) shall be transferred to and assumed by ZLIHK ("**Proposed Transfer**").

In order to take over the ZLIC HK Business (as defined below) carried on by ZLIC, an application was made by ZLIHK to the Insurance Authority on 2 January 2020 for the authorisation to carry on

² For more details, please refer to the FAQs as enclosed in this letter.

Classes A and C of long term business in or from Hong Kong. On 23 March 2020, formal authorization was granted by the Insurance Authority to ZLIHK to carry on those classes of long term business in or from Hong Kong.

The purpose of this Scheme is to transfer the ZLIC HK Business from ZLIC to ZLIHK, pursuant to sections 24 and 25(1) of the Insurance Ordinance (all terms as defined in the Scheme).

The Proposed Transfer

It is proposed that, pursuant to section 24 of the Insurance Ordinance, the long term business carried on in or from Hong Kong by ZLIC ("**ZLIC HK Business**") shall be transferred to ZLIHK in accordance with the terms of the Scheme and subject to the order of the Hong Kong Court ("**Hong Kong Order**") made pursuant to sections 24 and 25(1) of the Insurance Ordinance. Such ZLIC HK Business shall comprise the Transferring Policies, the Transferring Assets and Transferring Liabilities, as defined below (in this regard, "**Transferring Policies**" means (i) any Policy forming part of Class A (Life And Annuity) (including, for the avoidance of doubt, the Swiss Individual Life Policies) or Class C (Linked Long Term) of long term business underwritten by ZLIC in Hong Kong³, under which any liability remains outstanding as at the Transfer Date, whether such Policies have been reinstated, have expired, lapsed, matured, surrendered, terminated or otherwise, including all proposals or applications for insurance policies, certificates, supplemental coverages, endorsements, riders and ancillary agreements in connection therewith; and (ii) all proposals or applications for policy renewals received by ZLIC but the processing of which has not been completed by ZLIC prior to the Transfer Date (which shall be processed by ZLIHK after the Transfer Date).

Transfer Date

This Scheme shall become effective at 00:01 a.m. hours (Hong Kong time) on such date as ZLIC and ZLIHK may decide, which date shall be within 90 days after the date on which the Hong Kong Order is granted sanctioning this Scheme (the "**Transfer Date**"). Subject to the grant of the Hong Kong Order, it is expected that the Scheme will take effect on 1 September 2021, but it may be subject to change as mutually agreed between the parties.

Unless this Scheme shall become effective on or before 90 days after the date on which the Hong Kong Order is granted, or such later date and/or time, if any, as the parties may decide and the Hong Kong Court may allow, it shall lapse.

Transfer of Assets and Liabilities

On and with effect from the Transfer Date, the Transferring Assets shall, by virtue of the Hong Kong Order and without any further act or instrument but subject to the paragraph on "Further or Other Acts or Assurance" below, be transferred by ZLIC to, and vested in, ZLIHK, subject to any Encumbrances in respect thereof. ZLIHK shall accept without investigation or requisition such title as ZLIC shall have at the Transfer Date to each Transferring Asset then transferred. ZLIC and ZLIHK shall as and when appropriate execute all such documents, including assignments, and do all such other acts and things as may be required to effect or perfect the transfer to, and vesting in, ZLIHK of any Transferring Asset.

In this regard, "**Transferring Assets**" means the property, assets or investment of ZLIC (including any right, discretion, authority, power or benefit of ZLIC under or by virtue of any Transferring Policies) as is attributable to the ZLIC HK Business wherever situated; and the rights, benefits and powers of ZLIC under and by virtue of:

³ The Transferring Policies will include, among others, nine existing investment-linked assurance schemes issued by ZLIC as of 28 February 2021 namely (i) Brilliant Link; (ii) Deluxe Link; (iii) Deluxe Link Junior; (iv) Harvest Link; (v) Maxi Link; (vi) Royal Link; (vii) Smart Link; (viii) Treasure Link; and (ix) Wealth Link.

- (a) the contracts between ZLIC and its insurance intermediaries in relation to the ZLIC HK Business;
- (b) the Transferring Reinsurances;
- (c) any lease, outsourcing agreements or arrangements, IT and related contracts in respect of the ZLIC HK Business; and
- (d) any other contracts, agreements, arrangements or undertakings in respect of or concerning the ZLIC HK Business.

"Encumbrances" means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind, and any other type of preferential arrangement having a similar effect.

"Transferring Reinsurances" means any reinsurance agreements or arrangements under which ZLIC is reinsured in respect of the Transferring Policies.

On and with effect from the Transfer Date, each Transferring Liability shall, by virtue of the Hong Kong Order and without any further act or instrument and without investigation or requisition but subject to the paragraph on "Further or Other Acts or Assurance" below, be transferred by ZLIC to, and become a liability of, ZLIHK, with the effect that ZLIC shall be entirely released from and ZLIHK shall assume all such Transferring Liabilities. ZLIC and ZLIHK shall as and when appropriate execute all such documents, including assignments, and do all such other acts and things as may be required to effect or perfect the transfer to, and assumption by, ZLIHK of any Transferring Liability. In this regard, **"Transferring Liabilities"** means all liabilities of ZLIC as at the Transfer Date attributable to the ZLIC HK Business including, without limitation, the liabilities and obligations (whether present, future or contingent) under or in relation to the Transferring Policies and ZLIC HK Business, and associated liabilities, including, for the avoidance of doubt, liabilities (including fines, penalties, damages and compensation due to policyholders) for mis-selling or non-compliance of ZLIC committed prior to the Transfer Date, as well as any current and/or pending complaints, legal proceedings and/or other dispute resolution proceedings made in relation to the Transferring Policies.

Transfer of Transferring Policies

On and with effect from the Transfer Date, ZLIHK shall become entitled to all of the rights, benefits, advantages and powers conferred on or vested in ZLIC under, or by virtue of, the Transferring Policies. The Transferring Policies shall on and with effect from the Transfer Date form part of ZLIHK's long-term business carried on in or from Hong Kong.

On and with effect from the Transfer Date, all rights, benefits, advantages and powers against ZLIC conferred on or vested in the Transferring Policyholder or other third parties under or in relation to every Transferring Policy shall cease and shall be substituted by the same rights, benefits, advantages and powers against ZLIHK. **"Transferring Policyholder"** means holder of a Transferring Policy.

Transfer of Records

On the Transfer Date, all Statutory Records and other information relating to the Transferring Policyholders, insureds, beneficiaries and assignees of, or any other persons relating to, the Transferring Policies, including, without limitation, the personal data (as defined under section 2 of the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)) of such Transferring Policyholder, insureds, beneficiaries, assignees and other persons, which is held by ZLIC shall be transferred to ZLIHK, and ZLIHK shall have the same rights, benefits, advantages and powers in holding and using (and transferring) such information as those of ZLIC prior to the Transfer Date. In this regard, **"Statutory Records"** means all books, files, registers, documents, correspondence, papers and other records that are required, by the applicable legal or regulatory requirement or corporate governance requirement (whether or not having the force of law), to be kept by ZLIC and retained in its possession in respect of the ZLIC HK Business.

In respect of the Transferring Policies under which premiums continue to be payable, the Transferring Policyholders of the Transferring Policies shall account to ZLIHK for any further premiums as and when they become due. ZLIHK shall be entitled to any and all defences, claims, counterclaims and the right of set-off against or under the Transferring Policies which would have been available to ZLIC prior to the Transfer Date.

ZLIHK shall be bound by, observe and perform all terms, conditions and covenants of the Transferring Policies, assume all liabilities and satisfy all claims and demands arising out of or in respect of the Transferring Policies in every way as if ZLIHK and not ZLIC had issued the Transferring Policies.

All terms and conditions of the Transferring Policies (including proposal, quotations, slips, or application forms, illustrative documents, principal brochures, offering documents, riders, schedules and declarations) shall remain unchanged save that, on and with effect from the Transfer Date, all references in the Transferring Policies to "ZLIC" or "ZLIC Hong Kong Branch", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents shall be read as reference to "ZLIHK", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents; and any reference to "ZLIC" or "ZLIC Hong Kong Branch" in the names of the Transferring Policies will be read as a reference to "ZLIHK". In particular, but without limitation, all rights and duties exercisable or expressed to be exercisable or responsibilities to be performed by "ZLIC" or "ZLIC Hong Kong Branch", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents in relation to the Transferring Policies shall, on and with effect from the Transfer Date, be exercisable or required to be performed by "ZLIHK, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents.

Further or Other Acts or Assurance

Without prejudice to the effect of this Scheme, to the extent that the Scheme and the Hong Kong Order are not effective in transferring and vesting any of the Transferring Assets, Transferring Liabilities or Transferring Policies under this Scheme to and in ZLIHK without further or other acts or assurance (including without limitation the need of obtaining further consent or approval):

- (i) ZLIC and ZLIHK shall do and execute and deliver or procure to be done and executed and delivered all such further acts, deeds, documents, instruments of conveyance, assignment, novation and transfer and all things as may be necessary to give effect to the Scheme, to transfer the ZLIC HK Business and all Transferring Assets, Transferring Liabilities and Transferring Policies to ZLIHK and as ZLIHK may request, in order to effectively convey, assign, transfer, vest and/or record title to each of the Transferring Assets, Transferring Liabilities and Transferring Policies and the ZLIC HK Business in ZLIHK as from the Transfer Date;
- (ii) pending completion of such acts, deeds, documents and things, ZLIC shall as from the Transfer Date:
 - (a) hold the beneficial interest in each of the affected Transferring Assets on trust for ZLIHK, to the extent that it has not been transferred to ZLIHK, and shall pay to ZLIHK promptly upon its receipt of any sums by it with respect to any such affected Transferring Assets; and
 - (b) hold or assume any liabilities in each of the affected Transferring Liabilities for and on behalf of and for the account of ZLIHK;
- (iii) ZLIHK shall from the Transfer Date (at its own costs) assist ZLIC to perform the obligations of ZLIC or discharge such liability of ZLIC in relation to such affected Transferring Assets, Transferring Liabilities and Transferring Policies and failing that, indemnify ZLIC against all

liability and any reasonable costs or expense incurred by ZLIC that is directly attributable to such affected Transferring Assets, Transferring Liabilities and Transferring Policies; and

- (iv) ZLIC shall in any event as from the Transfer Date be subject to ZLIHK's directions in respect of any affected Transferring Assets, Transferring Liabilities and Transferring Policies referred to in paragraph (i) above until the affected Transferring Assets, Transferring Liabilities and Transferring Policies are transferred to ZLIHK, and ZLIHK shall have authority to act as attorney of ZLIHK in respect of such affected Transferring Assets, Transferring Liabilities and Transferring Policies for all such purposes.

Continuation or Commencement of Proceedings

By virtue of the Hong Kong Order, on and with effect from the Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings, claims or complaints (whether current, pending, threatened or future including those not yet in contemplation) by or against ZLIC in relation to the Transferring Policies, Transferring Assets and Transferring Liabilities shall be continued or commenced by or against ZLIHK, in substitution for ZLIC and ZLIHK shall be entitled to the same defences, claims, counterclaims and rights of set-off as ZLIC in respect thereof.

New ZLIHK Insurance Funds

Prior to the Transfer Date, ZLIHK shall have established the ZLIHK Life Insurance Fund and the ZLIHK Shareholder's Fund. Prior to the Transfer Date, ZLIHK shall have established the ZLIHK Linked Fund for underwriting new Class C policies upon obtaining the requisite regulatory approval. With effect from the Transfer Date, ZLIHK shall establish the ZLIHK Swiss Individual Fund. Effective from the Transfer Date, (i) all Class A Policies (other than the Swiss Individual Life Policies under Class A) underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; all Swiss Individual Life Policies under Class A Policies underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; and all Linked Policies underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund; (ii) all Transferring Assets allocated to: (a) the ZLIC Life Insurance Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; (b) the ZLIC Swiss Individual Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; (c) the ZLIC Linked Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund; and (d) the Fund Surplus immediately prior to the Transfer Date shall be allocated to the ZLIHK Shareholder's Fund; and (iii) all Transferring Liabilities allocated to: (a) the ZLIC Life Insurance Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; (b) the ZLIC Swiss Individual Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; and (c) the ZLIC Linked Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund.

"Fund Surplus" means the underwriting profits derived from the policies of all classes of business that are attributable to the shareholder of ZLIC.

All beneficial interest in any property, assets or investments held on trust by ZLIC for ZLIHK pursuant to the paragraph on "Further or Other Acts or Assurance" above shall be allocated to the relevant funds (as applicable) to which such property, assets or investments would have been allocated. All liabilities which are required to be satisfied by ZLIHK pursuant to the paragraph on "Further or Other Acts or Assurance" above shall be allocated to the relevant funds (as applicable) to which such liabilities would have been allocated.

Premiums, Mandates and Other Instructions

All premiums, loan repayments (if any, and interest thereon) and other amounts received or receivable by ZLIC (or its agents) in respect of any of the Transferring Policies on or after the Transfer Date shall be payable to ZLIHK (or its agents) after the Transfer Date.

ZLIHK (or its agents) shall be irrevocably authorized to endorse for payment any cheques, drafts, orders, postal orders or other instruments payable to, or to the order of, ZLIC (or its agents) and received by ZLIHK (or its agents) in respect of premiums paid or loan repayments (if any) under the Transferring Policies on or after the Transfer Date.

ZLIHK (either itself or via its agents) shall have the sole responsibility for billing and collecting premiums and paying all applicable levies and taxes in respect of premiums accrued under the Transferring Policies on or after the Transfer Date.

Any mandate, autopay authority, standing order or other instruction in force on the Transfer Date and providing for the payment by a bank or other intermediary of premiums payable to or received by ZLIC (or its agents) in respect of any of the Transferring Policies shall, from and after the Transfer Date, take effect as if the same had been provided for and authorized in favour of ZLIHK (or its agents).

Costs of the Scheme

ZLIC Hong Kong Branch shall, out of its own funds, pay all costs in relation to the preparation of this Scheme and of ZLIHK's and its presentation to the Hong Kong Court for sanction and all other professional fees related thereto. None of such costs shall be borne by the funds maintained by ZLIC or ZLIHK pursuant to the Insurance Ordinance in respect of their respective long term business, general business or other policies of ZLIC or ZLIHK, or the policy holders thereof.

Modification

Subject to the last paragraph of this section, ZLIC and ZLIHK may apply to the Hong Kong Court for consent to modify, vary or amend the terms of this Scheme, subject to any conditions which the Insurance Authority or the Hong Kong Court may impose.

Subject to the last paragraph of this section, the terms of this Scheme shall be modified, varied or amended in accordance with such consent (with conditions, if any) as may be given by the Hong Kong Court under the paragraph above.

The consent of the Hong Kong Court shall not be required in relation to modification(s), variation(s) or amendment(s) to correct manifest error(s) of this Scheme provided that the Insurance Authority has been notified of the same and has indicated that it does not object thereto.

Governing Law

This Scheme shall be governed by the laws of Hong Kong.

Part 2

FURTHER INFORMATION ON THE HEARING

Final Hearing

The Petition for sanction of the Scheme will be heard at the Hong Kong Court. The final hearing, at which the Hong Kong Court will consider whether or not to sanction the Scheme, is scheduled to take place at 10 a.m. on August 9, 2021.

The Ordinance stipulate that any person who alleges that he or she would be adversely affected by the carrying out of the Scheme is entitled to be heard in the Petition by the Hong Kong Court.

If you do intend to appear at the hearing of the Hong Kong Court, we request you to give preferably not less than three days' prior written notice of such intention, and the reasons therefor, to the Customer Service Centres of ZLIC and ZLIHK both located at the following address:-

25-26/F, One Island East
18 Westlands Road
Island East
Hong Kong

(All letters should quote the reference "HCMP 460/2021")

If you intend to object to the Scheme but do not wish to appear at the hearing of the Hong Kong Court, you should give not less than three days' prior written notice of such intention, and the reasons therefor, to the Customer Service Centres of ZLIC and ZLIHK both located at the address above.

Schedule 2

Part 1: Key Assessment of the Independent Actuary

The Independent Actuary has opined, in particular, that:

- i. the Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of the ZLIC Hong Kong Branch, with regards to benefits and levels of service;
- ii. the Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC Hong Kong Branch; and
- iii. he is satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Part 2: Summary of the Independent Actuary's Report

Introduction

- 1.1. I, Paul Sinnott, have been appointed to act as the Independent Actuary pursuant to Section 24 of the Hong Kong Insurance Ordinance Chapter 41 (The "Ordinance", or "HKIO"), to provide an independent opinion on the terms and likely effects of the proposed scheme (the "Scheme") for the transfer of all long term insurance business carried on by Zurich Life Insurance Company Ltd. ("ZLIC") through its Hong Kong Branch ("ZLIC HK branch") (also hereinafter referred as "Transferring Business") to Zurich Life Insurance (Hong Kong) Ltd. ("ZLIHK"), a new Hong Kong domiciled subsidiary of Zurich Insurance Holdings (HK) Limited ("ZIH"), which is wholly-owned by Zurich Insurance Company Ltd. ("ZIC"). ZLIC, ZLIC HK branch and ZLIHK are collectively referred to as the "Parties". The Transferring Business involved consists of the Class A (Life and Annuity) and Class C (Linked) businesses, underwritten by ZLIC HK branch before 1 September 2021, which is the date the Scheme is expected to become effective (the "Transfer Date"). The policyholders transferring to the ZLIHK in respect of the ZLIC's Transferring Business are referred to as the "Transferring Policyholders", who hold policies which are underwritten by ZLIC HK Branch (the "Transferring Policies"); the policyholders remaining in ZLIC after the Scheme are referred to as the "Non-Transferring ZLIC Policyholders", who hold policies which are underwritten by ZLIC excluding those underwritten by ZLIC HK branch (the "Non-Transferring ZLIC Policies") and the existing policyholders of ZLIHK before the Scheme are referred to as the "Existing ZLIHK Policyholders", who hold "Existing ZLIHK Policies".
- 1.2. I am a Principal and Consulting Actuary of Milliman Limited ("Milliman"), residing of 3901-2, AIA Tower, 183 Electric Road, North Point, Hong Kong. I am a Fellow Member of the Actuarial Society of Hong Kong ("ASHK") and a Fellow of the Institute and Faculty of Actuaries (United Kingdom) ("UK").
- 1.3. In preparing my Independent Actuary Report on the Scheme, I consulted the Hong Kong Insurance Authority ("IA") on the required contents and incorporated suggestions from the IA as appropriate. The report is prepared in accordance with the approach and expectations in Section 2 paragraphs 27 to 40 of the Prudential Regulation Authority, as set out in "The Prudential Regulation Authority's approach to insurance business transfers" dated April 2015. I have also had regard to Chapter 18 of the Supervision Manual contained in the Financial Conduct Authority ("FCA") Handbook as well as Section 6 of the further guidance released by the FCA, as set out in "The FCA's approach to the review of Part VII insurance business transfer" dated May 2018. I have also taken into account professional guidance under the Institute and Faculty of Actuaries' "APS X3: The Actuary as an Expert in Legal Proceedings" which sets out principles for actuaries to apply when instructed as an expert in relation to existing or contemplated legal proceedings (including those outside UK jurisdiction).
- 1.4. The scope of my review and opinions are confined to the effects of the Scheme on the long term insurance policyholders of ZLIC and ZLIHK, in particular the Transferring Policyholders. It does not include an assessment of the impact of the Scheme on the shareholders of ZLIC and ZLIHK. I have considered the Scheme as presented to me and have not considered any other alternative schemes of transfer.
- 1.5. I have been provided with free access to the information that I requested as necessary to conduct my work. In addition, I have also been given unrestricted access to and held discussions with various representatives of the Parties.

- 1.6. This is a summary of my Independent Actuary report dated 29 March 2021. Details of the scope of my work, considerations and conclusions, reliances, limitations and the terms of reference are provided in the full version of my report. Copies of the full report are available to the Transferring Policyholders, Existing ZLIHK Policyholders and other interested parties in the office of the ZLIC HK branch. An electronic version of the same report is also available on Zurich's website at www.zurich.com.hk/en/important-notice/portfolio-transfer until the final petition hearing in the Hong Kong Court.

Background of the transfer and summary of my opinion

- 1.7. This Scheme was initiated as part of the restructuring of the Hong Kong operations of the Zurich Insurance Group Ltd. ("Zurich Group") to enhance financial stability for policyholders and operating efficiency including facilitating more streamlined audit and regulatory compliance processes across the organization. ZLIHK became an authorised insurance company under the Insurance Ordinance on 23 March 2020.
- 1.8. All of the long term insurance business of ZLIC HK branch will be transferred to ZLIHK, in accordance with the proposed Scheme and the Section 24 of the Ordinance. After the Scheme Transfer, ZLIC HK branch will be wound-up and the operating license surrendered. After the completion of the Scheme Transfer, ZLIC HK Branch is expected to withdraw its authorisation in accordance with Section 40 of Insurance Ordinance. There will therefore be no remaining policyholders within ZLIC HK branch once the Scheme is implemented.
- 1.9. The fund structures of ZLIC HK branch (before transfer) and ZLIHK (before and after transfer) are shown below.

ZLIC HK branch fund structure before transfer

ZLIC HK branch long term business

ZLIC HK branch Life Insurance fund (Class A)	ZLIC HK branch Linked fund (Class C)	ZLIC Swiss Individual fund (Class A)
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ZLIHK fund structure before and after transfer

ZLIHK long term business

ZLIHK Life Insurance funds (Class A)	ZLIHK Swiss Individual fund (Class A)	Linked fund (Class C)	ZLIHK Shareholders' Fund
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- 1.10. As at 30 September 2020, the long term insurance business of ZLIC HK branch consisted of Class A (Life and annuity) and C (Linked) only. The key products of the retail business cover universal life, protection (such as death, critical illness and medical/hospital expenses), traditional participating and unit-linked. There is fund segregation of assets and liabilities between Class A and C business lines.
- 1.11. The Swiss Individual Life Policies, the so-called "Swiss Book", is a minor run-off portfolio. This is a portfolio of ZLIC Switzerland policies bought by expatriates in the Asian region who were expected to be moving back to their respective home countries some time in the future. After the Scheme Transfer, ZLIHK will retain the liabilities for these policies on its balance sheet and cede the risks to ZLIC by reinsurance arrangements, and will outsource to ZLIC such operational activities that ZLIC has been responsible for prior to the Scheme Transfer (including policy servicing, administration, payment of claims for such policies) to minimise potential immediate customer impact. ZLIHK may reassess the arrangement for optimising the longer term administration of the Swiss Book as part of its normal business review as to whether the reinsurance and outsourcing arrangement should be continued. As of 30 September 2020, there are 142 in-force policies. Within Class A, the Swiss policies are separated

- from the rest of the Class A insurance fund given that these Swiss policies have a different dividend policy from the other Class A participating products. Similar segregation will be maintained in ZLIHK.
- 1.12. ZLIHK has undertaken to fulfil all of the policy contract conditions once the Scheme is implemented. This will include the responsibility for paying all benefits of claims, maturities, policy dividends and other amounts arising from the Transferring Business including the cost of administration for all Transferring Policies.
- 1.13. In my opinion,
- The Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch, with regards to benefits and levels of service.
 - The Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch.
 - I am satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.
- 1.14. In arriving at my opinion, I have considered various aspects below. More detailed analyses and conclusions are provided in the full version of my report.

Effect of the Scheme on the benefit expectations of Transferring Policyholders

Participating business and universal life business

- 2.1. On the Transfer Date, ZLIC HK branch will transfer all participating policies and universal life policies underlying the Class A business. ZLIC HK branch's participating portfolio was closed to new business in 2013. The participating business consists of HK Traditional Annual dividend policies, HK Traditional Terminal dividend policies and Swiss Individual Life Policies. ZLIC HK branch's universal life contracts are referred to as Living products. There are 3 generations of Living products which are Old style, "2003 Series" and New style Living products.
- 2.2. An annual review of dividend rates for traditional participating products is performed by the Appointed Actuary and approved by the Board. ZLIC HK branch has not made any adjustments to the dividend scales of the participating policies up to the end of 2018. Both of the 2019 and 2020 dividend studies recommended a 40% dividend cut to be made in early 2020 or early 2021. These studies were performed in accordance with the existing principles and methodology set out in ZLIC HK branch's dividend policy of traditional participating products. They were conducted based solely on ZLIC HK branch as an on-going concern without taking into account of factors relating to the Transfer. Although the dividend cut recommendation is totally unaffected by the Transfer, after assessing the reasonable expectations of policyholders and competitors actions, I have been informed that ZLIC HK branch does not intend to make any adjustments to the dividend scales of the participating policies before the Transfer. ZLIHK will make future decisions in this area in the normal course of business during annual dividend investigations after the Transfer. I have been informed that the rationale for not adjusting the dividend scales before 2019 was as follows:
- given the projected small dividend pay-out in early years, the smoothed dividend adjustment of at most 40% cut derived from dividend policy may not bring material financial benefit to the branch, considering the operational cost of dividend adjustment procedure; and
 - alignment with competitors' action to maintain the fulfilment ratio for their major products to be close to 100% within the first few policy years.
- 2.3. ZLIHK has undertaken to carry out annual dividend reviews according to the same dividend methodology used by ZLIC HK branch, whereby dividends may need to be adjusted based on the actual surplus or deficit position of the participating portfolio at the time of future review, as well as after taking into other consideration including the materiality of the financial benefits, competitors' actions and other factors not associated with the Transfer. As such, the Transfer is not a factor which will be taken into account in the dividend determination in the future review. I have been informed that, given the internal governance systems in place within ZLIHK and the same management team of Zurich, the

dividend mechanism/principles communicated to policyholders will be applied consistently in the future time as prior to the Scheme transfer.

- 2.4. I have also been informed that ZLIHK will follow the current crediting rate setting mechanism used for the universal life business before the transfer.
- 2.5. The Parties have confirmed that there will not be any significant change to the existing principles and methods, target asset allocation and investment mandate with respect to the participating policies and universal life policies as a result of the Scheme. It is also important to recognise that the management of ZLIHK has the right to alter the principles and methods under the existing dividend or bonus policies and this right will not change after the Scheme is implemented.
- 2.6. In light of my review, it is my opinion that current participating business dividend setting and universal life crediting rate principles and methodologies, and the governance for any changes to the existing approach, which are intended to be used by ZLIHK after the transfer, provide sufficient safeguard that policyholders should expect to be treated in a similar manner before and after the Scheme is implemented.

Asset allocation and investment policy of the Transferring Business

- 2.7. Investment activities within the ZLIC HK branch are governed by investment mandates. The mandates set out the Strategic Asset Allocation ("SAA"), investment constraints and approval processes.
- 2.8. The Parties have confirmed that there is no significant change of SAA in related to the legacy liabilities of ZLIC HK branch after the Scheme is implemented if there is no significant change in ZLIHK's product mix. The Parties have also confirmed that there is no intention to make significant change to the existing investment strategies and internal governance currently adopted by ZLIC HK branch for the assets supporting the Transferring Policies after the Scheme is implemented.

Charges and investments of unit-linked policies

- 2.9. For the existing unit-linked products, while ZLIC HK branch has not made adjustments on the policy charges in the past, ZLIC HK branch has broad rights to vary policy charges, as well as the right to impose any other charges for administering the policies. Policyholders will be given written notice in advance according to policy provisions before any changes come into effect. These rights will continue with ZLIHK and exist whether or not the Scheme proceeds.
- 2.10. I have been informed that the process and principles involved in determining the level of non-guaranteed charges following Scheme implementation will not change as a result of the transfer. Based on these considerations, I have no reason to believe that the Scheme will have a material adverse impact on the discretionary charges applied to the Transferring Policyholders.

Contractual benefits provisions

- 2.11. According to the Scheme, ZLIHK will commit to continue paying the contractual benefits of the Transferring Policyholders of ZLIC HK branch. I have been informed that these guaranteed benefits will not be altered after the transfer. The rights of these policyholders, as defined under their existing policy documents, will be the same before and after the transfer.

Other policies subject to company discretion

- 2.12. For some of the packaged plans and many of the rider policies, including renewable term, accident and health benefits, dread disease benefits, ZLIC HK branch has broad rights to adjust premium rates either at each renewal, at each policy anniversary, at every 5 years or at any of the policy anniversary, as set out in the policy provisions. According to the Scheme, in accepting the Transferring Business, ZLIHK will retain the same rights with respect to these policies. However, these rights exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Transferring Policyholders of the ZLIC HK branch.

Costs and expenses in relation to the Scheme

- 2.13. The costs associated with the Scheme are to be met by ZLIC shareholders, expensing through the ZLIC HK branch. ZLIC HK branch has confirmed that there will be no cost and expense incurred in relation to the Scheme that will lead to an increase in the unit costs charged to policyholders or a

decrease in the policyholder level of discretionary benefits paid. Therefore, I have no reason to believe there will be any material adverse impact on the Transferring Policyholders in this regard.

Tax implications

- 2.14. The ZLIHK will elect the same taxation basis as the ZLIC HK branch, under which the branch calculated profit tax based on total assessable profits and the elected tax rate. The Parties have also advised that all the tax balances of the ZLIC HK branch will be transferred to ZLIHK. Given the tax regime applied to the Transferring Business will remain unchanged after the Scheme is implemented, I have no reason to believe there will be a materially adverse impact on the Transferring Policyholders of ZLIC HK branch in this regard.

Policy terms and conditions

- 2.15. I am informed that, other than the replacement of references to ZLIC HK branch to ZLIHK, there will be no change to the policy terms and conditions of in-force insurance policies as a result of the Scheme. The provision of policy loans being part of the policy terms and conditions will remain unchanged after the transfer. I have no reason to believe there will be a materially adverse impact on the policy terms and conditions of Transferring Policyholders due to the Scheme itself in this regard.

Reasonable benefit expectations conclusion

- 2.16. In summary, The Scheme will not have a materially adverse effect on the reasonable benefit expectations of the Transferring Policyholders of ZLIC HK branch, which include the policyholders of Swiss Individual Life Policies.

Effect of the Scheme on the financial security of Transferring Policyholders

- 3.1. The security of the contractual benefits of policyholders can be measured by the excess assets in the long term insurance business fund plus the net shareholder assets. It is affected by the conservatism of the reserving bases used and the capital and free reserves, together with additional security provided by the entity as a whole, and any potential support available from its shareholders.
- 3.2. I have also considered the expected overall solvency position of ZLIHK following implementation of the proposed Scheme and its possible future development.

The provision of financial security

- 3.3. To protect the security of policyholders, insurance companies maintain three asset layers namely policy reserves, minimum solvency margin and excess assets, with the first two layers required by legislation.
- **Policy reserves:** assets supporting the policy liabilities calculated according to the underlying contractual obligations using valuation standards prescribed by statutory rules.
 - **Minimum solvency margin:** assets required to fulfil the minimum statutory solvency requirements, serving as a margin relating to the risks of liabilities underwritten by insurers.
 - **Excess assets:** assets that are over and above the statutory minimum solvency margin, which can be expressed as a percentage of the required minimum solvency margin.

Policy reserves

- 3.4. In accordance with the required valuation standards, ZLIC HK branch has previously set up reserves for the Transferring Business using established methods and valuation bases that satisfy the Hong Kong regulatory standards (with reference to the Hong Kong Insurance Ordinance (CAP 41) and Actuarial Guidance Notes issued by the Actuarial Society of Hong Kong, "Actuarial Guidance Notes").
- 3.5. In the statutory valuation reporting process, the current procedure is that each year, the Appointed Actuary of ZLIC HK branch, as the advisor to the ZLIC's Board of Directors, proposes the valuation methods and a set of valuation assumptions.
- 3.6. After the Scheme is implemented, the procedures will remain the same such that each year the Appointed Actuary of ZLIHK will advise on the reserving methods and valuation bases of the Transferring Business, as well as the new policies of ZLIHK's business, to the ZLIHK Board of Directors. As no changes in procedure in determining the valuation methodology and assumptions

have been proposed if the Scheme is implemented, I do not believe there will be an adverse impact on the financial security of the Transferring Policyholders in this regard.

Solvency positions

3.7. ZLIC, the parent company of ZLIC HK branch, is incorporated in Switzerland in which the solvency is subject to Swiss Solvency Test (SST) framework for determining the risk based capital. The historical solvency position of ZLIC on the SST basis is shown in below.

TABLE 1: ZLIC'S SOLVENCY RATIOS (ON SST BASIS)

CHF millions	Dec 2017	Dec 2018	Dec 2019	Sep 2020**
Target capital	2,858	3,286	4,524	4,601
Risk-bearing capital	5,989	7,002	7,635	7,749
Market value margin	778	820	1,409	1,453
Solvency ratio*	251%	251%	200%	200%

* Figures derived from this table may not be the same due to rounding.

** The number is not required by FINMA. It has not been reviewed by FINMA and is an estimate by ZLIC. Currently only the SST as at 1 Jan 2020 or Dec 2019 is relevant for FINMA.

Source: ZLIC internal non-public information for the estimated SST figures as at September 2020.

3.8. ZLIC HK branch has estimated the solvency position of the entire ZLIC legal entity under HKIO basis for the purpose of this transfer. As the HKIO reserving is very similar to the old Swiss Solvency 1 reserving, the Swiss Solvency 1 reserve was used as an approximation of the HKIO reserve in the application of the Insurance (Margin of Solvency) Rules. The calculations have been carried out using public information including local statutory reserves, sum assured and premium of ZLIC. The historical approximated solvency position of ZLIC on the HKIO basis is shown in below.

TABLE 2: ZLIC'S SOLVENCY RATIOS (ON HKIO BASIS)

CHF million	Dec 2017	Dec 2018	Dec 2019	Sep 2020**
Solvency margin	960	990	1,019	1,011
Net assets	3,505	3,122	3,609	3,436
Solvency ratio*	365%	315%	354%	340%

* Figures derived from this table may not be the same due to rounding.

** Derived based on ZLIC internal non-public information.

3.9. ZIC the ultimate parent of ZLIHK, the holding company for is also the parent of ZLIC. ZIC, similar to ZLIC is incorporated in Switzerland in which the solvency is subject to SST framework for determining the risk based capital. The historical solvency position of ZLIC on the SST basis is shown in below.

TABLE 3: ZIC'S SOLVENCY RATIOS (ON SST BASIS)

USD millions	Dec 2017	Dec 2018	Dec 2019**
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Target capital	24,573	22,280	24,687
Risk-bearing capital	43,181	41,628	45,961
Solvency ratio*	212%	225%	241%

* Figures derived from this table may not be the same due to rounding.

**No updated information available after December 2019 as ZIC's solvency ratio is only calculated annually.

Source: ZIC's 2018 and 2019 Financial Condition Report.

3.10. The Parties have also assessed projected solvency position of ZLIHK before and after the Transfer Date which have been considered to assess the impact of the Scheme.

TABLE 4: ZLIHK'S SOLVENCY POSITION (ON HKIO BASIS) AS AT 1 SEPTEMBER 2021

HKD million	Pre-transfer	Transfer	Post-transfer
Solvency margin	4	111	115
Net assets	152	582	734
Solvency ratio*	3779%	523%	637%

* Figures derived from this table may not be the same due to rounding.

TABLE 5: ZLIHK'S PROJECTED SOLVENCY RATIOS (ON HKIO BASIS)

HKD million	1 Jan 2021 ^(*)	1 Jan 2022	1 Jan 2023
Solvency margin	2	119	127
Net assets	204	721	675
Solvency ratio**	9438%	604%	533%

* Solvency ratio at 1 Jan 2021 is the solvency position before the Transfer Date.

** Figures derived from this table may not be the same due to rounding.

- 3.11. The Parties have confirmed that ZLIHK's paid-in capital has been invested in short term fixed deposits which have been unaffected by the capital market volatility resulting from the COVID-19 pandemic
- 3.12. I have been informed by the Parties that if ZLIHK's solvency ratio is below 200%, or if it is anticipated that ZLIHK's solvency ratio will likely fall below 200% measured on the local statutory basis, it will seek assistance from Zurich Group to raise solvency capital or for a capital injection from ZIC via ZIH, the shareholders of ZLIHK, to meet the target solvency ratio.
- 3.13. I have compared the historical solvency position of the ZLIC being parent of ZLIC HK against the historical solvency position of the ultimate parent of ZLIHK, which is ZIC. As observed from Table 1 and Table 3, the solvency positions of both of the entities are very similar, which are in the range of 200% to 250% for 2017 to September 2020, implying the financial strength of both entities are comparable.
- 3.14. I have also focused on the comparison of the projected solvency position of the ZLIHK after the Scheme is implemented against the current solvency position of ZLIC under HKIO basis, since the results under SST basis are not available for ZLIHK. As observed from Table 2 and Table 5, the estimated solvency ratio of ZLIHK post-Scheme is higher than the current solvency ratio of ZLIC under HKIO basis, which is positive for the financial security of the Transferring Policyholders.

Dynamic solvency testing

- 3.15. In addition, there have been Dynamic Solvency Testing ("DST") projections which examine the solvency positions of ZLIC HK branch before the proposed transfer and ZLIHK after the proposed transfer under a number of possible adverse scenarios.
- 3.16. The results of these projections for ZLIC HK branch standalone before the transfer and ZLIHK after the transfer show that the solvency of ZLIHK to be comfortably above acceptable solvency requirements being 200% of the Hong Kong statutory minimum solvency requirement. While the actual solvency ratios are likely to vary over time as actual operating experience reveals, in any event the ZLIHK Appointed Actuary has the responsibility under prescribed regulations to ensure that the statutory minimum capital requirements are fulfilled.

Capitalisation policies

- 3.17. The Parties have stated that ZLIC HK branch has established an internal target solvency ratio range of 200% - 250% over many years and shareholder dividends are considered when free assets exceed this level to a material degree. The IA has required ZLIC HK branch to monitor its solvency position on a weekly basis and to retain the solvency capital in excess of the 200% of minimum solvency requirement, however the IA approval is not required in the capital repatriation for the branch. To ensure a buffer is retained, ZLIC HK will retain local capital between 200% and 250% of the minimum solvency requirement. In addition, since the capital requirement of ZLIC is also subject to the supervision of Swiss Financial Market Supervisory Authority ("FINMA"), the upper range is reinforced as the target solvency level.
- 3.18. If ZLIC HK's solvency ratio is below 200%, the branch will seek assistance from Zurich Group to raise solvency capital or a capital injection from ZLIC.
- 3.19. I have been informed that following the transfer, the intention is to manage ZLIHK's solvency ratio at the internal target of 225% using a similar approach. This is in line with the Zurich Group risk policy that it holds capital equivalent to the statutory minimum in the local regulated entity plus an adequate agreed buffer to allow for short-term volatility. Zurich Group endeavours to manage its internal physical capital such that all its regulated entities are adequately capitalised in compliance with the relevant regulatory capital adequacy requirements.
- 3.20. If ZLIHK's solvency ratio is below 200%, or if it is anticipated that ZLIHK's solvency ratio will likely fall below 200% measured on the local statutory basis, it will seek assistance from Zurich Group to raise solvency capital or for a capital injection from ZIC via ZIH, the shareholders of ZLIHK, to meet the target solvency ratio. In addition, I have been informed by the Parties that there was a letter of undertaking from ZLIHK to the IA when the license was issued, which specifies a parental commitment to maintain ZLIHK solvency of at least 150% of the statutory minimum solvency margin.

Risk exposures

- 3.21. In accordance with the ZLIHK's plan, a new term product was launched in Q3 2020 after receiving its license approval from the IA on 23 March 2020. There were 13 in-force Class A term policies as of September 2020, and it is expected that the number of new policies will remain to be small at the time of Scheme implementation. ZLIHK plans to continue writing non-participating protection business in the initial stage of operation towards early 2021. In terms of insurance risks, ZLIC HK branch currently has more lines of business than the ZLIHK before the Scheme Transfer. Therefore the risk profile of ZLIHK is expected to be similar to the risk profile of ZLIC HK branch.
- 3.22. ZLIHK is planning to underwrite various individual life businesses belonging to Class A and Class C, unit-linked funds after the initial stage of operation and also upon receiving relevant product approvals.
- 3.23. ZLIC HK branch has had reinsurance arrangements in place for its Class A business and Class C business and such arrangements will continue after the Transfer. This provides an additional security. In addition, both ZLIC HK branch and ZLIHK are required to meet the Zurich Risk Policy.
- 3.24. Based on the above considerations, I have not identified any areas where additional risk exposure resulting from the Scheme implementation is likely to prejudice the contractual entitlements of and any group of Transferring policyholders.

Investment policy

- 3.25. The Parties have confirmed that there is no intention to make significant change to the existing investment strategies currently adopted by ZLIC HK branch for the assets supporting the Transferring Policies after the proposed transfer.

Risk policies

- 3.26. ZIC and ZLIC are regulated and supervised by FINMA in Switzerland, which has its prescriptive requirements in relation to risk management. The risk management of ZIC and ZLIC is in line with these controls and is documented within the Zurich Risk Policy (“ZRP”), which sets the standard for effective risk management across all of its subsidiaries. Both ZLIC HK branch and ZLIHK develop their risk policies with reference to the Zurich Group’s policies. As a result, there should not be any obvious deviation in the risk management framework.
- 3.27. In particular, the Risk Appetite Statement (“RAS”) of ZLIC HK branch follows Zurich Group governance and local statutory requirements. The same approach is currently being followed by ZLIHK. The key requirements set up by RAS are related to risk taking approach and risk appetite for every risk category (where risk appetite is expressed as Low Appetite/ Moderate Appetite/ High Appetite), incorporating defined quantitative key performance indicators and tolerance levels. Overall, the risk appetite statements are similar for both ZLIC HK branch and ZLIHK, there are no material differences in the target levels of risk measures applicable for both ZLIC HK branch and ZLIHK and the Parties have confirmed that risk appetite is materially unchanged in the new entity.

Regulatory overlay

- 3.28. The financial security of the policyholders needs to be further considered from a legal perspective, especially when the Scheme involves moving from Hong Kong branch with a Swiss parent to a Hong Kong subsidiary. I have considered the regulatory overlay from two perspectives, including:
- **Regulatory framework and solvency practice:** both the Hong Kong and Swiss regulatory frameworks and solvency practice were held in high regard by the International Monetary Fund, according to their reports named “Detailed Assessment of Observance – Insurance Core Principles” on both frameworks. Most importantly, in terms of day to day regulatory supervision, the IA maintains regulatory and supervisory authority of the Hong Kong operations at all times that apply to both ZLIC HK branch and ZLIHK.
 - **Policyholder protection:** currently Switzerland and Hong Kong do not have regulatory policyholder protection scheme in place to protect the policyholders should an insolvency happen despite there having been consultation paper issued on the topic previously in Hong Kong. As a result, the Scheme does not place the Transferring Policyholders in a more adverse situation in this regard. In the event of the insolvency of parent company, before the Scheme is implemented, ZLIC HK branch, as the Hong Kong operation is set up as a branch of ZLIC, the wind-up of the parent company would automatically trigger the wind-up of the branch itself given it is part of the same company. Whereas, after the Scheme is implemented, ZLIHK, being a subsidiary, the wind-up of ZLIC will not impact ZLIHK in the same way.

Financial security conclusion

- 3.29. In summary of my assessments above, in my opinion:
- The estimated HKIO basis solvency ratio of ZLIHK post-Scheme is higher than the 30 September 2020’s solvency ratio of ZLIC, which is positive for the financial security of the Transferring Policyholders.
 - Based on the policies provided, I recognise that the Transferring Policyholders will continue to be protected by the financial strength of ZIC after the Scheme is implemented through support from the capitalisation policies in the extreme event where ZLIHK faces financial difficulties. I consider this to be an important factor in maintaining the financial security of the Transferring Policyholders post-Scheme.
 - In view of my assessment above, I believe the Scheme is unlikely to expose the Transferring Policyholders of the ZLIC HK branch to new risks of significance. I conclude there will be no materially adverse impact on the Transferring Policyholders’ financial security after the Scheme.

Other Considerations

Level of services

- 3.30. The Parties have confirmed that the target service levels to all policyholders will remain the same after the transfer. For unit-linked policyholders, the existing range of fund choices currently available to them will not be adversely affected as a result of the Scheme implementation.

Reinsurance arrangement

- 3.31. The Parties have confirmed that the terms and conditions of existing reinsurance arrangements will remain unaltered after the transfer.
- 3.32. I consider the above various operational areas, including the level of service provided, will not have a material negative impact on the Transferring Policyholders and the Scheme should provide sufficient safeguards to ensure that the Scheme operates as presented.

Effect of the Scheme on the benefit expectations and financial security of the Non-Transferring ZLIC Policyholders

- 4.1. In assessing the effects of the Scheme on the benefit expectations and financial security of the Non-Transferring ZLIC Policyholders, I have relied upon the professional opinion of the Appointed Actuary and Chief Actuary of ZLIC.

Benefit expectations

Materiality of the Non-Transferring Business

- 4.2. The ZLIC HK branch represents a very small proportion of ZLIC's overall business, with only 2.6% of its parent's total gross insurance reserve and provisions for unit-linked contracts as at 30 September 2020.

Contractual benefit provisions

- 4.3. When forming my opinion on contractual benefits provision, I have not attempted to look at the contractual benefits provided by ZLIC. However, given the ZLIC HK branch is only a small part of ZLIC's entire business, I agree with the Appointed Actuary and Chief Actuary's opinions that the benefit expectations of the Non-Transferring ZLIC Policyholders in terms of ZLIC's ability to pay valid claims, as well as to act appropriately in other contractual matters, should be unchanged.

Bonus policies

- 4.4. Most business of ZLIC is participating in nature. This covers both the individual life business and the corporate life and pension businesses.
- 4.5. The Parties have confirmed that there will be no changes to the bonus philosophy and crediting rate philosophy as a result of the Scheme.

Other policies subject to company discretion

- 4.6. The charging structure of unit-linked products within ZLIC's Non-Transferring Business include monthly charges such as annual management charges, policy administration charges, allocation/setup charges, bid offer spreads, surrender charges, and benefit charges. Policyholders will be given written notice in advance according to policy provisions before any changes come into effect. These rights will continue with ZLIC and exist whether or not the Scheme proceeds.
- 4.7. There are ZLIC's products which allow the conversion of the savings capital into a series of annuity payments. For these products, the applicable conversion rates used to convert a savings capital into an annuity at the time of conversion would not be impacted by the transfer.
- 4.8. In conclusion, apart from the fact that these rights to vary unit-linked charges exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Non-Transferring ZLIC Policyholders.

Policy terms and conditions

- 4.9. Both of the Appointed Actuary and Chief Actuary of ZLIC have confirmed that there will be no change to the policy terms and conditions of the in-force Non-Transferring ZLIC Policies as a result of the Scheme.

Financial security

FINMA supervision

- 4.10. ZLIC is subject to insurance supervision by FINMA. The Swiss Insurance Supervision Law ("ISL") requires Swiss insurance companies to establish and maintain corporate governance including an effective risk management and internal control system that is appropriate to their business activities. In addition to the supervision exercised by FINMA, ZLIC and its branches are supervised according to the requirements of relevant local supervisory authorities.
- 4.11. ZLIC assesses its solvency under the Swiss Solvency Test ("SST"). In performing the SST, ZLIC assesses its solvency and financial condition, expressed as the SST ratio which must be submitted to FINMA annually.

The provision of financial security

- 4.12. To protect the security of policyholders of Switzerland, insurance companies are required to maintain sufficient policy reserves and sufficient solvency margin under the Swiss Solvency Test.

Policy reserves

- 4.13. ZLIC has been reporting under the Switzerland regulatory regime to FINMA, with the Appointed Actuary and the auditor certifying compliance with the Swiss Insurance Supervision Ordinance ("AVO") and the actuarial requirements specified in ZLIC's business plan. In the statutory valuation reporting process, the Appointed Actuary is responsible for the valuation methodology and the setting of adequate actuarial assumptions. After the transfer, the procedures and responsibilities will remain the same. There is no change in procedure in determining the valuation methodology and assumptions before and after the transfer.

Overall financial position and shareholders' capital

- 4.14. ZLIC is part of the Zurich Insurance Group which maintains a strong capital position. ZLIC is adequately capitalised and is projected to have stable solvency ratio as at the Transfer Date, and the Company expects the same after the transfer.
- 4.15. Given the size of the Transferring Business is relatively immaterial to ZLIC and from the projected solvency position of ZLIC shown above, I agree with the Appointed Actuary and Chief Actuary that the transfer is not expected to materially adversely affect the financial security of the Non-Transferring ZLIC Policyholders.

Risk exposure

- 4.16. Due to the relatively small size of the Transferring Business (only 2.6% of total ZLIC's business as at 30 September 2020) compared to the Non-Transferring Business, the risk exposure of the Non-Transferring Business does not change materially as a result of Scheme implementation.

Capitalisation policy

- 4.17. ZLIC maintains a Risk Appetite Statement which includes a framework of coverage boundaries in excess of the minimum level required by Swiss law and regulation which include tied assets, statutory shareholder equity and SST solvency. The Risk Appetite Statement will continue to apply after the transfer so the capitalisation policy will not be changed as a result of the Scheme.

Risk policy and risk management framework

- 4.18. I have been informed that ZLIC's risk policy and risk management framework will not be changed as a result of the Scheme.

Investment policy and currency risk hedging

- 4.19. Since the Transferring Business is ring-fenced from ZLIC parent company and the Non-Transferring Business, there is no change in the investment policy/investment strategy and currency hedging tool and strategy after the transfer.

Shareholders' Fund and policy on shareholder dividends

- 4.20. ZLIC have an overall framework of making dividends to its owner ZIC. The amount of dividend is restricted by the capital ZLIC holds in relation to its risk appetite statements and other legal requirements. When making dividends the level of shareholders fund, solvency ratio and other metrics are considered.
- 4.21. The proposed transfer will have no material impact on the ZLIC shareholders' fund or on ZLIC's dividend policy.

Other considerations

Policyholder services

- 4.22. For unit-linked Non-Transferring Policyholders, the existing range of fund choices currently available to the long term Non-Transferring Policyholders of ZLIC will not be affected as a result of the Scheme implementation.

Reinsurance arrangements

- 4.23. The current reinsurance arrangements include a set of relatively minor risk reinsurance treaties outside of Hong Kong and a set of reinsurance treaties covering the Transferring Business. As the Hong Kong reinsurance treaties will be transferred along with the business. The other non-Hong Kong treaties are not impacted.

Distribution arrangements

- 4.24. Given that ZLIC Hong Kong branch is closed to new business, there are no active distribution agreements relating to the Transferring Business that needs to be considered. For Non-Transferring Business, there are multiple distribution agreements, but these will not be impacted by the transfer and hence there is no change to these.

Level of services

- 4.25. As the ZLIC HK branch portfolio is such a small portion of the overall ZLIC business, I have been informed that the transfer of these policies will have a negligible impact on the level of services provided to the Non-Transferring Policyholders.

Effect of the Scheme on the benefit expectations and financial security of the Existing ZLIHK Policyholders

- 5.1. In this section I consider the effects of the Scheme on the Existing ZLIHK Policyholders, given that ZLIHK started issuing policies in July 2020. There were 13 in-force Class A term policies as of September 2020. The total gross annualised premiums of these policies was HKD 103 thousand.

Benefit expectations

Contractual benefit provisions

- 5.2. Although the contractual benefits that will provided by ZLIHK have not been finalised, I have been informed by the Appointed Actuary of ZLIHK that there will be no change to the contractual benefits provided to the Existing ZLIHK Policyholders following the implementation of the Scheme, and that valid claims will continue to be paid when due in the same manner as before the Scheme.

Other policies subject to company discretion

- 5.3. ZLIHK has started to issue individual non-linked policies (Class A) after receiving its license approval on 23 March 2020. Unit-linked policies will be issued upon ZLIHK obtaining its necessary Class C product approvals from the regulatory bodies.

- 5.4. The Parties have informed me that for Class A business, in accordance with the ZLIHK's current 2020 plan, a new term product was launched in Q3 2020. ZLIHK will launch a new critical illness protection product by Q3 2021 and will continue monitoring Qualifying Deferred Annuity Policy ("QDAP") market developments assessing the possibility of launching such a retirement solution in the future. However, any annuity product will offer guaranteed cash values during the fixed annuity period and no discretionary component to align with ZLIHK's strategy of only offering non-participating Class A products. As the move into the QDAP sector is not decided and, even if it were to happen, sales volumes are expected to be small and therefore will not be included in the 2021 ZLIHK business plan which is currently in production. The Parties have also informed me that, due to recent COVID-19 pandemic, there will be a slight delay in launching various products, although the overall roadmap remains the same.
- 5.5. For Class C business with non-guaranteed fees and charges, ZLIHK will have the broad rights to vary policy charges, as well as the right to impose any other charges for administering the policy, provided that the policyholders will be given advance written notice before changes.
- 5.6. In conclusion, apart from the fact that these rights to vary unit-linked charges exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Existing Policyholders of ZLIHK.

Policy terms and conditions

- 5.7. The Appointed Actuary of ZLIHK has confirmed that there will be no change to the policy terms and conditions of the Existing ZLIHK Policies as a result of the Scheme.

Financial security

- 5.8. Same as the comment I have made for the Transferring Policyholders, when considering the effects of the Scheme on the financial security of the Existing ZLIHK Policyholders, I have mainly considered the conservatism of the reserving bases that are planned to be used and the capital and free reserves, together with additional security provided by the entity as a whole, and any potential support available from its shareholders.

Policy reserves

- 5.9. ZLIHK is reporting under the Hong Kong regulatory regime, with the Appointed Actuary and the auditor certifying compliance with the Hong Kong Insurance Ordinance (CAP 41).
- 5.10. After the Scheme is implemented, the procedures will remain the same such that each year the Appointed Actuary of ZLIHK will advise on the reserving methods and valuation bases to the ZLIHK Board of Directors. As no changes in procedure in determining the valuation methodology and assumptions have been proposed if the Scheme is implemented, I do not believe there will be an adverse impact on the financial security of the Existing ZLIHK Policyholders in this regard.

Overall financial position and shareholders' capital

- 5.11. The projected pre- and post-transfer solvency ratio of ZLIHK under HKIO basis as shown in Table 4 above are at a very high level; well above both the statutory minimum requirement and the level most insurance businesses are managed to.
- 5.12. Based on the projected post-transfer solvency ratio of ZLIHK under HKIO basis as at the Transfer Date and projection years thereafter as shown in Table 5, I have no reason to believe there will be any materially adverse impact on the financial security of the Existing ZLIHK Policyholders caused by the Scheme from a solvency perspective.

Other Considerations

Group Policy

- 5.13. Given the ultimate parent remains the same after the implementation of the Scheme and all the group policies will continue to apply, I do not expect there to be any materially adverse impact to the Existing ZLIHK Policyholders as a result of the change in group structure.

Conclusion

- 6.1. Taking into account of above considerations, in my opinion:
- The Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch, with regards to benefits and levels of service.
 - The Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch.
 - I am satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Reliances and Limitations

- 7.1. This report is subject to the same reliances and limitations clauses as set out in the full version of my Independent Actuary report dated 29 March 2021.

Paul Sinnott

Fellow of the Institute and Faculty of Actuaries (FIA)

Independent Actuary

5 May 2021

Frequently Asked Questions

1. Why is Zurich proceeding with this transfer of long term business carried on in or from Hong Kong by ZLIC to ZLIHK?

The transfer of all the long term business carried on in or from Hong Kong by ZLIC to ZLIHK ("**Proposed Transfer**") is part of a strategic initiative of the Zurich group. ZLIC and ZLIHK consider that the transfer will give rise to the following benefits:

- (a) improve the efficiency of audit and regulatory compliance within the group; as ZLIHK is incorporated in Hong Kong, it will be subject to the Hong Kong regulatory regime alone and not the additional Swiss regulatory requirements that apply to the ZLIC Hong Kong branch;
- (b) improve the operational efficiency of Zurich group's life insurance business;
- (c) improve the operations of Zurich group's life insurance business by allocating the decision making to different entities of the group, allowing each territory within the group to pursue the strategy that best fit the needs of its market, policyholders and shareholders;
- (d) better align Zurich group's business along regional lines; and
- (e) simplify ZLIC's company structure and remove the tension within ZLIC as a result of the differing risk profiles and regulatory regimes that apply to its Hong Kong and non-Hong Kong businesses and thus improve the efficiency of compliance within the group.

2. What is the background of ZLIHK? Who owns ZLIHK? How will it be capitalised?

ZLIHK was incorporated in Hong Kong on 7 May 2018. ZLIHK is a wholly-owned subsidiary of Zurich Insurance Holdings (Hong Kong) Limited, which is in turn a wholly owned subsidiary of Zurich Insurance Company Ltd ("**ZICL**"). ZICL is a global insurance company with around US\$303,433,000,000 in assets under management (comprising of group investments and unit-linked investments plus assets that are managed by third parties, on which fees are earned, as at 31 December 2020).

3. How will the Proposed Transfer take place?

In order to take over the business carried on by ZLIC, an application was made by ZLIHK to the Insurance Authority on 2 January 2020 for the authorisation to carry out insurance of Classes A and C of long term business. Formal authorisation was granted by the Insurance Authority to ZLIHK on 23 March 2020.

Under the Scheme of Transfer ("**Scheme**") your long term insurance policy(ies) (whether in force, expired, terminated, matured or surrendered) effected with ZLIC Hong Kong branch prior to the Transfer Date (defined below) will be transferred to ZLIHK, according to section 24 of the Insurance Ordinance, Cap. 41 of the Laws of

Hong Kong ("**Ordinance**"), and is subject to the approval of the Court of First Instance ("**Hong Kong Court**").

The Proposed Transfer is expected to take effect on 1 September 2021 or such other date as the Hong Kong Court shall approve ("**Transfer Date**").

From the Transfer Date, ZLIHK will be responsible for providing the insurance coverage and services under your insurance policy(ies) including processing of claims.

We have placed a notice of the Proposed Transfer in the Government of the Hong Kong Special Administrative Region Gazette as well as the The Standard and Sing Tao Daily in Hong Kong.

Information relating to this Proposed Transfer is also posted on our webpage www.zurich.com.hk/en/important-notice/portfolio-transfer. We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect.

For information on the final hearing by the Hong Kong Court of the Scheme, please refer to the section entitled "Further Information on the Hearing" in Schedule 1 - Part 2 attached to this letter.

4. What are the details of the Scheme?

We have prepared the Scheme pursuant to section 24 of the Ordinance, a summary of which is attached to this letter. You can also review the Scheme document on or before June 17, 2021 by visiting our office at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong between 9:00 a.m. and 5:30 p.m. (Hong Kong time), Monday to Friday (except public holidays).

5. Will there be any change to the terms of our insurance policies or each party's rights and obligations under the insurance policies?

No. The Proposed Transfer will not affect your rights and obligations under your insurance policy(ies). On and from the Transfer Date, you will have the same rights available to you under your insurance policy(ies) with ZLIHK as you had with ZLIC Hong Kong branch. An independent actuary was engaged to give his professional opinion on the impact (if any) of the Proposed Transfer to the policyholders of ZLIC and ZLIHK and in his opinion, there will not be any material adverse impact.

6. Will new insurance policies be issued for our existing insurance policies?

Your existing in force insurance policies remain valid and will be automatically transferred to ZLIHK from the Transfer Date. As such, we will not be issuing new insurance policy(ies).

7. How does the Proposed Transfer affect the payment of premiums?

All premiums payable under your insurance policy(ies) with ZLIC Hong Kong branch after the Transfer Date are to be made payable to ZLIHK or its agents. We will furnish payment instructions and bank account details directly to you in due course.

8. What if I make a claim before the Transfer Date and the claim has not yet been settled by the Transfer Date?

If you have made a claim before the Transfer Date, your existing policy terms and conditions will continue to govern the assessment of the claim and ZLIHK will take over the processing of the claim from ZLIC Hong Kong branch and be responsible for any subsequent payment to you. You do not need to submit a new claim form as the information will be transferred from ZLIC Hong Kong branch to ZLIHK.

9. How can I keep up to date with the progress of the Proposed Transfer?

We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect. If the Scheme is not sanctioned by the Hong Kong Court and does not take effect, we will also notify you in writing.

IMPORTANT INFORMATION

May 27, 2021

Zürich Versicherungs-Gesellschaft AG (Zurich Insurance Company Ltd)

25/F-26/F

One Island East

18 Westlands Road

Island East, Hong Kong

Dear Sirs,

Proposed transfer of the whole of the long term business carried on in or from Hong Kong by Zurich Life Insurance Company Ltd ("ZLIC") to Zurich Life Insurance (Hong Kong) Limited ("ZLIHK")

We are writing to advise you of the proposed transfer of all the long term insurance business underwritten by ZLIC through its Hong Kong branch to another member of Zurich, ZLIHK (the "**Proposed Transfer**").

This letter sets out important information regarding the Proposed Transfer of all the long term insurance business carried on in or from Hong Kong by ZLIC through its Hong Kong branch ("**ZLIC HK Business**") to ZLIHK. As a shareholder of ZLIC, it is important for you to understand the Proposed Transfer. The Proposed Transfer will be carried out in accordance with the statutory process set out in section 24 of the Insurance Ordinance (the "**Ordinance**"), under which an application shall be made to the Court of First Instance ("**Hong Kong Court**") for the sanction of a scheme setting out the terms of the transfer ("**Scheme**"). The application has been made by way of petition (the "**Petition**") to the Hong Kong Court in April 2021.

The Scheme will be considered in the Petition hearing of the Hong Kong Court which is scheduled to take place at 10 a.m. on August 9, 2021. The transfer contemplated under the Scheme will not proceed unless, it is approved, among others, by the Hong Kong Court.

An independent actuary, Mr. Paul Sinnott, a Fellow of the Institute of Actuaries (United Kingdom) and a Fellow Member of the Actuarial Society of Hong Kong (the "**Independent Actuary**"), has been appointed by ZLIC and ZLIHK to examine the likely effects of the Scheme on the long term policyholders of ZLIC and ZLIHK and to prepare a report based on the financial information of ZLIC and ZLIHK as of 30 September 2020 for the Hong Kong Court. A summary of the Scheme and the Independent Actuary's report are included in Schedules 1 and 2 to this letter. A supplementary report by the Independent Actuary (the "**Supplementary Report**") will be prepared to provide an update on the relevant financial information as of 31 December 2020 and whether there is any change in the view of the Independent Actuary. It is expected that the Supplementary Report will be finalised and made available on the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer in around June/July 2021 until the end of the final Petition hearing in the Hong Kong Court.

Any person who alleges that he or she would be adversely affected by the carrying out of the Scheme is entitled to be heard in the Petition by the Hong Kong Court. If you intend to appear at the Petition hearing of the Hong Kong Court, you should give not less than three days' prior written notice to ZLIC and ZLIHK. Please refer to the section "**Final Hearing**" in **Schedule 1 - Part 2: "Further Information on the Hearing"** for details. Unless you intend to appear at the Petition hearing of the Hong Kong Court or object to the Scheme, there is no need for you to take any action. However, it is important that you understand the details of the Proposed Transfer. We recommend that you read this letter carefully.

The effect of the Proposed Transfer on the Transferring Policies

Subject to the sanctioning of the Scheme by the Hong Kong Court, the Scheme shall become effective at 00:01a.m. Hong Kong time on 1 September 2021, or on such other date as ZLIC and ZLIHK may decide which shall be within 90 days after the date on which an order of the Hong Kong Court is granted sanctioning the Scheme. Unless the Scheme shall become effective on or before 90 days after the date on which the order of the Hong Kong Court is granted, or such later date and/or time, if any, as ZLIC and ZLIHK may decide and the Hong Kong Court may allow, it shall lapse.

If the Hong Kong Court sanctions the Scheme, all the policies in the ZLIC HK Business¹ ("**Transferring Policies**") will be transferred to ZLIHK. After the Proposed Transfer, all the Transferring Policies will be administered by ZLIHK, which will become the insurer of such policies in place of ZLIC. **All other terms and provisions of the policies will not change.**

We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect.

If the Scheme is not sanctioned by the Hong Kong Court, the Proposed Transfer will not take place and the Transferring Policies will remain with ZLIC who will continue to be responsible for such policies, including its administration and servicing. If the Proposed Transfer does not take place, we will notify you in writing.

The Scheme has been structured to ensure that the interests of the policyholders are safeguarded. **The Independent Actuary has opined, amongst others, on the likely effects of the Scheme on the reasonable benefit expectations and financial security of the long term policyholders of ZLIC and ZLIHK. You are advised to refer to Part 1: "Key Assessment of the Independent Actuary" and Part 2: "Summary of the Independent Actuary's Report" in Schedule 2.**

Any costs incurred in relation to the Proposed Transfer will be borne by ZLIC and ZLIHK.

¹ The Transferring Policies will include, among others, nine existing investment-linked assurance schemes issued by ZLIC as of 28 February 2021 namely (i) Brilliant Link; (ii) Deluxe Link; (iii) Deluxe Link Junior; (iv) Harvest Link; (v) Maxi Link; (vi) Royal Link; (vii) Smart Link; (viii) Treasure Link; and (ix) Wealth Link.

Further Information

If you wish to obtain further information, you may:

- inspect copies of this letter, the Petition, the Scheme and the report of the Independent Actuary at the Customer Service Centre of ZLIC or ZLIHK at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong, during the following periods between 9 a.m. to 5:30 p.m. (local time), on normal business days (Monday to Friday (except public holidays)) from May 27, 2021 to June 17, 2021;
- visit the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer until the end of the final Petition hearing in the Hong Kong Court;
- obtain the above documents free of charge by writing to the offices of ZLIC and ZLIHK at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong on or prior to the date of the final Petition hearing; or
- refer to the "Frequently Asked Questions" ("**FAQs**") as enclosed in this letter.

If you have any questions about the Proposed Transfer, please contact the designated hotline of ZLIC and ZLIHK at (852) 3405 7283, or write to ZLIC and ZLIHK at the address above, addressed to the Customer Service Centre and marking your envelope with the reference "HCMP 460/2021".

Yours sincerely,

Zurich Life Insurance Company Ltd, Hong Kong branch

Zurich Life Insurance (Hong Kong) Limited

Schedule 1

Part 1

SUMMARY OF THE SCHEME

Transfer

Zurich Life Insurance Company Ltd ("**ZLIC**") was incorporated in Switzerland and was entered into the Commercial Register of Canton Zurich since 28 December 1922. It is a wholly-owned subsidiary of Zurich Insurance Group Ltd., whose shares are listed on the SIX Swiss Exchange, and which is the ultimate parent company of the group of companies ("**Zurich Group**"). ZLIC is an insurance carrier licensed and supervised by the Swiss Financial Market Supervisory Authority (FINMA). The registered office of ZLIC is situated at Austrasse 46, 8045 Zurich, Switzerland. It was also registered as a non-Hong Kong company under Part XI of the former Companies Ordinance (Cap. 32) (now Part XVI of the Companies Ordinance (Cap. 622)) on 31 August 1984. ZLIC is an authorized insurer under the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) (the "**Insurance Ordinance**") with authorization to carry on Classes A (life and annuity), C (linked long term), and I (retirement scheme management category III) of long term business (as defined under Part 2 of Schedule I to the Insurance Ordinance) in or from Hong Kong. As part of its Class A long term business, ZLIC has underwritten Swiss Individual Life Policies through its Hong Kong branch (the "**ZLIC Hong Kong Branch**"), but the accounting and administration of such policies, including paying claims and collecting premiums, are managed by ZLIC's head office in Switzerland and will continue to be managed by ZLIC's head office in Switzerland under an outsourcing arrangement with Zurich Life Insurance (Hong Kong) Limited ("**ZLIHK**") after such policies are transferred to ZLIHK on the Transfer Date (as defined below) to minimize potential immediate customer impact. However, ZLIHK may reassess the outsourcing arrangement for optimising the longer term administration of such policies as part of its normal business review as to whether the outsourcing arrangement should be continued. Since 1 December 2016, a note has been inserted in the Register of Authorized Insurers maintained by the Insurance Authority, stating that Zurich Life Insurance Company Ltd "has ceased to effect any new contracts of insurance... in or from Hong Kong". The principal place of business of ZLIC in Hong Kong is 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong.

ZLIHK was incorporated in Hong Kong on 7 May 2018.

ZLIHK is a wholly-owned subsidiary of Zurich Insurance Holdings (Hong Kong) Limited, which is in turn a wholly owned subsidiary of Zurich Insurance Company Ltd. ("**ZICL**"). ZLIC is also a wholly-owned subsidiary of ZICL, and all are companies within the Zurich Group. ZICL is a global insurance company with around US\$ 303,433,000,000 of assets under management (comprising group investments and unit-linked investments plus assets that are managed by third parties, on which fees are earned, as at 31 December 2020). Other than in Hong Kong, ZICL and its subsidiaries have operations in other key markets including Europe, Middle East, Africa, North America, Asia Pacific and Latin & America and in more than 215 countries.

As part of a strategic initiative of the Zurich group², it is proposed that the ZLIC HK Business (as defined below) shall be transferred to and assumed by ZLIHK ("**Proposed Transfer**").

In order to take over the ZLIC HK Business (as defined below) carried on by ZLIC, an application was made by ZLIHK to the Insurance Authority on 2 January 2020 for the authorisation to carry on

² For more details, please refer to the FAQs as enclosed in this letter.

Classes A and C of long term business in or from Hong Kong. On 23 March 2020, formal authorization was granted by the Insurance Authority to ZLIHK to carry on those classes of long term business in or from Hong Kong.

The purpose of this Scheme is to transfer the ZLIC HK Business from ZLIC to ZLIHK, pursuant to sections 24 and 25(1) of the Insurance Ordinance (all terms as defined in the Scheme).

The Proposed Transfer

It is proposed that, pursuant to section 24 of the Insurance Ordinance, the long term business carried on in or from Hong Kong by ZLIC ("**ZLIC HK Business**") shall be transferred to ZLIHK in accordance with the terms of the Scheme and subject to the order of the Hong Kong Court ("**Hong Kong Order**") made pursuant to sections 24 and 25(1) of the Insurance Ordinance. Such ZLIC HK Business shall comprise the Transferring Policies, the Transferring Assets and Transferring Liabilities, as defined below (in this regard, "**Transferring Policies**" means (i) any Policy forming part of Class A (Life And Annuity) (including, for the avoidance of doubt, the Swiss Individual Life Policies) or Class C (Linked Long Term) of long term business underwritten by ZLIC in Hong Kong³, under which any liability remains outstanding as at the Transfer Date, whether such Policies have been reinstated, have expired, lapsed, matured, surrendered, terminated or otherwise, including all proposals or applications for insurance policies, certificates, supplemental coverages, endorsements, riders and ancillary agreements in connection therewith; and (ii) all proposals or applications for policy renewals received by ZLIC but the processing of which has not been completed by ZLIC prior to the Transfer Date (which shall be processed by ZLIHK after the Transfer Date).

Transfer Date

This Scheme shall become effective at 00:01 a.m. hours (Hong Kong time) on such date as ZLIC and ZLIHK may decide which date shall be within 90 days after the date on which the Hong Kong Order is granted sanctioning this Scheme (the "**Transfer Date**"). Subject to the grant of the Hong Kong Order, it is expected that the Scheme will take effect on 1 September 2021, but it may be subject to change as mutually agreed between the parties.

Unless this Scheme shall become effective on or before 90 days after the date on which the Hong Kong Order is granted, or such later date and/or time, if any, as the parties may decide and the Hong Kong Court may allow, it shall lapse.

Transfer of Assets and Liabilities

On and with effect from the Transfer Date, the Transferring Assets shall, by virtue of the Hong Kong Order and without any further act or instrument but subject to the paragraph on "Further or Other Acts or Assurance" below, be transferred by ZLIC to, and vested in, ZLIHK, subject to any Encumbrances in respect thereof. ZLIHK shall accept without investigation or requisition such title as ZLIC shall have at the Transfer Date to each Transferring Asset then transferred. ZLIC and ZLIHK shall as and when appropriate execute all such documents, including assignments, and do all such other acts and things as may be required to effect or perfect the transfer to, and vesting in, ZLIHK of any Transferring Asset.

In this regard, "**Transferring Assets**" means the property, assets or investment of ZLIC (including any right, discretion, authority, power or benefit of ZLIC under or by virtue of any Transferring Policies) as is attributable to the ZLIC HK Business wherever situated; and the rights, benefits and powers of ZLIC under and by virtue of:

³ The Transferring Policies will include, among others, nine existing investment-linked assurance schemes issued by ZLIC as of 28 February 2021 namely (i) Brilliant Link; (ii) Deluxe Link; (iii) Deluxe Link Junior; (iv) Harvest Link; (v) Maxi Link; (vi) Royal Link; (vii) Smart Link; (viii) Treasure Link; and (ix) Wealth Link.

- (a) the contracts between ZLIC and its insurance intermediaries in relation to the ZLIC HK Business;
- (b) the Transferring Reinsurances;
- (c) any lease, outsourcing agreements or arrangements, IT and related contracts in respect of the ZLIC HK Business; and
- (d) any other contracts, agreements, arrangements or undertakings in respect of or concerning the ZLIC HK Business.

"Encumbrances" means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind, and any other type of preferential arrangement having a similar effect.

"Transferring Reinsurances" means any reinsurance agreements or arrangements under which ZLIC is reinsured in respect of the Transferring Policies.

On and with effect from the Transfer Date, each Transferring Liability shall, by virtue of the Hong Kong Order and without any further act or instrument and without investigation or requisition but subject to the paragraph on "Further or Other Acts or Assurance" below, be transferred by ZLIC to, and become a liability of, ZLIHK, with the effect that ZLIC shall be entirely released from and ZLIHK shall assume all such Transferring Liabilities. ZLIC and ZLIHK shall as and when appropriate execute all such documents, including assignments, and do all such other acts and things as may be required to effect or perfect the transfer to, and assumption by, ZLIHK of any Transferring Liability. In this regard, **"Transferring Liabilities"** means all liabilities of ZLIC as at the Transfer Date attributable to the ZLIC HK Business including, without limitation, the liabilities and obligations (whether present, future or contingent) under or in relation to the Transferring Policies and ZLIC HK Business, and associated liabilities and, for the avoidance of doubt, liabilities (including fines, penalties, damages and compensation due to policyholders) for mis-selling or non-compliance of ZLIC committed prior to the Transfer Date, as well as any current and/or pending complaints, legal proceedings and/or other dispute resolution proceedings made in relation to the Transferring Policies.

Transfer of Transferring Policies

On and with effect from the Transfer Date, ZLIHK shall become entitled to all of the rights, benefits, advantages and powers conferred on or vested in ZLIC under, or by virtue of, the Transferring Policies. The Transferring Policies shall on and with effect from the Transfer Date form part of ZLIHK's long term business carried on in or from Hong Kong.

On and with effect from the Transfer Date, all rights, benefits, advantages and powers against ZLIC conferred on or vested in the Transferring Policyholder or other third parties under or in relation to every Transferring Policy shall cease and shall be substituted by the same rights, benefits, advantages and powers against ZLIHK. **"Transferring Policyholder"** means holder of a Transferring Policy.

Transfer of Records

On the Transfer Date, all Statutory Records and other information relating to the Transferring Policyholders, insureds, beneficiaries and assignees of, or any other persons relating to, the Transferring Policies, including, without limitation, the personal data (as defined under section 2 of the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)) of such Transferring Policyholder, insureds, beneficiaries, assignees and other persons, which is held by ZLIC shall be transferred to ZLIHK, and ZLIHK shall have the same rights, benefits, advantages and powers in holding and using (and transferring) such information as those of ZLIC prior to the Transfer Date. In this regard, **"Statutory Records"** means all books, files, registers, documents, correspondence, papers and other records that are required, by the applicable legal or regulatory requirement or corporate governance requirement (whether or not having the force of law), to be kept by ZLIC and retained in its possession in respect of the ZLIC HK Business.

In respect of the Transferring Policies under which premiums continue to be payable, the Transferring Policyholders of the Transferring Policies shall account to ZLIHK for any further premiums as and when they become due. ZLIHK shall be entitled to any and all defences, claims, counterclaims and the right of set-off against or under the Transferring Policies which would have been available to ZLIC prior to the Transfer Date.

ZLIHK shall be bound by, observe and perform all terms, conditions and covenants of the Transferring Policies, assume all liabilities and satisfy all claims and demands arising out of or in respect of the Transferring Policies in every way as if ZLIHK and not ZLIC had issued the Transferring Policies.

All terms and conditions of the Transferring Policies (including proposal, quotations, slips, or application forms, illustrative documents, principal brochures, offering documents, riders, schedules and declarations) shall remain unchanged save that, on and with effect from the Transfer Date, all references in the Transferring Policies to "ZLIC" or "ZLIC Hong Kong Branch", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents shall be read as reference to "ZLIHK", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents; and any reference to "ZLIC" or "ZLIC Hong Kong Branch" in the names of the Transferring Policies will be read as a reference to "ZLIHK". In particular, but without limitation, all rights and duties exercisable or expressed to be exercisable or responsibilities to be performed by "ZLIC" or "ZLIC Hong Kong Branch", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents in relation to the Transferring Policies shall, on and with effect from the Transfer Date, be exercisable or required to be performed by "ZLIHK, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents.

Further or Other Acts or Assurance

Without prejudice to the effect of this Scheme, to the extent that the Scheme and the Hong Kong Order are not effective in transferring and vesting any of the Transferring Assets, Transferring Liabilities or Transferring Policies under this Scheme to and in ZLIHK without further or other acts or assurance (including without limitation the need of obtaining further consent or approval):

- (i) ZLIC and ZLIHK shall do and execute and deliver or procure to be done and executed and delivered all such further acts, deeds, documents, instruments of conveyance, assignment, novation and transfer and all things as may be necessary to give effect to the Scheme, to transfer the ZLIC HK Business and all Transferring Assets, Transferring Liabilities and Transferring Policies to ZLIHK and as ZLIHK may request, in order to effectively convey, assign, transfer, vest and/or record title to each of the Transferring Assets, Transferring Liabilities and Transferring Policies and the ZLIC HK Business in ZLIHK as from the Transfer Date;
- (ii) pending completion of such acts, deeds, documents and things, ZLIC shall as from the Transfer Date:
 - (a) hold the beneficial interest in each of the affected Transferring Assets on trust for ZLIHK, to the extent that it has not been transferred to ZLIHK, and shall pay to ZLIHK promptly upon its receipt of any sums by it with respect to any such affected Transferring Assets; and
 - (b) hold or assume any liabilities in each of the affected Transferring Liabilities for and on behalf of and for the account of ZLIHK;
- (iii) ZLIHK shall from the Transfer Date (at its own costs) assist ZLIC to perform the obligations of ZLIC or discharge such liability of ZLIC in relation to such affected Transferring Assets, Transferring Liabilities and Transferring Policies and failing that, indemnify ZLIC against all

liability and any reasonable costs or expense incurred by ZLIC that is directly attributable to such affected Transferring Assets, Transferring Liabilities and Transferring Policies; and

- (iv) ZLIC shall in any event as from the Transfer Date be subject to ZLIHK's directions in respect of any affected Transferring Assets, Transferring Liabilities and Transferring Policies referred to in paragraph (i) above until the affected Transferring Assets, Transferring Liabilities and Transferring Policies are transferred to ZLIHK, and ZLIHK shall have authority to act as attorney of ZLIHK in respect of such affected Transferring Assets, Transferring Liabilities and Transferring Policies for all such purposes.

Continuation or Commencement of Proceedings

By virtue of the Hong Kong Order, on and with effect from the Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings, claims or complaints (whether current, pending, threatened or future including those not yet in contemplation) by or against ZLIC in relation to the Transferring Policies, Transferring Assets and Transferring Liabilities shall be continued or commenced by or against ZLIHK, in substitution for ZLIC and ZLIHK shall be entitled to the same defences, claims, counterclaims and rights of set-off as ZLIC in respect thereof.

New ZLIHK Insurance Funds

Prior to the Transfer Date, ZLIHK shall have established the ZLIHK Life Insurance Fund and the ZLIHK Shareholder's Fund. Prior to the Transfer Date, ZLIHK shall have established the ZLIHK Linked Fund for underwriting new Class C policies upon obtaining the requisite regulatory approval. With effect from the Transfer Date, ZLIHK shall establish the ZLIHK Swiss Individual Fund. Effective from the Transfer Date, (i) all Class A Policies (other than the Swiss Individual Life Policies under Class A) underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; all Swiss Individual Life Policies under Class A Policies underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; and all Linked Policies underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund; (ii) all Transferring Assets allocated to: (a) the ZLIC Life Insurance Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; (b) the ZLIC Swiss Individual Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; (c) the ZLIC Linked Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund; and (d) the Fund Surplus immediately prior to the Transfer Date shall be allocated to the ZLIHK Shareholder's Fund.; and (iii) all Transferring Liabilities allocated to: (a) the ZLIC Life Insurance Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; (b) the ZLIC Swiss Individual Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; and (c) the ZLIC Linked Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund.

"Fund Surplus" means the underwriting profits derived from the policies of all classes of business that are attributable to the shareholder of ZLIC.

All beneficial interest in any property, assets or investments held on trust by ZLIC for ZLIHK pursuant to the paragraph on "Further or Other Acts or Assurance" above shall be allocated to the relevant funds (as applicable) to which such property, assets or investments would have been allocated. All liabilities which are required to be satisfied by ZLIHK pursuant to the paragraph on "Further or Other Acts or Assurance" above shall be allocated to the relevant funds (as applicable) to which such liabilities would have been allocated.

Premiums, Mandates and Other Instructions

All premiums, loan repayments (if any, and interest thereon) and other amounts received or receivable by ZLIC (or its agents) in respect of any of the Transferring Policies on or after the Transfer Date shall be payable to ZLIHK (or its agents) after the Transfer Date.

ZLIHK (or its agents) shall be irrevocably authorized to endorse for payment any cheques, drafts, orders, postal orders or other instruments payable to, or to the order of, ZLIC (or its agents) and received by ZLIHK (or its agents) in respect of premiums paid or loan repayments (if any) under the Transferring Policies on or after the Transfer Date.

ZLIHK (either itself or via its agents) shall have the sole responsibility for billing and collecting premiums and paying all applicable levies and taxes in respect of premiums accrued under the Transferring Policies on or after the Transfer Date.

Any mandate, autopay authority, standing order or other instruction in force on the Transfer Date and providing for the payment by a bank or other intermediary of premiums payable to or received by ZLIC (or its agents) in respect of any of the Transferring Policies shall, from and after the Transfer Date, take effect as if the same had been provided for and authorized in favour of ZLIHK (or its agents).

Costs of the Scheme

ZLIC Hong Kong Branch shall, out of its own funds, pay all costs in relation to the preparation of this Scheme and of ZLIHK's and its presentation to the Hong Kong Court for sanction and all other professional fees related thereto. None of such costs shall be borne by the funds maintained by ZLIC or ZLIHK pursuant to the Insurance Ordinance in respect of their respective long-term business, general business or other policies of ZLIC or ZLIHK, or the policy holders thereof.

Modification

Subject to the last paragraph of this section, ZLIC and ZLIHK may apply to the Hong Kong Court for consent to modify, vary or amend the terms of this Scheme, subject to any conditions which the Insurance Authority or the Hong Kong Court may impose.

Subject to the last paragraph of this section, the terms of this Scheme shall be modified, varied or amended in accordance with such consent (with conditions, if any) as may be given by the Hong Kong Court under the paragraph above.

The consent of the Hong Kong Court shall not be required in relation to modification(s), variation(s) or amendment(s) to correct manifest error(s) of this Scheme provided that the Insurance Authority has been notified of the same and has indicated that it does not object thereto.

Governing Law

This Scheme shall be governed by the laws of Hong Kong.

Part 2

FURTHER INFORMATION ON THE HEARING

Final Hearing

The Petition for sanction of the Scheme will be heard at the Hong Kong Court. The final hearing, at which the Hong Kong Court will consider whether or not to sanction the Scheme, is scheduled to take place at 10 a.m. on August 9, 2021.

The Ordinance stipulate that any person who alleges that he or she would be adversely affected by the carrying out of the Scheme is entitled to be heard in the Petition by the Hong Kong Court.

If you do intend to appear at the hearing of the Hong Kong Court, we request you to give preferably not less than three days' prior written notice of such intention, and the reasons therefor, to the Customer Service Centres of ZLIC and ZLIHK both located at the following address:-

25-26/F, One Island East
18 Westlands Road
Island East
Hong Kong

(All letters should quote the reference "HCMP 460/2021")

If you intend to object to the Scheme but do not wish to appear at the hearing of the Hong Kong Court, you should give not less than three days' prior written notice of such intention, and the reasons therefor, to the Customer Service Centres of ZLIC and ZLIHK both located at the address above.

Schedule 2

Part 1: Key Assessment of the Independent Actuary

The Independent Actuary has opined, in particular, that:

- i. the Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of the ZLIC Hong Kong Branch, with regards to benefits and levels of service;
- ii. the Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC Hong Kong Branch; and
- iii. he is satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Part 2: Summary of the Independent Actuary's Report

Introduction

- 1.1. I, Paul Sinnott, have been appointed to act as the Independent Actuary pursuant to Section 24 of the Hong Kong Insurance Ordinance Chapter 41 (The "Ordinance", or "HKIO"), to provide an independent opinion on the terms and likely effects of the proposed scheme (the "Scheme") for the transfer of all long term insurance business carried on by Zurich Life Insurance Company Ltd. ("ZLIC") through its Hong Kong Branch ("ZLIC HK branch") (also hereinafter referred as "Transferring Business") to Zurich Life Insurance (Hong Kong) Ltd. ("ZLIHK"), a new Hong Kong domiciled subsidiary of Zurich Insurance Holdings (HK) Limited ("ZIH"), which is wholly-owned by Zurich Insurance Company Ltd. ("ZIC"). ZLIC, ZLIC HK branch and ZLIHK are collectively referred to as the "Parties". The Transferring Business involved consists of the Class A (Life and Annuity) and Class C (Linked) businesses, underwritten by ZLIC HK branch before 1 September 2021, which is the date the Scheme is expected to become effective (the "Transfer Date"). The policyholders transferring to the ZLIHK in respect of the ZLIC's Transferring Business are referred to as the "Transferring Policyholders", who hold policies which are underwritten by ZLIC HK Branch (the "Transferring Policies"); the policyholders remaining in ZLIC after the Scheme are referred to as the "Non-Transferring ZLIC Policyholders", who hold policies which are underwritten by ZLIC excluding those underwritten by ZLIC HK branch (the "Non-Transferring ZLIC Policies") and the existing policyholders of ZLIHK before the Scheme are referred to as the "Existing ZLIHK Policyholders", who hold "Existing ZLIHK Policies".
- 1.2. I am a Principal and Consulting Actuary of Milliman Limited ("Milliman"), residing of 3901-2, AIA Tower, 183 Electric Road, North Point, Hong Kong. I am a Fellow Member of the Actuarial Society of Hong Kong ("ASHK") and a Fellow of the Institute and Faculty of Actuaries (United Kingdom) ("UK").
- 1.3. In preparing my Independent Actuary Report on the Scheme, I consulted the Hong Kong Insurance Authority ("IA") on the required contents and incorporated suggestions from the IA as appropriate. The report is prepared in accordance with the approach and expectations in Section 2 paragraphs 27 to 40 of the Prudential Regulation Authority, as set out in "The Prudential Regulation Authority's approach to insurance business transfers" dated April 2015. I have also had regard to Chapter 18 of the Supervision Manual contained in the Financial Conduct Authority ("FCA") Handbook as well as Section 6 of the further guidance released by the FCA, as set out in "The FCA's approach to the review of Part VII insurance business transfer" dated May 2018. I have also taken into account professional guidance under the Institute and Faculty of Actuaries' "APS X3: The Actuary as an Expert in Legal Proceedings" which sets out principles for actuaries to apply when instructed as an expert in relation to existing or contemplated legal proceedings (including those outside UK jurisdiction).
- 1.4. The scope of my review and opinions are confined to the effects of the Scheme on the long term insurance policyholders of ZLIC and ZLIHK, in particular the Transferring Policyholders. It does not include an assessment of the impact of the Scheme on the shareholders of ZLIC and ZLIHK. I have considered the Scheme as presented to me and have not considered any other alternative schemes of transfer.
- 1.5. I have been provided with free access to the information that I requested as necessary to conduct my work. In addition, I have also been given unrestricted access to and held discussions with various representatives of the Parties.

- 1.6. This is a summary of my Independent Actuary report dated 29 March 2021. Details of the scope of my work, considerations and conclusions, reliances, limitations and the terms of reference are provided in the full version of my report. Copies of the full report are available to the Transferring Policyholders, Existing ZLIHK Policyholders and other interested parties in the office of the ZLIC HK branch. An electronic version of the same report is also available on Zurich's website at www.zurich.com.hk/en/important-notice/portfolio-transfer until the final petition hearing in the Hong Kong Court.

Background of the transfer and summary of my opinion

- 1.7. This Scheme was initiated as part of the restructuring of the Hong Kong operations of the Zurich Insurance Group Ltd. ("Zurich Group") to enhance financial stability for policyholders and operating efficiency including facilitating more streamlined audit and regulatory compliance processes across the organization. ZLIHK became an authorised insurance company under the Insurance Ordinance on 23 March 2020.
- 1.8. All of the long term insurance business of ZLIC HK branch will be transferred to ZLIHK, in accordance with the proposed Scheme and the Section 24 of the Ordinance. After the Scheme Transfer, ZLIC HK branch will be wound-up and the operating license surrendered. After the completion of the Scheme Transfer, ZLIC HK Branch is expected to withdraw its authorisation in accordance with Section 40 of Insurance Ordinance. There will therefore be no remaining policyholders within ZLIC HK branch once the Scheme is implemented.
- 1.9. The fund structures of ZLIC HK branch (before transfer) and ZLIHK (before and after transfer) are shown below.

ZLIC HK branch fund structure before transfer

ZLIC HK branch long term business

ZLIC HK branch Life Insurance fund (Class A)	ZLIC HK branch Linked fund (Class C)	ZLIC Swiss Individual fund (Class A)
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ZLIHK fund structure before and after transfer

ZLIHK long term business

ZLIHK Life Insurance funds (Class A)	ZLIHK Swiss Individual fund (Class A)	Linked fund (Class C)	ZLIHK Shareholders' Fund
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- 1.10. As at 30 September 2020, the long term insurance business of ZLIC HK branch consisted of Class A (Life and annuity) and C (Linked) only. The key products of the retail business cover universal life, protection (such as death, critical illness and medical/hospital expenses), traditional participating and unit-linked. There is fund segregation of assets and liabilities between Class A and C business lines.
- 1.11. The Swiss Individual Life Policies, the so-called "Swiss Book", is a minor run-off portfolio. This is a portfolio of ZLIC Switzerland policies bought by expatriates in the Asian region who were expected to be moving back to their respective home countries some time in the future. After the Scheme Transfer, ZLIHK will retain the liabilities for these policies on its balance sheet and cede the risks to ZLIC by reinsurance arrangements, and will outsource to ZLIC such operational activities that ZLIC has been responsible for prior to the Scheme Transfer (including policy servicing, administration, payment of claims for such policies) to minimise potential immediate customer impact. ZLIHK may reassess the arrangement for optimising the longer term administration of the Swiss Book as part of its normal business review as to whether the reinsurance and outsourcing arrangement should be continued. As of 30 September 2020, there are 142 in-force policies. Within Class A, the Swiss policies are separated

- from the rest of the Class A insurance fund given that these Swiss policies have a different dividend policy from the other Class A participating products. Similar segregation will be maintained in ZLIHK.
- 1.12. ZLIHK has undertaken to fulfil all of the policy contract conditions once the Scheme is implemented. This will include the responsibility for paying all benefits of claims, maturities, policy dividends and other amounts arising from the Transferring Business including the cost of administration for all Transferring Policies.
- 1.13. In my opinion,
- The Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch, with regards to benefits and levels of service.
 - The Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch.
 - I am satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.
- 1.14. In arriving at my opinion, I have considered various aspects below. More detailed analyses and conclusions are provided in the full version of my report.

Effect of the Scheme on the benefit expectations of Transferring Policyholders

Participating business and universal life business

- 2.1. On the Transfer Date, ZLIC HK branch will transfer all participating policies and universal life policies underlying the Class A business. ZLIC HK branch's participating portfolio was closed to new business in 2013. The participating business consists of HK Traditional Annual dividend policies, HK Traditional Terminal dividend policies and Swiss Individual Life Policies. ZLIC HK branch's universal life contracts are referred to as Living products. There are 3 generations of Living products which are Old style, "2003 Series" and New style Living products.
- 2.2. An annual review of dividend rates for traditional participating products is performed by the Appointed Actuary and approved by the Board. ZLIC HK branch has not made any adjustments to the dividend scales of the participating policies up to the end of 2018. Both of the 2019 and 2020 dividend studies recommended a 40% dividend cut to be made in early 2020 or early 2021. These studies were performed in accordance with the existing principles and methodology set out in ZLIC HK branch's dividend policy of traditional participating products. They were conducted based solely on ZLIC HK branch as an on-going concern without taking into account of factors relating to the Transfer. Although the dividend cut recommendation is totally unaffected by the Transfer, after assessing the reasonable expectations of policyholders and competitors actions, I have been informed that ZLIC HK branch does not intend to make any adjustments to the dividend scales of the participating policies before the Transfer. ZLIHK will make future decisions in this area in the normal course of business during annual dividend investigations after the Transfer. I have been informed that the rationale for not adjusting the dividend scales before 2019 was as follows:
- given the projected small dividend pay-out in early years, the smoothed dividend adjustment of at most 40% cut derived from dividend policy may not bring material financial benefit to the branch, considering the operational cost of dividend adjustment procedure; and
 - alignment with competitors' action to maintain the fulfilment ratio for their major products to be close to 100% within the first few policy years.
- 2.3. ZLIHK has undertaken to carry out annual dividend reviews according to the same dividend methodology used by ZLIC HK branch, whereby dividends may need to be adjusted based on the actual surplus or deficit position of the participating portfolio at the time of future review, as well as after taking into other consideration including the materiality of the financial benefits, competitors' actions and other factors not associated with the Transfer. As such, the Transfer is not a factor which will be taken into account in the dividend determination in the future review. I have been informed that, given the internal governance systems in place within ZLIHK and the same management team of Zurich, the

dividend mechanism/principles communicated to policyholders will be applied consistently in the future time as prior to the Scheme transfer.

- 2.4. I have also been informed that ZLIHK will follow the current crediting rate setting mechanism used for the universal life business before the transfer.
- 2.5. The Parties have confirmed that there will not be any significant change to the existing principles and methods, target asset allocation and investment mandate with respect to the participating policies and universal life policies as a result of the Scheme. It is also important to recognise that the management of ZLIHK has the right to alter the principles and methods under the existing dividend or bonus policies and this right will not change after the Scheme is implemented.
- 2.6. In light of my review, it is my opinion that current participating business dividend setting and universal life crediting rate principles and methodologies, and the governance for any changes to the existing approach, which are intended to be used by ZLIHK after the transfer, provide sufficient safeguard that policyholders should expect to be treated in a similar manner before and after the Scheme is implemented.

Asset allocation and investment policy of the Transferring Business

- 2.7. Investment activities within the ZLIC HK branch are governed by investment mandates. The mandates set out the Strategic Asset Allocation ("SAA"), investment constraints and approval processes.
- 2.8. The Parties have confirmed that there is no significant change of SAA in related to the legacy liabilities of ZLIC HK branch after the Scheme is implemented if there is no significant change in ZLIHK's product mix. The Parties have also confirmed that there is no intention to make significant change to the existing investment strategies and internal governance currently adopted by ZLIC HK branch for the assets supporting the Transferring Policies after the Scheme is implemented.

Charges and investments of unit-linked policies

- 2.9. For the existing unit-linked products, while ZLIC HK branch has not made adjustments on the policy charges in the past, ZLIC HK branch has broad rights to vary policy charges, as well as the right to impose any other charges for administering the policies. Policyholders will be given written notice in advance according to policy provisions before any changes come into effect. These rights will continue with ZLIHK and exist whether or not the Scheme proceeds.
- 2.10. I have been informed that the process and principles involved in determining the level of non-guaranteed charges following Scheme implementation will not change as a result of the transfer. Based on these considerations, I have no reason to believe that the Scheme will have a material adverse impact on the discretionary charges applied to the Transferring Policyholders.

Contractual benefits provisions

- 2.11. According to the Scheme, ZLIHK will commit to continue paying the contractual benefits of the Transferring Policyholders of ZLIC HK branch. I have been informed that these guaranteed benefits will not be altered after the transfer. The rights of these policyholders, as defined under their existing policy documents, will be the same before and after the transfer.

Other policies subject to company discretion

- 2.12. For some of the packaged plans and many of the rider policies, including renewable term, accident and health benefits, dread disease benefits, ZLIC HK branch has broad rights to adjust premium rates either at each renewal, at each policy anniversary, at every 5 years or at any of the policy anniversary, as set out in the policy provisions. According to the Scheme, in accepting the Transferring Business, ZLIHK will retain the same rights with respect to these policies. However, these rights exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Transferring Policyholders of the ZLIC HK branch.

Costs and expenses in relation to the Scheme

- 2.13. The costs associated with the Scheme are to be met by ZLIC shareholders, expensing through the ZLIC HK branch. ZLIC HK branch has confirmed that there will be no cost and expense incurred in relation to the Scheme that will lead to an increase in the unit costs charged to policyholders or a

decrease in the policyholder level of discretionary benefits paid. Therefore, I have no reason to believe there will be any material adverse impact on the Transferring Policyholders in this regard.

Tax implications

2.14. The ZLIHK will elect the same taxation basis as the ZLIC HK branch, under which the branch calculated profit tax based on total assessable profits and the elected tax rate. The Parties have also advised that all the tax balances of the ZLIC HK branch will be transferred to ZLIHK. Given the tax regime applied to the Transferring Business will remain unchanged after the Scheme is implemented, I have no reason to believe there will be a materially adverse impact on the Transferring Policyholders of ZLIC HK branch in this regard.

Policy terms and conditions

2.15. I am informed that, other than the replacement of references to ZLIC HK branch to ZLIHK, there will be no change to the policy terms and conditions of in-force insurance policies as a result of the Scheme. The provision of policy loans being part of the policy terms and conditions will remain unchanged after the transfer. I have no reason to believe there will be a materially adverse impact on the policy terms and conditions of Transferring Policyholders due to the Scheme itself in this regard.

Reasonable benefit expectations conclusion

2.16. In summary, The Scheme will not have a materially adverse effect on the reasonable benefit expectations of the Transferring Policyholders of ZLIC HK branch, which include the policyholders of Swiss Individual Life Policies.

Effect of the Scheme on the financial security of Transferring Policyholders

- 3.1. The security of the contractual benefits of policyholders can be measured by the excess assets in the long term insurance business fund plus the net shareholder assets. It is affected by the conservatism of the reserving bases used and the capital and free reserves, together with additional security provided by the entity as a whole, and any potential support available from its shareholders.
- 3.2. I have also considered the expected overall solvency position of ZLIHK following implementation of the proposed Scheme and its possible future development.

The provision of financial security

- 3.3. To protect the security of policyholders, insurance companies maintain three asset layers namely policy reserves, minimum solvency margin and excess assets, with the first two layers required by legislation.
- **Policy reserves:** assets supporting the policy liabilities calculated according to the underlying contractual obligations using valuation standards prescribed by statutory rules.
 - **Minimum solvency margin:** assets required to fulfil the minimum statutory solvency requirements, serving as a margin relating to the risks of liabilities underwritten by insurers.
 - **Excess assets:** assets that are over and above the statutory minimum solvency margin, which can be expressed as a percentage of the required minimum solvency margin.

Policy reserves

- 3.4. In accordance with the required valuation standards, ZLIC HK branch has previously set up reserves for the Transferring Business using established methods and valuation bases that satisfy the Hong Kong regulatory standards (with reference to the Hong Kong Insurance Ordinance (CAP 41) and Actuarial Guidance Notes issued by the Actuarial Society of Hong Kong, "Actuarial Guidance Notes").
- 3.5. In the statutory valuation reporting process, the current procedure is that each year, the Appointed Actuary of ZLIC HK branch, as the advisor to the ZLIC's Board of Directors, proposes the valuation methods and a set of valuation assumptions.
- 3.6. After the Scheme is implemented, the procedures will remain the same such that each year the Appointed Actuary of ZLIHK will advise on the reserving methods and valuation bases of the Transferring Business, as well as the new policies of ZLIHK's business, to the ZLIHK Board of Directors. As no changes in procedure in determining the valuation methodology and assumptions

have been proposed if the Scheme is implemented, I do not believe there will be an adverse impact on the financial security of the Transferring Policyholders in this regard.

Solvency positions

3.7. ZLIC, the parent company of ZLIC HK branch, is incorporated in Switzerland in which the solvency is subject to Swiss Solvency Test (SST) framework for determining the risk based capital. The historical solvency position of ZLIC on the SST basis is shown in below.

TABLE 1: ZLIC'S SOLVENCY RATIOS (ON SST BASIS)

CHF millions	Dec 2017	Dec 2018	Dec 2019	Sep 2020**
Target capital	2,858	3,286	4,524	4,601
Risk-bearing capital	5,989	7,002	7,635	7,749
Market value margin	778	820	1,409	1,453
Solvency ratio*	251%	251%	200%	200%

* Figures derived from this table may not be the same due to rounding.

** The number is not required by FINMA. It has not been reviewed by FINMA and is an estimate by ZLIC. Currently only the SST as at 1 Jan 2020 or Dec 2019 is relevant for FINMA.

Source: ZLIC internal non-public information for the estimated SST figures as at September 2020.

3.8. ZLIC HK branch has estimated the solvency position of the entire ZLIC legal entity under HKIO basis for the purpose of this transfer. As the HKIO reserving is very similar to the old Swiss Solvency 1 reserving, the Swiss Solvency 1 reserve was used as an approximation of the HKIO reserve in the application of the Insurance (Margin of Solvency) Rules. The calculations have been carried out using public information including local statutory reserves, sum assured and premium of ZLIC. The historical approximated solvency position of ZLIC on the HKIO basis is shown in below.

TABLE 2: ZLIC'S SOLVENCY RATIOS (ON HKIO BASIS)

CHF million	Dec 2017	Dec 2018	Dec 2019	Sep 2020**
Solvency margin	960	990	1,019	1,011
Net assets	3,505	3,122	3,609	3,436
Solvency ratio*	365%	315%	354%	340%

* Figures derived from this table may not be the same due to rounding.

** Derived based on ZLIC internal non-public information.

3.9. ZIC the ultimate parent of ZLIHK, the holding company for is also the parent of ZLIC. ZIC, similar to ZLIC is incorporated in Switzerland in which the solvency is subject to SST framework for determining the risk based capital. The historical solvency position of ZLIC on the SST basis is shown in below.

TABLE 3: ZIC'S SOLVENCY RATIOS (ON SST BASIS)

USD millions	Dec 2017	Dec 2018	Dec 2019**
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Target capital	24,573	22,280	24,687
Risk-bearing capital	43,181	41,628	45,961
Solvency ratio*	212%	225%	241%

* Figures derived from this table may not be the same due to rounding.

**No updated information available after December 2019 as ZIC's solvency ratio is only calculated annually.

Source: ZIC's 2018 and 2019 Financial Condition Report.

3.10. The Parties have also assessed projected solvency position of ZLIHK before and after the Transfer Date which have been considered to assess the impact of the Scheme.

TABLE 4: ZLIHK'S SOLVENCY POSITION (ON HKIO BASIS) AS AT 1 SEPTEMBER 2021

HKD million	Pre-transfer	Transfer	Post-transfer
Solvency margin	4	111	115
Net assets	152	582	734
Solvency ratio*	3779%	523%	637%

* Figures derived from this table may not be the same due to rounding.

TABLE 5: ZLIHK'S PROJECTED SOLVENCY RATIOS (ON HKIO BASIS)

HKD million	1 Jan 2021 ^(*)	1 Jan 2022	1 Jan 2023
Solvency margin	2	119	127
Net assets	204	721	675
Solvency ratio**	9438%	604%	533%

* Solvency ratio at 1 Jan 2021 is the solvency position before the Transfer Date.

** Figures derived from this table may not be the same due to rounding.

- 3.11. The Parties have confirmed that ZLIHK's paid-in capital has been invested in short term fixed deposits which have been unaffected by the capital market volatility resulting from the COVID-19 pandemic
- 3.12. I have been informed by the Parties that if ZLIHK's solvency ratio is below 200%, or if it is anticipated that ZLIHK's solvency ratio will likely fall below 200% measured on the local statutory basis, it will seek assistance from Zurich Group to raise solvency capital or for a capital injection from ZIC via ZIH, the shareholders of ZLIHK, to meet the target solvency ratio.
- 3.13. I have compared the historical solvency position of the ZLIC being parent of ZLIC HK against the historical solvency position of the ultimate parent of ZLIHK, which is ZIC. As observed from Table 1 and Table 3, the solvency positions of both of the entities are very similar, which are in the range of 200% to 250% for 2017 to September 2020, implying the financial strength of both entities are comparable.
- 3.14. I have also focused on the comparison of the projected solvency position of the ZLIHK after the Scheme is implemented against the current solvency position of ZLIC under HKIO basis, since the results under SST basis are not available for ZLIHK. As observed from Table 2 and Table 5, the estimated solvency ratio of ZLIHK post-Scheme is higher than the current solvency ratio of ZLIC under HKIO basis, which is positive for the financial security of the Transferring Policyholders.

Dynamic solvency testing

- 3.15. In addition, there have been Dynamic Solvency Testing (“DST”) projections which examine the solvency positions of ZLIC HK branch before the proposed transfer and ZLIHK after the proposed transfer under a number of possible adverse scenarios.
- 3.16. The results of these projections for ZLIC HK branch standalone before the transfer and ZLIHK after the transfer show that the solvency of ZLIHK to be comfortably above acceptable solvency requirements being 200% of the Hong Kong statutory minimum solvency requirement. While the actual solvency ratios are likely to vary over time as actual operating experience reveals, in any event the ZLIHK Appointed Actuary has the responsibility under prescribed regulations to ensure that the statutory minimum capital requirements are fulfilled.

Capitalisation policies

- 3.17. The Parties have stated that ZLIC HK branch has established an internal target solvency ratio range of 200% - 250% over many years and shareholder dividends are considered when free assets exceed this level to a material degree. The IA has required ZLIC HK branch to monitor its solvency position on a weekly basis and to retain the solvency capital in excess of the 200% of minimum solvency requirement, however the IA approval is not required in the capital repatriation for the branch. To ensure a buffer is retained, ZLIC HK will retain local capital between 200% and 250% of the minimum solvency requirement. In addition, since the capital requirement of ZLIC is also subject to the supervision of Swiss Financial Market Supervisory Authority (“FINMA”), the upper range is reinforced as the target solvency level.
- 3.18. If ZLIC HK’s solvency ratio is below 200%, the branch will seek assistance from Zurich Group to raise solvency capital or a capital injection from ZLIC.
- 3.19. I have been informed that following the transfer, the intention is to manage ZLIHK’s solvency ratio at the internal target of 225% using a similar approach. This is in line with the Zurich Group risk policy that it holds capital equivalent to the statutory minimum in the local regulated entity plus an adequate agreed buffer to allow for short-term volatility. Zurich Group endeavours to manage its internal physical capital such that all its regulated entities are adequately capitalised in compliance with the relevant regulatory capital adequacy requirements.
- 3.20. If ZLIHK’s solvency ratio is below 200%, or if it is anticipated that ZLIHK’s solvency ratio will likely fall below 200% measured on the local statutory basis, it will seek assistance from Zurich Group to raise solvency capital or for a capital injection from ZIC via ZIH, the shareholders of ZLIHK, to meet the target solvency ratio. In addition, I have been informed by the Parties that there was a letter of undertaking from ZLIHK to the IA when the license was issued, which specifies a parental commitment to maintain ZLIHK solvency of at least 150% of the statutory minimum solvency margin.

Risk exposures

- 3.21. In accordance with the ZLIHK’s plan, a new term product was launched in Q3 2020 after receiving its license approval from the IA on 23 March 2020. There were 13 in-force Class A term policies as of September 2020, and it is expected that the number of new policies will remain to be small at the time of Scheme implementation. ZLIHK plans to continue writing non-participating protection business in the initial stage of operation towards early 2021. In terms of insurance risks, ZLIC HK branch currently has more lines of business than the ZLIHK before the Scheme Transfer. Therefore the risk profile of ZLIHK is expected to be similar to the risk profile of ZLIC HK branch.
- 3.22. ZLIHK is planning to underwrite various individual life businesses belonging to Class A and Class C, unit-linked funds after the initial stage of operation and also upon receiving relevant product approvals.
- 3.23. ZLIC HK branch has had reinsurance arrangements in place for its Class A business and Class C business and such arrangements will continue after the Transfer. This provides an additional security. In addition, both ZLIC HK branch and ZLIHK are required to meet the Zurich Risk Policy.
- 3.24. Based on the above considerations, I have not identified any areas where additional risk exposure resulting from the Scheme implementation is likely to prejudice the contractual entitlements of and any group of Transferring policyholders.

Investment policy

- 3.25. The Parties have confirmed that there is no intention to make significant change to the existing investment strategies currently adopted by ZLIC HK branch for the assets supporting the Transferring Policies after the proposed transfer.

Risk policies

- 3.26. ZIC and ZLIC are regulated and supervised by FINMA in Switzerland, which has its prescriptive requirements in relation to risk management. The risk management of ZIC and ZLIC is in line with these controls and is documented within the Zurich Risk Policy ("ZRP"), which sets the standard for effective risk management across all of its subsidiaries. Both ZLIC HK branch and ZLIHK develop their risk policies with reference to the Zurich Group's policies. As a result, there should not be any obvious deviation in the risk management framework.
- 3.27. In particular, the Risk Appetite Statement ("RAS") of ZLIC HK branch follows Zurich Group governance and local statutory requirements. The same approach is currently being followed by ZLIHK. The key requirements set up by RAS are related to risk taking approach and risk appetite for every risk category (where risk appetite is expressed as Low Appetite/ Moderate Appetite/ High Appetite), incorporating defined quantitative key performance indicators and tolerance levels. Overall, the risk appetite statements are similar for both ZLIC HK branch and ZLIHK, there are no material differences in the target levels of risk measures applicable for both ZLIC HK branch and ZLIHK and the Parties have confirmed that risk appetite is materially unchanged in the new entity.

Regulatory overlay

- 3.28. The financial security of the policyholders needs to be further considered from a legal perspective, especially when the Scheme involves moving from Hong Kong branch with a Swiss parent to a Hong Kong subsidiary. I have considered the regulatory overlay from two perspectives, including:
- **Regulatory framework and solvency practice:** both the Hong Kong and Swiss regulatory frameworks and solvency practice were held in high regard by the International Monetary Fund, according to their reports named "Detailed Assessment of Observance – Insurance Core Principles" on both frameworks. Most importantly, in terms of day to day regulatory supervision, the IA maintains regulatory and supervisory authority of the Hong Kong operations at all times that apply to both ZLIC HK branch and ZLIHK.
 - **Policyholder protection:** currently Switzerland and Hong Kong do not have regulatory policyholder protection scheme in place to protect the policyholders should an insolvency happen despite there having been consultation paper issued on the topic previously in Hong Kong. As a result, the Scheme does not place the Transferring Policyholders in a more adverse situation in this regard. In the event of the insolvency of parent company, before the Scheme is implemented, ZLIC HK branch, as the Hong Kong operation is set up as a branch of ZLIC, the wind-up of the parent company would automatically trigger the wind-up of the branch itself given it is part of the same company. Whereas, after the Scheme is implemented, ZLIHK, being a subsidiary, the wind-up of ZLIC will not impact ZLIHK in the same way.

Financial security conclusion

- 3.29. In summary of my assessments above, in my opinion:
- The estimated HKIO basis solvency ratio of ZLIHK post-Scheme is higher than the 30 September 2020's solvency ratio of ZLIC, which is positive for the financial security of the Transferring Policyholders.
 - Based on the policies provided, I recognise that the Transferring Policyholders will continue to be protected by the financial strength of ZIC after the Scheme is implemented through support from the capitalisation policies in the extreme event where ZLIHK faces financial difficulties. I consider this to be an important factor in maintaining the financial security of the Transferring Policyholders post-Scheme.
 - In view of my assessment above, I believe the Scheme is unlikely to expose the Transferring Policyholders of the ZLIC HK branch to new risks of significance. I conclude there will be no materially adverse impact on the Transferring Policyholders' financial security after the Scheme.

Other Considerations

Level of services

- 3.30. The Parties have confirmed that the target service levels to all policyholders will remain the same after the transfer. For unit-linked policyholders, the existing range of fund choices currently available to them will not be adversely affected as a result of the Scheme implementation.

Reinsurance arrangement

- 3.31. The Parties have confirmed that the terms and conditions of existing reinsurance arrangements will remain unaltered after the transfer.
- 3.32. I consider the above various operational areas, including the level of service provided, will not have a material negative impact on the Transferring Policyholders and the Scheme should provide sufficient safeguards to ensure that the Scheme operates as presented.

Effect of the Scheme on the benefit expectations and financial security of the Non-Transferring ZLIC Policyholders

- 4.1. In assessing the effects of the Scheme on the benefit expectations and financial security of the Non-Transferring ZLIC Policyholders, I have relied upon the professional opinion of the Appointed Actuary and Chief Actuary of ZLIC.

Benefit expectations

Materiality of the Non-Transferring Business

- 4.2. The ZLIC HK branch represents a very small proportion of ZLIC's overall business, with only 2.6% of its parent's total gross insurance reserve and provisions for unit-linked contracts as at 30 September 2020.

Contractual benefit provisions

- 4.3. When forming my opinion on contractual benefits provision, I have not attempted to look at the contractual benefits provided by ZLIC. However, given the ZLIC HK branch is only a small part of ZLIC's entire business, I agree with the Appointed Actuary and Chief Actuary's opinions that the benefit expectations of the Non-Transferring ZLIC Policyholders in terms of ZLIC's ability to pay valid claims, as well as to act appropriately in other contractual matters, should be unchanged.

Bonus policies

- 4.4. Most business of ZLIC is participating in nature. This covers both the individual life business and the corporate life and pension businesses.
- 4.5. The Parties have confirmed that there will be no changes to the bonus philosophy and crediting rate philosophy as a result of the Scheme.

Other policies subject to company discretion

- 4.6. The charging structure of unit-linked products within ZLIC's Non-Transferring Business include monthly charges such as annual management charges, policy administration charges, allocation/setup charges, bid offer spreads, surrender charges, and benefit charges. Policyholders will be given written notice in advance according to policy provisions before any changes come into effect. These rights will continue with ZLIC and exist whether or not the Scheme proceeds.
- 4.7. There are ZLIC's products which allow the conversion of the savings capital into a series of annuity payments. For these products, the applicable conversion rates used to convert a savings capital into an annuity at the time of conversion would not be impacted by the transfer.
- 4.8. In conclusion, apart from the fact that these rights to vary unit-linked charges exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Non-Transferring ZLIC Policyholders.

Policy terms and conditions

- 4.9. Both of the Appointed Actuary and Chief Actuary of ZLIC have confirmed that there will be no change to the policy terms and conditions of the in-force Non-Transferring ZLIC Policies as a result of the Scheme.

Financial security

FINMA supervision

- 4.10. ZLIC is subject to insurance supervision by FINMA. The Swiss Insurance Supervision Law ("ISL") requires Swiss insurance companies to establish and maintain corporate governance including an effective risk management and internal control system that is appropriate to their business activities. In addition to the supervision exercised by FINMA, ZLIC and its branches are supervised according to the requirements of relevant local supervisory authorities.
- 4.11. ZLIC assesses its solvency under the Swiss Solvency Test ("SST"). In performing the SST, ZLIC assesses its solvency and financial condition, expressed as the SST ratio which must be submitted to FINMA annually.

The provision of financial security

- 4.12. To protect the security of policyholders of Switzerland, insurance companies are required to maintain sufficient policy reserves and sufficient solvency margin under the Swiss Solvency Test.

Policy reserves

- 4.13. ZLIC has been reporting under the Switzerland regulatory regime to FINMA, with the Appointed Actuary and the auditor certifying compliance with the Swiss Insurance Supervision Ordinance ("AVO") and the actuarial requirements specified in ZLIC's business plan. In the statutory valuation reporting process, the Appointed Actuary is responsible for the valuation methodology and the setting of adequate actuarial assumptions. After the transfer, the procedures and responsibilities will remain the same. There is no change in procedure in determining the valuation methodology and assumptions before and after the transfer.

Overall financial position and shareholders' capital

- 4.14. ZLIC is part of the Zurich Insurance Group which maintains a strong capital position. ZLIC is adequately capitalised and is projected to have stable solvency ratio as at the Transfer Date, and the Company expects the same after the transfer.
- 4.15. Given the size of the Transferring Business is relatively immaterial to ZLIC and from the projected solvency position of ZLIC shown above, I agree with the Appointed Actuary and Chief Actuary that the transfer is not expected to materially adversely affect the financial security of the Non-Transferring ZLIC Policyholders.

Risk exposure

- 4.16. Due to the relatively small size of the Transferring Business (only 2.6% of total ZLIC's business as at 30 September 2020) compared to the Non-Transferring Business, the risk exposure of the Non-Transferring Business does not change materially as a result of Scheme implementation.

Capitalisation policy

- 4.17. ZLIC maintains a Risk Appetite Statement which includes a framework of coverage boundaries in excess of the minimum level required by Swiss law and regulation which include tied assets, statutory shareholder equity and SST solvency. The Risk Appetite Statement will continue to apply after the transfer so the capitalisation policy will not be changed as a result of the Scheme.

Risk policy and risk management framework

- 4.18. I have been informed that ZLIC's risk policy and risk management framework will not be changed as a result of the Scheme.

Investment policy and currency risk hedging

- 4.19. Since the Transferring Business is ring-fenced from ZLIC parent company and the Non-Transferring Business, there is no change in the investment policy/investment strategy and currency hedging tool and strategy after the transfer.

Shareholders' Fund and policy on shareholder dividends

- 4.20. ZLIC have an overall framework of making dividends to its owner ZIC. The amount of dividend is restricted by the capital ZLIC holds in relation to its risk appetite statements and other legal requirements. When making dividends the level of shareholders fund, solvency ratio and other metrics are considered.
- 4.21. The proposed transfer will have no material impact on the ZLIC shareholders' fund or on ZLIC's dividend policy.

Other considerations

Policyholder services

- 4.22. For unit-linked Non-Transferring Policyholders, the existing range of fund choices currently available to the long term Non-Transferring Policyholders of ZLIC will not be affected as a result of the Scheme implementation.

Reinsurance arrangements

- 4.23. The current reinsurance arrangements include a set of relatively minor risk reinsurance treaties outside of Hong Kong and a set of reinsurance treaties covering the Transferring Business. As the Hong Kong reinsurance treaties will be transferred along with the business. The other non-Hong Kong treaties are not impacted.

Distribution arrangements

- 4.24. Given that ZLIC Hong Kong branch is closed to new business, there are no active distribution agreements relating to the Transferring Business that needs to be considered. For Non-Transferring Business, there are multiple distribution agreements, but these will not be impacted by the transfer and hence there is no change to these.

Level of services

- 4.25. As the ZLIC HK branch portfolio is such a small portion of the overall ZLIC business, I have been informed that the transfer of these policies will have a negligible impact on the level of services provided to the Non-Transferring Policyholders.

Effect of the Scheme on the benefit expectations and financial security of the Existing ZLIHK Policyholders

- 5.1. In this section I consider the effects of the Scheme on the Existing ZLIHK Policyholders, given that ZLIHK started issuing policies in July 2020. There were 13 in-force Class A term policies as of September 2020. The total gross annualised premiums of these policies was HKD 103 thousand.

Benefit expectations

Contractual benefit provisions

- 5.2. Although the contractual benefits that will provided by ZLIHK have not been finalised, I have been informed by the Appointed Actuary of ZLIHK that there will be no change to the contractual benefits provided to the Existing ZLIHK Policyholders following the implementation of the Scheme, and that valid claims will continue to be paid when due in the same manner as before the Scheme.

Other policies subject to company discretion

- 5.3. ZLIHK has started to issue individual non-linked policies (Class A) after receiving its license approval on 23 March 2020. Unit-linked policies will be issued upon ZLIHK obtaining its necessary Class C product approvals from the regulatory bodies.

- 5.4. The Parties have informed me that for Class A business, in accordance with the ZLIHK's current 2020 plan, a new term product was launched in Q3 2020. ZLIHK will launch a new critical illness protection product by Q3 2021 and will continue monitoring Qualifying Deferred Annuity Policy ("QDAP") market developments assessing the possibility of launching such a retirement solution in the future. However, any annuity product will offer guaranteed cash values during the fixed annuity period and no discretionary component to align with ZLIHK's strategy of only offering non-participating Class A products. As the move into the QDAP sector is not decided and, even if it were to happen, sales volumes are expected to be small and therefore will not be included in the 2021 ZLIHK business plan which is currently in production. The Parties have also informed me that, due to recent COVID-19 pandemic, there will be a slight delay in launching various products, although the overall roadmap remains the same.
- 5.5. For Class C business with non-guaranteed fees and charges, ZLIHK will have the broad rights to vary policy charges, as well as the right to impose any other charges for administering the policy, provided that the policyholders will be given advance written notice before changes.
- 5.6. In conclusion, apart from the fact that these rights to vary unit-linked charges exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Existing Policyholders of ZLIHK.

Policy terms and conditions

- 5.7. The Appointed Actuary of ZLIHK has confirmed that there will be no change to the policy terms and conditions of the Existing ZLIHK Policies as a result of the Scheme.

Financial security

- 5.8. Same as the comment I have made for the Transferring Policyholders, when considering the effects of the Scheme on the financial security of the Existing ZLIHK Policyholders, I have mainly considered the conservatism of the reserving bases that are planned to be used and the capital and free reserves, together with additional security provided by the entity as a whole, and any potential support available from its shareholders.

Policy reserves

- 5.9. ZLIHK is reporting under the Hong Kong regulatory regime, with the Appointed Actuary and the auditor certifying compliance with the Hong Kong Insurance Ordinance (CAP 41).
- 5.10. After the Scheme is implemented, the procedures will remain the same such that each year the Appointed Actuary of ZLIHK will advise on the reserving methods and valuation bases to the ZLIHK Board of Directors. As no changes in procedure in determining the valuation methodology and assumptions have been proposed if the Scheme is implemented, I do not believe there will be an adverse impact on the financial security of the Existing ZLIHK Policyholders in this regard.

Overall financial position and shareholders' capital

- 5.11. The projected pre- and post-transfer solvency ratio of ZLIHK under HKIO basis as shown in Table 4 above are at a very high level; well above both the statutory minimum requirement and the level most insurance businesses are managed to.
- 5.12. Based on the projected post-transfer solvency ratio of ZLIHK under HKIO basis as at the Transfer Date and projection years thereafter as shown in Table 5, I have no reason to believe there will be any materially adverse impact on the financial security of the Existing ZLIHK Policyholders caused by the Scheme from a solvency perspective.

Other Considerations

Group Policy

- 5.13. Given the ultimate parent remains the same after the implementation of the Scheme and all the group policies will continue to apply, I do not expect there to be any materially adverse impact to the Existing ZLIHK Policyholders as a result of the change in group structure.

Conclusion

- 6.1. Taking into account of above considerations, in my opinion:
- The Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch, with regards to benefits and levels of service.
 - The Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch.
 - I am satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Reliances and Limitations

- 7.1. This report is subject to the same reliances and limitations clauses as set out in the full version of my Independent Actuary report dated 29 March 2021.

Paul Sinnott

Fellow of the Institute and Faculty of Actuaries (FIA)

Independent Actuary

5 May 2021

Frequently Asked Questions

1. Why is Zurich proceeding with this transfer of long term business carried on in or from Hong Kong by ZLIC to ZLIHK?

The transfer of all the long term business carried on in or from Hong Kong by ZLIC to ZLIHK ("**Proposed Transfer**") is part of a strategic initiative of the Zurich group. ZLIC and ZLIHK consider that the transfer will give rise to the following benefits:

- (a) improve the efficiency of audit and regulatory compliance within the group; as ZLIHK is incorporated in Hong Kong, it will be subject to the Hong Kong regulatory regime alone and not the additional Swiss regulatory requirements that apply to the ZLIC Hong Kong branch;
- (b) improve the operational efficiency of Zurich group's life insurance business;
- (c) improve the operations of Zurich group's life insurance business by allocating the decision making to different entities of the group, allowing each territory within the group to pursue the strategy that best fit the needs of its market, policyholders and shareholders;
- (d) better align Zurich group's business along regional lines; and
- (e) simplify ZLIC's company structure and remove the tension within ZLIC as a result of the differing risk profiles and regulatory regimes that apply to its Hong Kong and non-Hong Kong businesses and thus improve the efficiency of compliance within the group.

2. What is the background of ZLIHK? Who owns ZLIHK? How will it be capitalised?

ZLIHK was incorporated in Hong Kong on 7 May 2018. ZLIHK is a wholly-owned subsidiary of Zurich Insurance Holdings (Hong Kong) Limited, which is in turn a wholly owned subsidiary of Zurich Insurance Company Ltd ("**ZICL**"). ZICL is a global insurance company with around US\$303,433,000,000 in assets under management (comprising of group investments and unit-linked investments plus assets that are managed by third parties, on which fees are earned, as at 31 December 2020).

3. How will the Proposed Transfer take place?

In order to take over the business carried on by ZLIC, an application was made by ZLIHK to the Insurance Authority on 2 January 2020 for the authorisation to carry out insurance of Classes A and C of long term business. Formal authorisation was granted by the Insurance Authority to ZLIHK on 23 March 2020.

Under the Scheme of Transfer ("**Scheme**") your long term insurance policy(ies) (whether in force, expired, terminated, matured or surrendered) effected with ZLIC Hong Kong branch prior to the Transfer Date (defined below) will be transferred to ZLIHK, according to section 24 of the Insurance Ordinance, Cap. 41 of the Laws of

Hong Kong ("**Ordinance**"), and is subject to the approval of the Court of First Instance ("**Hong Kong Court**").

The Proposed Transfer is expected to take effect on 1 September 2021 or such other date as the Hong Kong Court shall approve ("**Transfer Date**").

From the Transfer Date, ZLIHK will be responsible for providing the insurance coverage and services under your insurance policy(ies) including processing of claims.

We have placed a notice of the Proposed Transfer in the Government of the Hong Kong Special Administrative Region Gazette as well as the The Standard and Sing Tao Daily in Hong Kong.

Information relating to this Proposed Transfer is also posted on our webpage www.zurich.com.hk/en/important-notice/portfolio-transfer. We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect.

For information on the final hearing by the Hong Kong Court of the Scheme, please refer to the section entitled "Further Information on the Hearing" in Schedule 1 - Part 2 attached to this letter.

4. What are the details of the Scheme?

We have prepared the Scheme pursuant to section 24 of the Ordinance, a summary of which is attached to this letter. You can also review the Scheme document on or before June 17, 2021 by visiting our office at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong between 9:00 a.m. and 5:30 p.m. (Hong Kong time), Monday to Friday (except public holidays).

5. Will there be any change to the terms of our insurance policies or each party's rights and obligations under the insurance policies?

No. The Proposed Transfer will not affect your rights and obligations under your insurance policy(ies). On and from the Transfer Date, you will have the same rights available to you under your insurance policy(ies) with ZLIHK as you had with ZLIC Hong Kong branch. An independent actuary was engaged to give his professional opinion on the impact (if any) of the Proposed Transfer to the policyholders of ZLIC and ZLIHK and in his opinion, there will not be any material adverse impact.

6. Will new insurance policies be issued for our existing insurance policies?

Your existing in force insurance policies remain valid and will be automatically transferred to ZLIHK from the Transfer Date. As such, we will not be issuing new insurance policy(ies).

7. How does the Proposed Transfer affect the payment of premiums?

All premiums payable under your insurance policy(ies) with ZLIC Hong Kong branch after the Transfer Date are to be made payable to ZLIHK or its agents. We will furnish payment instructions and bank account details directly to you in due course.

8. What if I make a claim before the Transfer Date and the claim has not yet been settled by the Transfer Date?

If you have made a claim before the Transfer Date, your existing policy terms and conditions will continue to govern the assessment of the claim and ZLIHK will take over the processing of the claim from ZLIC Hong Kong branch and be responsible for any subsequent payment to you. You do not need to submit a new claim form as the information will be transferred from ZLIC Hong Kong branch to ZLIHK.

9. How can I keep up to date with the progress of the Proposed Transfer?

We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect. If the Scheme is not sanctioned by the Hong Kong Court and does not take effect, we will also notify you in writing.

IMPORTANT INFORMATION

May 27, 2021

[Name]

[Address]

Dear clients,

Proposed transfer of the whole of the long term business carried on in or from Hong Kong by Zurich Life Insurance Company Ltd ("ZLIC") to Zurich Life Insurance (Hong Kong) Limited ("ZLIHK")

We are writing to advise you that, for the purpose of improving operational efficiency allowing us to continue to provide an excellent service, the management of Zurich intends to formally transfer all the long term insurance business underwritten by another member of Zurich, ZLIC through its Hong Kong branch to ZLIHK (the "**Proposed Transfer**").

This letter sets out important information regarding the Proposed Transfer of all the long term insurance business carried on in or from Hong Kong by ZLIC through its Hong Kong branch ("**ZLIC HK Business**") to ZLIHK. As a policyholder of ZLIHK, it is important for you to understand the Proposed Transfer. The Proposed Transfer will be carried out in accordance with the statutory process set out in section 24 of the Insurance Ordinance (the "**Ordinance**"), under which an application shall be made to the Court of First Instance ("**Hong Kong Court**") for the sanction of a scheme setting out the terms of the transfer ("**Scheme**"). The application has been made by way of petition (the "**Petition**") to the Hong Kong Court in April 2021.

The Scheme will be considered in the Petition hearing of the Hong Kong Court which is scheduled to take place at 10 a.m. on August 9, 2021. The transfer contemplated under the Scheme will not proceed unless, it is approved, among others, by the Hong Kong Court.

An independent actuary, Mr. Paul Sinnott, a Fellow of the Institute of Actuaries (United Kingdom) and a Fellow Member of the Actuarial Society of Hong Kong (the "**Independent Actuary**"), has been appointed by ZLIC and ZLIHK to examine the likely effects of the Scheme on the long term policyholders of ZLIC and ZLIHK and to prepare a report based on the financial information of ZLIC and ZLIHK as of 30 September 2020 for the Hong Kong Court. A summary of the Scheme and the Independent Actuary's report are included in Schedules 1 and 2 to this letter. A supplementary report by the Independent Actuary (the "**Supplementary Report**") will be prepared to provide an update on the relevant financial information as of 31 December 2020 and whether there is any change in the view of the Independent Actuary. It is expected that the Supplementary Report will be finalised and made available on the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer in around June/July 2021 until the end of the final Petition hearing in the Hong Kong Court.

Any person who alleges that he or she would be adversely affected by the carrying out of the Scheme is entitled to be heard in the Petition by the Hong Kong Court. If you intend to appear at the Petition hearing of the Hong Kong Court, you should give not less than three days' prior written notice to ZLIC and ZLIHK. Please refer to the section "**Final Hearing**" in **Schedule 1 - Part 2: "Further Information on the Hearing"** for details. Unless you intend to appear at the Petition hearing of the Hong Kong Court or object to the Scheme, there is no need for you to take any action. However, it is important that you understand the details of the Proposed Transfer. We recommend that you read this letter carefully.

The effect of the Proposed Transfer

Subject to the sanctioning of the Scheme by the Hong Kong Court, the Scheme shall become effective at 00:01a.m. Hong Kong time on 1 September 2021, or on such other date as ZLIC and ZLIHK may decide which shall be within 90 days after the date on which an order of the Hong Kong Court is granted sanctioning the Scheme. Unless the Scheme shall become effective on or before 90 days after the date on which the order of the Hong Kong Court is granted, or such later date and/or time, if any, as ZLIC and ZLIHK may decide and the Hong Kong Court may allow, it shall lapse.

If the Hong Kong Court sanctions the Scheme, all the policies in the ZLIC HK Business¹ ("**Transferring Policies**") will be transferred to ZLIHK. After the Proposed Transfer, all the Transferring Policies will be administered by ZLIHK, which will become the insurer of such policies in place of ZLIC.

We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect.

If the Scheme is not sanctioned by the Hong Kong Court, the Proposed Transfer will not take place and the Transferring Policies will remain with ZLIC who will continue to be responsible for such policies, including its administration and servicing. If the Proposed Transfer does not take place, we will notify you in writing.

The Scheme has been structured to ensure that the interests of the policyholders are safeguarded. **The Independent Actuary has opined, amongst others, on the likely effects of the Scheme on the reasonable benefit expectations and financial security of the long term policyholders of ZLIC and ZLIHK. You are advised to refer to Part 1: "Key Assessment of the Independent Actuary" and Part 2: "Summary of the Independent Actuary's Report" in Schedule 2.**

Any costs incurred in relation to the Proposed Transfer will be borne by ZLIC and ZLIHK.

Further Information

¹ The Transferring Policies will include, among others, nine existing investment-linked assurance schemes issued by ZLIC as of 28 February 2021 namely (i) Brilliant Link; (ii) Deluxe Link; (iii) Deluxe Link Junior; (iv) Harvest Link; (v) Maxi Link; (vi) Royal Link; (vii) Smart Link; (viii) Treasure Link; and (ix) Wealth Link.

If you wish to obtain further information, you may:

- inspect copies of this letter, the Petition, the Scheme and the report of the Independent Actuary at the Customer Service Centre of ZLIC or ZLIHK at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong, during the following periods between 9 a.m. to 5:30 p.m. (local time), on normal business days (Monday to Friday (except public holidays)) from May 27, 2021 to June 17, 2021;
- visit the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer until the end of the final Petition hearing in the Hong Kong Court;
- obtain the above documents free of charge by writing to the offices of ZLIC and ZLIHK at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong on or prior to the date of the final Petition hearing; or
- refer to the "Frequently Asked Questions" ("**FAQs**") as enclosed in this letter.

If you have any questions about the Proposed Transfer, please contact the designated hotline of ZLIC and ZLIHK at (852) 3405 7283, or write to ZLIC and ZLIHK at the address above, addressed to the Customer Service Centre and marking your envelope with the reference "HCMP 460/2021".

Thank you for your continuous support and we look forward to being of continued service to you.

Yours sincerely,

Zurich Life Insurance (Hong Kong) Limited
Zurich Life Insurance Company Ltd, Hong Kong branch

Schedule 1

Part 1

SUMMARY OF THE SCHEME

Transfer

Zurich Life Insurance Company Ltd ("**ZLIC**") was incorporated in Switzerland and was entered into the Commercial Register of Canton Zurich since 28 December 1922. It is a wholly-owned subsidiary of Zurich Insurance Group Ltd., whose shares are listed on the SIX Swiss Exchange, and which is the ultimate parent company of the group of companies ("**Zurich Group**"). ZLIC is an insurance carrier licensed and supervised by the Swiss Financial Market Supervisory Authority (FINMA). The registered office of ZLIC is situated at Austrasse 46, 8045 Zurich, Switzerland. It was also registered as a non-Hong Kong company under Part XI of the former Companies Ordinance (Cap. 32) (now Part XVI of the Companies Ordinance (Cap. 622)) on 31 August 1984. ZLIC is an authorized insurer under the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) (the "**Insurance Ordinance**") with authorization to carry on Classes A (life and annuity), C (linked long term), and I (retirement scheme management category III) of long term business (as defined under Part 2 of Schedule I to the Insurance Ordinance) in or from Hong Kong. As part of its Class A long term business, ZLIC has underwritten Swiss Individual Life Policies through its Hong Kong branch (the "**ZLIC Hong Kong Branch**"), but the accounting and administration of such policies, including paying claims and collecting premiums, are managed by ZLIC's head office in Switzerland and will continue to be managed by ZLIC's head office in Switzerland under an outsourcing arrangement with Zurich Life Insurance (Hong Kong) Limited ("**ZLIHK**") after such policies are transferred to ZLIHK on the Transfer Date (as defined below) to minimize potential immediate customer impact. However, ZLIHK may reassess the outsourcing arrangement for optimising the longer term administration of such policies as part of its normal business review as to whether the outsourcing arrangement should be continued. Since 1 December 2016, a note has been inserted in the Register of Authorized Insurers maintained by the Insurance Authority, stating that Zurich Life Insurance Company Ltd "has ceased to effect any new contracts of insurance... in or from Hong Kong". The principal place of business of ZLIC in Hong Kong is 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong.

ZLIHK was incorporated in Hong Kong on 7 May 2018.

ZLIHK is a wholly-owned subsidiary of Zurich Insurance Holdings (Hong Kong) Limited, which is in turn a wholly owned subsidiary of Zurich Insurance Company Ltd. ("**ZICL**"). ZLIC is also a wholly-owned subsidiary of ZICL, and all are companies within the Zurich Group. ZICL is a global insurance company with around US\$ 303,433,000,000 of assets under management (comprising group investments and unit-linked investments plus assets that are managed by third parties, on which fees are earned, as at 31 December 2020). Other than in Hong Kong, ZICL and its subsidiaries have operations in other key markets including Europe, Middle East, Africa, North America, Asia Pacific and Latin & America and in more than 215 countries.

As part of a strategic initiative of the Zurich group², it is proposed that the ZLIC HK Business (as defined below) shall be transferred to and assumed by ZLIHK ("**Proposed Transfer**").

In order to take over the ZLIC HK Business (as defined below) carried on by ZLIC, an application was made by ZLIHK to the Insurance Authority on 2 January 2020 for the authorisation to carry on

² For more details, please refer to the FAQs as enclosed in this letter.

Classes A and C of long term business in or from Hong Kong. On 23 March 2020, formal authorization was granted by the Insurance Authority to ZLIHK to carry on those classes of long term business in or from Hong Kong.

The purpose of this Scheme is to transfer the ZLIC HK Business from ZLIC to ZLIHK, pursuant to sections 24 and 25(1) of the Insurance Ordinance (all terms as defined in the Scheme).

The Proposed Transfer

It is proposed that, pursuant to section 24 of the Insurance Ordinance, the long term business carried on in or from Hong Kong by ZLIC ("**ZLIC HK Business**") shall be transferred to ZLIHK in accordance with the terms of the Scheme and subject to the order of the Hong Kong Court ("**Hong Kong Order**") made pursuant to sections 24 and 25(1) of the Insurance Ordinance. Such ZLIC HK Business shall comprise the Transferring Policies, the Transferring Assets and Transferring Liabilities, as defined below (in this regard, "**Transferring Policies**" means (i) any Policy forming part of Class A (Life And Annuity) (including, for the avoidance of doubt, the Swiss Individual Life Policies) or Class C (Linked Long Term) of long term business underwritten by ZLIC in Hong Kong³, under which any liability remains outstanding as at the Transfer Date, whether such Policies have been reinstated, have expired, lapsed, matured, surrendered, terminated or otherwise, including all proposals or applications for insurance policies, certificates, supplemental coverages, endorsements, riders and ancillary agreements in connection therewith; and (ii) all proposals or applications for policy renewals received by ZLIC but the processing of which has not been completed by ZLIC prior to the Transfer Date (which shall be processed by ZLIHK after the Transfer Date).

Transfer Date

This Scheme shall become effective at 00:01 a.m. hours (Hong Kong time) on such date as ZLIC and ZLIHK may decide, which date shall be within 90 days after the date on which the Hong Kong Order is granted sanctioning this Scheme (the "**Transfer Date**"). Subject to the grant of the Hong Kong Order, it is expected that the Scheme will take effect on 1 September 2021, but it may be subject to change as mutually agreed between the parties.

Unless this Scheme shall become effective on or before 90 days after the date on which the Hong Kong Order is granted, or such later date and/or time, if any, as the parties may decide and the Hong Kong Court may allow, it shall lapse.

Transfer of Assets and Liabilities

On and with effect from the Transfer Date, the "Transferring Assets" shall, by virtue of the Hong Kong Order and without any further act or instrument but subject to the paragraph on "Further or Other Acts or Assurance" below, be transferred by ZLIC to, and vested in, ZLIHK, subject to any Encumbrances in respect thereof. ZLIHK shall accept without investigation or requisition such title as ZLIC shall have at the Transfer Date to each Transferring Asset then transferred. ZLIC and ZLIHK shall as and when appropriate execute all such documents, including assignments, and do all such other acts and things as may be required to effect or perfect the transfer to, and vesting in, ZLIHK of any Transferring Asset.

In this regard, "**Transferring Assets**" means the property, assets or investment of ZLIC (including any right, discretion, authority, power or benefit of ZLIC under or by virtue of any Transferring Policies) as is attributable to the ZLIC HK Business wherever situated; and the rights, benefits and powers of ZLIC under and by virtue of:

³ The Transferring Policies will include, among others, nine existing investment-linked assurance schemes issued by ZLIC as of 28 February 2021 namely (i) Brilliant Link; (ii) Deluxe Link; (iii) Deluxe Link Junior; (iv) Harvest Link; (v) Maxi Link; (vi) Royal Link; (vii) Smart Link; (viii) Treasure Link; and (ix) Wealth Link.

- (a) the contracts between ZLIC and its insurance intermediaries in relation to the ZLIC HK Business;
- (b) the Transferring Reinsurances;
- (c) any lease, outsourcing agreements or arrangements, IT and related contracts in respect of the ZLIC HK Business; and
- (d) any other contracts, agreements, arrangements or undertakings in respect of or concerning the ZLIC HK Business.

"Encumbrances" means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind, and any other type of preferential arrangement having a similar effect.

"Transferring Reinsurances" means any reinsurance agreements or arrangements under which ZLIC is reinsured in respect of the Transferring Policies.

On and with effect from the Transfer Date, each Transferring Liability shall, by virtue of the Hong Kong Order and without any further act or instrument and without investigation or requisition but subject to the paragraph on "Further or Other Acts or Assurance" below, be transferred by ZLIC to, and become a liability of, ZLIHK, with the effect that ZLIC shall be entirely released from and ZLIHK shall assume all such Transferring Liabilities. ZLIC and ZLIHK shall as and when appropriate execute all such documents, including assignments, and do all such other acts and things as may be required to effect or perfect the transfer to, and assumption by, ZLIHK of any Transferring Liability. In this regard, **"Transferring Liabilities"** means all liabilities of ZLIC as at the Transfer Date attributable to the ZLIC HK Business including, without limitation, the liabilities and obligations (whether present, future or contingent) under or in relation to the Transferring Policies and ZLIC HK Business, and associated liabilities, including, for the avoidance of doubt, liabilities (including fines, penalties, damages and compensation due to policyholders) for mis-selling or non-compliance of ZLIC committed prior to the Transfer Date, as well as any current and/or pending complaints, legal proceedings and/or other dispute resolution proceedings made in relation to the Transferring Policies.

Transfer of Transferring Policies

On and with effect from the Transfer Date, ZLIHK shall become entitled to all of the rights, benefits, advantages and powers conferred on or vested in ZLIC under, or by virtue of, the Transferring Policies. The Transferring Policies shall on and with effect from the Transfer Date form part of ZLIHK's long-term business carried on in or from Hong Kong.

On and with effect from the Transfer Date, all rights, benefits, advantages and powers against ZLIC conferred on or vested in the Transferring Policyholder or other third parties under or in relation to every Transferring Policy shall cease and shall be substituted by the same rights, benefits, advantages and powers against ZLIHK. **"Transferring Policyholder"** means holder of a Transferring Policy.

Transfer of Records

On the Transfer Date, all Statutory Records and other information relating to the Transferring Policyholders, insureds, beneficiaries and assignees of, or any other persons relating to, the Transferring Policies, including, without limitation, the personal data (as defined under section 2 of the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)) of such Transferring Policyholder, insureds, beneficiaries, assignees and other persons, which is held by ZLIC shall be transferred to ZLIHK, and ZLIHK shall have the same rights, benefits, advantages and powers in holding and using (and transferring) such information as those of ZLIC prior to the Transfer Date. In this regard, **"Statutory Records"** means all books, files, registers, documents, correspondence, papers and other records that are required, by the applicable legal or regulatory requirement or corporate governance requirement (whether or not having the force of law), to be kept by ZLIC and retained in its possession in respect of the ZLIC HK Business.

In respect of the Transferring Policies under which premiums continue to be payable, the Transferring Policyholders of the Transferring Policies shall account to ZLIHK for any further premiums as and when they become due. ZLIHK shall be entitled to any and all defences, claims, counterclaims and the right of set-off against or under the Transferring Policies which would have been available to ZLIC prior to the Transfer Date.

ZLIHK shall be bound by, observe and perform all terms, conditions and covenants of the Transferring Policies, assume all liabilities and satisfy all claims and demands arising out of or in respect of the Transferring Policies in every way as if ZLIHK and not ZLIC had issued the Transferring Policies.

All terms and conditions of the Transferring Policies (including proposal, quotations, slips, or application forms, illustrative documents, principal brochures, offering documents, riders, schedules and declarations) shall remain unchanged save that, on and with effect from the Transfer Date, all references in the Transferring Policies to "ZLIC" or "ZLIC Hong Kong Branch", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents shall be read as reference to "ZLIHK", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents; and any reference to "ZLIC" or "ZLIC Hong Kong Branch" in the names of the Transferring Policies will be read as a reference to "ZLIHK". In particular, but without limitation, all rights and duties exercisable or expressed to be exercisable or responsibilities to be performed by "ZLIC" or "ZLIC Hong Kong Branch", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents in relation to the Transferring Policies shall, on and with effect from the Transfer Date, be exercisable or required to be performed by "ZLIHK, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents.

Further or Other Acts or Assurance

Without prejudice to the effect of this Scheme, to the extent that the Scheme and the Hong Kong Order are not effective in transferring and vesting any of the Transferring Assets, Transferring Liabilities or Transferring Policies under this Scheme to and in ZLIHK without further or other acts or assurance (including without limitation the need of obtaining further consent or approval):

- (i) ZLIC and ZLIHK shall do and execute and deliver or procure to be done and executed and delivered all such further acts, deeds, documents, instruments of conveyance, assignment, novation and transfer and all things as may be necessary to give effect to the Scheme, to transfer the ZLIC HK Business and all Transferring Assets, Transferring Liabilities and Transferring Policies to ZLIHK and as ZLIHK may request, in order to effectively convey, assign, transfer, vest and/or record title to each of the Transferring Assets, Transferring Liabilities and Transferring Policies and the ZLIC HK Business in ZLIHK as from the Transfer Date;
- (ii) pending completion of such acts, deeds, documents and things, ZLIC shall as from the Transfer Date:
 - (a) hold the beneficial interest in each of the affected Transferring Assets on trust for ZLIHK, to the extent that it has not been transferred to ZLIHK, and shall pay to ZLIHK promptly upon its receipt of any sums by it with respect to any such affected Transferring Assets; and
 - (b) hold or assume any liabilities in each of the affected Transferring Liabilities for and on behalf of and for the account of ZLIHK;
- (iii) ZLIHK shall from the Transfer Date (at its own costs) assist ZLIC to perform the obligations of ZLIC or discharge such liability of ZLIC in relation to such affected Transferring Assets, Transferring Liabilities and Transferring Policies and failing that, indemnify ZLIC against all

liability and any reasonable costs or expense incurred by ZLIC that is directly attributable to such affected Transferring Assets, Transferring Liabilities and Transferring Policies; and

- (iv) ZLIC shall in any event as from the Transfer Date be subject to ZLIHK's directions in respect of any affected Transferring Assets, Transferring Liabilities and Transferring Policies referred to in paragraph (i) above until the affected Transferring Assets, Transferring Liabilities and Transferring Policies are transferred to ZLIHK, and ZLIHK shall have authority to act as attorney of ZLIHK in respect of such affected Transferring Assets, Transferring Liabilities and Transferring Policies for all such purposes.

Continuation or Commencement of Proceedings

By virtue of the Hong Kong Order, on and with effect from the Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings, claims or complaints (whether current, pending, threatened or future including those not yet in contemplation) by or against ZLIC in relation to the Transferring Policies, Transferring Assets and Transferring Liabilities shall be continued or commenced by or against ZLIHK, in substitution for ZLIC and ZLIHK shall be entitled to the same defences, claims, counterclaims and rights of set-off as ZLIC in respect thereof.

New ZLIHK Insurance Funds

Prior to the Transfer Date, ZLIHK shall have established the ZLIHK Life Insurance Fund and the ZLIHK Shareholder's Fund. Prior to the Transfer Date, ZLIHK shall have established the ZLIHK Linked Fund for underwriting new Class C policies upon obtaining the requisite regulatory approval. With effect from the Transfer Date, ZLIHK shall establish the ZLIHK Swiss Individual Fund. Effective from the Transfer Date, (i) all Class A Policies (other than the Swiss Individual Life Policies under Class A) underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; all Swiss Individual Life Policies under Class A Policies underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; and all Linked Policies underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund; (ii) all Transferring Assets allocated to: (a) the ZLIC Life Insurance Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; (b) the ZLIC Swiss Individual Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; (c) the ZLIC Linked Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund; and (d) the Fund Surplus immediately prior to the Transfer Date shall be allocated to the ZLIHK Shareholder's Fund.; and (iii) all Transferring Liabilities allocated to: (a) the ZLIC Life Insurance Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; (b) the ZLIC Swiss Individual Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; and (c) the ZLIC Linked Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund.

"Fund Surplus" means the underwriting profits derived from the policies of all classes of business that are attributable to the shareholder of ZLIC.

All beneficial interest in any property, assets or investments held on trust by ZLIC for ZLIHK pursuant to the paragraph on "Further or Other Acts or Assurance" above shall be allocated to the relevant funds (as applicable) to which such property, assets or investments would have been allocated. All liabilities which are required to be satisfied by ZLIHK pursuant to the paragraph on "Further or Other Acts or Assurance" above shall be allocated to the relevant funds (as applicable) to which such liabilities would have been allocated.

Premiums, Mandates and Other Instructions

All premiums, loan repayments (if any, and interest thereon) and other amounts received or receivable by ZLIC (or its agents) in respect of any of the Transferring Policies on or after the Transfer Date shall be payable to ZLIHK (or its agents) after the Transfer Date.

ZLIHK (or its agents) shall be irrevocably authorized to endorse for payment any cheques, drafts, orders, postal orders or other instruments payable to, or to the order of, ZLIC (or its agents) and received by ZLIHK (or its agents) in respect of premiums paid or loan repayments (if any) under the Transferring Policies on or after the Transfer Date.

ZLIHK (either itself or via its agents) shall have the sole responsibility for billing and collecting premiums and paying all applicable levies and taxes in respect of premiums accrued under the Transferring Policies on or after the Transfer Date.

Any mandate, autopay authority, standing order or other instruction in force on the Transfer Date and providing for the payment by a bank or other intermediary of premiums payable to or received by ZLIC (or its agents) in respect of any of the Transferring Policies shall, from and after the Transfer Date, take effect as if the same had been provided for and authorized in favour of ZLIHK (or its agents).

Costs of the Scheme

ZLIC Hong Kong Branch shall, out of its own funds, pay all costs in relation to the preparation of this Scheme and of ZLIHK's and its presentation to the Hong Kong Court for sanction and all other professional fees related thereto. None of such costs shall be borne by the funds maintained by ZLIC or ZLIHK pursuant to the Insurance Ordinance in respect of their respective long-term business, general business or other policies of ZLIC or ZLIHK, or the policy holders thereof.

Modification

Subject to the last paragraph of this section, ZLIC and ZLIHK may apply to the Hong Kong Court for consent to modify, vary or amend the terms of this Scheme, subject to any conditions which the Insurance Authority or the Hong Kong Court may impose.

Subject to the last paragraph of this section, the terms of this Scheme shall be modified, varied or amended in accordance with such consent (with conditions, if any) as may be given by the Hong Kong Court under the paragraph above.

The consent of the Hong Kong Court shall not be required in relation to modification(s), variation(s) or amendment(s) to correct manifest error(s) of this Scheme provided that the Insurance Authority has been notified of the same and has indicated that it does not object thereto.

Governing Law

This Scheme shall be governed by the laws of Hong Kong.

Part 2

FURTHER INFORMATION ON THE HEARING

Final Hearing

The Petition for sanction of the Scheme will be heard at the Hong Kong Court. The final hearing, at which the Hong Kong Court will consider whether or not to sanction the Scheme, is scheduled to take place at 10 a.m. on August 9, 2021.

The Ordinance stipulate that any person who alleges that he or she would be adversely affected by the carrying out of the Scheme is entitled to be heard in the Petition by the Hong Kong Court.

If you do intend to appear at the hearing of the Hong Kong Court, we request you to give preferably not less than three days' prior written notice of such intention, and the reasons therefor, to the Customer Service Centres of ZLIC and ZLIHK both located at the following address:-

25-26/F, One Island East
18 Westlands Road
Island East
Hong Kong

(All letters should quote the reference "HCMP 460/2021")

If you intend to object to the Scheme but do not wish to appear at the hearing of the Hong Kong Court, you should give not less than three days' prior written notice of such intention, and the reasons therefor, to the Customer Service Centres of ZLIC and ZLIHK both located at the address above.

Schedule 2

Part 1: Key Assessment of the Independent Actuary

The Independent Actuary has opined, in particular, that:

- i. the Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of the ZLIC Hong Kong Branch, with regards to benefits and levels of service;
- ii. the Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC Hong Kong Branch; and
- iii. he is satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Part 2: Summary of the Independent Actuary's Report

Introduction

- 1.1. I, Paul Sinnott, have been appointed to act as the Independent Actuary pursuant to Section 24 of the Hong Kong Insurance Ordinance Chapter 41 (The "Ordinance", or "HKIO"), to provide an independent opinion on the terms and likely effects of the proposed scheme (the "Scheme") for the transfer of all long term insurance business carried on by Zurich Life Insurance Company Ltd. ("ZLIC") through its Hong Kong Branch ("ZLIC HK branch") (also hereinafter referred as "Transferring Business") to Zurich Life Insurance (Hong Kong) Ltd. ("ZLIHK"), a new Hong Kong domiciled subsidiary of Zurich Insurance Holdings (HK) Limited ("ZIH"), which is wholly-owned by Zurich Insurance Company Ltd. ("ZIC"). ZLIC, ZLIC HK branch and ZLIHK are collectively referred to as the "Parties". The Transferring Business involved consists of the Class A (Life and Annuity) and Class C (Linked) businesses, underwritten by ZLIC HK branch before 1 September 2021, which is the date the Scheme is expected to become effective (the "Transfer Date"). The policyholders transferring to the ZLIHK in respect of the ZLIC's Transferring Business are referred to as the "Transferring Policyholders", who hold policies which are underwritten by ZLIC HK Branch (the "Transferring Policies"); the policyholders remaining in ZLIC after the Scheme are referred to as the "Non-Transferring ZLIC Policyholders", who hold policies which are underwritten by ZLIC excluding those underwritten by ZLIC HK branch (the "Non-Transferring ZLIC Policies") and the existing policyholders of ZLIHK before the Scheme are referred to as the "Existing ZLIHK Policyholders", who hold "Existing ZLIHK Policies".
- 1.2. I am a Principal and Consulting Actuary of Milliman Limited ("Milliman"), residing of 3901-2, AIA Tower, 183 Electric Road, North Point, Hong Kong. I am a Fellow Member of the Actuarial Society of Hong Kong ("ASHK") and a Fellow of the Institute and Faculty of Actuaries (United Kingdom) ("UK").
- 1.3. In preparing my Independent Actuary Report on the Scheme, I consulted the Hong Kong Insurance Authority ("IA") on the required contents and incorporated suggestions from the IA as appropriate. The report is prepared in accordance with the approach and expectations in Section 2 paragraphs 27 to 40 of the Prudential Regulation Authority, as set out in "The Prudential Regulation Authority's approach to insurance business transfers" dated April 2015. I have also had regard to Chapter 18 of the Supervision Manual contained in the Financial Conduct Authority ("FCA") Handbook as well as Section 6 of the further guidance released by the FCA, as set out in "The FCA's approach to the review of Part VII insurance business transfer" dated May 2018. I have also taken into account professional guidance under the Institute and Faculty of Actuaries' "APS X3: The Actuary as an Expert in Legal Proceedings" which sets out principles for actuaries to apply when instructed as an expert in relation to existing or contemplated legal proceedings (including those outside UK jurisdiction).
- 1.4. The scope of my review and opinions are confined to the effects of the Scheme on the long term insurance policyholders of ZLIC and ZLIHK, in particular the Transferring Policyholders. It does not include an assessment of the impact of the Scheme on the shareholders of ZLIC and ZLIHK. I have considered the Scheme as presented to me and have not considered any other alternative schemes of transfer.
- 1.5. I have been provided with free access to the information that I requested as necessary to conduct my work. In addition, I have also been given unrestricted access to and held discussions with various representatives of the Parties.

- 1.6. This is a summary of my Independent Actuary report dated 29 March 2021. Details of the scope of my work, considerations and conclusions, reliances, limitations and the terms of reference are provided in the full version of my report. Copies of the full report are available to the Transferring Policyholders, Existing ZLIHK Policyholders and other interested parties in the office of the ZLIC HK branch. An electronic version of the same report is also available on Zurich's website at www.zurich.com.hk/en/important-notice/portfolio-transfer until the final petition hearing in the Hong Kong Court.

Background of the transfer and summary of my opinion

- 1.7. This Scheme was initiated as part of the restructuring of the Hong Kong operations of the Zurich Insurance Group Ltd. ("Zurich Group") to enhance financial stability for policyholders and operating efficiency including facilitating more streamlined audit and regulatory compliance processes across the organization. ZLIHK became an authorised insurance company under the Insurance Ordinance on 23 March 2020.
- 1.8. All of the long term insurance business of ZLIC HK branch will be transferred to ZLIHK, in accordance with the proposed Scheme and the Section 24 of the Ordinance. After the Scheme Transfer, ZLIC HK branch will be wound-up and the operating license surrendered. After the completion of the Scheme Transfer, ZLIC HK Branch is expected to withdraw its authorisation in accordance with Section 40 of Insurance Ordinance. There will therefore be no remaining policyholders within ZLIC HK branch once the Scheme is implemented.
- 1.9. The fund structures of ZLIC HK branch (before transfer) and ZLIHK (before and after transfer) are shown below.

ZLIC HK branch fund structure before transfer

ZLIC HK branch long term business

ZLIC HK branch Life Insurance fund (Class A)	ZLIC HK branch Linked fund (Class C)	ZLIC Swiss Individual fund (Class A)
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ZLIHK fund structure before and after transfer

ZLIHK long term business

ZLIHK Life Insurance funds (Class A)	ZLIHK Swiss Individual fund (Class A)	Linked fund (Class C)	ZLIHK Shareholders' Fund
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- 1.10. As at 30 September 2020, the long term insurance business of ZLIC HK branch consisted of Class A (Life and annuity) and C (Linked) only. The key products of the retail business cover universal life, protection (such as death, critical illness and medical/hospital expenses), traditional participating and unit-linked. There is fund segregation of assets and liabilities between Class A and C business lines.
- 1.11. The Swiss Individual Life Policies, the so-called "Swiss Book", is a minor run-off portfolio. This is a portfolio of ZLIC Switzerland policies bought by expatriates in the Asian region who were expected to be moving back to their respective home countries some time in the future. After the Scheme Transfer, ZLIHK will retain the liabilities for these policies on its balance sheet and cede the risks to ZLIC by reinsurance arrangements, and will outsource to ZLIC such operational activities that ZLIC has been responsible for prior to the Scheme Transfer (including policy servicing, administration, payment of claims for such policies) to minimise potential immediate customer impact. ZLIHK may reassess the arrangement for optimising the longer term administration of the Swiss Book as part of its normal business review as to whether the reinsurance and outsourcing arrangement should be continued. As of 30 September 2020, there are 142 in-force policies. Within Class A, the Swiss policies are separated

- from the rest of the Class A insurance fund given that these Swiss policies have a different dividend policy from the other Class A participating products. Similar segregation will be maintained in ZLIHK.
- 1.12. ZLIHK has undertaken to fulfil all of the policy contract conditions once the Scheme is implemented. This will include the responsibility for paying all benefits of claims, maturities, policy dividends and other amounts arising from the Transferring Business including the cost of administration for all Transferring Policies.
- 1.13. In my opinion,
- The Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch, with regards to benefits and levels of service.
 - The Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch.
 - I am satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.
- 1.14. In arriving at my opinion, I have considered various aspects below. More detailed analyses and conclusions are provided in the full version of my report.

Effect of the Scheme on the benefit expectations of Transferring Policyholders

Participating business and universal life business

- 2.1. On the Transfer Date, ZLIC HK branch will transfer all participating policies and universal life policies underlying the Class A business. ZLIC HK branch's participating portfolio was closed to new business in 2013. The participating business consists of HK Traditional Annual dividend policies, HK Traditional Terminal dividend policies and Swiss Individual Life Policies. ZLIC HK branch's universal life contracts are referred to as Living products. There are 3 generations of Living products which are Old style, "2003 Series" and New style Living products.
- 2.2. An annual review of dividend rates for traditional participating products is performed by the Appointed Actuary and approved by the Board. ZLIC HK branch has not made any adjustments to the dividend scales of the participating policies up to the end of 2018. Both of the 2019 and 2020 dividend studies recommended a 40% dividend cut to be made in early 2020 or early 2021. These studies were performed in accordance with the existing principles and methodology set out in ZLIC HK branch's dividend policy of traditional participating products. They were conducted based solely on ZLIC HK branch as an on-going concern without taking into account of factors relating to the Transfer. Although the dividend cut recommendation is totally unaffected by the Transfer, after assessing the reasonable expectations of policyholders and competitors actions, I have been informed that ZLIC HK branch does not intend to make any adjustments to the dividend scales of the participating policies before the Transfer. ZLIHK will make future decisions in this area in the normal course of business during annual dividend investigations after the Transfer. I have been informed that the rationale for not adjusting the dividend scales before 2019 was as follows:
- given the projected small dividend pay-out in early years, the smoothed dividend adjustment of at most 40% cut derived from dividend policy may not bring material financial benefit to the branch, considering the operational cost of dividend adjustment procedure; and
 - alignment with competitors' action to maintain the fulfilment ratio for their major products to be close to 100% within the first few policy years.
- 2.3. ZLIHK has undertaken to carry out annual dividend reviews according to the same dividend methodology used by ZLIC HK branch, whereby dividends may need to be adjusted based on the actual surplus or deficit position of the participating portfolio at the time of future review, as well as after taking into other consideration including the materiality of the financial benefits, competitors' actions and other factors not associated with the Transfer. As such, the Transfer is not a factor which will be taken into account in the dividend determination in the future review. I have been informed that, given the internal governance systems in place within ZLIHK and the same management team of Zurich, the

dividend mechanism/principles communicated to policyholders will be applied consistently in the future time as prior to the Scheme transfer.

- 2.4. I have also been informed that ZLIHK will follow the current crediting rate setting mechanism used for the universal life business before the transfer.
- 2.5. The Parties have confirmed that there will not be any significant change to the existing principles and methods, target asset allocation and investment mandate with respect to the participating policies and universal life policies as a result of the Scheme. It is also important to recognise that the management of ZLIHK has the right to alter the principles and methods under the existing dividend or bonus policies and this right will not change after the Scheme is implemented.
- 2.6. In light of my review, it is my opinion that current participating business dividend setting and universal life crediting rate principles and methodologies, and the governance for any changes to the existing approach, which are intended to be used by ZLIHK after the transfer, provide sufficient safeguard that policyholders should expect to be treated in a similar manner before and after the Scheme is implemented.

Asset allocation and investment policy of the Transferring Business

- 2.7. Investment activities within the ZLIC HK branch are governed by investment mandates. The mandates set out the Strategic Asset Allocation ("SAA"), investment constraints and approval processes.
- 2.8. The Parties have confirmed that there is no significant change of SAA in related to the legacy liabilities of ZLIC HK branch after the Scheme is implemented if there is no significant change in ZLIHK's product mix. The Parties have also confirmed that there is no intention to make significant change to the existing investment strategies and internal governance currently adopted by ZLIC HK branch for the assets supporting the Transferring Policies after the Scheme is implemented.

Charges and investments of unit-linked policies

- 2.9. For the existing unit-linked products, while ZLIC HK branch has not made adjustments on the policy charges in the past, ZLIC HK branch has broad rights to vary policy charges, as well as the right to impose any other charges for administering the policies. Policyholders will be given written notice in advance according to policy provisions before any changes come into effect. These rights will continue with ZLIHK and exist whether or not the Scheme proceeds.
- 2.10. I have been informed that the process and principles involved in determining the level of non-guaranteed charges following Scheme implementation will not change as a result of the transfer. Based on these considerations, I have no reason to believe that the Scheme will have a material adverse impact on the discretionary charges applied to the Transferring Policyholders.

Contractual benefits provisions

- 2.11. According to the Scheme, ZLIHK will commit to continue paying the contractual benefits of the Transferring Policyholders of ZLIC HK branch. I have been informed that these guaranteed benefits will not be altered after the transfer. The rights of these policyholders, as defined under their existing policy documents, will be the same before and after the transfer.

Other policies subject to company discretion

- 2.12. For some of the packaged plans and many of the rider policies, including renewable term, accident and health benefits, dread disease benefits, ZLIC HK branch has broad rights to adjust premium rates either at each renewal, at each policy anniversary, at every 5 years or at any of the policy anniversary, as set out in the policy provisions. According to the Scheme, in accepting the Transferring Business, ZLIHK will retain the same rights with respect to these policies. However, these rights exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Transferring Policyholders of the ZLIC HK branch.

Costs and expenses in relation to the Scheme

- 2.13. The costs associated with the Scheme are to be met by ZLIC shareholders, expensing through the ZLIC HK branch. ZLIC HK branch has confirmed that there will be no cost and expense incurred in relation to the Scheme that will lead to an increase in the unit costs charged to policyholders or a

decrease in the policyholder level of discretionary benefits paid. Therefore, I have no reason to believe there will be any material adverse impact on the Transferring Policyholders in this regard.

Tax implications

- 2.14. The ZLIHK will elect the same taxation basis as the ZLIC HK branch, under which the branch calculated profit tax based on total assessable profits and the elected tax rate. The Parties have also advised that all the tax balances of the ZLIC HK branch will be transferred to ZLIHK. Given the tax regime applied to the Transferring Business will remain unchanged after the Scheme is implemented, I have no reason to believe there will be a materially adverse impact on the Transferring Policyholders of ZLIC HK branch in this regard.

Policy terms and conditions

- 2.15. I am informed that, other than the replacement of references to ZLIC HK branch to ZLIHK, there will be no change to the policy terms and conditions of in-force insurance policies as a result of the Scheme. The provision of policy loans being part of the policy terms and conditions will remain unchanged after the transfer. I have no reason to believe there will be a materially adverse impact on the policy terms and conditions of Transferring Policyholders due to the Scheme itself in this regard.

Reasonable benefit expectations conclusion

- 2.16. In summary, The Scheme will not have a materially adverse effect on the reasonable benefit expectations of the Transferring Policyholders of ZLIC HK branch, which include the policyholders of Swiss Individual Life Policies.

Effect of the Scheme on the financial security of Transferring Policyholders

- 3.1. The security of the contractual benefits of policyholders can be measured by the excess assets in the long term insurance business fund plus the net shareholder assets. It is affected by the conservatism of the reserving bases used and the capital and free reserves, together with additional security provided by the entity as a whole, and any potential support available from its shareholders.
- 3.2. I have also considered the expected overall solvency position of ZLIHK following implementation of the proposed Scheme and its possible future development.

The provision of financial security

- 3.3. To protect the security of policyholders, insurance companies maintain three asset layers namely policy reserves, minimum solvency margin and excess assets, with the first two layers required by legislation.
- **Policy reserves:** assets supporting the policy liabilities calculated according to the underlying contractual obligations using valuation standards prescribed by statutory rules.
 - **Minimum solvency margin:** assets required to fulfil the minimum statutory solvency requirements, serving as a margin relating to the risks of liabilities underwritten by insurers.
 - **Excess assets:** assets that are over and above the statutory minimum solvency margin, which can be expressed as a percentage of the required minimum solvency margin.

Policy reserves

- 3.4. In accordance with the required valuation standards, ZLIC HK branch has previously set up reserves for the Transferring Business using established methods and valuation bases that satisfy the Hong Kong regulatory standards (with reference to the Hong Kong Insurance Ordinance (CAP 41) and Actuarial Guidance Notes issued by the Actuarial Society of Hong Kong, "Actuarial Guidance Notes").
- 3.5. In the statutory valuation reporting process, the current procedure is that each year, the Appointed Actuary of ZLIC HK branch, as the advisor to the ZLIC's Board of Directors, proposes the valuation methods and a set of valuation assumptions.
- 3.6. After the Scheme is implemented, the procedures will remain the same such that each year the Appointed Actuary of ZLIHK will advise on the reserving methods and valuation bases of the Transferring Business, as well as the new policies of ZLIHK's business, to the ZLIHK Board of Directors. As no changes in procedure in determining the valuation methodology and assumptions

have been proposed if the Scheme is implemented, I do not believe there will be an adverse impact on the financial security of the Transferring Policyholders in this regard.

Solvency positions

3.7. ZLIC, the parent company of ZLIC HK branch, is incorporated in Switzerland in which the solvency is subject to Swiss Solvency Test (SST) framework for determining the risk based capital. The historical solvency position of ZLIC on the SST basis is shown in below.

TABLE 1: ZLIC'S SOLVENCY RATIOS (ON SST BASIS)

CHF millions	Dec 2017	Dec 2018	Dec 2019	Sep 2020**
Target capital	2,858	3,286	4,524	4,601
Risk-bearing capital	5,989	7,002	7,635	7,749
Market value margin	778	820	1,409	1,453
Solvency ratio*	251%	251%	200%	200%

* Figures derived from this table may not be the same due to rounding.

** The number is not required by FINMA. It has not been reviewed by FINMA and is an estimate by ZLIC. Currently only the SST as at 1 Jan 2020 or Dec 2019 is relevant for FINMA.

Source: ZLIC internal non-public information for the estimated SST figures as at September 2020.

3.8. ZLIC HK branch has estimated the solvency position of the entire ZLIC legal entity under HKIO basis for the purpose of this transfer. As the HKIO reserving is very similar to the old Swiss Solvency 1 reserving, the Swiss Solvency 1 reserve was used as an approximation of the HKIO reserve in the application of the Insurance (Margin of Solvency) Rules. The calculations have been carried out using public information including local statutory reserves, sum assured and premium of ZLIC. The historical approximated solvency position of ZLIC on the HKIO basis is shown in below.

TABLE 2: ZLIC'S SOLVENCY RATIOS (ON HKIO BASIS)

CHF million	Dec 2017	Dec 2018	Dec 2019	Sep 2020**
Solvency margin	960	990	1,019	1,011
Net assets	3,505	3,122	3,609	3,436
Solvency ratio*	365%	315%	354%	340%

* Figures derived from this table may not be the same due to rounding.

** Derived based on ZLIC internal non-public information.

3.9. ZIC the ultimate parent of ZLIHK, the holding company for is also the parent of ZLIC. ZIC, similar to ZLIC is incorporated in Switzerland in which the solvency is subject to SST framework for determining the risk based capital. The historical solvency position of ZLIC on the SST basis is shown in below.

TABLE 3: ZIC'S SOLVENCY RATIOS (ON SST BASIS)

USD millions	Dec 2017	Dec 2018	Dec 2019**
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Target capital	24,573	22,280	24,687
Risk-bearing capital	43,181	41,628	45,961
Solvency ratio*	212%	225%	241%

* Figures derived from this table may not be the same due to rounding.

**No updated information available after December 2019 as ZIC's solvency ratio is only calculated annually.

Source: ZIC's 2018 and 2019 Financial Condition Report.

3.10. The Parties have also assessed projected solvency position of ZLIHK before and after the Transfer Date which have been considered to assess the impact of the Scheme.

TABLE 4: ZLIHK'S SOLVENCY POSITION (ON HKIO BASIS) AS AT 1 SEPTEMBER 2021

HKD million	Pre-transfer	Transfer	Post-transfer
Solvency margin	4	111	115
Net assets	152	582	734
Solvency ratio*	3779%	523%	637%

* Figures derived from this table may not be the same due to rounding.

TABLE 5: ZLIHK'S PROJECTED SOLVENCY RATIOS (ON HKIO BASIS)

HKD million	1 Jan 2021 ^(*)	1 Jan 2022	1 Jan 2023
Solvency margin	2	119	127
Net assets	204	721	675
Solvency ratio**	9438%	604%	533%

* Solvency ratio at 1 Jan 2021 is the solvency position before the Transfer Date.

** Figures derived from this table may not be the same due to rounding.

- 3.11. The Parties have confirmed that ZLIHK's paid-in capital has been invested in short term fixed deposits which have been unaffected by the capital market volatility resulting from the COVID-19 pandemic
- 3.12. I have been informed by the Parties that if ZLIHK's solvency ratio is below 200%, or if it is anticipated that ZLIHK's solvency ratio will likely fall below 200% measured on the local statutory basis, it will seek assistance from Zurich Group to raise solvency capital or for a capital injection from ZIC via ZIH, the shareholders of ZLIHK, to meet the target solvency ratio.
- 3.13. I have compared the historical solvency position of the ZLIC being parent of ZLIC HK against the historical solvency position of the ultimate parent of ZLIHK, which is ZIC. As observed from Table 1 and Table 3, the solvency positions of both of the entities are very similar, which are in the range of 200% to 250% for 2017 to September 2020, implying the financial strength of both entities are comparable.
- 3.14. I have also focused on the comparison of the projected solvency position of the ZLIHK after the Scheme is implemented against the current solvency position of ZLIC under HKIO basis, since the results under SST basis are not available for ZLIHK. As observed from Table 2 and Table 5, the estimated solvency ratio of ZLIHK post-Scheme is higher than the current solvency ratio of ZLIC under HKIO basis, which is positive for the financial security of the Transferring Policyholders.

Dynamic solvency testing

- 3.15. In addition, there have been Dynamic Solvency Testing (“DST”) projections which examine the solvency positions of ZLIC HK branch before the proposed transfer and ZLIHK after the proposed transfer under a number of possible adverse scenarios.
- 3.16. The results of these projections for ZLIC HK branch standalone before the transfer and ZLIHK after the transfer show that the solvency of ZLIHK to be comfortably above acceptable solvency requirements being 200% of the Hong Kong statutory minimum solvency requirement. While the actual solvency ratios are likely to vary over time as actual operating experience reveals, in any event the ZLIHK Appointed Actuary has the responsibility under prescribed regulations to ensure that the statutory minimum capital requirements are fulfilled.

Capitalisation policies

- 3.17. The Parties have stated that ZLIC HK branch has established an internal target solvency ratio range of 200% - 250% over many years and shareholder dividends are considered when free assets exceed this level to a material degree. The IA has required ZLIC HK branch to monitor its solvency position on a weekly basis and to retain the solvency capital in excess of the 200% of minimum solvency requirement, however the IA approval is not required in the capital repatriation for the branch. To ensure a buffer is retained, ZLIC HK will retain local capital between 200% and 250% of the minimum solvency requirement. In addition, since the capital requirement of ZLIC is also subject to the supervision of Swiss Financial Market Supervisory Authority (“FINMA”), the upper range is reinforced as the target solvency level.
- 3.18. If ZLIC HK’s solvency ratio is below 200%, the branch will seek assistance from Zurich Group to raise solvency capital or a capital injection from ZLIC.
- 3.19. I have been informed that following the transfer, the intention is to manage ZLIHK’s solvency ratio at the internal target of 225% using a similar approach. This is in line with the Zurich Group risk policy that it holds capital equivalent to the statutory minimum in the local regulated entity plus an adequate agreed buffer to allow for short-term volatility. Zurich Group endeavours to manage its internal physical capital such that all its regulated entities are adequately capitalised in compliance with the relevant regulatory capital adequacy requirements.
- 3.20. If ZLIHK’s solvency ratio is below 200%, or if it is anticipated that ZLIHK’s solvency ratio will likely fall below 200% measured on the local statutory basis, it will seek assistance from Zurich Group to raise solvency capital or for a capital injection from ZIC via ZIH, the shareholders of ZLIHK, to meet the target solvency ratio. In addition, I have been informed by the Parties that there was a letter of undertaking from ZLIHK to the IA when the license was issued, which specifies a parental commitment to maintain ZLIHK solvency of at least 150% of the statutory minimum solvency margin.

Risk exposures

- 3.21. In accordance with the ZLIHK’s plan, a new term product was launched in Q3 2020 after receiving its license approval from the IA on 23 March 2020. There were 13 in-force Class A term policies as of September 2020, and it is expected that the number of new policies will remain to be small at the time of Scheme implementation. ZLIHK plans to continue writing non-participating protection business in the initial stage of operation towards early 2021. In terms of insurance risks, ZLIC HK branch currently has more lines of business than the ZLIHK before the Scheme Transfer. Therefore the risk profile of ZLIHK is expected to be similar to the risk profile of ZLIC HK branch.
- 3.22. ZLIHK is planning to underwrite various individual life businesses belonging to Class A and Class C, unit-linked funds after the initial stage of operation and also upon receiving relevant product approvals.
- 3.23. ZLIC HK branch has had reinsurance arrangements in place for its Class A business and Class C business and such arrangements will continue after the Transfer. This provides an additional security. In addition, both ZLIC HK branch and ZLIHK are required to meet the Zurich Risk Policy.
- 3.24. Based on the above considerations, I have not identified any areas where additional risk exposure resulting from the Scheme implementation is likely to prejudice the contractual entitlements of and any group of Transferring policyholders.

Investment policy

- 3.25. The Parties have confirmed that there is no intention to make significant change to the existing investment strategies currently adopted by ZLIC HK branch for the assets supporting the Transferring Policies after the proposed transfer.

Risk policies

- 3.26. ZIC and ZLIC are regulated and supervised by FINMA in Switzerland, which has its prescriptive requirements in relation to risk management. The risk management of ZIC and ZLIC is in line with these controls and is documented within the Zurich Risk Policy ("ZRP"), which sets the standard for effective risk management across all of its subsidiaries. Both ZLIC HK branch and ZLIHK develop their risk policies with reference to the Zurich Group's policies. As a result, there should not be any obvious deviation in the risk management framework.
- 3.27. In particular, the Risk Appetite Statement ("RAS") of ZLIC HK branch follows Zurich Group governance and local statutory requirements. The same approach is currently being followed by ZLIHK. The key requirements set up by RAS are related to risk taking approach and risk appetite for every risk category (where risk appetite is expressed as Low Appetite/ Moderate Appetite/ High Appetite), incorporating defined quantitative key performance indicators and tolerance levels. Overall, the risk appetite statements are similar for both ZLIC HK branch and ZLIHK, there are no material differences in the target levels of risk measures applicable for both ZLIC HK branch and ZLIHK and the Parties have confirmed that risk appetite is materially unchanged in the new entity.

Regulatory overlay

- 3.28. The financial security of the policyholders needs to be further considered from a legal perspective, especially when the Scheme involves moving from Hong Kong branch with a Swiss parent to a Hong Kong subsidiary. I have considered the regulatory overlay from two perspectives, including:
- **Regulatory framework and solvency practice:** both the Hong Kong and Swiss regulatory frameworks and solvency practice were held in high regard by the International Monetary Fund, according to their reports named "Detailed Assessment of Observance – Insurance Core Principles" on both frameworks. Most importantly, in terms of day to day regulatory supervision, the IA maintains regulatory and supervisory authority of the Hong Kong operations at all times that apply to both ZLIC HK branch and ZLIHK.
 - **Policyholder protection:** currently Switzerland and Hong Kong do not have regulatory policyholder protection scheme in place to protect the policyholders should an insolvency happen despite there having been consultation paper issued on the topic previously in Hong Kong. As a result, the Scheme does not place the Transferring Policyholders in a more adverse situation in this regard. In the event of the insolvency of parent company, before the Scheme is implemented, ZLIC HK branch, as the Hong Kong operation is set up as a branch of ZLIC, the wind-up of the parent company would automatically trigger the wind-up of the branch itself given it is part of the same company. Whereas, after the Scheme is implemented, ZLIHK, being a subsidiary, the wind-up of ZLIC will not impact ZLIHK in the same way.

Financial security conclusion

- 3.29. In summary of my assessments above, in my opinion:
- The estimated HKIO basis solvency ratio of ZLIHK post-Scheme is higher than the 30 September 2020's solvency ratio of ZLIC, which is positive for the financial security of the Transferring Policyholders.
 - Based on the policies provided, I recognise that the Transferring Policyholders will continue to be protected by the financial strength of ZIC after the Scheme is implemented through support from the capitalisation policies in the extreme event where ZLIHK faces financial difficulties. I consider this to be an important factor in maintaining the financial security of the Transferring Policyholders post-Scheme.
 - In view of my assessment above, I believe the Scheme is unlikely to expose the Transferring Policyholders of the ZLIC HK branch to new risks of significance. I conclude there will be no materially adverse impact on the Transferring Policyholders' financial security after the Scheme.

Other Considerations

Level of services

- 3.30. The Parties have confirmed that the target service levels to all policyholders will remain the same after the transfer. For unit-linked policyholders, the existing range of fund choices currently available to them will not be adversely affected as a result of the Scheme implementation.

Reinsurance arrangement

- 3.31. The Parties have confirmed that the terms and conditions of existing reinsurance arrangements will remain unaltered after the transfer.
- 3.32. I consider the above various operational areas, including the level of service provided, will not have a material negative impact on the Transferring Policyholders and the Scheme should provide sufficient safeguards to ensure that the Scheme operates as presented.

Effect of the Scheme on the benefit expectations and financial security of the Non-Transferring ZLIC Policyholders

- 4.1. In assessing the effects of the Scheme on the benefit expectations and financial security of the Non-Transferring ZLIC Policyholders, I have relied upon the professional opinion of the Appointed Actuary and Chief Actuary of ZLIC.

Benefit expectations

Materiality of the Non-Transferring Business

- 4.2. The ZLIC HK branch represents a very small proportion of ZLIC's overall business, with only 2.6% of its parent's total gross insurance reserve and provisions for unit-linked contracts as at 30 September 2020.

Contractual benefit provisions

- 4.3. When forming my opinion on contractual benefits provision, I have not attempted to look at the contractual benefits provided by ZLIC. However, given the ZLIC HK branch is only a small part of ZLIC's entire business, I agree with the Appointed Actuary and Chief Actuary's opinions that the benefit expectations of the Non-Transferring ZLIC Policyholders in terms of ZLIC's ability to pay valid claims, as well as to act appropriately in other contractual matters, should be unchanged.

Bonus policies

- 4.4. Most business of ZLIC is participating in nature. This covers both the individual life business and the corporate life and pension businesses.
- 4.5. The Parties have confirmed that there will be no changes to the bonus philosophy and crediting rate philosophy as a result of the Scheme.

Other policies subject to company discretion

- 4.6. The charging structure of unit-linked products within ZLIC's Non-Transferring Business include monthly charges such as annual management charges, policy administration charges, allocation/setup charges, bid offer spreads, surrender charges, and benefit charges. Policyholders will be given written notice in advance according to policy provisions before any changes come into effect. These rights will continue with ZLIC and exist whether or not the Scheme proceeds.
- 4.7. There are ZLIC's products which allow the conversion of the savings capital into a series of annuity payments. For these products, the applicable conversion rates used to convert a savings capital into an annuity at the time of conversion would not be impacted by the transfer.
- 4.8. In conclusion, apart from the fact that these rights to vary unit-linked charges exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Non-Transferring ZLIC Policyholders.

Policy terms and conditions

- 4.9. Both of the Appointed Actuary and Chief Actuary of ZLIC have confirmed that there will be no change to the policy terms and conditions of the in-force Non-Transferring ZLIC Policies as a result of the Scheme.

Financial security

FINMA supervision

- 4.10. ZLIC is subject to insurance supervision by FINMA. The Swiss Insurance Supervision Law ("ISL") requires Swiss insurance companies to establish and maintain corporate governance including an effective risk management and internal control system that is appropriate to their business activities. In addition to the supervision exercised by FINMA, ZLIC and its branches are supervised according to the requirements of relevant local supervisory authorities.
- 4.11. ZLIC assesses its solvency under the Swiss Solvency Test ("SST"). In performing the SST, ZLIC assesses its solvency and financial condition, expressed as the SST ratio which must be submitted to FINMA annually.

The provision of financial security

- 4.12. To protect the security of policyholders of Switzerland, insurance companies are required to maintain sufficient policy reserves and sufficient solvency margin under the Swiss Solvency Test.

Policy reserves

- 4.13. ZLIC has been reporting under the Switzerland regulatory regime to FINMA, with the Appointed Actuary and the auditor certifying compliance with the Swiss Insurance Supervision Ordinance ("AVO") and the actuarial requirements specified in ZLIC's business plan. In the statutory valuation reporting process, the Appointed Actuary is responsible for the valuation methodology and the setting of adequate actuarial assumptions. After the transfer, the procedures and responsibilities will remain the same. There is no change in procedure in determining the valuation methodology and assumptions before and after the transfer.

Overall financial position and shareholders' capital

- 4.14. ZLIC is part of the Zurich Insurance Group which maintains a strong capital position. ZLIC is adequately capitalised and is projected to have stable solvency ratio as at the Transfer Date, and the Company expects the same after the transfer.
- 4.15. Given the size of the Transferring Business is relatively immaterial to ZLIC and from the projected solvency position of ZLIC shown above, I agree with the Appointed Actuary and Chief Actuary that the transfer is not expected to materially adversely affect the financial security of the Non-Transferring ZLIC Policyholders.

Risk exposure

- 4.16. Due to the relatively small size of the Transferring Business (only 2.6% of total ZLIC's business as at 30 September 2020) compared to the Non-Transferring Business, the risk exposure of the Non-Transferring Business does not change materially as a result of Scheme implementation.

Capitalisation policy

- 4.17. ZLIC maintains a Risk Appetite Statement which includes a framework of coverage boundaries in excess of the minimum level required by Swiss law and regulation which include tied assets, statutory shareholder equity and SST solvency. The Risk Appetite Statement will continue to apply after the transfer so the capitalisation policy will not be changed as a result of the Scheme.

Risk policy and risk management framework

- 4.18. I have been informed that ZLIC's risk policy and risk management framework will not be changed as a result of the Scheme.

Investment policy and currency risk hedging

- 4.19. Since the Transferring Business is ring-fenced from ZLIC parent company and the Non-Transferring Business, there is no change in the investment policy/investment strategy and currency hedging tool and strategy after the transfer.

Shareholders' Fund and policy on shareholder dividends

- 4.20. ZLIC have an overall framework of making dividends to its owner ZIC. The amount of dividend is restricted by the capital ZLIC holds in relation to its risk appetite statements and other legal requirements. When making dividends the level of shareholders fund, solvency ratio and other metrics are considered.
- 4.21. The proposed transfer will have no material impact on the ZLIC shareholders' fund or on ZLIC's dividend policy.

Other considerations

Policyholder services

- 4.22. For unit-linked Non-Transferring Policyholders, the existing range of fund choices currently available to the long term Non-Transferring Policyholders of ZLIC will not be affected as a result of the Scheme implementation.

Reinsurance arrangements

- 4.23. The current reinsurance arrangements include a set of relatively minor risk reinsurance treaties outside of Hong Kong and a set of reinsurance treaties covering the Transferring Business. As the Hong Kong reinsurance treaties will be transferred along with the business. The other non-Hong Kong treaties are not impacted.

Distribution arrangements

- 4.24. Given that ZLIC Hong Kong branch is closed to new business, there are no active distribution agreements relating to the Transferring Business that needs to be considered. For Non-Transferring Business, there are multiple distribution agreements, but these will not be impacted by the transfer and hence there is no change to these.

Level of services

- 4.25. As the ZLIC HK branch portfolio is such a small portion of the overall ZLIC business, I have been informed that the transfer of these policies will have a negligible impact on the level of services provided to the Non-Transferring Policyholders.

Effect of the Scheme on the benefit expectations and financial security of the Existing ZLIHK Policyholders

- 5.1. In this section I consider the effects of the Scheme on the Existing ZLIHK Policyholders, given that ZLIHK started issuing policies in July 2020. There were 13 in-force Class A term policies as of September 2020. The total gross annualised premiums of these policies was HKD 103 thousand.

Benefit expectations

Contractual benefit provisions

- 5.2. Although the contractual benefits that will provided by ZLIHK have not been finalised, I have been informed by the Appointed Actuary of ZLIHK that there will be no change to the contractual benefits provided to the Existing ZLIHK Policyholders following the implementation of the Scheme, and that valid claims will continue to be paid when due in the same manner as before the Scheme.

Other policies subject to company discretion

- 5.3. ZLIHK has started to issue individual non-linked policies (Class A) after receiving its license approval on 23 March 2020. Unit-linked policies will be issued upon ZLIHK obtaining its necessary Class C product approvals from the regulatory bodies.

- 5.4. The Parties have informed me that for Class A business, in accordance with the ZLIHK's current 2020 plan, a new term product was launched in Q3 2020. ZLIHK will launch a new critical illness protection product by Q3 2021 and will continue monitoring Qualifying Deferred Annuity Policy ("QDAP") market developments assessing the possibility of launching such a retirement solution in the future. However, any annuity product will offer guaranteed cash values during the fixed annuity period and no discretionary component to align with ZLIHK's strategy of only offering non-participating Class A products. As the move into the QDAP sector is not decided and, even if it were to happen, sales volumes are expected to be small and therefore will not be included in the 2021 ZLIHK business plan which is currently in production. The Parties have also informed me that, due to recent COVID-19 pandemic, there will be a slight delay in launching various products, although the overall roadmap remains the same.
- 5.5. For Class C business with non-guaranteed fees and charges, ZLIHK will have the broad rights to vary policy charges, as well as the right to impose any other charges for administering the policy, provided that the policyholders will be given advance written notice before changes.
- 5.6. In conclusion, apart from the fact that these rights to vary unit-linked charges exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Existing Policyholders of ZLIHK.

Policy terms and conditions

- 5.7. The Appointed Actuary of ZLIHK has confirmed that there will be no change to the policy terms and conditions of the Existing ZLIHK Policies as a result of the Scheme.

Financial security

- 5.8. Same as the comment I have made for the Transferring Policyholders, when considering the effects of the Scheme on the financial security of the Existing ZLIHK Policyholders, I have mainly considered the conservatism of the reserving bases that are planned to be used and the capital and free reserves, together with additional security provided by the entity as a whole, and any potential support available from its shareholders.

Policy reserves

- 5.9. ZLIHK is reporting under the Hong Kong regulatory regime, with the Appointed Actuary and the auditor certifying compliance with the Hong Kong Insurance Ordinance (CAP 41).
- 5.10. After the Scheme is implemented, the procedures will remain the same such that each year the Appointed Actuary of ZLIHK will advise on the reserving methods and valuation bases to the ZLIHK Board of Directors. As no changes in procedure in determining the valuation methodology and assumptions have been proposed if the Scheme is implemented, I do not believe there will be an adverse impact on the financial security of the Existing ZLIHK Policyholders in this regard.

Overall financial position and shareholders' capital

- 5.11. The projected pre- and post-transfer solvency ratio of ZLIHK under HKIO basis as shown in Table 4 above are at a very high level; well above both the statutory minimum requirement and the level most insurance businesses are managed to.
- 5.12. Based on the projected post-transfer solvency ratio of ZLIHK under HKIO basis as at the Transfer Date and projection years thereafter as shown in Table 5, I have no reason to believe there will be any materially adverse impact on the financial security of the Existing ZLIHK Policyholders caused by the Scheme from a solvency perspective.

Other Considerations

Group Policy

- 5.13. Given the ultimate parent remains the same after the implementation of the Scheme and all the group policies will continue to apply, I do not expect there to be any materially adverse impact to the Existing ZLIHK Policyholders as a result of the change in group structure.

Conclusion

- 6.1. Taking into account of above considerations, in my opinion:
- The Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch, with regards to benefits and levels of service.
 - The Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch.
 - I am satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Reliances and Limitations

- 7.1. This report is subject to the same reliances and limitations clauses as set out in the full version of my Independent Actuary report dated 29 March 2021.

Paul Sinnott

Fellow of the Institute and Faculty of Actuaries (FIA)

Independent Actuary

5 May 2021

Frequently Asked Questions

1. Why is Zurich proceeding with this transfer of long term business carried on in or from Hong Kong by ZLIC to ZLIHK?

The transfer of all the long term business carried on in or from Hong Kong by ZLIC to ZLIHK ("**Proposed Transfer**") is part of a strategic initiative of the Zurich group. ZLIC and ZLIHK consider that the transfer will give rise to the following benefits:

- (a) improve the efficiency of audit and regulatory compliance within the group; as ZLIHK is incorporated in Hong Kong, it will be subject to the Hong Kong regulatory regime alone and not the additional Swiss regulatory requirements that apply to the ZLIC Hong Kong branch;
- (b) improve the operational efficiency of Zurich group's life insurance business;
- (c) improve the operations of Zurich group's life insurance business by allocating the decision making to different entities of the group, allowing each territory within the group to pursue the strategy that best fit the needs of its market, policyholders and shareholders;
- (d) better align Zurich group's business along regional lines; and
- (e) simplify ZLIC's company structure and remove the tension within ZLIC as a result of the differing risk profiles and regulatory regimes that apply to its Hong Kong and non-Hong Kong businesses and thus improve the efficiency of compliance within the group.

2. What is the background of ZLIHK? Who owns ZLIHK? How will it be capitalised?

ZLIHK was incorporated in Hong Kong on 7 May 2018. ZLIHK is a wholly-owned subsidiary of Zurich Insurance Holdings (Hong Kong) Limited, which is in turn a wholly owned subsidiary of Zurich Insurance Company Ltd ("**ZICL**"). ZICL is a global insurance company with around US\$303,433,000,000 in assets under management (comprising of group investments and unit-linked investments plus assets that are managed by third parties, on which fees are earned, as at 31 December 2020).

3. How will the Proposed Transfer take place?

In order to take over the business carried on by ZLIC, an application was made by ZLIHK to the Insurance Authority on 2 January 2020 for the authorisation to carry out insurance of Classes A and C of long term business. Formal authorisation was granted by the Insurance Authority to ZLIHK on 23 March 2020.

Under the Scheme of Transfer ("**Scheme**") your long term insurance policy(ies) (whether in force, expired, terminated, matured or surrendered) effected with ZLIC Hong Kong branch prior to the Transfer Date (defined below) will be transferred to ZLIHK, according to section 24 of the Insurance Ordinance, Cap. 41 of the Laws of

Hong Kong ("**Ordinance**"), and is subject to the approval of the Court of First Instance ("**Hong Kong Court**").

The Proposed Transfer is expected to take effect on 1 September 2021 or such other date as the Hong Kong Court shall approve ("**Transfer Date**").

From the Transfer Date, ZLIHK will be responsible for providing the insurance coverage and services under your insurance policy(ies) including processing of claims.

We have placed a notice of the Proposed Transfer in the Government of the Hong Kong Special Administrative Region Gazette as well as the The Standard and Sing Tao Daily in Hong Kong.

Information relating to this Proposed Transfer is also posted on our webpage www.zurich.com.hk/en/important-notice/portfolio-transfer. We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect.

For information on the final hearing by the Hong Kong Court of the Scheme, please refer to the section entitled "Further Information on the Hearing" in Schedule 1 - Part 2 attached to this letter.

4. What are the details of the Scheme?

We have prepared the Scheme pursuant to section 24 of the Ordinance, a summary of which is attached to this letter. You can also review the Scheme document on or before June 17, 2021 by visiting our office at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong between 9:00 a.m. and 5:30 p.m. (Hong Kong time), Monday to Friday (except public holidays).

5. Will there be any change to the terms of our insurance policies or each party's rights and obligations under the insurance policies?

No. The Proposed Transfer will not affect your rights and obligations under your insurance policy(ies). On and from the Transfer Date, you will have the same rights available to you under your insurance policy(ies) with ZLIHK as you had with ZLIC Hong Kong branch. An independent actuary was engaged to give his professional opinion on the impact (if any) of the Proposed Transfer to the policyholders of ZLIC and ZLIHK and in his opinion, there will not be any material adverse impact.

6. Will new insurance policies be issued for our existing insurance policies?

Your existing in force insurance policies remain valid and will be automatically transferred to ZLIHK from the Transfer Date. As such, we will not be issuing new insurance policy(ies).

7. How does the Proposed Transfer affect the payment of premiums?

All premiums payable under your insurance policy(ies) with ZLIC Hong Kong branch after the Transfer Date are to be made payable to ZLIHK or its agents. We will furnish payment instructions and bank account details directly to you in due course.

8. What if I make a claim before the Transfer Date and the claim has not yet been settled by the Transfer Date?

If you have made a claim before the Transfer Date, your existing policy terms and conditions will continue to govern the assessment of the claim and ZLIHK will take over the processing of the claim from ZLIC Hong Kong branch and be responsible for any subsequent payment to you. You do not need to submit a new claim form as the information will be transferred from ZLIC Hong Kong branch to ZLIHK.

9. How can I keep up to date with the progress of the Proposed Transfer?

We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect. If the Scheme is not sanctioned by the Hong Kong Court and does not take effect, we will also notify you in writing.

IMPORTANT INFORMATION

May 27, 2021

Zurich Insurance Holdings (Hong Kong) Limited
[Address]

Dear Sirs,

Proposed transfer of the whole of the long term business carried on in or from Hong Kong by Zurich Life Insurance Company Ltd ("ZLIC") to Zurich Life Insurance (Hong Kong) Limited ("ZLIHK")

We are writing to advise you of the proposed transfer of all the long term insurance business underwritten by another member of Zurich, ZLIC through its Hong Kong branch to ZLIHK (the "**Proposed Transfer**").

This letter sets out important information regarding the Proposed Transfer of all the long term insurance business carried on in or from Hong Kong by ZLIC through its Hong Kong branch ("**ZLIC HK Business**") to ZLIHK. As a shareholder of ZLIHK, it is important for you to understand the Proposed Transfer. The Proposed Transfer will be carried out in accordance with the statutory process set out in section 24 of the Insurance Ordinance (the "**Ordinance**"), under which an application shall be made to the Court of First Instance ("**Hong Kong Court**") for the sanction of a scheme setting out the terms of the transfer ("**Scheme**"). The application has been made by way of petition (the "**Petition**") to the Hong Kong Court in April 2021.

The Scheme will be considered in the Petition hearing of the Hong Kong Court which is scheduled to take place at 10 a.m. on August 9, 2021. The transfer contemplated under the Scheme will not proceed unless, it is approved, among others, by the Hong Kong Court.

An independent actuary, Mr. Paul Sinnott, a Fellow of the Institute of Actuaries (United Kingdom) and a Fellow Member of the Actuarial Society of Hong Kong (the "**Independent Actuary**"), has been appointed by ZLIC and ZLIHK to examine the likely effects of the Scheme on the long term policyholders of ZLIC and ZLIHK and to prepare a report based on the financial information of ZLIC and ZLIHK as of 30 September 2020 for the Hong Kong Court. A summary of the Scheme and the Independent Actuary's report are included in Schedules 1 and 2 to this letter. A supplementary report by the Independent Actuary (the "**Supplementary Report**") will be prepared to provide an update on the relevant financial information as of 31 December 2020 and whether there is any change in the view of the Independent Actuary. It is expected that the Supplementary Report will be finalised and made available on the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer in around June/July 2021 until the end of the final Petition hearing in the Hong Kong Court.

Any person who alleges that he or she would be adversely affected by the carrying out of the Scheme is entitled to be heard in the Petition by the Hong Kong Court. If you intend to appear at the Petition hearing of the Hong Kong Court, you should give not less than three days' prior written notice to ZLIC and ZLIHK. Please refer to the section "**Final Hearing**" in **Schedule 1 - Part 2: "Further Information on the Hearing"** for details. Unless you intend to appear at the Petition hearing of the Hong Kong Court or object to the Scheme, there is no need for you to take any action. However, it is important that you understand the details of the Proposed Transfer. We recommend that you read this letter carefully.

The effect of the Proposed Transfer

Subject to the sanctioning of the Scheme by the Hong Kong Court, the Scheme shall become effective at 00:01a.m. Hong Kong time on 1 September 2021, or on such other date as ZLIC and ZLIHK may decide which shall be within 90 days after the date on which an order of the Hong Kong Court is granted sanctioning the Scheme. Unless the Scheme shall become effective on or before 90 days after the date on which the order of the Hong Kong Court is granted, or such later date and/or time, if any, as ZLIC and ZLIHK may decide and the Hong Kong Court may allow, it shall lapse.

If the Hong Kong Court sanctions the Scheme, all the policies in the ZLIC HK Business¹ ("**Transferring Policies**") will be transferred to ZLIHK. After the Proposed Transfer, all the Transferring Policies will be administered by ZLIHK, which will become the insurer of such policies in place of ZLIC.

We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect.

If the Scheme is not sanctioned by the Hong Kong Court, the Proposed Transfer will not take place and the Transferring Policies will remain with ZLIC who will continue to be responsible for such policies, including its administration and servicing. If the Proposed Transfer does not take place, we will notify you in writing.

The Scheme has been structured to ensure that the interests of the policyholders are safeguarded. **The Independent Actuary has opined, amongst others, on the likely effects of the Scheme on the reasonable benefit expectations and financial security of the long term policyholders of ZLIC and ZLIHK. You are advised to refer to Part 1: "Key Assessment of the Independent Actuary" and Part 2: "Summary of the Independent Actuary's Report" in Schedule 2.**

Any costs incurred in relation to the Proposed Transfer will be borne by ZLIC and ZLIHK.

¹ The Transferring Policies will include, among others, nine existing investment-linked assurance schemes issued by ZLIC as of 28 February 2021 namely (i) Brilliant Link; (ii) Deluxe Link; (iii) Deluxe Link Junior; (iv) Harvest Link; (v) Maxi Link; (vi) Royal Link; (vii) Smart Link; (viii) Treasure Link; and (ix) Wealth Link.

Further Information

If you wish to obtain further information, you may:

- inspect copies of this letter, the Petition, the Scheme and the report of the Independent Actuary at the Customer Service Centre of ZLIC or ZLIHK at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong, during the following periods between 9 a.m. to 5:30 p.m. (local time), on normal business days (Monday to Friday (except public holidays)) from May 27, 2021 to June 17, 2021;
- visit the website of ZLIC and ZLIHK at www.zurich.com.hk/en/important-notice/portfolio-transfer until the end of the final Petition hearing in the Hong Kong Court;
- obtain the above documents free of charge by writing to the offices of ZLIC and ZLIHK at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong on or prior to the date of the final Petition hearing; or
- refer to the "Frequently Asked Questions" ("**FAQs**") as enclosed in this letter.

If you have any questions about the Proposed Transfer, please contact the designated hotline of ZLIC and ZLIHK at (852) 3405 7283, or write to ZLIC and ZLIHK at the address above, addressed to the Customer Service Centre and marking your envelope with the reference "HCMP 460/2021".

Yours sincerely,

Zurich Life Insurance (Hong Kong) Limited
Zurich Life Insurance Company Ltd, Hong Kong branch

Schedule 1

Part 1

SUMMARY OF THE SCHEME

Transfer

Zurich Life Insurance Company Ltd ("**ZLIC**") was incorporated in Switzerland and was entered into the Commercial Register of Canton Zurich since 28 December 1922. It is a wholly-owned subsidiary of Zurich Insurance Group Ltd., whose shares are listed on the SIX Swiss Exchange, and which is the ultimate parent company of the group of companies ("**Zurich Group**"). ZLIC is an insurance carrier licensed and supervised by the Swiss Financial Market Supervisory Authority (FINMA). The registered office of ZLIC is situated at Austrasse 46, 8045 Zurich, Switzerland. It was also registered as a non-Hong Kong company under Part XI of the former Companies Ordinance (Cap. 32) (now Part XVI of the Companies Ordinance (Cap. 622)) on 31 August 1984. ZLIC is an authorized insurer under the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) (the "**Insurance Ordinance**") with authorization to carry on Classes A (life and annuity), C (linked long term), and I (retirement scheme management category III) of long term business (as defined under Part 2 of Schedule I to the Insurance Ordinance) in or from Hong Kong. As part of its Class A long term business, ZLIC has underwritten Swiss Individual Life Policies through its Hong Kong branch (the "**ZLIC Hong Kong Branch**"), but the accounting and administration of such policies, including paying claims and collecting premiums, are managed by ZLIC's head office in Switzerland and will continue to be managed by ZLIC's head office in Switzerland under an outsourcing arrangement with Zurich Life Insurance (Hong Kong) Limited ("**ZLIHK**") after such policies are transferred to ZLIHK on the Transfer Date (as defined below) to minimize potential immediate customer impact. However, ZLIHK may reassess the outsourcing arrangement for optimising the longer term administration of such policies as part of its normal business review as to whether the outsourcing arrangement should be continued. Since 1 December 2016, a note has been inserted in the Register of Authorized Insurers maintained by the Insurance Authority, stating that Zurich Life Insurance Company Ltd "has ceased to effect any new contracts of insurance... in or from Hong Kong". The principal place of business of ZLIC in Hong Kong is 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong.

ZLIHK was incorporated in Hong Kong on 7 May 2018.

ZLIHK is a wholly-owned subsidiary of Zurich Insurance Holdings (Hong Kong) Limited, which is in turn a wholly owned subsidiary of Zurich Insurance Company Ltd. ("**ZICL**"). ZLIC is also a wholly-owned subsidiary of ZICL, and all are companies within the Zurich Group. ZICL is a global insurance company with around US\$ 303,433,000,000 of assets under management (comprising group investments and unit-linked investments plus assets that are managed by third parties, on which fees are earned, as at 31 December 2020). Other than in Hong Kong, ZICL and its subsidiaries have operations in other key markets including Europe, Middle East, Africa, North America, Asia Pacific and Latin & America and in more than 215 countries.

As part of a strategic initiative of the Zurich group², it is proposed that the ZLIC HK Business (as defined below) shall be transferred to and assumed by ZLIHK ("**Proposed Transfer**").

² For more details, please refer to the FAQs as enclosed in this letter.

In order to take over the ZLIC HK Business (as defined below) carried on by ZLIC, an application was made by ZLIHK to the Insurance Authority on 2 January 2020 for the authorisation to carry on Classes A and C of long term business in or from Hong Kong. On 23 March 2020, formal authorization was granted by the Insurance Authority to ZLIHK to carry on those classes of long term business in or from Hong Kong.

The purpose of this Scheme is to transfer the ZLIC HK Business from ZLIC to ZLIHK, pursuant to sections 24 and 25(1) of the Insurance Ordinance (all terms as defined in the Scheme).

The Proposed Transfer

It is proposed that, pursuant to section 24 of the Insurance Ordinance, the long term business carried on in or from Hong Kong by ZLIC ("**ZLIC HK Business**") shall be transferred to ZLIHK in accordance with the terms of the Scheme and subject to the order of the Hong Kong Court ("**Hong Kong Order**") made pursuant to sections 24 and 25(1) of the Insurance Ordinance. Such ZLIC HK Business shall comprise the Transferring Policies, the Transferring Assets and Transferring Liabilities, as defined below (in this regard, "**Transferring Policies**" means (i) any Policy forming part of Class A (Life And Annuity) (including, for the avoidance of doubt, the Swiss Individual Life Policies) or Class C (Linked Long Term) of long term business underwritten by ZLIC in Hong Kong³, under which any liability remains outstanding as at the Transfer Date, whether such Policies have been reinstated, have expired, lapsed, matured, surrendered, terminated or otherwise, including all proposals or applications for insurance policies, certificates, supplemental coverages, endorsements, riders and ancillary agreements in connection therewith; and (ii) all proposals or applications for policy renewals received by ZLIC but the processing of which has not been completed by ZLIC prior to the Transfer Date (which shall be processed by ZLIHK after the Transfer Date).

Transfer Date

This Scheme shall become effective at 00:01 a.m. hours (Hong Kong time) on such date as ZLIC and ZLIHK may decide, which date shall be within 90 days after the date on which the Hong Kong Order is granted sanctioning this Scheme (the "**Transfer Date**"). Subject to the grant of the Hong Kong Order, it is expected that the Scheme will take effect on 1 September 2021, but it may be subject to change as mutually agreed between the parties.

Unless this Scheme shall become effective on or before 90 days after the date on which the Hong Kong Order is granted, or such later date and/or time, if any, as the parties may decide and the Hong Kong Court may allow, it shall lapse.

Transfer of Assets and Liabilities

On and with effect from the Transfer Date, the "Transferring Assets" shall, by virtue of the Hong Kong Order and without any further act or instrument but subject to the paragraph on "Further or Other Acts or Assurance" below, be transferred by ZLIC to, and vested in, ZLIHK, subject to any Encumbrances in respect thereof. ZLIHK shall accept without investigation or requisition such title as ZLIC shall have at the Transfer Date to each Transferring Asset then transferred. ZLIC and ZLIHK shall as and when appropriate execute all such documents, including assignments, and do all such other acts and things as may be required to effect or perfect the transfer to, and vesting in, ZLIHK of any Transferring Asset.

In this regard, "**Transferring Assets**" means the property, assets or investment of ZLIC (including any right, discretion, authority, power or benefit of ZLIC under or by virtue of any Transferring

³ The Transferring Policies will include, among others, nine existing investment-linked assurance schemes issued by ZLIC as of 28 February 2021 namely (i) Brilliant Link; (ii) Deluxe Link; (iii) Deluxe Link Junior; (iv) Harvest Link; (v) Maxi Link; (vi) Royal Link; (vii) Smart Link; (viii) Treasure Link; and (ix) Wealth Link.

Policies) as is attributable to the ZLIC HK Business wherever situated; and the rights, benefits and powers of ZLIC under and by virtue of:

- (a) the contracts between ZLIC and its insurance intermediaries in relation to the ZLIC HK Business;
- (b) the Transferring Reinsurances;
- (c) any lease, outsourcing agreements or arrangements, IT and related contracts in respect of the ZLIC HK Business; and
- (d) any other contracts, agreements, arrangements or undertakings in respect of or concerning the ZLIC HK Business.

"Encumbrances" means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind, and any other type of preferential arrangement having a similar effect.

"Transferring Reinsurances" means any reinsurance agreements or arrangements under which ZLIC is reinsured in respect of the Transferring Policies.

On and with effect from the Transfer Date, each Transferring Liability shall, by virtue of the Hong Kong Order and without any further act or instrument and without investigation or requisition but subject to the paragraph on "Further or Other Acts or Assurance" below, be transferred by ZLIC to, and become a liability of, ZLIHK, with the effect that ZLIC shall be entirely released from and ZLIHK shall assume all such Transferring Liabilities. ZLIC and ZLIHK shall as and when appropriate execute all such documents, including assignments, and do all such other acts and things as may be required to effect or perfect the transfer to, and assumption by, ZLIHK of any Transferring Liability. In this regard, **"Transferring Liabilities"** means all liabilities of ZLIC as at the Transfer Date attributable to the ZLIC HK Business including, without limitation, the liabilities and obligations (whether present, future or contingent) under or in relation to the Transferring Policies and ZLIC HK Business, and associated liabilities and, for the avoidance of doubt, liabilities (including fines, penalties, damages and compensation due to policyholders) for mis-selling or non-compliance of ZLIC committed prior to the Transfer Date, as well as any current and/or pending complaints, legal proceedings and/or other dispute resolution proceedings made in relation to the Transferring Policies.

Transfer of Transferring Policies

On and with effect from the Transfer Date, ZLIHK shall become entitled to all of the rights, benefits, advantages and powers conferred on or vested in ZLIC under, or by virtue of, the Transferring Policies. The Transferring Policies shall on and with effect from the Transfer Date form part of ZLIHK's long-term business carried on in or from Hong Kong.

On and with effect from the Transfer Date, all rights, benefits, advantages and powers against ZLIC conferred on or vested in the Transferring Policyholder or other third parties under or in relation to every Transferring Policy shall cease and shall be substituted by the same rights, benefits, advantages and powers against ZLIHK. **"Transferring Policyholder"** means holder of a Transferring Policy.

Transfer of Records

On the Transfer Date, all Statutory Records and other information relating to the Transferring Policyholders, insureds, beneficiaries and assignees of, or any other persons relating to, the Transferring Policies, including, without limitation, the personal data (as defined under section 2 of the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)) of such Transferring Policyholder, insureds, beneficiaries, assignees and other persons, which is held by ZLIC shall be transferred to ZLIHK, and ZLIHK shall have the same rights, benefits, advantages and powers in holding and using (and transferring) such information as those of ZLIC prior to the Transfer Date. In this regard, **"Statutory Records"** means all books, files, registers, documents, correspondence,

papers and other records that are required, by the applicable legal or regulatory requirement or corporate governance requirement (whether or not having the force of law), to be kept by ZLIC and retained in its possession in respect of the ZLIC HK Business.

In respect of the Transferring Policies under which premiums continue to be payable, the Transferring Policyholders of the Transferring Policies shall account to ZLIHK for any further premiums as and when they become due. ZLIHK shall be entitled to any and all defences, claims, counterclaims and the right of set-off against or under the Transferring Policies which would have been available to ZLIC prior to the Transfer Date.

ZLIHK shall be bound by, observe and perform all terms, conditions and covenants of the Transferring Policies, assume all liabilities and satisfy all claims and demands arising out of or in respect of the Transferring Policies in every way as if ZLIHK and not ZLIC had issued the Transferring Policies.

All terms and conditions of the Transferring Policies (including proposal, quotations, slips, or application forms, illustrative documents, principal brochures, offering documents, riders, schedules and declarations) shall remain unchanged save that, on and with effect from the Transfer Date, all references in the Transferring Policies to "ZLIC" or "ZLIC Hong Kong Branch", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents shall be read as reference to "ZLIHK", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents; and any reference to "ZLIC" or "ZLIC Hong Kong Branch" in the names of the Transferring Policies will be read as a reference to "ZLIHK". In particular, but without limitation, all rights and duties exercisable or expressed to be exercisable or responsibilities to be performed by "ZLIC" or "ZLIC Hong Kong Branch", its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents in relation to the Transferring Policies shall, on and with effect from the Transfer Date, be exercisable or required to be performed by "ZLIHK, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents.

Further or Other Acts or Assurance

Without prejudice to the effect of this Scheme, to the extent that the Scheme and the Hong Kong Order are not effective in transferring and vesting any of the Transferring Assets, Transferring Liabilities or Transferring Policies under this Scheme to and in ZLIHK without further or other acts or assurance (including without limitation the need of obtaining further consent or approval):

- (i) ZLIC and ZLIHK shall do and execute and deliver or procure to be done and executed and delivered all such further acts, deeds, documents, instruments of conveyance, assignment, novation and transfer and all things as may be necessary to give effect to the Scheme, to transfer the ZLIC HK Business and all Transferring Assets, Transferring Liabilities and Transferring Policies to ZLIHK and as ZLIHK may request, in order to effectively convey, assign, transfer, vest and/or record title to each of the Transferring Assets, Transferring Liabilities and Transferring Policies and the ZLIC HK Business in ZLIHK as from the Transfer Date;
- (ii) pending completion of such acts, deeds, documents and things, ZLIC shall as from the Transfer Date:
 - (a) hold the beneficial interest in each of the affected Transferring Assets on trust for ZLIHK, to the extent that it has not been transferred to ZLIHK, and shall pay to ZLIHK promptly upon its receipt of any sums by it with respect to any such affected Transferring Assets; and
 - (b) hold or assume any liabilities in each of the affected Transferring Liabilities for and on behalf of and for the account of ZLIHK;

- (iii) ZLIHK shall from the Transfer Date (at its own costs) assist ZLIC to perform the obligations of ZLIC or discharge such liability of ZLIC in relation to such affected Transferring Assets, Transferring Liabilities and Transferring Policies and failing that, indemnify ZLIC against all liability and any reasonable costs or expense incurred by ZLIC that is directly attributable to such affected Transferring Assets, Transferring Liabilities and Transferring Policies; and
- (iv) ZLIC shall in any event as from the Transfer Date be subject to ZLIHK's directions in respect of any affected Transferring Assets, Transferring Liabilities and Transferring Policies referred to in paragraph (i) above until the affected Transferring Assets, Transferring Liabilities and Transferring Policies are transferred to ZLIHK, and ZLIHK shall have authority to act as attorney of ZLIHK in respect of such affected Transferring Assets, Transferring Liabilities and Transferring Policies for all such purposes.

Continuation or Commencement of Proceedings

By virtue of the Hong Kong Order, on and with effect from the Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings, claims or complaints (whether current, pending, threatened or future including those not yet in contemplation) by or against ZLIC in relation to the Transferring Policies, Transferring Assets and Transferring Liabilities shall be continued or commenced by or against ZLIHK, in substitution for ZLIC and ZLIHK shall be entitled to the same defences, claims, counterclaims and rights of set-off as ZLIC in respect thereof.

New ZLIHK Insurance Funds

Prior to the Transfer Date, ZLIHK shall have established the ZLIHK Life Insurance Fund and the ZLIHK Shareholder's Fund. Prior to the Transfer Date, ZLIHK shall have established the ZLIHK Linked Fund for underwriting new Class C policies upon obtaining the requisite regulatory approval. With effect from the Transfer Date, ZLIHK shall establish the ZLIHK Swiss Individual Fund. Effective from the Transfer Date, (i) all Class A Policies (other than the Swiss Individual Life Policies under Class A) underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; all Swiss Individual Life Policies under Class A Policies underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; and all Linked Policies underwritten by ZLIC and in force immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund; (ii) all Transferring Assets allocated to: (a) the ZLIC Life Insurance Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; (b) the ZLIC Swiss Individual Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; (c) the ZLIC Linked Fund, save for the Fund Surplus, immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund; and (d) the Fund Surplus immediately prior to the Transfer Date shall be allocated to the ZLIHK Shareholder's Fund.; and (iii) all Transferring Liabilities allocated to: (a) the ZLIC Life Insurance Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Life Insurance Fund; (b) the ZLIC Swiss Individual Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Swiss Individual Fund; and (c) the ZLIC Linked Fund immediately prior to the Transfer Date shall be allocated to the ZLIHK Linked Fund.

"Fund Surplus" means the underwriting profits derived from the policies of all classes of business that are attributable to the shareholder of ZLIC.

All beneficial interest in any property, assets or investments held on trust by ZLIC for ZLIHK pursuant to the paragraph on "Further or Other Acts or Assurance" above shall be allocated to the relevant funds (as applicable) to which such property, assets or investments would have been

allocated. All liabilities which are required to be satisfied by ZLIHK pursuant to the paragraph on "Further or Other Acts or Assurance" above shall be allocated to the relevant funds (as applicable) to which such liabilities would have been allocated.

Premiums, Mandates and Other Instructions

All premiums, loan repayments (if any, and interest thereon) and other amounts received or receivable by ZLIC (or its agents) in respect of any of the Transferring Policies on or after the Transfer Date shall be payable to ZLIHK (or its agents) after the Transfer Date.

ZLIHK (or its agents) shall be irrevocably authorized to endorse for payment any cheques, drafts, orders, postal orders or other instruments payable to, or to the order of, ZLIC (or its agents) and received by ZLIHK (or its agents) in respect of premiums paid or loan repayments (if any) under the Transferring Policies on or after the Transfer Date.

ZLIHK (either itself or via its agents) shall have the sole responsibility for billing and collecting premiums and paying all applicable levies and taxes in respect of premiums accrued under the Transferring Policies on or after the Transfer Date.

Any mandate, autopay authority, standing order or other instruction in force on the Transfer Date and providing for the payment by a bank or other intermediary of premiums payable to or received by ZLIC (or its agents) in respect of any of the Transferring Policies shall, from and after the Transfer Date, take effect as if the same had been provided for and authorized in favour of ZLIHK (or its agents).

Costs of the Scheme

ZLIC Hong Kong Branch shall, out of its own funds, pay all costs in relation to the preparation of this Scheme and of ZLIHK's and its presentation to the Hong Kong Court for sanction and all other professional fees related thereto. None of such costs shall be borne by the funds maintained by ZLIC or ZLIHK pursuant to the Insurance Ordinance in respect of their respective long-term business, general business or other policies of ZLIC or ZLIHK, or the policy holders thereof.

Modification

Subject to the last paragraph of this section, ZLIC and ZLIHK may apply to the Hong Kong Court for consent to modify, vary or amend the terms of this Scheme, subject to any conditions which the Insurance Authority or the Hong Kong Court may impose.

Subject to the last paragraph of this section, the terms of this Scheme shall be modified, varied or amended in accordance with such consent (with conditions, if any) as may be given by the Hong Kong Court under the paragraph above.

The consent of the Hong Kong Court shall not be required in relation to modification(s), variation(s) or amendment(s) to correct manifest error(s) of this Scheme provided that the Insurance Authority has been notified of the same and has indicated that it does not object thereto.

Governing Law

This Scheme shall be governed by the laws of Hong Kong.

Part 2

FURTHER INFORMATION ON THE HEARING

Final Hearing

The Petition for sanction of the Scheme will be heard at the Hong Kong Court. The final hearing, at which the Hong Kong Court will consider whether or not to sanction the Scheme, is scheduled to take place at 10 a.m. on August 9, 2021.

The Ordinance stipulate that any person who alleges that he or she would be adversely affected by the carrying out of the Scheme is entitled to be heard in the Petition by the Hong Kong Court.

If you do intend to appear at the hearing of the Hong Kong Court, we request you to give preferably not less than three days' prior written notice of such intention, and the reasons therefor, to the Customer Service Centres of ZLIC and ZLIHK both located at the following address:-

25-26/F, One Island East
18 Westlands Road
Island East
Hong Kong

(All letters should quote the reference "HCMP 460/2021")

If you intend to object to the Scheme but do not wish to appear at the hearing of the Hong Kong Court, you should give not less than three days' prior written notice of such intention, and the reasons therefor, to the Customer Service Centres of ZLIC and ZLIHK both located at the address above.

Schedule 2

Part 1: Key Assessment of the Independent Actuary

The Independent Actuary has opined, in particular, that:

- i. the Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of the ZLIC Hong Kong Branch, with regards to benefits and levels of service;
- ii. the Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC Hong Kong Branch; and
- iii. he is satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Part 2: Summary of the Independent Actuary's Report

Introduction

- 1.1. I, Paul Sinnott, have been appointed to act as the Independent Actuary pursuant to Section 24 of the Hong Kong Insurance Ordinance Chapter 41 (The "Ordinance", or "HKIO"), to provide an independent opinion on the terms and likely effects of the proposed scheme (the "Scheme") for the transfer of all long term insurance business carried on by Zurich Life Insurance Company Ltd. ("ZLIC") through its Hong Kong Branch ("ZLIC HK branch") (also hereinafter referred as "Transferring Business") to Zurich Life Insurance (Hong Kong) Ltd. ("ZLIHK"), a new Hong Kong domiciled subsidiary of Zurich Insurance Holdings (HK) Limited ("ZIH"), which is wholly-owned by Zurich Insurance Company Ltd. ("ZIC"). ZLIC, ZLIC HK branch and ZLIHK are collectively referred to as the "Parties". The Transferring Business involved consists of the Class A (Life and Annuity) and Class C (Linked) businesses, underwritten by ZLIC HK branch before 1 September 2021, which is the date the Scheme is expected to become effective (the "Transfer Date"). The policyholders transferring to the ZLIHK in respect of the ZLIC's Transferring Business are referred to as the "Transferring Policyholders", who hold policies which are underwritten by ZLIC HK Branch (the "Transferring Policies"); the policyholders remaining in ZLIC after the Scheme are referred to as the "Non-Transferring ZLIC Policyholders", who hold policies which are underwritten by ZLIC excluding those underwritten by ZLIC HK branch (the "Non-Transferring ZLIC Policies") and the existing policyholders of ZLIHK before the Scheme are referred to as the "Existing ZLIHK Policyholders", who hold "Existing ZLIHK Policies".
- 1.2. I am a Principal and Consulting Actuary of Milliman Limited ("Milliman"), residing of 3901-2, AIA Tower, 183 Electric Road, North Point, Hong Kong. I am a Fellow Member of the Actuarial Society of Hong Kong ("ASHK") and a Fellow of the Institute and Faculty of Actuaries (United Kingdom) ("UK").
- 1.3. In preparing my Independent Actuary Report on the Scheme, I consulted the Hong Kong Insurance Authority ("IA") on the required contents and incorporated suggestions from the IA as appropriate. The report is prepared in accordance with the approach and expectations in Section 2 paragraphs 27 to 40 of the Prudential Regulation Authority, as set out in "The Prudential Regulation Authority's approach to insurance business transfers" dated April 2015. I have also had regard to Chapter 18 of the Supervision Manual contained in the Financial Conduct Authority ("FCA") Handbook as well as Section 6 of the further guidance released by the FCA, as set out in "The FCA's approach to the review of Part VII insurance business transfer" dated May 2018. I have also taken into account professional guidance under the Institute and Faculty of Actuaries' "APS X3: The Actuary as an Expert in Legal Proceedings" which sets out principles for actuaries to apply when instructed as an expert in relation to existing or contemplated legal proceedings (including those outside UK jurisdiction).
- 1.4. The scope of my review and opinions are confined to the effects of the Scheme on the long term insurance policyholders of ZLIC and ZLIHK, in particular the Transferring Policyholders. It does not include an assessment of the impact of the Scheme on the shareholders of ZLIC and ZLIHK. I have considered the Scheme as presented to me and have not considered any other alternative schemes of transfer.
- 1.5. I have been provided with free access to the information that I requested as necessary to conduct my work. In addition, I have also been given unrestricted access to and held discussions with various representatives of the Parties.

- 1.6. This is a summary of my Independent Actuary report dated 29 March 2021. Details of the scope of my work, considerations and conclusions, reliances, limitations and the terms of reference are provided in the full version of my report. Copies of the full report are available to the Transferring Policyholders, Existing ZLIHK Policyholders and other interested parties in the office of the ZLIC HK branch. An electronic version of the same report is also available on Zurich's website at www.zurich.com.hk/en/important-notice/portfolio-transfer until the final petition hearing in the Hong Kong Court.

Background of the transfer and summary of my opinion

- 1.7. This Scheme was initiated as part of the restructuring of the Hong Kong operations of the Zurich Insurance Group Ltd. ("Zurich Group") to enhance financial stability for policyholders and operating efficiency including facilitating more streamlined audit and regulatory compliance processes across the organization. ZLIHK became an authorised insurance company under the Insurance Ordinance on 23 March 2020.
- 1.8. All of the long term insurance business of ZLIC HK branch will be transferred to ZLIHK, in accordance with the proposed Scheme and the Section 24 of the Ordinance. After the Scheme Transfer, ZLIC HK branch will be wound-up and the operating license surrendered. After the completion of the Scheme Transfer, ZLIC HK Branch is expected to withdraw its authorisation in accordance with Section 40 of Insurance Ordinance. There will therefore be no remaining policyholders within ZLIC HK branch once the Scheme is implemented.
- 1.9. The fund structures of ZLIC HK branch (before transfer) and ZLIHK (before and after transfer) are shown below.

ZLIC HK branch fund structure before transfer

ZLIC HK branch long term business

ZLIC HK branch Life Insurance fund (Class A)	ZLIC HK branch Linked fund (Class C)	ZLIC Swiss individual fund (Class A)
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ZLIHK fund structure before and after transfer

ZLIHK long term business

ZLIHK Life Insurance funds (Class A)	ZLIHK Swiss Individual fund (Class A)	Linked fund (Class C)	ZLIHK Shareholders' Fund
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- 1.10. As at 30 September 2020, the long term insurance business of ZLIC HK branch consisted of Class A (Life and annuity) and C (Linked) only. The key products of the retail business cover universal life, protection (such as death, critical illness and medical/hospital expenses), traditional participating and unit-linked. There is fund segregation of assets and liabilities between Class A and C business lines.
- 1.11. The Swiss Individual Life Policies, the so-called "Swiss Book", is a minor run-off portfolio. This is a portfolio of ZLIC Switzerland policies bought by expatriates in the Asian region who were expected to be moving back to their respective home countries some time in the future. After the Scheme Transfer, ZLIHK will retain the liabilities for these policies on its balance sheet and cede the risks to ZLIC by reinsurance arrangements, and will outsource to ZLIC such operational activities that ZLIC has been responsible for prior to the Scheme Transfer (including policy servicing, administration, payment of claims for such policies) to minimise potential immediate customer impact. ZLIHK may reassess the arrangement for optimising the longer term administration of the Swiss Book as part of its normal business review as to whether the reinsurance and outsourcing arrangement should be continued. As of 30 September 2020, there are 142 in-force policies. Within Class A, the Swiss policies are separated

- from the rest of the Class A insurance fund given that these Swiss policies have a different dividend policy from the other Class A participating products. Similar segregation will be maintained in ZLIHK.
- 1.12. ZLIHK has undertaken to fulfil all of the policy contract conditions once the Scheme is implemented. This will include the responsibility for paying all benefits of claims, maturities, policy dividends and other amounts arising from the Transferring Business including the cost of administration for all Transferring Policies.
- 1.13. In my opinion,
- The Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch, with regards to benefits and levels of service.
 - The Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch.
 - I am satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.
- 1.14. In arriving at my opinion, I have considered various aspects below. More detailed analyses and conclusions are provided in the full version of my report.

Effect of the Scheme on the benefit expectations of Transferring Policyholders

Participating business and universal life business

- 2.1. On the Transfer Date, ZLIC HK branch will transfer all participating policies and universal life policies underlying the Class A business. ZLIC HK branch's participating portfolio was closed to new business in 2013. The participating business consists of HK Traditional Annual dividend policies, HK Traditional Terminal dividend policies and Swiss Individual Life Policies. ZLIC HK branch's universal life contracts are referred to as Living products. There are 3 generations of Living products which are Old style, "2003 Series" and New style Living products.
- 2.2. An annual review of dividend rates for traditional participating products is performed by the Appointed Actuary and approved by the Board. ZLIC HK branch has not made any adjustments to the dividend scales of the participating policies up to the end of 2018. Both of the 2019 and 2020 dividend studies recommended a 40% dividend cut to be made in early 2020 or early 2021. These studies were performed in accordance with the existing principles and methodology set out in ZLIC HK branch's dividend policy of traditional participating products. They were conducted based solely on ZLIC HK branch as an on-going concern without taking into account of factors relating to the Transfer. Although the dividend cut recommendation is totally unaffected by the Transfer, after assessing the reasonable expectations of policyholders and competitors actions, I have been informed that ZLIC HK branch does not intend to make any adjustments to the dividend scales of the participating policies before the Transfer. ZLIHK will make future decisions in this area in the normal course of business during annual dividend investigations after the Transfer. I have been informed that the rationale for not adjusting the dividend scales before 2019 was as follows:
- given the projected small dividend pay-out in early years, the smoothed dividend adjustment of at most 40% cut derived from dividend policy may not bring material financial benefit to the branch, considering the operational cost of dividend adjustment procedure; and
 - alignment with competitors' action to maintain the fulfilment ratio for their major products to be close to 100% within the first few policy years.
- 2.3. ZLIHK has undertaken to carry out annual dividend reviews according to the same dividend methodology used by ZLIC HK branch, whereby dividends may need to be adjusted based on the actual surplus or deficit position of the participating portfolio at the time of future review, as well as after taking into other consideration including the materiality of the financial benefits, competitors' actions and other factors not associated with the Transfer. As such, the Transfer is not a factor which will be taken into account in the dividend determination in the future review. I have been informed that, given the internal governance systems in place within ZLIHK and the same management team of Zurich, the

dividend mechanism/principles communicated to policyholders will be applied consistently in the future time as prior to the Scheme transfer.

- 2.4. I have also been informed that ZLIHK will follow the current crediting rate setting mechanism used for the universal life business before the transfer.
- 2.5. The Parties have confirmed that there will not be any significant change to the existing principles and methods, target asset allocation and investment mandate with respect to the participating policies and universal life policies as a result of the Scheme. It is also important to recognise that the management of ZLIHK has the right to alter the principles and methods under the existing dividend or bonus policies and this right will not change after the Scheme is implemented.
- 2.6. In light of my review, it is my opinion that current participating business dividend setting and universal life crediting rate principles and methodologies, and the governance for any changes to the existing approach, which are intended to be used by ZLIHK after the transfer, provide sufficient safeguard that policyholders should expect to be treated in a similar manner before and after the Scheme is implemented.

Asset allocation and investment policy of the Transferring Business

- 2.7. Investment activities within the ZLIC HK branch are governed by investment mandates. The mandates set out the Strategic Asset Allocation (“SAA”), investment constraints and approval processes.
- 2.8. The Parties have confirmed that there is no significant change of SAA in related to the legacy liabilities of ZLIC HK branch after the Scheme is implemented if there is no significant change in ZLIHK’s product mix. The Parties have also confirmed that there is no intention to make significant change to the existing investment strategies and internal governance currently adopted by ZLIC HK branch for the assets supporting the Transferring Policies after the Scheme is implemented.

Charges and investments of unit-linked policies

- 2.9. For the existing unit-linked products, while ZLIC HK branch has not made adjustments on the policy charges in the past, ZLIC HK branch has broad rights to vary policy charges, as well as the right to impose any other charges for administering the policies. Policyholders will be given written notice in advance according to policy provisions before any changes come into effect. These rights will continue with ZLIHK and exist whether or not the Scheme proceeds.
- 2.10. I have been informed that the process and principles involved in determining the level of non-guaranteed charges following Scheme implementation will not change as a result of the transfer. Based on these considerations, I have no reason to believe that the Scheme will have a material adverse impact on the discretionary charges applied to the Transferring Policyholders.

Contractual benefits provisions

- 2.11. According to the Scheme, ZLIHK will commit to continue paying the contractual benefits of the Transferring Policyholders of ZLIC HK branch. I have been informed that these guaranteed benefits will not be altered after the transfer. The rights of these policyholders, as defined under their existing policy documents, will be the same before and after the transfer.

Other policies subject to company discretion

- 2.12. For some of the packaged plans and many of the rider policies, including renewable term, accident and health benefits, dread disease benefits, ZLIC HK branch has broad rights to adjust premium rates either at each renewal, at each policy anniversary, at every 5 years or at any of the policy anniversary, as set out in the policy provisions. According to the Scheme, in accepting the Transferring Business, ZLIHK will retain the same rights with respect to these policies. However, these rights exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Transferring Policyholders of the ZLIC HK branch.

Costs and expenses in relation to the Scheme

- 2.13. The costs associated with the Scheme are to be met by ZLIC shareholders, expensing through the ZLIC HK branch. ZLIC HK branch has confirmed that there will be no cost and expense incurred in relation to the Scheme that will lead to an increase in the unit costs charged to policyholders or a

decrease in the policyholder level of discretionary benefits paid. Therefore, I have no reason to believe there will be any material adverse impact on the Transferring Policyholders in this regard.

Tax implications

- 2.14. The ZLIHK will elect the same taxation basis as the ZLIC HK branch, under which the branch calculated profit tax based on total assessable profits and the elected tax rate. The Parties have also advised that all the tax balances of the ZLIC HK branch will be transferred to ZLIHK. Given the tax regime applied to the Transferring Business will remain unchanged after the Scheme is implemented, I have no reason to believe there will be a materially adverse impact on the Transferring Policyholders of ZLIC HK branch in this regard.

Policy terms and conditions

- 2.15. I am informed that, other than the replacement of references to ZLIC HK branch to ZLIHK, there will be no change to the policy terms and conditions of in-force insurance policies as a result of the Scheme. The provision of policy loans being part of the policy terms and conditions will remain unchanged after the transfer. I have no reason to believe there will be a materially adverse impact on the policy terms and conditions of Transferring Policyholders due to the Scheme itself in this regard.

Reasonable benefit expectations conclusion

- 2.16. In summary, The Scheme will not have a materially adverse effect on the reasonable benefit expectations of the Transferring Policyholders of ZLIC HK branch, which include the policyholders of Swiss Individual Life Policies.

Effect of the Scheme on the financial security of Transferring Policyholders

- 3.1. The security of the contractual benefits of policyholders can be measured by the excess assets in the long term insurance business fund plus the net shareholder assets. It is affected by the conservatism of the reserving bases used and the capital and free reserves, together with additional security provided by the entity as a whole, and any potential support available from its shareholders.
- 3.2. I have also considered the expected overall solvency position of ZLIHK following implementation of the proposed Scheme and its possible future development.

The provision of financial security

- 3.3. To protect the security of policyholders, insurance companies maintain three asset layers namely policy reserves, minimum solvency margin and excess assets, with the first two layers required by legislation.
- **Policy reserves:** assets supporting the policy liabilities calculated according to the underlying contractual obligations using valuation standards prescribed by statutory rules.
 - **Minimum solvency margin:** assets required to fulfil the minimum statutory solvency requirements, serving as a margin relating to the risks of liabilities underwritten by insurers.
 - **Excess assets:** assets that are over and above the statutory minimum solvency margin, which can be expressed as a percentage of the required minimum solvency margin.

Policy reserves

- 3.4. In accordance with the required valuation standards, ZLIC HK branch has previously set up reserves for the Transferring Business using established methods and valuation bases that satisfy the Hong Kong regulatory standards (with reference to the Hong Kong Insurance Ordinance (CAP 41) and Actuarial Guidance Notes issued by the Actuarial Society of Hong Kong, "Actuarial Guidance Notes").
- 3.5. In the statutory valuation reporting process, the current procedure is that each year, the Appointed Actuary of ZLIC HK branch, as the advisor to the ZLIC's Board of Directors, proposes the valuation methods and a set of valuation assumptions.
- 3.6. After the Scheme is implemented, the procedures will remain the same such that each year the Appointed Actuary of ZLIHK will advise on the reserving methods and valuation bases of the Transferring Business, as well as the new policies of ZLIHK's business, to the ZLIHK Board of Directors. As no changes in procedure in determining the valuation methodology and assumptions

have been proposed if the Scheme is implemented, I do not believe there will be an adverse impact on the financial security of the Transferring Policyholders in this regard.

Solvency positions

3.7. ZLIC, the parent company of ZLIC HK branch, is incorporated in Switzerland in which the solvency is subject to Swiss Solvency Test (SST) framework for determining the risk based capital. The historical solvency position of ZLIC on the SST basis is shown in below.

TABLE 1: ZLIC'S SOLVENCY RATIOS (ON SST BASIS)

CHF millions	Dec 2017	Dec 2018	Dec 2019	Sep 2020**
Target capital	2,858	3,286	4,524	4,601
Risk-bearing capital	5,989	7,002	7,635	7,749
Market value margin	778	820	1,409	1,453
Solvency ratio*	251%	251%	200%	200%

* Figures derived from this table may not be the same due to rounding.

** The number is not required by FINMA. It has not been reviewed by FINMA and is an estimate by ZLIC. Currently only the SST as at 1 Jan 2020 or Dec 2019 is relevant for FINMA.

Source: ZLIC internal non-public information for the estimated SST figures as at September 2020.

3.8. ZLIC HK branch has estimated the solvency position of the entire ZLIC legal entity under HKIO basis for the purpose of this transfer. As the HKIO reserving is very similar to the old Swiss Solvency 1 reserving, the Swiss Solvency 1 reserve was used as an approximation of the HKIO reserve in the application of the Insurance (Margin of Solvency) Rules. The calculations have been carried out using public information including local statutory reserves, sum assured and premium of ZLIC. The historical approximated solvency position of ZLIC on the HKIO basis is shown in below.

TABLE 2: ZLIC'S SOLVENCY RATIOS (ON HKIO BASIS)

CHF million	Dec 2017	Dec 2018	Dec 2019	Sep 2020**
Solvency margin	960	990	1,019	1,011
Net assets	3,505	3,122	3,609	3,436
Solvency ratio*	365%	315%	354%	340%

* Figures derived from this table may not be the same due to rounding.

** Derived based on ZLIC internal non-public information.

3.9. ZIC the ultimate parent of ZLIHK, the holding company for is also the parent of ZLIC. ZIC, similar to ZLIC is incorporated in Switzerland in which the solvency is subject to SST framework for determining the risk based capital. The historical solvency position of ZLIC on the SST basis is shown in below.

TABLE 3: ZIC'S SOLVENCY RATIOS (ON SST BASIS)

USD millions	Dec 2017	Dec 2018	Dec 2019**
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Target capital	24,573	22,280	24,687
Risk-bearing capital	43,181	41,628	45,961
Solvency ratio*	212%	225%	241%

* Figures derived from this table may not be the same due to rounding.

**No updated information available after December 2019 as ZIC's solvency ratio is only calculated annually.

Source: ZIC's 2018 and 2019 Financial Condition Report.

3.10. The Parties have also assessed projected solvency position of ZLIHK before and after the Transfer Date which have been considered to assess the impact of the Scheme.

TABLE 4: ZLIHK'S SOLVENCY POSITION (ON HKIO BASIS) AS AT 1 SEPTEMBER 2021

HKD million	Pre-transfer	Transfer	Post-transfer
Solvency margin	4	111	115
Net assets	152	582	734
Solvency ratio*	3779%	523%	637%

* Figures derived from this table may not be the same due to rounding.

TABLE 5: ZLIHK'S PROJECTED SOLVENCY RATIOS (ON HKIO BASIS)

HKD million	1 Jan 2021 ^(*)	1 Jan 2022	1 Jan 2023
Solvency margin	2	119	127
Net assets	204	721	675
Solvency ratio**	9438%	604%	533%

* Solvency ratio at 1 Jan 2021 is the solvency position before the Transfer Date.

** Figures derived from this table may not be the same due to rounding.

- 3.11. The Parties have confirmed that ZLIHK's paid-in capital has been invested in short term fixed deposits which have been unaffected by the capital market volatility resulting from the COVID-19 pandemic
- 3.12. I have been informed by the Parties that if ZLIHK's solvency ratio is below 200%, or if it is anticipated that ZLIHK's solvency ratio will likely fall below 200% measured on the local statutory basis, it will seek assistance from Zurich Group to raise solvency capital or for a capital injection from ZIC via ZIH, the shareholders of ZLIHK, to meet the target solvency ratio.
- 3.13. I have compared the historical solvency position of the ZLIC being parent of ZLIC HK against the historical solvency position of the ultimate parent of ZLIHK, which is ZIC. As observed from Table 1 and Table 3, the solvency positions of both of the entities are very similar, which are in the range of 200% to 250% for 2017 to September 2020, implying the financial strength of both entities are comparable.
- 3.14. I have also focused on the comparison of the projected solvency position of the ZLIHK after the Scheme is implemented against the current solvency position of ZLIC under HKIO basis, since the results under SST basis are not available for ZLIHK. As observed from Table 2 and Table 5, the estimated solvency ratio of ZLIHK post-Scheme is higher than the current solvency ratio of ZLIC under HKIO basis, which is positive for the financial security of the Transferring Policyholders.

Dynamic solvency testing

- 3.15. In addition, there have been Dynamic Solvency Testing (“DST”) projections which examine the solvency positions of ZLIC HK branch before the proposed transfer and ZLIHK after the proposed transfer under a number of possible adverse scenarios.
- 3.16. The results of these projections for ZLIC HK branch standalone before the transfer and ZLIHK after the transfer show that the solvency of ZLIHK to be comfortably above acceptable solvency requirements being 200% of the Hong Kong statutory minimum solvency requirement. While the actual solvency ratios are likely to vary over time as actual operating experience reveals, in any event the ZLIHK Appointed Actuary has the responsibility under prescribed regulations to ensure that the statutory minimum capital requirements are fulfilled.

Capitalisation policies

- 3.17. The Parties have stated that ZLIC HK branch has established an internal target solvency ratio range of 200% - 250% over many years and shareholder dividends are considered when free assets exceed this level to a material degree. The IA has required ZLIC HK branch to monitor its solvency position on a weekly basis and to retain the solvency capital in excess of the 200% of minimum solvency requirement, however the IA approval is not required in the capital repatriation for the branch. To ensure a buffer is retained, ZLIC HK will retain local capital between 200% and 250% of the minimum solvency requirement. In addition, since the capital requirement of ZLIC is also subject to the supervision of Swiss Financial Market Supervisory Authority (“FINMA”), the upper range is reinforced as the target solvency level.
- 3.18. If ZLIC HK’s solvency ratio is below 200%, the branch will seek assistance from Zurich Group to raise solvency capital or a capital injection from ZLIC.
- 3.19. I have been informed that following the transfer, the intention is to manage ZLIHK’s solvency ratio at the internal target of 225% using a similar approach. This is in line with the Zurich Group risk policy that it holds capital equivalent to the statutory minimum in the local regulated entity plus an adequate agreed buffer to allow for short-term volatility. Zurich Group endeavours to manage its internal physical capital such that all its regulated entities are adequately capitalised in compliance with the relevant regulatory capital adequacy requirements.
- 3.20. If ZLIHK’s solvency ratio is below 200%, or if it is anticipated that ZLIHK’s solvency ratio will likely fall below 200% measured on the local statutory basis, it will seek assistance from Zurich Group to raise solvency capital or for a capital injection from ZIC via ZIH, the shareholders of ZLIHK, to meet the target solvency ratio. In addition, I have been informed by the Parties that there was a letter of undertaking from ZLIHK to the IA when the license was issued, which specifies a parental commitment to maintain ZLIHK solvency of at least 150% of the statutory minimum solvency margin.

Risk exposures

- 3.21. In accordance with the ZLIHK’s plan, a new term product was launched in Q3 2020 after receiving its license approval from the IA on 23 March 2020. There were 13 in-force Class A term policies as of September 2020, and it is expected that the number of new policies will remain to be small at the time of Scheme implementation. ZLIHK plans to continue writing non-participating protection business in the initial stage of operation towards early 2021. In terms of insurance risks, ZLIC HK branch currently has more lines of business than the ZLIHK before the Scheme Transfer. Therefore the risk profile of ZLIHK is expected to be similar to the risk profile of ZLIC HK branch.
- 3.22. ZLIHK is planning to underwrite various individual life businesses belonging to Class A and Class C, unit-linked funds after the initial stage of operation and also upon receiving relevant product approvals.
- 3.23. ZLIC HK branch has had reinsurance arrangements in place for its Class A business and Class C business and such arrangements will continue after the Transfer. This provides an additional security. In addition, both ZLIC HK branch and ZLIHK are required to meet the Zurich Risk Policy.
- 3.24. Based on the above considerations, I have not identified any areas where additional risk exposure resulting from the Scheme implementation is likely to prejudice the contractual entitlements of and any group of Transferring policyholders.

Investment policy

- 3.25. The Parties have confirmed that there is no intention to make significant change to the existing investment strategies currently adopted by ZLIC HK branch for the assets supporting the Transferring Policies after the proposed transfer.

Risk policies

- 3.26. ZIC and ZLIC are regulated and supervised by FINMA in Switzerland, which has its prescriptive requirements in relation to risk management. The risk management of ZIC and ZLIC is in line with these controls and is documented within the Zurich Risk Policy (“ZRP”), which sets the standard for effective risk management across all of its subsidiaries. Both ZLIC HK branch and ZLIHK develop their risk policies with reference to the Zurich Group’s policies. As a result, there should not be any obvious deviation in the risk management framework.
- 3.27. In particular, the Risk Appetite Statement (“RAS”) of ZLIC HK branch follows Zurich Group governance and local statutory requirements. The same approach is currently being followed by ZLIHK. The key requirements set up by RAS are related to risk taking approach and risk appetite for every risk category (where risk appetite is expressed as Low Appetite/ Moderate Appetite/ High Appetite), incorporating defined quantitative key performance indicators and tolerance levels. Overall, the risk appetite statements are similar for both ZLIC HK branch and ZLIHK, there are no material differences in the target levels of risk measures applicable for both ZLIC HK branch and ZLIHK and the Parties have confirmed that risk appetite is materially unchanged in the new entity.

Regulatory overlay

- 3.28. The financial security of the policyholders needs to be further considered from a legal perspective, especially when the Scheme involves moving from Hong Kong branch with a Swiss parent to a Hong Kong subsidiary. I have considered the regulatory overlay from two perspectives, including:
- **Regulatory framework and solvency practice:** both the Hong Kong and Swiss regulatory frameworks and solvency practice were held in high regard by the International Monetary Fund, according to their reports named “Detailed Assessment of Observance – Insurance Core Principles” on both frameworks. Most importantly, in terms of day to day regulatory supervision, the IA maintains regulatory and supervisory authority of the Hong Kong operations at all times that apply to both ZLIC HK branch and ZLIHK.
 - **Policyholder protection:** currently Switzerland and Hong Kong do not have regulatory policyholder protection scheme in place to protect the policyholders should an insolvency happen despite there having been consultation paper issued on the topic previously in Hong Kong. As a result, the Scheme does not place the Transferring Policyholders in a more adverse situation in this regard. In the event of the insolvency of parent company, before the Scheme is implemented, ZLIC HK branch, as the Hong Kong operation is set up as a branch of ZLIC, the wind-up of the parent company would automatically trigger the wind-up of the branch itself given it is part of the same company. Whereas, after the Scheme is implemented, ZLIHK, being a subsidiary, the wind-up of ZLIC will not impact ZLIHK in the same way.

Financial security conclusion

- 3.29. In summary of my assessments above, in my opinion:
- The estimated HKIO basis solvency ratio of ZLIHK post-Scheme is higher than the 30 September 2020’s solvency ratio of ZLIC, which is positive for the financial security of the Transferring Policyholders.
 - Based on the policies provided, I recognise that the Transferring Policyholders will continue to be protected by the financial strength of ZIC after the Scheme is implemented through support from the capitalisation policies in the extreme event where ZLIHK faces financial difficulties. I consider this to be an important factor in maintaining the financial security of the Transferring Policyholders post-Scheme.
 - In view of my assessment above, I believe the Scheme is unlikely to expose the Transferring Policyholders of the ZLIC HK branch to new risks of significance. I conclude there will be no materially adverse impact on the Transferring Policyholders’ financial security after the Scheme.

Other Considerations

Level of services

- 3.30. The Parties have confirmed that the target service levels to all policyholders will remain the same after the transfer. For unit-linked policyholders, the existing range of fund choices currently available to them will not be adversely affected as a result of the Scheme implementation.

Reinsurance arrangement

- 3.31. The Parties have confirmed that the terms and conditions of existing reinsurance arrangements will remain unaltered after the transfer.
- 3.32. I consider the above various operational areas, including the level of service provided, will not have a material negative impact on the Transferring Policyholders and the Scheme should provide sufficient safeguards to ensure that the Scheme operates as presented.

Effect of the Scheme on the benefit expectations and financial security of the Non-Transferring ZLIC Policyholders

- 4.1. In assessing the effects of the Scheme on the benefit expectations and financial security of the Non-Transferring ZLIC Policyholders, I have relied upon the professional opinion of the Appointed Actuary and Chief Actuary of ZLIC.

Benefit expectations

Materiality of the Non-Transferring Business

- 4.2. The ZLIC HK branch represents a very small proportion of ZLIC's overall business, with only 2.6% of its parent's total gross insurance reserve and provisions for unit-linked contracts as at 30 September 2020.

Contractual benefit provisions

- 4.3. When forming my opinion on contractual benefits provision, I have not attempted to look at the contractual benefits provided by ZLIC. However, given the ZLIC HK branch is only a small part of ZLIC's entire business, I agree with the Appointed Actuary and Chief Actuary's opinions that the benefit expectations of the Non-Transferring ZLIC Policyholders in terms of ZLIC's ability to pay valid claims, as well as to act appropriately in other contractual matters, should be unchanged.

Bonus policies

- 4.4. Most business of ZLIC is participating in nature. This covers both the individual life business and the corporate life and pension businesses.
- 4.5. The Parties have confirmed that there will be no changes to the bonus philosophy and crediting rate philosophy as a result of the Scheme.

Other policies subject to company discretion

- 4.6. The charging structure of unit-linked products within ZLIC's Non-Transferring Business include monthly charges such as annual management charges, policy administration charges, allocation/setup charges, bid offer spreads, surrender charges, and benefit charges. Policyholders will be given written notice in advance according to policy provisions before any changes come into effect. These rights will continue with ZLIC and exist whether or not the Scheme proceeds.
- 4.7. There are ZLIC's products which allow the conversion of the savings capital into a series of annuity payments. For these products, the applicable conversion rates used to convert a savings capital into an annuity at the time of conversion would not be impacted by the transfer.
- 4.8. In conclusion, apart from the fact that these rights to vary unit-linked charges exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Non-Transferring ZLIC Policyholders.

Policy terms and conditions

- 4.9. Both of the Appointed Actuary and Chief Actuary of ZLIC have confirmed that there will be no change to the policy terms and conditions of the in-force Non-Transferring ZLIC Policies as a result of the Scheme.

Financial security

FINMA supervision

- 4.10. ZLIC is subject to insurance supervision by FINMA. The Swiss Insurance Supervision Law ("ISL") requires Swiss insurance companies to establish and maintain corporate governance including an effective risk management and internal control system that is appropriate to their business activities. In addition to the supervision exercised by FINMA, ZLIC and its branches are supervised according to the requirements of relevant local supervisory authorities.
- 4.11. ZLIC assesses its solvency under the Swiss Solvency Test ("SST"). In performing the SST, ZLIC assesses its solvency and financial condition, expressed as the SST ratio which must be submitted to FINMA annually.

The provision of financial security

- 4.12. To protect the security of policyholders of Switzerland, insurance companies are required to maintain sufficient policy reserves and sufficient solvency margin under the Swiss Solvency Test.

Policy reserves

- 4.13. ZLIC has been reporting under the Switzerland regulatory regime to FINMA, with the Appointed Actuary and the auditor certifying compliance with the Swiss Insurance Supervision Ordinance ("AVO") and the actuarial requirements specified in ZLIC's business plan. In the statutory valuation reporting process, the Appointed Actuary is responsible for the valuation methodology and the setting of adequate actuarial assumptions. After the transfer, the procedures and responsibilities will remain the same. There is no change in procedure in determining the valuation methodology and assumptions before and after the transfer.

Overall financial position and shareholders' capital

- 4.14. ZLIC is part of the Zurich Insurance Group which maintains a strong capital position. ZLIC is adequately capitalised and is projected to have stable solvency ratio as at the Transfer Date, and the Company expects the same after the transfer.
- 4.15. Given the size of the Transferring Business is relatively immaterial to ZLIC and from the projected solvency position of ZLIC shown above, I agree with the Appointed Actuary and Chief Actuary that the transfer is not expected to materially adversely affect the financial security of the Non-Transferring ZLIC Policyholders.

Risk exposure

- 4.16. Due to the relatively small size of the Transferring Business (only 2.6% of total ZLIC's business as at 30 September 2020) compared to the Non-Transferring Business, the risk exposure of the Non-Transferring Business does not change materially as a result of Scheme implementation.

Capitalisation policy

- 4.17. ZLIC maintains a Risk Appetite Statement which includes a framework of coverage boundaries in excess of the minimum level required by Swiss law and regulation which include tied assets, statutory shareholder equity and SST solvency. The Risk Appetite Statement will continue to apply after the transfer so the capitalisation policy will not be changed as a result of the Scheme.

Risk policy and risk management framework

- 4.18. I have been informed that ZLIC's risk policy and risk management framework will not be changed as a result of the Scheme.

Investment policy and currency risk hedging

- 4.19. Since the Transferring Business is ring-fenced from ZLIC parent company and the Non-Transferring Business, there is no change in the investment policy/investment strategy and currency hedging tool and strategy after the transfer.

Shareholders' Fund and policy on shareholder dividends

- 4.20. ZLIC have an overall framework of making dividends to its owner ZIC. The amount of dividend is restricted by the capital ZLIC holds in relation to its risk appetite statements and other legal requirements. When making dividends the level of shareholders fund, solvency ratio and other metrics are considered.
- 4.21. The proposed transfer will have no material impact on the ZLIC shareholders' fund or on ZLIC's dividend policy.

Other considerations

Policyholder services

- 4.22. For unit-linked Non-Transferring Policyholders, the existing range of fund choices currently available to the long term Non-Transferring Policyholders of ZLIC will not be affected as a result of the Scheme implementation.

Reinsurance arrangements

- 4.23. The current reinsurance arrangements include a set of relatively minor risk reinsurance treaties outside of Hong Kong and a set of reinsurance treaties covering the Transferring Business. As the Hong Kong reinsurance treaties will be transferred along with the business. The other non-Hong Kong treaties are not impacted.

Distribution arrangements

- 4.24. Given that ZLIC Hong Kong branch is closed to new business, there are no active distribution agreements relating to the Transferring Business that needs to be considered. For Non-Transferring Business, there are multiple distribution agreements, but these will not be impacted by the transfer and hence there is no change to these.

Level of services

- 4.25. As the ZLIC HK branch portfolio is such a small portion of the overall ZLIC business, I have been informed that the transfer of these policies will have a negligible impact on the level of services provided to the Non-Transferring Policyholders.

Effect of the Scheme on the benefit expectations and financial security of the Existing ZLIHK Policyholders

- 5.1. In this section I consider the effects of the Scheme on the Existing ZLIHK Policyholders, given that ZLIHK started issuing policies in July 2020. There were 13 in-force Class A term policies as of September 2020. The total gross annualised premiums of these policies was HKD 103 thousand.

Benefit expectations

Contractual benefit provisions

- 5.2. Although the contractual benefits that will provided by ZLIHK have not been finalised, I have been informed by the Appointed Actuary of ZLIHK that there will be no change to the contractual benefits provided to the Existing ZLIHK Policyholders following the implementation of the Scheme, and that valid claims will continue to be paid when due in the same manner as before the Scheme.

Other policies subject to company discretion

- 5.3. ZLIHK has started to issue individual non-linked policies (Class A) after receiving its license approval on 23 March 2020. Unit-linked policies will be issued upon ZLIHK obtaining its necessary Class C product approvals from the regulatory bodies.

- 5.4. The Parties have informed me that for Class A business, in accordance with the ZLIHK's current 2020 plan, a new term product was launched in Q3 2020. ZLIHK will launch a new critical illness protection product by Q3 2021 and will continue monitoring Qualifying Deferred Annuity Policy ("QDAP") market developments assessing the possibility of launching such a retirement solution in the future. However, any annuity product will offer guaranteed cash values during the fixed annuity period and no discretionary component to align with ZLIHK's strategy of only offering non-participating Class A products. As the move into the QDAP sector is not decided and, even if it were to happen, sales volumes are expected to be small and therefore will not be included in the 2021 ZLIHK business plan which is currently in production. The Parties have also informed me that, due to recent COVID-19 pandemic, there will be a slight delay in launching various products, although the overall roadmap remains the same.
- 5.5. For Class C business with non-guaranteed fees and charges, ZLIHK will have the broad rights to vary policy charges, as well as the right to impose any other charges for administering the policy, provided that the policyholders will be given advance written notice before changes.
- 5.6. In conclusion, apart from the fact that these rights to vary unit-linked charges exist whether or not the Scheme proceeds and I have no reason to believe the Scheme will lead to a materially adverse exercise of discretion in relation to the Existing Policyholders of ZLIHK.

Policy terms and conditions

- 5.7. The Appointed Actuary of ZLIHK has confirmed that there will be no change to the policy terms and conditions of the Existing ZLIHK Policies as a result of the Scheme.

Financial security

- 5.8. Same as the comment I have made for the Transferring Policyholders, when considering the effects of the Scheme on the financial security of the Existing ZLIHK Policyholders, I have mainly considered the conservatism of the reserving bases that are planned to be used and the capital and free reserves, together with additional security provided by the entity as a whole, and any potential support available from its shareholders.

Policy reserves

- 5.9. ZLIHK is reporting under the Hong Kong regulatory regime, with the Appointed Actuary and the auditor certifying compliance with the Hong Kong Insurance Ordinance (CAP 41).
- 5.10. After the Scheme is implemented, the procedures will remain the same such that each year the Appointed Actuary of ZLIHK will advise on the reserving methods and valuation bases to the ZLIHK Board of Directors. As no changes in procedure in determining the valuation methodology and assumptions have been proposed if the Scheme is implemented, I do not believe there will be an adverse impact on the financial security of the Existing ZLIHK Policyholders in this regard.

Overall financial position and shareholders' capital

- 5.11. The projected pre- and post-transfer solvency ratio of ZLIHK under HKIO basis as shown in Table 4 above are at a very high level; well above both the statutory minimum requirement and the level most insurance businesses are managed to.
- 5.12. Based on the projected post-transfer solvency ratio of ZLIHK under HKIO basis as at the Transfer Date and projection years thereafter as shown in Table 5, I have no reason to believe there will be any materially adverse impact on the financial security of the Existing ZLIHK Policyholders caused by the Scheme from a solvency perspective.

Other Considerations

Group Policy

- 5.13. Given the ultimate parent remains the same after the implementation of the Scheme and all the group policies will continue to apply, I do not expect there to be any materially adverse impact to the Existing ZLIHK Policyholders as a result of the change in group structure.

Conclusion

- 6.1. Taking into account of above considerations, in my opinion:
- The Scheme will not have a materially adverse effect on the reasonable expectations of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch, with regards to benefits and levels of service.
 - The Scheme will not have a materially adverse effect on the financial security of the policyholders of ZLIC and ZLIHK, and in particular, the Transferring Policyholders of ZLIC HK branch.
 - I am satisfied that the proposed Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Reliances and Limitations

- 7.1. This report is subject to the same reliances and limitations clauses as set out in the full version of my Independent Actuary report dated 29 March 2021.

Paul Sinnott

Fellow of the Institute and Faculty of Actuaries (FIA)

Independent Actuary

5 May 2021

Frequently Asked Questions

1. Why is Zurich proceeding with this transfer of long term business carried on in or from Hong Kong by ZLIC to ZLIHK?

The transfer of all the long term business carried on in or from Hong Kong by ZLIC to ZLIHK ("**Proposed Transfer**") is part of a strategic initiative of the Zurich group. ZLIC and ZLIHK consider that the transfer will give rise to the following benefits:

- (a) improve the efficiency of audit and regulatory compliance within the group; as ZLIHK is incorporated in Hong Kong, it will be subject to the Hong Kong regulatory regime alone and not the additional Swiss regulatory requirements that apply to the ZLIC Hong Kong branch;
- (b) improve the operational efficiency of Zurich group's life insurance business;
- (c) improve the operations of Zurich group's life insurance business by allocating the decision making to different entities of the group, allowing each territory within the group to pursue the strategy that best fit the needs of its market, policyholders and shareholders;
- (d) better align Zurich group's business along regional lines; and
- (e) simplify ZLIC's company structure and remove the tension within ZLIC as a result of the differing risk profiles and regulatory regimes that apply to its Hong Kong and non-Hong Kong businesses and thus improve the efficiency of compliance within the group.

2. What is the background of ZLIHK? Who owns ZLIHK? How will it be capitalised?

ZLIHK was incorporated in Hong Kong on 7 May 2018. ZLIHK is a wholly-owned subsidiary of Zurich Insurance Holdings (Hong Kong) Limited, which is in turn a wholly owned subsidiary of Zurich Insurance Company Ltd ("**ZICL**"). ZICL is a global insurance company with around US\$303,433,000,000 in assets under management (comprising of group investments and unit-linked investments plus assets that are managed by third parties, on which fees are earned, as at 31 December 2020).

3. How will the Proposed Transfer take place?

In order to take over the business carried on by ZLIC, an application was made by ZLIHK to the Insurance Authority on 2 January 2020 for the authorisation to carry out insurance of Classes A and C of long term business. Formal authorisation was granted by the Insurance Authority to ZLIHK on 23 March 2020.

Under the Scheme of Transfer ("**Scheme**") your long term insurance policy(ies) (whether in force, expired, terminated, matured or surrendered) effected with ZLIC Hong Kong branch prior to the Transfer Date (defined below) will be transferred to ZLIHK, according to section 24 of the Insurance Ordinance, Cap. 41 of the Laws of

Hong Kong ("**Ordinance**"), and is subject to the approval of the Court of First Instance ("**Hong Kong Court**").

The Proposed Transfer is expected to take effect on 1 September 2021 or such other date as the Hong Kong Court shall approve ("**Transfer Date**").

From the Transfer Date, ZLIHK will be responsible for providing the insurance coverage and services under your insurance policy(ies) including processing of claims.

We have placed a notice of the Proposed Transfer in the Government of the Hong Kong Special Administrative Region Gazette as well as the The Standard and Sing Tao Daily in Hong Kong.

Information relating to this Proposed Transfer is also posted on our webpage www.zurich.com.hk/en/important-notice/portfolio-transfer. We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect.

For information on the final hearing by the Hong Kong Court of the Scheme, please refer to the section entitled "Further Information on the Hearing" in Schedule 1 - Part 2 attached to this letter.

4. What are the details of the Scheme?

We have prepared the Scheme pursuant to section 24 of the Ordinance, a summary of which is attached to this letter. You can also review the Scheme document on or before June 17, 2021 by visiting our office at 25/F-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong between 9:00 a.m. and 5:30 p.m. (Hong Kong time), Monday to Friday (except public holidays).

5. Will there be any change to the terms of our insurance policies or each party's rights and obligations under the insurance policies?

No. The Proposed Transfer will not affect your rights and obligations under your insurance policy(ies). On and from the Transfer Date, you will have the same rights available to you under your insurance policy(ies) with ZLIHK as you had with ZLIC Hong Kong branch. An independent actuary was engaged to give his professional opinion on the impact (if any) of the Proposed Transfer to the policyholders of ZLIC and ZLIHK and in his opinion, there will not be any material adverse impact.

6. Will new insurance policies be issued for our existing insurance policies?

Your existing in force insurance policies remain valid and will be automatically transferred to ZLIHK from the Transfer Date. As such, we will not be issuing new insurance policy(ies).

7. How does the Proposed Transfer affect the payment of premiums?

All premiums payable under your insurance policy(ies) with ZLIC Hong Kong branch after the Transfer Date are to be made payable to ZLIHK or its agents. We will furnish payment instructions and bank account details directly to you in due course.

8. What if I make a claim before the Transfer Date and the claim has not yet been settled by the Transfer Date?

If you have made a claim before the Transfer Date, your existing policy terms and conditions will continue to govern the assessment of the claim and ZLIHK will take over the processing of the claim from ZLIC Hong Kong branch and be responsible for any subsequent payment to you. You do not need to submit a new claim form as the information will be transferred from ZLIC Hong Kong branch to ZLIHK.

9. How can I keep up to date with the progress of the Proposed Transfer?

We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect. If the Scheme is not sanctioned by the Hong Kong Court and does not take effect, we will also notify you in writing.

重要資料

2021年5月27日

[姓名]

[地址]

尊敬的客戶：

擬將 Zurich Life Insurance Company Ltd (「ZLIC」) 在香港或從香港經營的全部長期業務轉讓予蘇黎世人壽保險(香港)有限公司(「ZLIHK」)

我們特此致函告知您，為了提高運營效率，使我們能夠繼續提供卓越的服務，蘇黎世的管理層欲正式將 ZLIC 透過其香港分公司承保的所有長期保險業務轉讓予蘇黎世的另一成員 ZLIHK (「**擬議轉讓**」)。

本函載述有關將 ZLIC 透過其香港分公司在香港或從香港經營的所有長期保險業務 (「**ZLIC 香港業務**」) 轉讓予 ZLIHK 之擬議轉讓的重要資料。作為 ZLIC 的保單持有人，您的保單(不論生效、過期、終止、到期、放棄或失效)將被納入擬議轉讓範圍。擬議轉讓將根據香港《保險業條例》(「**《保險業條例》**」) 第 24 條中列明的法定程序，向香港原訟法庭 (「**香港原訟法庭**」) 申請對一項列明轉讓條款的計劃 (「**計劃**」) 予以認許。該申請已於 2021 年 4 月以呈請 (「**呈請書**」) 的方式向香港原訟法庭作出。

計劃將於香港原訟法庭的呈請書聆訊中加以審議，該聆訊預定將於 2021 年 8 月 9 日 10 時舉行。計劃下擬議的轉讓僅在獲得(除其他所需批准外)香港原訟法庭的批准的情況下方可進行。

ZLIC 和 ZLIHK 已委任一名獨立精算師，即英國精算師協會會員及香港精算學會會員 Paul Sinnott 先生 (「**獨立精算師**」)，審查計劃對 ZLIC 和 ZLIHK 的長期保單持有人可能產生的影響，並以 ZLIC 和 ZLIHK 在 2020 年 9 月 30 日的財務信息作為基礎擬備一份報告供香港原訟法庭審閱。計劃及獨立精算師報告的撮要列於本函附件 1 及附件 2。獨立精算師將準備一份補充報告 (「**補充報告**」) 就截至 2020 年 12 月 31 日的相關財務信息及獨立精算師的意見之任何變更作出更新。補充報告預計將大約於 2021 年 6 月/7 月定稿，並在 ZLIC 和 ZLIHK 的網站上發布 (網址為 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer)，直至香港原訟法院完成最終呈請書聆訊。

任何人士如聲稱其會因計劃的實行而受到不利影響，均有權於香港原訟法庭就呈請書進行的聆訊中陳詞。如您有意出席香港原訟法庭的呈請書聆訊，您應於聆訊日期不少於三日前向 ZLIC 和 ZLIHK 發出書面通知。詳情請參閱附件 1 - **第 2 部：「聆訊的其他資料」** 的「**最終聆訊**」部份。除非您有意出席香港原訟法庭的呈請書聆訊或有意對計劃作出反對，否則您毋須採取任何行動。然而，您須理解擬議轉讓的詳情。我們建議您仔細閱讀本函。

擬議轉讓對您有何影響？

在計劃獲得香港原訟法庭認許之前提下，計劃應於 2021 年 9 月 1 日香港時間凌晨零時零一分或於 ZLIC 與 ZLIHK 共同決定的另一個日期，該日期應為香港原訟法庭頒發命令認許

計劃之日後 90 日之內的一日，開始生效。除非計劃於香港原訟法庭命令頒發之日後第 90 日當日或之前，或於 ZLIC 和 ZLIHK 決定且香港原訟法庭允許的較後的日期及/或時間（如有）生效，否則，計劃將失效。

若香港原訟法庭認許計劃，ZLIC 香港業務中的所有保單¹（「轉讓保單」），包括您向 ZLIC 投保的保單，均將轉讓予 ZLIHK。擬議轉讓完成後，ZLIHK 將管理所有轉讓保單，而且 ZLIHK 將取代 ZLIC 成爲此等保單的承保人。**敬請放心，保單的所有其他條款及規定均將保持不變。**

計劃得到香港原訟法庭認許並生效後，我們將以書面方式通知您。

如計劃未獲香港原訟法庭認許，擬議轉讓將不會進行，包括您的保單在內的轉讓保單將由 ZLIC 繼續承保，ZLIC 亦將繼續對此等保單負責（包括負責其行政管理及服務）。如擬議轉讓沒有進行，我們將以書面方式通知您。

計劃的安排確保保單持有人的權益受到保障。獨立精算師已就計劃對 ZLIC 和 ZLIHK 之長期保單持有人的合理利益期望及財務保障可能產生的影響等事項發表意見。建議您參閱附件 2 的第 1 部「獨立精算師的主要評估」及第 2 部「獨立精算師報告撮要」。

任何與擬議轉讓相關而產生的費用將由 ZLIC 和 ZLIHK 承擔。

進一步資料

如您希望獲得進一步資料，您可以：

- 於 2021 年 5 月 27 日至 2021 年 6 月 17 日期間之正常工作日（星期一至星期五（公眾假期除外））上午 9 時至下午 5 時 30 分（本地時間）內，前往於香港港島東華蘭路 18 號港島東中心 25-26 樓的 ZLIC 或 ZLIHK 客戶服務中心查閱本函、呈請書、計劃以及獨立精算師報告；
- 在香港原訟法庭完成最終呈請書聆訊之前登入 ZLIC 和 ZLIHK 的網站（網址為 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer）；
- 在最終呈請書聆訊日期當日或之前致函 ZLIC 和 ZLIHK 位於香港港島東華蘭路 18 號港島東中心 25-26 樓的辦事處，免費索取上述文件；或
- 請參閱本函所附的“常見問題”（「常見問題」）。

如您對擬議轉讓有任何疑問，請致電 ZLIC 和 ZLIHK 的指定熱線電話（852）3405 7283，或按照上述地址致函 ZLIC 和 ZLIHK，致客戶服務中心並在信封上註明參考編號「HCMP 460/2021」。

¹ 轉讓保單將包括（除其他外）九個截至 2021 年 2 月 28 日由 ZLIC 發行的現有投資相連壽險計劃，即 (i)「金尊寶」退休保障計劃；(ii)「至尊寶」保障計劃；(iii)「狀元寶」教育儲蓄保障計劃；(iv)「富歲寶」退休保障計劃；(v)「尚富寶」保障計劃；(vi)「富綽寶」；(vii)「盛富寶」保障計劃；(viii)「創富寶」保障計劃；and (ix)「匯富寶」理財保障計劃。

我們感謝您一貫的支持，並期待繼續為您提供服務。

Zurich Life Insurance Company Ltd, 香港分公司謹啓

蘇黎世人壽保險（香港）有限公司 謹啓

附件 1

第 1 部

計劃撮要

轉讓

Zurich Life Insurance Company Ltd (「ZLIC」) 於瑞士註冊成立，從 1922 年 12 月 28 日起在蘇黎世州商業登記冊中登記。ZLIC 是 Zurich Insurance Group Ltd. 的全資附屬公司，Zurich Insurance Group Ltd. 的股份在瑞士證券交易所上市，且是蘇黎世集團（“Zurich Group”）的最終母公司。ZLIC 是由瑞士金融市場監管局（FINMA）發牌和監督的保險承保人。ZLIC 的註冊辦事處位於 Austrasse 46, 8045 Zurich, Switzerland。ZLIC 亦於 1984 年 8 月 31 日根據原《公司條例》（第 32 章）第 11 部（現為《公司條例》（第 622 章）第 16 部）註冊為一家非香港公司。ZLIC 是一家根據《保險業條例》（香港法例第 41 章）（「**保險業條例**」）獲授權的保險公司，獲授權在香港或從香港經營 A 類（人壽及年金）、C 類（相連長期）及 I 類（退休計劃管理第 III 類）的長期業務（保險業條例附表 1 第 2 部所定義）。作為其 A 類長期業務的一部分，ZLIC 已透過其香港分公司（「**ZLIC 香港分公司**」）承保瑞士個人壽險保單，但此類保單的會計結算和管理（包括支付索賠和收取保費）由位於瑞士的 ZLIC 總部負責並將由位於瑞士的 ZLIC 總部透過與蘇黎世人壽保險（香港）有限公司（「**ZLIHK**」）的外判安排在該保單於轉讓日（定義見下文）轉讓給 ZLIHK 之後繼續負責，以將直接對客戶的潛在影響減至最低。然而，作為其日常業務審查的一部分，ZLIHK 可以完善該保單的長期管理為由而對該外判安排作重新評估，決定是否繼續該外判安排。從 2016 年 12 月 1 日起，一項附註已被加入了由保監局保管的獲授權保險人登記冊中，指出 Zurich Life Insurance Company Ltd 「已停止在香港或從香港訂立任何新的保險合約...」。ZLIC 於香港的主要營業地位於香港港島東華蘭路 18 號港島東中心 25-26 樓。

ZLIHK 於 2018 年 5 月 7 日於香港註冊成立。

ZLIHK 是 Zurich Insurance Holdings (Hong Kong) Limited 的全資附屬公司，Zurich Insurance Holdings (Hong Kong) Limited 則是 Zurich Insurance Company Ltd. (「**ZICL**」) 的全資附屬公司。ZLIC 也是 ZICL 的全資附屬公司，而它們全部都是 Zurich Group 旗下的公司。ZICL 是一家全球保險公司，其管理的資產約為 303,433,000,000 美元（截至 2020 年 12 月 31 日，包括集團投資和單位相連投資，以及由第三方管理並賺取費用的資產）。除香港之外，ZICL 和其附屬公司在歐洲、中東、非洲、北美、亞太和拉丁美洲等其他主要市場以及多於 215 個國家經營業務。

作為蘇黎世集團戰略舉措的一部分²，蘇黎世集團擬將 ZLIC 香港業務（定義見下文）轉讓予 ZLIHK 並由 ZLIHK 承繼（「**擬議轉讓**」）。

為接管由 ZLIC 經營的 ZLIC 香港業務（定義見下文），ZLIHK 已於 2020 年 1 月 2 日向保監局呈交申請，以獲授權在香港或從香港經營 A 類及 C 類之長期業務。於 2020 年 3 月 23 日，保監局已向 ZLIHK 授予正式授權，允許其在香港或從香港經營該等類之長期業務。

本計劃的目的是根據《保險業條例》第 24 條和第 25(1) 條將 ZLIC 香港業務由 ZLIC 轉讓予 ZLIHK（所有詞匯的定義參見計劃）。

擬議轉讓

² 有關更多詳情，請參閱本函所附的“常見問題”。

擬議根據《保險業條例》第 24 條，ZLIC 在香港或從香港經營的長期業務（「ZLIC 香港業務」）應根據計劃的條款轉讓予 ZLIHK。該轉讓須按香港原訟法庭根據《保險業條例》第 24 和 25(1)條發出的命令（「香港命令」）進行。該等 ZLIC 香港業務應包括下文定義的轉讓保單、轉讓資產和轉讓負債（就此，「轉讓保單」指(i)構成 ZLIC 於香港承保的 A 類（人壽及年金）（未免疑義，包括瑞士個人壽險保單）或 C 類（相連長期）長期業務³且於轉讓日其項下仍有任何未償負債的任何保單，不論該等保單是否已恢復、已過期、失效、到期、放棄、終止或發生其他情形，包括與該等保單有關的所有保險單建議書或申請、證書、補充保險保障、背書、附加計劃及附屬協議；以及(ii)ZLIC 已收到但 ZLIC 在轉讓日之前尚未完成處理（應由 ZLIHK 在轉讓日之後處理）的所有保單續保建議書或申請）。

轉讓日

本計劃應於 ZLIC 與 ZLIHK 共同決定的一個日期的凌晨零時零一分（香港時間）生效，該日期應為頒發香港命令認許本計劃之日後 90 日之內的一日（「轉讓日」）。在獲得香港命令的前提下，預計本計劃將於 2021 年 9 月 1 日生效，但經雙方一致同意後可更改該日期。

除非本計劃於頒發香港命令之日後第 90 日當日或之前的一日，或者於雙方決定且香港原訟法庭允許的較後日期及/或時間（如有）生效，否則，本計劃將失效。

資產和負債的轉讓

於轉讓日當日並由轉讓日起，轉讓資產應依據香港命令，無須任何進一步的行動或文書，但須遵守下文「進一步或其他的行為或保證」之規定，由 ZLIC 轉讓予 ZLIHK 並歸屬於 ZLIHK（須受限於與該等資產相關的任何產權負擔）。ZLIHK 應不經調查或查問接受 ZLIC 於轉讓日對屆時轉讓的每項轉讓資產享有的所有權。ZLIC 與 ZLIHK 應於適當之時為實行或完成向 ZLIHK 轉讓任何轉讓資產並使其歸屬於 ZLIHK 而簽署所有必要文件（包括轉讓協議）並採取/辦理所有其他必要的行動和事宜。

就此，「轉讓資產」指無論位於何處、歸屬於 ZLIC 香港業務的 ZLIC 財產、資產或投資（包括 ZLIC 在任何轉讓保單下或依任何轉讓保單享有的任何權利、酌情權、權限、權力或利益）；以及 ZLIC 在下列各項下及依下列各項享有的權利、利益和權力：

- (a) ZLIC 與其保險中介就 ZLIC 香港業務簽訂的合約；
- (b) 轉讓再保險；
- (c) 有關 ZLIC 香港業務的任何租約、外包協議或安排、IT 及相關合約；及
- (d) 與 ZLIC 香港業務有關或涉及 ZLIC 香港業務的任何其它合約、協議、安排或承諾。

「產權負擔」指任何抵押、押記、質押、留置權、選擇權、限制、優先取捨權、優先購買權、第三者權利或權益、任何種類的任何其他產權負擔或擔保權益，以及具有類似效力的任何其他類型的優先安排。

「轉讓再保險」指 ZLIC 就轉讓保單進行再保險的任何再保險協議或安排。

於轉讓日當日並由轉讓日起，每項轉讓負債應依據香港命令，無須任何進一步的行動或文書，亦不經調查或查問，但須遵守下文「進一步或其他的行為或保證」之規定，由 ZLIC 轉讓予 ZLIHK 並成爲 ZLIHK 的負債，而 ZLIC 對該等轉讓負債的責任應完全解除，且 ZLIHK 應承擔所有該等轉讓負債。ZLIC 與 ZLIHK 應於適當之時為實行或完成向 ZLIHK 轉讓任何轉讓負債並由 ZLIHK 承擔任何轉讓負債而簽署所有必要文件（包括轉讓協議）並採取/辦理所有其他必要的行動和事宜。就此，「轉讓負債」指於轉讓日歸屬於 ZLIC 香港業務的所有 ZLIC 負債，包括但不限於轉讓保單和 ZLIC 香港業務下或與轉讓保

³ 轉讓保單將包括（除其他外）九個截至 2021 年 2 月 28 日由 ZLIC 發行的現有投資相連壽險計劃保證計劃，即 (i)「金尊寶」退休保障計劃；(ii)「至尊寶」保障計劃；(iii)「狀元寶」教育儲蓄保障計劃；(iv)「富慶寶」退休保障計劃；(v)「尚富寶」保障計劃；(vi)「富綽寶」；(vii)「盛富寶」保障計劃；(viii)「創富寶」保障計劃；and (ix)「匯富寶」理財保障計劃。

單和 ZLIC 香港業務有關的負債和義務（不論是現時的、未來的或可能有的），以及相關負債，為免疑義，包括 ZLIC 於轉讓日之前作出的不當銷售或違規行為而產生的負債（包括罰款，罰金，損害賠償及應支付予保單持有人的賠償），以及任何有關轉讓保單的現時及/或未完結的申訴，法律程序及/或其他爭議解決程序。

轉讓保單的轉讓

於轉讓日當日並由轉讓日起，ZLIHK 應享有在轉讓保單下或依轉讓保單賦予或歸屬於 ZLIC 的一切權利、利益、益處和權力。於轉讓日當日並由轉讓日起，轉讓保單應構成 ZLIHK 在香港或從香港經營的長期業務的一部份。

於轉讓日當日並由轉讓日起，每張轉讓保單下或就每張轉讓保單賦予或歸屬於轉讓保單持有人或其他第三方針對 ZLIC 的一切權利、利益、益處和權力均告終止，並應替代為針對 ZLIHK 具有的該等相同權利、利益、益處和權力。「轉讓保單持有人」指轉讓保單之持有人。

記錄的轉讓

於轉讓日，ZLIC 持有的關於轉讓保單的轉讓保單持有人、受保人、受益人及受讓人或轉讓保單所涉及的任何其他人的所有法定記錄和其他資料，包括但不限於該等轉讓保單持有人、受保人、受益人、受讓人及其他人的個人資料（《個人資料（私隱）條例》（香港法例第 486 章）第 2 條所界定），均應轉讓予 ZLIHK，而 ZLIHK 對持有和使用（及轉移）該等資料應具有與 ZLIC 在轉讓日之前所具有的相同權利、利益、益處及權力。就此，「法定記錄」指適用的法律或監管規定或公司管治規定（無論是否具有法律效力）要求 ZLIC 就 ZLIC 香港業務保存並由其保留管有的所有簿冊、文檔、登記簿、文件、往來信函、文書及其他記錄；

就應繼續繳納保費之轉讓保單，轉讓保單之轉讓保單持有人應於保費到期應繳時向 ZLIHK 支付保費。ZLIHK 對轉讓保單或在轉讓保單下應享有轉讓日之前 ZLIC 本可享有的任何及所有辯護、索償、反索償及抵銷權。

ZLIHK 在所有方面均應遵守和履行轉讓保單的所有條款、條件及契諾並受其約束，承擔因轉讓保單產生的或與轉讓保單有關的所有負債，並清償/滿足因轉讓保單產生的或與轉讓保單有關的所有索償和請求，如同轉讓保單是由 ZLIHK 而非 ZLIC 簽發的。

轉讓保單的所有條款和條件（包括建議書、報價、結單或申請書、說明文件、銷售說明書、銷售文件、附加計劃、附表和聲明），除下述變更外應保持不變：於轉讓日當日並由轉讓日起，轉讓保單中凡提述「ZLIC」或「ZLIC 香港分公司」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人之處，均應理解為提述的是「ZLIHK」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人；且轉讓保單的名稱中凡提述「ZLIC」或「ZLIC 香港分公司」之處均應理解為提述的是「ZLIHK」。尤其是（但不限於此），「ZLIC」或「ZLIC 香港分公司」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人就轉讓保單可行使的或表明可由其行使的所有權利和義務或將由其履行的責任，於轉讓日當日並由轉讓日起，可由「ZLIHK」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人行使或須由其履行。

進一步或其他的行為或保證

在不減損本計劃效力的條件下，若在不作出進一步或其他的行為或保證（包括但不限於需要取得進一步同意或批准）的情況下，本計劃和香港命令即不能有效地將本計劃下的任何轉讓資產、轉讓負債或轉讓保單轉讓予 ZLIHK 並歸屬於 ZLIHK，則：

- (i) ZLIC 和 ZLIHK 應自行或促使他人採取、簽署和交付使本計劃生效、將 ZLIC 香港業務和所有轉讓資產、轉讓負債和轉讓保單轉讓予 ZLIHK 所需的以及 ZLIHK 可能要求的所有必要的進一步行為、契據、文件、轉易、出讓、更替和轉讓文據以及所有必要的事宜，以便由轉讓日起有效地將各轉讓資產、轉讓負債和轉讓保單的所有權及 ZLIC 香港業務轉易、出讓、轉讓、歸屬於 ZLIHK 並/或記錄在 ZLIHK 名下；

- (ii) 在完成該等行為、契據、文件和事宜前， ZLIC 應由轉讓日起：
- (a) 為 ZLIHK 以信託形式持有未轉讓予 ZLIHK 的各受影響轉讓資產中的實益權益，並在其收到任何和該等受影響轉讓資產有關的任何款項後立即支付予 ZLIHK；及
 - (b) 為及代表 ZLIHK 並為 ZLIHK 的賬戶持有或承擔各受影響轉讓負債中的任何負債；
- (iii) ZLIHK 應由轉讓日起（自負費用）協助 ZLIC 履行 ZLIC 有關該等受影響轉讓資產、轉讓負債和轉讓保單下的義務並清償 ZLIC 有關該等受影響轉讓資產、轉讓負債和轉讓保單下的該等負債，否則，ZLIHK 應就 ZLIC 直接歸因於該等受影響轉讓資產、轉讓負債和轉讓保單招致的所有負債和任何合理的費用或開支對 ZLIC 作出彌償；及
- (iv) 在任何情況下，ZLIC 應由轉讓日起遵從 ZLIHK 就上文 (i) 款所述任何受影響的轉讓資產、轉讓負債和轉讓保單作出的指示，直至受影響的轉讓資產、轉讓負債和轉讓保單轉讓予 ZLIHK 為止，且 ZLIC 有權為所有該等目的就該等受影響的轉讓資產、轉讓負債和轉讓保單作為 ZLIHK 的代理人行事。

程序的繼續或開始

依據香港命令，於轉讓日當日並由轉讓日起，由 ZLIC 提起的或針對 ZLIC 提起的與轉讓保單、轉讓資產和轉讓負債有關的任何司法、準司法、紀律處分、行政、仲裁或法律程序、索賠或申訴（不論是現時的、未完結的、威脅的或將來的，包括尚未擬議的），應由 ZLIHK 取代 ZLIC，由 ZLIHK 繼續或開始提起或針對 ZLIHK 繼續或開始提起，而 ZLIHK 應享有與 ZLIC 就該等程序所享有的相同的辯護、索償、反索償及抵銷權。

新的 ZLIHK 保險基金

於轉讓日前，ZLIHK 應已設立 ZLIHK 壽險基金和 ZLIHK 股東基金。於轉讓日前在獲得了必要的監管批准後，ZLIHK 應已設立 ZLIHK 相連基金，以承保新的 C 類保單。由轉讓日起，ZLIHK 應設立 ZLIHK 瑞士個人基金。由轉讓日起，(i) 截至轉讓日前由 ZLIC 承保並且生效的所有 A 類保單（A 類中的瑞士個人壽險保單除外）應分配予 ZLIHK 壽險基金；截至轉讓日前由 ZLIC 承保並且生效的 A 類保單中的所有瑞士個人壽險保單應分配予 ZLIHK 瑞士個人基金；及截至轉讓日前由 ZLIC 承保並且生效的所有相連保單應分配予 ZLIHK 相連基金；(ii) (a) 截至轉讓日前分配予 ZLIC 壽險基金的所有轉讓資產（資金盈餘除外）應分配予 ZLIHK 壽險基金；(b) 截至轉讓日前分配予 ZLIC 瑞士個人基金的所有轉讓資產（資金盈餘除外）應分配予 ZLIHK 瑞士個人基金；(c) 截至轉讓日前分配予 ZLIC 相連基金的所有轉讓資產（資金盈餘除外）應分配予 ZLIHK 相連基金；及 (d) 截至轉讓日前分配予資金盈餘的所有轉讓資產應分配予 ZLIHK 股東基金；以及 (iii) (a) 截至轉讓日前分配予 ZLIC 壽險基金的所有轉讓負債應分配予 ZLIHK 壽險基金；(b) 截至轉讓日前分配予 ZLIC 瑞士個人基金的所有轉讓負債應分配予 ZLIHK 瑞士個人基金；及 (c) 截至轉讓日前分配予 ZLIC 相連基金的所有轉讓負債應分配予 ZLIHK 相連基金。

「**資金盈餘**」指所有類別業務的保單所產生的且歸屬於 ZLIC 股東的承保利潤。

ZLIC 根據上文「進一步或其他的行為或保證」該條為 ZLIHK 以信託形式持有的任何財產、資產或投資中的所有實益權益應分配予該等財產、資產或投資本應分配的相關基金（如適用）。根據上文「進一步或其他的行為或保證」該條須由 ZLIHK 清償的所有負債應分配予該等負債本應分配的相關基金（如適用）。

保費、委託書及其他指示

ZLIC(或其代理人)於轉讓日當日或之後就任何轉讓保單收到的或應收的所有保費、貸款還款（如有，及其利息）及其他款項於轉讓日之後均應支付予 ZLIHK(或其代理人)。

ZLIHK(或其代理人)應獲不可撤銷的授權，認可於轉讓日當日或之後 ZLIHK(或其代理人)收到的與轉讓保單下繳納保費或貸款還款(如有)有關的、收款人為 ZLIC(或其代理人)或憑 ZLIC(或其代理人)指示支付的任何支票、匯票、郵政匯單或其他票據以完成付款。

於轉讓日當日或之後，ZLIHK(自身或通過其代理人)應獨自負責計算及收取保費並繳付與轉讓保單下累算的保費有關的一切適用徵費及稅項。

於轉讓日當日有效並指定銀行或其他中介機構就任何轉讓保單支付應付予 ZLIC(或其代理人)或 ZLIC(或其代理人)收取之保費的任何委托書、自動轉賬授權、定期支付指令或其他指示，由轉讓日起並於轉讓日之後，應如同前述各項是以 ZLIHK(或其代理人)為受益人而指定和授權一般而生效。

計劃費用

ZLIC 香港分公司應以其自有資金支付與擬備本計劃及 ZLIHK 和其將本計劃呈交香港原訟法庭申請認許有關的所有費用以及與此相關的所有其他專業服務費用。該等費用不應由 ZLIC 或 ZLIHK 根據《保險業條例》維持的與其各自的長期業務、一般業務或者 ZLIC 或 ZLIHK 的其他保單或該等保單之保單持有人有關的基金承擔。

修改

在遵守本條最後一段規定的前提下，ZLIC 和 ZLIHK 可向香港原訟法庭申請其同意修改、變更或修訂本計劃的條款，但須滿足保監局或香港原訟法庭可能施加的任何條件。

在遵守本條最後一段規定的前提下，本計劃的條款應根據上一段中香港原訟法庭作出的同意(及施加的條件，如有)加以修改、變更或修訂。

糾正本計劃中明顯錯誤的修改、變更或修訂無須獲得香港原訟法庭的同意，但條件是，應就上述修改、變更或修訂向保監局作出通知，並且保監局表明其不反對上述修改、變更或修訂。

管轄法律

本計劃受香港法律管轄。

第 2 部

聆訊的其他資料

最終聆訊

關於認許計劃的呈請書聆訊將在香港原訟法庭進行。香港原訟法庭決定是否認許計劃的最終聆訊預定將於 2021 年 8 月 9 日 10 時舉行。

《保險業條例》規定，任何人士如聲稱其會因計劃的實行而受到不利影響，均有權於香港原訟法庭的呈請書聆訊中陳詞。

如果您有意出席香港原訟法庭的聆訊，請您於聆訊日期最好不少於三日前按照以下相同地址向 ZLIC 和 ZLIHK 的客戶服務中心發出表明此等意圖的書面通知並說明理由：-

香港港島東華蘭路 18 號港島東中心 25-26 樓

(所有信函均應引述參考編號「HCMP 460/2021」)

如果您有意反對計劃但不願意親自出席香港原訟法庭的聆訊，您應於聆訊日期不少於三日前按照上述相同地址向 ZLIC 和 ZLIHK 的客戶服務中心發出表明此等意圖的書面通知並說明理由。

附件 2

第 1 部：獨立精算師的主要評估

獨立精算師主要發表了下述意見：

- i. 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
- ii. 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就財務保障造成重大不利影響。
- iii. 獨立精算師信納計劃提供充分的保障，以確保計劃如所述般運作。

第 2 部：獨立精算師報告撮要

緒言

- 1.1. 本人，Paul Sinnott，獲委任根據香港《保險業條例》（「HKIO」）（香港法例第 41 章）第 24 條擔任獨立精算師，就位於瑞士的 Zurich Life Insurance Company Ltd.（「ZLIC」）向 Zurich Insurance Company Ltd.（「ZIC」）旗下之 Zurich Insurance Holdings (HK) Limited（「ZIH」）在香港註冊的新附屬公司——蘇黎世人壽保險(香港)有限公司（「ZLIHK」）轉讓所有 ZLIC 通過 Zurich Life Insurance Company Ltd 香港分公司（「ZLIC 香港分公司」）經營的長期保險業務（下稱「轉讓業務」）的擬議計劃（下稱「計劃」）之條款和可能造成的影響提供獨立意見。在本報告內，ZLIC, ZLIC 香港分公司與 ZLIHK 統稱為「有關方」。轉讓業務包括於 2021 年 9 月 1 日，即計劃的生效日（下稱「轉讓日」）前由 ZLIC 香港分公司承保的 A 類（人壽及年金）與 C 類（相連長期）保險業務。從 ZLIC 轉讓予 ZLIHK 的轉讓業務中的保險保單持有人，下稱為「轉讓保單持有人」，持有由 ZLIC 香港分公司承保的「轉讓保單」；計劃實施後仍由 ZLIC 承保的保險保單持有人，下稱為「非轉讓 ZLIC 保單持有人」，持有由 ZLIC（不包括由 ZLIC 香港分公司）承保的「非轉讓 ZLIC 保單」；而現時在計劃實施前由 ZLIHK 承保的保險保單持有人，下稱為「現有 ZLIHK 保單持有人」，持有「現有 ZLIHK 保單」。
- 1.2. 本人是 Milliman Limited（「Milliman」）的合夥人暨精算顧問。Milliman 的地址為香港北角電氣道 183 號友邦廣場 3901-02 室。本人是香港精算學會會員及英國精算師協會會員。
- 1.3. 在擬備本人就計劃的獨立精算師報告時，本人就所需內容已諮詢香港保險業監管局（「香港保監局」），並在適當情況下納入香港保監局的建議。本報告根據審慎監管局（「PRA」）於 2015 年 4 月發出的《審慎監管局對保險業務轉讓的處理方法》內的第 2 節第 27 條至第 40 條中的方法和預期編制。同時，本人已參考金融市場行為監管局（「FCA」）手冊中監管守則第 18 章（「SUP 18」），以及 FCA 在 2018 年 5 月於「金融市場行為監管局審查第七部保險業務轉讓之方法」第 6 章發布的進一步指引。此外，本人亦遵從英國精算師協會（「IFoA」）專業指引《APS X3：精算師在法律程序中的專業職責》中列明精算師就現有或擬議法律程序（包括英國管轄以外）提供專業意見時的守則。
- 1.4. 本人的審閱及意見範圍僅限於計劃對 ZLIC 及 ZLIHK 的長期保險保單持有人的影響，尤其是對轉讓保單持有人的影響，而並不包括審閱計劃對 ZLIC 及 ZLIHK 的股東的影響。本人僅考慮向本人提呈的計劃，並無考慮任何其他替代轉讓計劃。
- 1.5. 在執行本人職務時，本人已獲准自由查閱本人視為必要的資料、報告和文件。此外，本人亦可自由接觸有關方的代表以作出所需的討論。
- 1.6. 本文為本人於 2021 年 3 月 29 日簽發的獨立精算師報告的撮要文件。本人的工作範圍、考慮與結論、依據與限制，以及參考條款，均詳細記載於報告全文。轉讓保單持有人、現有 ZLIHK 保單持有人和其他有意者細閱者可於 ZLIC 香港分公司辦公室索取報告全文的副本。此外，在香港法院最終聆訊結束之前，均可於 Zurich 的網站（www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer）取得報告全文的電子版本。

關於轉讓業務的背景及本人的意見撮要

- 1.7. 計劃為蘇黎世保險集團有限公司（「蘇黎世集團」）香港業務重組的一部分，旨在為保單持有人提升金融穩定性及營運效能，包括簡化機構的審計程序與法規管理流程。《保險業條例》下，ZLIHK 已於 2020 年 3 月 23 日獲授權經營保險業務。
- 1.8. 按照擬定計劃及《保險業條例》第 24 條，ZLIC 香港分公司的所有長期保險業務將轉讓至 ZLIHK。執行轉讓計劃後，ZLIC 香港分公司將會結束業務；其營運執照亦會失效。根據《保險業條例》第 40 條，ZLIC 香港分公司應於計劃完結時撤回其授權。因此計劃執行後將不會有任何 ZLIC 香港分公司的保單持有人。
- 1.9. 下為 ZLIC 香港分公司（轉讓前）和 ZLIHK（轉讓前後）的基金結構。

ZLIC 香港分公司基金結構（轉讓前）

ZLIC 香港分公司長期業務

ZLIC 香港分公司
壽險基金（A類）

ZLIC 香港分公司
相連基金（C類）

ZLIC 瑞士個人基金
（A類）

ZLIHK 基金結構（轉讓前後）

ZLIHK 長期業務

ZLIHK
壽險基金
（A類）

ZLIHK
瑞士個人基金
（A類）

相連基金
（C類）

ZLIHK
股東基金

- 1.10. 截至 2020 年 9 月 30 日 ZLIC 香港分公司業務僅限於 A 類（人壽與年金）和 C 類（相連長期）。主要產品包括萬用壽險、保障計劃（如死亡、危疾及醫療）、分紅和單位相連產品。A 類和 C 類業務的資產和負債的基金互相隔離。
- 1.11. 瑞士個人壽險保單，簡稱「瑞士保單」，其業務已停售。此產品為身處亞洲地區而預期會返回本國的外籍人士所買之保單。轉讓計劃後，ZLIHK 將會在其資產負債表上保留這些保單的負債，並通過再保險安排將風險轉移給 ZLIC，且將在轉讓計劃之前 ZLIC 負責的此類業務運營活動外判給 ZLIC（包括此類保單的保單服務、管理及賠付），以最大限度地減少潛在的直接客戶影響。ZLIHK 可能在其正常業務審查中重新評估優化瑞士保單的長期管理的安排，以決定是否應繼續進行再保險和外判安排。截至 2020 年 9 月 30 日，一共有 142 張現行保單。A 類中，瑞士保單因紅利政策的差異和其他 A 類分紅產品基金分開計算。ZLIHK 亦會維持類似做法。
- 1.12. 計劃實行後，ZLIHK 需要履行保單合約的條款，包括支付索償、保單紅利和所轉讓業務衍生的其他款項如行政開支。
- 1.13. 本人認為：
- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
 - 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就財務保障造成重大不利影響。
 - 本人信納計劃提供充分的保障，以確保計劃如所述般運作。
- 1.14. 在提出本人的意見時，本人考慮了下列所述的各個層面。就詳細的分析與結論，請參考報告全文。

計劃對轉讓保單持有人的利益期望的影響

分紅業務和萬用壽險業務

- 2.1. ZLIC 香港分公司將在轉讓日轉讓所有組成 A 類業務的分紅保單和萬用壽險保單。ZLIC 香港分公司的分紅業務於 2013 年停止接受新業務。分紅業務包括香港傳統年度紅利保單，香港傳統終期紅利保單和瑞士個人壽險保單。ZLIC 香港分公司的萬用壽險合同被稱為人生保障產品。人生保障產品分為 3 代，包括舊式，“2003 系列”和新式人生保障產品。
- 2.2. 委任精算師每年對傳統分紅產品的紅利率進行審查，並要獲得董事會的批准。截至 2018 年底，ZLIC 香港分公司尚未對分紅保單的紅利率進行任何調整。2019 年和 2020 年的分紅研究根據 ZLIC 香港分公司傳統分紅產品的現行分紅政策中規定的原則和方法，建議在 2020 年或 2021 年初削減 40% 的分紅。這些建議僅基於 ZLIC 香港分公司本身的考慮，未有考慮與轉讓相關的因素。雖然此項建議完全不受轉讓影響，但本人獲告知 ZLIC 香港分公司在考慮過保單持有人的合理期望及競爭對手的行為後，無意在轉讓前為分紅保單的紅利率作任何調整。在轉讓後，ZLIHK 將在將來正常年度紅利審查程序中作出相關決定。本人獲告知，在 2019 年之前不調整紅利率的理由如下：
 - 鑑於預計在早年會派發少量紅利和考慮到紅利調整程序的運營成本，平滑的紅利調整（最多削減 40%）不會給分公司帶來實質性的財務利益；及
 - 與競爭對手的行動保持一致，以將其主要產品在最初的幾個保單年度內的分紅履行比率保持在接近 100% 的水平
- 2.3. ZLIHK 已承諾在轉讓業務後將繼續按照 ZLIC 香港分公司沿用的紅利方法進行年度紅利審查，由此可能需要根據未來紅利審查時分紅業務的實質盈餘或赤字狀況來調整紅利，其中亦會考慮其他因素，包括財務利益的重要性、競爭對手的行為以及其他與轉讓無關的因素。由此，轉讓並不會在未來的紅利審查中作為決定紅利派發的考慮因素。本人獲告知，鑑於現有 ZLIHK 的內部管理體系以及其管理團隊為蘇黎世集團的同一管理團隊，與保單持有人所溝通的分紅機制及準則將與轉讓前一致並在未來被實行。
- 2.4. 本人獲告知，ZLIHK 在計劃實施前將沿用目前用於萬用壽險業務的派息設定機制。
- 2.5. 有關方已確認，該計劃不會對分紅保單和萬用壽險保單的現有原則和方法，資產分配目標和投資指示產生任何重大變化。同時，應當注意 ZLIHK 的管理層有權更改現有分紅政策的原則和方法，並且該權利在計劃實施後不會改變。
- 2.6. 根據本人的審查，ZLIHK 打算在計劃實施後使用當前分紅業務的分紅設置和當前萬用人壽業務的派息率原則和方法。本人認為這些措施以及 ZLIHK 對更改現有方法的管理能提供足夠保障予保單持有人。因此在實施該計劃之後，保單持有人應期望得到與計劃實施之前類似的待遇。

轉讓業務的資產配置和投資政策

- 2.7. ZLIC 香港分公司的投資活動受投資指示的約束。這些指示規定了戰略資產分配、投資限制和審批程序。
- 2.8. 有關方已確認，如果 ZLIHK 的產品組合在計劃實施後沒有重大變化，則 ZLIC 香港分公司的遺留債務相關的戰略資產分配不會發生重大變化。有關方還確認，計劃實施後，將無意對 ZLIC 香港分公司對支持轉讓保單的資產的現有投資策略和內部治理作大重大變化。

單位相連保單的收費和投資

- 2.9. 對於現有的單位相連產品，儘管 ZLIC 香港分公司過去沒有對保單收費進行調整，但 ZLIC 香港分公司擁有更改保單收費的廣泛權利，以及收取其他管理費用的權利。根據條款保單規定，在任何變更生效之前，保單持有人將提前獲得書面通知。無論該計劃是否進行，這些權利將被 ZLIHK 繼續保留。
- 2.10. 本人獲告知，在計劃實施後確定無保證收費水平的過程和原則不會因轉讓而改變。基於這些考慮，本人無理由相信該計劃將對轉讓保單持有人的酌情收費造成重大不利影響。

合約利益相關條款

- 2.11. 按照計劃，ZLIHK 將承諾繼續向 ZLIC 香港分公司的轉讓保單持有人支付合約利益。本人獲告知在計劃實施後，這些保證利益將不會改變。上述保單持有人的權利（在現有保單文件內界定）均相同。

其他具公司酌情權的保單

- 2.12. 對於部分綜合計劃及大部份附加保障保單，包括可續保定期壽險、意外及醫療保障及危疾保障，ZLIC 香港分公司具有廣泛的保險保費調整權利，在保險條約下於每次保單續保日或每次保單周年日或每五年或任何保單周年日對保費作出調整。根據計劃，ZLIHK 在轉讓保單上將保留相同的權利。然而，不論計劃實施與否，該等權利均存在。因此，本人無理由相信計劃會對於與 ZLIC 香港分公司的轉讓保單持有人相關酌情權的行使造成重大不利影響。

關於計劃的成本與費用

- 2.13. 該計劃引致的總費用將由 ZLIC 的股東承擔，並通過 ZLIC 香港分公司支付。ZLIC 香港分公司已確認，計劃引致的相關的費用及開支將不會導致增加向保單持有人收取的單位費用，或降低派付給保單持有人的酌情利益水平。因此，本人並無理由相信該計劃會對轉讓保單持有人將在這方面造成重大不利影響。

稅務影響

- 2.14. ZLIHK 將選擇與 ZLIC 香港分公司相同的評稅基礎，而該利得稅計算方法是根據總應評稅利潤及所選擇的稅率而定。另外，有關方已告知本人，ZLIC 香港分公司的所有稅務餘額將轉讓予 ZLIHK。鑒於轉讓業務的稅務制度在計劃實施後將保持不變，本人無理由相信計劃會因稅務相關因素而對轉讓保單持有人造成重大不利影響。

保單條款及細則

- 2.15. 本人獲告知，除了將對 ZLIC 香港分公司的引用替換為 ZLIHK 之外，有效保險保單中的條款和細則不會因計劃的實施而改變。在計劃的實施後，保險保單中有關於保單貸款的條款和細則亦將保持不變。就此而言，本人並無理由相信計劃本身將對保單持有人的保單條款及細則構成重大不利影響。

合理利益期望結論

- 2.16. 總而言之，計劃不會對 ZLIC 香港分公司的轉讓保單持有人（包括瑞士個人壽險保單的保單持有人）的合理利益期望造成重大不利影響。

計劃對轉讓保單持有人的財務保障的影響

- 3.1. 保單持有人合約利益的保障，可按長期業務基金的超額資產加上股東資產淨值來量度。影響該等保障的因素有：採用估值基礎的保守程度，其資本和自由儲備金，其整體上可以提供的額外安全保障，以及其股東可以提供的任何潛在支持。
- 3.2. 本人亦考慮了 ZLIHK 在計劃實施後的預期整體償付能力狀況及其日後的潛在發展。

財務保障準備金

- 3.3. 為保障保單持有人，保險公司會維持三種資產層，分別為保單儲備金、最低償付準備金及超額資產，首兩層的資產是按照法例規定必須維持的。
- **保單儲備金：**支持根據相關合約義務計算的保單負債的資產。估值準則是法定規則訂明的。
 - **最低償付準備金：**由法定規例訂明（其中包括滿足最低償付能力要求所需的資產），作為保險公司承擔的負債風險的相關準備金。
 - **超額資產：**超出法定最低償付準備金的資產（可用佔最低償付準備金的百分比表示）

保單儲備金

- 3.4. 依照所須遵守的估值準則，ZLIC 香港分公司此前已按符合香港監管準則的既定方法和估值基礎，並參照香港《保險業條例》第 41 章和香港精算學會發出的精算指引，為轉讓業務建立了儲備金。
- 3.5. 在 ZLIC 香港分公司準備法定估值報告的流程中，現時的做法是由 ZLIC 香港分公司的委任精算師每年向 ZLIC 董事會提議估值方法及相關的估值假設以作法定估值用途。

- 3.6. 在計劃實施後，以上程序將保持不變，即 ZLIHK 的委任精算師每年仍向 ZLIHK 董事會提供有關轉讓業務和 ZLIHK 新業務的估值方法及估值基礎的建議。由於沒有建議要在計劃實施後改變決定估值方法及假設的程序，因此本人沒有理由相信這方面會對轉讓保單持有人的財務保障造成不利影響。

償付能力比率

- 3.7. ZLIC 是 ZLIC 香港分公司的母公司，在瑞士註冊成立，因此其償付能力受瑞士償付能力測試（「SST」）框架的約束，以確定其風險基準資本。ZLIC 在 SST 基礎上的歷史償付能力狀況如下所示。

表 1: ZLIC 的償付能力比率（以 SST 為基礎）

百萬瑞士法郎	2017 年 12 月	2018 年 12 月	2019 年 12 月	2020 年 9 月 **
目標資本	2,858	3,286	4,524	4,601
支撐風險之資本	5,989	7,002	7,635	7,749
市場價值邊際	778	820	1,409	1,453
償付能力比率*	251%	251%	200%	200%

*由於四捨五入，該表得出的數字可能不同

** FINMA 並沒有要求此數字。數字亦未經 FINMA 審核且是由 ZLIC 估算得出。目前只有截至 2020 年 1 月 1 日或 2019 年 12 月的 SST 是與 FINMA 相關。

來源：截至 2020 年 9 月的估算 SST 數據屬 ZLIC 內部非公開資訊。

- 3.8. ZLIC 香港分公司為了此計劃，估算了整個 ZLIC 法人實體在 HKIO 基礎下的償付能力狀況。基於 HKIO 基礎下的儲備金與舊的瑞士償付能力 I 儲備金非常相似，因此當使用《保險業(償付準備金)規則》時，舊的瑞士償付能力 I 儲備金將替代 HKIO 儲備金以進行近似計算。該計算使用的公開資料包括當地法定儲備金以及 ZLIC 的保額和保費。以下表 2 羅列了 ZLIC 的 HKIO 基礎下估算的償付能力狀況歷史。

表 2: ZLIC 的償付能力比率（以 HKIO 為基礎）

百萬瑞士法郎	2017 年 12 月	2018 年 12 月	2019 年 12 月	2020 年 9 月**
最低償付準備金	960	990	1,019	1,011
淨資產	3,505	3,122	3,609	3,436
償付能力比率*	365%	315%	354%	340%

* 由於四捨五入，該表得出的數字可能不同

** 基於 ZLIC 內部非公開資訊得出。

- 3.9. ZIC 是 ZLIHK 最終母公司，也是 ZLIC 的控股公司及母公司。類似於 ZLIC，ZIC 成立於瑞士，其償付能力受制於 SST 框架，以計算其風險資本。以下表 3 羅列了 ZLIC 在 SST 基礎上的歷史償付能力狀況。

表 3: ZIC 的償付能力比率 (以 SST 為基礎)

百萬美元	2017 年 12 月	2018 年 12 月	2019 年 12 月**
目標資本	24,573	22,280	24,687
支撐風險之資本	43,181	41,628	45,961
償付能力比率*	212%	225%	241%

* 由於四捨五入，該表得出的數字可能不同

** 2019 年 12 月後沒有更新的資訊可提供，因 ZIC 的償付能力比率每年僅計算一次。

來源：ZIC 2018 年和 2019 年的財務狀況報告。

3.10. 有關方還評估了 ZLIHK 在計劃之前和之後的預測償付能力狀況，以用作評估該計劃的影響。

表 4: ZLIHK 於 2021 年 9 月 1 日的償付能力比率 (以 HKIO 為基礎)

百萬港元	計劃前	計劃	計劃後
最低償付準備金	4	111	115
淨資產	152	582	734
償付能力比率*	3779%	523%	637%

* 由於四捨五入，該表得出的數字可能不同

表 5: ZLIHK 的預測償付能力比率 (以 HKIO 為基礎)

百萬港元	2021 年 1 月 1 日 ^(*)	2022 年 1 月 1 日	2023 年 1 月 1 日
最低償付準備金	2	119	127
淨資產	204	721	675
償付能力比率**	9438%	604%	533%

* 2021 年 1 月的償付能力比率乃轉讓日前的償付能力狀況。

** 由於四捨五入，該表得出的數字可能不同

3.11. 有關方已確認，ZLIHK 的實收資本已被投資於短期定期存款而不受 COVID-19 大流行導致的資本市場波動的影響。

3.12. 本人獲有關方告知，如果 ZLIHK 的償付能力比率低於 200%，或者預計 ZLIHK 的償付能力比率可能會低於 200%（以當地法規為基準），有關方將尋求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZIC 通過 ZIH（ZLIHK 的股東）注資，以達到目標償付能力比率。

3.13. 本人比較了 ZLIC（ZLIC 香港分公司的母公司）與 ZIC（ZLIHK 的最終母公司）的歷史償付能力狀況。從表 1 和表 3 可見，兩個實體的償付能力狀況非常相似，兩者 2017 年至 2020 年 9 月的償付能力狀況在 200% 至 250% 的範圍內，這意味著兩者的財務實力相當。

- 3.14. 由於 ZLIHK 並無以 SST 為基礎的預計償付能力狀況，本人在以 HKIO 為基礎下，比較了 ZLIHK 預計在計劃實施的償付能力狀況與 ZLIC 當前的償付能力狀況。從表 2 和表 5 可見，在 HKIO 基礎下，ZLIHK 預計計劃後的償付能力比率高於 ZLIC 當前的償付能力比率，這對轉讓保單持有人的財務保障有正面作用。

動態償付能力測試

- 3.15. 此外，動態償付能力測試（「DST」）在多種可能的不利情況下校驗了 ZLIC 香港分公司在計劃前和 ZLIHK 在計劃後的償付能力狀況。
- 3.16. 預測結果顯示，ZLIC 香港分公司在轉讓之前以及 ZLIHK 在轉讓之後的償付能力遠超過可接受的償付能力要求，即香港法定最低償付能力要求的 200%。儘管實際的償付能力比率可能會隨時間和實際運營情況而變化，但無論如何，按照相關法規，ZLIHK 的委任精算師有責任來確保 ZLIHK 滿足法定最低資本要求。

資本管理政策

- 3.17. 有關方表示，ZLIC 香港分公司多年來建立的內部目標償付能力比率範圍為 200%-250%，而且當自由資產超過此水平至一定程度時，才會考慮派發股東股息。香港保監局要求 ZLIC 香港分公司每週監控其償付能力狀況，並保留超過最低償付能力要求的 200% 償付能力資本，但是 ZLIC 香港分公司的資本返還則不需要徵得香港保監局的批准。為確保有緩衝空間，ZLIC 香港分公司將保留最低償付能力要求的 200% 至 250% 之間的本地資本。此外，由於 ZLIC 的資本要求也受瑞士金融市場監督管理局（「FINMA」）的監管，目標償付能力比率處於較高水平區間。
- 3.18. 如果 ZLIC 香港分公司的償付能力比率低於 200%，該分公司求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZLIC 注資。
- 3.19. 本人獲告知，在計劃實施之後，有關方打算採使用類似方法將 ZLIHK 的償付能力比率控制在 225% 的內部目標。這與蘇黎世集團的風險政策相符，即其持有的資本數量等於當地監管實體的法定最低資本，再加上足夠的議定緩衝以承受短期波動。蘇黎世集團致力管理其內部物質資本，以使其所有受監管實體均具有足夠的資本，以符合相關的監管資本充足性要求。
- 3.20. 如果 ZLIHK 的償付能力比率低於 200%，或者預計 ZLIHK 的償付能力比率可能會低於 200%（以當地法規為基準），ZLIHK 將尋求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZIC 通過 ZIH（ZLIHK 的股東）注資，以達到目標償付能力比率。此外，本人獲有關方通知，在獲發牌照時，ZLIHK 向保監局提交了一份承諾書，其中列明母公司承諾會維持 ZLIHK 的償付能力比率高於 150% 法定最低償付能力比率。

風險承擔

- 3.21. 如按照 ZLIHK 的計劃，在 2020 年 3 月 23 日獲得許可批准後，一項新定期產品已經於 2020 年第三季度推出。截至 2020 年 9 月 30 日 ZLIHK 有 13 張新保單，並預計在實施計劃時仍只會有少量新保單。ZLIHK 計劃在接近 2021 年早期的運營初期繼續承保非分紅保障業務。就保險風險而言，ZLIC 香港分公司目前的業務範圍比計劃實施前的 ZLIHK 較廣。因此，ZLIHK 的風險狀況有望與 ZLIC 香港分公司的風險狀況相似。
- 3.22. ZLIHK 計劃在度過初始運營階段並獲得相關產品批准後，開始為各種屬於 A 類，C 類或單位相連基金的個人壽險業務提供承保。
- 3.23. ZLIC 香港分公司已為其 A 類業務和 C 類業務制定了再保險安排，而這種安排將在計劃實施後繼續。這提供了額外的保障。此外，ZLIC 香港分公司和 ZLIHK 都必須遵守蘇黎世風險政策。
- 3.24. 基於上述考慮，本人尚未發現任何因實施該計劃而導致的額外風險承擔將可能損害任何一組轉讓保單持有人的合同權利。

投資政策

- 3.25. 有關方已確認，無意在計劃實施後對 ZLIC 香港分公司目前被用作支持轉讓保單的資產的現有投資策略作大重大變化。

風險政策

- 3.26. ZIC 和 ZLIC 受瑞士金融市場監督管理局的監管和監督，其中有對風險管理的規定要求。ZIC 和 ZLIC 的風險管理均符合這些管制措施，並被記錄在蘇黎世風險政策（「ZRP」）中。該政策為所有子公司設定了有效風險管理的標準，而 ZLIC 香港分公司和 ZLIHK 制定風險政策時均參照蘇黎世集團的政策。因此，ZLIC 香港分公司和 ZLIHK 的風險管理框架不應有任何明顯的偏差。
- 3.27. 特別的是，ZLIC 香港分公司的風險承受能力聲明遵循蘇黎世集團的治理和當地的法定要求。ZLIHK 目前亦正在採用相同的做法。風險承受能力聲明為每種風險類別的風險承擔方法和風險偏好（其中風險偏好分為低偏好/中度偏好/高偏好）設置關鍵要求，並結合了明確和可量化的關鍵績效指標及承受能力。總體而言，ZLIC 香港分公司和 ZLIHK 的風險偏好框架相似，適用於 ZLIC 香港分公司和 ZLIHK 的風險標準的目標水平沒有重大差異，並且有關方已確認新實體的風險偏好基本不變。

監管覆蓋

- 3.28. 在計劃涉及由瑞士母公司下的香港分公司變為香港子公司的情況下，本人需要由法律角度考慮對轉讓保單持有人的財務保障的影響。本人已從下列兩個角度考慮監管覆蓋的影響：
- **監管框架及償付能力監管要求：**本人參考了由國際貨幣基金組織撰寫，名為「詳細遵守評估 – 保險核心原則」的報告。報告對香港及瑞士的監管框架及償付能力監管要求均有高度評價。更重要的是，在日常監管方面，香港保監局一直都保持對 ZLIC 香港分公司及 ZLIHK 分公司的香港營運的監管和監督權。
 - **對保單持有人的保障：**儘管此前在香港已經發布了有關該主題的諮詢文件，目前瑞士及香港均沒有條例或保障計劃為保險保單持有人在保險公司出現資不抵債時提供保障。因此，由此角度出發，計劃並不會令轉讓保單持有人處於更不利的情況。另外，在計劃實施前，由於 ZLIC 香港分公司是 ZLIC 作為母公司的一部分，當母公司需要清盤時，香港分公司將自動被清盤。不過，在計劃實施後，因 ZLIHK 作為子公司，當母公司進行清盤時，ZLIHK 則不會受到影響。

財務保障的結論

- 3.29. 總結以上評估，本人認為：
- 在 HKIO 基礎下，ZLIHK 預計計劃後的償付能力比率高於 ZLIC 於 2020 年 9 月 30 日的償付能力比率，這對轉讓保單持有人的財務保障有正面作用。
 - 根據以上提及的政策，本人得知在 ZLIHK 面臨財務困難的極端情況下，利用資本管理政策的支持，轉讓保單持有人在實施該計劃後將繼續受到 ZIC 財務實力的保護。本人認為這是在計劃實施後保持轉讓保單持有人財務保障的重要因素。
 - 根據我的上述評估，本人認為計劃不太可能使 ZLIC 香港分公司的轉讓保單持有人面臨重大的新風險。本人得出以下結論：計劃實施後不會對轉讓保單持有人的財務保障造成重大不利影響。

其他考慮因素

服務水平

- 3.30. 有關方已確認在計劃實施後，對所有保單持有人的服務水平目標將保持不變。對於單位相連保單持有人，保單持有人目前可選擇的現有基金將不會因計劃的實施而受到影響。

再保險安排

- 3.31. 有關方已確認，現有的再保險安排的條款和細則將在計劃實施後保持不變。
- 3.32. 本人認為上述各個營運領域，包括所提供的服務水平，都不會對轉移保單持有人產生重大負面影響。該計劃應提供足夠的保障以確保計劃按所述運作。

計劃對非轉讓 ZLIC 保單持有人的利益期望和財務保障的影響

- 4.1. 在本人於評估計劃對非轉讓 ZLIC 保單持有人的利益期望和財務保障的影響時，依賴了 ZLIC 的委任精算師及 ZLIC 的總精算師的專業意見。

利益期望

非轉讓業務的實質性

- 4.2. ZLIC 香港分公司僅佔 ZLIC 總業務的一小部分。截至 2020 年 9 月 30 日，其僅佔母公司總保險儲備金和單位相連合同準備金的 2.6%。

合約利益相關條款

- 4.3. 在對合約利益相關條款提出意見時，本人並未查看 ZLIC 提供的合約利益相關條款。然而，鑑於 ZLIC 香港分公司僅佔 ZLIC 整體業務的一小部分，我同意委任精算師和總精算師關於非轉讓 ZLIC 保單持有人的利益期望的意見，即認為 ZLIC 支付有效索償的能力以及在其他合約事項中適當行事的能力應該保持不變。

分紅政策

- 4.4. ZLIC 的大多數業務都屬於分紅業務，包括個人壽險業務、企業壽險和養老金業務。
- 4.5. 有關方已確認，本計劃將不會改變分紅原理和派息原理。

其他具公司酌情權的保單

- 4.6. ZLIC 非轉讓業務中的單位相連產品的收費結構包括每月費用，例如年度管理費、保單管理費、分配/設置收費、要約價差、退保費和利益收費。在任何更改生效之前，保單持有人將根據保單條款提前收到書面通知。這些權利將被 ZLIC 繼續保留，並且無論該計劃是否進行都存在。
- 4.7. 有部分 ZLIC 的產品可以將儲蓄資金轉換為一系列年金支付。轉讓不會影響這些產品在轉換時用於將儲蓄資金轉換為年金的適用轉換率。
- 4.8. 總而言之，除了無論計劃實施與否，都存在的改變投資相關費用的權利外，本人沒有理由相信對於非轉讓 ZLIC 保單持有人而言，計劃將導致公司行使酌情權而造成重大不利影響。

保單條款及細則

- 4.9. ZLIC 的委任精算師和總精算師均已確認，有效的非轉讓 ZLIC 保單條款及細則將不會因計劃而改變。

財務保障

瑞士金融市場監督管理局的監督

- 4.10. ZLIC 受瑞士金融市場監督管理局保險監督。《瑞士保險監督法》（「ISL」）要求瑞士保險公司建立和維持公司管治體系，包括一套適用於其業務活動的內部控制系統和有效的風險管理系統。除了由瑞士金融市場監督管理局進行的監督外，ZLIC 及其分公司還需應當地有關監督機構的要求而受到監督。
- 4.11. ZLIC 根據瑞士償付能力測試（「SST」）評估其償付能力。在執行 SST 時，ZLIC 將評估其償付能力和財務狀況，而且必須每年提交 SST 比率予瑞士金融市場監督管理局。

財務保障準備金

- 4.12. 為了保障在瑞士的保單持有人，保險公司必須根據瑞士償付能力測試以保持充足的保單儲備金和償付準備金。

保單儲備金

- 4.13. ZLIC 一直在瑞士監管制度下向瑞士金融市場監督管理局報告，由委任精算師和審計師證明其符合《瑞士保險監督條例》（「AVO」）和 ZLIC 業務計劃中指定的精算要求。委任精算師需負責估值方法和適當的

精算假設的設定。在計劃實施後，上述程序和職責將保持不變。在計劃實施前後，確定估值和假設的方法亦不會出現變化。

整體財務狀況及股東資本

- 4.14. ZLIC 是保持雄厚資本實力的蘇黎世保險集團的一部分。ZLIC 擁有充足的資本，並預計在轉讓日具有穩定的償付能力比率，並且該公司預計在計劃實施後也會保持相同狀況。
- 4.15. 鑑於轉讓業務的規模對 ZLIC 相對而言並不重要，加上如上所顯示的 ZLIC 預計償付能力狀況，本人同意委任精算師和總精算師的意見，即預計該轉讓不會對非轉讓 ZLIC 保單持有人的財務保障造成重大不利影響。

風險承擔

- 4.16. 由於與非轉讓業務相比，轉讓業務的規模較小（截至 2020 年 9 月，僅佔 ZLIC 業務總量 2.6%），因此非轉讓業務的風險承擔不會因計劃實施而發生重大變化。

資本管理政策

- 4.17. ZLIC 長期維持其風險承受能力聲明，其中包括了一個包含捆綁資產，法定股東權益和 SST 償付能力在內的覆蓋範圍超出瑞士法律法規要求的框架。其風險承受能力聲明在計劃實施後將繼續適用，因此該計劃不會改變資本管理政策。

風險政策及風險管理框架

- 4.18. 本人獲告知，ZLIC 的風險政策和風險管理框架不會因計劃而改變。

投資政策和貨幣風險對沖

- 4.19. 由於轉讓業務分隔於 ZLIC 母公司和非轉讓業務，因此在計劃實施後投資政策/投資策略以及貨幣對沖工具和策略不會發生變化。

股東基金及股東股息政策

- 4.20. ZLIC 擁有一個全面的框架以向其所有者 ZIC 派息。股息金額受到 ZLIC 持有的資本與其風險承受能力聲明及其他法律要求限制。分配股息時的考慮因素包括股東基金水平，償付能力比率和其他指標。
- 4.21. 轉讓不會對 ZLIC 股東基金或 ZLIC 的股息政策造成重大影響。

其他考慮因素

保單持有人服務

- 4.22. 對於非轉讓單位相連保單持有人，ZLIC 非轉讓長期保單持有人目前可選擇的現有基金將不會因計劃的實施而受到影響。

再保險安排

- 4.23. 目前的再保險安排包括一套非香港和相對低風險的再保險條約，以及一套涉及轉讓業務的再保險條約。由於香港的再保險條約將與業務一起轉讓，因此其他非香港條約不受影響。

分銷協議

- 4.24. 鑑於 ZLIC 香港分公司已不接受新業務，因此沒有與轉讓業務有關的有效分銷協議需被考慮。雖然有多個有關非轉讓業務的分銷協議，但是這些協議不會受到轉讓的影響且不會發生變化。

服務水平

- 4.25. 由於 ZLIC 香港分公司的業務只佔 ZLIC 整體業務的一小部分，本人獲告知，這些保單的轉讓對提供給非轉讓保單持有人的服務水平的影響微不足道。

計劃對現有 ZLIHK 保單持有人的利益期望和財務保障的影響

- 5.1. 在本節中，已知 ZLIHK 在 2020 年 7 月開始分銷保單的情況下，本人考慮了該計劃對現有 ZLIHK 保單持有人的影響。截至 2020 年 9 月 30 日 ZLIHK 有 13 張新保單，保費總值為 10 萬 3 千港元。

利益期望

合約利益相關條款

- 5.2. 儘管 ZLIHK 提供的合約利益尚未最終確定，但本人從 ZLIHK 的委任精算師獲悉，在實施該計劃後，向現 ZLIHK 有保單持有人提供的合同利益將不會發生變化。有效索賠將按照與計劃之前相同的方式繼續支付。

其他具公司酌情權的保單

- 5.3. ZLIHK 在 2020 年 3 月 23 日獲得許可批准後，已經開始發行個人非相連保單（A 類）。單位相連保單將在 ZLIHK 從監管機構獲得必要的 C 類產品批准後發布。
- 5.4. 本人獲有關方通知，對於 A 類業務，如按照 ZLIHK 當前的 2020 計劃，一項新定期產品已經於 2020 年第三季度推出。ZLIHK 將在 2021 年第三季度前推出新危疾保障產品。ZLIHK 將繼續監察合資格延期年金保單（“QDAP”）的市場發展，以評估在將來推出這種退休解決方案的可能性。不過，為了與 ZLIHK 僅提供非分紅 A 類產品的策略一致，任何年金產品都將在固定年金期間提供保證的現金價值，而且並不具有酌情的部分。由於尚未有進入 QDAP 市場的決定，而即使發生這種情況，QDAP 年金產品的預期銷售額並不高，因此其已從 ZLIHK 目前準備中的 2021 年業務計劃中排除。本人還獲有關方告知，由於最近的 COVID-19 大流行，儘管總體計劃保持不變，但推出各種產品的時間會稍有延遲。
- 5.5. 對於無保證費用和收費的 C 類業務，ZLIHK 擁有更改保單收費的廣泛權利，並有權對保單收取任何其他管理費用，前提是保單持有人在變更前事先得到書面通知。
- 5.6. 總而言之，除了無論計劃實施與否，都存在的改變投資相關費用的權利外，本人沒有理由相信對於現有 ZLIHK 保單持有人而言，計劃將導致公司行使酌情權而造成重大不利影響。

保單條款及細則

- 5.7. ZLIHK 的委任精算師已確認，計劃不會令現有 ZLIHK 保單的保單條款及細則發生變化。

財務保障

- 5.8. 與本人對轉讓保單持有人的評論相同，在考慮計劃對現有 ZLIHK 保單持有人財務保障的影響時，本人的主要考慮了有：將被採用估值基礎的保守程度，其資本和自由儲備，其作為實體在整體上可以提供的額外安全保障，以及其股東可以提供的任何潛在支持。

保單儲備金

- 5.9. ZLIHK 一直根據香港監管制度作出報告，由委任精算師和審計師證明其遵守香港《保險業條例》第 41 章。
- 5.10. 計劃實施後，ZLIHK 的委任精算師仍會每年向 ZLIHK 董事會提供估值方法及估值基礎的建議，這程序將保持不變。由於沒有建議要在計劃實施後改變決定估值方法及假設的程序，因此本人沒有理由相信這方面會對現有 ZLIHK 保單持有人的財務保障造成不利影響。

整體財務狀況及股東股本

- 5.11. 由表 4 可見，ZLIHK 預計在計劃前後 HKIO 基礎下的償付能力比率都處於十分高水平；遠高於法定最低要求和大多數保險公司所能達到的水平。
- 5.12. 表 5 顯示了 ZLIHK 計劃後 HKIO 基礎下預計在轉讓日及其後的預測年份的償付能力比率。基於以上數據，從償付能力角度來看，本人沒有理由相信計劃會對現有 ZLIHK 保單持有人的財務保障造成重大不利影響。

其他考慮因素

集團政策

- 5.13. 鑑於在計劃實施後，最終母公司仍保持不變，並且所有集團政策將繼續適用，因此我認為集團結構的變化不會為現有 ZLIHK 投保人帶來任何重大不利影響。

總結

- 6.1. 經過上述考慮，本人認為：
- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
 - 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司轉讓保單持有人，的財務保障造成重大不利影響。
 - 本人信納計劃將提供充分的保障，以確保計劃如所述般運作。

依據及限制

- 7.1. 此撮要受本人於 2021 年 3 月 29 日簽發的完整獨立精算師報告中所列的相同和限制條款的約束。
- 7.2. 此中文撮要為英文版本譯本，如中、英文兩個版本有任何抵觸或不相符之處，一切以英文版本為準。

Paul Sinnott

英國精算師協會會員 (FIA)

獨立精算師

2021 年 5 月 5 日

常見問題

1. 蘇黎世為何要將 ZLIC 在香港或從香港經營的長期業務轉讓予 ZLIHK?

將 ZLIC 在香港或從香港經營的所有長期業務轉讓予 ZLIHK（「擬議轉讓」）是蘇黎世集團戰略舉措的一部分。ZLIC 和 ZLIHK 認為轉讓將帶來以下益處：

- (a) 提高集團內部審計和監管合規的效率；由於 ZLIHK 於香港註冊成立，因此僅須遵守香港監管制度，而無須額外遵守適用於 ZLIC 香港分公司的瑞士監管要求；
- (b) 提高蘇黎世集團人壽保險業務的經營效率；
- (c) 將決策權分配予蘇黎世集團內的不同實體，從而改進蘇黎世集團人壽保險業務的經營，使蘇黎世集團內每個地區能夠實施最符合其市場、保單持有人和股東需要的策略；
- (d) 更好地按地區調整蘇黎世集團的業務；及
- (e) 簡化 ZLIC 的公司結構，消除 ZLIC 內部因其香港和非香港業務適用不同的風險狀況和監管制度而造成的壓力，從而提高集團內部的合規效率。

2. ZLIHK 的背景情況如何？ZLIHK 的擁有人是誰？ZLIHK 將如何獲得資金？

ZLIHK 於 2018 年 5 月 7 日於香港註冊成立。ZLIHK 是 Zurich Insurance Holdings (Hong Kong) Limited 的全資附屬公司，Zurich Insurance Holdings (Hong Kong) Limited 則是 Zurich Insurance Company Ltd（「ZICL」）的全資附屬公司。ZICL 是一家全球保險公司，其管理的資產約為 303,433,000,000 美元（截至 2020 年 12 月 31 日，包括集團投資和單位相連投資，以及由第三方管理、賺取費用的資產）。

3. 擬議轉讓將如何進行？

為接管由 ZLIC 經營的業務，ZLIHK 已於 2020 年 1 月 2 日向保監局呈交申請，以獲授權經營 A 類及 C 類保險之長期業務。保監局已於 2020 年 3 月 23 日向 ZLIHK 授予正式授權。

根據轉讓計劃（「計劃」），在獲得香港原訟法庭（「香港原訟法庭」）批准的前提下，您於轉讓日（定義見下文）前於 ZLIC 香港分公司投保的長期保單（不論生效、過期、終止、到期或放棄）將依據《保險業條例》（香港法例第 41 章）（「《保險業條例》」）第 24 條轉讓予 ZLIHK。

擬議轉讓預計將於 2021 年 9 月 1 日或香港原訟法庭批准的其他日期（「轉讓日」）生效。

由轉讓日起，ZLIHK 將負責為您的保單提供保險保障及服務，包括處理索償。

我們已在香港政府憲報以及香港的英文虎報和星島日報中刊登擬議轉讓的公告。

本擬議轉讓的相關資料亦刊載於我們的網站 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer。計劃獲得香港原訟法庭認許並生效後，我們將以書面方式通知您。

有關香港原訟法庭對計劃進行最終呈請書聆訊的資訊，請參閱本函附件 1 第 2 部「聆訊的其他資料」的內容。

4. 如何了解計劃的詳情？

我們已根據《保險業條例》第 24 條擬備計劃，計劃撮要附於本函之後。您亦可於 2021 年 6 月 17 日當日或之前於星期一至星期五（公眾假期除外）上午 9 時至下午 5 時 30 分（香港時間），前往我們位於香港港島東華蘭路 18 號港島東中心 25-26 樓的辦事處查閱計劃文件。一位獨立精算師被委任就擬議轉讓對 ZLIC 和 ZLIHK 的保單持有人所造成的影響（如有）發表專業意見，而他的意見認為這不會造成任何重大不利影響。

5. 我們的保單條款或各方在保單下的權利和義務是否會有任何變更？

不會有任何變更。擬議轉讓不會影響您在保單下的權利和義務。於轉讓日當日並由轉讓日起，您在與 ZLIHK 之間的保單下可獲得的權利與您之前在與 ZLIC 之間的保單下享有的權利相同。

6. 是否會就現有保單簽發新的保單？

您現有生效的保單仍然有效，並將會由轉讓日起自動轉讓予 ZLIHK。因此，我們不會簽發新的保單。

7. 擬議轉讓對繳納保費有何影響？

在轉讓日後，您於 ZLIC 香港分公司投保的保單下應繳納的所有保費均應支付予 ZLIHK 或其代理人。我們將適時直接向您提供付款指示和銀行帳戶資料。

8. 如果我在轉讓日之前提出索償，而該索償未在轉讓日之前得到理賠，那會怎樣？

如果您已在轉讓日之前提出索償，您現有保單的條款及條件將繼續適用於索償的評估，且 ZLIHK 將接替 ZLIC 香港分公司處理索償，並負責任何隨後向您支付的款項。您不需要重新提交索償表，因為相關資料將從 ZLIC 香港分公司轉移至 ZLIHK。

9. 如何了解擬議轉讓的最新進展情況？

計劃得到香港原訟法庭認許並生效後，我們將以書面方式通知您。如果計劃沒有得到香港原訟法庭認許並沒有生效，我們亦會以書面方式通知您。

重要資料

2021年5月27日

Zürich Versicherungs-Gesellschaft AG (Zurich Insurance Company Ltd)
香港港島東華蘭路18號港島東中心25-26樓

敬啟者：

擬將 Zurich Life Insurance Company Ltd (「ZLIC」) 在香港或從香港經營的全部長期業務轉讓予蘇黎世人壽保險 (香港) 有限公司 (「ZLIHK」)

我們特此致函告知貴公司，我們擬將 ZLIC 透過其香港分公司承保的所有長期保險業務轉讓予蘇黎世的另一成員 ZLIHK (「**擬議轉讓**」)。

本函載述有關將 ZLIC 透過其香港分公司在香港或從香港經營的所有長期保險業務 (「**ZLIC 香港業務**」) 轉讓予 ZLIHK 之擬議轉讓的重要資料。作為 ZLIC 的股東，貴公司應理解擬議轉讓。擬議轉讓將根據香港《保險業條例》(「**《保險業條例》**」) 第 24 條中列明的法定程序，向香港原訟法庭 (「**香港原訟法庭**」) 申請對一項列明轉讓條款的計劃 (「**計劃**」) 予以認許。該申請已於 2021 年 4 月以呈請 (「**呈請書**」) 的方式向香港原訟法庭作出。

計劃將於香港原訟法庭的呈請書聆訊中加以審議，該聆訊預定將於 2021 年 8 月 9 日 10 時舉行。計劃下擬議的轉讓僅在獲得(除其他所需批准外)香港原訟法庭的批准的情況下方可進行。

ZLIC 和 ZLIHK 已委任一名獨立精算師，即英國精算師協會會員及香港精算學會會員 Paul Sinnott 先生 (「**獨立精算師**」)，審查計劃對 ZLIC 和 ZLIHK 的長期保單持有人可能產生的影響，並以 ZLIC 和 ZLIHK 在 2020 年 9 月 30 日的財務信息作為基礎擬備一份報告供香港原訟法庭審閱。計劃及獨立精算師報告的撮要列於本函附件 1 及附件 2。獨立精算師將準備一份補充報告 (「**補充報告**」) 就截至 2020 年 12 月 31 日的相關財務信息財務及獨立精算師的意見之任何變更作出更新。補充報告預計將大約於 2021 年 6 月/7 月定稿，並在 ZLIC 和 ZLIHK 的網站上發布(網址為 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer)，直至香港原訟法院完成最終呈請書聆訊。

任何人士如聲稱其會因計劃的實行而受到不利影響，均有權於香港原訟法庭就呈請書進行的聆訊中陳詞。如貴公司有意出席香港原訟法庭的呈請書聆訊，貴公司應於聆訊日期不少於三日前向 ZLIC 和 ZLIHK 發出書面通知。詳情請參閱**附件 1 - 第 2 部：「聆訊的其他資料」**的「**最終聆訊**」部份。除非貴公司有意出席香港原訟法庭的呈請書聆訊或有意對計劃作出反對，否則貴公司毋須採取任何行動。然而，貴公司須理解擬議轉讓的詳情。我們建議貴公司仔細閱讀本函。

擬議轉讓對轉讓保單的影響？

在計劃獲得香港原訟法庭認許之前提下，計劃應於 2021 年 9 月 1 日香港時間凌晨零時零一分或於 ZLIC 與 ZLIHK 共同決定的另一個日期，該日期應為香港原訟法庭頒發命令認許

計劃之日後 90 日之內的一日，開始生效。除非計劃於香港原訟法庭命令頒發之日後第 90 日當日或之前，或於 ZLIC 和 ZLIHK 決定且香港原訟法庭允許的較後的日期及/或時間（如有）生效，否則，計劃將失效。

若香港原訟法庭認許計劃，ZLIC 香港業務中的所有保單¹（「轉讓保單」）均將轉讓予 ZLIHK。擬議轉讓完成後，ZLIHK 將管理所有轉讓保單，而且 ZLIHK 將取代 ZLIC 成爲此等保單的承保人。保單的所有其他條款及規定均將保持不變。

計劃得到香港原訟法庭認許並生效後，我們將以書面方式通知貴公司。

如計劃未獲香港原訟法庭認許，擬議轉讓將不會進行，轉讓保單將由 ZLIC 繼續承保，ZLIC 亦將繼續對此等保單負責（包括負責其行政管理及服務）。如擬議轉讓沒有進行，我們將以書面方式通知貴公司。計劃的安排確保保單持有人的權益受到保障。獨立精算師已就計劃對 ZLIC 和 ZLIHK 之長期保單持有人的合理利益期望及財務保障可能產生的影響等事項發表意見。建議貴公司參閱附件 2 的第 1 部「獨立精算師的主要評估」及第 2 部「獨立精算師報告撮要」。

任何與擬議轉讓相關而產生的費用將由 ZLIC 和 ZLIHK 承擔。

進一步資料

如貴公司希望獲得進一步資料，貴公司可以：

- 於 2021 年 5 月 27 日至 2021 年 6 月 17 日期間之正常工作日（星期一至星期五（公眾假期除外））上午 9 時至下午 5 時 30 分（本地時間）內，前往位於香港港島東華蘭路 18 號港島東中心 25-26 樓的 ZLIC 或 ZLIHK 客戶服務中心查閱本函、呈請書、計劃以及獨立精算師報告；
- 在香港原訟法庭完成最終呈請書聆訊之前登入 ZLIC 和 ZLIHK 的網站（網址為 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer）；
- 在最終呈請書聆訊日期當日或之前致函 ZLIC 和 ZLIHK 位於香港港島東華蘭路 18 號港島東中心 25-26 樓的辦事處，免費索取上述文件；或
- 請參閱本函所附的“常見問題”（「常見問題」）。

如貴公司對擬議轉讓有任何疑問，請致電 ZLIC 和 ZLIHK 的指定熱線電話（852）3405 7283，或按照上述地址致函 ZLIC 和 ZLIHK，致客戶服務中心並在信封上註明參考編號「HCMP 460/2021」。

¹ 轉讓保單將包括（除其他外）九個截至 2021 年 2 月 28 日由 ZLIC 發行的現有投資相連壽險計劃，即 (i)「金尊寶」退休保障計劃；(ii)「至尊寶」保障計劃；(iii)「狀元寶」教育儲蓄保障計劃；(iv)「富歲寶」退休保障計劃；(v)「尚富寶」保障計劃；(vi)「富綽寶」；(vii)「盛富寶」保障計劃；(viii)「創富寶」保障計劃；and (ix)「匯富寶」理財保障計劃。

Zurich Life Insurance Company Ltd, 香港分公司謹啓

蘇黎世人壽保險（香港）有限公司 謹啓

附件 1

第 1 部

計劃撮要

轉讓

Zurich Life Insurance Company Ltd (「ZLIC」) 於瑞士註冊成立，從 1922 年 12 月 28 日起在蘇黎世州商業登記冊中登記。ZLIC 是 Zurich Insurance Group Ltd. 的全資附屬公司，Zurich Insurance Group Ltd. 的在瑞士證券交易所上市，且是蘇黎世集團（“Zurich Group”）的最終母公司。ZLIC 是由瑞士金融市場監管局（FINMA）發牌和監督的保險承保人。ZLIC 的註冊辦事處位於 Austrasse 46, 8045 Zurich, Switzerland。ZLIC 亦於 1984 年 8 月 31 日根據原《公司條例》（第 32 章）第 11 部（現為《公司條例》（第 622 章）第 16 部）註冊為一家非香港公司。ZLIC 是一家根據《保險業條例》（香港法例第 41 章）（「**保險業條例**」）獲授權的保險公司，獲授權在香港或從香港經營 A 類（人壽及年金）、C 類（相連長期）及 I 類（退休計劃管理第 III 類）的長期業務（保險業條例附表 1 第 2 部所定義）。作為其 A 類長期業務的一部分，ZLIC 已透過其香港分公司（「**ZLIC 香港分公司**」）承保瑞士個人壽險保單，但此類保單的會計結算和管理（包括支付索賠和收取保費）由位於瑞士的 ZLIC 總部負責並將由位於瑞士的 ZLIC 總部透過與蘇黎世人壽保險（香港）有限公司（「**ZLIHK**」）的外判安排在該保單於轉讓日（定義見下文）轉讓給 ZLIHK 之後繼續負責，以將直接對客戶的潛在影響減至最低。然而，作為其日常業務審查的一部分，ZLIHK 可以完善該保單的長期管理為由而對該外判安排作重新評估，決定是否繼續該外判安排。從 2016 年 12 月 1 日起，一項附註已被加入了由保監局保管的獲授權保險人登記冊中，指出 Zurich Life Insurance Company Ltd 「已停止在香港或從香港訂立任何新的保險合約...」。ZLIC 於香港的主要營業地位於香港港島東華蘭路 18 號港島東中心 25-26 樓。

ZLIHK 於 2018 年 5 月 7 日於香港註冊成立。

ZLIHK 是 Zurich Insurance Holdings (Hong Kong) Limited 的全資附屬公司，Zurich Insurance Holdings (Hong Kong) Limited 則是 Zurich Insurance Company Ltd. (「**ZICL**」) 的全資附屬公司。ZLIC 也是 ZICL 的全資附屬公司，而它們全部都是 Zurich Group 旗下的公司。ZICL 是一家全球保險公司，其管理的資產約為 303,433,000,000 美元（截至 2020 年 12 月 31 日，包括集團投資和單位相連投資，以及由第三方管理並賺取費用的資產）。除香港之外，ZICL 和其附屬公司在歐洲、中東、非洲、北美、亞太和拉丁美洲等其他主要市場以及多於 215 個國家經營業務。

作為蘇黎世集團戰略舉措的一部分²，蘇黎世集團擬將 ZLIC 香港業務（定義見下文）轉讓予 ZLIHK 並由 ZLIHK 承繼（「**擬議轉讓**」）。

為接管由 ZLIC 經營的 ZLIC 香港業務（定義見下文），ZLIHK 已於 2020 年 1 月 2 日向保監局呈交申請，以獲授權在香港或從香港經營 A 類及 C 類之長期業務。於 2020 年 3 月 23 日，保監局已向 ZLIHK 授予正式授權，允許其在香港或從香港經營該等類之長期業務。

本計劃的目的是根據《保險業條例》第 24 條和第 25(1) 條將 ZLIC 香港業務由 ZLIC 轉讓予 ZLIHK（所有詞匯的定義參見計劃）。

擬議轉讓

² 有關更多詳情，請參閱本函所附的“常見問題”。

擬議根據《保險業條例》第 24 條，ZLIC 在香港或從香港經營的長期業務（「ZLIC 香港業務」）應根據計劃的條款轉讓予 ZLIHK。該轉讓須按香港原訟法庭根據《保險業條例》第 24 和 25(1) 條發出的命令（「香港命令」）進行。該等 ZLIC 香港業務應包括下文定義的轉讓保單、轉讓資產和轉讓負債（就此，「轉讓保單」指(i)構成 ZLIC 於香港承保的 A 類（人壽及年金）（未免疑義，包括瑞士個人壽險保單）或 C 類（相連長期）長期業務³且於轉讓日其項下仍有任何未償負債的任何保單，不論該等保單是否已恢復、已過期、失效、到期、放棄、終止或發生其他情形，包括與該等保單有關的所有保險單建議書或申請、證書、補充保險保障、背書、附加計劃及附屬協議；以及(ii)ZLIC 已收到但 ZLIC 在轉讓日之前尚未完成處理（應由 ZLIHK 在轉讓日之後處理）的所有保單續保建議書或申請）。

轉讓日

本計劃應於 ZLIC 與 ZLIHK 共同決定的一個日期的凌晨零時零一分（香港時間）生效，該日期應為頒發香港命令認許本計劃之日後 90 日之內的一日（「轉讓日」）。在獲得香港命令的前提下，預計本計劃將於 2021 年 9 月 1 日生效，但經雙方一致同意後可更改該日期。

除非本計劃於頒發香港命令之日後第 90 日當日或之前的一日，或者於雙方決定且香港原訟法庭允許的較後日期及/或時間（如有）生效，否則，本計劃將失效。

資產和負債的轉讓

於轉讓日當日並由轉讓日起，轉讓資產應依據香港命令，無須任何進一步的行動或文書，但須遵守下文「進一步或其他的行為或保證」之規定，由 ZLIC 轉讓予 ZLIHK 並歸屬於 ZLIHK（須受限於與該等資產相關的任何產權負擔）。ZLIHK 應不經調查或查問接受 ZLIC 於轉讓日對屆時轉讓的每項轉讓資產享有的所有權。ZLIC 與 ZLIHK 應於適當之時為實行或完成向 ZLIHK 轉讓任何轉讓資產並使其歸屬於 ZLIHK 而簽署所有必要文件（包括轉讓協議）並採取/辦理所有其他必要的行動和事宜。

就此，「轉讓資產」指無論位於何處、歸屬於 ZLIC 香港業務的 ZLIC 財產、資產或投資（包括 ZLIC 在任何轉讓保單下或依任何轉讓保單享有的任何權利、酌情權、權限、權力或利益）；以及 ZLIC 在下列各項下及依下列各項享有的權利、利益和權力：

- (a) ZLIC 與其保險中介就 ZLIC 香港業務簽訂的合約；
- (b) 轉讓再保險；
- (c) 有關 ZLIC 香港業務的任何租約、外包協議或安排、IT 及相關合約；
- (d) 與 ZLIC 香港業務有關或涉及 ZLIC 香港業務的任何其它合約、協議、安排或承諾。

「產權負擔」指任何抵押、押記、質押、留置權、選擇權、限制、優先取捨權、優先購買權、第三者權利或權益、任何種類的任何其他產權負擔或擔保權益，以及具有類似效力的任何其他類型的優先安排。

「轉讓再保險」指 ZLIC 就轉讓保單進行再保險的任何再保險協議或安排。

於轉讓日當日並由轉讓日起，每項轉讓負債應依據香港命令，無須任何進一步的行動或文書，亦不經調查或查問，但須遵守下文「進一步或其他的行為或保證」之規定，由 ZLIC 轉讓予 ZLIHK 並成為 ZLIHK 的負債，而 ZLIC 對該等轉讓負債的責任應完全解除，且 ZLIHK 應承擔所有該等轉讓負債。ZLIC 與 ZLIHK 應於適當之時為實行或完成向 ZLIHK 轉讓任何轉讓負債並由 ZLIHK 承擔任何轉讓負債而簽署所有必要文件（包括轉讓協議）並採取/辦理所有其他必要的行動和事宜。就此，「轉讓負債」指於轉讓日歸屬於 ZLIC 香港業務的所有 ZLIC 負債，包括但不限於轉讓保單和 ZLIC 香港業務下或與轉讓保

³ 轉讓保單將包括（除其他外）九個截至 2021 年 2 月 28 日由 ZLIC 發行的現有投資相連壽險計劃，即 (i) 「金尊寶」退休保障計劃；(ii) 「至尊寶」保障計劃；(iii) 「狀元寶」教育儲蓄保障計劃；(iv) 「富歲寶」退休保障計劃；(v) 「尚富寶」保障計劃；(vi) 「富綽寶」；(vii) 「盛富寶」保障計劃；(viii) 「創富寶」保障計劃；and (ix) 「匯富寶」理財保障計劃。

單和 ZLIC 香港業務有關的負債和義務（不論是現時的、未來的或可能有的），以及相關負債，為免疑義，包括 ZLIC 於轉讓日之前作出的不當銷售或違規行為而產生的負債（包括罰款，罰金，損害賠償及應支付予保單持有人的賠償），以及任何有關轉讓保單的現時及/或未完結的申訴，法律程序及/或其他爭議解決程序。

轉讓保單的轉讓

於轉讓日當日並由轉讓日起，ZLIHK 應享有在轉讓保單下或依轉讓保單賦予或歸屬於 ZLIC 的一切權利、利益、益處和權力。於轉讓日當日並由轉讓日起，轉讓保單應構成 ZLIHK 在香港或從香港經營的長期業務的一部份。

於轉讓日當日並由轉讓日起，每張轉讓保單下或就每張轉讓保單賦予或歸屬於轉讓保單持有人或其他第三方針對 ZLIC 的一切權利、利益、益處和權力均告終止，並應替換為針對 ZLIHK 具有的該等相同權利、利益、益處和權力。「轉讓保單持有人」指轉讓保單之持有人。

記錄的轉讓

於轉讓日，ZLIC 持有的關於轉讓保單的轉讓保單持有人、受保人、受益人及受讓人或轉讓保單所涉及的任何其他人的所有法定記錄和其他資料，包括但不限於該等轉讓保單持有人、受保人、受益人、受讓人及其他人的個人資料（《個人資料（私隱）條例》（香港法例第 486 章）第 2 條所界定），均應轉讓予 ZLIHK，而 ZLIHK 對持有和使用（及轉移）該等資料應具有與 ZLIC 在轉讓日之前所具有的同權利、利益、益處及權力。就此，「法定記錄」指適用的法律或監管規定或公司管治規定（無論是否具有法律效力）要求 ZLIC 就 ZLIC 香港業務保存並由其保留管有的所有簿冊、文檔、登記簿、文件、往來信函、文書及其他記錄；

就應繼續繳納保費之轉讓保單，轉讓保單之轉讓保單持有人應於保費到期應繳時向 ZLIHK 支付保費。ZLIHK 對轉讓保單或在轉讓保單下應享有轉讓日之前 ZLIC 本可享有的任何及所有辯護、索償、反索償及抵銷權。

ZLIHK 在所有方面均應遵守和履行轉讓保單的所有條款、條件及契諾並受其約束，承擔因轉讓保單產生的或與轉讓保單有關的所有負債，並清償/滿足因轉讓保單產生的或與轉讓保單有關的所有索償和請求，如同轉讓保單是由 ZLIHK 而非 ZLIC 簽發的。

轉讓保單的所有條款和條件（包括建議書、報價、結單或申請書、說明文件、銷售說明書、銷售文件、附加計劃、附表和聲明），除下述變更外應保持不變：於轉讓日當日並由轉讓日起，轉讓保單中凡提述「ZLIC」或「ZLIC 香港分公司」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人之處，均應理解為提述的是「ZLIHK」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人；且轉讓保單的名稱中凡提述「ZLIC」或「ZLIC 香港分公司」之處均應理解為提述的是「ZLIHK」。尤其是（但不限於此），「ZLIC」或「ZLIC 香港分公司」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人就轉讓保單可行使的或表明可由其行使的所有權利和義務或將由其履行的責任，於轉讓日當日並由轉讓日起，可由「ZLIHK」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人行使或須由其履行。

進一步或其他的行為或保證

在不減損本計劃效力的條件下，若在不作出進一步或其他的行為或保證（包括但不限於需要取得進一步同意或批准）的情況下，本計劃和香港命令即不能有效地將本計劃下的任何轉讓資產、轉讓負債或轉讓保單轉讓予 ZLIHK 並歸屬於 ZLIHK，則：

- (i) ZLIC 和 ZLIHK 應自行或促使他人採取、簽署和交付使本計劃生效、將 ZLIC 香港業務和所有轉讓資產、轉讓負債和轉讓保單轉讓予 ZLIHK 所需的以及 ZLIHK 可能要求的所有必要的進一步行為、契據、文件、轉易、出讓、更替和轉讓文據以及所有必要的事宜，以便由轉讓日起有效地將各轉讓資產、轉讓負債和轉讓保單的所有權及 ZLIC 香港業務轉易、出讓、轉讓、歸屬於 ZLIHK 並/或記錄在 ZLIHK 名下；

- (ii) 在完成該等行為、契據、文件和事宜前，ZLIC 應由轉讓日起：
- (a) 為 ZLIHK 以信託形式持有未轉讓予 ZLIHK 的各受影響轉讓資產中的實益權益，並在其收到任何和該等受影響轉讓資產有關的任何款項後立即支付予 ZLIHK；及
 - (b) 為及代表 ZLIHK 並為 ZLIHK 的賬戶持有或承擔各受影響轉讓負債中的任何負債；
- (iii) ZLIHK 應由轉讓日起（自負費用）協助 ZLIC 履行 ZLIC 有關該等受影響轉讓資產、轉讓負債和轉讓保單下的義務並清償 ZLIC 有關該等受影響轉讓資產、轉讓負債和轉讓保單下的該等負債，否則，ZLIHK 應就 ZLIC 直接歸因於該等受影響轉讓資產、轉讓負債和轉讓保單招致的所有負債和任何合理的費用或開支對 ZLIC 作出彌償；及
- (iv) 在任何情況下，ZLIC 應由轉讓日起遵從 ZLIHK 就上文 (i) 款所述任何受影響的轉讓資產、轉讓負債和轉讓保單作出的指示，直至受影響的轉讓資產、轉讓負債和轉讓保單轉讓予 ZLIHK 為止，且 ZLIC 有權為所有該等目的就該等受影響的轉讓資產、轉讓負債和轉讓保單作為 ZLIHK 的代理人行事。

程序的繼續或開始

依據香港命令，於轉讓日當日並由轉讓日起，由 ZLIC 提起的或針對 ZLIC 提起的與轉讓保單、轉讓資產和轉讓負債有關的任何司法、準司法、紀律處分、行政、仲裁或法律程序、索賠或申訴（不論是現時的、未完結的、威脅的或將來的，包括尚未擬議的），應由 ZLIHK 取代 ZLIC，由 ZLIHK 繼續或開始提起或針對 ZLIHK 繼續或開始提起，而 ZLIHK 應享有與 ZLIC 就該等程序所享有的相同的辯護、索償、反索償及抵銷權。

新的 ZLIHK 保險基金

於轉讓日前，ZLIHK 應已設立 ZLIHK 壽險基金和 ZLIHK 股東基金。於轉讓日前在獲得了必要的監管批准後，ZLIHK 應已設立 ZLIHK 相連基金，以承保新的 C 類保單。由轉讓日起，ZLIHK 應設立 ZLIHK 瑞士個人基金。由轉讓日起，(i) 截至轉讓日前由 ZLIC 承保並且生效的所有 A 類保單（A 類中的瑞士個人壽險保單除外）應分配予 ZLIHK 壽險基金；截至轉讓日前由 ZLIC 承保並且生效的 A 類保單中的所有瑞士個人壽險保單應分配予 ZLIHK 瑞士個人基金；及截至轉讓日前由 ZLIC 承保並且生效的所有相連保單應分配予 ZLIHK 相連基金；(ii) (a) 截至轉讓日前分配予 ZLIC 壽險基金的所有轉讓資產（資金盈餘除外）應分配予 ZLIHK 壽險基金；(b) 截至轉讓日前分配予 ZLIC 瑞士個人基金的所有轉讓資產（資金盈餘除外）應分配予 ZLIHK 瑞士個人基金；(c) 截至轉讓日前分配予 ZLIC 相連基金的所有轉讓資產（資金盈餘除外）應分配予 ZLIHK 相連基金；及 (d) 截至轉讓日前分配予資金盈餘的所有轉讓資產應分配予 ZLIHK 股東基金；以及 (iii) (a) 截至轉讓日前分配予 ZLIC 壽險基金的所有轉讓負債應分配予 ZLIHK 壽險基金；(b) 截至轉讓日前分配予 ZLIC 瑞士個人基金的所有轉讓負債應分配予 ZLIHK 瑞士個人基金；及 (c) 截至轉讓日前分配予 ZLIC 相連基金的所有轉讓負債應分配予 ZLIHK 相連基金。

「**資金盈餘**」指所有類別業務的保單所產生的且歸屬於 ZLIC 股東的承保利潤。

ZLIC 根據上文「進一步或其他的行為或保證」該條為 ZLIHK 以信託形式持有的任何財產、資產或投資中的所有實益權益應分配予該等財產、資產或投資本應分配的相關基金（如適用）。根據上文「進一步或其他的行為或保證」該條須由 ZLIHK 清償的所有負債應分配予該等負債本應分配的相關基金（如適用）。

保費、委託書及其他指示

ZLIC(或其代理人)於轉讓日當日或之後就任何轉讓保單收到的或應收的所有保費、貸款還款（如有，及其利息）及其他款項於轉讓日之後均應支付予 ZLIHK(或其代理人)。

ZLIHK(或其代理人)應獲不可撤銷的授權，認可於轉讓日當日或之後 ZLIHK(或其代理人)收到的與轉讓保單下繳納保費或貸款還款(如有)有關的、收款人為 ZLIC(或其代理人)或憑 ZLIC(或其代理人)指示支付的任何支票、匯票、郵政匯單或其他票據以完成付款。

於轉讓日當日或之後，ZLIHK(自身或通過其代理人)應獨自負責計算及收取保費並繳付與轉讓保單下累算的保費有關的一切適用徵費及稅項。

於轉讓日當日有效並指定銀行或其他中介機構就任何轉讓保單支付應付予 ZLIC(或其代理人)或 ZLIC(或其代理人)收取之保費的任何委託書、自動轉賬授權、定期支付指令或其他指示，由轉讓日起並於轉讓日之後，應如同前述各項是以 ZLIHK(或其代理人)為受益人而指定和授權一般而生效。

計劃費用

ZLIC 香港分公司應以其自有資金支付與擬備本計劃及 ZLIHK 和其將本計劃呈交香港原訟法庭申請認許有關的所有費用以及與此相關的所有其他專業服務費用。該等費用不應由 ZLIC 或 ZLIHK 根據《保險業條例》維持的與其各自的長期業務、一般業務或者 ZLIC 或 ZLIHK 的其他保單或該等保單之保單持有人有關的基金承擔。

修改

在遵守本條最後一段規定的前提下，ZLIC 和 ZLIHK 可向香港原訟法庭申請其同意修改、變更或修訂本計劃的條款，但須滿足保監局或香港原訟法庭可能施加的任何條件。

在遵守本條最後一段規定的前提下，本計劃的條款應根據上一段中香港原訟法庭作出的同意(及施加的條件，如有)加以修改、變更或修訂。

糾正本計劃中明顯錯誤的修改、變更或修訂無須獲得香港原訟法庭的同意，但條件是，應就上述修改、變更或修訂向保監局作出通知，並且保監局表明其不反對上述修改、變更或修訂。

管轄法律

本計劃受香港法律管轄。

第 2 部

聆訊的其他資料

最終聆訊

關於認許計劃的呈請書聆訊將在香港原訟法庭進行。香港原訟法庭決定是否認許計劃的最終聆訊預定將於 2021 年 8 月 9 日 10 時舉行。

《保險業條例》規定，任何人士如聲稱其會因計劃的實行而受到不利影響，均有權於香港原訟法庭的呈請書聆訊中陳詞。

如果貴公司有意出席香港原訟法庭的聆訊，請貴公司於聆訊日期最好不少於三日前按照以下相同地址向 ZLIC 和 ZLIHK 的客戶服務中心發出表明此等意圖的書面通知並說明理由：-

香港港島東華蘭路 18 號港島東中心 25-26 樓

(所有信函均應引述參考編號「HCMP 460/2021」)

如果貴公司有意反對計劃但不願意親自出席香港原訟法庭的聆訊，貴公司應於聆訊日期不少於三日前按照上述相同地址向 ZLIC 和 ZLIHK 的客戶服務中心發出表明此等意圖的書面通知並說明理由。

附件 2

第 1 部：獨立精算師的主要評估

獨立精算師主要發表了下述意見：

- i. 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
- ii. 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就財務保障造成重大不利影響。
- iii. 獨立精算師信納計劃提供充分的保障，以確保計劃如所述般運作。

第 2 部：獨立精算師報告撮要

緒言

- 1.1. 本人，Paul Sinnott，獲委任根據香港《保險業條例》（「HKIO」）（香港法例第 41 章）第 24 條擔任獨立精算師，就位於瑞士的 Zurich Life Insurance Company Ltd.（「ZLIC」）向 Zurich Insurance Company Ltd.（「ZIC」）旗下之 Zurich Insurance Holdings (HK) Limited（「ZIH」）在香港註冊的新附屬公司——蘇黎世人壽保險(香港)有限公司（「ZLIHK」）轉讓所有 ZLIC 通過 Zurich Life Insurance Company Ltd 香港分公司（「ZLIC 香港分公司」）經營的長期保險業務（下稱「轉讓業務」）的擬議計劃（下稱「計劃」）之條款和可能造成的影響提供獨立意見。在本報告內，ZLIC，ZLIC 香港分公司與 ZLIHK 統稱為「有關方」。轉讓業務包括於 2021 年 9 月 1 日，即計劃的生效日（下稱「轉讓日」）前由 ZLIC 香港分公司承保的 A 類（人壽及年金）與 C 類（相連長期）保險業務。從 ZLIC 轉讓予 ZLIHK 的轉讓業務中的保險保單持有人，下稱為「轉讓保單持有人」，持有由 ZLIC 香港分公司承保的「轉讓保單」；計劃實施後仍由 ZLIC 承保的保險保單持有人，下稱為「非轉讓 ZLIC 保單持有人」，持有由 ZLIC（不包括由 ZLIC 香港分公司）承保的「非轉讓 ZLIC 保單」；而現時在計劃實施前由 ZLIHK 承保的保險保單持有人，下稱為「現有 ZLIHK 保單持有人」，持有「現有 ZLIHK 保單」。
- 1.2. 本人是 Milliman Limited（「Milliman」）的合夥人暨精算顧問。Milliman 的地址為香港北角電氣道 183 號友邦廣場 3901-02 室。本人是香港精算學會會員及英國精算師協會會員。
- 1.3. 在擬備本人就計劃的獨立精算師報告時，本人就所需內容已諮詢香港保險業監管局（「香港保監局」），並在適當情況下納入香港保監局的建議。本報告根據審慎監管局（「PRA」）於 2015 年 4 月發出的《審慎監管局對保險業務轉讓的處理方法》內的第 2 節第 27 條至第 40 條中的方法和預期編制。同時，本人已參考金融市場行為監管局（「FCA」）手冊中監管守則第 18 章（「SUP 18」），以及 FCA 在 2018 年 5 月於「金融市場行為監管局審查第七部保險業務轉讓之方法」第 6 章發布的進一步指引。此外，本人亦遵從英國精算師協會（「IFoA」）專業指引《APS X3：精算師在法律程序中的專業職責》中列明精算師就現有或擬議法律程序（包括英國管轄以外）提供專業意見時的守則。
- 1.4. 本人的審閱及意見範圍僅限於計劃對 ZLIC 及 ZLIHK 的長期保險保單持有人的影響，尤其是對轉讓保單持有人的影響，而並不包括審閱計劃對 ZLIC 及 ZLIHK 的股東的影響。本人僅考慮向本人提呈的計劃，並無考慮任何其他替代轉讓計劃。
- 1.5. 在執行本人職務時，本人已獲准自由查閱本人視為必要的資料、報告和文件。此外，本人亦可自由接觸有關方的代表以作出所需的討論。
- 1.6. 本文為本人於 2021 年 3 月 22 日簽發的獨立精算師報告的撮要文件。本人的工作範圍、考慮與結論、依據與限制，以及參考條款，均詳細記載於報告全文。轉讓保單持有人、現有 ZLIHK 保單持有人和其他有意者細閱者可於 ZLIC 香港分公司辦公室索取報告全文的副本。此外，在香港法院最終聆訊結束之前，均可於 Zurich 的網站（www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer）取得報告全文的電子版本。

關於轉讓業務的背景及本人的意見撮要

- 1.7. 計劃為蘇黎世保險集團有限公司（「蘇黎世集團」）香港業務重組的一部分，旨在為保單持有人提升金融穩定性及營運效能，包括簡化機構的審計程序與法規管理流程。《保險業條例》下，ZLIHK 已於 2020 年 3 月 23 日獲授權經營保險業務。
- 1.8. 按照擬定計劃及《保險業條例》第 24 條，ZLIC 香港分公司的所有長期保險業務將轉讓至 ZLIHK。執行轉讓計劃後，ZLIC 香港分公司將會結束業務；其營運執照亦會失效。根據《保險業條例》第 40 條，ZLIC 香港分公司應於計劃完結時撤回其授權。因此計劃執行後將不會有任何 ZLIC 香港分公司的保單持有人。
- 1.9. 下為 ZLIC 香港分公司（轉讓前）和 ZLIHK（轉讓前後）的基金結構。

ZLIC 香港分公司基金結構（轉讓前）

ZLIC 香港分公司長期業務

ZLIC 香港分公司
壽險基金（A類）

ZLIC 香港分公司
相連基金（C類）

ZLIC 瑞士個人基金
（A類）

ZLIHK 基金結構（轉讓前後）

ZLIHK 長期業務

ZLIHK
壽險基金
（A類）

ZLIHK
瑞士個人基金
（A類）

相連基金
（C類）

ZLIHK
股東基金

- 1.10. 截至 2020 年 9 月 30 日 ZLIC 香港分公司業務僅限於 A 類（人壽與年金）和 C 類（相連長期）。主要產品包括萬用壽險、保障計劃（如死亡、危疾及醫療）、分紅和單位相連產品。A 類和 C 類業務的資產和負債的基金互相隔離。
- 1.11. 瑞士個人壽險保單，簡稱「瑞士保單」，其業務已停售。此產品為身處亞洲地區而預期會返回本國的外籍人士所買之保單。轉讓計劃後，ZLIHK 將會在其資產負債表上保留這些保單的負債，並通過再保險安排將風險轉移給 ZLIC，且將在轉讓計劃之前 ZLIC 負責的此類業務運營活動外判給 ZLIC（包括此類保單的保單服務、管理及賠付），以最大限度地減少潛在的直接客戶影響。ZLIHK 可能在其正常業務審查中重新評估優化瑞士保單的長期管理的安排，以決定是否應繼續進行再保險和外判安排。截至 2020 年 9 月 30 日，一共有 142 張現行保單。A 類中，瑞士保單因紅利政策的差異和其他 A 類分紅產品基金分開計算。ZLIHK 亦會維持類似做法。
- 1.12. 計劃實行後，ZLIHK 需要履行保單合約的條款，包括支付索償、保單紅利和所轉讓業務衍生的其他款項如行政開支。
- 1.13. 本人認為：
- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
 - 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就財務保障造成重大不利影響。
 - 本人信納計劃提供充分的保障，以確保計劃如所述般運作。
- 1.14. 在提出本人的意見時，本人考慮了下列所述的各個層面。就詳細的分析與結論，請參考報告全文。

計劃對轉讓保單持有人的利益期望的影響

分紅業務和萬用壽險業務

- 2.1. ZLIC 香港分公司將在轉讓日轉讓所有組成 A 類業務的分紅保單和萬用壽險保單。ZLIC 香港分公司的分紅業務於 2013 年停止接受新業務。分紅業務包括香港傳統年度紅利保單，香港傳統終期紅利保單和瑞士個人壽險保單。ZLIC 香港分公司的萬用壽險合同被稱為人生保障產品。人生保障產品分為 3 代，包括舊式，“2003 系列”和新式人生保障產品。
- 2.2. 委任精算師每年對傳統分紅產品的紅利率進行審查，並要獲得董事會的批准。截至 2018 年底，ZLIC 香港分公司尚未對分紅保單的紅利率進行任何調整。2019 年和 2020 年的分紅研究根據 ZLIC 香港分公司傳統分紅產品的現行分紅政策中規定的原則和方法，建議在 2020 年或 2021 年初削減 40% 的分紅。這些建議僅基於 ZLIC 香港分公司本身的考慮，未有考慮與轉讓相關的因素。雖然此項建議完全不受轉讓影響，但本人獲告知 ZLIC 香港分公司在考慮過保單持有人的合理期望及競爭對手的行為後，無意在轉讓前為分紅保單的紅利率作任何調整。在轉讓後，ZLIHK 將在將來正常年度紅利審查程序中作出相關決定。本人獲告知，在 2019 年之前不調整紅利率的理由如下：
 - 鑑於預計在早年會派發少量紅利和考慮到紅利調整程序的運營成本，平滑的紅利調整（最多削減 40%）不會給分公司帶來實質性的財務利益；及
 - 與競爭對手的行動保持一致，以將其主要產品在最初的幾個保單年度內的分紅履行比率保持在接近 100% 的水平
- 2.3. ZLIHK 已承諾在轉讓業務後將繼續按照 ZLIC 香港分公司沿用的紅利方法進行年度紅利審查，由此可能需要根據未來紅利審查時分紅業務的實質盈餘或赤字狀況來調整紅利，其中亦會考慮其他因素，包括財務利益的重要性、競爭對手的行為以及其他與轉讓無關的因素。由此，轉讓並不會在未來的紅利審查中作為決定紅利派發的考慮因素。本人獲告知，鑑於現有 ZLIHK 的內部管理體系以及其管理團隊為蘇黎世集團的同一管理團隊，與保單持有人所溝通的分紅機制及準則將與轉讓前一致並在未來被實行。
- 2.4. 本人獲告知，ZLIHK 在計劃實施前將沿用目前用於萬用壽險業務的派息設定機制。
- 2.5. 有關方已確認，該計劃不會對分紅保單和萬用壽險保單的現有原則和方法，資產分配目標和投資指示產生任何重大變化。同時，應當注意 ZLIHK 的管理層有權更改現有分紅政策的原則和方法，並且該權利在計劃實施後不會改變。
- 2.6. 根據本人的審查，ZLIHK 打算在計劃實施後使用當前分紅業務的分紅設置和當前萬用人壽業務的派息率原則和方法。本人認為這些措施以及 ZLIHK 對更改現有方法的管理能提供足夠保障予保單持有人。因此在實施該計劃之後，保單持有人應期望得到與計劃實施之前類似的待遇。

轉讓業務的資產配置和投資政策

- 2.7. ZLIC 香港分公司的投資活動受投資指示的約束。這些指示規定了戰略資產分配、投資限制和審批程序。
- 2.8. 有關方已確認，如果 ZLIHK 的產品組合在計劃實施後沒有重大變化，則 ZLIC 香港分公司的遺留債務相關的戰略資產分配不會發生重大變化。有關方還確認，計劃實施後，將無意對 ZLIC 香港分公司對支持轉讓保單的資產的現有投資策略和內部治理作重大變化。

單位相連保單的收費和投資

- 2.9. 對於現有的單位相連產品，儘管 ZLIC 香港分公司過去沒有對保單收費進行調整，但 ZLIC 香港分公司擁有更改保單收費的廣泛權利，以及收取其他管理費用的權利。根據條款保單規定，在任何變更生效之前，保單持有人將提前獲得書面通知。無論該計劃是否進行，這些權利將被 ZLIHK 繼續保留。
- 2.10. 本人獲告知，在計劃實施後確定無保證收費水平的過程和原則不會因轉讓而改變。基於這些考慮，本人無理由相信該計劃將對轉讓保單持有人的酌情收費造成重大不利影響。

合約利益相關條款

- 2.11. 按照計劃，ZLIHK 將承諾繼續向 ZLIC 香港分公司的轉讓保單持有人支付合約利益。本人獲告知在計劃實施後，這些保證利益將不會改變。上述保單持有人的權利（在現有保單文件內界定）均相同。

其他具公司酌情權的保單

- 2.12. 對於部分綜合計劃及大部份附加保障保單，包括可續保定期壽險、意外及醫療保障及危疾保障，ZLIC 香港分公司具有廣泛的保險保費調整權利，在保險條約下於每次保單續保日或每次保單周年日或每五年或任何保單周年日對保費作出調整。根據計劃，ZLIHK 在轉讓保單上將保留相同的權利。然而，不論計劃實施與否，該等權利均存在。因此，本人無理由相信計劃會對於與 ZLIC 香港分公司的轉讓保單持有人相關酌情權的行使造成重大不利影響。

關於計劃的成本與費用

- 2.13. 該計劃引致的總費用將由 ZLIC 的股東承擔，並通過 ZLIC 香港分公司支付。ZLIC 香港分公司已確認，計劃引致的相關的費用及開支將不會導致增加向保單持有人收取的單位費用，或降低派付給保單持有人的酌情利益水平。因此，本人並無理由相信該計劃會對轉讓保單持有人將在這方面造成重大不利影響。

稅務影響

- 2.14. ZLIHK 將選擇與 ZLIC 香港分公司相同的評稅基礎，而該利得稅計算方法是根據總應評稅利潤及所選擇的稅率而定。另外，有關方已告知本人，ZLIC 香港分公司的所有稅務餘額將轉讓予 ZLIHK。鑒於轉讓業務的稅務制度在計劃實施後將保持不變，本人無理由相信計劃會因稅務相關因素而對轉讓保單持有人造成重大不利影響。

保單條款及細則

- 2.15. 本人獲告知，除了將對 ZLIC 香港分公司的引用替換為 ZLIHK 之外，有效保險保單中的條款和細則不會因計劃的實施而改變。在計劃的實施後，保險保單中有關於保單貸款的條款和細則亦將保持不變。就此而言，本人並無理由相信計劃本身將對保單持有人的保單條款及細則構成重大不利影響。

合理利益期望結論

- 2.16. 總而言之，計劃不會對 ZLIC 香港分公司的轉讓保單持有人（包括瑞士個人壽險保單的保單持有人）的合理利益期望造成重大不利影響。

計劃對轉讓保單持有人的財務保障的影響

- 3.1. 保單持有人合約利益的保障，可按長期業務基金的超額資產加上股東資產淨值來量度。影響該等保障的因素有：採用估值基礎的保守程度，其資本和自由儲備金，其整體上可以提供的額外安全保障，以及其股東可以提供的任何潛在支持。
- 3.2. 本人亦考慮了 ZLIHK 在計劃實施後的預期整體償付能力狀況及其日後的潛在發展。

財務保障準備金

- 3.3. 為保障保單持有人，保險公司會維持三種資產層，分別為保單儲備金、最低償付準備金及超額資產，首兩層的資產是按照法例規定必須維持的。
- **保單儲備金：**支持根據相關合約義務計算的保單負債的資產。估值準則是法定規則訂明的。
 - **最低償付準備金：**由法定規例訂明（其中包括滿足最低償付能力要求所需的資產），作為保險公司承擔的負債風險的相關準備金。
 - **超額資產：**超出法定最低償付準備金的資產（可用佔最低償付準備金的百分比表示）

保單儲備金

- 3.4. 依照所須遵守的估值準則，ZLIC 香港分公司此前已按符合香港監管準則的既定方法和估值基礎，並參照香港《保險業條例》第 41 章和香港精算學會發出的精算指引，為轉讓業務建立了儲備金。
- 3.5. 在 ZLIC 香港分公司準備法定估值報告的流程中，現時的做法是由 ZLIC 香港分公司的委任精算師每年向 ZLIC 董事會提議估值方法及相關的估值假設以作法定估值用途。

- 3.6. 在計劃實施後，以上程序將保持不變，即 ZLIHK 的委任精算師每年仍向 ZLIHK 董事會提供有關轉讓業務和 ZLIHK 新業務的估值方法及估值基礎的建議。由於沒有建議要在計劃實施後改變決定估值方法及假設的程序，因此本人沒有理由相信這方面會對轉讓保單持有人的財務保障造成不利影響。

償付能力比率

- 3.7. ZLIC 是 ZLIC 香港分公司的母公司，在瑞士註冊成立，因此其償付能力受瑞士償付能力測試（「SST」）框架的約束，以確定其風險基準資本。ZLIC 在 SST 基礎上的歷史償付能力狀況如下所示。

表 1: ZLIC 的償付能力比率（以 SST 為基礎）

百萬瑞士法郎	2017 年 12 月	2018 年 12 月	2019 年 12 月	2020 年 9 月 **
目標資本	2,858	3,286	4,524	4,601
支撐風險之資本	5,989	7,002	7,635	7,749
市場價值邊際	778	820	1,409	1,453
償付能力比率*	251%	251%	200%	200%

*由於四捨五入，該表得出的數字可能不同

** FINMA 並沒有要求此數字。數字亦未經 FINMA 審核且是由 ZLIC 估算得出。目前只有截至 2020 年 1 月 1 日或 2019 年 12 月的 SST 是與 FINMA 相關。

來源：截至 2020 年 9 月的估算 SST 數據屬 ZLIC 內部非公開資訊。

- 3.8. ZLIC 香港分公司為了此計劃，估算了整個 ZLIC 法人實體在 HKIO 基礎下的償付能力狀況。基於 HKIO 基礎下的儲備金與舊的瑞士償付能力 I 儲備金非常相似，因此當使用《保險業（償付準備金）規則》時，舊的瑞士償付能力 I 儲備金將替代 HKIO 儲備金以進行近似計算。該計算使用的公開資料包括當地法定儲備金以及 ZLIC 的保額和保費。以下表 2 羅列了 ZLIC 的 HKIO 基礎下估算的償付能力狀況歷史。

表 2: ZLIC 的償付能力比率（以 HKIO 為基礎）

百萬瑞士法郎	2017 年 12 月	2018 年 12 月	2019 年 12 月	2020 年 9 月**
最低償付準備金	960	990	1,019	1,011
淨資產	3,505	3,122	3,609	3,436
償付能力比率*	365%	315%	354%	340%

* 由於四捨五入，該表得出的數字可能不同

** 基於 ZLIC 內部非公開資訊得出。

- 3.9. ZIC 是 ZLIHK 最終母公司，也是 ZLIC 的控股公司及母公司。類似於 ZLIC，ZIC 成立於瑞士，其償付能力受制於 SST 框架，以計算其風險資本。以下表 3 羅列了 ZLIC 在 SST 基礎上的歷史償付能力狀況。

表 3: ZIC 的償付能力比率 (以 SST 為基礎)

百萬美元	2017 年 12 月	2018 年 12 月	2019 年 12 月**
目標資本	24,573	22,280	24,687
支撐風險之資本	43,181	41,628	45,961
償付能力比率*	212%	225%	241%

* 由於四捨五入，該表得出的數字可能不同

** 2019 年 12 月後沒有更新的資訊可提供，因 ZIC 的償付能力比率每年僅計算一次。

來源：ZIC 2018 年和 2019 年的財務狀況報告。

3.10. 有關方還評估了 ZLIHK 在計劃之前和之後的預測償付能力狀況，以用作評估該計劃的影響。

表 4: ZLIHK 於 2021 年 9 月 1 日的償付能力比率 (以 HKIO 為基礎)

百萬港元	計劃前	計劃	計劃後
最低償付準備金	4	111	115
淨資產	152	582	734
償付能力比率*	3779%	523%	637%

* 由於四捨五入，該表得出的數字可能不同

表 5: ZLIHK 的預測償付能力比率 (以 HKIO 為基礎)

百萬港元	2021 年 1 月 1 日 ^(*)	2022 年 1 月 1 日	2023 年 1 月 1 日
最低償付準備金	2	119	127
淨資產	204	721	675
償付能力比率**	9438%	604%	533%

* 2021 年 1 月的償付能力比率乃轉讓日前的償付能力狀況。

** 由於四捨五入，該表得出的數字可能不同

3.11. 有關方已確認，ZLIHK 的實收資本已被投資於短期定期存款而不受 COVID-19 大流行導致的資本市場波動的影響。

3.12. 本人獲有關方告知，如果 ZLIHK 的償付能力比率低於 200%，或者預計 ZLIHK 的償付能力比率可能會低於 200%（以當地法規為基準），有關方將尋求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZIC 通過 ZIH（ZLIHK 的股東）注資，以達到目標償付能力比率。

3.13. 本人比較了 ZLIC（ZLIC 香港分公司的母公司）與 ZIC（ZLIHK 的最終母公司）的歷史償付能力狀況。從表 1 和表 3 可見，兩個實體的償付能力狀況非常相似，兩者 2017 年至 2020 年 9 月的償付能力狀況在 200% 至 250% 的範圍內，這意味著兩者的財務實力相當。

- 3.14. 由於 ZLIHK 並無以 SST 為基礎的預計償付能力狀況，本人在以 HKIO 為基礎下，比較了 ZLIHK 預計在計劃實施的償付能力狀況與 ZLIC 當前的償付能力狀況。從表 2 和表 5 可見，在 HKIO 基礎下，ZLIHK 預計計劃後的償付能力比率高於 ZLIC 當前的償付能力比率，這對轉讓保單持有人的財務保障有正面作用。

動態償付能力測試

- 3.15. 此外，動態償付能力測試（「DST」）在多種可能的不利情況下校驗了 ZLIC 香港分公司在計劃前和 ZLIHK 在計劃後的償付能力狀況。
- 3.16. 預測結果顯示，ZLIC 香港分公司在轉讓之前以及 ZLIHK 在轉讓之後的償付能力遠超過可接受的償付能力要求，即香港法定最低償付能力要求的 200%。儘管實際的償付能力比率可能會隨時間和實際運營情況而變化，但無論如何，按照相關法規，ZLIHK 的委任精算師有責任來確保 ZLIHK 滿足法定最低資本要求。

資本管理政策

- 3.17. 有關方表示，ZLIC 香港分公司多年來建立的內部目標償付能力比率範圍為 200%-250%，而且當自由資產超過此水平至一定程度時，才會考慮派發股東股息。香港保監局要求 ZLIC 香港分公司每週監控其償付能力狀況，並保留超過最低償付能力要求的 200% 償付能力資本，但是 ZLIC 香港分公司的資本返還則不需要徵得香港保監局的批准。為確保有緩衝空間，ZLIC 香港分公司將保留最低償付能力要求的 200% 至 250% 之間的本地資本。此外，由於 ZLIC 的資本要求也受瑞士金融市場監督管理局（「FINMA」）的監管，目標償付能力比率處於較高水平區間。
- 3.18. 如果 ZLIC 香港分公司的償付能力比率低於 200%，該分公司求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZLIC 注資。
- 3.19. 本人獲告知，在計劃實施之後，有關方打算採使用類似方法將 ZLIHK 的償付能力比率控制在 225% 的內部目標。這與蘇黎世集團的風險政策相符，即其持有的資本數量等於當地監管實體的法定最低資本，再加上足夠的議定緩衝以承受短期波動。蘇黎世集團致力管理其內部物質資本，以使其所有受監管實體均具有足夠的資本，以符合相關的監管資本充足性要求。
- 3.20. 如果 ZLIHK 的償付能力比率低於 200%，或者預計 ZLIHK 的償付能力比率可能會低於 200%（以當地法規為基準），ZLIHK 將尋求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZIC 通過 ZIH（ZLIHK 的股東）注資，以達到目標償付能力比率。此外，本人獲有關方通知，在獲發牌照時，ZLIHK 向保監局提交了一份承諾書，其中列明母公司承諾會維持 ZLIHK 的償付能力比率高於 150% 法定最低償付能力比率。

風險承擔

- 3.21. 如按照 ZLIHK 的計劃，在 2020 年 3 月 23 日獲得許可批准後，一項新定期產品已經於 2020 年第三季度推出。截至 2020 年 9 月 30 日 ZLIHK 有 13 張新保單，並預計在實施計劃時仍只會有少量新保單。ZLIHK 計劃在接近 2021 年早期的運營初期繼續承保非分紅保障業務。就保險風險而言，ZLIC 香港分公司目前的業務範圍比計劃實施前的 ZLIHK 較廣。因此，ZLIHK 的風險狀況有望與 ZLIC 香港分公司的風險狀況相似。
- 3.22. ZLIHK 計劃在度過初始運營階段並獲得相關產品批准後，開始為各種屬於 A 類，C 類或單位相連基金的個人壽險業務提供承保。
- 3.23. ZLIC 香港分公司已為其 A 類業務和 C 類業務制定了再保險安排，而這種安排將在計劃實施後繼續。這提供了額外的保障。此外，ZLIC 香港分公司和 ZLIHK 都必須遵守蘇黎世風險政策。
- 3.24. 基於上述考慮，本人尚未發現任何因實施該計劃而導致的額外風險承擔將可能損害任何一組轉讓保單持有人的合同權利。

投資政策

- 3.25. 有關方已確認，無意在計劃實施後對 ZLIC 香港分公司目前被用作支持轉讓保單的資產的現有投資策略作大重大變化。

風險政策

- 3.26. ZIC 和 ZLIC 受瑞士金融市場監督管理局的監管和監督，其中有對風險管理的規定要求。ZIC 和 ZLIC 的風險管理均符合這些管制措施，並被記錄在蘇黎世風險政策（「ZRP」）中。該政策為所有子公司設定了

有效風險管理的標準，而 ZLIC 香港分公司和 ZLIHK 制定風險政策時均參照蘇黎世集團的政策。因此，ZLIC 香港分公司和 ZLIHK 的風險管理框架不應有任何明顯的偏差。

- 3.27. 特別的是，ZLIC 香港分公司的風險承受能力聲明遵循蘇黎世集團的治理和當地的法定要求。ZLIHK 目前亦正在採用相同的做法。風險承受能力聲明為每種風險類別的風險承擔方法和風險偏好（其中風險偏好分為低偏好/中度偏好/高偏好）設置關鍵要求，並結合了明確和可量化的關鍵績效指標及承受能力。總體而言，ZLIC 香港分公司和 ZLIHK 的風險偏好框架相似，適用於 ZLIC 香港分公司和 ZLIHK 的風險標準的目標水平沒有重大差異，並且有關方已確認新實體的風險偏好基本不變。

監管覆蓋

- 3.28. 在計劃涉及由瑞士母公司下的香港分公司變為香港子公司的情況下，本人需要由法律角度考慮對轉讓保單持有人的財務保障的影響。本人已從下列兩個角度考慮監管覆蓋的影響：

- **監管框架及償付能力監管要求：**本人參考了由國際貨幣基金組織撰寫，名為「詳細遵守評估－保險核心原則」的報告。報告對香港及瑞士的監管框架及償付能力監管要求均有高度評價。更重要的是，在日常監管方面，香港保監局一直都保持對 ZLIC 香港分公司及 ZLIHK 分公司的香港營運的監管和監督權。
- **對保單持有人的保障：**儘管此前在香港已經發布了有關該主題的諮詢文件，目前瑞士及香港均沒有條例或保障計劃為保險保單持有人在保險公司出現資不抵債時提供保障。因此，由此角度出發，計劃並不會令轉讓保單持有人處於更不利的情況。另外，在計劃實施前，由於 ZLIC 香港分公司是 ZLIC 作為母公司的一部分，當母公司需要清盤時，香港分公司將自動被清盤。不過，在計劃實施後，因 ZLIHK 作為子公司，當母公司進行清盤時，ZLIHK 則不會受到影響。

財務保障的結論

- 3.29. 總結以上評估，本人認為：

- 在 HKIO 基礎下，ZLIHK 預計計劃後的償付能力比率高於 ZLIC 於 2020 年 9 月 30 日的償付能力比率，這對轉讓保單持有人的財務保障有正面作用。
- 根據以上提及的政策，本人得知在 ZLIHK 面臨財務困難的極端情況下，利用資本管理政策的支持，轉讓保單持有人在實施該計劃後將繼續受到 ZIC 財務實力的保護。本人認為這是在計劃實施後保持轉讓保單持有人財務保障的重要因素。
- 根據我的上述評估，本人認為計劃不太可能使 ZLIC 香港分公司的轉讓保單持有人面臨重大的新風險。本人得出以下結論：計劃實施後不會對轉讓保單持有人的財務保障造成重大不利影響。

其他考慮因素

服務水平

- 3.30. 有關方已確認在計劃實施後，對所有保單持有人的服務水平目標將保持不變。對於單位相連保單持有人，保單持有人目前可選擇的現有基金將不會因計劃的實施而受到影響。

再保險安排

- 3.31. 有關方已確認，現有的再保險安排的條款和細則將在計劃實施後保持不變。
- 3.32. 本人認為上述各個營運領域，包括所提供的服務水平，都不會對轉移保單持有人產生重大負面影響。該計劃應提供足夠的保障以確保計劃按所述運作。

計劃對非轉讓 ZLIC 保單持有人的利益期望和財務保障的影響

- 4.1. 在本人於評估計劃對非轉讓 ZLIC 保單持有人的利益期望和財務保障的影響時，依賴了 ZLIC 的委任精算師及 ZLIC 的總精算師的專業意見。

利益期望

非轉讓業務的實質性

- 4.2. ZLIC 香港分公司僅佔 ZLIC 總業務的一小部分。截至 2020 年 9 月 30 日，其僅佔母公司總保險儲備金和單位相連合同準備金的 2.6%。

合約利益相關條款

- 4.3. 在對合約利益相關條款提出意見時，本人並未查看 ZLIC 提供的合約利益相關條款。然而，鑑於 ZLIC 香港分公司僅佔 ZLIC 整體業務的一小部分，我同意委任精算師和總精算師關於非轉讓 ZLIC 保單持有人的利益期望的意見，即認為 ZLIC 支付有效索償的能力以及在其他合約事項中適當行事的能力應該保持不變。

分紅政策

- 4.4. ZLIC 的大多數業務都屬於分紅業務，包括個人壽險業務、企業壽險和養老金業務。
- 4.5. 有關方已確認，本計劃將不會改變分紅原理和派息原理。

其他具公司酌情權的保單

- 4.6. ZLIC 非轉讓業務中的單位相連產品的收費結構包括每月費用，例如年度管理費、保單管理費、分配/設置收費、要約價差、退保費和利益收費。在任何更改生效之前，保單持有人將根據保單條款提前收到書面通知。這些權利將被 ZLIC 繼續保留，並且無論該計劃是否進行都存在。
- 4.7. 有部分 ZLIC 的產品可以將儲蓄資金轉換為一系列年金支付。轉讓不會影響這些產品在轉換時用於將儲蓄資金轉換為年金的適用轉換率。
- 4.8. 總而言之，除了無論計劃實施與否，都存在的改變投資相關費用的權利外，本人沒有理由相信對於非轉讓 ZLIC 保單持有人而言，計劃將導致公司行使酌情權而造成重大不利影響。

保單條款及細則

- 4.9. ZLIC 的委任精算師和總精算師均已確認，有效的非轉讓 ZLIC 保單條款及細則將不會因計劃而改變。

財務保障

瑞士金融市場監督管理局的監督

- 4.10. ZLIC 受瑞士金融市場監督管理局保險監督。《瑞士保險監督法》（「ISL」）要求瑞士保險公司建立和維持公司管治體系，包括一套適用於其業務活動的內部控制系統和有效的風險管理系統。除了由瑞士金融市場監督管理局進行的監督外，ZLIC 及其分公司還需應當地有關監督機構的要求而受到監督。
- 4.11. ZLIC 根據瑞士償付能力測試（「SST」）評估其償付能力。在執行 SST 時，ZLIC 將評估其償付能力和財務狀況，而且必須每年提交 SST 比率予瑞士金融市場監督管理局。

財務保障準備金

- 4.12. 為了保障在瑞士的保單持有人，保險公司必須根據瑞士償付能力測試以保持充足的保單儲備金和償付準備金。

保單儲備金

- 4.13. ZLIC 一直在瑞士監管制度下向瑞士金融市場監督管理局報告，由委任精算師和審計師證明其符合《瑞士保險監督條例》（「AVO」）和 ZLIC 業務計劃中指定的精算要求。委任精算師需負責估值方法和適當的精算假設的設定。在計劃實施後，上述程序和職責將保持不變。在計劃實施前後，確定估值和假設的方法亦不會出現變化。

整體財務狀況及股東資本

4.14. ZLIC 是保持雄厚資本實力的蘇黎世保險集團的一部分。ZLIC 擁有充足的資本，並預計在轉讓日具有穩定的償付能力比率，並且該公司預計在計劃實施後也會保持相同狀況。

4.15. 鑑於轉讓業務的規模對 ZLIC 相對而言並不重要，加上如上所顯示的 ZLIC 預計償付能力狀況，本人同意委任精算師和總精算師的意見，即預計該轉讓不會對非轉讓 ZLIC 保單持有人的財務保障造成重大不利影響。

風險承擔

4.16. 由於與非轉讓業務相比，轉讓業務的規模較小（截至 2020 年 9 月，僅佔 ZLIC 業務總量 2.6%），因此非轉讓業務的風險承擔不會因計劃實施而發生重大變化。

資本管理政策

4.17. ZLIC 長期維持其風險承受能力聲明，其中包括了一個包含捆綁資產，法定股東權益和 SST 償付能力在內的覆蓋範圍超出瑞士法律法規要求的框架。其風險承受能力聲在計劃實施後將繼續適用，因此該計劃不會改變資本管理政策。

風險政策及風險管理框架

4.18. 本人獲告知，ZLIC 的風險政策和風險管理框架不會因計劃而改變。

投資政策和貨幣風險對沖

4.19. 由於轉讓業務分隔於 ZLIC 母公司和非轉讓業務，因此在計劃實施後投資政策/投資策略以及貨幣對沖工具和策略不會發生變化。

股東基金及股東股息政策

4.20. ZLIC 擁有一個全面的框架以向其所有者 ZIC 派息。股息金額受到 ZLIC 持有的資本與其風險承受能力聲明及其他法律要求限制。分配股息時的考慮因素包括股東基金水平，償付能力比率和其他指標。

4.21. 轉讓不會對 ZLIC 股東基金或 ZLIC 的股息政策造成重大影響。

其他考慮因素

保單持有人服務

4.22. 對於非轉讓單位相連保單持有人，ZLIC 非轉讓長期保單持有人目前可選擇的現有基金將不會因計劃的實施而受到影響。

再保險安排

4.23. 目前的再保險安排包括一套非香港和相對低風險的再保險條約，以及一套涉及轉讓業務的再保險條約。由於香港的再保險條約將與業務一起轉讓，因此其他非香港條約不受影響。

分銷協議

4.24. 鑑於 ZLIC 香港分公司已不接受新業務，因此沒有與轉讓業務有關的有效分銷協議需被考慮。雖然有多個有關非轉讓業務的分銷協議，但是這些協議不會受到轉讓的影響且不會發生變化。

服務水平

4.25. 由於 ZLIC 香港分公司的業務只佔 ZLIC 整體業務的一小部分，本人獲告知，這些保單的轉讓對提供給非轉讓保單持有人的服務水平的影響微不足道。

計劃對現有 ZLIHK 保單持有人的利益期望和財務保障的影響

5.1. 在本節中，已知 ZLIHK 在 2020 年 7 月開始分銷保單的情況下，本人考慮了該計劃對現有 ZLIHK 保單持有人的影響。截至 2020 年 9 月 30 日 ZLIHK 有 13 張新保單，保費總值為 10 萬 3 千港元。

利益期望

合約利益相關條款

- 5.2. 儘管 ZLIHK 提供的合約利益尚未最終確定，但本人從 ZLIHK 的委任精算師獲悉，在實施該計劃後，向現 ZLIHK 有保單持有人提供的合同利益將不會發生變化。有效索賠將按照與計劃之前相同的方式繼續支付。

其他具公司酌情權的保單

- 5.3. ZLIHK 在 2020 年 3 月 23 日獲得許可批准後，已經開始發行個人非相連保單（A 類）。單位相連保單將在 ZLIHK 從監管機構獲得必要的 C 類產品批准後發布。
- 5.4. 本人獲有關方通知，對於 A 類業務，如按照 ZLIHK 當前的 2020 計劃，一項新定期產品已經於 2020 年第三季度推出。ZLIHK 將在 2021 年第三季度前推出新危疾保障產品。ZLIHK 將繼續監察合資格延期年金保單（“QDAP”）的市場發展，以評估在將來推出這種退休解決方案的可能性。不過，為了與 ZLIHK 僅提供非分紅 A 類產品的策略一致，任何年金產品都將在固定年金期間提供保證的現金價值，而且並不具有酌情的部分。由於尚未有進入 QDAP 市場的決定，而即使發生這種情況，QDAP 年金產品的預期銷售額並不高，因此其已從 ZLIHK 目前準備中的 2021 年業務計劃中排除。本人還獲有關方告知，由於最近的 COVID-19 大流行，儘管總體計劃保持不變，但推出各種產品的時間會稍有延遲。
- 5.5. 對於無保證費用和收費的 C 類業務，ZLIHK 擁有更改保單收費的廣泛權利，並有權對保單收取任何其他管理費用，前提是保單持有人在變更前事先得到書面通知。
- 5.6. 總而言之，除了無論計劃實施與否，都存在的改變投資相關費用的權利外，本人沒有理由相信對於現有 ZLIHK 保單持有人而言，計劃將導致公司行使酌情權而造成重大不利影響。

保單條款及細則

- 5.7. ZLIHK 的委任精算師已確認，計劃不會令現有 ZLIHK 保單的保單條款及細則發生變化。

財務保障

- 5.8. 與本人對轉讓保單持有人的評論相同，在考慮計劃對現有 ZLIHK 保單持有人財務保障的影響時，本人的主要考慮了有：將被採用估值基礎的保守程度，其資本和自由儲備，其作為實體在整體上可以提供的額外安全保障，以及其股東可以提供的任何潛在支持。

保單儲備金

- 5.9. ZLIHK 一直根據香港監管制度作出報告，由委任精算師和審計師證明其遵守香港《保險業條例》第 41 章。
- 5.10. 計劃實施後，ZLIHK 的委任精算師仍會每年向 ZLIHK 董事會提供估值方法及估值基礎的建議，這程序將保持不變。由於沒有建議要在計劃實施後改變決定估值方法及假設的程序，因此本人沒有理由相信這方面會對現有 ZLIHK 保單持有人的財務保障造成不利影響。

整體財務狀況及股東股本

- 5.11. 由表 4 可見，ZLIHK 預計在計劃前後 HKIO 基礎下的償付能力比率都處於十分高水平；遠高於法定最低要求和大多數保險公司所能達到的水平。
- 5.12. 表 5 顯示了 ZLIHK 計劃後 HKIO 基礎下預計在轉讓日及其後的預測年份的償付能力比率。基於以上數據，從償付能力角度來看，本人沒有理由相信計劃會對現有 ZLIHK 保單持有人的財務保障造成重大不利影響。

其他考慮因素

集團政策

- 5.13. 鑑於在計劃實施後，最終母公司仍保持不變，並且所有集團政策將繼續適用，因此我認為集團結構的變化不會為現有 ZLIHK 投保人帶來任何重大不利影響。

總結

- 6.1. 經過上述考慮，本人認為：

- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司轉讓保單持有人，的財務保障造成重大不利影響。
- 本人信納計劃將提供充分的保障，以確保計劃如所述般運作。

依據及限制

- 7.1. 此撮要受本人於 2021 年 3 月 29 日簽發的完整獨立精算師報告中所列的相同和限制條款的約束。
- 7.2. 此中文撮要為英文版本譯本，如中、英文兩個版本有任何抵觸或不相符之處，一切以英文版本為準。

Paul Sinnott

英國精算師協會會員 (FIA)

獨立精算師

2021 年 5 月 5 日

常見問題

1. 蘇黎世為何要將 ZLIC 在香港或從香港經營的長期業務轉讓予 ZLIHK?

將 ZLIC 在香港或從香港經營的所有長期業務轉讓予 ZLIHK（「**擬議轉讓**」）是蘇黎世集團戰略舉措的一部分。ZLIC 和 ZLIHK 認為轉讓將帶來以下益處：

- (a) 提高集團內部審計和監管合規的效率；由於 ZLIHK 於香港註冊成立，因此僅須遵守香港監管制度，而無須額外遵守適用於 ZLIC 香港分公司的瑞士監管要求；
- (b) 提高蘇黎世集團人壽保險業務的經營效率；
- (c) 將決策權分配予蘇黎世集團內的不同實體，從而改進蘇黎世集團人壽保險業務的經營，使蘇黎世集團內每個地區能夠實施最符合其市場、保單持有人和股東需要的策略；
- (d) 更好地按地區調整蘇黎世集團的業務；及
- (e) 簡化 ZLIC 的公司結構，消除 ZLIC 內部因其香港和非香港業務適用不同的風險狀況和監管制度而造成的壓力，從而提高集團內部的合規效率。

2. ZLIHK 的背景情況如何？ZLIHK 的擁有人是誰？ZLIHK 將如何獲得資金？

ZLIHK 於 2018 年 5 月 7 日於香港註冊成立。ZLIHK 是 Zurich Insurance Holdings (Hong Kong) Limited 的全資附屬公司，Zurich Insurance Holdings (Hong Kong) Limited 則是 Zurich Insurance Company Ltd（「**ZICL**」）的全資附屬公司。ZICL 是一家全球保險公司，其管理的資產約為 303,433,000,000 美元（截至 2020 年 12 月 31 日，包括集團投資和單位相連投資，以及由第三方管理、賺取費用的資產）。

3. 擬議轉讓將如何進行？

為接管由 ZLIC 經營的業務，ZLIHK 已於 2020 年 1 月 2 日向保監局呈交申請，以獲授權經營 A 類及 C 類保險之長期業務。保監局已於 2020 年 3 月 23 日向 ZLIHK 授予正式授權。

根據轉讓計劃（「**計劃**」），在獲得香港原訟法庭（「**香港原訟法庭**」）批准的前提下，您於轉讓日（定義見下文）前於 ZLIC 香港分公司投保的長期保單（不論生效、過期、終止、到期或放棄）將依據《保險業條例》（香港法例第 41 章）（「**《保險業條例》**」）第 24 條轉讓予 ZLIHK。

擬議轉讓預計將於 2021 年 9 月 1 日或香港原訟法庭批准的其他日期（「**轉讓日**」）生效。

由轉讓日起，ZLIHK 將負責為您的保單提供保險保障及服務，包括處理索償。

我們已在香港政府憲報以及香港的英文虎報和星島日報中刊登擬議轉讓的公告。

本擬議轉讓的相關資料亦刊載於我們的網站 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer。計劃獲得香港原訟法庭認許並生效後，我們將以書面方式通知您。

有關香港原訟法庭對計劃進行最終呈請書聆訊的資訊，請參閱本函附件 1 第 2 部「聆訊的其他資料」的內容。

4. 如何了解計劃的詳情？

我們已根據《保險業條例》第 24 條擬備計劃，計劃撮要附於本函之後。您亦可於 2021 年 6 月 17 日當日或之前於星期一至星期五（公眾假期除外）上午 9 時至下午 5 時 30 分（香港時間），前往我們位於香港港島東華蘭路 18 號港島東中心 25-26 樓的辦事處查閱計劃文件。一位獨立精算師被委任就擬議轉讓對 ZLIC 和 ZLIHK 的保單持有人所造成的影響（如有）發表專業意見，而他的意見認為這不會造成任何重大不利影響。

5. 我們的保單條款或各方在保單下的權利和義務是否會有任何變更？

不會有任何變更。擬議轉讓不會影響您在保單下的權利和義務。於轉讓日當日並由轉讓日起，您在與 ZLIHK 之間的保單下可獲得的權利與您之前在與 ZLIC 之間的保單下享有的權利相同。

6. 是否會就現有保單簽發新的保單？

您現有生效的保單仍然有效，並將會由轉讓日起自動轉讓予 ZLIHK。因此，我們不會簽發新的保單。

7. 擬議轉讓對繳納保費有何影響？

在轉讓日後，您於 ZLIC 香港分公司投保的保單下應繳納的所有保費均應支付予 ZLIHK 或其代理人。我們將適時直接向您提供付款指示和銀行帳戶資料。

8. 如果我在轉讓日之前提出索償，而該索償未在轉讓日之前得到理賠，那會怎樣？

如果您已在轉讓日之前提出索償，您現有保單的條款及條件將繼續適用於索償的評估，且 ZLIHK 將接替 ZLIC 香港分公司處理索償，並負責任何隨後向您支付的款項。您不需要重新提交索償表，因為相關資料將從 ZLIC 香港分公司轉移至 ZLIHK。

9. 如何了解擬議轉讓的最新進展情況？

計劃得到香港原訟法庭認許並生效後，我們將以書面方式通知您。如果計劃沒有得到香港原訟法庭認許並沒有生效，我們亦會以書面方式通知您。

重要資料

2021年5月27日

[姓名]

[地址]

尊敬的客戶：

擬將 Zurich Life Insurance Company Ltd (「ZLIC」) 在香港或從香港經營的全部長期業務轉讓予蘇黎世人壽保險 (香港) 有限公司 (「ZLIHK」)

我們特此致函告知您，為了提高運營效率，使我們能夠繼續提供卓越的服務，蘇黎世的管理層欲正式將蘇黎世的另一成員 ZLIC 透過其香港分公司承保的所有長期保險業務轉讓予 ZLIHK (「擬議轉讓」)。

本函載述有關將 ZLIC 透過其香港分公司在香港或從香港經營的所有長期保險業務 (「ZLIC 香港業務」) 轉讓予 ZLIHK 之擬議轉讓的重要資料。作為 ZLIHK 的保單持有人，您應理解擬議轉讓。擬議轉讓將根據香港《保險業條例》(「《保險業條例》」) 第 24 條中列明的法定程序，向香港原訟法庭 (「香港原訟法庭」) 申請對一項列明轉讓條款的計劃 (「計劃」) 予以認許。該申請已於 2021 年 4 月以呈請 (「呈請書」) 的方式向香港原訟法庭作出。

計劃將於香港原訟法庭的呈請書聆訊中加以審議，該聆訊預定將於 2021 年 8 月 9 日 10 時舉行。計劃下擬議的轉讓僅在獲得 (除其他所需批准外) 香港原訟法庭的批准的情況下方可進行。

ZLIC 和 ZLIHK 已委任一名獨立精算師，即英國精算師協會會員及香港精算學會會員 Paul Sinnott 先生 (「獨立精算師」)，審查計劃對 ZLIC 和 ZLIHK 的長期保單持有人可能產生的影響，並以 ZLIC 和 ZLIHK 在 2020 年 9 月 30 日的財務信息作為基礎擬備一份報告供香港原訟法庭審閱。計劃及獨立精算師報告的撮要列於本函附件 1 及附件 2。獨立精算師將準備一份補充報告 (「補充報告」) 就截至 2020 年 12 月 31 日的相關財務信息及獨立精算師的意見之任何變更作出更新。補充報告預計將大約於 2021 年 6 月/7 月定稿，並在 ZLIC 和 ZLIHK 的網站上發布 (網址為 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer)，直至香港原訟法院完成最終呈請書聆訊。

任何人士如聲稱其會因計劃的實行而受到不利影響，均有權於香港原訟法庭就呈請書進行的聆訊中陳詞。如貴公司有意出席香港原訟法庭的呈請書聆訊，貴公司應於聆訊日期不少於三日前向 ZLIC 和 ZLIHK 發出書面通知。詳情請參閱附件 1 - 第 2 部：「聆訊的其他資料」的「最終聆訊」部份。除非您有意出席香港原訟法庭的呈請書聆訊或有意對計劃作出反對，否則您毋須採取任何行動。然而，您須理解擬議轉讓的詳情。我們建議您仔細閱讀本函。

擬議轉讓的影響

在計劃獲得香港原訟法庭認許之前提下，計劃應於 2021 年 9 月 1 日香港時間凌晨零時零一分或於 ZLIC 與 ZLIHK 共同決定的另一個日期，該日期應為香港原訟法庭頒發命令認許

計劃之日後 90 日之內的一日，開始生效。除非計劃於香港原訟法庭命令頒發之日後第 90 日當日或之前，或於 ZLIC 和 ZLIHK 決定且香港原訟法庭允許的較後的日期及/或時間（如有）生效，否則，計劃將失效。

若香港原訟法庭認許計劃，ZLIC 香港業務中的所有保單¹（「轉讓保單」），均將轉讓予 ZLIHK。擬議轉讓完成後，ZLIHK 將管理所有轉讓保單，而且 ZLIHK 將取代 ZLIC 成爲此等保單的承保人。

計劃得到香港原訟法庭認許並生效後，我們將以書面方式通知您。

如計劃未獲香港原訟法庭認許，擬議轉讓將不會進行，轉讓保單將由 ZLIC 繼續承保，ZLIC 亦將繼續對此等保單負責（包括負責其行政管理及服務）。如擬議轉讓沒有進行，我們將以書面方式通知您。

計劃的安排確保保單持有人的權益受到保障。獨立精算師已就計劃對 ZLIC 和 ZLIHK 之長期保單持有人的合理利益期望及財務保障可能產生的影響等事項發表意見。建議您參閱附件 2 的第 1 部「獨立精算師的主要評估」及第 2 部「獨立精算師報告撮要」。

任何與擬議轉讓相關而產生的費用將由 ZLIC 和 ZLIHK 承擔。

進一步資料

如您希望獲得進一步資料，您可以：

- 於 2021 年 5 月 27 日至 2021 年 6 月 17 日期間之正常工作日（星期一至星期五（公眾假期除外））上午 9 時至下午 5 時 30 分（本地時間）內，前往位於香港港島東華蘭路 18 號港島東中心 25-26 樓的 ZLIC 或 ZLIHK 客戶服務中心查閱本函、呈請書、計劃以及獨立精算師報告；
- 在香港原訟法庭完成最終呈請書聆訊之前登入 ZLIC 和 ZLIHK 的網站（網址為 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer）；或
- 在最終呈請書聆訊日期當日或之前致函 ZLIC 和 ZLIHK 位於香港港島東華蘭路 18 號港島東中心 25-26 樓的辦事處，免費索取上述文件；或
- 請參閱本函所附的“常見問題”（「常見問題」）。

如您對擬議轉讓有任何疑問，請致電 ZLIC 和 ZLIHK 的指定熱線電話（852）3405 7283，或按照上述地址致函 ZLIC 和 ZLIHK，致客戶服務中心並在信封上註明參考編號「HCMP 460/2021」。

¹ 轉讓保單將包括（除其他外）九個截至 2021 年 2 月 28 日由 ZLIC 發行的現有投資相連壽險計劃，即 (i)「金尊寶」退休保障計劃；(ii)「至尊寶」保障計劃；(iii)「狀元寶」教育儲蓄保障計劃；(iv)「富歲寶」退休保障計劃；(v)「尚富寶」保障計劃；(vi)「富綽寶」；(vii)「盛富寶」保障計劃；(viii)「創富寶」保障計劃；and (ix)「匯富寶」理財保障計劃。

○

我們感謝您一貫的支持，並期待繼續為您提供服務。

蘇黎世人壽保險（香港）有限公司 謹啓

Zurich Life Insurance Company Ltd, 香港分公司謹啓

附件 1

第 1 部

計劃撮要

轉讓

Zurich Life Insurance Company Ltd (「ZLIC」) 於瑞士註冊成立，從 1922 年 12 月 28 日起在蘇黎世州商業登記冊中登記。ZLIC Zurich Insurance Group Ltd. 的全資附屬公司，Zurich Insurance Group Ltd. 的股份在瑞士證券交易所上市，且是蘇黎世集團（“Zurich Group”）的最終母公司。ZLIC 是由瑞士金融市場監管局（FINMA）發牌和監督的保險承保人。ZLIC 的註冊辦事處位於 Austrasse 46, 8045 Zurich, Switzerland。ZLIC 亦於 1984 年 8 月 31 日根據原《公司條例》（第 32 章）第 11 部（現為《公司條例》（第 622 章）第 16 部）註冊為一家非香港公司。ZLIC 是一家根據《保險業條例》（香港法例第 41 章）（「**保險業條例**」）獲授權的保險公司，獲授權在香港或從香港經營 A 類（人壽及年金）、C 類（相連長期）及 I 類（退休計劃管理第 III 類）的長期業務（保險業條例附表 1 第 2 部所定義）。作為其 A 類長期業務的一部分，ZLIC 已透過其香港分公司（「**ZLIC 香港分公司**」）承保瑞士個人壽險保單，但此類保單的會計結算和管理（包括支付索賠和收取保費）由位於瑞士的 ZLIC 總部負責並將由位於瑞士的 ZLIC 總部透過與蘇黎世人壽保險（香港）有限公司（「ZLIHK」）的外判安排在該保單於轉讓日（定義見下文）轉讓給 ZLIHK 之後繼續負責，以將直接對客戶的潛在影響減至最低。然而，作為其日常業務審查的一部分，ZLIHK 可以完善該保單的長期管理為由而對該外判安排作重新評估，決定是否繼續該外判安排。從 2016 年 12 月 1 日起，一項附註已被加入了由保監局保管的獲授權保險人登記冊中，指出 Zurich Life Insurance Company Ltd 「已停止在香港或從香港訂立任何新的保險合約...」。ZLIC 於香港的主要營業地位於香港港島東華蘭路 18 號港島東中心 25-26 樓。

ZLIHK 於 2018 年 5 月 7 日於香港註冊成立。

ZLIHK 是 Zurich Insurance Holdings (Hong Kong) Limited 的全資附屬公司，Zurich Insurance Holdings (Hong Kong) Limited 則是 Zurich Insurance Company Ltd. (「ZICL」) 的全資附屬公司。ZLIC 也是 ZICL 的全資附屬公司，而它們全部都是 Zurich Group 旗下的公司。ZICL 是一家全球保險公司，其管理的資產約為 303,433,000,000 美元（截至 2020 年 12 月 31 日，包括集團投資和單位相連投資，以及由第三方管理並賺取費用的資產）。除香港之外，ZICL 和其附屬公司在歐洲、中東、非洲、北美、亞太和拉丁美洲等其他主要市場以及多於 215 個國家經營業務。

作為蘇黎世集團戰略舉措的一部分²，蘇黎世集團擬將 ZLIC 香港業務（定義見下文）轉讓予 ZLIHK 並由 ZLIHK 承繼（「**擬議轉讓**」）。

為接管由 ZLIC 經營的 ZLIC 香港業務（定義見下文），ZLIHK 已於 2020 年 1 月 2 日向保監局呈交申請，以獲授權在香港或從香港經營 A 類及 C 類之長期業務。於 2020 年 3 月 23 日，保監局已向 ZLIHK 授予正式授權，允許其在香港或從香港經營該等類之長期業務。

本計劃的目的是根據《保險業條例》第 24 條和第 25(1) 條將 ZLIC 香港業務由 ZLIC 轉讓予 ZLIHK（所有詞匯的定義參見計劃）。

² 有關更多詳情，請參閱本函所附的“常見問題”。

擬議轉讓

擬議根據《保險業條例》第 24 條，ZLIC 在香港或從香港經營的長期業務（「ZLIC 香港業務」）應根據計劃的條款轉讓予 ZLIHK。該轉讓須按香港原訟法庭根據《保險業條例》第 24 和 25(1) 條發出的命令（「香港命令」）進行。該等 ZLIC 香港業務應包括下文定義的轉讓保單、轉讓資產和轉讓負債（就此，「轉讓保單」指(i)構成 ZLIC 於香港承保的 A 類（人壽及年金）（未免疑義，包括瑞士個人壽險保單）或 C 類（相連長期）長期業務³且於轉讓日其項下仍有任何未償負債的任何保單，不論該等保單是否已恢復、已過期、失效、到期、放棄、終止或發生其他情形，包括與該等保單有關的所有保險單建議書或申請、證書、補充保險保障、背書、附加計劃及附屬協議；以及(ii)ZLIC 已收到但 ZLIC 在轉讓日之前尚未完成處理（應由 ZLIHK 在轉讓日之後處理）的所有保單續保建議書或申請）。

轉讓日

本計劃應於 ZLIC 與 ZLIHK 共同決定的一個日期的凌晨零時零一分（香港時間）生效，該日期應為頒發香港命令認許本計劃之日後 90 日之內的一日（「轉讓日」）。在獲得香港命令的前提下，預計本計劃將於 2021 年 9 月 1 日生效，但經雙方一致同意後可更改該日期。

除非本計劃於頒發香港命令之日後第 90 日當日或之前的一日，或者於雙方決定且香港原訟法庭允許的較後日期及/或時間（如有）生效，否則，本計劃將失效。

資產和負債的轉讓

於轉讓日當日並由轉讓日起，轉讓資產應依據香港命令，無須任何進一步的行動或文書，但須遵守下文「進一步或其他的行為或保證」之規定，由 ZLIC 轉讓予 ZLIHK 並歸屬於 ZLIHK（須受限於與該等資產相關的任何產權負擔）。ZLIHK 應不經調查或查問接受 ZLIC 於轉讓日對屆時轉讓的每項轉讓資產享有的所有權。ZLIC 與 ZLIHK 應於適當之時為實行或完成向 ZLIHK 轉讓任何轉讓資產並使其歸屬於 ZLIHK 而簽署所有必要文件（包括轉讓協議）並採取/辦理所有其他必要的行動和事宜。

就此，「轉讓資產」指無論位於何處、歸屬於 ZLIC 香港業務的 ZLIC 財產、資產或投資（包括 ZLIC 在任何轉讓保單下或依任何轉讓保單享有的任何權利、酌情權、權限、權力或利益）；以及 ZLIC 在下列各項下及依下列各項享有的權利、利益和權力：

- (a) ZLIC 與其保險中介就 ZLIC 香港業務簽訂的合約；
- (b) 轉讓再保險；
- (c) 有關 ZLIC 香港業務的任何租約、外包協議或安排、IT 及相關合約；及
- (d) 與 ZLIC 香港業務有關或涉及 ZLIC 香港業務的任何其它合約、協議、安排或承諾。

³ 轉讓保單將包括（除其他外）九個截至 2021 年 2 月 28 日由 ZLIC 發行的現有投資相連壽險計劃，即 (i)「金尊寶」退休保障計劃；(ii)「至尊寶」保障計劃；(iii)「狀元寶」教育儲蓄保障計劃；(iv)「富歲寶」退休保障計劃；(v)「尚富寶」保障計劃；(vi)「富綽寶」；(vii)「盛富寶」保障計劃；(viii)「創富寶」保障計劃；and (ix)「匯富寶」理財保障計劃。

「**產權負擔**」指任何抵押、押記、質押、留置權、選擇權、限制、優先取捨權、優先購買權、第三者權利或權益、任何種類的任何其他產權負擔或擔保權益，以及具有類似效力的任何其他類型的優先安排。

「**轉讓再保險**」指 ZLIC 就轉讓保單進行再保險的任何再保險協議或安排。

於轉讓日當日並由轉讓日起，每項轉讓負債應依據香港命令，無須任何進一步的行動或文書，亦不經調查或查問，但須遵守下文「進一步或其他的行為或保證」之規定，由 ZLIC 轉讓予 ZLIHK 並成為 ZLIHK 的負債，而 ZLIC 對該等轉讓負債的責任應完全解除，且 ZLIHK 應承擔所有該等轉讓負債。ZLIC 與 ZLIHK 應於適當之時為實行或完成向 ZLIHK 轉讓任何轉讓負債並由 ZLIHK 承擔任何轉讓負債而簽署所有必要文件（包括轉讓協議）並採取/辦理所有其他必要的行動和事宜。就此，「**轉讓負債**」指於轉讓日歸屬於 ZLIC 香港業務的所有 ZLIC 負債，包括但不限於轉讓保單和 ZLIC 香港業務下或與轉讓保單和 ZLIC 香港業務有關的負債和義務（不論是現時的、未來的或可能有的），以及相關負債，為免疑義，包括 ZLIC 於轉讓日之前作出的不當銷售或違規行為而產生的負債（包括罰款，罰金，損害賠償及應支付予保單持有人的賠償），以及任何有關轉讓保單的現時及/或未完結的申訴，法律程序及/或其他爭議解決程序。

轉讓保單的轉讓

於轉讓日當日並由轉讓日起，ZLIHK 應享有在轉讓保單下或依轉讓保單賦予或歸屬於 ZLIC 的一切權利、利益、益處和權力。於轉讓日當日並由轉讓日起，轉讓保單應構成 ZLIHK 在香港或從香港經營的長期業務的一部份。

於轉讓日當日並由轉讓日起，每張轉讓保單下或就每張轉讓保單賦予或歸屬於轉讓保單持有人或其他第三方針對 ZLIC 的一切權利、利益、益處和權力均告終止，並應替代為針對 ZLIHK 具有的該等相同權利、利益、益處和權力。「**轉讓保單持有人**」指轉讓保單之持有人。

記錄的轉讓

於轉讓日，ZLIC 持有的關於轉讓保單的轉讓保單持有人、受保人、受益人及受讓人或轉讓保單所涉及的任何其他人的所有法定記錄和其他資料，包括但不限於該等轉讓保單持有人、受保人、受益人、受讓人及其他人的個人資料（《個人資料（私隱）條例》（香港法例第 486 章）第 2 條所界定），均應轉讓予 ZLIHK，而 ZLIHK 對持有和使用（及轉移）該等資料應具有與 ZLIC 在轉讓日之前所具有的相同權利、利益、益處及權力。就此，「**法定記錄**」指適用的法律或監管規定或公司管治規定（無論是否具有法律效力）要求 ZLIC 就 ZLIC 香港業務保存並由其保留管有的所有簿冊、文檔、登記簿、文件、往來信函、文書及其他記錄；

就應繼續繳納保費之轉讓保單，轉讓保單之轉讓保單持有人應於保費到期應繳時向 ZLIHK 支付保費。ZLIHK 對轉讓保單或在轉讓保單下應享有轉讓日之前 ZLIC 本可享有的任何及所有辯護、索償、反索償及抵銷權。

ZLIHK 在所有方面均應遵守和履行轉讓保單的所有條款、條件及契諾並受其約束，承擔因轉讓保單產生的或與轉讓保單有關的所有負債，並清償/滿足因轉讓保單產生的或與轉讓保單有關的所有索償和請求，如同轉讓保單是由 ZLIHK 而非 ZLIC 簽發的。

轉讓保單的所有條款和條件（包括建議書、報價、結單或申請書、說明文件、銷售說明書、銷售文件、附加計劃、附表和聲明），除下述變更外應保持不變：於轉讓日當日並由轉讓日起，轉讓保單中凡提述「ZLIC」或「ZLIC 香港分公司」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人之處，均應理解為提述的是「ZLIHK」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人；且轉讓保單的名稱中凡提述「ZLIC」或「ZLIC 香港分公司」之處

均應理解為提述的是「ZLIHK」。尤其是（但不限於此），「ZLIC」或「ZLIC 香港分公司」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人就轉讓保單可行使的或表明可由其行使的所有權利和義務或將由其履行的責任，於轉讓日當日並由轉讓日起，可由「ZLIHK」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人行使或須由其履行。

進一步或其他的行為或保證

在不減損本計劃效力的條件下，若在不作出進一步或其他的行為或保證（包括但不限於需要取得進一步同意或批准）的情況下，本計劃和香港命令即不能有效地將本計劃下的任何轉讓資產、轉讓負債或轉讓保單轉讓予 ZLIHK 並歸屬於 ZLIHK，則：

- (i) ZLIC 和 ZLIHK 應自行或促使他人採取、簽署和交付使本計劃生效、將 ZLIC 香港業務和所有轉讓資產、轉讓負債和轉讓保單轉讓予 ZLIHK 所需的以及 ZLIHK 可能要求的所有必要的進一步行為、契據、文件、轉易、出讓、更替和轉讓文據以及所有必要的事宜，以便由轉讓日起有效地將各轉讓資產、轉讓負債和轉讓保單的所有權及 ZLIC 香港業務轉易、出讓、轉讓、歸屬於 ZLIHK 並/或記錄在 ZLIHK 名下；
- (ii) 在完成該等行為、契據、文件和事宜前，ZLIC 應由轉讓日起：
 - (a) 為 ZLIHK 以信託形式持有未轉讓予 ZLIHK 的各受影響轉讓資產中的實益權益，並在其收到和該等受影響轉讓資產有關的任何款項後立即支付予 ZLIHK；及
 - (b) 為及代表 ZLIHK 並為 ZLIHK 的賬戶持有或承擔各受影響轉讓負債中的任何負債；
- (iii) ZLIHK 應由轉讓日起（自負費用）協助 ZLIC 履行 ZLIC 有關該等受影響轉讓資產、轉讓負債和轉讓保單下的義務並清償 ZLIC 在該等受影響轉讓資產、轉讓負債和轉讓保單下的該等負債，否則，ZLIHK 應就 ZLIC 直接歸因於該等受影響轉讓資產、轉讓負債和轉讓保單招致的所有負債和任何合理的費用或開支對 ZLIC 作出彌償；及
- (iv) 在任何情況下，ZLIC 應由轉讓日起遵從 ZLIHK 就上文 (i) 款所述任何受影響的轉讓資產、轉讓負債和轉讓保單作出的指示，直至受影響的轉讓資產、轉讓負債和轉讓保單轉讓予 ZLIHK 為止，且 ZLIC 有權為所有該等目的就該等受影響的轉讓資產、轉讓負債和轉讓保單作為 ZLIHK 的代理人行事。

程序的繼續或開始

依據香港命令，於轉讓日當日並由轉讓日起，由 ZLIC 提起的或針對 ZLIC 提起的與轉讓保單、轉讓資產和轉讓負債有關的任何司法、準司法、紀律處分、行政、仲裁或法律程序、索賠或申訴（不論是現時的、未完結的、威脅的或將來的，包括尚未擬議的），應由 ZLIHK 取代 ZLIC，由 ZLIHK 繼續或開始提起或針對 ZLIHK 繼續或開始提起，而 ZLIHK 應享有與 ZLIC 就該等程序所享有的相同的辯護、索償、反索償及抵銷權。

新的 ZLIHK 保險基金

於轉讓日前，ZLIHK 應已設立 ZLIHK 壽險基金和 ZLIHK 股東基金。於轉讓日前在獲得了必要的監管批准後，ZLIHK 應已設立 ZLIHK 相連基金，以承保新的 C 類保單。由轉讓日起，ZLIHK 應設立 ZLIHK 瑞士個人基金。由轉讓日起，(i) 截至轉讓日前由 ZLIC 承保並且生效的所有 A 類保單（A 類中的瑞士個人壽險保單除外）應分配予 ZLIHK 壽險基金；截至轉讓日前由 ZLIC 承保並且生效的 A 類保單中的所有瑞士個人壽險保單應分配予 ZLIHK 瑞士個人基金；及截至轉讓日前由 ZLIC 承保並且生效的所有相連保單應分配予 ZLIHK 相連基金；(ii) (a) 截至轉讓日前分配予 ZLIC 壽險基金的所有轉讓資產（資

金盈餘除外)應分配予 ZLIHK 壽險基金; (b)截至轉讓日前分配予 ZLIC 瑞士個人基金的所有轉讓資產 (資金盈餘除外)應分配予 ZLIHK 瑞士個人基金; (c)截至轉讓日前分配予 ZLIC 相連基金的所有轉讓資產 (資金盈餘除外)應分配予 ZLIHK 相連基金; 及 (d)截至轉讓日前分配予資金盈餘的所有轉讓資產應分配予 ZLIHK 股東基金; 以及 (iii) (a)截至轉讓日前分配予 ZLIC 壽險基金的所有轉讓負債應分配予 ZLIHK 壽險基金; (b)截至轉讓日前分配予 ZLIC 瑞士個人基金的所有轉讓負債應分配予 ZLIHK 瑞士個人基金; 及 (c)截至轉讓日前分配予 ZLIC 相連基金的所有轉讓負債應分配予 ZLIHK 相連基金。

「**資金盈餘**」指所有類別業務的保單所產生的且歸屬於 ZLIC 股東的承保利潤。

ZLIC 根據上文「進一步或其他的行為或保證」該條為 ZLIHK 以信託形式持有的任何財產、資產或投資中的所有實益權益應分配予該等財產、資產或投資本應分配的相關基金 (如適用)。根據上文「進一步或其他的行為或保證」該條須由 ZLIHK 清償的所有負債應分配予該等負債本應分配的相關基金 (如適用)。

保費、委託書及其他指示

ZLIC (或其代理人) 於轉讓日當日或之後就任何轉讓保單收到的或應收的所有保費、貸款還款 (如有, 及其利息) 及其他款項於轉讓日之後均應支付予 ZLIHK (或其代理人)。

ZLIHK (或其代理人) 應獲不可撤銷的授權, 認可於轉讓日當日或之後 ZLIHK (或其代理人) 收到的與轉讓保單下繳納保費或貸款還款 (如有) 有關的、收款人為 ZLIC (或其代理人) 或憑 ZLIC (或其代理人) 指示支付的任何支票、匯票、郵政匯單或其他票據以完成付款。

於轉讓日當日或之後, ZLIHK (自身或通過其代理人) 應獨自負責計算及收取保費並繳付與轉讓保單下累算的保費有關的一切適用徵費及稅項。

於轉讓日當日有效並指定銀行或其他中介機構就任何轉讓保單支付應付予 ZLIC (或其代理人) 或 ZLIC (或其代理人) 收取之保費的任何委託書、自動轉賬授權、定期支付指令或其他指示, 由轉讓日起並於轉讓日之後, 應如同前述各項是以 ZLIHK (或其代理人) 為受益人而指定和授權一般而生效。

計劃費用

ZLIC 香港分公司應以其自有資金支付與擬備本計劃及 ZLIHK 和其將本計劃呈交香港原訟法庭申請認許有關的所有費用以及與此相關的所有其他專業服務費用。該等費用不應由 ZLIC 或 ZLIHK 根據《保險業條例》維持的與其各自的長期業務、一般業務或者 ZLIC 或 ZLIHK 的其他保單或該等保單之保單持有人有關的基金承擔。

修改

在遵守本條最後一段規定的前提下, ZLIC 和 ZLIHK 可向香港原訟法庭申請其同意修改、變更或修訂本計劃的條款, 但須滿足保監局或香港原訟法庭可能施加的任何條件。

在遵守本條最後一段規定的前提下, 本計劃的條款應根據上一段中香港原訟法庭作出的同意 (及施加的條件, 如有) 加以修改、變更或修訂。

糾正本計劃中明顯錯誤的修改、變更或修訂無須獲得香港原訟法庭的同意, 但條件是, 應就上述修改、變更或修訂向保監局作出通知, 並且保監局表明其不反對上述修改、變更或修訂。

管轄法律



本計劃受香港法律管轄。

第 2 部

聆訊的其他資料

最終聆訊

關於認許計劃的呈請書聆訊將在香港原訟法庭進行。香港原訟法庭決定是否認許計劃的最終聆訊預定將於 2021 年 8 月 9 日 10 時舉行。

《保險業條例》規定，任何人士如聲稱其會因計劃的實行而受到不利影響，均有權於香港原訟法庭的呈請書聆訊中陳詞。

如果貴公司有意出席香港原訟法庭的聆訊，請貴公司於聆訊日期最好不少於三日前按照以下相同地址向 ZLIC 和 ZLIHK 的客戶服務中心發出表明此等意圖的書面通知並說明理由：-

香港港島東華蘭路 18 號港島東中心 25-26 樓

(所有信函均應引述參考編號「HCMP 460/2021」)

如果貴公司有意反對計劃但不願意親自出席香港原訟法庭的聆訊，貴公司應於聆訊日期不少於三日前按照上述相同地址向 ZLIC 和 ZLIHK 的客戶服務中心發出表明此等意圖的書面通知並說明理由。

附件 2

第 1 部：獨立精算師的主要評估

獨立精算師主要發表了下述意見：

- i. 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
- ii. 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就財務保障造成重大不利影響。
- iii. 獨立精算師信納計劃提供充分的保障，以確保計劃如所述般運作。

第 2 部：獨立精算師報告撮要

緒言

- 1.1. 本人，Paul Sinnott，獲委任根據香港《保險業條例》（「HKIO」）（香港法例第 41 章）第 24 條擔任獨立精算師，就位於瑞士的 Zurich Life Insurance Company Ltd.（「ZLIC」）向 Zurich Insurance Company Ltd.（「ZIC」）旗下之 Zurich Insurance Holdings (HK) Limited（「ZIH」）在香港註冊的新附屬公司——蘇黎世人壽保險(香港)有限公司（「ZLIHK」）轉讓所有 ZLIC 通過 Zurich Life Insurance Company Ltd 香港分公司（「ZLIC 香港分公司」）經營的長期保險業務（下稱「轉讓業務」）的擬議計劃（下稱「計劃」）之條款和可能造成的影響提供獨立意見。在本報告內，ZLIC, ZLIC 香港分公司與 ZLIHK 統稱為「有關方」。轉讓業務包括於 2021 年 9 月 1 日，即計劃的生效日（下稱「轉讓日」）前由 ZLIC 香港分公司承保的 A 類（人壽及年金）與 C 類（相連長期）保險業務。從 ZLIC 轉讓予 ZLIHK 的轉讓業務中的保險保單持有人，下稱為「轉讓保單持有人」，持有由 ZLIC 香港分公司承保的「轉讓保單」；計劃實施後仍由 ZLIC 承保的保險保單持有人，下稱為「非轉讓 ZLIC 保單持有人」，持有由 ZLIC（不包括由 ZLIC 香港分公司）承保的「非轉讓 ZLIC 保單」；而現時在計劃實施前由 ZLIHK 承保的保險保單持有人，下稱為「現有 ZLIHK 保單持有人」，持有「現有 ZLIHK 保單」。
- 1.2. 本人是 Milliman Limited（「Milliman」）的合夥人暨精算顧問。Milliman 的地址為香港北角電氣道 183 號友邦廣場 3901-02 室。本人是香港精算學會會員及英國精算師協會會員。
- 1.3. 在擬備本人就計劃的獨立精算師報告時，本人就所需內容已諮詢香港保險業監管局（「香港保監局」），並在適當情況下納入香港保監局的建議。本報告根據審慎監管局（「PRA」）於 2015 年 4 月發出的《審慎監管局對保險業務轉讓的處理方法》內的第 2 節第 27 條至第 40 條中的方法和預期編制。同時，本人已參考金融市場行為監管局（「FCA」）手冊中監管守則第 18 章（「SUP 18」），以及 FCA 在 2018 年 5 月於「金融市場行為監管局審查第七部保險業務轉讓之方法」第 6 章發布的進一步指引。此外，本人亦遵從英國精算師協會（「IFoA」）專業指引《APS X3：精算師在法律程序中的專業職責》中列明精算師就現有或擬議法律程序（包括英國管轄以外）提供專業意見時的守則。
- 1.4. 本人的審閱及意見範圍僅限於計劃對 ZLIC 及 ZLIHK 的長期保險保單持有人的影響，尤其是對轉讓保單持有人的影響，而並不包括審閱計劃對 ZLIC 及 ZLIHK 的股東的影響。本人僅考慮向本人提呈的計劃，並無考慮任何其他替代轉讓計劃。
- 1.5. 在執行本人職務時，本人已獲准自由查閱本人視為必要的資料、報告和文件。此外，本人亦可自由接觸有關方的代表以作出所需的討論。
- 1.6. 本文為本人於 2021 年 3 月 29 日簽發的獨立精算師報告的撮要文件。本人的工作範圍、考慮與結論、依據與限制，以及參考條款，均詳細記載於報告全文。轉讓保單持有人、現有 ZLIHK 保單持有人和其他有意者細閱者可於 ZLIC 香港分公司辦公室索取報告全文的副本。此外，在香港法院最終聆訊結束之前，均可於 Zurich 的網站（www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer）取得報告全文的電子版本。

關於轉讓業務的背景及本人的意見撮要

- 1.7. 計劃為蘇黎世保險集團有限公司（「蘇黎世集團」）香港業務重組的一部分，旨在為保單持有人提升金融穩定性及營運效能，包括簡化機構的審計程序與法規管理流程。《保險業條例》下，ZLIHK 已於 2020 年 3 月 23 日獲授權經營保險業務。
- 1.8. 按照擬定計劃及《保險業條例》第 24 條，ZLIC 香港分公司的所有長期保險業務將轉讓至 ZLIHK。執行轉讓計劃後，ZLIC 香港分公司將會結束業務；其營運執照亦會失效。根據《保險業條例》第 40 條，ZLIC 香港分公司應於計劃完結時撤回其授權。因此計劃執行後將不會有任何 ZLIC 香港分公司的保單持有人。
- 1.9. 下為 ZLIC 香港分公司（轉讓前）和 ZLIHK（轉讓前後）的基金結構。

ZLIC 香港分公司基金結構（轉讓前）

ZLIC 香港分公司長期業務

ZLIC 香港分公司
壽險基金（A類）

ZLIC 香港分公司
相連基金（C類）

ZLIC 瑞士個人基金
（A類）

ZLIHK 基金結構（轉讓前後）

ZLIHK 長期業務

ZLIHK
壽險基金
（A類）

ZLIHK
瑞士個人基金
（A類）

相連基金
（C類）

ZLIHK
股東基金

- 1.10. 截至 2020 年 9 月 30 日 ZLIC 香港分公司業務僅限於 A 類（人壽與年金）和 C 類（相連長期）。主要產品包括萬用壽險、保障計劃（如死亡、危疾及醫療）、分紅和單位相連產品。A 類和 C 類業務的資產和負債的基金互相隔離。
- 1.11. 瑞士個人壽險保單，簡稱「瑞士保單」，其業務已停售。此產品為身處亞洲地區而預期會返回本國的外籍人士所買之保單。轉讓計劃後，ZLIHK 將會在其資產負債表上保留這些保單的負債，並通過再保險安排將風險轉移給 ZLIC，且將在轉讓計劃之前 ZLIC 負責的此類業務運營活動外判給 ZLIC（包括此類保單的保單服務、管理及賠付），以最大限度地減少潛在的直接客戶影響。ZLIHK 可能在其正常業務審查中重新評估優化瑞士保單的長期管理的安排，以決定是否應繼續進行再保險和外判安排。截至 2020 年 9 月 30 日，一共有 142 張現行保單。A 類中，瑞士保單因紅利政策的差異和其他 A 類分紅產品基金分開計算。ZLIHK 亦會維持類似做法。
- 1.12. 計劃實行後，ZLIHK 需要履行保單合約的條款，包括支付索償、保單紅利和所轉讓業務衍生的其他款項如行政開支。
- 1.13. 本人認為：
- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
 - 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就財務保障造成重大不利影響。
 - 本人信納計劃提供充分的保障，以確保計劃如所述般運作。
- 1.14. 在提出本人的意見時，本人考慮了下列所述的各個層面。就詳細的分析與結論，請參考報告全文。

計劃對轉讓保單持有人的利益期望的影響

分紅業務和萬用壽險業務

- 2.1. ZLIC 香港分公司將在轉讓日轉讓所有組成 A 類業務的分紅保單和萬用壽險保單。ZLIC 香港分公司的分紅業務於 2013 年停止接受新業務。分紅業務包括香港傳統年度紅利保單，香港傳統終期紅利保單和瑞士個人壽險保單。ZLIC 香港分公司的萬用壽險合同被稱為人生保障產品。人生保障產品分為 3 代，包括舊式，“2003 系列”和新式人生保障產品。
- 2.2. 委任精算師每年對傳統分紅產品的紅利率進行審查，並要獲得董事會的批准。截至 2018 年底，ZLIC 香港分公司尚未對分紅保單的紅利率進行任何調整。2019 年和 2020 年的分紅研究根據 ZLIC 香港分公司傳統分紅產品的現行分紅政策中規定的原則和方法，建議在 2020 年或 2021 年初削減 40% 的分紅。此些建議僅基於 ZLIC 香港分公司本身的考慮，未有考慮與轉讓相關的因素。雖然此項建議完全不受轉讓影響，但本人獲告知 ZLIC 香港分公司在考慮過保單持有人的合理期望及競爭對手的行為後，無意在轉讓前為分紅保單的紅利率作任何調整。在轉讓後，ZLIHK 將在將來正常年度紅利審查程序中作出相關決定。本人獲告知，在 2019 年之前不調整紅利率的理由如下：
 - 鑑於預計在早年會派發少量紅利和考慮到紅利調整程序的運營成本，平滑的紅利調整（最多削減 40%）不會給分公司帶來實質性的財務利益；及
 - 與競爭對手的行動保持一致，以將其主要產品在最初的幾個保單年度內的分紅履行比率保持在接近 100% 的水平
- 2.3. ZLIHK 已承諾在轉讓業務後將繼續按照 ZLIC 香港分公司沿用的紅利方法進行年度紅利審查，由此可能需要根據未來紅利審查時分紅業務的實質盈餘或赤字狀況來調整紅利，其中亦會考慮其他因素，包括財務利益的重要性、競爭對手的行為以及其他與轉讓無關的因素。由此，轉讓並不會在未來的紅利審查中作為決定紅利派發的考慮因素。本人獲告知，鑑於現有 ZLIHK 的內部管理體系以及其管理團隊為蘇黎世集團的同一管理團隊，與保單持有人所溝通的分紅機制及準則將與轉讓前一致並在未來被實行。
- 2.4. 本人獲告知，ZLIHK 在計劃實施前將沿用目前用於萬用壽險業務的派息設定機制。
- 2.5. 有關方已確認，該計劃不會對分紅保單和萬用壽險保單的現有原則和方法，資產分配目標和投資指示產生任何重大變化。同時，應當注意 ZLIHK 的管理層有權更改現有分紅政策的原則和方法，並且該權利在計劃實施後不會改變。
- 2.6. 根據本人的審查，ZLIHK 打算在計劃實施後使用當前分紅業務的分紅設置和當前萬用人壽業務的派息率原則和方法。本人認為這些措施以及 ZLIHK 對更改現有方法的管理能提供足夠保障予保單持有人。因此在實施該計劃之後，保單持有人應期望得到與計劃實施之前類似的待遇。

轉讓業務的資產配置和投資政策

- 2.7. ZLIC 香港分公司的投資活動受投資指示的約束。這些指示規定了戰略資產分配、投資限制和審批程序。
- 2.8. 有關方已確認，如果 ZLIHK 的產品組合在計劃實施後沒有重大變化，則 ZLIC 香港分公司的遺留債務相關的戰略資產分配不會發生重大變化。有關方還確認，計劃實施後，將無意對 ZLIC 香港分公司對支持轉讓保單的資產的現有投資策略和內部治理作大重大變化。

單位相連保單的收費和投資

- 2.9. 對於現有的單位相連產品，儘管 ZLIC 香港分公司過去沒有對保單收費進行調整，但 ZLIC 香港分公司擁有更改保單收費的廣泛權利，以及收取其他管理費用的權利。根據條款保單規定，在任何變更生效之前，保單持有人將提前獲得書面通知。無論該計劃是否進行，這些權利將被 ZLIHK 繼續保留。
- 2.10. 本人獲告知，在計劃實施後確定無保證收費水平的過程和原則不會因轉讓而改變。基於這些考慮，本人無理由相信該計劃將對轉讓保單持有人的酌情收費造成重大不利影響。

合約利益相關條款

- 2.11. 按照計劃，ZLIHK 將承諾繼續向 ZLIC 香港分公司的轉讓保單持有人支付合約利益。本人獲告知在計劃實施後，這些保證利益將不會改變。上述保單持有人的權利（在現有保單文件內界定）均相同。

其他具公司酌情權的保單

- 2.12. 對於部分綜合計劃及大部份附加保障保單，包括可續保定期壽險、意外及醫療保障及危疾保障，ZLIC 香港分公司具有廣泛的保險保費調整權利，在保險條約下於每次保單續保日或每次保單周年日或每五年或任何保單周年日對保費作出調整。根據計劃，ZLIHK 在轉讓保單上將保留相同的權利。然而，不論計劃實施與否，該等權利均存在。因此，本人無理由相信計劃會對於與 ZLIC 香港分公司的轉讓保單持有人相關酌情權的行使造成重大不利影響。

關於計劃的成本與費用

- 2.13. 該計劃引致的總費用將由 ZLIC 的股東承擔，並通過 ZLIC 香港分公司支付。ZLIC 香港分公司已確認，計劃引致的相關的費用及開支將不會導致增加向保單持有人收取的單位費用，或降低派付給保單持有人的酌情利益水平。因此，本人並無理由相信該計劃會對轉讓保單持有人將在這方面造成重大不利影響。

稅務影響

- 2.14. ZLIHK 將選擇與 ZLIC 香港分公司相同的評稅基礎，而該利得稅計算方法是根據總應評稅利潤及所選擇的稅率而定。另外，有關方已告知本人，ZLIC 香港分公司的所有稅務餘額將轉讓予 ZLIHK。鑒於轉讓業務的稅務制度在計劃實施後將保持不變，本人無理由相信計劃會因稅務相關因素而對轉讓保單持有人造成重大不利影響。

保單條款及細則

- 2.15. 本人獲告知，除了將對 ZLIC 香港分公司的引用替換為 ZLIHK 之外，有效保險保單中的條款和細則不會因計劃的實施而改變。在計劃的實施後，保險保單中有關於保單貸款的條款和細則亦將保持不變。就此而言，本人並無理由相信計劃本身將對保單持有人的保單條款及細則構成重大不利影響。

合理利益期望結論

- 2.16. 總而言之，計劃不會對 ZLIC 香港分公司的轉讓保單持有人（包括瑞士個人壽險保單的保單持有人）的合理利益期望造成重大不利影響。

計劃對轉讓保單持有人的財務保障的影響

- 3.1. 保單持有人合約利益的保障，可按長期業務基金的超額資產加上股東資產淨值來量度。影響該等保障的因素有：採用估值基礎的保守程度，其資本和自由儲備金，其整體上可以提供的額外安全保障，以及其股東可以提供的任何潛在支持。
- 3.2. 本人亦考慮了 ZLIHK 在計劃實施後的預期整體償付能力狀況及其日後的潛在發展。

財務保障準備金

- 3.3. 為保障保單持有人，保險公司會維持三種資產層，分別為保單儲備金、最低償付準備金及超額資產，首兩層的資產是按照法例規定必須維持的。
- **保單儲備金：**支持根據相關合約義務計算的保單負債的資產。估值準則是法定規則訂明的。
 - **最低償付準備金：**由法定規例訂明（其中包括滿足最低償付能力要求所需的資產），作為保險公司承擔的負債風險的相關準備金。
 - **超額資產：**超出法定最低償付準備金的資產（可用佔最低償付準備金的百分比表示）

保單儲備金

- 3.4. 依照所須遵守的估值準則，ZLIC 香港分公司此前已按符合香港監管準則的既定方法和估值基礎，並參照香港《保險業條例》第 41 章和香港精算學會發出的精算指引，為轉讓業務建立了儲備金。
- 3.5. 在 ZLIC 香港分公司準備法定估值報告的流程中，現時的做法是由 ZLIC 香港分公司的委任精算師每年向 ZLIC 董事會提議估值方法及相關的估值假設以作法定估值用途。
- 3.6. 在計劃實施後，以上程序將保持不變，即 ZLIHK 的委任精算師每年仍向 ZLIHK 董事會提供有關轉讓業務和 ZLIHK 新業務的估值方法及估值基礎的建議。由於沒有建議要在計劃實施後改變決定估值方法及假設的程序，因此本人沒有理由相信這方面會對轉讓保單持有人的財務保障造成不利影響。

償付能力比率

- 3.7. ZLIC 是 ZLIC 香港分公司的母公司，在瑞士註冊成立，因此其償付能力受瑞士償付能力測試（「SST」）框架的約束，以確定其風險基準資本。ZLIC 在 SST 基礎上的歷史償付能力狀況如下所示。

表 1: ZLIC 的償付能力比率 (以 SST 為基礎)

百萬瑞士法郎	2017 年 12 月	2018 年 12 月	2019 年 12 月	2020 年 9 月 **
目標資本	2,858	3,286	4,524	4,601
支撐風險之資本	5,989	7,002	7,635	7,749
市場價值邊際	778	820	1,409	1,453
償付能力比率*	251%	251%	200%	200%

*由於四捨五入，該表得出的數字可能不同

** FINMA 並沒有要求此數字。數字亦未經 FINMA 審核且是由 ZLIC 估算得出。目前只有截至 2020 年 1 月 1 日或 2019 年 12 月的 SST 是與 FINMA 相關。

來源：截至 2020 年 9 月的估算 SST 數據屬 ZLIC 內部非公開資訊。

- 3.8. ZLIC 香港分公司為了此計劃，估算了整個 ZLIC 法人實體在 HKIO 基礎下的償付能力狀況。基於 HKIO 基礎下的儲備金與舊的瑞士償付能力 I 儲備金非常相似，因此當使用《保險業(償付準備金)規則》時，舊的瑞士償付能力 I 儲備金將替代 HKIO 儲備金以進行近似計算。該計算使用的公開資料包括當地法定儲備金以及 ZLIC 的保額和保費。以下表 2 羅列了 ZLIC 的 HKIO 基礎下估算的償付能力狀況歷史。

表 2: ZLIC 的償付能力比率 (以 HKIO 為基礎)

百萬瑞士法郎	2017 年 12 月	2018 年 12 月	2019 年 12 月	2020 年 9 月 **
最低償付準備金	960	990	1,019	1,011
淨資產	3,505	3,122	3,609	3,436
償付能力比率*	365%	315%	354%	340%

* 由於四捨五入，該表得出的數字可能不同

** 基於 ZLIC 內部非公開資訊得出。

3.9. ZIC 是 ZLIHK 最終母公司，也是 ZLIC 的控股公司及母公司。類似於 ZLIC，ZIC 成立於瑞士，其償付能力受制於 SST 框架，以計算其風險資本。以下表 3 羅列了 ZLIC 在 SST 基礎上的歷史償付能力狀況。

表 3: ZIC 的償付能力比率 (以 SST 為基礎)

百萬美元	2017 年 12 月	2018 年 12 月	2019 年 12 月**
目標資本	24,573	22,280	24,687
支撐風險之資本	43,181	41,628	45,961
償付能力比率*	212%	225%	241%

* 由於四捨五入，該表得出的數字可能不同

** 2019 年 12 月後沒有更新的資訊可提供，因 ZIC 的償付能力比率每年僅計算一次。

來源：ZIC 2018 年和 2019 年的財務狀況報告。

3.10. 有關方還評估了 ZLIHK 在計劃之前和之後的預測償付能力狀況，以用作評估該計劃的影響。

表 4: ZLIHK 於 2021 年 9 月 1 日的償付能力比率 (以 HKIO 為基礎)

百萬港元	計劃前	計劃	計劃後
最低償付準備金	4	111	115
淨資產	152	582	734
償付能力比率*	3779%	523%	637%

* 由於四捨五入，該表得出的數字可能不同

表 5: ZLIHK 的預測償付能力比率 (以 HKIO 為基礎)

百萬港元	2021 年 1 月 1 日 ^(*)	2022 年 1 月 1 日	2023 年 1 月 1 日
最低償付準備金	2	119	127
淨資產	204	721	675
償付能力比率**	9438%	604%	533%

* 2021 年 1 月的償付能力比率乃轉讓日前的償付能力狀況。

** 由於四捨五入，該表得出的數字可能不同

3.11. 有關方已確認，ZLIHK 的實收資本已被投資於短期定期存款而不受 COVID-19 大流行導致的資本市場波動的影響。

- 3.12. 本人獲有關方告知，如果 ZLIHK 的償付能力比率低於 200%，或者預計 ZLIHK 的償付能力比率可能會低於 200%（以當地法規為基準），有關方將尋求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZIC 通過 ZIH（ZLIHK 的股東）注資，以達到目標償付能力比率。
- 3.13. 本人比較了 ZLIC（ZLIC 香港分公司的母公司）與 ZIC（ZLIHK 的最終母公司）的歷史償付能力狀況。從表 1 和表 3 可見，兩個實體的償付能力狀況非常相似，兩者 2017 年至 2020 年 9 月的償付能力狀況在 200%至 250%的範圍內，這意味著兩者的財務實力相當。
- 3.14. 由於 ZLIHK 並無以 SST 為基礎的預計償付能力狀況，本人在以 HKIO 為基礎下，比較了 ZLIHK 預計在計劃實施的償付能力狀況與 ZLIC 當前的償付能力狀況。從表 2 和表 5 可見，在 HKIO 基礎下，ZLIHK 預計計劃後的償付能力比率高於 ZLIC 當前的償付能力比率，這對轉讓保單持有人的財務保障有正面作用。

動態償付能力測試

- 3.15. 此外，動態償付能力測試（「DST」）在多種可能的不利情況下校驗了 ZLIC 香港分公司在計劃前和 ZLIHK 在計劃後的償付能力狀況。
- 3.16. 預測結果顯示，ZLIC 香港分公司在轉讓之前以及 ZLIHK 在轉讓之後的償付能力遠超過可接受的償付能力要求，即香港法定最低償付能力要求的 200%。儘管實際的償付能力比率可能會隨時間和實際運營情況而變化，但無論如何，按照相關法規，ZLIHK 的委任精算師有責任來確保 ZLIHK 滿足法定最低資本要求。

資本管理政策

- 3.17. 有關方表示，ZLIC 香港分公司多年來建立的內部目標償付能力比率範圍為 200%-250%，而且當自由資產超過此水平至一定程度時，才會考慮派發股東股息。香港保監局要求 ZLIC 香港分公司每週監控其償付能力狀況，並保留超過最低償付能力要求的 200%償付能力資本，但是 ZLIC 香港分公司的資本返還則不需要徵得香港保監局的批准。為確保有緩衝空間，ZLIC 香港分公司將保留最低償付能力要求的 200%至 250%之間的本地資本。此外，由於 ZLIC 的資本要求也受瑞士金融市場監督管理局（「FINMA」）的監管，目標償付能力比率處於較高水平區間。
- 3.18. 如果 ZLIC 香港分公司的償付能力比率低於 200%，該分公司求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZLIC 注資。
- 3.19. 本人獲告知，在計劃實施之後，有關方打算採使用類似方法將 ZLIHK 的償付能力比率控制在 225%的內部目標。這與蘇黎世集團的風險政策相符，即其持有的資本數量等於當地監管實體的法定最低資本，再加上足夠的議定緩衝以承受短期波動。蘇黎世集團致力管理其內部物質資本，以使其所有受監管實體均具有足夠的資本，以符合相關的監管資本充足性要求。
- 3.20. 如果 ZLIHK 的償付能力比率低於 200%，或者預計 ZLIHK 的償付能力比率可能會低於 200%（以當地法規為基準），ZLIHK 將尋求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZIC 通過 ZIH（ZLIHK 的股東）注資，以達到目標償付能力比率。此外，本人獲有關方通知，在獲發牌照時，ZLIHK 向保監局提交了一份承諾書，其中列明母公司承諾會維持 ZLIHK 的償付能力比率高於 150%法定最低償付能力比率。

風險承擔

- 3.21. 如按照 ZLIHK 的計劃，在 2020 年 3 月 23 日獲得許可批准後，一項新定期產品已經於 2020 年第三季度推出。截至 2020 年 9 月 30 日 ZLIHK 有 13 張新保單，並預計在實施計劃時仍只會有少量新保單。ZLIHK 計劃在接近 2021 年早期的運營初期繼續承保非分紅保障業務。就保險風險而言，ZLIC 香港分公司目前的業務範圍比計劃實施前的 ZLIHK 較廣。因此，ZLIHK 的風險狀況有望與 ZLIC 香港分公司的風險狀況相似。
- 3.22. ZLIHK 計劃在度過初始運營階段並獲得相關產品批准後，開始為各種屬於 A 類，C 類或單位相連基金的個人壽險業務提供承保。
- 3.23. ZLIC 香港分公司已為其 A 類業務和 C 類業務制定了再保險安排，而這種安排將在計劃實施後繼續。這提供了額外的保障。此外，ZLIC 香港分公司和 ZLIHK 都必須遵守蘇黎世風險政策。

- 3.24. 基於上述考慮，本人尚未發現任何因實施該計劃而導致的額外風險承擔將可能損害任何一組轉讓保單持有人的合同權利。

投資政策

- 3.25. 有關方已確認，無意在計劃實施後對 ZLIC 香港分公司目前被用作支持轉讓保單的資產的現有投資策略作大重大變化。

風險政策

- 3.26. ZIC 和 ZLIC 受瑞士金融市場監督管理局的監管和監督，其中有對風險管理的規定要求。ZIC 和 ZLIC 的風險管理均符合這些管制措施，並被記錄在蘇黎世風險政策（「ZRP」）中。該政策為所有子公司設定了有效風險管理的標準，而 ZLIC 香港分公司和 ZLIHK 制定風險政策時均參照蘇黎世集團的政策。因此，ZLIC 香港分公司和 ZLIHK 的風險管理框架不應有任何明顯的偏差。
- 3.27. 特別的是，ZLIC 香港分公司的風險承受能力聲明遵循蘇黎世集團的治理和當地的法定要求。ZLIHK 目前亦正在採用相同的做法。風險承受能力聲明為每種風險類別的風險承擔方法和風險偏好（其中風險偏好分為低偏好/中度偏好/高偏好）設置關鍵要求，並結合了明確和可量化的關鍵績效指標及承受能力。總體而言，ZLIC 香港分公司和 ZLIHK 的風險偏好框架相似，適用於 ZLIC 香港分公司和 ZLIHK 的風險標準的目標水平沒有重大差異，並且有關方已確認新實體的風險偏好基本不變。

監管覆蓋

- 3.28. 在計劃涉及由瑞士母公司下的香港分公司變為香港子公司的情況下，本人需要由法律角度考慮對轉讓保單持有人的財務保障的影響。本人已從下列兩個角度考慮監管覆蓋的影響：
- **監管框架及償付能力監管要求：**本人參考了由國際貨幣基金組織撰寫，名為「詳細遵守評估 - 保險核心原則」的報告。報告對香港及瑞士的監管框架及償付能力監管要求均有高度評價。更重要的是，在日常監管方面，香港保監局一直都保持對 ZLIC 香港分公司及 ZLIHK 分公司的香港營運的監管和監督權。
 - **對保單持有人的保障：**儘管此前在香港已經發布了有關該主題的諮詢文件，目前瑞士及香港均沒有條例或保障計劃為保險保單持有人在保險公司出現資不抵債時提供保障。因此，由此角度出發，計劃並不會令轉讓保單持有人處於更不利的情況。另外，在計劃實施前，由於 ZLIC 香港分公司是 ZLIC 作為母公司的一部分，當母公司需要清盤時，香港分公司將自動被清盤。不過，在計劃實施後，因 ZLIHK 作為子公司，當母公司進行清盤時，ZLIHK 則不會受到影響。

財務保障的結論

- 3.29. 總結以上評估，本人認為：
- 在 HKIO 基礎下，ZLIHK 預計計劃後的償付能力比率高於 ZLIC 於 2020 年 9 月 30 日的償付能力比率，這對轉讓保單持有人的財務保障有正面作用。
 - 根據以上提及的政策，本人得知在 ZLIHK 面臨財務困難的極端情況下，利用資本管理政策的支持，轉讓保單持有人在實施該計劃後將繼續受到 ZIC 財務實力的保護。本人認為這是在計劃實施後保持轉讓保單持有人財務保障的重要因素。
 - 根據我的上述評估，本人認為計劃不太可能使 ZLIC 香港分公司的轉讓保單持有人面臨重大的新風險。本人得出以下結論：計劃實施後不會對轉讓保單持有人的財務保障造成重大不利影響。

其他考慮因素

服務水平

- 3.30. 有關方已確認在計劃實施後，對所有保單持有人的服務水平目標將保持不變。對於單位相連保單持有人，保單持有人目前可選擇的現有基金將不會因計劃的實施而受到影響。

再保險安排

- 3.31. 有關方已確認，現有的再保險安排的條款和細則將在計劃實施後保持不變。
- 3.32. 本人認為上述各個營運領域，包括所提供的服務水平，都不會對轉移保單持有人產生重大負面影響。該計劃應提供足夠的保障以確保計劃按所述運作。

計劃對非轉讓 ZLIC 保單持有人的利益期望和財務保障的影響

- 4.1. 在本人於評估計劃對非轉讓 ZLIC 保單持有人的利益期望和財務保障的影響時，依賴了 ZLIC 的委任精算師及 ZLIC 的總精算師的專業意見。

利益期望

非轉讓業務的實質性

- 4.2. ZLIC 香港分公司僅佔 ZLIC 總業務的一小部分。截至 2020 年 9 月 30 日，其僅佔母公司總保險儲備金和單位相連合同準備金的 2.6%。

合約利益相關條款

- 4.3. 在對合約利益相關條款提出意見時，本人並未查看 ZLIC 提供的合約利益相關條款。然而，鑑於 ZLIC 香港分公司僅佔 ZLIC 整體業務的一小部分，我同意委任精算師和總精算師關於非轉讓 ZLIC 保單持有人的利益期望的意見，即認為 ZLIC 支付有效索償的能力以及在其他合約事項中適當行事的能力應該保持不變。

分紅政策

- 4.4. ZLIC 的大多數業務都屬於分紅業務，包括個人壽險業務、企業壽險和養老金業務。
- 4.5. 有關方已確認，本計劃將不會改變分紅原理和派息原理。

其他具公司酌情權的保單

- 4.6. ZLIC 非轉讓業務中的單位相連產品的收費結構包括每月費用，例如年度管理費、保單管理費、分配/設置收費、要約價差、退保費和利益收費。在任何更改生效之前，保單持有人將根據保單條款提前收到書面通知。這些權利將被 ZLIC 繼續保留，並且無論該計劃是否進行都存在。
- 4.7. 有部分 ZLIC 的產品可以將儲蓄資金轉換為一系列年金支付。轉讓不會影響這些產品在轉換時用於將儲蓄資金轉換為年金的適用轉換率。
- 4.8. 總而言之，除了無論計劃實施與否，都存在的改變投資相關費用的權利外，本人沒有理由相信對於非轉讓 ZLIC 保單持有人而言，計劃將導致公司行使酌情權而造成重大不利影響。

保單條款及細則

- 4.9. ZLIC 的委任精算師和總精算師均已確認，有效的非轉讓 ZLIC 保單條款及細則將不會因計劃而改變。

財務保障

瑞士金融市場監督管理局的監督

- 4.10. ZLIC 受瑞士金融市場監督管理局保險監督。《瑞士保險監督法》（「ISL」）要求瑞士保險公司建立和維持公司管治體系，包括一套適用於其業務活動的內部控制系統和有效的風險管理系統。除了由瑞士金融市場監督管理局進行的監督外，ZLIC 及其分公司還需應當地有關監督機構的要求而受到監督。
- 4.11. ZLIC 根據瑞士償付能力測試（「SST」）評估其償付能力。在執行 SST 時，ZLIC 將評估其償付能力和財務狀況，而且必須每年提交 SST 比率予瑞士金融市場監督管理局。

財務保障準備金

- 4.12. 為了保障在瑞士的保單持有人，保險公司必須根據瑞士償付能力測試以保持充足的保單儲備金和償付準備金。

保單儲備金

- 4.13. ZLIC 一直在瑞士監管制度下向瑞士金融市場監督管理局報告，由委任精算師和審計師證明其符合《瑞士保險監督條例》（「AVO」）和 ZLIC 業務計劃中指定的精算要求。委任精算師需負責估值方法和適當的精算假設的設定。在計劃實施後，上述程序和職責將保持不變。在計劃實施前後，確定估值和假設的方法亦不會出現變化。

整體財務狀況及股東資本

- 4.14. ZLIC 是保持雄厚資本實力的蘇黎世保險集團的一部分。ZLIC 擁有充足的資本，並預計在轉讓日具有穩定的償付能力比率，並且該公司預計在計劃實施後也會保持相同狀況。
- 4.15. 鑑於轉讓業務的規模對 ZLIC 相對而言並不重要，加上如上所顯示的 ZLIC 預計償付能力狀況，本人同意委任精算師和總精算師的意見，即預計該轉讓不會對非轉讓 ZLIC 保單持有人的財務保障造成重大不利影響。

風險承擔

- 4.16. 由於與非轉讓業務相比，轉讓業務的規模較小（截至 2020 年 9 月，僅佔 ZLIC 業務總量 2.6%），因此非轉讓業務的風險承擔不會因計劃實施而發生重大變化。

資本管理政策

- 4.17. ZLIC 長期維持其風險承受能力聲明，其中包括了一個包含捆綁資產，法定股東權益和 SST 償付能力在內的覆蓋範圍超出瑞士法律法規要求的框架。其風險承受能力聲明在計劃實施後將繼續適用，因此該計劃不會改變資本管理政策。

風險政策及風險管理框架

- 4.18. 本人獲告知，ZLIC 的風險政策和風險管理框架不會因計劃而改變。

投資政策和貨幣風險對沖

- 4.19. 由於轉讓業務分隔於 ZLIC 母公司和非轉讓業務，因此在計劃實施後投資政策/投資策略以及貨幣對沖工具和策略不會發生變化。

股東基金及股東股息政策

- 4.20. ZLIC 擁有一個全面的框架以向其所有者 ZIC 派息。股息金額受到 ZLIC 持有的資本與其風險承受能力聲明及其他法律要求限制。分配股息時的考慮因素包括股東基金水平，償付能力比率和其他指標。
- 4.21. 轉讓不會對 ZLIC 股東基金或 ZLIC 的股息政策造成重大影響。

其他考慮因素

保單持有人服務

- 4.22. 對於非轉讓單位相連保單持有人，ZLIC 非轉讓長期保單持有人目前可選擇的現有基金將不會因計劃的實施而受到影響。

再保險安排

- 4.23. 目前的再保險安排包括一套非香港和相對低風險的再保險條約，以及一套涉及轉讓業務的再保險條約。由於香港的再保險條約將與業務一起轉讓，因此其他非香港條約不受影響。

分銷協議

- 4.24. 鑑於 ZLIC 香港分公司已不接受新業務，因此沒有與轉讓業務有關的有效分銷協議需被考慮。雖然有多個有關非轉讓業務的分銷協議，但是這些協議不會受到轉讓的影響且不會發生變化。

服務水平

- 4.25. 由於 ZLIC 香港分公司的業務只佔 ZLIC 整體業務的一小部分，本人獲告知，這些保單的轉讓對提供給非轉讓保單持有人的服務水平的影響微不足道。

計劃對現有 ZLIHK 保單持有人的利益期望和財務保障的影響

- 5.1. 在本節中，已知 ZLIHK 在 2020 年 7 月開始分銷保單的情況下，本人考慮了該計劃對現有 ZLIHK 保單持有人的影響。截至 2020 年 9 月 30 日 ZLIHK 有 13 張新保單，保費總值為 10 萬 3 千港元。

利益期望

合約利益相關條款

- 5.2. 儘管 ZLIHK 提供的合約利益尚未最終確定，但本人從 ZLIHK 的委任精算師獲悉，在實施該計劃後，向現 ZLIHK 有保單持有人提供的合同利益將不會發生變化。有效索賠將按照與計劃之前相同的方式繼續支付。

其他具公司酌情權的保單

- 5.3. ZLIHK 在 2020 年 3 月 23 日獲得許可批准後，已經開始發行個人非相連保單（A 類）。單位相連保單將在 ZLIHK 從監管機構獲得必要的 C 類產品批准後發布。
- 5.4. 本人獲有關方通知，對於 A 類業務，如按照 ZLIHK 當前的 2020 計劃，一項新定期產品已經於 2020 年第三季度推出。ZLIHK 將在 2021 年第三季度前推出新危疾保障產品。ZLIHK 將繼續監察合資格延期年金保單（“QDAP”）的市場發展，以評估在將來推出這種退休解決方案的可能性。不過，為了與 ZLIHK 僅提供非分紅 A 類產品的策略一致，任何年金產品都將在固定年金期間提供保證的現金價值，而且並不具有酌情的部分。由於尚未有進入 QDAP 市場的決定，而即使發生這種情況，QDAP 年金產品的預期銷售額並不高，因此其已從 ZLIHK 目前準備中的 2021 年業務計劃中排除。本人還獲有關方告知，由於最近的 COVID-19 大流行，儘管總體計劃保持不變，但推出各種產品的時間會稍有延遲。
- 5.5. 對於無保證費用和收費的 C 類業務，ZLIHK 擁有更改保單收費的廣泛權利，並有權對保單收取任何其他管理費用，前提是保單持有人在變更前事先得到書面通知。
- 5.6. 總而言之，除了無論計劃實施與否，都存在的改變投資相關費用的權利外，本人沒有理由相信對於現有 ZLIHK 保單持有人而言，計劃將導致公司行使酌情權而造成重大不利影響。

保單條款及細則

- 5.7. ZLIHK 的委任精算師已確認，計劃不會令現有 ZLIHK 保單的保單條款及細則發生變化。

財務保障

- 5.8. 與本人對轉讓保單持有人的評論相同，在考慮計劃對現有 ZLIHK 保單持有人財務保障的影響時，本人的主要考慮了有：將被採用估值基礎的保守程度，其資本和自由儲備，其作為實體在整體上可以提供的額外安全保障，以及其股東可以提供的任何潛在支持。

保單儲備金

- 5.9. ZLIHK 一直根據香港監管制度作出報告，由委任精算師和審計師證明其遵守香港《保險業條例》第 41 章。

- 5.10. 計劃實施後，ZLIHK 的委任精算師仍會每年向 ZLIHK 董事會提供估值方法及估值基礎的建議，這程序將保持不變。由於沒有建議要在計劃實施後改變決定估值方法及假設的程序，因此本人沒有理由相信這方面會對現有 ZLIHK 保單持有人的財務保障造成不利影響。

整體財務狀況及股東股本

- 5.11. 由表 4 可見，ZLIHK 預計在計劃前後 HKIO 基礎下的償付能力比率都處於十分高水平；遠高於法定最低要求和大多數保險公司所能達到的水平。
- 5.12. 表 5 顯示了 ZLIHK 計劃後 HKIO 基礎下預計在轉讓日及其後的預測年份的償付能力比率。基於以上數據，從償付能力角度來看，本人沒有理由相信計劃會對現有 ZLIHK 保單持有人的財務保障造成重大不利影響。

其他考慮因素

集團政策

- 5.13. 鑑於在計劃實施後，最終母公司仍保持不變，並且所有集團政策將繼續適用，因此我認為集團結構的變化不會為現有 ZLIHK 投保人帶來任何重大不利影響。

總結

- 6.1. 經過上述考慮，本人認為：
- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
 - 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司轉讓保單持有人，的財務保障造成重大不利影響。
 - 本人信納計劃將提供充分的保障，以確保計劃如所述般運作。

依據及限制

- 7.1. 此撮要受本人於 2021 年 3 月 29 日簽發的完整獨立精算師報告中所列的相同和限制條款的約束。
- 7.2. 此中文撮要為英文版本譯本，如中、英文兩個版本有任何抵觸或不相符之處，一切以英文版本為準。

Paul Sinnott
英國精算師協會會員 (FIA)
獨立精算師

2021 年 5 月 5 日

常見問題

1. 蘇黎世為何要將 ZLIC 在香港或從香港經營的長期業務轉讓予 ZLIHK?

將 ZLIC 在香港或從香港經營的所有長期業務轉讓予 ZLIHK（「**擬議轉讓**」）是蘇黎世集團戰略舉措的一部分。ZLIC 和 ZLIHK 認為轉讓將帶來以下益處：

- (a) 提高集團內部審計和監管合規的效率；由於 ZLIHK 於香港註冊成立，因此僅須遵守香港監管制度，而無須額外遵守適用於 ZLIC 香港分公司的瑞士監管要求；
- (b) 提高蘇黎世集團人壽保險業務的經營效率；
- (c) 將決策權分配予蘇黎世集團內的不同實體，從而改進蘇黎世集團人壽保險業務的經營，使蘇黎世集團內每個地區能夠實施最符合其市場、保單持有人和股東需要的策略；
- (d) 更好地按地區調整蘇黎世集團的業務；及
- (e) 簡化 ZLIC 的公司結構，消除 ZLIC 內部因其香港和非香港業務適用不同的風險狀況和監管制度而造成的壓力，從而提高集團內部的合規效率。

2. ZLIHK 的背景情況如何？ZLIHK 的擁有人是誰？ZLIHK 將如何獲得資金？

ZLIHK 於 2018 年 5 月 7 日於香港註冊成立。ZLIHK 是 Zurich Insurance Holdings (Hong Kong) Limited 的全資附屬公司，Zurich Insurance Holdings (Hong Kong) Limited 則是 Zurich Insurance Company Ltd（「**ZICL**」）的全資附屬公司。ZICL 是一家全球保險公司，其管理的資產約為 303,433,000,000 美元（截至 2020 年 12 月 31 日，包括集團投資和單位相連投資，以及由第三方管理、賺取費用的資產）。

3. 擬議轉讓將如何進行？

為接管由 ZLIC 經營的業務，ZLIHK 已於 2020 年 1 月 2 日向保監局呈交申請，以獲授權經營 A 類及 C 類保險之長期業務。保監局已於 2020 年 3 月 23 日向 ZLIHK 授予正式授權。

根據轉讓計劃（「**計劃**」），在獲得香港原訟法庭（「**香港原訟法庭**」）批准的前提下，您於轉讓日（定義見下文）前於 ZLIC 香港分公司投保的長期保單（不論生效、過期、終止、到期或放棄）將依據《保險業條例》（香港法例第 41 章）（「**《保險業條例》**」）第 24 條轉讓予 ZLIHK。

擬議轉讓預計將於 2021 年 9 月 1 日或香港原訟法庭批准的其他日期（「**轉讓日**」）生效。

由轉讓日起，ZLIHK 將負責為您的保單提供保險保障及服務，包括處理索償。

我們已在香港政府憲報以及香港的英文虎報和星島日報中刊登擬議轉讓的公告。

本擬議轉讓的相關資料亦刊載於我們的網站 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer。計劃獲得香港原訟法庭認許並生效後，我們將以書面方式通知您。

有關香港原訟法庭對計劃進行最終呈請書聆訊的資訊，請參閱本函附件 1 第 2 部「聆訊的其他資料」的內容。

4. 如何了解計劃的詳情？

我們已根據《保險業條例》第 24 條擬備計劃，計劃撮要附於本函之後。您亦可於 2021 年 6 月 17 日當日或之前於星期一至星期五（公眾假期除外）上午 9 時至下午 5 時 30 分（香港時間），前往我們位於香港港島東華蘭路 18 號港島東中心 25-26 樓的辦事處查閱計劃文件。一位獨立精算師被委任就擬議轉讓對 ZLIC 和 ZLIHK 的保單持有人所造成的影響（如有）發表專業意見，而他的意見認為這不會造成任何重大不利影響。

5. 我們的保單條款或各方在保單下的權利和義務是否會有任何變更？

不會有任何變更。擬議轉讓不會影響您在保單下的權利和義務。於轉讓日當日並由轉讓日起，您在與 ZLIHK 之間的保單下可獲得的權利與您之前在與 ZLIC 之間的保單下享有的權利相同。

6. 是否會就現有保單簽發新的保單？

您現有生效的保單仍然有效，並將會由轉讓日起自動轉讓予 ZLIHK。因此，我們不會簽發新的保單。

7. 擬議轉讓對繳納保費有何影響？

在轉讓日後，您於 ZLIC 香港分公司投保的保單下應繳納的所有保費均應支付予 ZLIHK 或其代理人。我們將適時直接向您提供付款指示和銀行帳戶資料。

8. 如果我在轉讓日之前提出索償，而該索償未在轉讓日之前得到理賠，那會怎樣？

如果您已在轉讓日之前提出索償，您現有保單的條款及條件將繼續適用於索償的評估，且 ZLIHK 將接替 ZLIC 香港分公司處理索償，並負責任何隨後向您支付的款項。您不需要重新提交索償表，因為相關資料將從 ZLIC 香港分公司轉移至 ZLIHK。

9. 如何了解擬議轉讓的最新進展情況？

計劃得到香港原訟法庭認許並生效後，我們將以書面方式通知您。如果計劃沒有得到香港原訟法庭認許並沒有生效，我們亦會以書面方式通知您。

重要資料

2021年5月27日
Zurich Insurance Holdings (Hong Kong) Limited
[地址]

敬啟者：

擬將 Zurich Life Insurance Company Ltd (「ZLIC」) 在香港或從香港經營的全部長期業務轉讓予蘇黎世人壽保險 (香港) 有限公司 (「ZLIHK」)

我們特此致函告知貴公司，我們擬將蘇黎世的另一成員 ZLIC 透過其香港分公司承保的所有長期保險業務轉讓予 ZLIHK (「**擬議轉讓**」)。

本函載述有關將 ZLIC 透過其香港分公司在香港或從香港經營的所有長期保險業務 (「**ZLIC 香港業務**」) 轉讓予 ZLIHK 之擬議轉讓的重要資料。作為 ZLIHK 的股東，貴公司應理解擬議轉讓。擬議轉讓將根據香港《保險業條例》(「**《保險業條例》**」) 第 24 條中列明的法定程序，向香港原訟法庭 (「**香港原訟法庭**」) 申請對一項列明轉讓條款的計劃 (「**計劃**」) 予以認許。該申請已於 2021 年 4 月以呈請 (「**呈請書**」) 的方式向香港原訟法庭作出。

計劃將於香港原訟法庭的呈請書聆訊中加以審議，該聆訊預定將於 2021 年 8 月 9 日 10 時舉行。計劃下擬議的轉讓僅在獲得 (除其他所需批准外) 香港原訟法庭的批准的情況下方可進行。

ZLIC 和 ZLIHK 已委任一名獨立精算師，即英國精算師協會會員及香港精算學會會員 Paul Sinnott 先生 (「**獨立精算師**」)，審查計劃對 ZLIC 和 ZLIHK 的長期保單持有人可能產生的影響，並以 ZLIC 和 ZLIHK 在 2020 年 9 月 30 日的財務信息作為基礎擬備一份報告供香港原訟法庭審閱。計劃及獨立精算師報告的撮要列於本函附件 1 及附件 2。獨立精算師將準備一份補充報告 (「**補充報告**」) 就截至 2020 年 12 月 31 日的相關財務信息及獨立精算師的意見之任何變更作出更新。補充報告預計將大約於 2021 年 6 月/7 月定稿，並在 ZLIC 和 ZLIHK 的網站上發布 (網址為 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer)，直至香港原訟法院完成最終呈請書聆訊。

任何人士如聲稱其會因計劃的實行而受到不利影響，均有權於香港原訟法庭就呈請書進行的聆訊中陳詞。如貴公司有意出席香港原訟法庭的呈請書聆訊，貴公司應於聆訊日期不少於三日前向 ZLIC 和 ZLIHK 發出書面通知。詳情請參閱**附件 1 - 第 2 部：「聆訊的其他資料」**的「**最終聆訊**」部份。除非貴公司有意出席香港原訟法庭的呈請書聆訊或有意對計劃作出反對，否則貴公司毋須採取任何行動。然而，貴公司須理解擬議轉讓的詳情。我們建議貴公司仔細閱讀本函。

擬議轉讓的影響

在計劃獲得香港原訟法庭認許之前提下，計劃應於 2021 年 9 月 1 日香港時間凌晨零時零一分或於 ZLIC 與 ZLIHK 共同決定的另一個日期，該日期應為香港原訟法庭頒發命令認許計劃之日後 90 日之內的一日，開始生效。除非計劃於香港原訟法庭命令頒發之日後第

90 日當日或之前，或於 ZLIC 和 ZLIHK 決定且香港原訟法庭允許的較後的日期及/或時間（如有）生效，否則，計劃將失效。

若香港原訟法庭認許計劃，ZLIC 香港業務中的所有保單¹（「轉讓保單」）均將轉讓予 ZLIHK。擬議轉讓完成後，ZLIHK 將管理所有轉讓保單，而且 ZLIHK 將取代 ZLIC 成爲此等保單的承保人。

計劃得到香港原訟法庭認許並生效後，我們將以書面方式通知貴公司。

如計劃未獲香港原訟法庭認許，則擬議轉讓將不會進行，轉讓保單將由 ZLIC 繼續承保，ZLIC 亦將繼續對此等保單負責（包括負責其行政管理及服務）。如擬議轉讓沒有進行，我們將以書面方式通知貴公司。

計劃的安排確保保單持有人的權益受到保障。獨立精算師已就計劃對 ZLIC 和 ZLIHK 之長期保單持有人的合理利益期望及財務保障可能產生的影響等事項發表意見。建議貴公司參閱附件 2 的第 1 部「獨立精算師的主要評估」及第 2 部「獨立精算師報告撮要」。

任何與擬議轉讓相關而產生的費用將由 ZLIC 和 ZLIHK 承擔。

進一步資料

如貴公司希望獲得進一步資料，貴公司可以：

- 於 2021 年 5 月 27 日至 2021 年 6 月 17 日期間之正常工作日（星期一至星期五（公眾假期除外））上午 9 時至下午 5 時 30 分（本地時間）內，前往位於香港港島東華蘭路 18 號港島東中心 25-26 樓的 ZLIC 或 ZLIHK 客戶服務中心查閱本函、呈請書、計劃以及獨立精算師報告；
- 在香港原訟法庭完成最終呈請書聆訊之前登入 ZLIC 和 ZLIHK 的網站（網址為 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer）；
- 在最終呈請書聆訊日期當日或之前致函 ZLIC 和 ZLIHK 位於香港港島東華蘭路 18 號港島東中心 25-26 樓的辦事處，免費索取上述文件；或
- 請參閱本函所附的“常見問題”（「常見問題」）。

如貴公司對擬議轉讓有任何疑問，請致電 ZLIC 和 ZLIHK 的指定熱線電話（852）3405 7283，或按照上述地址致函 ZLIC 和 ZLIHK，致客戶服務中心並在信封上註明參考編號「HCMP 460/2021」。

¹ 轉讓保單將包括（除其他外）九個截至 2021 年 2 月 28 日由 ZLIC 發行的現有投資相連壽險計劃，即 (i)「金尊寶」退休保障計劃；(ii)「至尊寶」保障計劃；(iii)「狀元寶」教育儲蓄保障計劃；(iv)「富歲寶」退休保障計劃；(v)「尚富寶」保障計劃；(vi)「富綽寶」；(vii)「盛富寶」保障計劃；(viii)「創富寶」保障計劃；and (ix)「匯富寶」理財保障計劃。

○

蘇黎世人壽保險（香港）有限公司 謹啓

Zurich Life Insurance Company Ltd, 香港分公司謹啓

附件 1

第 1 部

計劃撮要

轉讓

Zurich Life Insurance Company Ltd (「ZLIC」) 於瑞士註冊成立，從 1922 年 12 月 28 日起在蘇黎世州商業登記冊中登記。ZLIC 是 Zurich Insurance Group Ltd. 的全資附屬公司，Zurich Insurance Group Ltd. 的股份在瑞士證券交易所上市，且是蘇黎世集團（“Zurich Group”）的最終母公司。ZLIC 是由瑞士金融市場監管局（FINMA）發牌和監督的保險承保人。ZLIC 的註冊辦事處位於 Austrasse 46, 8045 Zurich, Switzerland。ZLIC 亦於 1984 年 8 月 31 日根據原《公司條例》（第 32 章）第 11 部（現為《公司條例》（第 622 章）第 16 部）註冊為一家非香港公司。ZLIC 是一家根據《保險業條例》（香港法例第 41 章）（「**保險業條例**」）獲授權的保險公司，獲授權在香港或從香港經營 A 類（人壽及年金）、C 類（相連長期）及 I 類（退休計劃管理第 III 類）的長期業務（保險業條例附表 1 第 2 部所定義）。作為其 A 類長期業務的一部分，ZLIC 已透過其香港分公司（「**ZLIC 香港分公司**」）承保瑞士個人壽險保單，但此類保單的會計結算和管理（包括支付索賠和收取保費）由位於瑞士的 ZLIC 總部負責並將由位於瑞士的 ZLIC 總部透過與蘇黎世人壽保險（香港）有限公司（「**ZLIHK**」）的外判安排在該保單於轉讓日（定義見下文）轉讓給 ZLIHK 之後繼續負責，以將直接對客戶的潛在影響減至最低。然而，作為其日常業務審查的一部分，ZLIHK 可以完善該保單的長期管理為由而對該外判安排作重新評估，決定是否繼續該外判安排。從 2016 年 12 月 1 日起，一項附註已被加入了由保監局保管的獲授權保險人登記冊中，指出 Zurich Life Insurance Company Ltd 「已停止在香港或從香港訂立任何新的保險合約...」。ZLIC 於香港的主要營業地位於香港港島東華蘭路 18 號港島東中心 25-26 樓。

ZLIHK 於 2018 年 5 月 7 日於香港註冊成立。

ZLIHK 是 Zurich Insurance Holdings (Hong Kong) Limited 的全資附屬公司，Zurich Insurance Holdings (Hong Kong) Limited 則是 Zurich Insurance Company Ltd. (「**ZICL**」) 的全資附屬公司。ZLIC 也是 ZICL 的全資附屬公司，而它們全部都是 Zurich Group 旗下的公司。ZICL 是一家全球保險公司，其管理的資產約為 303,433,000,000 美元（截至 2020 年 12 月 31 日，包括集團投資和單位相連投資，以及由第三方管理並賺取費用的資產）。除香港之外，ZICL 和其附屬公司在歐洲、中東、非洲、北美、亞太和拉丁美洲等其他主要市場以及多於 215 個國家經營業務。

作為蘇黎世集團戰略舉措的一部分²，蘇黎世集團擬將 ZLIC 香港業務（定義見下文）轉讓予 ZLIHK 並由 ZLIHK 承繼（「**擬議轉讓**」）。

為接管由 ZLIC 經營的 ZLIC 香港業務（定義見下文），ZLIHK 已於 2020 年 1 月 2 日向保監局呈交申請，以獲授權在香港或從香港經營 A 類及 C 類之長期業務。於 2020 年 3 月 23 日，保監局已向 ZLIHK 授予正式授權，允許其在香港或從香港經營該等類之長期業務。

本計劃的目的是根據《保險業條例》第 24 條和第 25(1) 條將 ZLIC 香港業務由 ZLIC 轉讓予 ZLIHK（所有詞匯的定義參見計劃）。

擬議轉讓

² 有關更多詳情，請參閱本函所附的“常見問題”。

擬議根據《保險業條例》第 24 條，ZLIC 在香港或從香港經營的長期業務（「ZLIC 香港業務」）應根據計劃的條款轉讓予 ZLIHK。該轉讓須按香港原訟法庭根據《保險業條例》第 24 和 25(1) 條發出的命令（「香港命令」）進行。該等 ZLIC 香港業務應包括下文定義的轉讓保單、轉讓資產和轉讓負債（就此，「轉讓保單」指(i)構成 ZLIC 於香港承保的 A 類（人壽及年金）（未免疑義，包括瑞士個人壽險保單）或 C 類（相連長期）長期業務³且於轉讓日其項下仍有任何未償負債的任何保單，不論該等保單是否已恢復、已過期、失效、到期、放棄、終止或發生其他情形，包括與該等保單有關的所有保險單建議書或申請、證書、補充保險保障、背書、附加計劃及附屬協議；以及(ii)ZLIC 已收到但 ZLIC 在轉讓日之前尚未完成處理（應由 ZLIHK 在轉讓日之後處理）的所有保單續保建議書或申請）。

轉讓日

本計劃應於 ZLIC 與 ZLIHK 共同決定的一個日期的凌晨零時零一分（香港時間）生效，該日期應為頒發香港命令認許本計劃之日後 90 日之內的一日（「轉讓日」）。在獲得香港命令的前提下，預計本計劃將於 2021 年 9 月 1 日生效，但經雙方一致同意後可更改該日期。

除非本計劃於頒發香港命令之日後第 90 日當日或之前的一日，或者於雙方決定且香港原訟法庭允許的較後日期及/或時間（如有）生效，否則，本計劃將失效。

資產和負債的轉讓

於轉讓日當日並由轉讓日起，轉讓資產應依據香港命令，無須任何進一步的行動或文書，但須遵守下文「進一步或其他的行為或保證」之規定，由 ZLIC 轉讓予 ZLIHK 並歸屬於 ZLIHK（須受限於與該等資產相關的任何產權負擔）。ZLIHK 應不經調查或查問接受 ZLIC 於轉讓日對屆時轉讓的每項轉讓資產享有的所有權。ZLIC 與 ZLIHK 應於適當之時為實行或完成向 ZLIHK 轉讓任何轉讓資產並使其歸屬於 ZLIHK 而簽署所有必要文件（包括轉讓協議）並採取/辦理所有其他必要的行動和事宜。

就此，「轉讓資產」指無論位於何處、歸屬於 ZLIC 香港業務的 ZLIC 財產、資產或投資（包括 ZLIC 在任何轉讓保單下或依任何轉讓保單享有的任何權利、酌情權、權限、權力或利益）；以及 ZLIC 在下列各項下及依下列各項享有的權利、利益和權力：

- (a) ZLIC 與其保險中介就 ZLIC 香港業務簽訂的合約；
- (b) 轉讓再保險；
- (c) 有關 ZLIC 香港業務的任何租約、外包協議或安排、IT 及相關合約；及
- (d) 與 ZLIC 香港業務有關或涉及 ZLIC 香港業務的任何其它合約、協議、安排或承諾。

「產權負擔」指任何抵押、押記、質押、留置權、選擇權、限制、優先取捨權、優先購買權、第三者權利或權益、任何種類的任何其他產權負擔或擔保權益，以及具有類似效力的任何其他類型的優先安排。

「轉讓再保險」指 ZLIC 就轉讓保單進行再保險的任何再保險協議或安排。

於轉讓日當日並由轉讓日起，每項轉讓負債應依據香港命令，無須任何進一步的行動或文書，亦不經調查或查問，但須遵守下文「進一步或其他的行為或保證」之規定，由 ZLIC 轉讓予 ZLIHK 並成為 ZLIHK 的負債，而 ZLIC 對該等轉讓負債的責任應完全解除，且 ZLIHK 應承擔所有該等轉讓負債。ZLIC 與 ZLIHK 應於適當之時為實行或完成向 ZLIHK 轉讓任何轉讓負債並由 ZLIHK 承擔任何轉讓負債而簽署

³ 轉讓保單將包括（除其他外）九個截至 2021 年 2 月 28 日由 ZLIC 發行的現有投資相連壽險計劃，即 (i) 「金尊寶」退休保障計劃；(ii) 「至尊寶」保障計劃；(iii) 「狀元寶」教育儲蓄保障計劃；(iv) 「富歲寶」退休保障計劃；(v) 「尚富寶」保障計劃；(vi) 「富綽寶」；(vii) 「盛富寶」保障計劃；(viii) 「創富寶」保障計劃；and (ix) 「匯富寶」理財保障計劃。

所有必要文件（包括轉讓協議）並採取/辦理所有其他必要的行動和事宜。就此，「轉讓負債」指於轉讓日歸屬於 ZLIC 香港業務的所有 ZLIC 負債，包括但不限於轉讓保單和 ZLIC 香港業務下或與轉讓保單和 ZLIC 香港業務有關的負債和義務（不論是現時的、未來的或可能有的），以及相關負債，為免疑義，包括 ZLIC 於轉讓日之前作出的不當銷售或違規行為而產生的負債（包括罰款，罰金，損害賠償及應支付予保單持有人的賠償），以及任何有關轉讓保單的現時及/或未完結的申訴，法律程序及/或其他爭議解決程序。

轉讓保單的轉讓

於轉讓日當日並由轉讓日起，ZLIHK 應享有在轉讓保單下或依轉讓保單賦予或歸屬於 ZLIC 的一切權利、利益、益處和權力。於轉讓日當日並由轉讓日起，轉讓保單應構成 ZLIHK 在香港或從香港經營的長期業務的一部份。

於轉讓日當日並由轉讓日起，每張轉讓保單下或就每張轉讓保單賦予或歸屬於轉讓保單持有人或其他第三方針對 ZLIC 的一切權利、利益、益處和權力均告終止，並應替代為針對 ZLIHK 具有的該等相同權利、利益、益處和權力。「轉讓保單持有人」指轉讓保單之持有人。

記錄的轉讓

於轉讓日，ZLIC 持有的關於轉讓保單的轉讓保單持有人、受保人、受益人及受讓人或轉讓保單所涉及的任何其他人的所有法定記錄和其他資料，包括但不限於該等轉讓保單持有人、受保人、受益人、受讓人及其他人的個人資料（《個人資料（私隱）條例》（香港法例第 486 章）第 2 條所界定），均應轉讓予 ZLIHK，而 ZLIHK 對持有和使用（及轉移）該等資料應具有與 ZLIC 在轉讓日之前所具有的同權利、利益、益處及權力。就此，「法定記錄」指適用的法律或監管規定或公司管治規定（無論是否具有法律效力）要求 ZLIC 就 ZLIC 香港業務保存並由其保留管有的所有簿冊、文檔、登記簿、文件、往來信函、文書及其他記錄；

就應繼續繳納保費之轉讓保單，轉讓保單之轉讓保單持有人應於保費到期應繳時向 ZLIHK 支付保費。ZLIHK 對轉讓保單或在轉讓保單下應享有轉讓日之前 ZLIC 本可享有的任何及所有辯護、索償、反索償及抵銷權。

ZLIHK 在所有方面均應遵守和履行轉讓保單的所有條款、條件及契諾並受其約束，承擔因轉讓保單產生的或與轉讓保單有關的所有負債，並清償/滿足因轉讓保單產生的或與轉讓保單有關的所有索償和請求，如同轉讓保單是由 ZLIHK 而非 ZLIC 簽發的。

轉讓保單的所有條款和條件（包括建議書、報價、結單或申請書、說明文件、銷售說明書、銷售文件、附加計劃、附表和聲明），除下述變更外應保持不變：於轉讓日當日並由轉讓日起，轉讓保單中凡提述「ZLIC」或「ZLIC 香港分公司」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人之處，均應理解為提述的是「ZLIHK」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人；且轉讓保單的名稱中凡提述「ZLIC」或「ZLIC 香港分公司」之處均應理解為提述的是「ZLIHK」。尤其是（但不限於此），「ZLIC」或「ZLIC 香港分公司」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人就轉讓保單可行使的或表明可由其行使的所有權利和義務或將由其履行的責任，於轉讓日當日並由轉讓日起，可由「ZLIHK」、其董事會、委任精算師、辦事處、核數師及任何其他高級職員和僱員或代理人行使或須由其履行。

進一步或其他的行為或保證

在不減損本計劃效力的條件下，若在不作出進一步或其他的行為或保證（包括但不限於需要取得進一步同意或批准）的情況下，本計劃和香港命令即不能有效地將本計劃下的任何轉讓資產、轉讓負債或轉讓保單轉讓予 ZLIHK 並歸屬於 ZLIHK，則：

- (i) ZLIC 和 ZLIHK 應自行或促使他人採取、簽署和交付使本計劃生效、將 ZLIC 香港業務和所有轉讓資產、轉讓負債和轉讓保單轉讓予 ZLIHK 所需的以及 ZLIHK 可能要求的所有必要的進一步行為、契據、文件、轉易、出讓、更替和轉讓文據以及所有必要的事宜，以便由轉讓日起有效地

將各轉讓資產、轉讓負債和轉讓保單的所有權及 ZLIC 香港業務轉易、出讓、轉讓、歸屬於 ZLIHK 並/或記錄在 ZLIHK 名下；

- (ii) 在完成該等行為、契據、文件和事宜前，ZLIC 應由轉讓日起：
 - (a) 為 ZLIHK 以信託形式持有未轉讓予 ZLIHK 的各受影響轉讓資產中的實益權益，並在其收到任何和該等受影響轉讓資產有關的任何款項後立即支付予 ZLIHK；及
 - (b) 為及代表 ZLIHK 並為 ZLIHK 的賬戶持有或承擔各受影響轉讓負債中的任何負債；
- (iii) ZLIHK 應由轉讓日起（自負費用）協助 ZLIC 履行 ZLIC 有關該等受影響轉讓資產、轉讓負債和轉讓保單下的義務並清償 ZLIC 有關該等受影響轉讓資產、轉讓負債和轉讓保單下的該等負債，否則，ZLIHK 應就 ZLIC 直接歸因於該等受影響轉讓資產、轉讓負債和轉讓保單招致的所有負債和任何合理的費用或開支對 ZLIC 作出彌償；及
- (iv) 在任何情況下，ZLIC 應由轉讓日起遵從 ZLIHK 就上文 (i) 款所述任何受影響的轉讓資產、轉讓負債和轉讓保單作出的指示，直至受影響的轉讓資產、轉讓負債和轉讓保單轉讓予 ZLIHK 為止，且 ZLIC 有權為所有該等目的就該等受影響的轉讓資產、轉讓負債和轉讓保單作為 ZLIHK 的代理人行事。

程序的繼續或開始

依據香港命令，於轉讓日當日並由轉讓日起，由 ZLIC 提起的或針對 ZLIC 提起的與轉讓保單、轉讓資產和轉讓負債有關的任何司法、準司法、紀律處分、行政、仲裁或法律程序、索賠或申訴（不論是現時的、未完結的、威脅的或將來的，包括尚未擬議的），應由 ZLIHK 取代 ZLIC，由 ZLIHK 繼續或開始提起或針對 ZLIHK 繼續或開始提起，而 ZLIHK 應享有與 ZLIC 就該等程序所享有的相同的辯護、索償、反索償及抵銷權。

新的 ZLIHK 保險基金

於轉讓日前，ZLIHK 應已設立 ZLIHK 壽險基金和 ZLIHK 股東基金。於轉讓日前在獲得了必要的監管批准後，ZLIHK 應已設立 ZLIHK 相連基金，以承保新的 C 類保單。由轉讓日起，ZLIHK 應設立 ZLIHK 瑞士個人基金。由轉讓日起，(i) 截至轉讓日前由 ZLIC 承保並且生效的所有 A 類保單（A 類中的瑞士個人壽險保單除外）應分配予 ZLIHK 壽險基金；截至轉讓日前由 ZLIC 承保並且生效的 A 類保單中的所有瑞士個人壽險保單應分配予 ZLIHK 瑞士個人基金；及截至轉讓日前由 ZLIC 承保並且生效的所有相連保單應分配予 ZLIHK 相連基金；(ii) (a) 截至轉讓日前分配予 ZLIC 壽險基金的所有轉讓資產（資金盈餘除外）應分配予 ZLIHK 壽險基金；(b) 截至轉讓日前分配予 ZLIC 瑞士個人基金的所有轉讓資產（資金盈餘除外）應分配予 ZLIHK 瑞士個人基金；(c) 截至轉讓日前分配予 ZLIC 相連基金的所有轉讓資產（資金盈餘除外）應分配予 ZLIHK 相連基金；及 (d) 截至轉讓日前分配予資金盈餘的所有轉讓資產應分配予 ZLIHK 股東基金；以及 (iii) (a) 截至轉讓日前分配予 ZLIC 壽險基金的所有轉讓負債應分配予 ZLIHK 壽險基金；(b) 截至轉讓日前分配予 ZLIC 瑞士個人基金的所有轉讓負債應分配予 ZLIHK 瑞士個人基金；及 (c) 截至轉讓日前分配予 ZLIC 相連基金的所有轉讓負債應分配予 ZLIHK 相連基金。

「資金盈餘」指所有類別業務的保單所產生的且歸屬於 ZLIC 股東的承保利潤。

ZLIC 根據上文「進一步或其他的行為或保證」該條為 ZLIHK 以信託形式持有的任何財產、資產或投資中的所有實益權益應分配予該等財產、資產或投資本應分配的相關基金（如適用）。根據上文「進一步或其他的行為或保證」該條須由 ZLIHK 清償的所有負債應分配予該等負債本應分配的相關基金（如適用）。

保費、委託書及其他指示

ZLIC(或其代理人)於轉讓日當日或之後就任何轉讓保單收到的或應收的所有保費、貸款還款(如有,及其利息)及其他款項於轉讓日之後均應支付予 ZLIHK(或其代理人)。

ZLIHK(或其代理人)應獲不可撤銷的授權,認可於轉讓日當日或之後 ZLIHK(或其代理人)收到的與轉讓保單下繳納保費或貸款還款(如有)有關的、收款人為 ZLIC(或其代理人)或憑 ZLIC(或其代理人)指示支付的任何支票、匯票、郵政匯單或其他票據以完成付款。

於轉讓日當日或之後, ZLIHK(自身或通過其代理人)應獨自負責計算及收取保費並繳付與轉讓保單下累算的保費有關的一切適用徵費及稅項。

於轉讓日當日有效並指定銀行或其他中介機構就任何轉讓保單支付應付予 ZLIC(或其代理人)或 ZLIC(或其代理人)收取之保費的任何委託書、自動轉賬授權、定期支付指令或其他指示,由轉讓日起並於轉讓日之後,應如同前述各項是以 ZLIHK(或其代理人)為受益人而指定和授權一般而生效。

計劃費用

ZLIC 香港分公司應以其自有資金支付與擬備本計劃及 ZLIHK 和其將本計劃呈交香港原訟法庭申請認許有關的所有費用以及與此相關的所有其他專業服務費用。該等費用不應由 ZLIC 或 ZLIHK 根據《保險業條例》維持的與其各自的長期業務、一般業務或者 ZLIC 或 ZLIHK 的其他保單或該等保單之保單持有人有關的基金承擔。

修改

在遵守本條最後一段規定的前提下, ZLIC 和 ZLIHK 可向香港原訟法庭申請其同意修改、變更或修訂本計劃的條款,但須滿足保監局或香港原訟法庭可能施加的任何條件。

在遵守本條最後一段規定的前提下,本計劃的條款應根據上一段中香港原訟法庭作出的同意(及施加的條件,如有)加以修改、變更或修訂。

糾正本計劃中明顯錯誤的修改、變更或修訂無須獲得香港原訟法庭的同意,但條件是,應就上述修改、變更或修訂向保監局作出通知,並且保監局表明其不反對上述修改、變更或修訂。

管轄法律

本計劃受香港法律管轄。

第 2 部

聆訊的其他資料

最終聆訊

關於認許計劃的呈請書聆訊將在香港原訟法庭進行。香港原訟法庭決定是否認許計劃的最終聆訊預定將於 2021 年 8 月 9 日 10 時舉行。

《保險業條例》規定，任何人士如聲稱其會因計劃的實行而受到不利影響，均有權於香港原訟法庭的呈請書聆訊中陳詞。

如果貴公司有意出席香港原訟法庭的聆訊，請貴公司於聆訊日期最好不少於三日前按照以下相同地址向 ZLIC 和 ZLIHK 的客戶服務中心發出表明此等意圖的書面通知並說明理由：-

香港港島東華蘭路 18 號港島東中心 25-26 樓

(所有信函均應引述參考編號 [HCMP 460/2021])

如果貴公司有意反對計劃但不願意親自出席香港原訟法庭的聆訊，貴公司應於聆訊日期不少於三日前按照上述相同地址向 ZLIC 和 ZLIHK 的客戶服務中心發出表明此等意圖的書面通知並說明理由。

附件 2

第 1 部：獨立精算師的主要評估

獨立精算師主要發表了下述意見：

- i. 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
- ii. 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就財務保障造成重大不利影響。
- iii. 獨立精算師信納計劃提供充分的保障，以確保計劃如所述般運作。

第 2 部：獨立精算師報告撮要

緒言

- 1.1. 本人，Paul Sinnott，獲委任根據香港《保險業條例》（「HKIO」）（香港法例第 41 章）第 24 條擔任獨立精算師，就位於瑞士的 Zurich Life Insurance Company Ltd.（「ZLIC」）向 Zurich Insurance Company Ltd.（「ZIC」）旗下之 Zurich Insurance Holdings (HK) Limited（「ZIH」）在香港註冊的新附屬公司——蘇黎世人壽保險（香港）有限公司（「ZLIHK」）轉讓所有 ZLIC 通過 Zurich Life Insurance Company Ltd 香港分公司（「ZLIC 香港分公司」）經營的長期保險業務（下稱「轉讓業務」）的擬議計劃（下稱「計劃」）之條款和可能造成的影響提供獨立意見。在本報告內，ZLIC，ZLIC 香港分公司與 ZLIHK 統稱為「有關方」。轉讓業務包括於 2021 年 9 月 1 日，即計劃的生效日（下稱「轉讓日」）前由 ZLIC 香港分公司承保的 A 類（人壽及年金）與 C 類（相連長期）保險業務。從 ZLIC 轉讓予 ZLIHK 的轉讓業務中的保險保單持有人，下稱為「轉讓保單持有人」，持有由 ZLIC 香港分公司承保的「轉讓保單」；計劃實施後仍由 ZLIC 承保的保險保單持有人，下稱為「非轉讓 ZLIC 保單持有人」，持有由 ZLIC（不包括由 ZLIC 香港分公司）承保的「非轉讓 ZLIC 保單」；而現時在計劃實施前由 ZLIHK 承保的保險保單持有人，下稱為「現有 ZLIHK 保單持有人」，持有「現有 ZLIHK 保單」。
- 1.2. 本人是 Milliman Limited（「Milliman」）的合夥人暨精算顧問。Milliman 的地址為香港北角電氣道 183 號友邦廣場 3901-02 室。本人是香港精算學會會員及英國精算師協會會員。
- 1.3. 在擬備本人就計劃的獨立精算師報告時，本人就所需內容已諮詢香港保險業監管局（「香港保監局」），並在適當情況下納入香港保監局的建議。本報告根據審慎監管局（「PRA」）於 2015 年 4 月發出的《審慎監管局對保險業務轉讓的處理方法》內的第 2 節第 27 條至第 40 條中的方法和預期編制。同時，本人已參考金融市場行為監管局（「FCA」）手冊中監管守則第 18 章（「SUP 18」），以及 FCA 在 2018 年 5 月於「金融市場行為監管局審查第七部保險業務轉讓之方法」第 6 章發布的進一步指引。此外，本人亦遵從英國精算師協會（「IFoA」）專業指引《APS X3：精算師在法律程序中的專業職責》中列明精算師就現有或擬議法律程序（包括英國管轄以外）提供專業意見時的守則。
- 1.4. 本人的審閱及意見範圍僅限於計劃對 ZLIC 及 ZLIHK 的長期保險保單持有人的影響，尤其是對轉讓保單持有人的影響，而並不包括審閱計劃對 ZLIC 及 ZLIHK 的股東的影響。本人僅考慮向本人提呈的計劃，並無考慮任何其他替代轉讓計劃。
- 1.5. 在執行本人職務時，本人已獲准自由查閱本人視為必要的資料、報告和文件。此外，本人亦可自由接觸有關方的代表以作出所需的討論。
- 1.6. 本文為本人於 2021 年 3 月 29 日簽發的獨立精算師報告的撮要文件。本人的工作範圍、考慮與結論、依據與限制，以及參考條款，均詳細記載於報告全文。轉讓保單持有人、現有 ZLIHK 保單持有人和其他有意者細閱者可於 ZLIC 香港分公司辦公室索取報告全文的副本。此外，在香港法院最終聆訊結束之前，均可於 Zurich 的網站（www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer）取得報告全文的電子版本。

關於轉讓業務的背景及本人的意見撮要

- 1.7. 計劃為蘇黎世保險集團有限公司（「蘇黎世集團」）香港業務重組的一部分，旨在為保單持有人提升金融穩定性及營運效能，包括簡化機構的審計程序與法規管理流程。《保險業條例》下，ZLIHK 已於 2020 年 3 月 23 日獲授權經營保險業務。
- 1.8. 按照擬定計劃及《保險業條例》第 24 條，ZLIC 香港分公司的所有長期保險業務將轉讓至 ZLIHK。執行轉讓計劃後，ZLIC 香港分公司將會結束業務；其營運執照亦會失效。根

據《保險業條例》第 40 條，ZLIC 香港分公司應於計劃完結時撤回其授權。因此計劃執行後將不會有任何 ZLIC 香港分公司的保單持有人。

1.9. 下為 ZLIC 香港分公司（轉讓前）和 ZLIHK（轉讓前後）的基金結構。

ZLIC 香港分公司基金結構（轉讓前）

ZLIC 香港分公司長期業務

ZLIC 香港分公司
壽險基金（A 類）

ZLIC 香港分公司
相連基金（C 類）

ZLIC 瑞士個人基金
（A 類）

ZLIHK 基金結構（轉讓前後）

ZLIHK 長期業務

ZLIHK
壽險基金
（A 類）

ZLIHK
瑞士個人基金
（A 類）

相連基金
（C 類）

ZLIHK
股東基金

- 1.10. 截至 2020 年 9 月 30 日 ZLIC 香港分公司業務僅限於 A 類（人壽與年金）和 C 類（相連長期）。主要產品包括萬用壽險、保障計劃（如死亡、危疾及醫療）、分紅和單位相連產品。A 類和 C 類業務的資產和負債的基金互相隔離。
- 1.11. 瑞士個人壽險保單，簡稱「瑞士保單」，其業務已停售。此產品為身處亞洲地區而預期會返回本國的外籍人士所買之保單。轉讓計劃後，ZLIHK 將會在其資產負債表上保留這些保單的負債，並通過再保險安排將風險轉移給 ZLIC，且將在轉讓計劃之前 ZLIC 負責的此類業務運營活動外判給 ZLIC（包括此類保單的保單服務、管理及賠付），以最大限度地減少潛在的直接客戶影響。ZLIHK 可能在其正常業務審查中重新評估優化瑞士保單的長期管理的安排，以決定是否應繼續進行再保險和外判安排。截至 2020 年 9 月 30 日，一共有 142 張現行保單。A 類中，瑞士保單因紅利政策的差異和其他 A 類分紅產品基金分開計算。ZLIHK 亦會維持類似做法。
- 1.12. 計劃實行後，ZLIHK 需要履行保單合約的條款，包括支付索償、保單紅利和所轉讓業務衍生的其他款項如行政開支。
- 1.13. 本人認為：
- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
 - 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就財務保障造成重大不利影響。
 - 本人信納計劃提供充分的保障，以確保計劃如所述般運作。
- 1.14. 在提出本人的意見時，本人考慮了下列所述的各個層面。就詳細的分析與結論，請參考報告全文。

計劃對轉讓保單持有人的利益期望的影響

分紅業務和萬用壽險業務

- 2.1. ZLIC 香港分公司將在轉讓日轉讓所有組成 A 類業務的分紅保單和萬用壽險保單。ZLIC 香港分公司的分紅業務於 2013 年停止接受新業務。分紅業務包括香港傳統年度紅利保單，香港傳統終期紅利保單和瑞士個人壽險保單。ZLIC 香港分公司的萬用壽險合同被稱為人生保障產品。人生保障產品分為 3 代，包括舊式，“2003 系列”和新式人生保障產品。
- 2.2. 委任精算師每年對傳統分紅產品的紅利率進行審查，並要獲得董事會的批准。截至 2018 年底，ZLIC 香港分公司尚未對分紅保單的紅利率進行任何調整。2019 年和 2020 年的分紅研究根據 ZLIC 香港分公司傳統分紅產品的現行分紅政策中規定的原則和方法，建議在 2020 年或 2021 年初削減 40% 的分紅。此些建議僅基於 ZLIC 香港分公司本身的考慮，未有考慮與轉讓相關的因素。雖然此項建議完全不受轉讓影響，但本人獲告知 ZLIC 香港分公司在考慮過保單持有人的合理期望及競爭對手的行為後，無意在轉讓前為分紅保單的紅利率作任何調整。在轉讓後，ZLIHK 將在將來正常年度紅利審查程序中作出相關決定。本人獲告知，在 2019 年之前不調整紅利率的理由如下：
- 鑑於預計在早年會派發少量紅利和考慮到紅利調整程序的運營成本，平滑的紅利調整（最多削減 40%）不會給分公司帶來實質性的財務利益；及
 - 與競爭對手的行動保持一致，以將其主要產品在最初的幾個保單年度內的分紅履行比率保持在接近 100% 的水平
- 2.3. ZLIHK 已承諾在轉讓業務後將繼續按照 ZLIC 香港分公司沿用的紅利方法進行年度紅利審查，由此可能需要根據未來紅利審查時分紅業務的實質盈餘或赤字狀況來調整紅利，其中亦會考慮其他因素，包括財務利益的重要性、競爭對手的行為以及其他與轉讓無關的因素。由此，轉讓並不會在未來的紅利審查中作為決定紅利派發的考慮因素。本人獲告知，鑑於現有 ZLIHK 的內部管理體系以及其管理團隊為蘇黎世集團的同一管理團隊，與保單持有人所溝通的分紅機制及準則將與轉讓前一致並在未來被實行。
- 2.4. 本人獲告知，ZLIHK 在計劃實施前將沿用目前用於萬用壽險業務的派息設定機制。
- 2.5. 有關方已確認，該計劃不會對分紅保單和萬用壽險保單的現有原則和方法，資產分配目標和投資指示產生任何重大變化。同時，應當注意 ZLIHK 的管理層有權更改現有分紅政策的原則和方法，並且該權利在計劃實施後不會改變。
- 2.6. 根據本人的審查，ZLIHK 打算在計劃實施後使用當前分紅業務的分紅設置和當前萬用人壽業務的派息率原則和方法。本人認為這些措施以及 ZLIHK 對更改現有方法的管理能提供足夠保障予保單持有人。因此在實施該計劃之後，保單持有人應期望得到與計劃實施之前類似的待遇。

轉讓業務的資產配置和投資政策

- 2.7. ZLIC 香港分公司的投資活動受投資指示的約束。這些指示規定了戰略資產分配、投資限制和審批程序。
- 2.8. 有關方已確認，如果 ZLIHK 的產品組合在計劃實施後沒有重大變化，則 ZLIC 香港分公司的遺留債務相關的戰略資產分配不會發生重大變化。有關方還確認，計劃實施後，將無意對 ZLIC 香港分公司對支持轉讓保單的資產的現有投資策略和內部治理作重大變化。

單位相連保單的收費和投資

- 2.9. 對於現有的單位相連產品，儘管 ZLIC 香港分公司過去沒有對保單收費進行調整，但 ZLIC 香港分公司擁有更改保單收費的廣泛權利，以及收取其他管理費用的權利。根據條款保單規定，在任何變更生效之前，保單持有人將提前獲得書面通知。無論該計劃是否進行，這些權利將被 ZLIHK 繼續保留。

- 2.10. 本人獲告知，在計劃實施後確定無保證收費水平的過程和原則不會因轉讓而改變。基於這些考慮，本人無理由相信該計劃將對轉讓保單持有人的酌情收費造成重大不利影響。

合約利益相關條款

- 2.11. 按照計劃，ZLIHK 將承諾繼續向 ZLIC 香港分公司的轉讓保單持有人支付合約利益。本人獲告知在計劃實施後，這些保證利益將不會改變。上述保單持有人的權利（在現有保單文件內界定）均相同。

其他具公司酌情權的保單

- 2.12. 對於部分綜合計劃及大部份附加保障保單，包括可續保定期壽險、意外及醫療保障及危疾保障，ZLIC 香港分公司具有廣泛的保險保費調整權利，在保險條約下於每次保單續保日或每次保單周年日或每五年或任何保單周年日對保費作出調整。根據計劃，ZLIHK 在轉讓保單上將保留相同的權利。然而，不論計劃實施與否，該等權利均存在。因此，本人無理由相信計劃會對於與 ZLIC 香港分公司的轉讓保單持有人相關酌情權的行使造成重大不利影響。

關於計劃的成本與費用

- 2.13. 該計劃引致的總費用將由 ZLIC 的股東承擔，並通過 ZLIC 香港分公司支付。ZLIC 香港分公司已確認，計劃引致的相關的費用及開支將不會導致增加向保單持有人收取的單位費用，或降低派付給保單持有人的酌情利益水平。因此，本人並無理由相信該計劃會對轉讓保單持有人將在這方面造成重大不利影響。

稅務影響

- 2.14. ZLIHK 將選擇與 ZLIC 香港分公司相同的評稅基礎，而該利得稅計算方法是根據總應評稅利潤及所選擇的稅率而定。另外，有關方已告知本人，ZLIC 香港分公司的所有稅務餘額將轉讓予 ZLIHK。鑒於轉讓業務的稅務制度在計劃實施後將保持不變，本人無理由相信計劃會因稅務相關因素而對轉讓保單持有人造成重大不利影響。

保單條款及細則

- 2.15. 本人獲告知，除了將對 ZLIC 香港分公司的引用替換為 ZLIHK 之外，有效保險保單中的條款和細則不會因計劃的實施而改變。在計劃的實施後，保險保單中有關於保單貸款的條款和細則亦將保持不變。就此而言，本人並無理由相信計劃本身將對保單持有人的保單條款及細則構成重大不利影響。

合理利益期望結論

- 2.16. 總而言之，計劃不會對 ZLIC 香港分公司的轉讓保單持有人（包括瑞士個人壽險保單的保單持有人）的合理利益期望造成重大不利影響。

計劃對轉讓保單持有人的財務保障的影響

- 3.1. 保單持有人合約利益的保障，可按長期業務基金的超額資產加上股東資產淨值來量度。影響該等保障的因素有：採用估值基礎的保守程度，其資本和自由儲備金，其整體上可以提供的額外安全保障，以及其股東可以提供的任何潛在支持。
- 3.2. 本人亦考慮了 ZLIHK 在計劃實施後的預期整體償付能力狀況及其日後的潛在發展。

財務保障準備金

- 3.3. 為保障保單持有人，保險公司會維持三種資產層，分別為保單儲備金、最低償付準備金及超額資產，首兩層的資產是按照法例規定必須維持的。

- **保單儲備金：**支持根據相關合約義務計算的保單負債的資產。估值準則是法定規則訂明的。
- **最低償付準備金：**由法定規例訂明（其中包括滿足最低償付能力要求所需的資產），作為保險公司承擔的負債風險的相關準備金。
- **超額資產：**超出法定最低償付準備金的資產（可用佔最低償付準備金的百分比表示）

保單儲備金

- 3.4. 依照所須遵守的估值準則，ZLIC 香港分公司此前已按符合香港監管準則的既定方法和估值基礎，並參照香港《保險業條例》第 41 章和香港精算學會發出的精算指引，為轉讓業務建立了儲備金。
- 3.5. 在 ZLIC 香港分公司準備法定估值報告的流程中，現時的做法是由 ZLIC 香港分公司的委任精算師每年向 ZLIC 董事會提議估值方法及相關的估值假設以作法定估值用途。
- 3.6. 在計劃實施後，以上程序將保持不變，即 ZLIHK 的委任精算師每年仍向 ZLIHK 董事會提供有關轉讓業務和 ZLIHK 新業務的估值方法及估值基礎的建議。由於沒有建議要在計劃實施後改變決定估值方法及假設的程序，因此本人沒有理由相信這方面會對轉讓保單持有人的財務保障造成不利影響。

償付能力比率

- 3.7. ZLIC 是 ZLIC 香港分公司的母公司，在瑞士註冊成立，因此其償付能力受瑞士償付能力測試（「SST」）框架的約束，以確定其風險基準資本。ZLIC 在 SST 基礎上的歷史償付能力狀況如下所示。

表 1: ZLIC 的償付能力比率（以 SST 為基礎）

百萬瑞士法郎	2017 年 12 月	2018 年 12 月	2019 年 12 月	2020 年 9 月**
目標資本	2,858	3,286	4,524	4,601
支撐風險之資本	5,989	7,002	7,635	7,749
市場價值邊際	778	820	1,409	1,453
償付能力比率*	251%	251%	200%	200%

*由於四捨五入，該表得出的數字可能不同

** FINMA 並沒有要求此數字。數字亦未經 FINMA 審核且是由 ZLIC 估算得出。目前只有截至 2020 年 1 月 1 日或 2019 年 12 月的 SST 是與 FINMA 相關。

來源：截至 2020 年 9 月的估算 SST 數據屬 ZLIC 內部非公開資訊。

- 3.8. ZLIC 香港分公司為了此計劃，估算了整個 ZLIC 法人實體在 HKIO 基礎下的償付能力狀況。基於 HKIO 基礎下的儲備金與舊的瑞士償付能力 I 儲備金非常相似，因此當使用《保險業（償付準備金）規則》時，舊的瑞士償付能力 I 儲備金將替代 HKIO 儲備金以進行近似計算。該計算使用的公開資料包括當地法定儲備金以及 ZLIC 的保額和保費。以下表 2 羅列了 ZLIC 的 HKIO 基礎下估算的償付能力狀況歷史。

表 2: ZLIC 的償付能力比率 (以 HKIO 為基礎)

百萬瑞士法郎	2017 年 12 月	2018 年 12 月	2019 年 12 月	2020 年 9 月**
最低償付準備金	960	990	1,019	1,011
淨資產	3,505	3,122	3,609	3,436
償付能力比率*	365%	315%	354%	340%

* 由於四捨五入，該表得出的數字可能不同

** 基於 ZLIC 內部非公開資訊得出。

3.9. ZIC 是 ZLIHK 最終母公司，也是 ZLIC 的控股公司及母公司。類似於 ZLIC，ZIC 成立於瑞士，其償付能力受制於 SST 框架，以計算其風險資本。以下表 3 羅列了 ZLIC 在 SST 基礎上的歷史償付能力狀況。

表 3: ZIC 的償付能力比率 (以 SST 為基礎)

百萬美元	2017 年 12 月	2018 年 12 月	2019 年 12 月**
目標資本	24,573	22,280	24,687
支撐風險之資本	43,181	41,628	45,961
償付能力比率*	212%	225%	241%

* 由於四捨五入，該表得出的數字可能不同

** 2019 年 12 月後沒有更新的資訊可提供，因 ZIC 的償付能力比率每年僅計算一次。

來源：ZIC 2018 年和 2019 年的財務狀況報告。

3.10. 有關方還評估了 ZLIHK 在計劃之前和之後的預測償付能力狀況，以用作評估該計劃的影響。

表 4: ZLIHK 於 2021 年 9 月 1 的償付能力比率 (以 HKIO 為基礎)

百萬港元	計劃前	計劃	計劃後
最低償付準備金	4	111	115
淨資產	152	582	734
償付能力比率*	3779%	523%	637%

* 由於四捨五入，該表得出的數字可能不同

表 5: ZLIHK 的預測償付能力比率 (以 HKIO 為基礎)

百萬港元	2021 年 1 月 1 日 ^(*)	2022 年 1 月 1 日	2023 年 1 月 1 日
最低償付準備金	2	119	127
淨資產	204	721	675
償付能力比率**	9438%	604%	533%

* 2021 年 1 月的償付能力比率乃轉讓日前的償付能力狀況。

** 由於四捨五入，該表得出的數字可能不同

- 3.11. 有關方已確認，ZLIHK 的實收資本已被投資於短期定期存款而不受 COVID-19 大流行導致的資本市場波動的影響。
- 3.12. 本人獲有關方告知，如果 ZLIHK 的償付能力比率低於 200%，或者預計 ZLIHK 的償付能力比率可能會低於 200%（以當地法規為基準），有關方將尋求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZIC 通過 ZIH（ZLIHK 的股東）注資，以達到目標償付能力比率。
- 3.13. 本人比較了 ZLIC（ZLIC 香港分公司的母公司）與 ZIC（ZLIHK 的最終母公司）的歷史償付能力狀況。從表 1 和表 3 可見，兩個實體的償付能力狀況非常相似，兩者 2017 年至 2020 年 9 月的償付能力狀況在 200%至 250%的範圍內，這意味著兩者的財務實力相當。
- 3.14. 由於 ZLIHK 並無以 SST 為基礎的預計償付能力狀況，本人在以 HKIO 為基礎下，比較了 ZLIHK 預計在計劃實施的償付能力狀況與 ZLIC 當前的償付能力狀況。從表 2 和表 5 可見，在 HKIO 基礎下，ZLIHK 預計計劃後的償付能力比率高於 ZLIC 當前的償付能力比率，這對轉讓保單持有人的財務保障有正面作用。

動態償付能力測試

- 3.15. 此外，動態償付能力測試（「DST」）在多種可能的不利情況下校驗了 ZLIC 香港分公司在計劃前和 ZLIHK 在計劃後的償付能力狀況。
- 3.16. 預測結果顯示，ZLIC 香港分公司在轉讓之前以及 ZLIHK 在轉讓之後的償付能力遠超過可接受的償付能力要求，即香港法定最低償付能力要求的 200%。儘管實際的償付能力比率可能會隨時間和實際運營情況而變化，但無論如何，按照相關法規，ZLIHK 的委任精算師有責任來確保 ZLIHK 滿足法定最低資本要求。

資本管理政策

- 3.17. 有關方表示，ZLIC 香港分公司多年來建立的內部目標償付能力比率範圍為 200%-250%，而且當自由資產超過此水平至一定程度時，才會考慮派發股東股息。香港保監局要求 ZLIC 香港分公司每週監控其償付能力狀況，並保留超過最低償付能力要求的 200%償付能力資本，但是 ZLIC 香港分公司的資本返還則不需要徵得香港保監局的批准。為確保有緩衝空間，ZLIC 香港分公司將保留最低償付能力要求的 200%至 250%之間的本地資本。此外，由於 ZLIC 的資本要求也受瑞士金融市場監督管理局（「FINMA」）的監管，目標償付能力比率處於較高水平區間。
- 3.18. 如果 ZLIC 香港分公司的償付能力比率低於 200%，該分公司求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZLIC 注資。
- 3.19. 本人獲告知，在計劃實施之後，有關方打算採用類似方法將 ZLIHK 的償付能力比率控制在 225%的內部目標。這與蘇黎世集團的風險政策相符，即其持有的資本數量等於當地監管實體的法定最低資本，再加上足夠的議定緩衝以承受短期波動。蘇黎世集團致力管

理其內部物質資本，以使其所有受監管實體均具有足夠的資本，以符合相關的監管資本充足性要求。

- 3.20. 如果 ZLIHK 的償付能力比率低於 200%，或者預計 ZLIHK 的償付能力比率可能會低於 200%（以當地法規為基準），ZLIHK 將尋求蘇黎世集團的協助以籌集償付能力資本，或尋求 ZIC 通過 ZIH（ZLIHK 的股東）注資，以達到目標償付能力比率。此外，本人獲有關方通知，在獲發牌照時，ZLIHK 向保監局提交了一份承諾書，其中列明母公司承諾會維持 ZLIHK 的償付能力比率高於 150%法定最低償付能力比率。

風險承擔

- 3.21. 如按照 ZLIHK 的計劃，在 2020 年 3 月 23 日獲得許可批准後，一項新定期產品已經於 2020 年第三季度推出。截至 2020 年 9 月 30 日 ZLIHK 有 13 張新保單，並預計在實施計劃時仍只會少量新保單。ZLIHK 計劃在接近 2021 年早期的運營初期繼續承保非分紅保障業務。就保險風險而言，ZLIC 香港分公司目前的業務範圍比計劃實施前的 ZLIHK 較廣。因此，ZLIHK 的風險狀況有望與 ZLIC 香港分公司的風險狀況相似。
- 3.22. ZLIHK 計劃在度過初始運營階段並獲得相關產品批准後，開始為各種屬於 A 類，C 類或單位相連基金的個人壽險業務提供承保。
- 3.23. ZLIC 香港分公司已為其 A 類業務和 C 類業務制定了再保險安排，而這種安排將在計劃實施後繼續。這提供了額外的保障。此外，ZLIC 香港分公司和 ZLIHK 都必須遵守蘇黎世風險政策。
- 3.24. 基於上述考慮，本人尚未發現任何因實施該計劃而導致的額外風險承擔將可能損害任何一組轉讓保單持有人的合同權利。

投資政策

- 3.25. 有關方已確認，無意在計劃實施後對 ZLIC 香港分公司目前被用作支持轉讓保單的資產的現有投資策略作大重大變化。

風險政策

- 3.26. ZIC 和 ZLIC 受瑞士金融市場監督管理局的監管和監督，其中有對風險管理的規定要求。ZIC 和 ZLIC 的風險管理均符合這些管制措施，並被記錄在蘇黎世風險政策（「ZRP」）中。該政策為所有子公司設定了有效風險管理的標準，而 ZLIC 香港分公司和 ZLIHK 制定風險政策時均參照蘇黎世集團的政策。因此，ZLIC 香港分公司和 ZLIHK 的風險管理框架不應有任何明顯的偏差。
- 3.27. 特別的是，ZLIC 香港分公司的風險承受能力聲明遵循蘇黎世集團的治理和當地的法定要求。ZLIHK 目前亦正在採用相同的做法。風險承受能力聲明為每種風險類別的風險承擔方法和風險偏好（其中風險偏好分為低偏好/中度偏好/高偏好）設置關鍵要求，並結合了明確和可量化的關鍵績效指標及承受能力。總體而言，ZLIC 香港分公司和 ZLIHK 的風險偏好框架相似，適用於 ZLIC 香港分公司和 ZLIHK 的風險標準的目標水平沒有重大差異，並且有關方已確認新實體的風險偏好基本不變。

監管覆蓋

- 3.28. 在計劃涉及由瑞士母公司下的香港分公司變為香港子公司的情況下，本人需要由法律角度考慮對轉讓保單持有人的財務保障的影響。本人已從下列兩個角度考慮監管覆蓋的影響：
- **監管框架及償付能力監管要求：**本人參考了由國際貨幣基金組織撰寫，名為「詳細遵守評估 - 保險核心原則」的報告。報告對香港及瑞士的監管框架及償付能力監管要求均有高度評價。更重要的是，在日常監管方面，香港保監局一直都保持對 ZLIC 香港分公司及 ZLIHK 分公司的香港營運的監管和監督權。

- **對保單持有人的保障：**儘管此前在香港已經發布了有關該主題的諮詢文件，目前瑞士及香港均沒有條例或保障計劃為保險保單持有人在保險公司出現資不抵債時提供保障。因此，由此角度出發，計劃並不會令轉讓保單持有人處於更不利的情況。另外，在計劃實施前，由於 ZLIC 香港分公司是 ZLIC 作為母公司的一部分，當母公司需要清盤時，香港分公司將自動被清盤。不過，在計劃實施後，因 ZLIHK 作為子公司，當母公司進行清盤時，ZLIHK 則不會受到影響。

財務保障的結論

3.29. 總結以上評估，本人認為：

- 在 HKIO 基礎下，ZLIHK 預計計劃後的償付能力比率高於 ZLIC 於 2020 年 9 月 30 日的償付能力比率，這對轉讓保單持有人的財務保障有正面作用。
- 根據以上提及的政策，本人得知在 ZLIHK 面臨財務困難的極端情況下，利用資本管理政策的支持，轉讓保單持有人在實施該計劃後將繼續受到 ZIC 財務實力的保護。本人認為這是在計劃實施後保持轉讓保單持有人財務保障的重要因素。
- 根據我的上述評估，本人認為計劃不太可能使 ZLIC 香港分公司的轉讓保單持有人面臨重大的新風險。本人得出以下結論：計劃實施後不會對轉讓保單持有人的財務保障造成重大不利影響。

其他考慮因素

服務水平

3.30. 有關方已確認在計劃實施後，對所有保單持有人的服務水平目標將保持不變。對於單位相連保單持有人，保單持有人目前可選擇的現有基金將不會因計劃的實施而受到影響。

再保險安排

3.31. 有關方已確認，現有的再保險安排的條款和細則將在計劃實施後保持不變。

3.32. 本人認為上述各個營運領域，包括所提供的服務水平，都不會對轉移保單持有人產生重大負面影響。該計劃應提供足夠的保障以確保計劃按所述運作。

計劃對非轉讓 ZLIC 保單持有人的利益期望和財務保障的影響

4.1. 在本人於評估計劃對非轉讓 ZLIC 保單持有人的利益期望和財務保障的影響時，依賴了 ZLIC 的委任精算師及 ZLIC 的總精算師的專業意見。

利益期望

非轉讓業務的實質性

4.2. ZLIC 香港分公司僅佔 ZLIC 總業務的一小部分。截至 2020 年 9 月 30 日，其僅佔母公司總保險儲備金和單位相連合同準備金的 2.6%。

合約利益相關條款

4.3. 在對合約利益相關條款提出意見時，本人並未查看 ZLIC 提供的合約利益相關條款。然而，鑑於 ZLIC 香港分公司僅佔 ZLIC 整體業務的一小部分，我同意委任精算師和總精算師關於非轉讓 ZLIC 保單持有人的利益期望的意見，即認為 ZLIC 支付有效索償的能力以及在其他合約事項中適當行事的能力應該保持不變。

分紅政策

4.4. ZLIC 的大多數業務都屬於分紅業務，包括個人壽險業務、企業壽險和養老金業務。

4.5. 有關方已確認，本計劃將不會改變分紅原理和派息原理。

其他具公司酌情權的保單

- 4.6. ZLIC 非轉讓業務中的單位相連產品的收費結構包括每月費用，例如年度管理費、保單管理費、分配/設置收費、要約價差、退保費和利益收費。在任何更改生效之前，保單持有人將根據保單條款提前收到書面通知。這些權利將被 ZLIC 繼續保留，並且無論該計劃是否進行都存在。
- 4.7. 有部分 ZLIC 的產品可以將儲蓄資金轉換為一系列年金支付。轉讓不會影響這些產品在轉換時用於將儲蓄資金轉換為年金的適用轉換率。
- 4.8. 總而言之，除了無論計劃實施與否，都存在的改變投資相關費用的權利外，本人沒有理由相信對於非轉讓 ZLIC 保單持有人而言，計劃將導致公司行使酌情權而造成重大不利影響。

保單條款及細則

- 4.9. ZLIC 的委任精算師和總精算師均已確認，有效的非轉讓 ZLIC 保單條款及細則將不會因計劃而改變。

財務保障

瑞士金融市場監督管理局的監督

- 4.10. ZLIC 受瑞士金融市場監督管理局保險監督。《瑞士保險監督法》（「ISL」）要求瑞士保險公司建立和維持公司管治體系，包括一套適用於其業務活動的內部控制系統和有效的風險管理系統。除了由瑞士金融市場監督管理局進行的監督外，ZLIC 及其分公司還需應當地有關監督機構的要求而受到監督。
- 4.11. ZLIC 根據瑞士償付能力測試（「SST」）評估其償付能力。在執行 SST 時，ZLIC 將評估其償付能力和財務狀況，而且必須每年提交 SST 比率予瑞士金融市場監督管理局。

財務保障準備金

- 4.12. 為了保障在瑞士的保單持有人，保險公司必須根據瑞士償付能力測試以保持充足的保單儲備金和償付準備金。

保單儲備金

- 4.13. ZLIC 一直在瑞士監管制度下向瑞士金融市場監督管理局報告，由委任精算師和審計師證明其符合《瑞士保險監督條例》（「AVO」）和 ZLIC 業務計劃中指定的精算要求。委任精算師需負責估值方法和適當的精算假設的設定。在計劃實施後，上述程序和職責將保持不變。在計劃實施前後，確定估值和假設的方法亦不會出現變化。

整體財務狀況及股東資本

- 4.14. ZLIC 是保持雄厚資本實力的蘇黎世保險集團的一部分。ZLIC 擁有充足的資本，並預計在轉讓日具有穩定的償付能力比率，並且該公司預計在計劃實施後也會保持相同狀況。
- 4.15. 鑑於轉讓業務的規模對 ZLIC 相對而言並不重要，加上如上所顯示的 ZLIC 預計償付能力狀況，本人同意委任精算師和總精算師的意見，即預計該轉讓不會對非轉讓 ZLIC 保單持有人的財務保障造成重大不利影響。

風險承擔

- 4.16. 由於與非轉讓業務相比，轉讓業務的規模較小（截至 2020 年 9 月，僅佔 ZLIC 業務總量 2.6%），因此非轉讓業務的風險承擔不會因計劃實施而發生重大變化。

資本管理政策

- 4.17. ZLIC 長期維持其風險承受能力聲明，其中包括了一個包含捆綁資產，法定股東權益和 SST 償付能力在內的覆蓋範圍超出瑞士法律法規要求的框架。其風險承受能力聲明在計劃實施後將繼續適用，因此該計劃不會改變資本管理政策。

風險政策及風險管理框架

- 4.18. 本人獲告知，ZLIC 的風險政策和風險管理框架不會因計劃而改變。

投資政策和貨幣風險對沖

- 4.19. 由於轉讓業務分隔於 ZLIC 母公司和非轉讓業務，因此在計劃實施後投資政策/投資策略以及貨幣對沖工具和策略不會發生變化。

股東基金及股東股息政策

- 4.20. ZLIC 擁有一個全面的框架以向其所有者 ZIC 派息。股息金額受到 ZLIC 持有的資本與其風險承受能力聲明及其他法律要求限制。分配股息時的考慮因素包括股東基金水平，償付能力比率和其他指標。
- 4.21. 轉讓不會對 ZLIC 股東基金或 ZLIC 的股息政策造成重大影響。

其他考慮因素

保單持有人服務

- 4.22. 對於非轉讓單位相連保單持有人，ZLIC 非轉讓長期保單持有人目前可選擇的現有基金將不會因計劃的實施而受到影響。

再保險安排

- 4.23. 目前的再保險安排包括一套非香港和相對低風險的再保險條約，以及一套涉及轉讓業務的再保險條約。由於香港的再保險條約將與業務一起轉讓，因此其他非香港條約不受影響。

分銷協議

- 4.24. 鑑於 ZLIC 香港分公司已不接受新業務，因此沒有與轉讓業務有關的有效分銷協議需被考慮。雖然有多個有關非轉讓業務的分銷協議，但是這些協議不會受到轉讓的影響且不會發生變化。

服務水平

- 4.25. 由於 ZLIC 香港分公司的業務只佔 ZLIC 整體業務的一小部分，本人獲告知，這些保單的轉讓對提供給非轉讓保單持有人的服務水平的影響微不足道。

計劃對現有 ZLIHK 保單持有人的利益期望和財務保障的影響

- 5.1. 在本節中，已知 ZLIHK 在 2020 年 7 月開始分銷保單的情況下，本人考慮了該計劃對現有 ZLIHK 保單持有人的影響。截至 2020 年 9 月 30 日 ZLIHK 有 13 張新保單，保費總值為 10 萬 3 千港元。

利益期望

合約利益相關條款

- 5.2. 儘管 ZLIHK 提供的合約利益尚未最終確定，但本人從 ZLIHK 的委任精算師獲悉，在實施該計劃後，向現 ZLIHK 有保單持有人提供的合同利益將不會發生變化。有效索賠將按照與計劃之前相同的方式繼續支付。

其他具公司酌情權的保單

- 5.3. ZLIHK 在 2020 年 3 月 23 日獲得許可批准後，已經開始發行個人非相連保單（A 類）。單位相連保單將在 ZLIHK 從監管機構獲得必要的 C 類產品批准後發布。
- 5.4. 本人獲有關方通知，對於 A 類業務，如按照 ZLIHK 當前的 2020 計劃，一項新定期產品已經於 2020 年第三季度推出。ZLIHK 將在 2021 年第三季度前推出新危疾保障產品。ZLIHK 將繼續監察合資格延期年金保單（“QDAP”）的市場發展，以評估在將來推出這種退休解決方案的可能性。不過，為了與 ZLIHK 僅提供非分紅 A 類產品的策略一致，任何年金產品都將在固定年金期間提供保證的現金價值，而且並不具有酌情的部分。由於尚未有進入 QDAP 市場的決定，而即使發生這種情況，QDAP 年金產品的預期銷售額並不高，因此其已從 ZLIHK 目前準備中的 2021 年業務計劃中排除。本人還獲有關方告知，由於最近的 COVID-19 大流行，儘管總體計劃保持不變，但推出各種產品的時間會稍有延遲。
- 5.5. 對於無保證費用和收費的 C 類業務，ZLIHK 擁有更改保單收費的廣泛權利，並有權對保單收取任何其他管理費用，前提是保單持有人在變更前事先得到書面通知。
- 5.6. 總而言之，除了無論計劃實施與否，都存在的改變投資相關費用的權利外，本人沒有理由相信對於現有 ZLIHK 保單持有人而言，計劃將導致公司行使酌情權而造成重大不利影響。

保單條款及細則

- 5.7. ZLIHK 的委任精算師已確認，計劃不會令現有 ZLIHK 保單的保單條款及細則發生變化。

財務保障

- 5.8. 與本人對轉讓保單持有人的評論相同，在考慮計劃對現有 ZLIHK 保單持有人財務保障的影響時，本人的主要考慮了有：將被採用估值基礎的保守程度，其資本和自由儲備，其作為實體在整體上可以提供的額外安全保障，以及其股東可以提供的任何潛在支持。

保單儲備金

- 5.9. ZLIHK 一直根據香港監管制度作出報告，由委任精算師和審計師證明其遵守香港《保險業條例》第 41 章。
- 5.10. 計劃實施後，ZLIHK 的委任精算師仍會每年向 ZLIHK 董事會提供估值方法及估值基礎的建議，這程序將保持不變。由於沒有建議要在計劃實施後改變決定估值方法及假設的程序，因此本人沒有理由相信這方面會對現有 ZLIHK 保單持有人的財務保障造成不利影響。

整體財務狀況及股東股本

- 5.11. 由表 4 可見，ZLIHK 預計在計劃前後 HKIO 基礎下的償付能力比率都處於十分高水平；遠高於法定最低要求和大多數保險公司所能達到的水平。
- 5.12. 表 5 顯示了 ZLIHK 計劃後 HKIO 基礎下預計在轉讓日及其後的預測年份的償付能力比率。基於以上數據，從償付能力角度來看，本人沒有理由相信計劃會對現有 ZLIHK 保單持有人的財務保障造成重大不利影響。

其他考慮因素

集團政策

- 5.13. 鑑於在計劃實施後，最終母公司仍保持不變，並且所有集團政策將繼續適用，因此我認為集團結構的變化不會為現有 ZLIHK 投保人帶來任何重大不利影響。

總結

- 6.1. 經過上述考慮，本人認為：

- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司的轉讓保單持有人，就利益及服務水平的合理期望造成重大不利影響。
- 計劃不會對 ZLIC 及 ZLIHK 的保單持有人，尤其是對於 ZLIC 香港分公司轉讓保單持有人，的財務保障造成重大不利影響。
- 本人信納計劃將提供充分的保障，以確保計劃如所述般運作。

依據及限制

- 7.1. 此撮要受本人於 2021 年 3 月 29 日簽發的完整獨立精算師報告中所列的相同和限制條款的約束。
- 7.2. 此中文撮要為英文版本譯本，如中、英文兩個版本有任何抵觸或不相符之處，一切以英文版本為準。

Paul Sinnott

英國精算師協會會員 (FIA)

獨立精算師

2021 年 5 月 5 日

常見問題

1. 蘇黎世為何要將 ZLIC 在香港或從香港經營的長期業務轉讓予 ZLIHK?

將 ZLIC 在香港或從香港經營的所有長期業務轉讓予 ZLIHK（「擬議轉讓」）是蘇黎世集團戰略舉措的一部分。ZLIC 和 ZLIHK 認為轉讓將帶來以下益處：

- (a) 提高集團內部審計和監管合規的效率；由於 ZLIHK 於香港註冊成立，因此僅須遵守香港監管制度，而無須額外遵守適用於 ZLIC 香港分公司的瑞士監管要求；
- (b) 提高蘇黎世集團人壽保險業務的經營效率；
- (c) 將決策權分配予蘇黎世集團內的不同實體，從而改進蘇黎世集團人壽保險業務的經營，使蘇黎世集團內每個地區能夠實施最符合其市場、保單持有人和股東需要的策略；
- (d) 更好地按地區調整蘇黎世集團的業務；及
- (e) 簡化 ZLIC 的公司結構，消除 ZLIC 內部因其香港和非香港業務適用不同的風險狀況和監管制度而造成的壓力，從而提高集團內部的合規效率。

2. ZLIHK 的背景情況如何？ZLIHK 的擁有人是誰？ZLIHK 將如何獲得資金？

ZLIHK 於 2018 年 5 月 7 日於香港註冊成立。ZLIHK 是 Zurich Insurance Holdings (Hong Kong) Limited 的全資附屬公司，Zurich Insurance Holdings (Hong Kong) Limited 則是 Zurich Insurance Company Ltd（「ZICL」）的全資附屬公司。ZICL 是一家全球保險公司，其管理的資產約為 303,433,000,000 美元（截至 2020 年 12 月 31 日，包括集團投資和單位相連投資，以及由第三方管理、賺取費用的資產）。

3. 擬議轉讓將如何進行？

為接管由 ZLIC 經營的業務，ZLIHK 已於 2020 年 1 月 2 日向保監局呈交申請，以獲授權經營 A 類及 C 類保險之長期業務。保監局已於 2020 年 3 月 23 日向 ZLIHK 授予正式授權。

根據轉讓計劃（「計劃」），在獲得香港原訟法庭（「香港原訟法庭」）批准的前提下，您於轉讓日（定義見下文）前於 ZLIC 香港分公司投保的長期保單（不論生效、過期、終止、到期或放棄）將依據《保險業條例》（香港法例第 41 章）（「《保險業條例》」）第 24 條轉讓予 ZLIHK。

擬議轉讓預計將於 2021 年 9 月 1 日或香港原訟法庭批准的其他日期（「轉讓日」）生效。

由轉讓日起，ZLIHK 將負責為您的保單提供保險保障及服務，包括處理索償。

我們已在香港政府憲報以及香港的英文虎報和星島日報中刊登擬議轉讓的公告。

本擬議轉讓的相關資料亦刊載於我們的網站 www.zurich.com.hk/zh-hk/important-notice/portfolio-transfer。計劃獲得香港原訟法庭認許並生效後，我們將以書面方式通知您。

有關香港原訟法庭對計劃進行最終呈請書聆訊的資訊，請參閱本函附件 1 第 2 部「聆訊的其他資料」的內容。

4. 如何了解計劃的詳情？

我們已根據《保險業條例》第 24 條擬備計劃，計劃撮要附於本函之後。您亦可於 2021 年 6 月 17 日當日或之前於星期一至星期五（公眾假期除外）上午 9 時至下午 5 時 30 分（香港時間），前往我們位於香港港島東華蘭路 18 號港島東中心 25-26 樓的辦事處查閱計劃文件。一位獨立精算師被委任就擬議轉讓對 ZLIC 和 ZLIHK 的保單持有人所造成的影響（如有）發表專業意見，而他的意見認為這不會造成任何重大不利影響。

5. 我們的保單條款或各方在保單下的權利和義務是否會有任何變更？

不會有任何變更。擬議轉讓不會影響您在保單下的權利和義務。於轉讓日當日並由轉讓日起，您在與 ZLIHK 之間的保單下可獲得的權利與您之前在與 ZLIC 之間的保單下享有的權利相同。

6. 是否會就現有保單簽發新的保單？

您現有生效的保單仍然有效，並將會由轉讓日起自動轉讓予 ZLIHK。因此，我們不會簽發新的保單。

7. 擬議轉讓對繳納保費有何影響？

在轉讓日後，您於 ZLIC 香港分公司投保的保單下應繳納的所有保費均應支付予 ZLIHK 或其代理人。我們將適時直接向您提供付款指示和銀行帳戶資料。

8. 如果我在轉讓日之前提出索償，而該索償未在轉讓日之前得到理賠，那會怎樣？

如果您已在轉讓日之前提出索償，您現有保單的條款及條件將繼續適用於索償的評估，且 ZLIHK 將接替 ZLIC 香港分公司處理索償，並負責任何隨後向您支付的款項。您不需要重新提交索償表，因為相關資料將從 ZLIC 香港分公司轉移至 ZLIHK。

9. 如何了解擬議轉讓的最新進展情況？

計劃得到香港原訟法庭認許並生效後，我們將以書面方式通知您。如果計劃沒有得到香港原訟法庭認許並沒有生效，我們亦會以書面方式通知您。

HCMP 460 /2021

IN THE HIGH COURT OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION
COURT OF FIRST INSTANCE
MISCELLANEOUS PROCEEDINGS NO. 460 OF 2021

IN THE MATTER of ZÜRICH
LEBENSVERSICHERUNGS-GESELLSCHAFT
AG (ALSO KNOWN AS ZURICH LIFE
INSURANCE COMPANY LTD)
1st Petitioner

and

IN THE MATTER of ZURICH LIFE INSURANCE
(HONG KONG) LIMITED
2nd Petitioner

and

IN THE MATTER of AN APPLICATION UNDER
SECTION 24 AND SECTION 25 OF THE
INSURANCE ORDINANCE (CAP. 41)

ORDER

Dated this 6th day of May 2021
Filed this 14th day of May 2021.

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