

### Using the editable fields?

To ensure your information is saved correctly, we recommend you save the form to your desktop before you start completing the required fields.

Please complete the Policy Replacement Questionnaire for any **new policy application**.

## Policy Replacement Questionnaire

Name of Insurer of this application:

Quilter International Isle of Man Limited

Application number:

Name of Applicant:

Name of ILAS policy application:

Collective Investment Plan

Executive Investment Plan

Wealth Management Plan

In order to fund the purchase of your new life insurance policy, are you using, or do you intend to use some or all of the funds arising from your existing life insurance policy, or any savings made by reducing the premium payable under your existing policy? For example, such funds or savings may arise from:

- a) surrendering / partially surrendering your existing policy to obtain its surrender value
- b) taking out a policy loan (including automatic premium loan) from your existing policy
- c) withdrawing policy values from your existing policy (e.g. cash out dividends or redeem fund units etc.)
- d) lapsation of your existing policy (e.g. by non-payment of premium)
- e) exercising the right to a premium holiday under your existing policy

Yes    Not yet decided    No *Please check one appropriate box only*

**If your answer is "Yes" or "Not yet decided", you are required to further complete the "Important Facts Statement - Policy Replacement (IFS-PR)", and your licensed insurance intermediary must explain the details in the IFS-PR to you.**

**If you purchase this new policy to replace your existing policy, you should seek professional advice to understand the associated risks and detrimental consequences of policy replacement. "Policy replacement" is where you are using (or intend to use) some or all of the total cash value of your existing policy or any savings made (to be made) as a result of reducing the premium payable under the existing policy, to fund the purchase of the new life insurance policy by means of one of the ways under a) to e) above.**

**Warning: Please answer the above question carefully. Making changes on your existing policy may not be in your best interest. Your licensed insurance intermediary must explain to you the financial implications, insurability implications and claims eligibility implications of such changes. For this purpose, your licensed insurance intermediary may require certain information on your existing policy. You may need to approach the insurer of your existing policy to obtain accurate and up to date information on your existing policy.**

Signature of the Applicant

Date ( DD / MM / YYYY )

Signature of Licensed Insurance Broker Intermediary

Date ( DD / MM / YYYY )

Full name of Licensed Insurance Broker Intermediary

Insurance Broker Intermediary License No.

[www.quilterinternational.com/hk](http://www.quilterinternational.com/hk)

*Calls may be monitored and recorded for training purposes and to avoid misunderstandings.*

*Quilter International's Hong Kong office: Unit 3704, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.*

*Tel: +852 3552 5888 Fax: +852 3552 5889.*

*Authorised by the Insurance Authority of Hong Kong to carry on long-term business.*

*Quilter International Isle of Man Limited is registered in the Isle of Man under number 24916C.*

*Registered and Head Office: King Edward Bay House, King Edward Road, Onchan, Isle of Man, IM99 1NU, British Isles.*

*Tel: +44 (0)1624 655 555 Fax: +44 (0)1624 611 715. Licensed by the Isle of Man Financial Services Authority.*

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Please complete this IFS-PR only if you have answered "yes" or "Not yet decided" in the Policy Replacement Questionnaire.

IFS-PR

### Important Facts Statement - Policy Replacement

This "Important Facts Statement – Policy Replacement" ("IFS-PR") aims to help you understand the factors to be considered and the risks involved in replacing your existing life insurance policy with a new life insurance policy. Your licensed insurance intermediary should explain to you the implications and associated risks involved in replacing your existing life insurance policy.

If you do not understand any of the following paragraphs or the advice or information provided to you by your licensed insurance intermediary is different from the information in this IFS-PR, please **do not sign** this IFS-PR and **do not proceed** with replacing your existing Life Policy.

#### Some important facts you should know

Please read carefully before signing. Your insurance intermediary shall explain the content to you.

#### Financial Implications

- (1) **Informed Decision:** Life insurance policies usually last for a long period of time. If you surrender / take out policy loan from / withdraw policy values from / suspend or stop paying premium / reduce the premium payable on your existing life insurance policy, particularly during the early years of the policy period, you will usually suffer loss, including by way of having to pay charges. You should carefully compare your existing life insurance policy against the new life insurance policy you intend to purchase, and assess whether replacing your existing life insurance policy is in your best interests before you make a final decision.
- (2) **Difference between cash value from Surrender/ Lapse and total premium paid under your existing Life Policy** – The cash value that you may receive from surrendering your existing life insurance policy or allowing your existing life insurance policy to lapse, may be less than your total premium paid. This means that you may suffer a loss. Further, you may incur surrender charges if you surrender your existing life insurance policy or allow it to lapse.
- (3) **Policy Loan Interest** – The issuing insurer of your existing life insurance policy may charge you interest starting from the loan drawdown date. You should carefully review your regular statements to understand the opening and ending loan balance as well as the interest amount charged in the relevant period. Your existing life insurance policy may be terminated if the accumulated loan amount (and interest) exceeds a specified level of the account value / cash value of your existing life insurance policy.
- (4) **Withdrawal/ Partial Surrender Charges** – You may be subject to withdrawal charges or partial surrender charges within a prescribed period before the end of the policy term of your existing life insurance policy. For the new life insurance policy you intended to purchase, you may be subject to other early surrender / withdrawal charges within a prescribed period before the end of the term of the new life insurance policy.
- (5) **Policy Set-up Cost and Remuneration for licensed insurance intermediaries** – If you purchase a new life insurance policy, a substantial part of the initial premium may be used to pay for policy administration costs incurred by insurers and remuneration for the licensed insurance intermediaries. As a result, you may incur additional cost for replacing your existing life insurance policy.
- (6) **Higher Premium** – You may have to pay higher premium under the new life insurance policy in view of the difference in age, changes of health conditions, occupation, lifestyle / habit, and recreational activities (as compared with when you purchased your existing life insurance policy).
- (7) **Loss of Financial Benefit under the existing life insurance policy** – You may lose the financial benefit accumulated over the years (e.g. loyalty bonus or dividends) or to which you may be entitled (e.g. terminal bonus or dividends) under the existing life insurance policy.
- (8) **Financial Benefits under the New Life Insurance Policy Not Guaranteed** – The illustrated benefits of a new life insurance policy may NOT be guaranteed and whether they can be achieved depend on the performance of the issuing insurer of the new life insurance policy. If the new life insurance policy is an investment-linked assurance scheme policy, the illustrated benefits are based on assumed rates of return only.

### Insurability Implications

- (9) **Changes in Coverage** – If you purchase a new life insurance policy and use it to replace an existing life insurance policy, some benefits, which are the policy features of the existing life insurance policy, may not be covered under the new life insurance policy due to changes in age, health conditions, occupation, lifestyle / habit or recreational activities. Also, riders / supplementary benefits under your existing life insurance policy may not be available under the new life insurance policy.

### Claims Eligibility Implications

- (10) Benefits under the existing life insurance policy will no longer be payable to you if you surrender the policy or allow it to lapse. Besides, you may need to start a new waiting period in respect of certain benefits (e.g. medical, critical illness, suicide or incontestability) under the terms and conditions of the new life insurance policy.

### Declaration

#### **By the Insurance Intermediary**

I declare that I have discussed and explained the implications and associated risks (including the above listed items) to the Applicant regarding his/her decision to replace his/her existing life insurance policy with a new life insurance policy. I further declare that I have not made any inaccurate or misleading statements or comparisons, or withheld any information which may affect the decision of the Applicant.

Signature of the Licensed Insurance Broker Intermediary

Full Name of the Licensed Insurance Broker Intermediary

Insurance Broker Intermediary Licensed No.

D	D	M	M	Y	Y	Y	Y
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Date ( DD / MM / YYYY )

#### **By the Applicant:**

I understand the content of the above listed items.

**Warning: you must read all items carefully and check that the licensed insurance intermediary has explained all the information on this IFS-PR before you sign this IFS-PR.**

Signature of the Applicant

Full Name of the Applicant

D	D	M	M	Y	Y	Y	Y
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Date (DD/MM/YYYY)

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