

2020 年 11 月 27 日的重要更新：

我們現通知您關於以下更改：

1. 請留意於香港當地法院認許轉讓計劃的呈請書的聆訊日期已由 2020 年 11 月 25 日上午 10 : 00 更改為 2020 年 12 月 7 日上午 10:00。
2. 香港原訟法庭認許轉讓計劃後，轉讓計劃的生效日期亦將改為 2021 年 2 月 1 日（而非 2020 年 12 月 1 日）。

2020年11月20日的重要更新：

請留意於百慕達當地法院的聆訊日期已由2020年11月17日上午9：30更改為2020年11月24日上午10：00。

於香港當地法院的聆訊日期則維持不變（2020年11月25日上午10：00）。

# 富衛人壽向永明金融轉讓G類保單的相關文件

1. 致股東之公告 2020年10月16日
2. 致保單持有人之公告 2020年10月16日
3. 呈請書（香港） 2020年9月11日 （只提供英文版本）
4. 呈請書（百慕達） 2020年9月23日 （只提供英文版本）
5. 計劃更新至2020年9月11日
6. 獨立精算師報告 2019年6月26日
7. 獨立專家報告之補充報告 2020年8月14日

**致股東之公告**

**2020 年 10 月 16 日**

2020 年 10 月 16 日

## 重要資料

親愛的股東：

### 富衛人壽保險（百慕達）有限公司（「富衛」）擬議將某些 G 類長期保險業務轉讓予香港永明金融有限公司（「永明」）（「擬議轉讓」）

本函載述有關富衛擬議將其在香港的部分 G 類長期業務（即富衛在香港承保的某些 G 類保單，「轉讓保單」）轉讓予永明之重要資料。作為富衛或永明之股東，您務必了解擬議轉讓。擬議轉讓將根據香港《保險業條例》（第 41 章）（「《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 2020 年 9 月 11 日以呈請（「呈請書」）的方式向香港原訟法庭作出。

由於富衛和永明均在百慕達成立並註冊為保險公司，一項根據百慕達 1978 年《保險法案》（「《保險法案》」）第 25 條的申請亦已於 2020 年 9 月 23 日向百慕達最高法院（「百慕達最高法院」）作出，以獲得對計劃予以認許的命令。計劃將於香港原訟法庭和百慕達最高法院進行最終聆訊。計劃下擬議的轉讓僅在獲得所需批准（包括但不限於香港原訟法庭和百慕達最高法院的批准）的情況下方可進行。

富衛及永明已委任一名獨立精算師，即法國精算師協會會員 Clement Bonnet 先生（「獨立精算師」或「認可精算師」），研究計劃條款及計劃對富衛及永明的長期保單持有人可能產生的影響，並編製兩份報告供香港原訟法庭和百慕達最高法院審閱。獨立精算師（或認可精算師）已作出兩份報告：(i) 截至 2018 年 12 月 31 日編制的報告，日期為 2019 年 6 月 26 日（「獨立精算師報告」或「認可精算師報告」）；及 (ii) 截至 2019 年 12 月 31 日編制的報告，日期為 2020 年 8 月 14 日（「補充報告」）<sup>1</sup>。計劃及獨立精算師報告（或認可精算師報告）的摘要列於本函附件 1 及附件 2。

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<sup>1</sup> 在補充報告中，獨立精算師（或認可精算師）已考慮到由富衛和永明向其指出自獨立精算師報告（或認可精算師報告）完成後的有關發展。獨立精算師報告（或認可精算師報告）及補充報告已上載於富衛和永明的網站（網址分別為 [www.fwd.com.hk/en/](http://www.fwd.com.hk/en/) 和 [www.sunlife.com.hk](http://www.sunlife.com.hk)）供審閱，直至香港原訟法庭和百慕達最高法院的最終聆訊提堂。您亦可在香港原訟法庭於 2020 年 11 月 25 日和百慕達最高法院於 2020 年 11 月 17 日

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和百慕達最高法院分別就呈請書進行的聆訊中陳詞。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或百慕達最高法院的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，您須瞭解擬議轉讓的詳情。我們建議您仔細閱讀本函。

#### **擬議轉讓對轉讓保單的影響**

若香港原訟法庭和百慕達最高法院認許計劃，所有轉讓保單均將由富衛轉讓給永明。擬議轉讓完成後，永明將管理所有轉讓保單，而且永明將取代富衛成為此等保單的承保人。**保單的所有其他條款及規定均將保持不變。**

**請參閱本函附件 1，以了解在計劃所擬轉讓獲香港原訟法庭及百慕達最高法院批准的條件下相關安排之詳情。**

如計劃未獲香港原訟法庭或百慕達最高法院認許，則擬議轉讓將不會進行，轉讓保單將仍由富衛承保，富衛仍將為此等保單的承保人（包括負責其行政管理及服務）。如計劃未獲香港原訟法庭或百慕達最高法院認許，我們將另行通知您。

計劃的安排是確保保單持有人的權益受到保障。**獨立精算師（或認可精算師）已就計劃對富衛和永明之長期保單持有人的合理利益期望、財務保障及服務水平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（或認可精算師）的主要評估」及第 2 部「獨立精算師報告（或認可精算師報告）摘要」。**

#### **進一步資料**

如您希望獲得進一步資料，您可：

- 於下列期間之正常工作日（星期一至星期五（公眾假期除外））上午 9 時至下午 5 時（當地時間）內，前往富衛、永明或貝克·麥堅時律師事務所（富衛與永明的律師）地址查閱本函、向香港原訟法庭及百慕達最高法院提交的呈請書、計劃以及獨立精算師報告（或認可精算師報告）：

**香港**      : 2020 年 10 月 16 日至 2020 年 11 月 6 日

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頒發命令認許轉讓的最終聆訊當日或之前致函富衛和永明於下方第 3 頁列出地址的辦事處，要求免費索取獨立精算師報告（或認可精算師報告）及補充報告一份。

**百慕達** : 2020年10月16日至2020年11月6日

(即：本通知之日起至少21個公曆日的期間，含周末及公眾假日。)

- 在香港原訟法庭和百慕達最高法院的最終聆訊之前訪問富衛和永明的網站（網址分別為 [www.fwd.com.hk/en/](http://www.fwd.com.hk/en/) 和 [www.sunlife.com.hk](http://www.sunlife.com.hk)）；及/或
- 在最終聆訊日期當日或之前致函富衛和永明下列地址的辦事處，免費索取上述文件。

<b>富衛</b>	香港	香港德輔道中308號富衛金融中心28樓
	百慕達	Canon's Court, 22 Victoria Street, Hamilton, Bermuda, Appleby (Bermuda) Limited, 富衛代表律師
<b>永明</b>	香港	香港九龍紅磡紅鸞道18號祥祺中心A座16樓
	百慕達	Canon's Court, 22 Victoria Street, Hamilton, Bermuda, Appleby (Bermuda) Limited, 永明代表律師
<b>貝克·麥堅時律師事務所</b>	香港	香港鰂魚涌英皇道979號太古坊1座14樓

注：貝克·麥堅時律師事務所可提供的文件僅限本函、香港呈請書、計劃、獨立精算師報告（或認可精算師報告）以及補充報告，不包括百慕達呈請書。

如您對擬議轉讓有任何疑問，請致電富衛的熱線電話(852) 3123 3123或永明的熱線電話(852) 3183 1900，或按照上述地址致函富衛或永明，並在信封上註明「富衛 / 永明保險組合轉讓」；或者，您亦可以電郵將您的問題發送至 [cs.hk@fwd.com](mailto:cs.hk@fwd.com) 或 [customerservicempf@bestserve.com](mailto:customerservicempf@bestserve.com)。

**富衛人壽保險（百慕達）有限公司**  
(於百慕達註冊成立的有限責任公司)

首席執行官 謹啓

**香港永明金融有限公司**  
(於百慕達註冊成立的有限責任公司)

首席執行官 謹啓

## 附件 1

### 第 1 部

#### **計劃撮要**

##### **擬議轉讓的背景和目的**

富衛於 1977 年 4 月 13 日採用「Rauco Insurance Company Limited」名稱在百慕達註冊成立。富衛係富衛集團之成員。富衛集團是投資集團 Pacific Century Group 的保險業務分支，擁有包括 Swiss Re Group 在內的少數股東。富衛的主要業務活動是於香港開展特定類別的長期業務。

富衛在百慕達受百慕達金融管理局（「**百慕達金管局**」）監管，並根據百慕達 1978 年《保險法案》（「《保險法案》」）獲發 E 類和 3 類牌照。富衛於香港根據《公司條例》（香港法例第 622 章，「**《公司條例》**」）註冊為非香港公司。富衛為《保險業條例》下的獲授權保險公司。

永明於 1985 年 10 月 15 日在百慕達註冊成立。永明由 Sun Life Assurance Company of Canada 全資擁有。Sun Life Assurance Company of Canada 是一家在加拿大註冊成立的公司。永明在百慕達受百慕達金管局監管，並根據《保險法案》獲發 E 類牌照。永明於香港根據《公司條例》註冊為非香港公司。永明的主要業務活動是於香港開展特定類別的長期業務。永明為《保險業條例》下的獲授權保險公司。

於 2016 年 8 月 3 日，FWD Management Holdings Limited 和永明訂立了一項關於處置富衛在香港的下列強積金和職業退休計劃業務的實施協議（「**實施協議**」）：

- (i) 永明強積金基本計劃（原為富衛強積金集成信託基本計劃）；
- (ii) 永明強積金綜合計劃（原為富衛強積金集成信託綜合計劃）；
- (iii) 永明強積金集成信託下的 G 類保單；
- (iv) 富衛本金保證計劃；及
- (v) 富衛綜合公積金計劃，

（(i)至(iii)款中的強積金計劃稱為「強積金計劃」，(iv)至(v)款中的職業退休計劃稱為「職業退休計劃」）。

該項處置包括但不限於富衛向永明轉讓強積金計劃和職業退休計劃下的某些 G 類保單。

截至 2019 年 12 月 31 日，如計劃附件中詳述，強積金計劃和職業退休計劃下有 71 份 G 類保單（「**轉讓保單**」）。包括轉讓保單在內的有關業務（定義見下文）的轉讓因此屬於實施協議下所擬交易的一部分。

截至 2019 年 12 月 31 日，永明於香港為其強積金計劃和職業退休計劃簽發並維持 80 份 G 類保單。預期包括轉讓保單在內的有關業務（定義見下文）的轉讓將增大永明現時 G 類長期業務的規模，以運用永明於退休產品的專業知識。另外，這可提供規模效益，以提升相關業務的營運效率及服務水平。

##### **擬議轉讓**

擬議根據《保險業條例》第 24 條和《保險法案》第 25 條，富衛在香港的某些 G 類長期業務（「**有關業務**」），包括轉讓保單和歸屬於轉讓保單的資產和負債，應由富衛根據計劃的條款轉讓給永明。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**」）及百慕達最高法院根據《保險法案》第 25 條發出的命令（「**百慕達命令**」）進行。

### 轉讓日

轉讓日期（「**轉讓日**」）為富衛與永明共同決定的一個日期的凌晨十二時零一分（香港時間），該日期應為香港原訟法庭及百慕達最高法院各頒發命令認許計劃之日（以較遲者為準）後的 90 日之一日。以獲得上述命令為前提，預計轉讓日將於 2020 年 12 月 1 日生效，但該日期可更改。

### 資產和負債的轉讓

自轉讓日起，(i) 富衛根據實施協議應轉讓予永明的無論位於何處的歸屬於有關業務的所有資產（包括富衛在轉讓保單下的任何權利或利益）（「**轉讓資產**」），將由富衛轉讓給永明並且歸屬於永明（須受限於與該等資產相關的任何產權負擔）；且(ii) 於轉讓日富衛在轉讓保單下及與轉讓保單有關之歸屬於有關業務的（根據實施協議應轉讓予永明的）所有負債（無論是現時的、未來的或者或有的）（「**轉讓負債**」），將轉讓給永明並成為永明的負債，而富衛對該等負債的責任應完全解除。

如有任何富衛資產或負債於轉讓日本應構成轉讓資產或轉讓負債的一部份，但出於任何原因不能轉讓給永明（稱為「**剩餘資產**」和「**剩餘負債**」），此等剩餘資產和剩餘負債應於轉讓日後的後續轉讓日根據計劃條款轉讓給永明。

### 保單的轉讓

自轉讓日起，永明應享有富衛在轉讓保單下的一切權利和權力，並受轉讓保單的所有條款和細則約束。自轉讓日起轉讓保單應構成永明的長期業務的一部份。

### 記錄的轉讓

自轉讓日起，富衛持有的關於轉讓保單的保單持有人、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，包括但不限於他們的個人資料，均應轉讓給永明，而永明對持有和使用（及轉移）該等資料應擁有與富衛在轉讓日之前所具有的相同權利及權力。

### 程序的繼續

自轉讓日起，就轉讓保單、轉讓資產和轉讓負債而言（或就剩餘資產和剩餘負債而言，為自後續的轉讓日期起），由富衛提起的或針對富衛提起的任何未完結的司法、類似司法、紀律研訊、行政、仲裁或法律程序，應由永明取代富衛，由永明繼續提起或針對永明繼續提起，而永明應享有與富衛就該等程序所享有的相同的辯護、索償、反索償及抵銷權。

### 新的永明保險基金

於轉讓日且自轉讓日起，(i) 永明應在永明 G 類基金下設立三項新的子基金，即：新的強積金子基金（G 類）、新的職業退休計劃本金保證子基金（G 類）和新的職業退休計劃非保證子基金（G 類），均應由永明作為永明 G 類基金下單獨的子帳戶加以維持（新的職業退休計劃本金保證子基金（G 類）和新的職業退休計劃非保證子基金（G 類）應稱為「新的職業退休計劃子基金（G

類)」；於轉讓日且自轉讓日起，與強積金計劃有關的所有轉讓保單應分配予新的強積金子基金(G類)並成為其一部分；與職業退休計劃有關的所有轉讓保單應分配予新的職業退休計劃子基金(G類)並成為其一部分。

### **保費、授權及其他指令**

於轉讓日當日或之後，就轉讓保單向富衛繳付的保費及其他款項將自動轉為向永明繳付。關於富衛就此等保單支付任何款項的授權或其他指令將轉移予永明。

### **計劃的費用**

任何保單持有人不會直接或間接地承擔計劃的費用。所有費用將由富衛和永明以其各自的股東資金平均分擔。

### **管轄法律**

本計劃受香港法律管轄，但與《保險法案》第25條下的呈請書有關的任何程序事宜則受百慕達法律管轄。

## 第 2 部：

### **聆訊的其他資料**

#### **最終聆訊**

關於認許計劃的呈請書的聆訊將分別在香港原訟法庭和百慕達最高法院進行。我們預計香港原訟法庭和百慕達最高法院決定是否認許計劃的最終聆訊將分別於 2020 年 11 月 25 日上午 10 時和 2020 年 11 月 17 日上午 9 時 30 分舉行。

《保險業條例》和《保險法案》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和百慕達最高法院分別就呈請書進行的聆訊中陳詞。

如果您有意出席香港原訟法庭或百慕達最高法院的聆訊，請您於聆訊日期最好不少於七(7)個公曆日前按照以下地址向富衛和永明的律師發出表明此等意圖的書面通知並說明理由：-

#### **就香港原訟法庭的聆訊：**

香港鰂魚涌英皇道 979 號  
太古坊 1 座 14 樓  
貝克·麥堅時律師事務所  
(所有信件應以中文註明「富衛 / 永明保險組合轉讓」，請寫明收件人為譚志偉律師或以英文註明「FWD / Sun Life Insurance Portfolio Transfer」，請寫明收件人為 Mr. Martin Tam，電郵地址：[martin.tam@bakermckenzie.com](mailto:martin.tam@bakermckenzie.com))

#### **就百慕達最高法院的聆訊：**

Appleby  
Canon's Court, 22 Victoria Street, Hamilton,  
Bermuda

(所有信件應以英文註明「FWD / Sun Life Insurance Portfolio Transfer」，請寫明收件人為 Mr. John Wasty，電郵地址：[jwasty@applebyglobal.com](mailto:jwasty@applebyglobal.com))

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或百慕達最高法院的聆訊，您應於聆訊日期不少於七(7)個公曆日前按照上述地址向富衛及永明的代表律師發出表明此等意圖的書面通知並說明理由。

#### **關鍵日期**

因此，提請您注意下列關鍵日期：

事件	本公告之日後 公曆日天數	關鍵日期
向百慕達最高法院就計劃提出反對的最終期限	25	2020 年 11 月 10 日
為批准計劃在百慕達進行法院聆訊的日期	32	2020 年 11 月 17 日
為批准計劃在香港進行法院聆訊的日期	40	2020 年 11 月 25 日

## 附件 2

### **第 1 部：獨立精算師（或認可精算師）的主要評估**

獨立精算師（或認可精算師）在獨立精算師報告（或認可精算師報告）及補充報告中主要發表了下述意見：

- (i) 計劃對富衛之轉讓保單及非轉讓保單持有人或 永明之現有保單持有人的合理利益期望並無重大不利影響。
- (ii) 計劃對富衛之轉讓保單及非轉讓保單持有人或永明之現有保單持有人的財務保障並無重大不利影響。
- (iii) 計劃對富衛與永明之長期保單持有人的服務水平並無重大不利影響。
- (iv) 獨立精算師（或認可精算師）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（或認可精算師報告）撮要

獨立精算師（或認可精算師）已作出兩份報告：(i) 獨立精算師報告（或認可精算師報告）；及 (ii) 補充報告<sup>2</sup>。

### 獨立精算師報告（或認可精算師報告）撮要

#### 緒言

- 1.1. 本人 Clement Bonnet 獲委任根據香港《保險業條例》（香港法例第 41 章）第 24 條擔任獨立精算師及根據百慕達 1978 年《保險法案》第 25 條擔任獲批准精算師（「獲批准精算師」），就富衛人壽保險（百慕達）有限公司（「富衛」）向香港永明金融有限公司（「永明」）轉讓某些長期退休金業務擬議計劃（「計劃」）之條款和可能造成影響提供獨立意見。該兩家公司在本報告內統稱為「有關方」。所涉及的長期業務稱為「轉讓業務」，包括富衛在計劃生效日（「轉讓日」）之前承保的 G 類保單，但不包括富衛代理人及員工的四項內部退休計劃，該等計劃將由富衛保留（「富衛職業退休計劃保留業務」）。G 類保單現時簽發予強制性公積金（「強積金」）計劃及職業退休計劃（「ORSO」）的受託人或僱主。購買此等 G 類保單的受託人或僱主以下統稱為「轉讓保單持有人」。
- 1.2. 本人是香港精算學會的會員及法國精算師協會會員。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。
- 1.3. 在擬備本人關於計劃之獨立精算師報告（或認可精算師報告）時，本人就規定內容諮詢保險業監管局（「香港保監局」），並於適當的情況下納入香港保監局的建議。本

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<sup>2</sup> 獨立精算師報告（或認可精算師報告）為截至 2018 年 12 月 31 日編制的報告，日期為 2019 年 6 月 26 日及補充報告為截至 2019 年 12 月 31 日編制的報告，日期為 2020 年 8 月 14 日。

在補充報告中，獨立精算師（或認可精算師）已考慮到由富衛和永明向其指出自獨立精算師報告（或認可精算師報告）完成後的有關發展。獨立精算師報告（或認可精算師報告）及補充報告已上載於富衛和永明的網站（網址分別為 [www.fwd.com.hk/en/](http://www.fwd.com.hk/en/) 和 [www.sunlife.com.hk](http://www.sunlife.com.hk)）供審閱，直至香港原訟法庭和百慕達最高法院的最終聆訊提堂。您亦可在香港原訟法庭於 2020 年 11 月 25 日和百慕達最高法院於 2020 年 11 月 17 日頒發命令認許轉讓的最終聆訊當日或之前致函富衛和永明於上方第 3 頁列出地址的辦事處，要求免費索取獨立精算師報告（或認可精算師報告）及補充報告一份。

人參考了以下各項：(i)審慎監管局（「PRA」）手冊第 2 條第 31 條至第 41 條以及金融市場行爲監管局（「FCA」）手冊中監管守則第 18 章（「SUP 18」）；和(ii) 百慕達 1978 年《保險法案》第 25 條。本人亦已考慮金融市場行爲監管局於 2018 年五月頒佈的關於其審查第七部保險業務轉讓之方法的指引（「FG18/4：金融市場行爲監管局審查第七部保險業務轉讓之方法」）。本人的審閱及意見範圍僅限於計劃對富衛及永明的長期保單持有人的影響。本人的工作範圍並不包括評估計劃對有關方的股東造成的影響。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。

- 1.4. 本人已獲准自由查閱本人所要求的為進行工作所需的資料。此外，本人亦獲准不受限制地接觸有關方的多名代表並與之進行了討論。

### **摘要和概覽**

- 1.5. 本轉讓的根本原因是為了使永明能夠取得富衛的退休金業務，擴大永明在亞洲財富管理領域中資本較低的收費業務，並增加永明現有的退休金業務規模，從而減少每一成員的開支。

- 1.6. 本人認為：

- 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的合理利益期望均無重大不利影響。
- 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的財務保障均無重大不利影響。
- 計劃對富衛與永明之長期保單持有人的服務水平均無重大不利影響。
- 本人信納計劃提供充分的保障，以確保計劃如所述般運作。

- 1.7. 在形成本人意見時，本人已考慮下文所述各項事宜。有关讨论更多详情，请參見本人完整報告。

### **計劃對轉讓保單持有人的利益期望的影響**

#### **轉讓業務的酌情利益**

- 1.8. 於轉讓日，富衛將轉讓強積金計劃和職業退休計劃項下的所有 G 類保單，但富衛職業退休計劃保留業務除外。
- 富衛強積金本金保證組合（「富衛強積金 CG」）是一個單位化基金，其價格等於淨資產價值。淨資產價值基於實際回報減去適用的管理費用、受託人費

用和保證費用而增加。富衛強積金 CG 保證在每個為期 5 年的連續投資期結束時或（若成員年屆 65 歲）在較短的期間內，本金將得到保全。

- 富衛職業退休計劃業務的酌情利益受酌情給付利率影響，酌情給付利率受限於最低保證利率。富衛提供的所有職業退休計劃適用相同的給付利率原理。

- 1.9. 永明已承諾遵循富衛採用的現行做法來釐定酌情利益。特別是，給付利率至少將每年重審，並考慮到保單持有人的合理期望及市場環境。永明的目標是為保單持有人提供連續性，並在可行的範圍內制定與富衛相類似的政策和做法。與富衛相類似，永明將根據正常的審查過程定期對該方法進行重審。
- 1.10. 基於本人的審核，本人認為現時的酌情利益釐定準則和方法，以及永明擬在業務轉讓後就現有做法的任何變動採用的所需程序，均為保單持有人提供充分保障，以致保單持有人可預期在業務轉讓前後獲得相類似的待遇。

#### **對轉讓業務的資產配置和投資政策**

- 1.11. 轉讓的 G 類基金的投資政策將獨立於永明現有 G 類基金加以維持。特別是，轉讓後的目標資產配置和投資政策不會有重大改變。與現有永明 G 類基金的管治流程相類似，轉讓業務的投資政策將由永明資產負債管理委員會維持和核准，由永明 SLF Asia 資產負債管理委員會批准。轉讓基金的投資政策和資產配置與富衛現有保單相比不會有重大改變。基於上述考慮，本人並無理由相信計劃在這方面會對轉讓保單持有人的合理利益期望產生重大不利影響。

#### **對轉讓業務的酌情收費**

- 1.12. 富衛享有廣泛的權利調整保單收費，且有權就保單的管理徵收任何其他收費。根據保單條款規定，在任何費用調整生效前，所有計劃成員和參與僱主將會預先獲發書面通知。永明將承繼這些權利，且不論計劃進行與否，這些權利均存在。
- 1.13. 本人獲永明告知，轉讓業務的現行收費水平將不會因轉讓而有重大改變。特別是，將不會有其他收費適用於轉讓業務。基於上述考慮，本人並無理由相信計劃會對適用於轉讓保單持有人的酌情收費構成重大不利影響。

#### **合約保證利益條文**

- 1.14. 按照計劃，永明將承諾繼續向富衛的轉讓保單持有人支付保證利益。在轉讓前後，上述保單持有人的權利（在現有保單文件內界定）均相同。

#### **與計劃有關的費用及開支**

- 1.15. 就計劃引致的總費用將由富衛與永明的股東基金承擔。永明已確認，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，本人並無理由相信轉讓保單持有人將在這方面受到任何重大不利影響。

#### **稅務影響**

- 1.16. 富衛和永明均採用 16.5%的香港利得稅稅率計算 G 類業務的稅款。任何稅務餘額都不會因轉讓而從富衛轉給永明。因此，適用於轉讓業務的稅務制度不會改變，且擬議轉讓在這方面不會對保單持有人的合理利益期望構成影響。

#### **保單條款及細則**

- 1.17. 本人獲告知，轉讓業務的保單條款及細則不會因計劃的實施而改變。就此而言，本人並無理由相信計劃將對保單條款及細則構成重大不利影響。

#### **計劃對富衛之非轉讓保單持有人及永明之現有保單持有人的利益期望的影響**

##### **酌情利益**

- 1.18. 富衛現時在釐定其有效分紅保單的紅利及萬用壽險保單的酌情利率時採用的準則和方法於擬議轉讓後不會改變。轉讓後，與退休業務有關的部份間接費用（基於對富衛 2014-2018 年期間發生的退休金相關費用的研究，不足總費用的 3%）將不會消除，將分攤給剩餘業務。但是，富衛預計單位成本不會有任何重大增加，且紅利支付和給付利率（投資經驗是影響紅利和給付利率的主要因素）不會受到任何重大不利影響。對於非分紅壽險保單與投資相連保單，富衛現時享有調整保費及變更費用或收費的廣泛權利，無論計劃是否進行，此等權利均存在。
- 1.19. 對於富衛保留的五個內部 G 類計劃，富衛無意因轉讓而改變投資策略或給付利率原理。未來的任何審核或改變均將通過與轉讓前相同的審核程序。但是，由於 2018 年管理資產減少而投資費用可能增加，富衛有意外包富衛職業退休計劃保留業務的投資，投資目標保持不變，並繼續提供相同的保證。在任何情況下，富衛均將確保符合指引 14「外包指引」的要求，並將通過必要的監管審批流程。
- 1.20. 對於轉讓業務，永明將獨立於其現有業務（尤其是永明現有的 G 類業務）予以維持。對於現有保單持有人而言，合約保證利益將保持不變。
- 1.21. 基於本人的審核，本人認為適用於富衛之非轉讓保單持有人和現有永明保單持有人的現時酌情利益釐定準則和方法將不會受計劃影響。

##### **資產配置及投資政策**

- 1.22. 富衛和永明均無意於擬議轉讓後改變現時就支持現有保單的資產所採取的投資策略。本人並無理由相信計劃將在此方面對富衛之非轉讓保單持有人和現有永明保單持有人的合理利益期望構成重大不利影響。

#### **保單條款及細則**

1.23. 富衛非轉讓業務及永明現有業務的保單條款及細則不會因計劃的實施而改變。本人並無理由相信計劃實施將對富衛之非轉讓保單持有人和永明之現有保單持有人的保單條款及細則構成重大不利影響。

#### **與計劃有關的費用及開支**

1.24. 就計劃引致的總費用將由富衛與永明的股東基金承擔。富衛與永明已確認，計劃引致的相關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，本人並無理由相信富衛與永明的長期保單持有人在這方面將會受到重大不利影響。

#### **對轉讓保單持有人的財務保障的影響**

##### **財務保障的提供**

1.25. 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、最低償付準備金及盈餘，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，根據法定規則訂明的估值準則計算，且是審慎的。
- 最低償付準備金：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。對於在G類中承保的長期業務而言，在香港沒有額外的償付準備金要求。
- 盈餘：保險公司持有的超過法定最低償付準備金的超額資產，是體現其財務實力和償付能力狀況的因素之一。

1.26. 在上述三種資產層之外，保險公司亦須每年根據香港精算學會所發出及香港保監局所要求的關於動態償付能力測試（「DST」）的《精算指引七》（「AGN7」）所規定的若干不利情景下，檢視整體業務的財務狀況。

##### **保單儲備金**

1.27. 富衛已為 G 類長期業務建立法定儲備金，金額為下列各項總和：

- 向基金繳付的供款的累計金額減去適用的開支、費用或收費，再加上根據適用的保證利率或宣佈利率所給付的利息（「帳戶結餘」）；
- 投資保證儲備金（「指引7儲備金」）；及
- 額外的平滑儲備金。

- 1.28. 轉讓後，永明將繼續根據香港監管標準為轉讓業務持有指引 7 儲備金。此外，永明將繼續按類似於富衛之方法為職業退休計劃和強積金業務持有平滑儲備金。
- 1.29. 於轉讓日，強積金的最低指引 7 儲備金和平滑儲備金不會變化。就職業退休計劃而言，
- 最低指引7儲備金將於轉讓日在富衛職業退休計劃保留業務和職業退休計劃轉讓業務之間基於帳戶結餘拆分。轉讓業務的相關指引7儲備金金額在轉讓後將由永明持有，轉讓保單持有人的指引7儲備金將不會發生任何變化。
  - 雙方同意將整個職業退休計劃平滑儲備金（即富衛職業退休計劃保留業務和職業退休計劃轉讓業務的平滑儲備金）轉讓給永明，使得轉讓業務的平滑儲備金在轉讓後有所增加。

1.30. 總之，轉讓後持有的儲備金將高於富衛在轉讓前持有的儲備金。此外，有關方法預計將不會有重大變化。因此，本人認為，轉讓前及轉讓後確定估值方法的程序之變化將不會對富衛轉讓保單持有人的財務保障產生重大不利影響。

#### **償付能力狀況、整體財務狀況及動態償付能力測試**

1.31. 轉讓業務的整體財務狀況不僅依賴於法定儲備金的金額，亦依賴於盈餘和資本水平。因為在現有的指引<sup>7</sup>儲備金之外，在香港對於G類業務並不要求額外的償付準備金，本人更為詳細地考慮了轉讓前和轉讓後的自由資產比率（定義為盈餘（即淨資產減去法定償付準備金）除以包括法定償付準備金在內的總負債所得的比率）。於2018年12月31日，根據HKFRS帳戶，富衛的轉讓前自由資產比率為4.6%，而永明的轉讓後自由資產比率為6.2%。

1.32. 此外，亦進行了 DST 預測，檢視在擬議轉讓之前和之後，在可能出現的若干不利情景下，有關方的償付能力狀況。預測結果顯示：

- 富衛在轉讓前、永明在轉讓後的未來償付能力狀況在所有設定情景下均保持令人滿意，并保持在監管要求之上。
- 由於轉讓業務在富衛和永明總資產組合計劃中不具實質性，不論擬議轉讓實施與否，富衛和永明未來的償付能力狀況不會有重大差異。

#### **風險承擔**

1.33. 不論擬議轉讓實施與否，有關方的風險承擔均不受影響。總體而言，轉讓業務僅占永明總負債的 5%左右，因轉讓而產生的額外風險不被視為實質性風險。

1.34. 基於上述考慮，本人沒有發現因計劃實施導致額外風險承擔而可能損害轉讓保單持有人應享合約權利的任何問題，因此計劃不會對轉讓保單持有人的財務保障產生重大不利影響。

#### **投資政策**

1.35. 鑑於支持富衛轉讓保單的已投資資產將與支持永明現有保單的資產分別管理（並符合富衛以前的做法），因此並無任何互相抵觸的投資目標需要調和，亦無任何不同的營運準則需要達成一致。

#### **關於財務保障的結論**

1.36. 本人認為，計劃對於轉讓保單持有人的財務保障並無重大不利影響。

#### **對富衛之非轉讓保單持有人和永明之現有保單持有人的財務保障的影響**

### **保單儲備金**

- 1.37. 富衛和永明將繼續採用既定方法和程序。特別是，對於富衛職業退休計劃保留業務，將採用相同的既定方法和程序計算指引 7 儲備金和平滑儲備金。於轉讓日，指引 7 儲備金和平滑儲備金將按比例分配。
- 富衛職業退休計劃業務的最低指引 7 儲備金將由富衛在富衛職業退休計劃保留業務和職業退休計劃轉讓業務之間基於帳戶結餘拆分。儘管以往這兩類業務是統一管理，但根據富衛進行的一項分析，此項拆分被視為是合理的。特別是，考慮到以往的平均續保情況、風險概況及保證性質，經評估兩類保單之間的指引 7 儲備金不會有任何重大差異。
  - 富衛職業退休計劃業務的平滑儲備金將在富衛職業退休計劃保留業務和職業退休計劃轉讓業務之間基於帳戶結餘拆分。儘管全部職業退休計劃平滑儲備金將於轉讓日轉讓給永明，富衛仍會在轉讓後為富衛職業退休計劃保留業務設立平滑儲備金，金額等於轉讓前的平滑儲備金金額（即基於帳戶結餘拆分全部平滑儲備金後所得金額）。
- 1.38. 因此，本人認為富衛之非轉讓保單持有人和永明之現有保單持有人的財務保障在此方面並無重大不利影響。

### **償付能力狀況和整體財務狀況**

- 1.39. DST 結果表明，富衛和永明的未來償付能力狀況在所有設定情景下均保持令人滿意，并保持在監管要求之上。此外，由於轉讓業務在富衛和永明總資產組合計劃中不具實質性，不論擬議轉讓實施與否，富衛和永明未來的償付能力狀況不會有重大差異。

### **動態償付能力測試及風險承擔**

- 1.40. DST 結果表明，不論計劃實施與否，富衛和永明未來的償付能力狀況在所測試情況下均有相似的敏感度。因此，本人認為富衛非轉讓保單持有人及永明保單持有人的風險承擔在計劃實施後不會有重大變化。

### **投資政策**

- 1.41. 富衛和永明均已確認其將繼續以與各自的投資政策和指引相同的方式運作投資組合。未來對這些投資政策的任何改變均將經過與正常業務相同的審核程序。

### **關於財務保障的結論**

- 1.42. 本人認為，計劃不會給富衛之非轉讓保單持有人和永明之現有保單持有人的財務保障產生重大不利影響。

## **其他考慮因素**

### **保單持有人服務**

- 1.43. 無意因轉讓而改變向富衛其餘保單持有人提供的現有服務水平。對於轉讓保單持有人，其現有的基金選擇範圍在擬議轉讓後將予以維持。此外，將繼續由 BestServe 向保單持有人提供服務（BestServe 是永明的同類附屬公司，富衛將部分退休金業務外包給 BestServe）。

### **再保險安排**

- 1.44. 轉讓業務並無再保險。對於富衛和永明的剩餘業務，現有再保險安排不會因轉讓而受到影響。

### **分銷協議**

- 1.45. 富衛與永明簽訂了一項為期 15 年的獨家分銷協議，允許永明透過富衛在香港的代理網絡提供強積金計劃和職業退休計劃。這將不會對富衛其餘保單持有人產生任何影響。

## **結論**

1.46. 本人結論如下：

- 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的合理利益期望均無重大不利影響。
- 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的財務保障均無重大不利影響。
- 計劃對富衛與永明之長期保單持有人的服務水平均無重大不利影響。
- 本人信納計劃提供充分的保障，以確保計劃如所述般運作。

## **依據與限制**

1.47. 本報告受本人於 2019 年 6 月 26 日刊發的獨立精算師報告（或認可精算師報告）全文所載的相同依據和限制所規限（如補充報告中第 1.8 節所確認）。

**Clement Bonnet**

**獨立精算師（或認可精算師）**

**2019 年 6 月 26 日**

**致保單持有人之公告**

**2020 年 10 月 16 日**

## 致保單持有人之公告

事關：富衛人壽保險（百慕達）有限公司向香港永明金融有限公司轉讓某些長期保險業務之計劃

2020年10月16日

親愛的保單持有人：

### 富衛人壽保險（百慕達）有限公司（「富衛」）擬議將某些G類長期保險業務轉讓予香港永明金融有限公司（「永明」）（「擬議轉讓」）

本函載述有關富衛擬議將其在香港的部分G類長期業務（即富衛在香港承保的某些G類保單，「**轉讓保單**」）轉讓予永明之重要資料。您的保單將被納入擬議轉讓範圍。擬議轉讓將根據香港《保險業條例》（第41章）（「**《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2020年9月11日以呈請（「**呈請書**」）的方式向香港原訟法庭作出。

由於富衛和永明均在百慕達成立並註冊為保險公司，一項根據百慕達1978年《保險法案》（「**《保險法案》**」）第25條的申請亦已於2020年9月23日向百慕達最高法院（「**百慕達最高法院**」）作出，以獲得對計劃予以認許的命令。計劃將於香港原訟法庭和百慕達最高法院進行最終聆訊。計劃下擬議的轉讓僅在獲得所需批准（包括但不限於香港原訟法庭和百慕達最高法院的批准）的情況下方可進行。

富衛及永明已委任一名獨立精算師，即法國精算師協會會員Clement Bonnet先生（「**獨立精算師**」或「**認可精算師**」），研究計劃條款及計劃對富衛及永明的長期保單持有人可能產生的影響，並編製一份報告供香港原訟法庭和百慕達最高法院審閱。獨立精算師（或認可精算師）已作出兩份報告：(i) 截至2018年12月31日編制的報告，日期為2019年6月26日（「**獨立精算師報告**」或「**認可精算師報告**」）；及(ii) 截至2019年12月31日編制的報告，日期為2020年8月14日（「**補充報告**」）<sup>1</sup>。計劃及獨立精算師報告（或認可精算師報告）的摘要列於本函附件1及附件2。

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<sup>1</sup> 在補充報告中，獨立精算師（或認可精算師）已考慮到由富衛和永明向其指出自獨立精算師報告（或認可精算師報告）完成後的有關發展。獨立精算師報告（或認可精算師報告）及補充報告已上載於富衛和永明的網站（網址分別為[www.fwd.com.hk/en/](http://www.fwd.com.hk/en/)和[www.sunlife.com.hk](http://www.sunlife.com.hk)）供審閱，直至香港原訟法庭和百慕達最高法院的最終聆訊提堂。您亦可在香港原訟法庭於2020年11月25日和百慕

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和百慕達最高法院分別就呈請書進行的聆訊中陳詞。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或百慕達最高法院的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，您須瞭解擬議轉讓的詳情。我們建議您仔細閱讀本函。

### **擬議轉讓對您有何影響？**

若香港原訟法庭和百慕達最高法院認許計劃，包括您的保單在內的所有轉讓保單均將由富衛轉讓給永明。擬議轉讓完成後，永明將管理所有轉讓保單，而且永明將取代富衛成為此等保單的承保人。**敬請放心，您的保單的所有其他條款及規定均將保持不變。**請注意，如果您不希望被涉入擬議轉讓，您的權利僅限於有權根據您保單之條款終止您的保單。在此情況下，您保單下的累算權益及其他資產將轉入您為替代您向本公司投保之保單而可能投保的其他保單。您無需就您保單之終止承擔任何費用，終止程序將根據您保單銷售文件規定的正常程序進行。

**建議您參閱本函附件 1，以了解在計劃所擬轉讓獲香港原訟法庭及百慕達最高法院批准的條件下相關安排之詳情。**

如計劃未獲香港原訟法庭或百慕達最高法院認許，則擬議轉讓將不會進行，包括您的保單在內的轉讓保單將仍由富衛承保，富衛仍將為此等保單的承保人（包括負責其行政管理及服務）。如計劃未獲香港原訟法庭或百慕達最高法院認許，我們將另行通知您。

計劃的安排是確保保單持有人的權益受到保障。**獨立精算師（或認可精算師）已就計劃對富衛和永明之長期保單持有人的合理利益期望、財務保障及服務水平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（或認可精算師）的主要評估」及第 2 部「獨立精算師報告（或認可精算師報告）撮要」**。

### **進一步資料**

如您希望獲得進一步資料，您可：

- 於下列期間之正常工作日（星期一至星期五（公眾假期除外））上午 9 時至下午 5 時（當地時間）內，前往富衛、永明或貝克·麥堅時律師事務所（富衛與永明的律師）地址查閱本函、向香港原訟法庭及百慕達最高法院提交的呈請書、計劃以及獨立精算師報告（或認可精算師報告）：

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達最高法院於 2020 年 11 月 17 日頒發命令認許轉讓的最終聆訊當日或之前致函富衛和永明於下方第 3 頁列出地址的辦事處，要求免費索取獨立精算師報告（或認可精算師報告）及補充報告一份。

**香港** : 2020年10月16日至2020年11月6日

**百慕達** : 2020年10月16日至2020年11月6日

(即：本公告之日起至少21個公曆日的期間，含周末及公眾假日。)

- 在香港原訟法庭和百慕達最高法院的最終聆訊之前訪問富衛和永明的網站（網址分別為 [www.fwd.com.hk/en/](http://www.fwd.com.hk/en/) 和 [www.sunlife.com.hk](http://www.sunlife.com.hk)）；及/或
- 在最終聆訊日期當日或之前致函富衛和永明下列地址的辦事處，免費索取上述文件。

<b>富衛</b>	香港	香港德輔道中308號富衛金融中心28樓
	<b>百慕達</b>	Canon's Court, 22 Victoria Street, Hamilton, Bermuda, Appleby (Bermuda) Limited, 富衛代表律師
<b>永明</b>	香港	香港九龍紅磡紅鸞道18號祥祺中心A座16樓
	<b>百慕達</b>	Canon's Court, 22 Victoria Street, Hamilton, Bermuda, Appleby (Bermuda) Limited, 永明代表律師
<b>貝克·麥堅時 律師事務所</b>	香港	香港鰂魚涌英皇道979號太古坊1座14樓

注：貝克·麥堅時律師事務所可提供的文件僅限本函、香港呈請書、計劃、獨立精算師報告（或認可精算師報告）以及補充報告，不包括百慕達呈請書。

如您對擬議轉讓有任何疑問，請致電富衛的熱線電話(852) 3123 3123或永明的熱線電話(852) 3183 1900，或按照上述地址致函富衛或永明，並在信封上註明「富衛／永明保險組合轉讓」；或者，您亦可以電郵將您的問題發送至 [cs.hk@fwd.com](mailto:cs.hk@fwd.com) 或 [customerservicempf@bestserve.com](mailto:customerservicempf@bestserve.com)。

**富衛人壽保險（百慕達）有限公司**

（於百慕達註冊成立的有限責任公司）

首席執行官 謹啓

**香港永明金融有限公司**

（於百慕達註冊成立的有限責任公司）

首席執行官 謹啓

## 附件 1

### 第 1 部

#### **計劃撮要**

##### **擬議轉讓的背景和目的**

富衛於 1977 年 4 月 13 日採用「Rauco Insurance Company Limited」名稱在百慕達註冊成立。富衛係富衛集團之成員。富衛集團是投資集團 Pacific Century Group 的保險業務分支，擁有包括 Swiss Re Group 在內的少數股東。富衛的主要業務活動是於香港開展特定類別的長期業務。

富衛在百慕達受百慕達金融管理局（「**百慕達金管局**」）監管，並根據百慕達 1978 年《保險法案》（「《保險法案》」）獲發 E 類和 3 類牌照。富衛於香港根據《公司條例》（香港法例第 622 章，「**《公司條例》**」）註冊為非香港公司。富衛為《保險業條例》下的獲授權保險公司。

永明於 1985 年 10 月 15 日在百慕達註冊成立。永明由 Sun Life Assurance Company of Canada 全資擁有。Sun Life Assurance Company of Canada 是一家在加拿大註冊成立的公司。永明在百慕達受百慕達金管局監管，並根據《保險法案》獲發 E 類牌照。永明於香港根據《公司條例》註冊為非香港公司。永明的主要業務活動是於香港開展特定類別的長期業務。永明為《保險業條例》下的獲授權保險公司。

於 2016 年 8 月 3 日，FWD Management Holdings Limited 和永明訂立了一項關於處置富衛在香港的下列強積金和職業退休計劃業務的實施協議（「**實施協議**」）：

- (i) 永明強積金基本計劃（原為富衛強積金集成信託基本計劃）；
- (ii) 永明強積金綜合計劃（原為富衛強積金集成信託綜合計劃）；
- (iii) 永明強積金集成信託下的 G 類保單；
- (iv) 富衛本金保證計劃；及
- (v) 富衛綜合公積金計劃，

((i)至(iii)款中的強積金計劃稱為「強積金計劃」，(iv)至(v)款中的職業退休計劃稱為「職業退休計劃」)。

該項處置包括但不限於富衛向永明轉讓強積金計劃和職業退休計劃下的某些 G 類保單。

截至 2019 年 12 月 31 日，如計劃附件中詳述，強積金計劃和職業退休計劃下有 71 份 G 類保單（「**轉讓保單**」）。包括轉讓保單在內的有關業務（定義見下文）的轉讓因此屬於實施協議下所擬交易的一部分。

截至 2019 年 12 月 31 日，永明於香港為其強積金計劃和職業退休計劃簽發並維持 80 份 G 類保單。預期包括轉讓保單在內的有關業務（定義見下文）的轉讓將增大永明現時 G 類長期業務的規模，以運用永明於退休產品的專業知識。另外，這可提供規模效益，以提升相關業務的營運效率及服務水平。

##### **擬議轉讓**

擬議根據《保險業條例》第 24 條和《保險法案》第 25 條，富衛在香港的某些 G 類長期業務（「**有關業務**」），包括轉讓保單和歸屬於轉讓保單的資產和負債，應由富衛根據計劃的條款轉讓給永明。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**」）及百慕達最高法院根據《保險法案》第 25 條發出的命令（「**百慕達命令**」）進行。

### 轉讓日

轉讓日期（「**轉讓日**」）為富衛與永明共同決定的一個日期的凌晨十二時零一分（香港時間），該日期應為香港原訟法庭及百慕達最高法院各頒發命令認許計劃之日（以較遲者為準）後的 90 日之內的一日。以獲得上述命令為前提，預計轉讓日將於 2020 年 12 月 1 日生效，但該日期可更改。

### 資產和負債的轉讓

自轉讓日起，(i) 富衛根據實施協議應轉讓予永明的無論位於何處的歸屬於有關業務的所有資產（包括富衛在轉讓保單下的任何權利或利益）（「**轉讓資產**」），將由富衛轉讓給永明並且歸屬於永明（須受限於與該等資產相關的任何產權負擔）；且(ii) 於轉讓日富衛在轉讓保單下及與轉讓保單有關之歸屬於有關業務的（根據實施協議應轉讓予永明的）所有負債（無論是現時的、未來的或者或有的）（「**轉讓負債**」），將轉讓給永明並成為永明的負債，而富衛對該等負債的責任應完全解除。

如有任何富衛資產或負債於轉讓日本應構成轉讓資產或轉讓負債的一部份，但出於任何原因不能轉讓給永明（稱為「**剩餘資產**」和「**剩餘負債**」），此等剩餘資產和剩餘負債應於轉讓日後的後續轉讓日根據計劃條款轉讓給永明。

### 保單的轉讓

自轉讓日起，永明應享有富衛在轉讓保單下的一切權利和權力，並受轉讓保單的所有條款和細則約束。自轉讓日起轉讓保單應構成永明的長期業務的一部份。

### 記錄的轉讓

自轉讓日起，富衛持有的關於轉讓保單的保單持有人、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，包括但不限於他們的個人資料，均應轉讓給永明，而永明對持有和使用（及轉移）該等資料應擁有與富衛在轉讓日之前所具有的相同權利及權力。

### 程序的繼續

自轉讓日起，就轉讓保單、轉讓資產和轉讓負債而言（或就剩餘資產和剩餘負債而言，為自後續的轉讓日期起），由富衛提起的或針對富衛提起的任何未完結的司法、類似司法、紀律研訊、行政、仲裁或法律程序，應由永明取代富衛，由永明繼續提起或針對永明繼續提起，而永明應享有與富衛就該等程序所享有的相同的辯護、索償、反索償及抵銷權。

### 新的永明保險基金

於轉讓日且自轉讓日起，(i) 永明應在永明 G 類基金下設立三項新的子基金，即：新的強積金子基金（G 類）、新的職業退休計劃本金保證子基金（G 類）和新的職業退休計劃非保證子基金（G 類），均應由永明作為永明 G 類基金下單獨的子帳戶加以維持（新的職業退休計劃本金保證子基金（G 類）和新的職業退休計劃非保證子基金（G 類）應稱為「新的職業退休計劃子基金（G

類)」)；於轉讓日且自轉讓日起，與強積金計劃有關的所有轉讓保單應分配予新的強積金子基金(G類)並成為其一部分；與職業退休計劃有關的所有轉讓保單應分配予新的職業退休計劃子基金(G類)並成為其一部分。

### **保費、授權及其他指令**

於轉讓日當日或之後，就轉讓保單向富衛繳付的保費及其他款項將自動轉為向永明繳付。關於富衛就此等保單支付任何款項的授權或其他指令將轉移予永明。

### **計劃的費用**

任何保單持有人不會直接或間接地承擔計劃的費用。所有費用將由富衛和永明以其各自的股東資金平均分擔。

### **管轄法律**

本計劃受香港法律管轄，但與《保險法案》第25條下的呈請書有關的任何程序事宜則受百慕達法律管轄。

## 第 2 部：聆訊的其他資料

### **最終聆訊**

關於認許計劃的呈請書的聆訊將分別在香港原訟法庭和百慕達最高法院進行。我們預計香港原訟法庭和百慕達最高法院決定是否認許計劃的最終聆訊將分別於 2020 年 11 月 25 日上午 10 時和 2020 年 11 月 17 日上午 9 時 30 分舉行。

《保險業條例》和《保險法案》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和百慕達最高法院分別就呈請書進行的聆訊中陳詞。

如果您有意出席香港原訟法庭或百慕達最高法院的聆訊，請您於聆訊日期最好不少於七(7)個公曆日前按照以下地址向富衛和永明的律師發出表明此等意圖的書面通知並說明理由：-

#### **就香港原訟法庭的聆訊：**

香港鰂魚涌英皇道 979 號太古坊 1 座 14 樓  
貝克.麥堅時律師事務所

(所有信件應以中文註明「富衛 / 永明保險組合轉讓」，請寫明收件人為譚志偉律師或以英文註明「FWD / Sun Life Insurance Portfolio Transfer」，請寫明收件人為 Mr. Martin Tam，電郵地址：martin.tam@bakermckenzie.com )

#### **就百慕達最高法院的聆訊：**

Appleby  
Canon's Court, 22 Victoria Street, Hamilton,  
Bermuda

(所有信件應以英文註明「FWD / Sun Life Insurance Portfolio Transfer」，請寫明收件人為

Mr. John Wasty, 電郵地址：  
jwasty@applebyglobal.com )

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或百慕達最高法院的聆訊，您應於聆訊日期不少於七(7)個公曆日前按照上述地址向富衛及永明的代表律師發出表明此等意圖的書面通知並說明理由。

### 關鍵日期

因此，提請您注意下列關鍵日期：

事件	本公告之日後 公曆日天數	關鍵日期
向百慕達最高法院就計劃提出反對的最終期限	25	2020 年 11 月 10 日
為批准計劃在百慕達進行法院聆訊的日期	32	2020 年 11 月 17 日
為批准計劃在香港進行法院聆訊的日期	40	2020 年 11 月 25 日

## 附件 2

### **第 1 部：獨立精算師（或認可精算師）的主要評估**

獨立精算師（或認可精算師）在獨立精算師報告（或認可精算師報告）及補充報告中主要發表了下述意見：

- (i) 計劃對富衛之轉讓保單及非轉讓保單持有人或永明之現有保單持有人的合理利益期望並無重大不利影響。
- (ii) 計劃對富衛之轉讓保單及非轉讓保單持有人或永明之現有保單持有人的財務保障並無重大不利影響。
- (iii) 計劃對富衛與永明之長期保單持有人的服務水平並無重大不利影響。
- (iv) 獨立精算師（或認可精算師）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（或認可精算師報告）摘要**

獨立精算師（或認可精算師）已作出兩份報告：(i) 獨立精算師報告（或認可精算師報告）；及 (ii) 補充報告<sup>2</sup>。

### **獨立精算師報告（或認可精算師報告）摘要**

#### **緒言**

- 1.1. 本人 Clement Bonnet 獲委任根據香港《保險業條例》（香港法例第 41 章）第 24 條擔任獨立精算師及根據百慕達 1978 年《保險法案》第 25 條擔任獲批准精算師（「獲批准精算師」），就富衛人壽保險（百慕達）有限公司（「富衛」）向香港永明金融有限公司（「永明」）轉讓某些長期退休金業務擬議計劃（「計劃」）之條款和可能造成的影響提供獨立意見。該兩家公司在本報告內統稱為「有關方」。所涉及的長期業務稱為「轉讓業務」，包括富衛在計劃生效日（「轉讓日」）之前承保的 G 類保單，但不包括富衛代理人及員工的四項內部退休計劃，該等計劃將由富衛保留（「富衛職業退休計劃保留業務」）。G 類保單現時簽發予強制性公積金（「強積金」）計劃及職業退休計劃（「ORSO」）的受託人或僱主。購買此等 G 類保單的受託人或僱主以下統稱為「轉讓保單持有人」。
- 1.2. 本人是香港精算學會的會員及法國精算師協會會員。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。
- 1.3. 在擬備本人關於計劃之獨立精算師報告（或認可精算師報告）時，本人就規定內容諮詢保險業監管局（「香港保監局」），並於適當的情況下納入香港保監局的建議。本人參考了以下

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<sup>2</sup> 獨立精算師報告（或認可精算師報告）為截至 2018 年 12 月 31 日編制的報告，日期為 2019 年 6 月 26 日及補充報告為截至 2019 年 12 月 31 日編制的報告，日期為 2020 年 8 月 14 日。

在補充報告中，獨立精算師（或認可精算師）已考慮到由富衛和永明向其指出自獨立精算師報告（或認可精算師報告）完成後的有關發展。獨立精算師報告（或認可精算師報告）及補充報告已上載於富衛和永明的網站（網址分別為 [www.fwd.com.hk/en/](http://www.fwd.com.hk/en/) 和 [www.sunlife.com.hk](http://www.sunlife.com.hk)）供審閱，直至香港原訟法庭和百慕達最高法院的最終聆訊提堂。您亦可在香港原訟法庭於 2020 年 11 月 25 日和百慕達最高法院於 2020 年 11 月 17 日頒發命令認許轉讓的最終聆訊當日或之前致函富衛和永明於上方第 3 頁列出地址的辦事處，要求免費索取獨立精算師報告（或認可精算師報告）及補充報告一份。

各項：(i)審慎監管局（「PRA」）手冊第 2 條第 31 條至第 41 條以及金融市場行爲監管局（「FCA」）手冊中監管守則第 18 章（「SUP 18」）；和(ii) 百慕達 1978 年《保險法案》第 25 條。本人亦已考慮金融市場行爲監管局於 2018 年五月頒佈的關於其審查第七部保險業務轉讓之方法的指引（「FG18/4：金融市場行爲監管局審查第七部保險業務轉讓之方法」）。本人的審閱及意見範圍僅限於計劃對富衛及永明的長期保單持有人的影響。本人的工作範圍並不包括評估計劃對有關方的股東造成的影響。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。

- 1.4. 本人已獲准自由查閱本人所要求的為進行工作所需的資料。此外，本人亦獲准不受限制地接觸有關方的多名代表並與之進行了討論。

### **摘要和概覽**

- 1.5. 本轉讓的根本原因是為了使永明能夠取得富衛的退休金業務，擴大永明在亞洲財富管理領域中資本較低的收費業務，並增加永明現有的退休金業務規模，從而減少每一成員的開支。
- 1.6. 本人認為：
- 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的合理利益期望均無重大不利影響。
  - 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的財務保障均無重大不利影響。
  - 計劃對富衛與永明之長期保單持有人的服務水平均無重大不利影響。
  - 本人信納計劃提供充分的保障，以確保計劃如所述般運作。
- 1.7. 在形成本人意見時，本人已考慮下文所述各項事宜。有关讨论更多详情，请參見本人完整報告。

### **計劃對轉讓保單持有人的利益期望的影響**

#### **轉讓業務的酌情利益**

- 1.8. 於轉讓日，富衛將轉讓強積金計劃和職業退休計劃項下的所有 G 類保單，但富衛職業退休計劃保留業務除外。
- 富衛強積金本金保證組合（「富衛強積金 CG」）是一個單位化基金，其價格等於淨資產價值。淨資產價值基於實際回報減去適用的管理費用、受託人費用和保證費用而增加。富衛強積金 CG 保證在每個為期 5 年的連續投資期結束時或（若成員年屆 65 歲）在較短的期間內，本金將得到保全。

- 富衛職業退休計劃業務的酌情利益受酌情給付利率影響，酌情給付利率受限於最低保證利率。富衛提供的所有職業退休計劃適用相同的給付利率原理。

- 1.9. 永明已承諾遵循富衛採用的現行做法來釐定酌情利益。特別是，給付利率至少將每年重審，並考慮到保單持有人的合理期望及市場環境。永明的目標是為保單持有人提供連續性，並在可行的範圍內制定與富衛相類似的政策和做法。與富衛相類似，永明將根據正常的審查過程定期對該方法進行重審。
- 1.10. 基於本人的審核，本人認為現時的酌情利益釐定準則和方法，以及永明擬在業務轉讓後就現有做法的任何變動採用的所需程序，均為保單持有人提供充分保障，以致保單持有人可預期在業務轉讓前後獲得相類似的待遇。

#### **對轉讓業務的資產配置和投資政策**

- 1.11. 轉讓的 G 類基金的投資政策將獨立於永明現有 G 類基金加以維持。特別是，轉讓後的目標資產配置和投資政策不會有重大改變。與現有永明 G 類基金的管治流程相類似，轉讓業務的投資政策將由永明資產負債管理委員會維持和核准，由永明 SLF Asia 資產負債管理委員會批准。轉讓基金的投資政策和資產配置與富衛現有保單相比不會有重大改變。基於上述考慮，本人並無理由相信計劃在這方面會對轉讓保單持有人的合理利益期望產生重大不利影響。

#### **對轉讓業務的酌情收費**

- 1.12. 富衛享有廣泛的權利調整保單收費，且有權就保單的管理徵收任何其他收費。根據保單條款規定，在任何費用調整生效前，所有計劃成員和參與僱主將會預先獲發書面通知。永明將承繼這些權利，且不論計劃進行與否，這些權利均存在。
- 1.13. 本人獲永明告知，轉讓業務的現行收費水平將不會因轉讓而有重大改變。特別是，將不會有其他收費適用於轉讓業務。基於上述考慮，本人並無理由相信計劃會對適用於轉讓保單持有人的酌情收費構成重大不利影響。

#### **合約保證利益條文**

- 1.14. 按照計劃，永明將承諾繼續向富衛的轉讓保單持有人支付保證利益。在轉讓前後，上述保單持有人的權利（在現有保單文件內界定）均相同。

#### **與計劃有關的費用及開支**

- 1.15. 就計劃引致的總費用將由富衛與永明的股東基金承擔。永明已確認，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，本人並無理由相信轉讓保單持有人將在這方面受到任何重大不利影響。

#### **稅務影響**

- 1.16. 富衛和永明均採用 16.5%的香港利得稅稅率計算 G 類業務的稅款。任何稅務餘額都不會因轉讓而從富衛轉給永明。因此，適用於轉讓業務的稅務制度不會改變，且擬議轉讓在這方面不會對保單持有人的合理利益期望構成影響。

#### *保單條款及細則*

- 1.17. 本人獲告知，轉讓業務的保單條款及細則不會因計劃的實施而改變。就此而言，本人並無理由相信計劃將對保單條款及細則構成重大不利影響。

### **計劃對富衛之非轉讓保單持有人及永明之現有保單持有人的利益期望的影響**

#### *酌情利益*

- 1.18. 富衛現時在釐定其有效分紅保單的紅利及萬用壽險保單的酌情利率時採用的準則和方法於擬議轉讓後不會改變。轉讓後，與退休業務有關的部份間接費用（基於對富衛 2014-2018 年期間發生的退休金相關費用的研究，不足總費用的 3%）將不會消除，將分攤給剩餘業務。但是，富衛預計單位成本不會有任何重大增加，且紅利支付和給付利率（投資經驗是影響紅利和給付利率的主要因素）不會受到任何重大不利影響。對於非分紅壽險保單與投資相連保單，富衛現時享有調整保費及變更費用或收費的廣泛權利，無論計劃是否進行，此等權利均存在。
- 1.19. 對於富衛保留的五個內部 G 類計劃，富衛無意因轉讓而改變投資策略或給付利率原理。未來的任何審核或改變均將通過與轉讓前相同的審核程序。但是，由於 2018 年管理資產減少而投資費用可能增加，富衛有意外包富衛職業退休計劃保留業務的投資，投資目標保持不變，並繼續提供相同的保證。在任何情況下，富衛均將確保符合指引 14「外包指引」的要求，並將通過必要的監管審批流程。
- 1.20. 對於轉讓業務，永明將獨立於其現有業務（尤其是永明現有的 G 類業務）予以維持。對於現有保單持有人而言，合約保證利益將保持不變。
- 1.21. 基於本人的審核，本人認為適用於富衛之非轉讓保單持有人和現有永明保單持有人的現時酌情利益釐定準則和方法將不會受計劃影響。

#### *資產配置及投資政策*

- 1.22. 富衛和永明均無意於擬議轉讓後改變現時就支持現有保單的資產所採取的投資策略。本人並無理由相信計劃將在此方面對富衛之非轉讓保單持有人和現有永明保單持有人的合理利益期望構成重大不利影響。

#### *保單條款及細則*

1.23. 富衛非轉讓業務及永明現有業務的保單條款及細則不會因計劃的實施而改變。本人並無理由相信計劃實施將對富衛之非轉讓保單持有人和永明之現有保單持有人的保單條款及細則構成重大不利影響。

#### **與計劃有關的費用及開支**

1.24. 就計劃引致的總費用將由富衛與永明的股東基金承擔。富衛與永明已確認，計劃引致的相關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，本人並無理由相信富衛與永明的長期保單持有人在這方面將會受到重大不利影響。

#### **對轉讓保單持有人的財務保障的影響**

##### **財務保障的提供**

1.25. 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、最低償付準備金及盈餘，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，根據法定規則訂明的估值準則計算，且是審慎的。
- 最低償付準備金：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。對於在G類中承保的長期業務而言，在香港沒有額外的償付準備金要求。
- 盈餘：保險公司持有的超過法定最低償付準備金的超額資產，是體現其財務實力和償付能力狀況的因素之一。

1.26. 在上述三種資產層之外，保險公司亦須每年根據香港精算學會所發出及香港保監局所要求的關於動態償付能力測試（「DST」）的《精算指引七》（「AGN7」）所規定的若干不利情景下，檢視整體業務的財務狀況。

##### **保單儲備金**

1.27. 富衛已為G類長期業務建立法定儲備金，金額為下列各項總和：

- 向基金繳付的供款的累計金額減去適用的開支、費用或收費，再加上根據適用的保證利率或宣佈利率所給付的利息（「帳戶結餘」）；
- 投資保證儲備金（「指引7儲備金」）；及
- 額外的平滑儲備金。

- 1.28. 轉讓後，永明將繼續根據香港監管標準為轉讓業務持有指引 7 儲備金。此外，永明將繼續按類似於富衛之方法為職業退休計劃和強積金業務持有平滑儲備金。
- 1.29. 於轉讓日，強積金的最低指引 7 儲備金和平滑儲備金不會變化。就職業退休計劃而言，
- 最低指引 7 儲備金將於轉讓日在富衛職業退休計劃保留業務和職業退休計劃轉讓業務之間基於帳戶結餘拆分。轉讓業務的相關指引 7 儲備金金額在轉讓後將由永明持有，轉讓保單持有人的指引 7 儲備金將不會發生任何變化。
  - 雙方同意將整個職業退休計劃平滑儲備金（即富衛職業退休計劃保留業務和職業退休計劃轉讓業務的平滑儲備金）轉讓給永明，使得轉讓業務的平滑儲備金在轉讓後有所增加。

1.30. 總之，轉讓後持有的儲備金將高於富衛在轉讓前持有的儲備金。此外，有關方法預計將不會有重大變化。因此，本人認為，轉讓前及轉讓後確定估值方法的程序之變化將不會對富衛轉讓保單持有人的財務保障產生重大不利影響。

#### *償付能力狀況、整體財務狀況及動態償付能力測試*

1.31. 轉讓業務的整體財務狀況不僅依賴于法定儲備金的金額，亦依賴於盈餘和資本水平。因為在現有的指引<sup>7</sup>儲備金之外，在香港對於G類業務並不要求額外的償付準備金，本人更為詳細地考慮了轉讓前和轉讓後的自由資產比率（定義為盈餘（即淨資產減去法定償付準備金）除以包括法定償付準備金在內的總負債所得的比率）。於2018年12月31日，根據HKFRS帳戶，富衛的轉讓前自由資產比率為4.6%，而永明的轉讓後自由資產比率為6.2%。

1.32. 此外，亦進行了 DST 預測，檢視在擬議轉讓之前和之後，在可能出現的若干不利情景下，有關方的償付能力狀況。預測結果顯示：

- 富衛在轉讓前、永明在轉讓後的未來償付能力狀況在所有設定情景下均保持令人滿意，并保持在監管要求之上。
- 由於轉讓業務在富衛和永明總資產組合計劃中不具實質性，不論擬議轉讓實施與否，富衛和永明未來的償付能力狀況不會有重大差異。

#### *風險承擔*

1.33. 不論擬議轉讓實施與否，有關方的風險承擔均不受影響。總體而言，轉讓業務僅占永明總負債的 5%左右，因轉讓而產生的額外風險不被視為實質性風險。

1.34. 基於上述考慮，本人沒有發現因計劃實施導致額外風險承擔而可能損害轉讓保單持有人應享合約權利的任何問題，因此計劃不會對轉讓保單持有人的財務保障產生重大不利影響。

#### *投資政策*

1.35. 鑑於支持富衛轉讓保單的已投資資產將與支持永明現有保單的資產分別管理（並符合富衛以前的做法），因此並無任何互相抵觸的投資目標需要調和，亦無任何不同的營運準則需要達成一致。

#### *關於財務保障的結論*

1.36. 本人認為，計劃對於轉讓保單持有人的財務保障並無重大不利影響。

### **對富衛之非轉讓保單持有人和永明之現有保單持有人的財務保障的影響**

#### *保單儲備金*

1.37. 富衛和永明將繼續採用既定方法和程序。特別是，對於富衛職業退休計劃保留業務，將採用相同的既定方法和程序計算指引 7 儲備金和平滑儲備金。於轉讓日，指引 7 儲備金和平滑儲備金將按比例分配。

- 富衛職業退休計劃業務的最低指引 7 儲備金將由富衛在富衛職業退休計劃保留業務和職業退休計劃轉讓業務之間基於帳戶結餘拆分。儘管以往這兩類業務是統一管理，但根據富衛進行的一項分析，此項拆分被視為是合理的。特別是，考慮到以往的平均續保情況、風險概況及保證性質，經評估兩類保單之間的指引 7 儲備金不會有任何重大差異。
- 富衛職業退休計劃業務的平滑儲備金將在富衛職業退休計劃保留業務和職業退休計劃轉讓業務之間基於帳戶結餘拆分。儘管全部職業退休計劃平滑儲備金將於轉讓日轉讓給永明，富衛仍會在轉讓後為富衛職業退休計劃保留業務設立平滑儲備金，金額等於轉讓前的平滑儲備金金額（即基於帳戶結餘拆分全部平滑儲備金後所得金額）。

1.38. 因此，本人認為富衛之非轉讓保單持有人和永明之現有保單持有人的財務保障在此方面並無重大不利影響。

#### *償付能力狀況和整體財務狀況*

1.39. DST 結果表明，富衛和永明的未來償付能力狀況在所有設定情景下均保持令人滿意，并保持在監管要求之上。此外，由於轉讓業務在富衛和永明總資產組合計劃中不具實質性，不論擬議轉讓實施與否，富衛和永明未來的償付能力狀況不會有重大差異。

#### *動態償付能力測試及風險承擔*

1.40. DST 結果表明，不論計劃實施與否，富衛和永明未來的償付能力狀況在所測試情況下均有相似的敏感度。因此，本人認為富衛非轉讓保單持有人及永明保單持有人的風險承擔在計劃實施後不會有重大變化。

#### *投資政策*

1.41. 富衛和永明均已確認其將繼續以與各自的投資政策和指引相同的方式運作投資組合。未來對這些投資政策的任何改變均將經過與正常業務相同的審核程序。

#### *關於財務保障的結論*

1.42. 本人認為，計劃不會給富衛之非轉讓保單持有人和永明之現有保單持有人的財務保障產生重大不利影響。

#### *其他考慮因素*

#### *保單持有人服務*

- 1.43. 無意因轉讓而改變向富衛其餘保單持有人提供的現有服務水平。對於轉讓保單持有人，其現有的基金選擇範圍在擬議轉讓後將予以維持。此外，將繼續由 BestServe 向保單持有人提供服務（BestServe 是永明的同類附屬公司，富衛將部分退休金業務外包給 BestServe）。

#### *再保險安排*

- 1.44. 轉讓業務並無再保險。對於富衛和永明的剩餘業務，現有再保險安排不會因轉讓而受到影響。

#### *分銷協議*

- 1.45. 富衛與永明簽訂了一項為期 15 年的獨家分銷協議，允許永明透過富衛在香港的代理網絡提供強積金計劃和職業退休計劃。這將不會對富衛其餘保單持有人產生任何影響。

## **結論**

1.46. 本人結論如下：

- 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的合理利益期望均無重大不利影響。
- 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的財務保障均無重大不利影響。
- 計劃對富衛與永明之長期保單持有人的服務水平均無重大不利影響。
- 本人信納計劃提供充分的保障，以確保計劃如所述般運作。

## **依據與限制**

1.47. 本報告受本人於 2019 年 6 月 26 日刊發的獨立精算師報告（或認可精算師報告）全文所載的相同依據和限制所規限（如補充報告中第 1.8 節所確認）。

**Clement Bonnet**

**獨立精算師（或認可精算師）**

**2019 年 6 月 26 日**

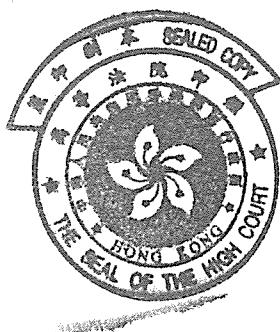
呈請書（香港）

2020年9月11日

(只提供英文版本)

HCMP 1440/2020

IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
MISCELLANEOUS PROCEEDINGS NO. 1440 OF 2020



IN THE MATTER of FWD LIFE INSURANCE  
COMPANY (BERMUDA) LIMITED  
1st Petitioner

and

IN THE MATTER of SUN LIFE HONG KONG  
LIMITED  
2nd Petitioner

and

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

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**PETITION**

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To: The High Court of Hong Kong

**THE HUMBLE PETITION OF** (i) FWD LIFE INSURANCE COMPANY (BERMUDA) LIMITED ("FWD") whose principal place of business is at 28/F, FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong; and (ii) SUN LIFE HONG KONG LIMITED ("Sun Life") whose registered office is at 16/F, Cheung Kei Center Tower A, 18 Hung Luen Road, Hunghom, Kowloon, Hong Kong ("Joint Petitioners") SHOWETH AS FOLLOWS:-

1. The objects of this Petition are:-

- (i) to seek an Order of this Honourable Court under section 24 of the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong, "Ordinance") sanctioning the scheme (the "Scheme", which is annexed to this Petition as "Annexure 1") for the transfer from FWD to Sun Life of the Class G (retirement scheme management category I) long term business (as defined in sections 2(1) and 3 of the Ordinance) carried on by FWD in or from Hong Kong in respect of the Transferring Policies (as defined in paragraph 5 below) (such Class G long term business to be transferred including the Transferring Policies (as defined in paragraph 5 below) should be referred to as the "Business"); and
  - (ii) to obtain an Order under section 25 of the Ordinance making ancillary provisions for implementing the Scheme as this Honourable Court shall consider appropriate.
2. (i) FWD was incorporated in Bermuda on 13 April 1977, under the name of Rauco Insurance Company Limited. FWD is part of the FWD Group, which is the insurance business arm of investment group, Pacific Century Group, whose minority shareholders include Swiss Re Group. The principal business of FWD is the carrying on of certain classes of long term business in Hong Kong. FWD is regulated in Bermuda by the Bermuda Monetary Authority ("BMA") and has a class E and a class 3 licence under the Bermuda Insurance Act 1978 ("Act"). FWD is registered as a non-Hong Kong company under the Companies Ordinance (Cap. 622 of the Laws of Hong Kong, "CO"). FWD is authorized by the Insurance Authority ("IA") under the Ordinance to carry on long-term business of Class A (life and annuity), Class C (linked long term), Class D (permanent health), Class G (retirement scheme management category I) and Class I (retirement scheme management category III) as set out in Part 2 of the Schedule 1 to the Ordinance in or from Hong Kong. FWD has an issued share capital of US\$830,200,000 as of the financial year ended on 31 December 2019.
- (ii) Sun Life was incorporated in Bermuda on 15 October 1985. Sun Life is wholly-owned by Sun Life Assurance Company of Canada, a company incorporated in Canada. Sun Life has an issued share capital of HK\$3.527

billion as of the financial year ended 31 December 2019. Sun Life is regulated in Bermuda by the BMA and has a class E licence under the Act. Sun Life is registered as a non-Hong Kong company under the CO. The principal business of Sun Life is the carrying on of certain classes of long term business in Hong Kong. Sun Life is authorized by the IA under the Ordinance to carry on long-term business of Class A (life and annuity), Class C (linked long term), Class D (permanent health), Class G (retirement scheme management category I), Class H (retirement scheme management category II) and Class I (retirement scheme management category III) as set out in Part 2 of Schedule 1 to the Ordinance in or from Hong Kong.

3. On 3 August 2016, FWD Management Holdings Limited ("FMH") (being part of the FWD Group) and Sun Life entered into an implementation agreement ("Implementation Agreement") in relation to the disposal of the following FWD's MPF and ORSO businesses in Hong Kong:
  - (i) Sun Life MPF Basic Scheme (永明強積金基本計劃) (formerly known as FWD MPF Master Trust Basic Scheme (富衛強積金集成信託基本計劃));
  - (ii) Sun Life MPF Comprehensive Scheme (永明強積金綜合計劃) (formerly known as FWD MPF Master Trust Comprehensive Scheme (富衛強積金集成信託綜合計劃));
  - (iii) the Class G Policies (as defined in paragraph 4 below) underlying the Sun Life MPF Master Trust (formerly known as Schroder MPF Master Trust);
  - (iv) FWD Capital Guaranteed Plan; and
  - (v) FWD Multi-Funding Provident Plan,

(the MPF schemes in (i) to (iii) are referred to as the "MPF Schemes", and the ORSO schemes in (iv) to (v) are referred to as the "ORSO Schemes").

4. The disposal includes, inter alia, (i) the sale of the shareholding of the then FWD Pension Trust Limited ("FWDPT"), the trustee of the MPF Schemes in (i) and (ii) of paragraph 3 above, to Sun Life (and its nominees); and (ii) the transfer from FWD to Sun Life certain insurance policies in the nature of the Class G (retirement scheme management category I) long term business (as defined in Part 2 of Schedule 1)

("Class G Policies") underlying the MPF Schemes and ORSO Schemes. The sale of the then FWDPT had been completed on the first completion date, 3 October 2017, after which the name of FWDPT was changed to Sun Life Pension Trust Limited.

5. As at 31 December 2019, there are 71 Class G Policies underlying the MPF Schemes and ORSO Schemes, the details of which are set out in the Schedule to the Scheme (collectively, "**Transferring Policies**"). The transfer of the Business is part of the transaction contemplated under the Implementation Agreement. Other than the Transferring Policies, there are 4 non-transferring Class G Policies (as further explained in paragraph 18(viii)(c) below) which will continue to be held by FWD after the proposed transfer.
6. Under the Implementation Agreement, in respect of the Transferring Policies, FMH agreed to transfer to Sun Life (or its nominees) cash and/or the legal and beneficial title in "eligible assets" with a "fair market value" equal to FWD's estimate of the Class G required provisions (which shall include the provision for account balance, the provision for investment guarantee and the provision for the smoothing of investment returns) as at 12:01 a.m. (Hong Kong time) on the second completion date of the Implementation Agreement. The second completion date will be the Transfer Date under the Scheme.
7. As at 31 December 2019, Sun Life has 80 Class G Policies issued and maintained for its MPF and ORSO schemes in Hong Kong. It is expected that the proposed transfer of the Business will add scale to Sun Life's existing Class G long term business while capitalizing on Sun Life's expertise in retirement products. Further, this will offer economies of scale, and enhance operational efficiencies and service standards of the relevant businesses.
8. The proposed transfer of the Business falls within section 24(1) of the Ordinance. Pursuant to section 24(1) of the Ordinance, the Scheme for the transfer is devised; and the transfer under the Scheme is conditional upon obtaining the sanction of this Honourable Court.

9. The Scheme provides for, *inter alia*, the transfer by FWD to Sun Life of the Transferring Policies, and the Transferring Assets, Transferring Liabilities, Residual Assets and Residual Liabilities (as defined in the Scheme) relating to the Transferring Policies.
10. As each of FWD and Sun Life is incorporated and registered as an insurer in Bermuda, the transfer of the Business is also conditional on the approval or non-objection of the BMA and the sanction of the Supreme Court of Bermuda ("Bermuda Court"). An application shall be made by FWD and Sun Life to the Bermuda Court for an order sanctioning the Scheme pursuant to section 25 of the Act.
11. It is proposed by FWD and Sun Life that:
  - (i) the Business shall be transferred from FWD to Sun Life in accordance with the terms of the Scheme and subject to the order of this Honourable Court made pursuant to section 24 of the Ordinance and the order made by the Bermuda Court pursuant to section 25 of the Act; and
  - (ii) by the order of this Honourable Court, provisions be made pursuant to section 25(1) of the Ordinance for the transfer to Sun Life, in accordance with the terms of the Scheme, of the property and liabilities of FWD in respect of the Business.
12. The transfer contemplated under the Scheme will not proceed unless:
  - (i) the approvals from each of the Mandatory Provident Fund Schemes Authority ("MPFA") and the Securities and Futures Commission ("SFC") is obtained in Hong Kong (which are required in respect of the transfer of the Transferring Policies issued under the MPF Schemes);
  - (ii) the approval of the SFC is obtained in Hong Kong (which is required in respect of the transfer of the Transferring Policies issued under paragraph 3(iv) to (v) above);

- (iii) the approval or non-object of the BMA is obtained in Bermuda; and
- (iv) the Scheme is sanctioned by this Honourable Court and the Bermuda Court.

In relation to (i), the approvals from the MPFA and the SFC have been obtained on 25 March 2020. In relation to (ii), the approval of the SFC has been obtained on 29 May 2020. In relation to (iii), the approval of the BMA is expected to be obtained in September 2020.

13. Pursuant to section 24(2) of the Ordinance, an independent actuary, Mr. Clement Bonnet (the "**Independent Actuary**"), a Fellow of the French Institute of Actuaries, has prepared a report prepared as of 31 December 2018 and dated 26 June 2019 on the terms of the Scheme providing his opinions on the likely effects of the Scheme on the policy holders of the Transferring Policies and the non-transferring policies of FWD and the existing policy holders of Sun Life (the "**Independent Actuary's Report**").
14. In the Independent Actuary's view (as summarized in the Independent Actuary's Report):
  - (i) The Scheme will have no material adverse effect on the reasonable benefit expectations of the policy holders of the Transferring Policies and the non-transferring policies of FWD or the existing policy holders of Sun Life.
  - (ii) The Scheme will have no material adverse effect on the financial security of the policy holders of the Transferring Policies and the non-transferring policies of FWD or the existing policy holders of Sun Life.
  - (iii) The Scheme will have no material adverse effect on the level of service to the long term policy holders of FWD and Sun Life.
  - (iv) He is satisfied that the Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

15. On 14 August 2020, the Independent Actuary issued a supplementary report prepared as of 31 December 2019 and dated 14 August 2020 on the terms of the Scheme providing his opinions on the likely effects of the Scheme on the policy holders of the

holders of Sun Life to reflect the updated financial position as of 31 March 2020 (the "Supplementary Report").

16. In the Supplementary Report, the Independent Actuary states that he has considered relevant developments brought to his attention by FWD and Sun Life since the completion of the Independent Actuary's Report and that he has not changed his conclusions regarding the likely effects of the Scheme.
  17. For the purpose of section 24(3)(b) of the Ordinance and for the reasons set out below, it is proposed that:
    - (i) a statement as required under section 24(3)(b) for every shareholder of the insurers concerned be sent to each of the shareholder of FWD and Sun Life at its principal place of business in Hong Kong (or if such shareholder does not have a principal place of business in Hong Kong at the registered office in its place of incorporation); and
    - (ii) a statement as required under section 24(3)(b) for the long term policy holders of the insurers concerned be sent to each legal holder of the Transferring Policies of FWD having his/her name appear on the register of policy holders maintained by FWD at their respective last known address, and to each policy holder of Class G Policies of Sun Life having his/her name appear on the register of policy holders maintained by Sun Life at their respective last known address (or, if the address of a policy holder (being a person to whom under a policy a benefit is due or a periodic payment is payable) is not known to Sun Life, at the last known address of the employer of such policy holder for onward delivery to such policy holder),
- (the statements in (i) and (ii) above are collectively referred to as "Statutory Statements", and each a "Statutory Statement").

18. It is further proposed that the sending of the relevant Statutory Statement to all other long term policy holders of FWD and all policy holders of the non-Class G Policies (as defined below) of Sun Life be dispensed with, for the reasons explained below:

- (i) Each of FWD and Sun Life is required under section 22(1) of the Ordinance to maintain an account for each class of insurance business specified in Part 2 of Schedule 1 to the Ordinance, namely
  - (a) an account for its Hong Kong Class G (retirement scheme management category I) long term business (as defined in sections 2(1) and 3 of the Ordinance) ("**Class G Business**"),
  - (b) an account for each class of the other long term business (collectively, "**non-Class G Business**"; and the policies shall be referred to as "**non-Class G Policies**").
- (ii) A separate insurance fund shall be maintained for each such account, and each such insurance fund must satisfy the applicable solvency requirements as prescribed in section 22(3) of the Ordinance. In addition, the application of assets within each such insurance fund shall comply with the requirements set out in section 23 of the Ordinance.
- (iii) Accordingly, the non-Class G Business of FWD has been maintained by FWD "separated" and "segregated" from the Class G Business of FWD in accordance with sections 22 and 23 of the Ordinance. In light of such segregation, and the fact that none of the policies, assets or liabilities in the non-Class G Business of FWD will be transferred under the Scheme, the relevant Statutory Statement - which relates only to the transfer of certain Class G Business of FWD - should not be required to be sent to the policy holders of the non-Class G Business of FWD.
- (iv) Similarly, Sun Life maintains an account, including a separate fund, for each class of insurance business in accordance with sections 22 and 23 of the Ordinance. In light of such segregation, and the fact that none of the Transferring Policies, Transferring Assets and Transferring Liabilities will be transferred into the insurance funds of the non-Class G Business of Sun Life under the Scheme, the relevant Statutory Statement - which relates only to the transfer of the Class G Business - should not be required to be sent to the policy holders of the non-Class G Policies of Sun Life.

- (v) Both the appointed actuary of FWD and the Independent Actuary have opined that the Scheme should not have a material adverse effect on the reasonable benefit expectations or the financial security of the policy holders of the non-transferring policies of FWD.
- (vi) Both the appointed actuary of Sun Life and the Independent Actuary have opined that the Scheme should not have a material adverse effect on the reasonable benefit expectations or the financial security of the existing policy holders of Sun Life, including policy holders of both Class G Policies and non-Class G Policies (in addition to their opinion that the Scheme should not have a material adverse effect on the reasonable benefit expectations or the financial security of the policy holders of the Transferring Policies).
- (vii) Class G Policies are policies issued primarily for retirement scheme purposes and such policies provide for a guaranteed capital or return subject to the terms thereof. Such Class G Policies are therefore quite different (in form and substance) from the non-Class G Policies which are mainly issued for protection purposes (such as Class A policies), investment purposes (such as Class C policies) or non-guaranteed retirement schemes (such as Class H policies). Distribution of the relevant Statutory Statement to policy holders of the non-Class G Policies of FWD or Sun Life will likely give rise to unnecessary confusion.
- (viii) In respect of policy holders of the non-Class G Policies of Sun Life and policy holders of the non-transferring Class G Policies of FWD, as mentioned in paragraph (i) - (vi) above, the appointed actuary of FWD, the appointed actuary of Sun Life and the Independent Actuary have opined that the Scheme should not have a material adverse effect on their reasonable benefit expectations and financial security. Further, given that their policies are not the subject matter of the transfer, distribution of the relevant Statutory Statement to them will likely give rise to unnecessary confusion.

- (a) The numbers of non-Class G Policies for FWD is around 376,460 as of 31 December 2019. Distribution of the relevant Statutory Statement to such large number of policy holders will impose unnecessary administration and financial burden to FWD, without any real benefits to such policy holders.
  - (b) The number of non-Class G Policies for Sun Life as of 31 December 2019 exceeds 420,000. Distribution of the relevant Statutory Statement to such large number of policy holders will impose unnecessary administration and financial burden to Sun Life, without any real benefits to such policy holders.
  - (c) The number of non-transferring Class G schemes for FWD is around 4 as of 31 December 2019. Given that their policies are not the subject matter of the transfer, distribution of the relevant Statutory Statement to them will likely give rise to unnecessary confusion. In any event, it is proposed that FWD will send a separate notice to such legal holders and participants at their last known addresses informing them of the proposed transfer of the relevant Class G Policies from FWD to Sun Life and the websites in which details of the proposed transfer are posted.
- (ix) The term "policy holder" is defined in section 2 of the Ordinance to mean the legal holder of a policy and include, in relation to long term business other than the granting of annuities upon human life, a person to whom under a policy a benefit is due or a periodic payment is payable. In the case of FWD, the Class G Policies are all issued to the trustees or employers of the relevant MPF and ORSO schemes. In respect of each such Class G Policy, (a) the relevant trustee or employer (as the case may be) is the legal holder of the policy, (b) other than the legal holder of the policy, "the persons to whom under a policy a benefit is due or a periodic payment is payable" are those scheme members to whom a benefit has become due and payable upon termination of their scheme membership (i.e. when they cease to be members under the relevant policy); and (c) the benefits payable under the policy are

not periodic in nature. Consequently, for the purpose of section 24 of the Ordinance, "policy holders" of the Class G Policies should mean the trustees or employers to whom such policies are issued and the scheme members to whom a benefit has become due and payable (at which time their membership in the policies will also be terminated).

Although it is proposed that the relevant Statutory Statement will be sent to the legal holders of the Transferring Policies of FWD (i.e. the trustees and employers to whom such policies are issued) and the policy holders of the Class G Policies of Sun Life only, it is proposed that the measures set out in paragraph (x) to (xiii) below will be carried out:

- (x) all other policy holders of FWD ("Other FWD Policy Holders") i.e. (policy holders of the non-Class G Policies of FWD, policy holders of non-transferring Class G Policies of FWD, scheme members to whom a benefit has become due and payable under the Transferring Policies) and all policy holders of the non-Class G Policies of Sun Life will be informed of the proposed transfer through the following means:
  - (a) the Statutory Notice will be published in the Government of the Hong Kong Special Administrative Region Gazette, the South China Morning Post and the Hong Kong Economic Times, through which all Other FWD Policy Holders of FWD and all policy holders of the non-Class G Policies of Sun Life will be informed of the proposed transfer of the Class G Business of FWD to Sun Life, and their right of inspection;
  - (b) copies of the Petition, the Statutory Statement, the Scheme, the Independent Actuary's Report and the Supplementary Report will be made available for inspection to all policy holders, including the Other FWD Policy Holders of FWD and all policy holders of the non-Class G Policies of Sun Life, at the offices of FWD, Sun Life and Baker & McKenzie, and the Other FWD Policy Holders of FWD and all policy

holders of Sun Life may review and inspect such documents if they want to do so; and

- (c) a copy of the Petition, the Statutory Statement, the Scheme, the Independent Actuary's Report and the Supplementary Report will be posted in the websites of FWD and Sun Life at [www.fwd.com.hk/en/](http://www.fwd.com.hk/en/) and [www.sunlife.com.hk](http://www.sunlife.com.hk) on the date of publication of the Statutory Notice, and maintain that posting until an order sanctioning the Scheme is made on the Petition.
  - (xi) In respect of the participants of the relevant MPF Schemes and ORSO Schemes (which are trust based), it is proposed that the relevant trustees will send a separate notice to such participants at their last known addresses (or, if the address of a participant is not known to the relevant trustee, at the last known address of the employer of such participant for onward delivery to such participant) informing them of the proposed transfer of the relevant Class G Policies from FWD to Sun Life and the websites in which details of the proposed transfer are posted.
  - (xii) In respect of the participants of the relevant ORSO Schemes which are not trust based, it is proposed that FWD will send a separate notice to such participants at their last known addresses (or, if the address of a participant is not known to FWD, at the last known address of the employer of such participant for onward delivery to such participant) informing them of the proposed transfer of the relevant Class G Policies from FWD to Sun Life and the websites in which details of the proposed transfer are posted.
  - (xiii) FWD shall send a separate notice to the legal holders and participants of non-transferring Class G schemes at their last known addresses informing them of the proposed transfer of the relevant Class G Policies from FWD to Sun Life and the websites in which details of the proposed transfer are posted.
19. Through the means described in paragraph 18 (x) to (xiii) above, it is anticipated that the Other FWD Policy Holders of FWD, all the policy holders of the non-Class G

Policies of Sun Life and the participants of the relevant MPF Schemes and ORSO Schemes which have invested in FWD's Class G Policies will be appropriately informed about the Scheme, even though some of their policies will not be transferred under the Scheme.

20. For the purpose of section 24(3)(b)(i) of the Ordinance and for the reasons set out below, it is proposed that the setting out of the full terms of the Scheme in the Statutory Statements be dispensed with and , in place of such full terms, a summary of the terms of the Scheme be set out in the Statutory Statements:
  - (i) the terms of the entire Scheme are lengthy and complex, and it may be too technical for the members of FWD and Sun Life, and the legal holders of the Transferring Policies to comprehend, and may lead to confusion;
  - (ii) a copy of the Scheme will be made available at the websites of FWD and Sun Life at [www.fwd.com.hk/en/](http://www.fwd.com.hk/en/) and [www.sunlife.com.hk](http://www.sunlife.com.hk), and available for inspection at the offices of FWD and Sun Life for not less than 21 days from the date of publication of the Statutory Notice. Any interested person who wishes to review the entire Scheme may visit the above websites or offices of FWD and Sun Life.

YOUR JOINT PETITIONERS PRAY for the following:-

- (1) an Order pursuant to section 24 of the Ordinance sanctioning the Scheme;
- (2) an Order pursuant to section 25 of the Ordinance that (using the definitions as set out in the Scheme):
  - (i) on and with effect from the Transfer Date, the Transferring Assets shall, by virtue of the Order and without any further act or instrument, be transferred by FWD to, and vested in, Sun Life subject to any Encumbrances in respect thereof;

- (ii) on and with effect from each Subsequent Transfer Date, each Residual Asset to which such Subsequent Transfer Date applies shall, by virtue of the Order and without any further act or instrument, be transferred by FWD to, and vested in Sun Life subject to any Encumbrances in respect thereof;
- (iii) on and with effect from the Transfer Date, each Transferring Liability shall, by virtue of the Order and without any further act or instrument and without investigation or requisition, be transferred by FWD to, and become a liability of, Sun Life with the effect that FWD shall be entirely released from and Sun Life shall assume any liability in respect of such Transferring Liability;
- (iv) on and with effect from each Subsequent Transfer Date, each Residual Liability to which such Subsequent Transfer Date applies shall, by virtue of the Order and without any further act or instrument and without investigation or requisition, be transferred by FWD to, and become a liability of, Sun Life with the effect that FWD shall be entirely released from and Sun Life shall assume any liability in respect of such Residual Liability;
- (v) on and with effect from the Transfer Date, Sun Life shall become entitled to all of the rights and powers of FWD under, or by virtue of, the Transferring Policies. The Transferring Policies shall on and with effect from the Transfer Date form part of Sun Life's long term business carried on in or from Hong Kong. On and with effect from the Transfer Date, all rights and powers against FWD available to the policy holder of every Transferring Policy shall cease and shall be substituted by the same rights and powers against Sun Life;
- (vi) in respect of the Transferring Policies under which premiums continue to be payable, the policy holders of the Transferring Policies shall account to Sun Life for any further premiums as and when they become due. Sun Life 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 FWD prior to the transfer;

- (vii) on the Transfer Date, all Statutory Records and other information relating to the policy holders, 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 policy holders, insureds, beneficiaries, assignees and other persons, which is held by FWD shall be transferred to Sun Life, and Sun Life shall have the same rights and powers in holding and using (and transferring) such information as those of FWD prior to the Transfer Date;
- (viii) all terms and conditions of the Transferring Policies (including application forms, illustrative documents, principal brochures, riders, schedules and declarations) shall remain unchanged save that, on and with effect from the Transfer Date, all references in the Transferring Policies to FWD, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents shall be read as reference to Sun Life, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents (as the case may be); and any reference to “FWD” in the names of the Transferring Policies will be changed to “Sun Life”. In particular, but without limitation, all rights and duties exercisable or expressed to be exercisable or responsibilities to be performed by FWD, 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 Sun Life, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents (as the case may be);

- (ix) on and with effect from the Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings or complaints (whether current, pending, threatened or in contemplation) by or against FWD in relation to the Transferring Policies, Transferring Assets or Transferring Liabilities shall be deemed to have been continued by or against Sun Life in substitution for FWD and Sun Life shall be entitled to the same defences, claims, counterclaims and rights of set-off as FWD in respect thereof;
- (x) on and with effect from the applicable Subsequent Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings or complaints (whether current, pending, threatened or in contemplation) by or against FWD in relation to the Residual Assets or Residual Liabilities shall be deemed to have been continued by or against Sun Life in substitution for FWD and Sun Life shall be entitled to the same defences, claims, counterclaims and rights of set-off as FWD in respect thereof;
- (xi) effective from the Transfer Date, Sun Life shall establish three new sub-funds under the Class G Fund, namely New MPF Sub-Fund (Class G), New ORSO Capital Guaranteed Sub-Fund (Class G) and New ORSO Non-Guaranteed Sub-Fund (Class G). They shall be maintained by Sun Life as separate sub-accounts under the Sun Life Class G Fund;
- (xii) on and with effect from the Transfer Date, all Transferring Policies in respect of the MPF Schemes shall be allocated to and become part of the New MPF Sub-Fund (Class G); and all Transferring Policies in respect of the ORSO Schemes shall be allocated to and become part of the New ORSO Sub-Funds (Class G);
- (xiii) on and with effect from the Transfer Date, all Transferring Assets which are maintained by FWD for the Transferring Policies in respect of the MPF Schemes shall be allocated to and become part of the New MPF Sub-Fund (Class G); all Transferring Assets which are maintained by FWD for the Transferring Policies in respect of the ORSO Schemes shall be allocated to and become part of the New ORSO Sub-Funds (Class G);

- (xiv) each Residual Asset which is maintained by FWD for the Transferring Policies in respect of the MPF Schemes shall, on and with effect from the applicable Subsequent Transfer Date, be allocated to the New MPF Sub-Fund (Class G); and each Residual Asset which is maintained by FWD for the Transferring Policies in respect of the ORSO Schemes shall, on and with effect from the applicable Subsequent Transfer Date, be allocated to the New ORSO Sub-Funds (Class G);
- (xv) all beneficial interest in any property, assets or investments held on trust by FWD for Sun Life pursuant to the Scheme shall be allocated to the New MPF Sub-Fund (Class G) or New ORSO Sub-Funds (Class G) (as the case may be) to which such property, assets or investments would have been allocated had it constituted a Transferring Asset;
- (xvi) on and with effect from the Transfer Date, all Transferring Liabilities of FWD which are attributable to the Transferring Policies shall be allocated to and become part of the New MPF Sub-Fund (Class G) or New ORSO Sub-Funds (Class G) (as the case may be);
- (xvii) each Residual Liability of FWD which is attributable to the Transferring Policies shall, on and with effect from the applicable Subsequent Transfer Date, be allocated to the New MPF Sub-Fund (Class G) or New ORSO Sub-Funds (Class G) (as the case may be);
- (xviii) all liabilities which are required to be satisfied by Sun Life pursuant to the Scheme shall be allocated to the New MPF Sub-Fund (Class G) or New ORSO Sub-Funds (Class G) (as the case may be) to which such liabilities would have been allocated had it constituted a Transferring Liability;

- (xix) all premiums, loan repayments (if any, and interest thereon) and other amounts received or receivable by FWD in respect of any of the Transferring Policies on or after the Transfer Date shall be payable to Sun Life after the Transfer Date;
  - (xx) Sun Life shall be irrevocably authorized to endorse for payment any cheques, drafts, orders, postal orders or other instruments payable to, or to the order of, FWD and received by Sun Life in respect of premiums paid or loan repayments (if any) under the Transferring Policies on or after the Transfer Date;
  - (xxi) Sun Life shall have the sole responsibility for billing and collecting premiums and paying all applicable taxes in respect of premiums received under the Transferring Policies on or after the Transfer Date;
  - (xxii) 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 FWD 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 Sun Life;
- (3) such other order(s) as this Honourable Court shall deem appropriate;
- (4) costs of the Insurance Authority in relation to this application shall be borne by the Joint Petitioners and be paid out of their shareholders' funds.

NOTE: It is intended to serve two copies of this Petition (together with two copies of the Scheme, the Statutory Statements, the Independent Actuary's Report and the Supplementary Report) on the Insurance Authority at 19/F, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong within 3 days of the date of this Petition.

DATED this 1<sup>st</sup> day of Sep 2020.



Baker & McKenzie

This Petition was issued by Baker & McKenzie of 14th Floor, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong, solicitors for the Joint Petitioners.

HCMP /2020

IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
MISCELLANEOUS PROCEEDINGS NO. OF 2020

IN THE MATTER of FWD LIFE INSURANCE  
COMPANY (BERMUDA) LIMITED  
1st Petitioner

and

IN THE MATTER of SUN LIFE HONG KONG  
LIMITED  
2nd Petitioner

and

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

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ANNEXURE 1

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This is the "Annexure 1" referred to in the Petition dated this 1<sup>st</sup> day of September 2020.

<u>Date</u>	<u>Description of Document</u>	<u>No. of Pages</u>
-	Copy of the Scheme	21

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**SCHEME**

for the transfer of certain Hong Kong long term business of

FWD Life Insurance Company (Bermuda) Limited

to

Sun Life Hong Kong Limited.

pursuant to sections 24 and 25 of the Insurance Ordinance  
(Chapter 41 of the Laws of Hong Kong)

and pursuant to section 25 of the Bermuda Insurance Act 1978

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[Date]

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## A. PRELIMINARY

### 1. DEFINITION

- 1.1 In this Scheme, terms and expressions defined in the Ordinance shall bear the same meanings as defined therein and the following terms and expressions shall bear the meanings specified opposite to them:

Act	the Bermuda Insurance Act 1978;
Appointed Actuary	in respect of FWD or Sun Life, the person who is appointed as its actuary pursuant to section 15(1)(b) of the Ordinance;
Bermuda Court	the Supreme Court of Bermuda;
Bermuda Order	an order by the Bermuda Court (if granted) pursuant to section 25 of the Act (including any subsequent order) sanctioning this Scheme and making further provisions for its implementation;
BMA	the Bermuda Monetary Authority;
Business	the long term business (as defined in the Ordinance) carried out by FWD in respect of the Transferring Policies;
Companies Ordinance	Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
Class G Policies	insurance policies in the nature of class G (retirement scheme management category I) long term business (as defined in sections 2(1) and 3 of the Ordinance);
Encumbrance	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;
FWD	FWD Life Insurance Company (Bermuda) Limited, a company incorporated in Bermuda (and registered as a non-Hong Kong company with registered number F0003114) whose principal place of business is at 28/F, FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong;
FWDPT	FWD Pension Trust Limited, a company incorporated in Hong Kong (registered number 0678409), whose registered office is at Room 2506,

	FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong. Its name was changed to SLPT after having been sold by FWD to Sun Life, as described in paragraph 2.10;
Hong Kong	the Hong Kong Special Administrative Region of the People's Republic of China;
Hong Kong Court	the Court of First Instance of the High Court of Hong Kong;
Hong Kong Order	the order of the Hong Kong Court (if granted) pursuant to sections 24 and 25 of the Ordinance (including any subsequent order) sanctioning this Scheme and making further provisions for its implementation;
Implementation Agreement	the implementation agreement dated 3 August 2016, entered into by, among others, FWD Management Holdings Limited and Sun Life in relation to, inter alia, (i) the sale and purchase of the then FWDPT and (ii) the transfer of all the Transferring Policies from FWD to Sun Life;
Insurance Authority	the Insurance Authority established under the Ordinance;
MPF Schemes	(i) the Sun Life MPF Basic Scheme (永明強積金基本計劃) (formerly known as FWD MPF Master Trust Basic Scheme (富衛強積金集成信託基本計劃)), (ii) the Sun Life MPF Comprehensive Scheme (永明強積金綜合計劃) (formerly known as FWD MPF Master Trust Comprehensive Scheme (富衛強積金集成信託綜合計劃)) and (iii) the Sun Life MPF Master Trust, which are master trust schemes established under the Mandatory Provident Fund Schemes Ordinance (Cap 485 of the Laws of Hong Kong);
New MPF Sub-Fund (Class G)	a new sub-account to be established and maintained by Sun Life with effect from the Transfer Date under the Sun Life Class G Fund for the Transferring Policies in respect of the MPF Schemes, such sub-account shall be segregated from other sub-accounts of the Sun Life Class G Fund;
New ORSO Sub-Funds (Class G)	New ORSO Capital Guaranteed Sub-Fund (Class G) and New ORSO Non-Guaranteed Sub-Fund (Class G);

New ORSO Capital Guaranteed Sub-Fund (Class G)	a new sub-account to be established and maintained by Sun Life with effect from the Transfer Date under the Sun Life Class G Fund for the Transferring Policies in respect of the guaranteed obligations under the relevant ORSO Scheme, such sub-account shall be segregated from other sub-accounts of the Sun Life Class G Fund;
New ORSO Non-Guaranteed Sub-Fund (Class G)	a new sub-account to be established and maintained by Sun Life with effect from the Transfer Date under the Sun Life Class G Fund for the Transferring Policies in respect of the non-guaranteed obligations under the relevant ORSO Scheme, such sub-account shall be segregated from other sub-accounts of the Sun Life Class G Fund;
ORSO Schemes	FWD Capital Guaranteed Plan and FWD Multi-Funding Provident Plan;
Ordinance	the Insurance Ordinance (Chapter 41 of the Laws of Hong Kong);
Residual Asset	<p>(i) any property, assets or investment of FWD (including any right, discretion, authority, power or benefit of FWD under or by virtue of any Transferring Policies) and such other property, asset or investment as is attributable to the Business, wherever situated, which shall be transferred to Sun Life on or around the Transfer Date pursuant to and under the Implementation Agreement, but in respect of which, as at the Transfer Date, either:</p> <p>(a) the consent of any person or persons (other than FWD, Sun Life, the Hong Kong Court or the Bermuda Court) is required but has not been obtained; or</p> <p>(b) the waiver by any person or persons of any right to acquire, or to be offered the right to, or to offer to, acquire or procure the acquisition of, all or any part of such property or asset is required but has not been obtained; or</p> <p>(c) FWD and Sun Life agree that its transfer should be delayed;</p>

but to the extent only of that part of the interest of FWD in such property or asset the transfer of which such consent and/or waiver is required and/or such agreement is reached;

- (ii) any proceeds of sale or income or other accrual or return whatsoever, whether or not in the form of cash, from time to time earned or received in respect of such property or asset referred to in sub-paragraph (i) of this definition;

**Residual Liability**

any liability whatsoever of FWD:

- (i) which is attributable to or connected with a Residual Asset and arises at any time before the Subsequent Transfer Date in relation to such Residual Asset; or
- (ii) the transfer of which to Sun Life pursuant to this Scheme requires, as at the Transfer Date, the consent of any person or persons (other than FWD, Sun Life, the Hong Kong Court or the Bermuda Court) or waiver of any person or persons and which is attributable to or connected with the Business but has not been obtained;

**Scheme**

this scheme in its original form with or subject to any modification or condition which the Hong Kong Court and the Bermuda Court shall approve or impose or any modification made pursuant to paragraph 11.3;

**Statutory Records**

all books, files, registers, documents, correspondence, papers and other records that are required, by the applicable legal or regulatory requirement or corporate governance (whether or not having the force of law), to be kept by FWD and retained in its possession in respect of the Business;

**Subsequent Transfer Date**

in relation to any Residual Asset or Residual Liability, the date (falling after the Transfer Date) on which the transfer of such Residual Asset or Residual Liability provided for by this Scheme shall take effect and such Residual Asset or Residual Liability shall vest in Sun Life, being:

(i) in respect of any Residual Asset falling within sub-paragraph (i)(a) or (b) of the definition thereof; and any Residual Liability, the date on which the requisite consent or requisite waiver to enable the same to be transferred to Sun Life upon the terms of this Scheme are:

- (a) obtained; or
- (b) no longer required; or
- (c) dispensed with by the Hong Kong Court and the Bermuda Court; or

(ii) in respect of any Residual Asset falling within sub-paragraph (i)(c) of the definition thereof, the date on which FWD and Sun Life agree that the transfer should take effect; or

(iii) in respect of any Residual Asset falling within sub-paragraph (ii) of the definition thereof, the date on which such Residual Asset is received or earned by FWD;

Sun Life

Sun Life Hong Kong Limited, a company incorporated in Bermuda (and registered as a non-Hong Kong company with registered number F0003725) whose registered office is at 16/F, Cheung Kei Center Tower A, 18 Hung Luen Road, Hung Hom, Kowloon, Hong Kong;

Sun Life Class G Fund

the account maintained by Sun Life in respect of its class G (retirement scheme management category I) long term business (as defined in sections 2(1) and 3 of the Ordinance) pursuant to section 22 (1)(a) of the Ordinance;

SLPT

Sun Life Pension Trust Limited, the new name of FWDPT after it was sold by FWD to Sun Life, as described in paragraph 2.10;

Transfer Date

the time and date on which this Scheme shall become effective in accordance with paragraph 10 of this Scheme;

Transferring Assets

the property, assets or investment of FWD (including any right, discretion, authority, power or benefit of FWD under or by virtue of any Transferring Policies) as are attributable to the Business, wherever situated, which shall be transferred to Sun Life on or around the Transfer Date pursuant to and under the Implementation Agreement, but do not include the Residual Assets;

Transferring Liabilities all liabilities of FWD as at the Transfer Date attributable to the Business including, without limitation, the liabilities and obligations (whether present, future or contingent) under and in relation to the Transferring Policies (including, without limitation, the guarantee obligations thereunder) which shall be transferred to Sun Life on or around the Transfer Date pursuant to and under the Implementation Agreement, but do not include the Residual Liabilities; and

Transferring Policies all Class G Policies underwritten in or from Hong Kong by FWD under and in respect of the MPF Schemes and ORSO Schemes as at the Transfer Date, as detailed in the Schedule hereto, including all certificates, supplemental coverages, endorsements, riders and ancillary agreements in connection therewith. For the avoidance of doubt, the policies in respect of FWD's staff plan and agency plans, namely the FWD Life Insurance Company (Bermuda) Limited Retirement Scheme, Long Service Incentive Scheme, Long Service Bonus Scheme and VNB Fund Scheme, are not included in this Scheme.

1.2 In this Scheme, any reference to:

- (a) a "class" shall be to a class of long term or general business specified in Part 2 or Part 3 (as the case may be) of the Schedule 1 to the Ordinance;
- (b) the term "property" includes (without limitation) property, assets, rights (whether present, future, vested or contingent), discretions, authorities, benefits and powers of every description;
- (c) the term "liabilities" includes (without limitation) duties and obligations of every description (whether present, future or contingent); and
- (d) "including" or "includes" means including or includes without limitation.

1.3 Any reference to the singular includes a reference to the plural and vice versa.

1.4 Unless otherwise specified, any reference to any act, statute, ordinance or regulation shall be to such act, statute, ordinance or regulation as amended from time to time.

## B. INTRODUCTION

### 2. FWD AND SUN LIFE

2.1 FWD was incorporated in Bermuda on 13 April 1977, under the name of Rauco Insurance Company Limited. FWD is part of the FWD Group, which is the insurance business arm of investment group, Pacific Century Group, with minority shareholders, including Swiss Re Group. Pacific Century Group acquired ING Groep N.V.'s life insurance business (including FWD) in March 2013 and established the brand FWD in August 2013. FWD is currently an indirect wholly-owned subsidiary of FWD Limited through intermediate holding companies.

FWD has an issued share capital of US\$830,200,000 as of the financial year ended on 31 December 2019.

- 2.2 The principal business of FWD is the carrying on of long term business in Hong Kong. FWD is regulated in Bermuda by the BMA and has a class E and a class 3 licence under the Act.
- 2.3 FWD is registered in Hong Kong as a non-Hong Kong company under the Companies Ordinance. FWD is authorized by the Insurance Authority under the Ordinance to carry on long-term business of class A (life and annuity), class C (linked long term), class D (permanent health), class G (retirement scheme management category I) and class I (retirement scheme management category III) as set out in Part 2 of the Schedule 1 to the Ordinance in or from Hong Kong. The principal place of business of FWD in Hong Kong is 28/F, FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong.
- 2.4 As part of its long term business, FWD carries on retirement fund business in Hong Kong, which includes both the MPF Schemes and ORSO Schemes. Prior to the sale of FWDPT as described in paragraph 2.10 below, FWD owned 20% of its issued share capital and was the trustee of the MPF Schemes. Each of the MPF Schemes and ORSO Schemes invests in one or more of the Transferring Policies issued by FWD. As at 31 December 2019, the Business of FWD consisted of 71 Transferring Policies, as detailed in the Schedule hereto.
- 2.5 Sun Life was incorporated in Bermuda on 15 October 1985. Sun Life is wholly-owned by Sun Life Assurance Company of Canada, a company incorporated in Canada. Sun Life has an issued share capital of HK\$3.527 billion as of 31 December 2019.
- 2.6 The principal business of Sun Life is the carrying on of long term business in Hong Kong. Sun Life is regulated in Bermuda by the BMA and has a class E licence under the Act.
- 2.7 Sun Life is registered in Hong Kong as a non-Hong Kong company under the Companies Ordinance. Sun Life is authorized by the Insurance Authority under the Ordinance to carry on long-term business of class A (life and annuity), class C (linked long term), class D (permanent health), class G (retirement scheme management category I), class H (retirement scheme management category II) and class I (retirement scheme management category III) as set out in Part 2 of the Schedule 1 to the Ordinance in or from Hong Kong. The registered office of Sun Life in Hong Kong is 16/F, Cheung Kei Center Tower A, 18 Hung Luen Road, Hung Hom, Kowloon, Hong Kong.
- 2.8 As at 31 December 2019, Sun Life had 80 Class G Policies issued and maintained for its MPF scheme and various ORSO schemes in Hong Kong.
- 2.9 On 3 August 2016, FWD Management Holdings Limited (being a part of the FWD Group) and Sun Life entered into the Implementation Agreement in relation to the disposal of FWD's MPF and ORSO businesses in Hong Kong.
- 2.10 The disposal includes, inter alia, (i) the sale of the shareholding of the then FWDPT, the trustee of certain MPF Schemes (i.e., the then FWD MPF Master Trust Basic Scheme and FWD MPF Master Trust Comprehensive Scheme, which were renamed respectively as Sun Life MPF Basic Scheme and Sun Life MPF Comprehensive Scheme), to Sun Life (and its nominees); and (ii) the transfer from FWD to Sun Life the Class G Policies underlying the MPF Schemes and ORSO Schemes. The sale of the then FWDPT had been completed on the first completion date, 3 October 2017, and the name of FWDPT was subsequently changed to SLPT.
- 2.11 The transfer of the Business is therefore part of the transaction contemplated under the Implementation Agreement.

- 2.12 The purpose of this Scheme is to transfer the Business from FWD to Sun Life pursuant to (i) sections 24 and 25(1) of the Ordinance; and (ii) section 25 of the Act. Under the Implementation Agreement, in respect of the Transferring Policies, FWD Management Holdings Limited agreed to transfer to Sun Life (and/or its nominee(s)) cash and/or the legal and beneficial title in "eligible assets" with a "fair market value" equal to FWD's estimate of the class G required provisions (which shall include the provision for account balance, the provision for investment guarantee and the provision for the smoothing of investment returns) as at 12:01 a.m. (Hong Kong time) of the second completion date of the Implementation Agreement, in accordance with the terms of the Implementation Agreement.
- 2.13 It is proposed by FWD and Sun Life that applications shall be made to the Hong Kong Court and the Bermuda Court under section 24 of the Ordinance and section 25 of the Act, respectively, such that the Business shall be transferred from FWD to Sun Life in accordance with the terms of this Scheme and subject to the Hong Kong Order made pursuant to sections 24 and section 25(1) of the Ordinance and the Bermuda Order made pursuant to section 25 of the Act.
- 2.14 The transfer contemplated under this Scheme will not proceed unless this Scheme is sanctioned by the Hong Kong Order and the Bermuda Order.

## C. THE TRANSFER PROVISIONS

### 3. TRANSFER OF ASSETS

- 3.1 On and with effect from the Transfer Date, the Transferring Assets shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument, be transferred by FWD to, and vested in, Sun Life subject to any Encumbrances in respect thereof.
- 3.2 On and with effect from each Subsequent Transfer Date, each Residual Asset to which such Subsequent Transfer Date applies shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument, be transferred by FWD to, and vested in, Sun Life subject to any Encumbrances in respect thereof.
- 3.3 If:
- (1) any property or asset of FWD, which would otherwise fall within the definition of Transferring Assets, is not, or is not capable of being, immediately transferred to and effectively vested in Sun Life on the Transfer Date by the Hong Kong Order and the Bermuda Order by reason of:
    - (i) such property or asset being a Residual Asset; or
    - (ii) the transfer of such property or asset being outside the jurisdiction of the Hong Kong Court or the Bermuda Court; or
    - (iii) for any other reason; or
  - (2) the transfer of any property or asset which falls within the definition of Transferring Assets but which is situated outside the jurisdiction of the Hong Kong Court or the Bermuda Court and is not recognised by the laws of the jurisdiction in which such property or asset is situated,

FWD shall, on and with effect from the Transfer Date, hold any property or asset referred to in sub-paragraphs (1) or (2) above, as trustee and in trust for Sun Life absolutely and shall be

subject to Sun Life's directions in respect thereof until the relevant property or asset is transferred to or otherwise vested in Sun Life or is disposed of (whereupon FWD shall account to Sun Life for the proceeds of sale thereof), and Sun Life shall have authority to act as the attorney of FWD in respect of such property or asset for all such purposes.

- 3.4 Sun Life shall accept without investigation or requisition such title as FWD shall have at the Transfer Date to each Transferring Asset and at each Subsequent Transfer Date to the Residual Asset then transferred.
- 3.5 FWD and Sun Life 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, Sun Life of any Transferring Asset or Residual Asset.

#### **4. TRANSFER OF LIABILITIES**

- 4.1 On and with effect from the Transfer Date, each Transferring Liability shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument and without investigation or requisition, be transferred by FWD to, and become a liability of, Sun Life with the effect that FWD shall be entirely released from and Sun Life shall assume, any liability in respect of such Transferring Liability.
- 4.2 On and with effect from each Subsequent Transfer Date, each Residual Liability to which such Subsequent Transfer Date applies shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument and without investigation or requisition, be transferred by FWD to, and become a liability of, Sun Life with the effect that FWD shall be entirely released from and Sun Life shall assume any liability in respect of such Residual Liability.
- 4.3 If:
  - (1) any obligation or liability of FWD which would otherwise fall within the definition of Transferring Liabilities is not, or is not capable of being, immediately transferred and effectively vested in Sun Life on the Transfer Date by the Hong Kong Order and the Bermuda Order by reason of:
    - (i) such obligation or liability being a Residual Liability; or
    - (ii) the transfer of such obligation or liability being outside the jurisdiction of the Hong Kong Court or the Bermuda Court; or
    - (iii) for any other reason; or
  - (2) the transfer of any obligation or liability which falls within the definition of Transferring Liabilities but is governed by the law of a jurisdiction other than Hong Kong or Bermuda and is not recognised by the laws of the jurisdiction which govern such obligation or liability,

then Sun Life shall from and after the Transfer Date perform any such obligation or satisfy any such liability as referred to in sub-paragraphs (1) or (2) above on behalf of FWD, or failing that, indemnify FWD against such obligation and liability.

- 4.4 FWD and Sun Life 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, Sun Life of any Transferring Liability or any Residual Liability.

## **5. TRANSFER OF TRANSFERRING POLICIES**

- 5.1 On and with effect from the Transfer Date, Sun Life shall become entitled to all of the rights and powers of FWD under, or by virtue of, the Transferring Policies. The Transferring Policies shall on and with effect from the Transfer Date form part of Sun Life's long term business carried on in or from Hong Kong.
- 5.2 On and with effect from the Transfer Date, all rights and powers against FWD available to the policy holder of every Transferring Policy shall cease and shall be substituted by the same rights and powers against Sun Life. On the Transfer Date, all Statutory Records and other information relating to the policy holders, 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 (Chapter 486 of the Laws of Hong Kong)) of such policy holders, insureds, beneficiaries, assignees and other persons, which is held by FWD shall be transferred to Sun Life, and Sun Life shall have the same rights and powers in holding and using (and transferring) such information as those of FWD prior to the Transfer Date.
- 5.3 In respect of the Transferring Policies under which premiums continue to be payable, the policy holders of the Transferring Policies shall account to Sun Life for any further premiums as and when they become due. Sun Life 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 FWD prior to the transfer.
- 5.4 Sun Life 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 Sun Life and not FWD had issued the Transferring Policies.
- 5.5 All terms and conditions of the Transferring Policies (including application forms, illustrative documents, principal brochures, riders, schedules and declarations) shall remain unchanged save that, on and with effect from the Transfer Date, all references in the Transferring Policies to FWD, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents shall be read as reference to Sun Life, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents (as the case may be); and any reference to "FWD" in the names of the Transferring Policies will be changed to "Sun Life". In particular, but without limitation, all rights and duties exercisable or expressed to be exercisable or responsibilities to be performed by FWD, 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 Sun Life, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents (as the case may be).

## **6. CONTINUATION OF LEGAL PROCEEDINGS**

- 6.1 By virtue of the Hong Kong Order and the Bermuda Order, on and with effect from the Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings or complaints (whether current, pending, threatened or in contemplation) by or against FWD in relation to the Transferring Policies, Transferring Assets or Transferring Liabilities shall be deemed to have been continued by or against Sun Life in substitution for FWD and Sun Life shall be entitled to the same defences, claims, counterclaims and rights of set-off as FWD in respect thereof.

- 6.2 By virtue of the Hong Kong Order and the Bermuda Order, on and with effect from the applicable Subsequent Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings or complaints (whether current, pending, threatened or in contemplation) by or against FWD in relation to the Residual Assets or Residual Liabilities shall be deemed to have been continued by or against Sun Life in substitution for FWD and Sun Life shall be entitled to the same defences, claims, counterclaims and rights of set-off as FWD in respect thereof.

## D. THE NEW INSURANCE FUNDS BY SUN LIFE

### 7. THE NEW SUN LIFE INSURANCE FUNDS

#### Establishment of New Sun Life Insurance Funds

- 7.1 Effective from the Transfer Date, Sun Life shall establish three new sub-funds under the Class G Fund, namely New MPF Sub-Fund (Class G), New ORSO Capital Guaranteed Sub-Fund (Class G) and New ORSO Non-Guaranteed Sub-Fund (Class G). They shall be maintained by Sun Life as separate sub-accounts under the Sun Life Class G Fund.

#### Allocation of Policies, Assets and Liabilities

- 7.2 On and with effect from the Transfer Date, all Transferring Policies in respect of the MPF Schemes shall be allocated to and become part of the New MPF Sub-Fund (Class G); and all Transferring Policies in respect of the ORSO Schemes shall be allocated to and become part of the New ORSO Sub-Funds (Class G).
- 7.3 On and with effect from the Transfer Date, all Transferring Assets which are maintained by FWD for the Transferring Policies in respect of the MPF Schemes shall be allocated to and become part of the New MPF Sub-Fund (Class G); all Transferring Assets which are maintained by FWD for the Transferring Policies in respect of the ORSO Schemes shall be allocated to and become part of the New ORSO Sub-Funds (Class G).
- 7.4 Each Residual Asset which is maintained by FWD for the Transferring Policies in respect of the MPF Schemes shall, on and with effect from the applicable Subsequent Transfer Date, be allocated to the New MPF Sub-Fund (Class G); and each Residual Asset which is maintained by FWD for the Transferring Policies in respect of the ORSO Schemes shall, on and with effect from the applicable Subsequent Transfer Date, be allocated to the New ORSO Sub-Funds (Class G).
- 7.5 All beneficial interest in any property, assets or investments held on trust by FWD for Sun Life pursuant to paragraph 3.3 above shall be allocated to the New MPF Sub-Fund (Class G) or the New ORSO Sub-Funds (Class G) (as the case may be) to which such property, assets or investments would have been allocated had it constituted a Transferring Asset.
- 7.6 On and with effect from the Transfer Date, all Transferring Liabilities of FWD which are attributable to the Transferring Policies shall be allocated to and become part of the New MPF Sub-Fund (Class G) or the New ORSO Sub-Funds (Class G) (as the case may be).
- 7.7 Each Residual Liability of FWD which is attributable to the Transferring Policies shall, on and with effect from the applicable Subsequent Transfer Date, be allocated to the New MPF Sub-Fund (Class G) or the New ORSO Sub-Funds (Class G) (as the case may be).

- 7.8 All liabilities which are required to be satisfied by Sun Life pursuant to paragraph 4.3 above shall be allocated to the New MPF Sub-Fund (Class G) or the New ORSO Sub-Funds (Class G) (as the case may be) to which such liabilities would have been allocated had it constituted a Transferring Liability.

## **E. MISCELLANEOUS PROVISIONS**

### **8. PREMIUMS AND MANDATES**

- 8.1 All premiums, loan repayments (if any, and interest thereon) and other amounts received or receivable by FWD in respect of any of the Transferring Policies on or after the Transfer Date shall be payable to Sun Life after the Transfer Date.
- 8.2 Sun Life shall be irrevocably authorized to endorse for payment any cheques, drafts, orders, postal orders or other instruments payable to, or to the order of, FWD and received by Sun Life in respect of premiums paid or loan repayments (if any) under the Transferring Policies on or after the Transfer Date.
- 8.3 Sun Life shall have the sole responsibility for billing and collecting premiums and paying all applicable taxes in respect of premiums received under the Transferring Policies on or after the Transfer Date.
- 8.4 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 FWD 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 Sun Life.

### **9. COSTS**

FWD and Sun Life shall, out of their respective shareholders' funds, pay in equal share all costs in relation to the preparation of this Scheme and of its presentation to the Hong Kong Court and the Bermuda Court respectively for sanction and all other professional fees related thereto. None of such costs shall be borne by the funds maintained by FWD or Sun Life pursuant to the Ordinance in respect of their respective long term business, the Transferring Policies or other policies of FWD or Sun Life, or the policy holders thereof.

### **10. TRANSFER DATE**

- 10.1 This Scheme shall become effective at 12:01 a.m. hours (Hong Kong time) on such date as FWD and Sun Life may decide which date shall be within 90 days after the later of the dates on which the Hong Kong Order and the Bermuda Order are granted, in each case sanctioning this Scheme. Subject to the grants of the Hong Kong Order and Bermuda Order, it is expected that the Scheme will take effect on [1 December 2020] but it may be subject to change.
- 10.2 Unless this Scheme shall become effective on or before 90 days after the later of the dates on which the Hong Kong Order and the Bermuda Order are granted, or such later date and/or time, if any, as FWD and Sun Life may decide and the Hong Kong Court and the Bermuda Court may allow, it shall lapse.

### **11. MODIFICATION**

- 11.1 Subject to paragraph 11.3, FWD and Sun Life may apply to the Hong Kong Court and the Bermuda Court for consent to modify, vary or amend the terms of this Scheme, provided that:

- (a) the proposed modification, variation or amendment has been approved by the respective Appointed Actuaries and board of directors of both FWD and Sun Life;
  - (b) the Insurance Authority and the BMA have been notified of, and have the right to be heard at any hearing of the court at which such application is considered. In the case of the Insurance Authority, 3 months' prior written notice shall be given; and
  - (c) such application shall be accompanied by a report from an independent actuary to the effect that in his opinion, the proposed modification, variation or amendment will not materially and adversely affect the reasonable benefit expectations of, the financial security of or the level of service to the policy holders of the Transferring Policies, the policy holders of the non-transferring policies of FWD, or the existing policy holders of Sun Life.
- 11.2 Subject to paragraph 11.3, the terms of this Scheme shall be modified, varied or amended in accordance with such sanction as may be given by the Hong Kong Court and the Bermuda Court under paragraph 11.1.
- 11.3 The sanction of the Hong Kong Court and the Bermuda Court shall not be required in relation to:
- (a) modification(s), variation(s) or amendment(s) to correct manifest error(s) of this Scheme; or
  - (b) when the modification(s), variation(s) or amendment(s) is/are reasonably considered by FWD and Sun Life to be necessary to ensure that the provisions of this Scheme operate in the intended manner where there is a change in the relevant laws or regulations;
- provided that the Insurance Authority and the BMA have been notified of the same and has indicated that they do not object thereto.

## **12. GOVERNING LAW**

This Scheme shall be governed by the laws of Hong Kong subject to any procedural issues in connection with the Petition under section 25 of the Act being governed by Bermuda law.

## The Schedule

**The Transferring Polices as of 31 December 2019**

### **List of Class G Policies – MPF Schemes**

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant MPF Scheme</b>
1	FWD MPF Capital Guaranteed Policy	B001-CGP	(missing)	Sun Life MPF Basic Scheme – Capital Guaranteed Portfolio
2	FWD MPF Capital Guaranteed Policy	C002-CGP	29-Mar-01	Sun Life MPF Comprehensive Scheme – Capital Guaranteed Portfolio
3	FWD MPF Capital Guaranteed Policy	S001-CGP	01-Dec-00	Sun Life MPF Master Trust - Capital Guaranteed Portfolio

### **List of Class G Policies – ORSO Schemes**

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
1	Albert Jewellery Company Limited Provident Fund Scheme	11000272	03-Aug-95	FWD Capital Guaranteed Plan
2	Alitom Engineers Ltd Provident Fund Scheme	11000327	27-Apr-95	FWD Capital Guaranteed Plan
3	Asia Pacific Adjusters Limited Provident Fund Scheme	15000100	03-Jan-08	FWD Multi-Funding Provident Plan
4	Campell Group (Hong Kong) Limited Provident Fund Scheme	11000293	10-Mar-95	FWD Capital Guaranteed Plan
5	Checkpoint Apparel Labelling Solutions Asia Limited Provident Fund Scheme	11000194	03-Aug-95	FWD Capital Guaranteed Plan
6	China Europus (International) Ltd. Employees' Retirement Scheme	11000017	28-Apr-95	FWD Capital Guaranteed Plan
7	Parsons Delcan Inc. Provident Fund Scheme	11000501	22-May-95	FWD Capital Guaranteed Plan
8	DHL Global Forwarding (Hong Kong) Limited Provident Fund Scheme	19000771	10-Apr-96	FWD Capital Guaranteed Plan

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
9	Dimension Data China/Hong Kong Limited Provident Fund	15000384	04-Dec-18	FWD Multi-Funding Provident Plan
10	Drew Ameroid (Singapore) Pte. Limited Provident Fund Scheme	11000207	27-Jun-95	FWD Multi-Funding Provident Plan
11	EL Grande Holdings Limited Provident Fund Scheme	15000932	12-May-98	FWD Multi-Funding Provident Plan
12	Fatti Components Limited Employees' Retirement Scheme	11000031	25-May-95	FWD Capital Guaranteed Plan
13	Fook Lam Moon Restaurant Ltd. Provident Fund Scheme	15000214	07-Feb-06	FWD Multi-Funding Provident Plan
14	FWD Life Macau Agency Long Service Incentive Plan	11001018	2010	FWD Multi-Funding Provident Plan
15	FWD Life Macau Staff Provident Fund	11001019	01-Aug-00	FWD Multi-Funding Provident Plan
16	Group Retirement Plan for Members of Community Health Services Ltd.	15001030	10-Sep-10	FWD Multi-Funding Provident Plan
17	Hi-Watt International Enterprises Ltd Provident Fund Scheme	15000372	10-Dec-08	FWD Multi-Funding Provident Plan
18	Honda Button Company Limited Provident Fund Scheme	19000682	28-Oct-95	FWD Capital Guaranteed Plan
19	Hong Kong Young Women's Christian Association Provident Fund	15000660	04-Dec-18	FWD Multi-Funding Provident Plan
20	Hop Hing Group Provident Fund Scheme	15000142	03-Jun-05	FWD Multi-Funding Provident Plan
21	Kasikorbank Public Company Limited Provident Fund Scheme	11000386	25-May-95	FWD Capital Guaranteed Plan
22	Kassel Park Engineering Company Limited Provident Fund Scheme	11000448	23-Aug-95	FWD Capital Guaranteed Plan
23	Kau Kee Trading Co., Limited Provident Fund Scheme	11000256	16-Aug-95	FWD Capital Guaranteed Plan

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
24	KMT Enterprise Ltd. Provident Fund Scheme	18000553	22-Jul-95	FWD Capital Guaranteed Plan
25	Kwong Kee Electrical Co Ltd Provident Fund Scheme	11000519	13-Mar-95	FWD Capital Guaranteed Plan
26	Landard Toys Limited Provident Fund Scheme	15000436	04-Dec-18	FWD Multi-Funding Provident Plan
27	Leventhal Limited Provident Fund Scheme	15000896	29-Feb-08	FWD Multi-Funding Provident Plan
28	Lishan Company Limited Provident Fund Scheme	15000715	16-Nov-18	FWD Multi-Funding Provident Plan
29	MAHK Ltd Provident Fund Scheme	004-5001026	19-Nov-07	FWD Multi-Funding Provident Plan
30	Man Lead Services Limited Provident Fund Scheme	18000654	27-Sep-95	FWD Capital Guaranteed Plan
31	Manfield Coatings Co. Ltd. Employees' Retirement Scheme	11000115	03-Aug-95	FWD Capital Guaranteed Plan
32	Melbourne Bookcentre Ltd. Employees' Retirement Scheme	11000054	08-Jun-95	FWD Capital Guaranteed Plan
33	Ming Fung Engineering Co. Provident Fund Scheme	19000644	23-Aug-95	FWD Capital Guaranteed Plan
34	Multi-Gold Air & Sea Express Limited Provident Fund Scheme	11000352	07-Sep-95	FWD Multi-Funding Provident Plan
35	On Tak Lung Limited Provident Fund Scheme	15001003	04-Jun-99	FWD Multi-Funding Provident Plan
36	One Country Two Systems Research Institute Ltd. Provident Fund Scheme	11000315	28-Apr-95	FWD Capital Guaranteed Plan
37	PMP Advertising (International) Ltd Provident Fund Scheme	11000066	15-Mar-95	FWD Multi-Funding Provident Plan
38	PPG Industries International Inc Provident Fund Scheme	19000680	02-Oct-95	FWD Capital Guaranteed Plan

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
39	Realink Industries Ltd. Provident Fund Scheme	15000508	12-Aug-05	FWD Multi-Funding Provident Plan
40	Remotec Technology Limited Provident Fund Scheme	11000449	28-Apr-95	FWD Capital Guaranteed Plan
41	Rocco Design Architects Limited Provident Fund Scheme	11000069	07-Sep-95	FWD Capital Guaranteed Plan
42	Samson Paper Holdings Limited Provident Fund Scheme	19100794	19-Jun-96	FWD Multi-Funding Provident Plan
43	Sotheby's Hong Kong Limited Provident Fund Scheme	11000161	26-Jul-95	FWD Capital Guaranteed Plan
44	Specialty Metals Resources Limited Provident Fund Scheme	11000296	16-Mar-95	FWD Capital Guaranteed Plan
45	The Incorporated Management Committee of St. Joseph's Primary School Defined Contribution Scheme	15001028	08-Sep-10	FWD Multi-Funding Provident Plan
46	St. James' Settlement Provident Fund Scheme (1)	11000117	07-Sep-95	FWD Capital Guaranteed Plan
47	Sunny Creations Limited Provident Fund Scheme	11000354	25-May-95	FWD Capital Guaranteed Plan
48	Technik Industrial Co. Ltd. Provident Fund Scheme	11000299	28-Apr-95	FWD Multi-Funding Provident Plan
49	The Hong Kong L.P. Gas (Holdings) Limited Staff Provident Fund	15001034	12-Jul-11	FWD Multi-Funding Provident Plan
50	The Hong Kong Settlers Housing Corporation Limited Provident Fund Scheme	11000041	16-Aug-95	FWD Capital Guaranteed Plan
51	The Sumida Electric (H.K.) Company Limited Provident Fund	15001031	26-Oct-10	FWD Multi-Funding Provident Plan
52	The Yip's H.C. (Holding) Ltd. Provident Fund	15001032	26-Oct-10	FWD Multi-Funding Provident Plan
53	Tong Seng Co Ltd Employee Benefit Scheme	11000078	28-Apr-95	FWD Capital Guaranteed Plan

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
54	Tsuen Wan Wai Tsuen Evangelical Church (Hong Kong) Limited Provident Fund Scheme	19000658	18-Sep-95	FWD Capital Guaranteed Plan
55	UCC Coffee Shop Co. (Hong Kong) Limited Provident Fund Scheme	15000525	09-Nov-06	FWD Multi-Funding Provident Plan
56	Westrock MWV Hong Kong Limited Provident Fund Scheme	11000203	28-Apr-95	FWD Multi-Funding Provident Plan
57	Tai Cheng Shing Limited Provident Fund Scheme	11000523	15-Mar-95	FWD Multi-Funding Provident Plan
58	Wing Tai Jewellery & Goldsmith Company Limited Provident Fund Scheme	15100764	28-Nov-18	FWD Multi-Funding Provident Plan
59	Wiseknit Factory Ltd. Provident Fund Scheme	11000090	23-Aug-95	FWD Capital Guaranteed Plan
60	Wylam's Services Limited Provident Fund Scheme	11000235	25-May-95	FWD Capital Guaranteed Plan
61	Yan Chai Hospital Board Head Office Provident Fund Scheme	15000695	01-Apr-19	FWD Multi-Funding Provident Plan
62	Yan Chai Hospital Social Services Provident Fund Scheme	15000788	01-Apr-19	FWD Multi-Funding Provident Plan
63	Yee Ying International Limited Provident Fund Scheme	11000229	13-Mar-95	FWD Capital Guaranteed Plan
64	Yi Chang Tai Company Limited Employees' Retirement Scheme	11000111	25-Jul-95	FWD Capital Guaranteed Plan
65	Yip Shing Diesel Engineering Co. Ltd. ORSO Scheme	81000102 3	24-Oct-11	FWD Capital Guaranteed Plan
66	MHK Restaurants Limited Profit Sharing Plan	11000114 (changed from 805-01 on 29 Sept 1995)	22-Dec-88	Independent Scheme (that invests into FWD Capital Guaranteed Plan; and SLPT acts as the trustee)

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
67	Schroder Provident Plan	n/a	01-Apr-00	Independent Scheme (that invests into FWD Capital Guaranteed Plan; but SLPT is not the trustee)
68	Wing Hang Bank Limited Provident Fund	21000001	18-Sep-04	Independent Scheme (that invests into FWD Capital Guaranteed Plan; but SLPT is not the trustee)

HCMP 144/2020

IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE  
REGION  
COURT OF FIRST INSTANCE  
MISCELLANEOUS PROCEEDINGS  
NO. 144 OF 2018

IN THE MATTER of FWD LIFE INSURANCE  
COMPANY (BERMUDA) LIMITED  
1st Petitioner

and

IN THE MATTER of SUN LIFE HONG KONG  
LIMITED  
2nd Petitioner

and

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

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PETITION

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DATED the 11<sup>th</sup> day of September 2020  
FILED the 11<sup>th</sup> day of September 2020

Baker & McKenzie  
14th Floor, One Taikoo Place  
979 King's Road  
Quarry Bay, Hong Kong  
Fax: 2845 0476  
Tel: 2846 1888  
Solicitors for the Joint Petitioners  
(Ref: MT)

呈請書（百慕達）

2020年9月11日

(只提供英文版本)

IN THE SUPREME COURT OF BERMUDA  
(COMMERCIAL COURT)

2020: No.

**IN THE MATTER OF FWD LIFE INSURANCE COMPANY (BERMUDA) LIMITED  
AND IN THE MATTER OF SUN LIFE HONG KONG LIMITED  
AND IN THE MATTER OF SECTION 25 OF THE INSURANCE ACT 1978**

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**PETITION**

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**TO THE SUPREME COURT OF BERMUDA:**

**THE HUMBLE PETITION** of the above named Petitioners, FWD Life Insurance Company (Bermuda) Limited (**FWD Life**) and Sun Life Hong Kong Limited (**Sun Life**).

**SHOWS** as follows:-

1. The object of this Petition is to obtain the sanction of the Court under section 25 of the Insurance Act 1978 (**Insurance Act**) to a scheme (the **Scheme**) a copy of which is annexed to this Petition marked "A" for the transfer to Sun Life of the long-term business (as defined in section 1 of the Insurance Act) (**Long-term Business**) carried on by FWD Life.

Terms not otherwise defined in this Petition bear the meaning ascribed to them in the Scheme.

**Background of the Parties**

2. (a) FWD Life is a Bermuda exempted company which was incorporated on 13 April 1977 under the name of Rauco Insurance Company Limited. FWD Life is part

of the FWD Group, which is the insurance business ‘arm’ of Pacific Century Group, an investment group. Its principal place of business in Hong Kong is situated at 28/F, FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong.

- (b) FWD Life’s principal business is carrying on Long-term Business in Hong Kong.
  - (c) FWD Life is regulated in Bermuda by the Bermuda Monetary Authority (**BMA**) and holds a class E and a class 3 licence pursuant to the Insurance Act 1978 (**Insurance Act**).
  - (d) FWD Life is also registered in Hong Kong as a non-Hong Kong company under the Companies Ordinance, Cap. 622 of the Laws of Hong Kong (**Ordinance**). FWD Life is authorized by the Hong Kong Insurance Authority (**IA**) to carry out certain categories of long-term business as categorized by the Insurance Ordinance, Cap. 41 of the Laws of Hong Kong (**Insurance Ordinance**).
  - (e) FWD Life has an issued share capital of US\$830,200,000 as at 31 December 2019.
3. (a) Sun Life was incorporated as an exempted company in Bermuda on 15 October 1985. Sun Life is a wholly-owned subsidiary of Sun Life Assurance Company of Canada, a company incorporated in Canada and is registered in Hong Kong as a non-Hong Kong company under the Ordinance.
- (b) Sun Life’s principal business is carrying on Long-term Business in Hong Kong.
  - (c) Sun Life is regulated in Bermuda by the BMA and has a class E licence pursuant to the Insurance Act.
  - (d) Sun Life is also authorized by the IA under the Insurance Ordinance to carry on certain classes of Long-term Business as categorized by the Insurance Ordinance.
  - (e) Sun Life has an issued share capital of HK\$3.527 billion as of 31 December 2019.

## **Background to the Transfer of the Long-term Business**

4. On 3 August 2016, FWD Management Holdings Limited (**FMH**) (as the controlling shareholder of FWD Life) and Sun Life entered into an agreement (**Implementation Agreement**) which provided for the disposal of FWD Life's mandatory provident fund (**MPF**) and occupational retirement scheme ordinance (**ORSO**) businesses in Hong Kong.
5. FWD Life's MPF and ORSO businesses in Hong Kong consisted of the following:
  - i. Sun Life MPF Basic Scheme (formerly known as FWD MPF Master Trust Basic Scheme);
  - ii. Sun Life MPF Comprehensive Scheme (formerly known as FWD MPF Master Trust Comprehensive Scheme);
  - iii. The Class G Policies underlying the Sun Life MPF Master Trust (defined at paragraph 7 below)(formerly known as Schroder MPF Master Trust);
  - iv. FWD Capital Guaranteed Plan; and
  - v. FWD Multi-Funding Provident Plan.
6. The MPF schemes in (i) to (iii) are referred to as the "**MPF Schemes**" and the ORSO schemes in (iv) to (v) are referred to as the "**ORSO Schemes**".
7. The disposal contemplated, *inter alia*:
  - i. the sale of FWD Pension Trust Limited (the trustee of FWD MPF Schemes described at paragraph 5(i) and (ii) above to Sun Life (and its nominees); and
  - ii. the transfer of FWD Life's long-term policies underlying its respective MPF and ORSO schemes to Sun Life categorized as "Class G (retirement scheme management category I) long term business" (**Class G Policies**).
8. The sale of the then FWD Pension Trust Limited completed on 3 October 2017 (referenced under the Implementation Agreement as the "**First Completion Date**") after which the company's name was subsequently changed to Sun Life Pension Trust Limited.

9. As at 31 December 2019, there are 71 Class G Policies underlying the MPF and ORSO Schemes, the details of which are set out in the Schedule to the Scheme (**Transferring Policies**). The transfer of these policies is part of the transaction contemplated under the Implementation Agreement.
10. As at 31 December 2019, Sun Life has 80 Class G Policies issued and maintained for its MPF and ORSO Schemes in Hong Kong. It is expected that the proposed transfer of the Transferring Policies will add scale to Sun Life's existing Class G long-term business while capitalizing on Sun Life's expertise in retirement products. Further, the transfer will offer economies of scale and enhance operational efficiencies and service standards of the relevant businesses.

#### **Transfer of the Long-term Business**

11. Pursuant to the Implementation Agreement, it was agreed that the Class G Policies underlying the MPF and ORSO Schemes issued by FWD Life (which are also detailed in the Schedule to the Scheme) will be transferred to Sun Life upon receiving the respective approval of the Supreme Court of Bermuda and the Court of First Instance of the High Court of Hong Kong.
12. The transfer shall take place at 12:01 am hours (Hong Kong time) on such date as FWD Life and Sun Life may decide which date shall be within 90 days after the later of the dates on which the Court of First Instance of the High Court of Hong Kong and the Bermuda Supreme Court has made an order sanctioning the Scheme.
13. The Class G Policies to be transferred pursuant to the Implementation Agreement include Long-term Business being business to which section 25 of the Insurance Act applies.
14. According to FWD Life's records, as of 31 December 2019, the Transferring Policies comprised as follows:

<b>Policy description</b>	<b>Number of Policies</b>	<b>Amount of Net Liabilities (HK\$ million)</b>
MPF	3	889
ORSO	68	1,853
<b>Total</b>	<b>71</b>	<b>2,742</b>

#### **Terms of the transfer of the Long-term Policies**

15. The Scheme provides, inter alia, for the transfer of the Business (being defined to mean "*the long term business (as defined in the Insurance Ordinance) carried out by FWD Life in respect of the Transferring Policies and includes the Transferring Policies*") on the following key terms:
- i. On and with effect from the Transfer Date, Sun Life shall become entitled to all of the rights and powers of FWD Life under, or by virtue of, the Transferring Policies. The Transferring Policies shall on and with effect from the Transfer Date form part of Sun Life's long term business carried in or from Hong Kong (clause 5.1).
  - ii. On and with effect from the Transfer Date, each Transferring Liability (being defined to mean "*all liabilities of FWD Life as at the Transfer Date attributable to the Business including, without limitation, the liabilities and obligations (whether present, future or contingent) under and in relation to the Transferring Policies (including, without limitation, the guarantee obligations thereunder) which shall be transferred to Sun Life on or around the Transfer Date pursuant to and under the Implementation Agreement, but shall not include the Residual Liabilities*"") shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument and without investigation or requisition, be transferred by FWD Life to, and become a liability of, Sun Life with the effect that FWD Life shall be entirely released from and Sun Life shall assume any liability in respect of such Transferring Liability (clause 4.1).

- iii. On and with effect from the Transfer Date, the Transferring Assets (being defined to mean "*the property, assets or investment of FWD Life (including any right, discretion, authority, power or benefit of FWD Life under or by virtue of any Transferring Policies) as is attributable to the Business, wherever situated, which shall be transferred to Sun Life on or around the Transfer Date pursuant to and under the Implementation Agreement, other than the Residual Assets*"") shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument, be transferred by FWD Life to, and vested in, Sun Life subject to any Encumbrances in respect thereof (clause 3.1).
  - iv. On and with effect from the Transfer Date, all rights and powers against FWD Life available to the policy holder of every Transferring Policy shall cease and shall be substituted by the same rights and powers against Sun Life. Sun life 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 Sun Life and not FWD Life had issued the Transferring Policies (clauses 5.2 and 5.4).
- 16. The transfer of the Transferring Policies to Sun Life pursuant to the Scheme is also conditional upon, inter alia, receipt of all necessary regulatory approvals from (i) the Mandatory Provident Fund Schemes Authority ("MPFA") and the Securities and Futures Commission ("SFC") in Hong Kong (which are required in respect of the transfer of the Transferring Policies issued under the MPF Schemes); (ii) the approval or non-objection of the BMA in Bermuda, and (iii) the Scheme is sanctioned by this Honourable Court and the Court of First Instance of the High Court of Hong Kong.

#### **Approved Actuary Report and Supplementary Report**

- 17. Effective 3 May 2019, the BMA designated and approved Mr. Clement Bonnet as the Approved Actuary for purposes of section 25 of the Insurance Act.
- 18. Pursuant to section 25(3) of the Insurance Act, the Approved Actuary has prepared a report prepared as of 31 December 2018 and dated 15 May 2019 on the terms of the Scheme providing his opinions on the likely effects of the Scheme on the policyholders of the Transferring Policies and the non-transferring policies of FWD Life and the existing policy holders of Sun Life, a copy of which is filed herewith marked "B"

(**Approved Actuary's Report**). The Approved Actuary states his opinion in this report that:

- a. The Scheme will have no material adverse effect on the reasonable benefit expectations of the policy holders of the Transferring Policies and the non-transferring policies of FWD Life or the existing policy holders of Sun Life.
  - b. The Scheme will have no material adverse effect on the financial security of the policy holders of the Transferring Policies and the non-transferring policies of FWD Life or the existing policy holders of Sun Life.
  - c. The Scheme will have no material adverse effect on the level of service to the long term policy holders of FWD Life and Sun Life.
  - d. He is satisfied that the Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.
19. On 14 August 2020, the Approved Actuary issued a supplementary report on the terms of the Scheme providing his opinions on the likely effects of the Scheme on the policyholders of the Transferring Policies and the non-transferring policies of FWD Life and the existing policy holders of Sun Life to reflect the company's updated financial position as of 31 December 2019 (**Supplementary Report**), a copy of which is filed herewith marked "C". A copy of this report has been provided to the Authority and to the Court.
20. In the Supplementary Report, the Approved Actuary states that he has considered relevant developments brought to his attention by FWD Life and Sun Life since the completion of the Approved Actuary's Report and that he not changed his conclusions regarding the likely effects of the Scheme.
21. A copy of the Supplementary Report will be posted on the website maintained by the Petitioners at [www.fwd.com.hk/en/](http://www.fwd.com.hk/en/) and [www.sunlife.com.hk](http://www.sunlife.com.hk) once issued and will be maintained until orders are made in the respective Hong Kong and Bermuda Courts sanctioning the transfer. The Petitioners will provide the policyholders of the Transferring Policies with details of how this report can be accessed online.

**No objection to the proposed transfer of Long-term Business by the Authority**

22. FWD Life's Bermuda attorneys, Appleby (Bermuda) Limited, forwarded to the BMA, a draft of the Petition, the Scheme, a draft of this Affidavit, the First Sun Life Affidavit, the Approved Actuary's Report and the Supplementary Report.
23. By its letter dated 17 September 2020, the BMA advised that it has no objection to the proposed transfer under the Scheme.

**YOUR PETITIONERS PRAY FOR THE FOLLOWING:**

- (1) an Order pursuant to section 25 of the Insurance Act sanctioning the provisions of the Scheme; and
- (2) such other Order(s) as this Honourable Court shall consider appropriate.

NOTE: It is intended to serve this Petition (together with a copy of the Approved Actuary's Report) on the BMA, but no other person.

Dated this 23<sup>rd</sup> day of September 2020

*Appleby (Bermuda) Limited*  
**APPLEBY (BERMUDA) LIMITED**  
Attorneys for the Petitioners

This Petition was issued by Appleby (Bermuda) Limited, Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, Attorneys for the Petitioners.

**ANNEX A**

**SCHEME**

---

**SCHEME**

for the transfer of certain Hong Kong long term business of

FWD Life Insurance Company (Bermuda) Limited

to

Sun Life Hong Kong Limited.

pursuant to sections 24 and 25 of the Insurance Ordinance  
(Chapter 41 of the Laws of Hong Kong)

and pursuant to section 25 of the Bermuda Insurance Act 1978

---

[Date]

Baker & McKenzie  
14<sup>th</sup> Floor, One Taikoo Place  
979 King's Road, Quarry Bay  
Hong Kong

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## A. PRELIMINARY

### 1. DEFINITION

- 1.1 In this Scheme, terms and expressions defined in the Ordinance shall bear the same meanings as defined therein and the following terms and expressions shall bear the meanings specified opposite to them:

Act	the Bermuda Insurance Act 1978;
Appointed Actuary	in respect of FWD or Sun Life, the person who is appointed as its actuary pursuant to section 15(1)(b) of the Ordinance;
Bermuda Court	the Supreme Court of Bermuda;
Bermuda Order	an order by the Bermuda Court (if granted) pursuant to section 25 of the Act (including any subsequent order) sanctioning this Scheme and making further provisions for its implementation;
BMA	the Bermuda Monetary Authority;
Business	the long term business (as defined in the Ordinance) carried out by FWD in respect of the Transferring Policies;
Companies Ordinance	Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
Class G Policies	insurance policies in the nature of class G (retirement scheme management category I) long term business (as defined in sections 2(1) and 3 of the Ordinance);
Encumbrance	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;
FWD	FWD Life Insurance Company (Bermuda) Limited, a company incorporated in Bermuda (and registered as a non-Hong Kong company with registered number F0003114) whose principal place of business is at 28/F, FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong;
FWDPT	FWD Pension Trust Limited, a company incorporated in Hong Kong (registered number 0678409), whose registered office is at Room 2506,

	FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong. Its name was changed to SLPT after having been sold by FWD to Sun Life, as described in paragraph 2.10;
Hong Kong	the Hong Kong Special Administrative Region of the People's Republic of China;
Hong Kong Court	the Court of First Instance of the High Court of Hong Kong;
Hong Kong Order	the order of the Hong Kong Court (if granted) pursuant to sections 24 and 25 of the Ordinance (including any subsequent order) sanctioning this Scheme and making further provisions for its implementation;
Implementation Agreement	the implementation agreement dated 3 August 2016, entered into by, among others, FWD Management Holdings Limited and Sun Life in relation to, inter alia, (i) the sale and purchase of the then FWDPT and (ii) the transfer of all the Transferring Policies from FWD to Sun Life;
Insurance Authority	the Insurance Authority established under the Ordinance;
MPF Schemes	(i) the Sun Life MPF Basic Scheme (永明強積金基本計劃) (formerly known as FWD MPF Master Trust Basic Scheme (富衛強積金集成信託基本計劃)), (ii) the Sun Life MPF Comprehensive Scheme (永明強積金綜合計劃) (formerly known as FWD MPF Master Trust Comprehensive Scheme (富衛強積金集成信託綜合計劃)) and (iii) the Sun Life MPF Master Trust, which are master trust schemes established under the Mandatory Provident Fund Schemes Ordinance (Cap 485 of the Laws of Hong Kong);
New MPF Sub-Fund (Class G)	a new sub-account to be established and maintained by Sun Life with effect from the Transfer Date under the Sun Life Class G Fund for the Transferring Policies in respect of the MPF Schemes, such sub-account shall be segregated from other sub-accounts of the Sun Life Class G Fund;
New ORSO Sub-Funds (Class G)	New ORSO Capital Guaranteed Sub-Fund (Class G) and New ORSO Non-Guaranteed Sub-Fund (Class G);

New ORSO Capital Guaranteed Sub-Fund (Class G)	a new sub-account to be established and maintained by Sun Life with effect from the Transfer Date under the Sun Life Class G Fund for the Transferring Policies in respect of the guaranteed obligations under the relevant ORSO Scheme, such sub-account shall be segregated from other sub-accounts of the Sun Life Class G Fund;
New ORSO Non-Guaranteed Sub-Fund (Class G)	a new sub-account to be established and maintained by Sun Life with effect from the Transfer Date under the Sun Life Class G Fund for the Transferring Policies in respect of the non-guaranteed obligations under the relevant ORSO Scheme, such sub-account shall be segregated from other sub-accounts of the Sun Life Class G Fund;
ORSO Schemes	FWD Capital Guaranteed Plan and FWD Multi-Funding Provident Plan;
Ordinance	the Insurance Ordinance (Chapter 41 of the Laws of Hong Kong);
Residual Asset	<p>(i) any property, assets or investment of FWD (including any right, discretion, authority, power or benefit of FWD under or by virtue of any Transferring Policies) and such other property, asset or investment as is attributable to the Business, wherever situated, which shall be transferred to Sun Life on or around the Transfer Date pursuant to and under the Implementation Agreement, but in respect of which, as at the Transfer Date, either:</p> <p>(a) the consent of any person or persons (other than FWD, Sun Life, the Hong Kong Court or the Bermuda Court) is required but has not been obtained; or</p> <p>(b) the waiver by any person or persons of any right to acquire, or to be offered the right to, or to offer to, acquire or procure the acquisition of, all or any part of such property or asset is required but has not been obtained; or</p> <p>(c) FWD and Sun Life agree that its transfer should be delayed;</p>

	but to the extent only of that part of the interest of FWD in such property or asset the transfer of which such consent and/or waiver is required and/or such agreement is reached;
	(ii) any proceeds of sale or income or other accrual or return whatsoever, whether or not in the form of cash, from time to time earned or received in respect of such property or asset referred to in sub-paragraph (i) of this definition;
Residual Liability	any liability whatsoever of FWD:
	(i) which is attributable to or connected with a Residual Asset and arises at any time before the Subsequent Transfer Date in relation to such Residual Asset; or
	(ii) the transfer of which to Sun Life pursuant to this Scheme requires, as at the Transfer Date, the consent of any person or persons (other than FWD, Sun Life, the Hong Kong Court or the Bermuda Court) or waiver of any person or persons and which is attributable to or connected with the Business but has not been obtained;
Scheme	this scheme in its original form with or subject to any modification or condition which the Hong Kong Court and the Bermuda Court shall approve or impose or any modification made pursuant to paragraph 11.3;
Statutory Records	all books, files, registers, documents, correspondence, papers and other records that are required, by the applicable legal or regulatory requirement or corporate governance (whether or not having the force of law), to be kept by FWD and retained in its possession in respect of the Business;
Subsequent Transfer Date	in relation to any Residual Asset or Residual Liability, the date (falling after the Transfer Date) on which the transfer of such Residual Asset or Residual Liability provided for by this Scheme shall take effect and such Residual Asset or Residual Liability shall vest in Sun Life, being:

- (i) in respect of any Residual Asset falling within sub-paragraph (i)(a) or (b) of the definition thereof; and any Residual Liability, the date on which the requisite consent or requisite waiver to enable the same to be transferred to Sun Life upon the terms of this Scheme:
  - (a) obtained; or
  - (b) no longer required; or
  - (c) dispensed with by the Hong Kong Court and the Bermuda Court; or
- (ii) in respect of any Residual Asset falling within sub-paragraph (i)(c) of the definition thereof, the date on which FWD and Sun Life agree that the transfer should take effect; or
- (iii) in respect of any Residual Asset falling within sub-paragraph (ii) of the definition thereof, the date on which such Residual Asset is received or earned by FWD;

Sun Life	Sun Life Hong Kong Limited, a company incorporated in Bermuda (and registered as a non-Hong Kong company with registered number F0003725) whose registered office is at 16/F, Cheung Kei Center Tower A, 18 Hung Luen Road, Hunghom, Kowloon, Hong Kong;
Sun Life Class G Fund	the account maintained by Sun Life in respect of its class G (retirement scheme management category I) long term business (as defined in sections 2(1) and 3 of the Ordinance) pursuant to section 22 (1)(a) of the Ordinance;
SLPT	Sun Life Pension Trust Limited, the new name of FWDPT after it was sold by FWD to Sun Life, as described in paragraph 2.10;
Transfer Date	the time and date on which this Scheme shall become effective in accordance with paragraph 10 of this Scheme;
Transferring Assets	the property, assets or investment of FWD (including any right, discretion, authority, power or benefit of FWD under or by virtue of any Transferring Policies) as are attributable to the Business, wherever situated, which shall be transferred to Sun Life on or around the Transfer Date pursuant to and under the Implementation Agreement, but do not include the Residual Assets;

Transferring Liabilities

all liabilities of FWD as at the Transfer Date attributable to the Business including, without limitation, the liabilities and obligations (whether present, future or contingent) under and in relation to the Transferring Policies (including, without limitation, the guarantee obligations thereunder) which shall be transferred to Sun Life on or around the Transfer Date pursuant to and under the Implementation Agreement, but do not include the Residual Liabilities; and

Transferring Policies

all Class G Policies underwritten in or from Hong Kong by FWD under and in respect of the MPF Schemes and ORSO Schemes as at the Transfer Date, as detailed in the Schedule hereto, including all certificates, supplemental coverages, endorsements, riders and ancillary agreements in connection therewith. For the avoidance of doubt, the policies in respect of FWD's staff plan and agency plans, namely the FWD Life Insurance Company (Bermuda) Limited Retirement Scheme, Long Service Incentive Scheme, Long Service Bonus Scheme and VNB Fund Scheme, are not included in this Scheme.

1.2 In this Scheme, any reference to:

- (a) a "class" shall be to a class of long term or general business specified in Part 2 or Part 3 (as the case may be) of the Schedule 1 to the Ordinance;
- (b) the term "property" includes (without limitation) property, assets, rights (whether present, future, vested or contingent), discretions, authorities, benefits and powers of every description;
- (c) the term "liabilities" includes (without limitation) duties and obligations of every description (whether present, future or contingent); and
- (d) "including" or "includes" means including or includes without limitation.

1.3 Any reference to the singular includes a reference to the plural and vice versa.

1.4 Unless otherwise specified, any reference to any act, statute, ordinance or regulation shall be to such act, statute, ordinance or regulation as amended from time to time.

## B. INTRODUCTION

### 2. FWD AND SUN LIFE

2.1 FWD was incorporated in Bermuda on 13 April 1977, under the name of Rauco Insurance Company Limited. FWD is part of the FWD Group, which is the insurance business arm of investment group, Pacific Century Group, with minority shareholders, including Swiss Re Group. Pacific Century Group acquired ING Groep N.V.'s life insurance business (including FWD) in March 2013 and established the brand FWD in August 2013. FWD is currently an indirect wholly-owned subsidiary of FWD Limited through intermediate holding companies.

FWD has an issued share capital of US\$830,200,000 as of the financial year ended on 31 December 2019.

- 2.2 The principal business of FWD is the carrying on of long term business in Hong Kong. FWD is regulated in Bermuda by the BMA and has a class E and a class 3 licence under the Act.
- 2.3 FWD is registered in Hong Kong as a non-Hong Kong company under the Companies Ordinance. FWD is authorized by the Insurance Authority under the Ordinance to carry on long-term business of class A (life and annuity), class C (linked long term), class D (permanent health), class G (retirement scheme management category I) and class I (retirement scheme management category III) as set out in Part 2 of the Schedule 1 to the Ordinance in or from Hong Kong. The principal place of business of FWD in Hong Kong is 28/F, FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong.
- 2.4 As part of its long term business, FWD carries on retirement fund business in Hong Kong, which includes both the MPF Schemes and ORSO Schemes. Prior to the sale of FWDPT as described in paragraph 2.10 below, FWD owned 20% of its issued share capital and was the trustee of the MPF Schemes. Each of the MPF Schemes and ORSO Schemes invests in one or more of the Transferring Policies issued by FWD. As at 31 December 2019, the Business of FWD consisted of 71 Transferring Policies, as detailed in the Schedule hereto.
- 2.5 Sun Life was incorporated in Bermuda on 15 October 1985. Sun Life is wholly-owned by Sun Life Assurance Company of Canada, a company incorporated in Canada. Sun Life has an issued share capital of HK\$3.527 billion as of 31 December 2019.
- 2.6 The principal business of Sun Life is the carrying on of long term business in Hong Kong. Sun Life is regulated in Bermuda by the BMA and has a class E licence under the Act.
- 2.7 Sun Life is registered in Hong Kong as a non-Hong Kong company under the Companies Ordinance. Sun Life is authorized by the Insurance Authority under the Ordinance to carry on long-term business of class A (life and annuity), class C (linked long term), class D (permanent health), class G (retirement scheme management category I), class H (retirement scheme management category II) and class I (retirement scheme management category III) as set out in Part 2 of the Schedule 1 to the Ordinance in or from Hong Kong. The registered office of Sun Life in Hong Kong is 16/F, Cheung Kei Center Tower A, 18 Hung Luen Road, Hunghom, Kowloon, Hong Kong.
- 2.8 As at 31 December 2019, Sun Life had 80 Class G Policies issued and maintained for its MPF scheme and various ORSO schemes in Hong Kong.
- 2.9 On 3 August 2016, FWD Management Holdings Limited (being a part of the FWD Group) and Sun Life entered into the Implementation Agreement in relation to the disposal of FWD's MPF and ORSO businesses in Hong Kong.
- 2.10 The disposal includes, inter alia, (i) the sale of the shareholding of the then FWDPT, the trustee of certain MPF Schemes (i.e., the then FWD MPF Master Trust Basic Scheme and FWD MPF Master Trust Comprehensive Scheme, which were renamed respectively as Sun Life MPF Basic Scheme and Sun Life MPF Comprehensive Scheme), to Sun Life (and its nominees); and (ii) the transfer from FWD to Sun Life the Class G Policies underlying the MPF Schemes and ORSO Schemes. The sale of the then FWDPT had been completed on the first completion date, 3 October 2017, and the name of FWDPT was subsequently changed to SLPT.
- 2.11 The transfer of the Business is therefore part of the transaction contemplated under the Implementation Agreement.

- 2.12 The purpose of this Scheme is to transfer the Business from FWD to Sun Life pursuant to (i) sections 24 and 25(1) of the Ordinance; and (ii) section 25 of the Act. Under the Implementation Agreement, in respect of the Transferring Policies, FWD Management Holdings Limited agreed to transfer to Sun Life (and/or its nominee(s)) cash and/or the legal and beneficial title in "eligible assets" with a "fair market value" equal to FWD's estimate of the class G required provisions (which shall include the provision for account balance, the provision for investment guarantee and the provision for the smoothing of investment returns) as at 12:01 a.m. (Hong Kong time) of the second completion date of the Implementation Agreement, in accordance with the terms of the Implementation Agreement.
- 2.13 It is proposed by FWD and Sun Life that applications shall be made to the Hong Kong Court and the Bermuda Court under section 24 of the Ordinance and section 25 of the Act, respectively, such that the Business shall be transferred from FWD to Sun Life in accordance with the terms of this Scheme and subject to the Hong Kong Order made pursuant to sections 24 and section 25(1) of the Ordinance and the Bermuda Order made pursuant to section 25 of the Act.
- 2.14 The transfer contemplated under this Scheme will not proceed unless this Scheme is sanctioned by the Hong Kong Order and the Bermuda Order.

## C. THE TRANSFER PROVISIONS

### 3. TRANSFER OF ASSETS

- 3.1 On and with effect from the Transfer Date, the Transferring Assets shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument, be transferred by FWD to, and vested in, Sun Life subject to any Encumbrances in respect thereof.
- 3.2 On and with effect from each Subsequent Transfer Date, each Residual Asset to which such Subsequent Transfer Date applies shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument, be transferred by FWD to, and vested in, Sun Life subject to any Encumbrances in respect thereof.
- 3.3 If:
- (1) any property or asset of FWD, which would otherwise fall within the definition of Transferring Assets, is not, or is not capable of being, immediately transferred to and effectively vested in Sun Life on the Transfer Date by the Hong Kong Order and the Bermuda Order by reason of:
    - (i) such property or asset being a Residual Asset; or
    - (ii) the transfer of such property or asset being outside the jurisdiction of the Hong Kong Court or the Bermuda Court; or
    - (iii) for any other reason; or
  - (2) the transfer of any property or asset which falls within the definition of Transferring Assets but which is situated outside the jurisdiction of the Hong Kong Court or the Bermuda Court and is not recognised by the laws of the jurisdiction in which such property or asset is situated,

FWD shall, on and with effect from the Transfer Date, hold any property or asset referred to in sub-paragraphs (1) or (2) above, as trustee and in trust for Sun Life absolutely and shall be

subject to Sun Life's directions in respect thereof until the relevant property or asset is transferred to or otherwise vested in Sun Life or is disposed of (whereupon FWD shall account to Sun Life for the proceeds of sale thereof), and Sun Life shall have authority to act as the attorney of FWD in respect of such property or asset for all such purposes.

- 3.4 Sun Life shall accept without investigation or requisition such title as FWD shall have at the Transfer Date to each Transferring Asset and at each Subsequent Transfer Date to the Residual Asset then transferred.
- 3.5 FWD and Sun Life 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, Sun Life of any Transferring Asset or Residual Asset.

#### **4. TRANSFER OF LIABILITIES**

- 4.1 On and with effect from the Transfer Date, each Transferring Liability shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument and without investigation or requisition, be transferred by FWD to, and become a liability of, Sun Life with the effect that FWD shall be entirely released from and Sun Life shall assume, any liability in respect of such Transferring Liability.
- 4.2 On and with effect from each Subsequent Transfer Date, each Residual Liability to which such Subsequent Transfer Date applies shall, by virtue of the Hong Kong Order and the Bermuda Order and without any further act or instrument and without investigation or requisition, be transferred by FWD to, and become a liability of, Sun Life with the effect that FWD shall be entirely released from and Sun Life shall assume any liability in respect of such Residual Liability.
- 4.3 If:
  - (1) any obligation or liability of FWD which would otherwise fall within the definition of Transferring Liabilities is not, or is not capable of being, immediately transferred and effectively vested in Sun Life on the Transfer Date by the Hong Kong Order and the Bermuda Order by reason of:
    - (i) such obligation or liability being a Residual Liability; or
    - (ii) the transfer of such obligation or liability being outside the jurisdiction of the Hong Kong Court or the Bermuda Court; or
    - (iii) for any other reason; or
  - (2) the transfer of any obligation or liability which falls within the definition of Transferring Liabilities but is governed by the law of a jurisdiction other than Hong Kong or Bermuda and is not recognised by the laws of the jurisdiction which govern such obligation or liability,

then Sun Life shall from and after the Transfer Date perform any such obligation or satisfy any such liability as referred to in sub-paragraphs (1) or (2) above on behalf of FWD, or failing that, indemnify FWD against such obligation and liability.

- 4.4 FWD and Sun Life 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, Sun Life of any Transferring Liability or any Residual Liability.

## **5. TRANSFER OF TRANSFERRING POLICIES**

- 5.1 On and with effect from the Transfer Date, Sun Life shall become entitled to all of the rights and powers of FWD under, or by virtue of, the Transferring Policies. The Transferring Policies shall on and with effect from the Transfer Date form part of Sun Life's long term business carried on in or from Hong Kong.
- 5.2 On and with effect from the Transfer Date, all rights and powers against FWD available to the policy holder of every Transferring Policy shall cease and shall be substituted by the same rights and powers against Sun Life. On the Transfer Date, all Statutory Records and other information relating to the policy holders, 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 (Chapter 486 of the Laws of Hong Kong)) of such policy holders, insureds, beneficiaries, assignees and other persons, which is held by FWD shall be transferred to Sun Life, and Sun Life shall have the same rights and powers in holding and using (and transferring) such information as those of FWD prior to the Transfer Date.
- 5.3 In respect of the Transferring Policies under which premiums continue to be payable, the policy holders of the Transferring Policies shall account to Sun Life for any further premiums as and when they become due. Sun Life 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 FWD prior to the transfer.
- 5.4 Sun Life 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 Sun Life and not FWD had issued the Transferring Policies.
- 5.5 All terms and conditions of the Transferring Policies (including application forms, illustrative documents, principal brochures, riders, schedules and declarations) shall remain unchanged save that, on and with effect from the Transfer Date, all references in the Transferring Policies to FWD, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents shall be read as reference to Sun Life, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents (as the case may be); and any reference to "FWD" in the names of the Transferring Policies will be changed to "Sun Life". In particular, but without limitation, all rights and duties exercisable or expressed to be exercisable or responsibilities to be performed by FWD, 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 Sun Life, its Board of Directors, Appointed Actuary, offices, auditors and any other officers and employees or agents (as the case may be).

## **6. CONTINUATION OF LEGAL PROCEEDINGS**

- 6.1 By virtue of the Hong Kong Order and the Bermuda Order, on and with effect from the Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings or complaints (whether current, pending, threatened or in contemplation) by or against FWD in relation to the Transferring Policies, Transferring Assets or Transferring Liabilities shall be deemed to have been continued by or against Sun Life in substitution for FWD and Sun Life shall be entitled to the same defences, claims, counterclaims and rights of set-off as FWD in respect thereof.

- 6.2 By virtue of the Hong Kong Order and the Bermuda Order, on and with effect from the applicable Subsequent Transfer Date, any judicial, quasi-judicial, disciplinary, administrative, arbitration or legal proceedings or complaints (whether current, pending, threatened or in contemplation) by or against FWD in relation to the Residual Assets or Residual Liabilities shall be deemed to have been continued by or against Sun Life in substitution for FWD and Sun Life shall be entitled to the same defences, claims, counterclaims and rights of set-off as FWD in respect thereof.

**D. THE NEW INSURANCE FUNDS BY SUN LIFE**

**7. THE NEW SUN LIFE INSURANCE FUNDS**

**Establishment of New Sun Life Insurance Funds**

- 7.1 Effective from the Transfer Date, Sun Life shall establish three new sub-funds under the Class G Fund, namely New MPF Sub-Fund (Class G), New ORSO Capital Guaranteed Sub-Fund (Class G) and New ORSO Non-Guaranteed Sub-Fund (Class G). They shall be maintained by Sun Life as separate sub-accounts under the Sun Life Class G Fund.

**Allocation of Policies, Assets and Liabilities**

- 7.2 On and with effect from the Transfer Date, all Transferring Policies in respect of the MPF Schemes shall be allocated to and become part of the New MPF Sub-Fund (Class G); and all Transferring Policies in respect of the ORSO Schemes shall be allocated to and become part of the New ORSO Sub-Funds (Class G).
- 7.3 On and with effect from the Transfer Date, all Transferring Assets which are maintained by FWD for the Transferring Policies in respect of the MPF Schemes shall be allocated to and become part of the New MPF Sub-Fund (Class G); all Transferring Assets which are maintained by FWD for the Transferring Policies in respect of the ORSO Schemes shall be allocated to and become part of the New ORSO Sub-Funds (Class G).
- 7.4 Each Residual Asset which is maintained by FWD for the Transferring Policies in respect of the MPF Schemes shall, on and with effect from the applicable Subsequent Transfer Date, be allocated to the New MPF Sub-Fund (Class G); and each Residual Asset which is maintained by FWD for the Transferring Policies in respect of the ORSO Schemes shall, on and with effect from the applicable Subsequent Transfer Date, be allocated to the New ORSO Sub-Funds (Class G).
- 7.5 All beneficial interest in any property, assets or investments held on trust by FWD for Sun Life pursuant to paragraph 3.3 above shall be allocated to the New MPF Sub-Fund (Class G) or the New ORSO Sub-Funds (Class G) (as the case may be) to which such property, assets or investments would have been allocated had it constituted a Transferring Asset.
- 7.6 On and with effect from the Transfer Date, all Transferring Liabilities of FWD which are attributable to the Transferring Policies shall be allocated to and become part of the New MPF Sub-Fund (Class G) or the New ORSO Sub-Funds (Class G) (as the case may be).
- 7.7 Each Residual Liability of FWD which is attributable to the Transferring Policies shall, on and with effect from the applicable Subsequent Transfer Date, be allocated to the New MPF Sub-Fund (Class G) or the New ORSO Sub-Funds (Class G) (as the case may be).

- 7.8 All liabilities which are required to be satisfied by Sun Life pursuant to paragraph 4.3 above shall be allocated to the New MPF Sub-Fund (Class G) or the New ORSO Sub-Funds (Class G) (as the case may be) to which such liabilities would have been allocated had it constituted a Transferring Liability.

## **E. MISCELLANEOUS PROVISIONS**

### **8. PREMIUMS AND MANDATES**

- 8.1 All premiums, loan repayments (if any, and interest thereon) and other amounts received or receivable by FWD in respect of any of the Transferring Policies on or after the Transfer Date shall be payable to Sun Life after the Transfer Date.
- 8.2 Sun Life shall be irrevocably authorized to endorse for payment any cheques, drafts, orders, postal orders or other instruments payable to, or to the order of, FWD and received by Sun Life in respect of premiums paid or loan repayments (if any) under the Transferring Policies on or after the Transfer Date.
- 8.3 Sun Life shall have the sole responsibility for billing and collecting premiums and paying all applicable taxes in respect of premiums received under the Transferring Policies on or after the Transfer Date.
- 8.4 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 FWD 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 Sun Life.

### **9. COSTS**

FWD and Sun Life shall, out of their respective shareholders' funds, pay in equal share all costs in relation to the preparation of this Scheme and of its presentation to the Hong Kong Court and the Bermuda Court respectively for sanction and all other professional fees related thereto. None of such costs shall be borne by the funds maintained by FWD or Sun Life pursuant to the Ordinance in respect of their respective long term business, the Transferring Policies or other policies of FWD or Sun Life, or the policy holders thereof.

### **10. TRANSFER DATE**

- 10.1 This Scheme shall become effective at 12:01 a.m. hours (Hong Kong time) on such date as FWD and Sun Life may decide which date shall be within 90 days after the later of the dates on which the Hong Kong Order and the Bermuda Order are granted, in each case sanctioning this Scheme. Subject to the grants of the Hong Kong Order and Bermuda Order, it is expected that the Scheme will take effect on [1 December 2020] but it may be subject to change.
- 10.2 Unless this Scheme shall become effective on or before 90 days after the later of the dates on which the Hong Kong Order and the Bermuda Order are granted, or such later date and/or time, if any, as FWD and Sun Life may decide and the Hong Kong Court and the Bermuda Court may allow, it shall lapse.

### **11. MODIFICATION**

- 11.1 Subject to paragraph 11.3, FWD and Sun Life may apply to the Hong Kong Court and the Bermuda Court for consent to modify, vary or amend the terms of this Scheme, provided that:

- (a) the proposed modification, variation or amendment has been approved by the respective Appointed Actuaries and board of directors of both FWD and Sun Life;
  - (b) the Insurance Authority and the BMA have been notified of, and have the right to be heard at any hearing of the court at which such application is considered. In the case of the Insurance Authority, 3 months' prior written notice shall be given; and
  - (c) such application shall be accompanied by a report from an independent actuary to the effect that in his opinion, the proposed modification, variation or amendment will not materially and adversely affect the reasonable benefit expectations of, the financial security of or the level of service to the policy holders of the Transferring Policies, the policy holders of the non-transferring policies of FWD, or the existing policy holders of Sun Life.
- 11.2 Subject to paragraph 11.3, the terms of this Scheme shall be modified, varied or amended in accordance with such sanction as may be given by the Hong Kong Court and the Bermuda Court under paragraph 11.1.
- 11.3 The sanction of the Hong Kong Court and the Bermuda Court shall not be required in relation to:
- (a) modification(s), variation(s) or amendment(s) to correct manifest error(s) of this Scheme; or
  - (b) when the modification(s), variation(s) or amendment(s) is/are reasonably considered by FWD and Sun Life to be necessary to ensure that the provisions of this Scheme operate in the intended manner where there is a change in the relevant laws or regulations;

provided that the Insurance Authority and the BMA have been notified of the same and has indicated that they do not object thereto.

## **12. GOVERNING LAW**

This Scheme shall be governed by the laws of Hong Kong subject to any procedural issues in connection with the Petition under section 25 of the Act being governed by Bermuda law.

### The Schedule

#### The Transferring Polices as of 31 December 2019

##### List of Class G Policies – MPF Schemes

	Class G Policies	Policy Number	Date of the Policy	Relevant MPF Scheme
1	FWD MPF Capital Guaranteed Policy	B001-CGP	(missing)	Sun Life MPF Basic Scheme – Capital Guaranteed Portfolio
2	FWD MPF Capital Guaranteed Policy	C002-CGP	29-Mar-01	Sun Life MPF Comprehensive Scheme – Capital Guaranteed Portfolio
3	FWD MPF Capital Guaranteed Policy	S001-CGP	01-Dec-00	Sun Life MPF Master Trust - Capital Guaranteed Portfolio

##### List of Class G Policies – ORSO Schemes

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme
1	Albert Jewellery Company Limited Provident Fund Scheme	11000272	03-Aug-95	FWD Capital Guaranteed Plan
2	Alitom Engineers Ltd Provident Fund Scheme	11000327	27-Apr-95	FWD Capital Guaranteed Plan
3	Asia Pacific Adjusters Limited Provident Fund Scheme	15000100	03-Jan-08	FWD Multi-Funding Provident Plan
4	Campell Group (Hong Kong) Limited Provident Fund Scheme	11000293	10-Mar-95	FWD Capital Guaranteed Plan
5	Checkpoint Apparel Labelling Solutions Asia Limited Provident Fund Scheme	11000194	03-Aug-95	FWD Capital Guaranteed Plan
6	China Europus (International) Ltd. Employees' Retirement Scheme	11000017	28-Apr-95	FWD Capital Guaranteed Plan
7	Parsons Delcan Inc. Provident Fund Scheme	11000501	22-May-95	FWD Capital Guaranteed Plan
8	DHL Global Forwarding (Hong Kong) Limited Provident Fund Scheme	19000771	10-Apr-96	FWD Capital Guaranteed Plan

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
9	Dimension Data China/Hong Kong Limited Provident Fund	15000384	04-Dec-18	FWD Multi-Funding Provident Plan
10	Drew Ameroid (Singapore) Pte. Limited Provident Fund Scheme	11000207	27-Jun-95	FWD Multi-Funding Provident Plan
11	EL Grande Holdings Limited Provident Fund Scheme	15000932	12-May-98	FWD Multi-Funding Provident Plan
12	Fatti Components Limited Employees' Retirement Scheme	11000031	25-May-95	FWD Capital Guaranteed Plan
13	Fook Lam Moon Restaurant Ltd. Provident Fund Scheme	15000214	07-Feb-06	FWD Multi-Funding Provident Plan
14	FWD Life Macau Agency Long Service Incentive Plan	11001018	2010	FWD Multi-Funding Provident Plan
15	FWD Life Macau Staff Provident Fund	11001019	01-Aug-00	FWD Multi-Funding Provident Plan
16	Group Retirement Plan for Members of Community Health Services Ltd.	15001030	10-Sep-10	FWD Multi-Funding Provident Plan
17	Hi-Watt International Enterprises Ltd Provident Fund Scheme	15000372	10-Dec-08	FWD Multi-Funding Provident Plan
18	Honda Button Company Limited Provident Fund Scheme	19000682	28-Oct-95	FWD Capital Guaranteed Plan
19	Hong Kong Young Women's Christian Association Provident Fund	15000660	04-Dec-18	FWD Multi-Funding Provident Plan
20	Hop Hing Group Provident Fund Scheme	15000142	03-Jun-05	FWD Multi-Funding Provident Plan
21	Kasikorbank Public Company Limited Provident Fund Scheme	11000386	25-May-95	FWD Capital Guaranteed Plan
22	Kassel Park Engineering Company Limited Provident Fund Scheme	11000448	23-Aug-95	FWD Capital Guaranteed Plan
23	Kau Kee Trading Co., Limited Provident Fund Scheme	11000256	16-Aug-95	FWD Capital Guaranteed Plan

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
24	KMT Enterprise Ltd. Provident Fund Scheme	18000553	22-Jul-95	FWD Capital Guaranteed Plan
25	Kwong Kee Electrical Co Ltd Provident Fund Scheme	11000519	13-Mar-95	FWD Capital Guaranteed Plan
26	Landard Toys Limited Provident Fund Scheme	15000436	04-Dec-18	FWD Multi-Funding Provident Plan
27	Leventhal Limited Provident Fund Scheme	15000896	29-Feb-08	FWD Multi-Funding Provident Plan
28	Lishan Company Limited Provident Fund Scheme	15000715	16-Nov-18	FWD Multi-Funding Provident Plan
29	MAHK Ltd Provident Fund Scheme	004-5001026	19-Nov-07	FWD Multi-Funding Provident Plan
30	Man Lead Services Limited Provident Fund Scheme	18000654	27-Sep-95	FWD Capital Guaranteed Plan
31	Manfield Coatings Co. Ltd. Employees' Retirement Scheme	11000115	03-Aug-95	FWD Capital Guaranteed Plan
32	Melbourne Bookcentre Ltd. Employees' Retirement Scheme	11000054	08-Jun-95	FWD Capital Guaranteed Plan
33	Ming Fung Engineering Co. Provident Fund Scheme	19000644	23-Aug-95	FWD Capital Guaranteed Plan
34	Multi-Gold Air & Sea Express Limited Provident Fund Scheme	11000352	07-Sep-95	FWD Multi-Funding Provident Plan
35	On Tak Lung Limited Provident Fund Scheme	15001003	04-Jun-99	FWD Multi-Funding Provident Plan
36	One Country Two Systems Research Institute Ltd. Provident Fund Scheme	11000315	28-Apr-95	FWD Capital Guaranteed Plan
37	PMP Advertising (International) Ltd Provident Fund Scheme	11000066	15-Mar-95	FWD Multi-Funding Provident Plan
38	PPG Industries International Inc Provident Fund Scheme	19000680	02-Oct-95	FWD Capital Guaranteed Plan

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
39	Realink Industries Ltd. Provident Fund Scheme	15000508	12-Aug-05	FWD Multi-Funding Provident Plan
40	Remotec Technology Limited Provident Fund Scheme	11000449	28-Apr-95	FWD Capital Guaranteed Plan
41	Rocco Design Architects Limited Provident Fund Scheme	11000069	07-Sep-95	FWD Capital Guaranteed Plan
42	Samson Paper Holdings Limited Provident Fund Scheme	19100794	19-Jun-96	FWD Multi-Funding Provident Plan
43	Sotheby's Hong Kong Limited Provident Fund Scheme	11000161	26-Jul-95	FWD Capital Guaranteed Plan
44	Specialty Metals Resources Limited Provident Fund Scheme	11000296	16-Mar-95	FWD Capital Guaranteed Plan
45	The Incorporated Management Committee of St. Joseph's Primary School Defined Contribution Scheme	15001028	08-Sep-10	FWD Multi-Funding Provident Plan
46	St. James' Settlement Provident Fund Scheme (1)	11000117	07-Sep-95	FWD Capital Guaranteed Plan
47	Sunny Creations Limited Provident Fund Scheme	11000354	25-May-95	FWD Capital Guaranteed Plan
48	Technik Industrial Co. Ltd. Provident Fund Scheme	11000299	28-Apr-95	FWD Multi-Funding Provident Plan
49	The Hong Kong L.P. Gas (Holdings) Limited Staff Provident Fund	15001034	12-Jul-11	FWD Multi-Funding Provident Plan
50	The Hong Kong Settlers Housing Corporation Limited Provident Fund Scheme	11000041	16-Aug-95	FWD Capital Guaranteed Plan
51	The Sumida Electric (H.K.) Company Limited Provident Fund	15001031	26-Oct-10	FWD Multi-Funding Provident Plan
52	The Yip's H.C. (Holding) Ltd. Provident Fund	15001032	26-Oct-10	FWD Multi-Funding Provident Plan
53	Tong Seng Co Ltd Employee Benefit Scheme	11000078	28-Apr-95	FWD Capital Guaranteed Plan

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
54	Tsuen Wan Wai Tsuen Evangelical Church (Hong Kong) Limited Provident Fund Scheme	19000658	18-Sep-95	FWD Capital Guaranteed Plan
55	UCC Coffee Shop Co. (Hong Kong) Limited Provident Fund Scheme	15000525	09-Nov-06	FWD Multi-Funding Provident Plan
56	Westrock MWV Hong Kong Limited Provident Fund Scheme	11000203	28-Apr-95	FWD Multi-Funding Provident Plan
57	Tai Cheng Shing Limited Provident Fund Scheme	11000523	15-Mar-95	FWD Multi-Funding Provident Plan
58	Wing Tai Jewellery & Goldsmith Company Limited Provident Fund Scheme	15100764	28-Nov-18	FWD Multi-Funding Provident Plan
59	Wiseknit Factory Ltd. Provident Fund Scheme	11000090	23-Aug-95	FWD Capital Guaranteed Plan
60	Wylam's Services Limited Provident Fund Scheme	11000235	25-May-95	FWD Capital Guaranteed Plan
61	Yan Chai Hospital Board Head Office Provident Fund Scheme	15000695	01-Apr-19	FWD Multi-Funding Provident Plan
62	Yan Chai Hospital Social Services Provident Fund Scheme	15000788	01-Apr-19	FWD Multi-Funding Provident Plan
63	Yee Ying International Limited Provident Fund Scheme	11000229	13-Mar-95	FWD Capital Guaranteed Plan
64	Yi Chang Tai Company Limited Employees' Retirement Scheme	11000111	25-Jul-95	FWD Capital Guaranteed Plan
65	Yip Shing Diesel Engineering Co. Ltd. ORSO Scheme	81000102 3	24-Oct-11	FWD Capital Guaranteed Plan
66	MHK Restaurants Limited Profit Sharing Plan	11000114 (changed from 805-01 on 29 Sept 1995)	22-Dec-88	Independent Scheme (that invests into FWD Capital Guaranteed Plan; and SLPT acts as the trustee)

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>
67	Schroder Provident Plan	n/a	01-Apr-00	Independent Scheme (that invests into FWD Capital Guaranteed Plan; but SLPT is not the trustee)
68	Wing Hang Bank Limited Provident Fund	21000001	18-Sep-04	Independent Scheme (that invests into FWD Capital Guaranteed Plan; but SLPT is not the trustee)

**ANNEX B**

**APPROVED ACTUARY'S REPORT**

**Report of the Independent  
Actuary on the transfer of certain  
Class G insurance policies  
underlying the FWD MPF and  
ORSO business from FWD Life  
Insurance Company (Bermuda)  
Limited to Sun Life Hong Kong  
Limited**

**Prepared for:**

**FWD Life Insurance Company (Bermuda) Limited  
Sun Life Hong Kong Limited**

**Prepared by:**

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## Independent Actuary's Statement of Opinion

I, Clement Bonnet, am a Principal and Consulting Actuary of Milliman Limited ("Milliman"). I am a Fellow of the French Institute of Actuaries, and a Fellow member of the Actuarial Society of Hong Kong. I have been appointed to act as the Independent Actuary pursuant to Section 24 of the Hong Kong Insurance Ordinance Chapter 41, and as the Approved Actuary ("Approved Actuary") pursuant to Section 25 of the Bermuda Insurance Act 1978 ("Act"), to provide an independent opinion on the terms and likely effects of the proposed scheme (the "Scheme") for the transfer of certain Class G long term policies underlying the mandatory provident funds ("MPF") business and occupational retirement ("ORSO") business from FWD Life Insurance Company (Bermuda) Limited ("FWD") to Sun Life Hong Kong Limited ("Sun Life"). Throughout this report FWD and Sun Life are collectively referred to as the "Parties" and the trustees or employers taking out these Class G insurance policies (a list of which is set out in Appendix G, the "Transferring Policies") are collectively referred to herein as the "Transferring Policy holders".

The rationale behind this transfer is to allow Sun Life to acquire the pension business from FWD, expanding Sun Life's presence in Asian Wealth Management space in a low capital and fee-based business, and adding scale to Sun Life existing pension business resulting in a reduction of expenses per member.

In forming my opinion, I have been given free access to available information, reports and documents that I considered necessary and requested. In addition, I have also been given free access to the representatives of the Parties.

The scope of my review and opinions are confined to the effects of the Scheme on the long term policy holders of the Parties. In particular, I have formed my view by considering:

- the effect of the Scheme on the financial security of the contractual benefits of the long term policy holders of FWD and Sun Life;
- the effect of the Scheme on the reasonable benefit expectations of the long term policy holders of FWD and Sun Life;
- the effect of the Scheme on the level of service to the long term policy holders of FWD and Sun Life; and
- the adequacy of safeguards in the Scheme to ensure that the Scheme operates as presented.

The scope of my work does not include assessing the impact of the Scheme on the shareholders of the Parties. I have considered the Scheme as presented to me and have not considered any other alternative schemes of transfer.

In my opinion,

The Scheme will have no material adverse effect on the reasonable benefit expectations of the Transferring Policy holders of FWD, the policy holders of the non-transferring policies of FWD or the existing policy holders of Sun Life.

The Scheme will have no material adverse effect on the financial security of the Transferring Policy holders of FWD, the policy holders of the non-transferring policies of FWD or the existing policy holders of Sun Life.

The Scheme will have no material adverse effect on the level of service to the long term policy holders of FWD and Sun Life.

I am satisfied that the Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Clement Bonnet

Independent Actuary

26 June 2019

Clement Bonnet

## Section 1 Introduction

### The Independent Actuary

- 1.1. When an application is made to the High Court of the Hong Kong Special Administrative Region, Court of First Instance (the "Hong Kong Court") for an order to sanction the transfer of long term insurance business from one insurer to another, it must be accompanied by a report on the terms of the Scheme by an independent actuary in conformance to Section 24 of the Insurance Ordinance, Chapter 41 of the Laws of Hong Kong (the "Ordinance").
- 1.2. Similarly, when an application is made to the Supreme Court of Bermuda (the "Bermuda Court") for an order to sanction a transfer of long term insurance business, it must be accompanied by a report on the terms of the Scheme by an Approved Actuary in conformance to Section 25 of the Bermuda Insurance Act 1978.
- 1.3. I have been appointed by both FWD Life Insurance Company (Bermuda) Limited ("FWD") and Sun Life Hong Kong Limited ("Sun Life") as the Independent Actuary in connection with the proposed scheme of transfer (the "Scheme") of certain long term pension business from FWD to Sun Life. The long term business involved is referred to as the "Transferring Business" and comprises the Class G insurance policies, excluding the five internal retirement plans for FWD agents and staff which will remain with FWD (namely: Long Service Incentive Scheme ("LSIS"), Long Service Bonus Scheme ("LSBS"), VNB Fund Scheme, Victory Fund Scheme and FWD Life Insurance Company (Bermuda) Limited Retirement Scheme, collectively called "FWD Retained ORSO Business"), written by FWD before the Transfer Date. The Class G policies are currently issued to trustees or employers of mandatory provident funds ("MPF") schemes and occupational retirement ("ORSO") schemes. The trustees or employers taking out these Class G insurance policies are collectively referred to herein as the "Transferring Policy holders". FWD and Sun Life are collectively referred to herein as the "Parties".
- 1.4. My appointment as the Independent Actuary has been noted by the Hong Kong Insurance Authority ("HK IA") and the Bermuda Monetary Authority ("BMA").

### Scope of my report

- 1.5. This report considers the effects of the Scheme on the long term policy holders of FWD and Sun Life. It does not assess the impact of the Scheme on the shareholders of either company.
- 1.6. I have considered the Scheme as presented to me and have not considered other possible alternative schemes of transfer.
- 1.7. In reporting on the Scheme I owe a duty to the Hong Kong Court and the Bermuda Court to help them on matters within my expertise. This duty overrides any obligation to any person from whom I have received instructions or by whom I am paid.
- 1.8. In preparing the report, I consulted the HK IA on the required contents and incorporated suggestions from the HK IA as appropriate.

- 1.9. My report has been prepared in accordance with the approach and expectations in the section 2 paragraphs 31 to 41 of the Prudential Regulation Authority ("PRA") Handbook, as set out in "The Prudential Regulation Authority's approach to insurance business transfers" dated April 2015 (the "PRA Statement of Policy"), and enclosed as Appendix C to this report. I have also referred to Chapter 18 of the Supervision Manual ("SUP 18") contained in the Financial Conduct Authority ("FCA") Handbook. Subsections SUP18.2.31G to SUP18.2.41G, which provide guidelines on the form of the independent expert scheme report required in the UK, are enclosed as Appendix D to this report. In addition, I have had regard to Guidance Note 15 ("GN 15") issued by the Institute of Actuaries which is enclosed as Appendix E, which was withdrawn in the UK and replaced by the aforementioned section of the FCA Handbook. GN15 is no longer in-force but this is taken as reference as the courts in Hong Kong have taken this guidance note into account in previous Section 24 portfolio transfers. I have also used Section 25 of the Bermuda Insurance Act 1978 as a reference basis.
- 1.10. In May 2018, the FCA published final guidance on its approach to the review of Part VII insurance business transfers ("FG18/4: The FCA's approach to the review of Part VII insurance business transfers"). I have had regard to this guidance when preparing this report.
- 1.11. I have been provided with free access to the information that I requested as necessary to conduct my work. The key documents that have been made available to me include the Scheme, the Reports of the Appointed Actuaries of the Parties (the "Appointed Actuaries") on the Scheme, statutory reserve reports, crediting rates and investment policies, financial projections before and after the Scheme implementation and information related to management of the Parties. Appendix B of this report shows the main items of information and documents provided. In addition, I have also been given unrestricted access to and held discussions with various representatives of the Parties.
- 1.12. I have considered the following areas when forming my opinion in this report:
  - the effect of the Scheme on the financial security of the contractual benefits of the long term policy holders of FWD and Sun Life;
  - the effect of the Scheme on the reasonable benefit expectations of the long term policy holders of FWD and Sun Life;
  - the effect of the Scheme on the level of service to the long term policy holders of FWD and Sun Life; and
  - the adequacy of safeguards in the Scheme to ensure that the Scheme operates as presented.
- 1.13. The report should be read together with the full terms of the Scheme.

#### **Qualifications and Disclosures**

- 1.14. I am a Fellow member of the Actuarial Society of Hong Kong and a Fellow member of the French Institute of Actuaries.

- 1.15. I am a Principal and Consulting Actuary of Milliman Limited, residing of 3901-02, AIA Tower, 183 Electric Road, North Point, Hong Kong ("Milliman"). I have been based in Hong Kong since 2012. I consider my knowledge and experience, which includes the familiarity with the types of long term business written by the Parties involved, as well as my experience with previous Section 24 portfolio transfers, to be suitable and relevant in accepting the appointment as the Independent Actuary for the Scheme.
- 1.16. I am not a shareholder in FWD Limited or any of its subsidiaries. I hold no individual life insurance policies with any of the companies within FWD Group nor am I a member of any FWD Group insurance scheme. I have no other financial interest in FWD Limited. I am not a shareholder in Sun Life Financial Inc. or any of its subsidiaries. I hold no individual life insurance policies with any of the companies within Sun Life Financial Inc. nor am I a member of any Sun Life Financial Inc. insurance scheme. I have no other financial interest in Sun Life Financial Inc.. Moreover, my compensation related to this appointment is independent of the outcome of the Scheme.

#### **Reliances**

- 1.17. In preparing my report, I have had access to documentary evidence provided by the Parties, the key elements of which are listed in Appendix B. I have also relied on the Appointed Actuaries and other members of the senior management team of FWD and Sun Life for information about the operations of FWD and Sun Life. In this report I have specifically attributed certain statements to such persons, and I have relied upon the accuracy of those (and other statements) made to me.
- 1.18. In coming to my conclusions, I have relied upon the accuracy of the information which has been provided to me in written or oral form, without independent verification. However, much of the key information has been subject to audit without any audit issue (e.g. balance sheet and statutory reserves, including the entire process from data inputs to model to the production of final results) or other external scrutiny, and I have had the opportunity to challenge any apparent inconsistencies in the information provided.
- 1.19. No attempt has been taken to independently review the calculations provided to me and I explicitly rely on the Appointed Actuaries and the Parties that all the calculations used in relation to the Scheme are appropriate and accurate as presented.
- 1.20. I have received a copy of legal advice provided to FWD management in respect of certain matters and have discussed that advice with FWD. I am not qualified to express opinions on matters of a legal nature. I have therefore made specific reference to such advice where appropriate, and I have relied upon that advice.

#### **Limitations**

- 1.21. This report has been prepared on the basis as set out in the report and its appendices.
- 1.22. This report must be considered in its entirety as individual sections, if considered in isolation, may be misleading. I have provided a summary of my report (the "Summary Report") for

inclusion in the policy holder circular and, other than this, no summary of my report may be made without my express consent.

- 1.23. This report has been prepared by Milliman on an agreed basis for the Parties in the context of the Scheme and must not be relied upon for any other purpose. No liability will be accepted by Milliman, or me, for any application of my report for a purpose for which it was not intended nor for the results of any misunderstanding by any user of any aspect of the report.
- 1.24. Other than as set out below, this report is not meant for use by any third party to do or omit to do anything and no third party should place any reliance on the report for that reason. This report and the opinions and conclusions contained herein are for the internal use of the management of the Parties, their professional advisors, their shareholders, their policy holders, regulators, and in court. With the exception of the limited distribution and disclosure of the report specified in paragraph 1.26 and 1.27, the report and any written or oral information or advice provided by me or Milliman must not be reproduced, distributed or communicated in whole or in part to any other person, or be relied upon by any other person except with the written consent of me and Milliman.
- 1.25. If the Parties wish to release a copy of the report to third parties or advisors, except as described in section 10 of this report, these parties must sign a disclaimer and release letter in the form approved by Milliman setting out the terms under which the information is provided and acknowledging that neither Milliman nor I assume any responsibility, liability or duty of care to them. If the Parties wish to disclose extracts from the report in documents, Milliman and I need to give prior written consent to the proposed wording.
- 1.26. In accordance with Section 24 of the Ordinance, in respect of a sanction of the Hong Kong Court for the transfer of long term business, the exceptions referred to above include:
  - a copy of the report will be provided to the HK IA;
  - a copy of the report will be available for inspection at the premises in Hong Kong of the Parties concerned for a period of not less than 21 days subsequent publishing a notice in the Government of the Hong Kong Special Administrative Region Gazette and in an approved English language newspaper and an approved Chinese language newspaper in Hong Kong in connection with the Scheme; and
  - a copy of the report will be made available to any person asking for one, provided that the request is made prior to an order for sanctioning the Scheme.A copy of the report will be available from the corporate website of both Sun Life and FWD.
- 1.27. In accordance with Section 25 of the Act, in respect of a sanction of the Bermuda Court for the transfer of long term business, the exceptions referred to above include:
  - a copy of the report will be provided to the BMA;
  - a copy of the report will be available for inspection at the premises of the Parties concerned for a period of not less than 21 days subsequent publishing a notice in the Royal Gazette in Bermuda in connection with the Scheme; and



a copy of the report will be made available to any person asking for one, provided that the request is made prior to an order for sanctioning the Scheme.

- 1.28. The use of Milliman's name, trademarks or service marks, or reference to Milliman directly or indirectly in any media release, public announcement or public disclosure, including in any promotional or marketing materials, websites or business presentations is not authorised without Milliman's prior written consent for each such use or release, which consent shall be given in Milliman's sole discretion.
- 1.29. This report was based on data available to me and Milliman at, or prior to 26 June 2019, and takes no account of developments after that date. Neither I nor Milliman is under any obligation to update or correct inaccuracies which may become apparent in the report.
- 1.30. This report does not provide financial or other advice to individual policy holders.

**Limits of liability and legal jurisdiction**

- 1.31. This report is subject to the terms and limitations, including limitation of liability and legal jurisdiction, set out in the Engagement Letter.



## Section 2 The Parties to the Scheme

### FWD

- 2.1. FWD Life Insurance Company (Bermuda) Limited ("FWD") is a wholly-owned subsidiary of FWD Limited Pacific Century Group acquired the company from ING Groep N.V. and renamed it to FWD Life Insurance Company (Bermuda) Limited in 2013.
- 2.2. FWD is licensed as a Class E and Class 3 insurance company under the Bermuda Insurance Act 1978, with its principal activity being to carry on long term insurance and retirement business.
- 2.3. FWD is currently authorised to underwrite a variety of long term insurance business in Hong Kong, including Classes A (Life and Annuity), C (Linked long term), D (Permanent health), G (Retirement Scheme management category I) and I (Retirement Scheme management category III), in Part 2 of the Schedule 1 to the Ordinance.
- 2.4. As at 31 December 2018, 257.2 million ordinary shares and 246,500 preference shares were issued with total share capital at US\$ 503,700,000.
- 2.5. Based on the audited accounts for the year ended 2018, under the Hong Kong Financial Reporting Standard basis ("HKFRS"), FWD had assets of HK\$96,796 million and total liabilities of HK\$90,348 million. Profit for the year was HK\$1,812 million compared to a loss of HK\$400 million in 2017.
- 2.6. For Hong Kong tax purpose, FWD has elected to be assessed on a profit tax basis for all lines of business, including Class G business.

### Sun Life

- 2.7. Sun Life in this report refers to Sun Life Hong Kong Limited. It is a wholly owned subsidiary of Sun Life Financial of Canada, following the acquisition from Commonwealth Bank of Australia in October 2005. Sun Life then acquired the long term business from Sun Life Financial (Hong Kong) Limited on 1 October 2006.
- 2.8. Sun Life was incorporated in Bermuda on 15 October 1985. Sun Life was authorized by the HK IA to transact long term business in or from Hong Kong as at 15 April 1987.
- 2.9. As at 31 December 2018, Sun Life had share capital of HK\$3,527 million.

- 2.10. Sun Life is currently authorised to underwrite various long term insurance businesses in Hong Kong, including Classes A (Life and Annuity, with effect from 15 April 1987) , C (Linked long term, with effect from 7 November 2000), D (Permanent health, with effect from 15 April 1987), G (Retirement Scheme management category I, with effect from 31 May 1995), H (Retirement Scheme management category II, with effect from 31 May 1995) and I (Retirement Scheme management category III, with effect from 31 May 1995), as set out in Part 2 of the Schedule 1 to the Ordinance.
- 2.11. Based on the audited accounts for the year ended 2018, under the HKFRS basis, Sun Life had assets of HK\$70,143 million and total liabilities of HK\$63,900 million. Profit for the year was HK\$274 million compared to a net profit of HK\$477 million in 2017.
- 2.12. For Hong Kong tax purpose, Sun Life has elected to be assessed on a tax basis for Class A and Class C lines of business where the assessable profits are deemed to be 5% of the premiums while the tax basis for Class G, Class H and Class I lines of business is directly based on profits.

## Section 3 Existing Business and Fund Structures

### FWD

#### Overview

- 3.1. FWD is authorised to carry on long term business in Hong Kong categorised as Class A (Life and Annuity), Class C (Linked long term), Class D (Permanent health), Class G (Retirement Scheme management category I) and Class I (Retirement Scheme management category III) as set out in Part 2 of the Schedule 1 to the Ordinance.

#### Fund structure

- 3.2. FWD operates on the following fund structure:

FWD Long Term Fund;  
FWD Retirement Fund; and  
FWD Shareholders' Fund.

- 3.3. FWD writes and administers its current long term fund and retirement fund in considering different sub-funds as shown in the table below:

FWD fund structure before transfer	
Fund	Sub-fund
Long Term Fund	Traditional Life Fund (Class A)
	MaxFocus Fund I (Class A)
	MaxFocus Fund II (Class A)
	MaxFocus Fund III (Class A)
	MaxFocus Fund IV (Class A)
	Crisis XDefender Fund (Class A)
	Wealth ICON Fund (Class A)
	Universal Life Fund (Class A)
	Universal Life 2 Fund (Class A)
	Universal Life 2.1 Fund (Class A)
Retirement Fund	Unit Linked Fund (Class C)
	Permanent Health Fund (Class D)
	Group Life Fund (Class I)
Shareholders' Fund	ORSO Non-Guaranteed Fund (Class G)
	ORSO Capital Guaranteed Fund (Class G)
	MPF Capital Guaranteed Portfolio (Class G)

(\*) Assets backing different classes of business are segregated. Assets within a same class of business are not segregated but separate accounts exist to track the performance separately.

Sub-fund	Scheme / Plan
ORSO Non-Guaranteed Fund	FWD Provident Fund Plan
	FWD Capital Guaranteed Plan
	FWD Split Fund Plan
	FWD Multi-Funding Provident Plan
	Independent schemes
ORSO Capital Guaranteed Fund	FWD Provident Fund Plan
	FWD Capital Guaranteed Plan
	FWD Split Fund Plan
	FWD Multi-Funding Provident Plan
	Independent schemes
MPF Capital Guaranteed Portfolio	MPF Basic Scheme
	MPF Comprehensive Scheme
	Sun Life MPF Master Trust (previously known as Schroder MPF Master Trust)

- 3.4. Under the MPF Capital Guaranteed Portfolio ("MPF CG"), FWD administers internally two MPF schemes, previously known as FWD MPF Master Trust Basic Scheme ("MPF Basic Scheme") and FWD MPF Master Trust Comprehensive Scheme ("MPF Comprehensive Scheme"). The roles of sponsor and trustee of the two internal MPF schemes have been transferred from FWD to Sun Life in 2017 while FWD remains the issuer of the insurance policy of MPF Capital Guaranteed portfolio. The names of MPF Basic Scheme and MPF Comprehensive Scheme have been changed to Sun Life MPF Basic Scheme and Sun Life MPF Comprehensive Scheme respectively. They are both open to new business and Sun Life Pension Trust Limited ("SLPT") acts as the trustee of these two MPF schemes (FWD Pension Trust Limited was acting as the Trustee before the transfer of ownership to SLPT in October 2017). MPF CG is also composed of an additional approved pooled investment fund, Sun Life MPF Master Trust (previously known as Schroder MPF Master Trust), which is managed externally.
- 3.5. Under the ORSO Capital Guaranteed Fund and ORSO Non-Guaranteed Fund (the policy holders having the option to choose between the two funds), as at 30 April 2019, FWD administers internally 74 policies issued under four ORSO schemes, namely FWD Provident Fund Plan, FWD Capital Guaranteed Plan, FWD Split Fund Plan and FWD Multi-Funding Provident Plan. Only FWD Multi-Funding Provident Plan is open to new business. SLPT is the trustee of all the ORSO schemes, except for the policies which have not applied for MPF exemption (as they do not need to have a trustee). Out of the 74 policies, there are four FWD Capital Guarantee Plan policies issued to independent schemes which are not administered by FWD but FWD acts as one of the investment managers. I have been informed by FWD that (i) FWD Provident Fund Plan is targeted to be terminated on 1 July 2019; and (ii) all plans under FWD Split Fund Plan have been transferred to FWD Multi-Funding Provident Plan on 1 April 2019.
- 3.6. I have also been informed by FWD that, following the review of the classification of FWD Class G plans by an External Counsel, two internal agency plans (namely Long Service Bonus Scheme (LSB) and Lions Fund) which did not strictly meet the criteria of retirement scheme principles as laid out in Schedule 1 (Classes of Insurance Business) of the Ordinance have been transferred to FWD's Shareholders' Fund as at 31 December 2016.

These two plans are maintained separately as an internal arrangement with FWD's agents. Further details are provided in Appendix H.

#### *Key statistics*

- 3.7. The following table shows the details of the long term and retirement business of FWD as at 31 December 2018:

31 December 2018 Class	Number of policies	Amount of net liability (HK\$'m)
A	343,180	52,598
C	19,242	5,285
D	2,850	284
I	268	5
<b>Total</b>	<b>365,540</b>	<b>58,172</b>

31 December 2018 Class	Number of participating schemes	Amount of net liability (HK\$'m)
G – MPF	4,400 (*)	867
G – ORSO	81	2,306
<b>Total</b>	<b>4,481</b>	<b>3,174</b>

Note 1: the above statistics for Class G include MPF and ORSO businesses on the balance sheet of FWD as at 31 December 2018.

Note 2: Appendix G lists out the number of Class G policies (called participating schemes in the table above) issued by FWD as at the date mentioned in Appendix G, which is different from the date mentioned in the table above (31 December 2018).

(\*) The number of participating schemes refers to the number of employers while Appendix G lists out of the number MPF Class G policies.

Figures may not be additive due to rounding.

#### Sun Life

##### Overview

- 3.8. Sun Life is a licensed insurer under the Ordinance and is authorised to carry on long-term business of Class A (Life and Annuity), Class C (Linked long term), Class D (Permanent Health), Class G (Retirement Scheme management category I), and Class H (Retirement Scheme management category II) and I (Retirement Scheme management category III), as set out in Part 2 of the Schedule 1 of the Ordinance.

*Fund structure*

- 3.9. The fund structure of Sun Life is shown in the following diagram:

**Sun Life fund structure before transfer**

	Closed Block Fund (Class A)
	CMG Par Fund (Class A)
	Open Par Fund (Class A)
	RB Par Fund (Class A)
	AoD Fund (Class A)
	Non-Par Fund (Class A)
	Universal Life Fund (Class A)
Existing Business Fund	Guardian Individual Trad (Class A)
	Guardian Individual Linked (Class C)
	VUL Fund (Class C)
	CMG Deposit Administration Fund (Class G)
	Guardian Ring-fenced Retirement Fund (Class G)
	Guardian Ring-fenced Retirement Fund (Class H)
	Group Life and Medical (Class I)
	Guardian Group (Class I)

**Shareholders' Fund**

(\*) the sub-funds above are physically segregated and managed separately.

- 3.10. Within Class G business, Sun Life administers and maintains two funds separately, namely CMG Deposit Administration (DA) and Guardian Ring-fenced Retirement Fund. Both of them are closed to new business. Within Class H, Sun Life has ORSO business. There is no guaranteed fund offered for MPF except for the newly acquired FWD and Sun Life MPF Capital Guaranteed Portfolio for which FWD currently acts as the guarantor and Sun Life acts as a sponsor.

*Key statistics*

- 3.11. The following table shows the details of the long term insurance business of Sun Life as at 31 December 2018:

31 December 2018 Class	Number of policies	Amount of net liability (HK\$'m)
A - Non-ring fenced	358,940	39,826
A - Ring fenced	102	43
C - Non-ring fenced	60,457	10,251
C - Ring fenced	2	8

<b>31 December 2018 Class</b>	<b>Number of policies</b>	<b>Amount of net liability (HK\$'m)</b>
I - Non-ring fenced	1071	58
I - Ring fenced	2	18
<b>Total</b>	<b>420,574</b>	<b>50,204</b>

<b>31 December 2018 Class</b>	<b>Number of participating schemes</b>	<b>Account balance (HK\$'m)</b>	<b>Amount of net liability (HK\$'m)</b>
G - MPF - Non-ring fenced (*)	4,400 (**)	841	-
G - ORSO - Non ring-fenced (DA fund)	25	77	85
G - ORSO - Ring-fenced (DA fund)	63	897	1,009
H - ORSO - Ring fenced	4	644	644
Number of ORSO employer with both Class G and H Policies	(2)	-	-
MPF Class G Policies where FWD is the issuer of the insurance policies	(4,400)	(841)	-
<b>Total</b>	<b>90</b>	<b>1,618</b>	<b>1,738</b>

(\*) Newly acquired MPF Capital Guaranteed Portfolio, where FWD remains as the issuer of the insurance policies.

(\*\*) The number of participating schemes refers to the number of employers while Appendix G lists out the number MPF Class G policies.

Figures may not be additive due to rounding.

## Section 4 The Scheme of Transfer

### Purpose

- 4.1. The proposed transfer is described in the documents produced by the Parties as presented to the Hong Kong Court and the Bermuda Court.
- 4.2. The Scheme involves the transfer of the Class G policies underlying the guaranteed funds in respect of the MPF schemes and ORSO schemes from FWD to Sun Life, excluding FWD Retained ORSO Business which will remain with FWD.
- 4.3. The rationale behind this transfer is to allow Sun Life to acquire the pension business of FWD, expanding Sun Life's presence in Asian Wealth Management space in a low capital and fee-based business, and adding scale to Sun Life existing pension business resulting in a reduction of expenses per member.
- 4.4. The Scheme will take effect at 12:01a.m. hours (Hong Kong time) on such date as FWD and Sun Life may decide which date shall be within 90 days after the later of the dates on which the order of the Hong Kong Court is granted and the order of the Bermuda Court is granted, in each case sanctioning this Scheme. Subject to the grants of the order of the Hong Kong Court and the order of the Bermuda Court, it is expected that the Scheme will take effect on 1 December 2020 (the "Transfer Date"), but it may be subject to change.

### The Transferring Business

- 4.5. On the Transfer Date, FWD will transfer all Class G policies under and in respect of the MPF schemes and ORSO schemes, including all certificates, supplemental coverages, endorsements, riders and ancillary agreements, written by FWD before the Transfer Date, except the five internal ORSO retirement plans for FWD agents and staff which will remain with FWD ("FWD Retained ORSO Business"). The investment manager will be changed from FWD to Sun Life.
- 4.6. The MPF schemes are Sun Life MPF Basic Scheme, Sun Life MPF Comprehensive Scheme and Sun Life MPF Master Trust, and the Class G policies are approved pooled investment funds ("APIFs") under the MPF Capital Guaranteed Portfolio, which is a constituent fund under each MPF scheme. The roles of sponsor and trustee of Sun Life MPF Basic Scheme (formerly known as FWD MPF Master Trust Basic Scheme) and Sun Life MPF Comprehensive Scheme (formerly known as FWD MPF Master Trust Comprehensive Scheme) have been transferred from FWD to Sun Life in 2017 while FWD remains the issuer of the insurance policy of MPF Capital Guaranteed Portfolio.

- 4.7. As at 31 December 2018, the Class G policies under or in respect of the ORSO schemes are issued under the following 4 plans:
- FWD Capital Guaranteed Plan;
  - FWD Multi-Funding Provident Plan;
  - FWD Split Fund Plan;
  - FWD Provident Fund Plan.
- 4.8. There are in total 74 policies issued as at 30 April 2019. I have been informed by FWD that (i) FWD Provident Fund Plan is targeted to be terminated on 1 July 2019; and (ii) all plans under FWD Split Fund Plan have been transferred to FWD Multi-Funding Provident Plan on 1 April 2019.
- 4.9. FWD Retained ORSO Business as defined in paragraph 1.3 will remain with FWD after the Transfer Date.

*Transferring liabilities*

- 4.10. On and with effect from the Transfer Date:
- Sun Life will assume, in place of FWD, all of the transferring long term liabilities; and
  - the transferring long term policies will form part of Sun Life's long term business portfolio.
- 4.11. Transferring liabilities refer to all liabilities of FWD, excluding the FWD Retained ORSO Business, as at the Transfer Date attributable to the Class G Policy liabilities, being equal to the sum of:
- the account balance as adjusted to reflect policy holder payables and receivables on or around the Transfer Date;
  - the provision for investment guarantee in relation to the Class G policies made in accordance with the approach and methodology specified in paragraph 6.2 of Guideline 7 for investment guarantees, and calculated with FWD's methodology and assumptions as specified in the GL7 Report for the year ended 31 December 2018; and
  - any relevant smoothing provisions determined using FWD's methodology and assumptions.

- 4.12. The following table shows the details of the Class G long term business of FWD as at 31 December 2018.

Class G long term business of FWD			
31 December 2018 Class	Number of participating schemes	Account balance (HK\$ million)	Amount of net liability (HK\$ million)
MPF	4,400 (*)	841	867
ORSO	81	2,049	2,306
Transferring ORSO Business	77	1,614	1,812
FWD Retained ORSO Business	4	435	494
<b>Total</b>	<b>4,481</b>	<b>2,890</b>	<b>3,174</b>

*Note: Appendix G lists out the number of Class G policies (called participating schemes in the table above) issued by FWD as at the date mentioned in Appendix G, which is different of the date mentioned in the table above (31 December 2018).*

*(\*) The number of participating schemes refers to the number of employers while Appendix G lists out the number MPF Class G policies.*

*Figures may not be additive due to rounding.*

- 4.13. As at 31 December 2018, the long term business comprised 4,400 MPF schemes and 81 ORSO schemes. The amount of net liability of Class G ORSO business was HK\$ 2,306 million while the amount of net liability of Class G MPF business was HK\$ 867 million.
- 4.14. The account balance of FWD Retained ORSO Business has reduced significantly from 31 December 2017 (HK\$ 719 million) to 31 December 2018 (HK\$ 435 million). This is mainly explained by the payment for Victory Fund Scheme of HK\$ 327 million to FWD Agents in April 2018.

#### *Transferring assets*

- 4.15. Transferring assets refer to all properties, assets or investments of FWD equal to the transferring liabilities as at the Transfer Date, which shall be transferred to Sun Life.
- 4.16. Under the Scheme, the long term business funds of Sun Life will be restructured to incorporate the Transferring Business of FWD. The subdivision of the funds and the allocation of assets and liabilities among the comprising funds are described in paragraph 4.17 below.

**Sun Life Fund Structure under the Scheme**

- 4.17. The following tables set out the proposed change in Sun Life fund structure as a result of the transfer:

**Sun Life fund structure before transfer**

	Closed Block Fund (Class A)
	CMG Par Fund (Class A)
	Open Par Fund (Class A)
	RB Par Fund (Class A)
	AoD Fund (Class A)
	Non-Par Fund (Class A)
	Universal Life Fund (Class A)
Existing Business Fund	Guardian Individual Trad (Class A)
	Guardian Individual Linked (Class C)
	VUL Fund (Class C)
	CMG Deposit Administration Fund (Class G)
	Guardian Ring-fenced Retirement Fund (Class G)
	Guardian Ring-fenced Retirement Fund (Class H)
	Group Life and Medical (Class I)
	Guardian Group (Class I)

**Shareholders' Fund****Sun Life fund structure after transfer**

	Closed Block Fund (Class A)
	CMG Par Fund (Class A)
	Open Par Fund (Class A)
	RB Par Fund (Class A)
	AoD Fund (Class A)
	Non-Par Fund (Class A)
	Universal Life Fund (Class A)
Existing Business Fund	Guardian Individual Trad (Class A)
	Guardian Individual Linked (Class C)
	VUL Fund (Class C)
	CMG DA Fund (Class G)
	Guardian Ring-fenced Retirement Fund (Class G)
	Guardian Ring-fenced Retirement Fund (Class H)
	Group Life and Medical (Class I)
	Guardian Group (Class I)
	New ORSO Non-Guaranteed Sub-Fund (Class G)
Transferring Business	New ORSO Capital Guaranteed Sub-Fund (Class G)
	New MPF Sub-Fund (Class G)

**Shareholders' Fund**

- 4.18. To incorporate the Transferring Business, Sun Life will establish three new segregated Class G sub-funds. These sub-funds will be maintained as separate sub-accounts under the Sun Life Class G Funds. Sun Life will continue to maintain existing Class G lines of business separately from the Transferring Business.
- 4.19. Total asset backing the Transferring Business including all assets backing the account balance, the provision for investment guarantee and any smoothing provision would be transferred from FWD to Sun Life, to cover all expected outgoes and maintain solvency for the Transferring Business. In addition, Sun Life Shareholders' Fund will continue to support the existing and Transferring Business in the event of a shortfall of assets.

**FWD Fund Structure under the Scheme**

- 4.20. Under the proposed Scheme, FWD will have no pension business in-force except for FWD Retained ORSO Business. Therefore, the fund structure of FWD will remain unchanged. The various long term sub-funds will not be affected. The following table sets out the fund structure after the transfer:

FWD fund structure after transfer	
Fund	Sub-fund
Long Term Fund	Traditional Life Fund (Class A)
	MaxFocus Fund I (Class A)
	MaxFocus Fund II (Class A)
	MaxFocus Fund III (Class A)
	MaxFocus Fund IV (Class A)
	Crisis XDefender Fund (Class A)
	Wealth ICON Fund (Class A)
	Universal Life Fund (Class A)
	Universal Life 2 Fund (Class A)
	Universal Life 2.1 Fund (Class A)
Retirement Fund	Unit Linked Fund (Class C)
	Permanent Health Fund (Class D)
Shareholders' Fund	
ORSO Capital Guaranteed Fund (FWD staff & agents) (Class G)	

**Future operation**

- 4.21. Sun Life has undertaken to fulfil all of the policy contract conditions should the business be transferred. This will include the responsibility for paying all benefits of claims, maturities, and other amounts arising from the Transferring Business including the cost of administration of customer transactions.
- 4.22. FWD and Sun Life entered into a 15-year exclusive distribution agreement allowing Sun Life to offer MPF and ORSO schemes through FWD's agency networks in Hong Kong.

**Cost and expenses related to the Scheme**

4.23. The costs associated with the Scheme are to be shared equally by FWD and Sun Life and will be paid out from the Parties' Shareholders' Funds. The costs include those in relation to the preparation of the Scheme and obtaining the sanction of the Hong Kong Court and the Bermuda Court, both incurred before and on the Transfer Date.

## Section 5 Impact of the Proposed Transfer – Effect on Benefit Expectations of Transferring Policy holders

- 5.1. In this section I consider the major issues relating to the benefit expectations of the Transferring Policy holders. In forming my opinion on this aspect, I have considered the various matters addressed in the following paragraphs.

### Considerations affecting benefit expectations of policy holders

- 5.2. Considerations affecting benefit expectations of retirement business include discretionary elements such as non-guaranteed crediting rates, fees and charges and the rights of the Transferring Policy holders.
- 5.3. For policies with discretionary components, I must also consider the likely effects of the Scheme on how such discretion will be exercised taking into account the current benefit expectations of policy holders. These policies include those with a combination of discretionary and guaranteed crediting rates such as Class G policies. I will elaborate further on the form of discretionary benefits paid to the policy holders of FWD later in this section.
- 5.4. In considering the likely effects of the Scheme on Transferring Policy holders' discretionary benefits prospects, I have considered the following areas:

The approach taken to determining the amounts of policy holder discretionary crediting rates subsequent to the Scheme implementation, and any differences compared with current practice.

The future governance procedures and safeguards, provided by Sun Life's shareholder, against a change of approach that could have an adverse effect on policies with discretionary benefit components.

The extent to which future investment strategy, and investment performance, of the assets backing the insurance policies may be affected by the Scheme.

The expenses attributable to policy holders as a result of the Scheme.

### Existing discretionary benefits of the Transferring Business under FWD

#### *FWD MPF Capital Guarantee Portfolio ("FWD MPF CG")*

- 5.5. FWD MPF CG is a unitised fund with price equal to the net asset value. The net asset value increases based on the actual return less applicable administration fees, trustee fee and guarantee fee. FWD MPF CG guarantees that the capital will be preserved at the end of every 5-year period of continuous investment or over a shorter period if the member reaches the age of 65.

#### *FWD ORSO Business*

- 5.6. The discretionary benefits of FWD ORSO business are affected by a discretionary crediting rate which is subject to a minimum guaranteed rate. The same crediting rate philosophy is applied to both internal and external ORSO schemes offered by FWD. As of 31<sup>st</sup> December 2018, only minimum guaranteed crediting rate of 0% p.a. was applicable (refer to paragraph 5.9 for details).
- 5.7. Discretionary crediting rates are reviewed at least annually. The following four criteria are considered when recommending the crediting rate of the year:

(i) the actual net investment return

The total investment return achieved over the period net of expenses, tax and target investment spread is the starting point of the declared rate determination. It includes unrealised gains and losses on bond and equity. The target investment spread has been set at 0.95% since 2002 and is reviewed by FWD on a regular basis. For FWD Provident Fund Plan, the target investment spread is discretionary but subject to a maximum of 1.5% p.a.. For other plans, the target investment spread is fully discretionary.

(ii) the stability of return to policy holders

Declared rate can be lower or higher than the total net investment return after smoothing.

(iii) the long-term supportability of the crediting rate

The size of the fund surplus is a measure of sustainability of the portfolio and should fall within a reasonable range such that it is large enough to support GL7 reserving requirement. For each declaration, a stress test is performed to assess the sufficiency of the buffer after declaring the crediting rate. The declared rate is set such that the net surplus is at least positive. On the other hand, should the surplus be built up over time, the declared rate is increased to distribute the excess return to policy holders.

(iv) the competitiveness of the crediting rate

The comparison of the declared rate against competitors is also performed to ensure the recommendation is commercially viable.

Based on the latest ORSO crediting rate recommendation approved by FWD Hong Kong Asset-Liability Management Committee ("HK ALMCO") and Board dated 12 November 2018 and 6 December 2018 respectively, a crediting rate of 2.20% p.a. was declared from October 2017 to September 2018.

- 5.8. For ORSO schemes, an interim crediting rate is declared at the beginning of each year and is calculated as the discretionary crediting rate minus non-recurring items and up to 0.5% further adjustment subject to the Appointed Actuary. During extreme years, the Appointed Actuary can reduce the interim rate further by excluding exceptional non-recurring items. Effective from January 2019, 1.50% p.a. interim crediting rate was determined after considering the discretionary crediting rate, non-recurring items and 0.5% further adjustment suggested by the Appointed Actuary.
- 5.9. The minimum guaranteed rate can be different from one ORSO scheme to another as shown below:

#### FWD Provident Fund Plan

FWD Provident Fund Plan guarantees that during the first 10 years from the commencement date each contribution will earn an effective annual compounding interest rate not less than 5% from the dates the relevant contributions were received.

The 5% guarantee expired for this plan. This plan is closed to new business. FWD Provident Fund Plan is targeted to be terminated on 1 July 2019.

#### FWD Capital Guaranteed Plan

For the period of ten years from the commencement date, ORSO Capital Guaranteed Plan guarantees the crediting rate on total contribution will not be less than 0% p.a., less any withdrawals and any charges applicable credited to the account during that period.

This plan is closed to new business.

#### FWD Split Fund Plan

For the period of ten years from the commencement date, Split Fund Plan guarantees the crediting rate on total contribution will not be less than 0% p.a., less any withdrawals and any charges applicable credited to the account during that period.

This plan is closed to new business. All plans under FWD Split Fund Plan have been transferred to FWD Multi-Funding Provident Plan on 1 April 2019.

#### FWD Multi-Funding Provident Plan

For the period of ten years from the commencement date, Multi-Funding Plan guarantees the crediting rate on total contribution will not be less than 0% p.a., less any withdrawals and any charges applicable credited to the account during that period.

This plan is open to new business.

*Historical declared crediting rate for FWD ORSO business*

5.10. In the past, FWD has made several adjustments to the crediting rates for ORSO Capital Guaranteed Fund, as summarised below for recent years:

Bonus year	Interim crediting rate	Annual declared rate(*)
2002	5.00%	6.00%
2003	4.00%	7.00%
2004	4.00%	6.25%
2005	3.00%	6.25%
2006	3.00%	6.25%
2007	3.00%	7.25%
2008	3.00%	3.00%
2009	3.00%	5.25%
2010	3.25%	5.10%
2011	2.50%	3.60%
2012	2.00%	3.15%
2013	1.75%	3.05%
2014	1.75%	3.10%
2015	1.75%	2.20%
2016	1.50%	2.20%
2017	1.50%	2.40%
2018	1.50%	2.20%

(\*) From October of previous year to September of current year

**Discretionary benefits of the Transferring Business under Sun Life**

5.11. Sun Life has undertaken to follow the current approach adopted by FWD to determine the crediting rate. Crediting rates will be reviewed at least annually, taking into account policy holders' reasonable expectations and the market environment. Sun Life's objective is to provide continuity to policy holders and to establish policies and practices similar to FWD to the extent practicable. Similar to FWD, Sun Life will review the methodology on a regular basis as a result of the normal review process. Further details are provided in the following paragraphs.

*Discretionary crediting rate*

5.12. Sun Life has undertaken to maintain the same minimum crediting rate for both ORSO schemes and MPF schemes.

5.13. For Class G business transferred from FWD, Sun Life will also adopt the same principle as FWD crediting rate methodology in prior years to the extent practicable. The crediting rate will be managed with respect to the policy holders' reasonable expectations and the net investment return of the period. In particular, in line with the approach used for their existing class G business, Sun Life will consider the following when determining the crediting rate:

Expected portfolio return. It will be based on the composition of the asset portfolio and Sun Life's internal assumptions with regard to asset returns.

Target investment spread. It will be maintained at current level of 0.95% charged by FWD, but could be adjusted from time to time to reflect changing circumstances. While FWD has not made any adjustments to the target investment spread since 2002, FWD has broad right to vary the target investment spread. This right will continue with Sun Life and exists whether or not the Scheme proceeds.

Smoothing adjustment. It will be applied to minimise any unexpected volatility in crediting rate due to market fluctuations.

Policy holders' reasonable expectations.

5.14. As a result of the normal review process, FWD reviews crediting rates methodology periodically, a practice that will remain unchanged for Sun Life.

5.15. Expected portfolio returns will be different between FWD and Sun Life, due to different internal views with regard to future market performance, as well as differences in tactical asset allocation, strategic yield enhancement and asset liability matching. The table below compares FWD and Sun Life 2021 investment return assumptions used to produce the 2018 DST results. While the difference between FWD and Sun Life has widened between 31 December 2017 (13 bps) and 31 December 2018 (44bps) due to different internal views on long term investment return assumptions, the difference between the Parties is not expected to have a material impact on the long-term expected portfolio return. As a result, crediting rates following the Scheme are likely to be very similar to the past given the same economic conditions.

	Asset allocation (*)	FWD	Sun Life
5-year HKD corporate bond	78.30%	3.13%	2.24%
5-year USD corporate bond	8.70%	3.68%	3.60%
Equity	13.00%	8.00%	10.00%
<b>Total</b>	<b>100%</b>	<b>3.81%</b>	<b>3.37%</b>

(\*) For the purpose of the above assessment, the asset allocation is based on the strategic asset allocation of the Deposit Administration Fund.

- 5.16. For ORSO interim crediting rate, Sun Life will adopt a similar management approach as FWD. Interim rate will be based on the declared crediting rate and further adjusted following the advice of the Appointed Actuary.

**Asset allocation and investment policy of the Transferring Business under FWD**

**Overview**

- 5.17. FWD has established a formal structure of investment policies, which is approved by FWD HK ALMCO, FWD Group Asset-Liability Management Committee ("Group ALMCO"), FWD Group Risk Management and Actuarial Committee ("GRMAC") and FWD Group Investment Committee ("GIC"). The investment policies consider the nature of liabilities and the assets supporting the liabilities.
- 5.18. The investment process is managed through HK ALMCO and the Chief Investment Officer ("CIO"). Investment guidelines for the internal assets are established and specified any investment requirements and restrictions.
- 5.19. FWD invests all internal managed ORSO Class G business in a separately managed Deposit Administration Fund, the investment objective for this fund being to achieve a long-term stable return above the guaranteed level. For the MPF CG portfolio, FWD is the investment manager but the assets are invested into another APIF managed by Schroder.

*Deposit Administration Fund investment policy*

- 5.20. At least two-thirds of the assets in this fund are invested in high quality worldwide fixed-income securities, with the remaining in cash (maximum 10%) and equities (maximum 33%). No more than 15% of total assets will be invested in restricted assets<sup>1</sup> as per FWD internal guidelines.
- 5.21. The actual asset allocation and strategic asset allocation for Deposit Administration Fund as at 31 December 2018 are as follows:

Asset Class	Actual asset allocation – 31 December 2018	Strategic asset allocation
Cash & Cash Equivalent	2%	0%
Fixed Income	85%	87%
HK Equities	13%	13%
<b>Total</b>	<b>100%</b>	<b>100%</b>

<sup>1</sup> Restricted assets are precious metals, commodities, real estates, warrants, future contracts, options or bonds rated below A/A2 and rights and other interest in any of these assets.

**Asset allocation and investment policy of the Transferring Business under Sun Life**

5.22. Investment policies for Sun Life's existing Class G funds, CMG DA and Guardian DA, are maintained and endorsed by Sun Life's ALM Committee ("Sun Life ALCO"), and approved by Sun Life Financial Asia ALM Committee (SLF Asia ALCO).

5.23. CMG DA assets are invested in fixed income instruments, with objectives to:

Maximise long-term after-tax-risk-adjusted investment earnings;

Achieve a market competitive asset yields/spreads to support sustainable and competitive crediting rate.

CMG DA is invested in high quality investment grade fixed income instruments. In case of credit rating downgrades, the percentage of below investment grade investments should not exceed 5% of the portfolio.

5.24. Guardian DA assets are invested in both public fixed income asset and equities, with objectives to:

Achieve a sustainable yield;

Maintain policy holders' reasonable expectations by retaining a risk profile consistent with the investment policy.

Guardian DA fixed income portfolio is only invested in high quality investment grade fixed income instruments. In case of credit rating downgrades, the percentage of below investment grade investments should not exceed 5% of the portfolio. A proportion of assets can also be invested in equity.

5.25. Investment policies and asset allocations for the transferring Class G funds will be maintained separately from Sun Life's existing Class G funds. In particular, I have been informed that there will not be significant change to the target asset allocations and the investment policies after the transfer. Similar to the governance process for existing Class G funds, investment policies for the Transferring Business will be maintained and endorsed by Sun Life ALCO and approved by SLF Asia ALCO. The target asset allocation for the ORSO business will be documented in the investment guideline of the Capital Guarantee Policy as per Sun Life existing practice for their existing business while the target asset allocation of the MPF CG Fund is already well documented in the MPF Explanatory Memorandum and will not change. The investment policies and asset allocations for the transferring funds will not be subject to material changes from FWD existing policies.

**Overall comments on policy holder discretionary benefits philosophy after the transfer**

5.26. I have considered the decisions in the future that may affect the level of discretionary benefits received by the Transferring Policy holders after Scheme implementation. Sun Life has confirmed that the company will follow the current crediting rate policy adopted by FWD and that there will not be any significant change to the existing principles and methods following implementation of the Scheme.

- 5.27. Crediting rates for Transferring Business will be determined separately and will reflect the effect of investment returns earned, less charges, subject to smoothing and to the guarantees inherent in the policies.
- 5.28. FWD reviews crediting rates methodology periodically, a practice that will remain unchanged for Sun Life.
- 5.29. I have been informed that the investment policy for the Transferring Business would be consistent with the investment policy of the funds before transfer.
- 5.30. In light of my review, it is my opinion that the current discretionary benefits setting principles and methodologies, and the required procedures for any changes to the existing approach, which Sun Life has undertaken to adopt after the transfer, provide sufficient safeguard that policy holders should expect to be treated in a similar manner before and after the transfer.
- 5.31. I have also considered the possible impact of the Scheme arising from any conflicting crediting rate policies. As the Transferring Policies will be managed in a separate fund from the existing policies of Sun Life immediately after the transfer, there will not be any conflicting crediting rate policies that need to be aligned after Scheme implementation. Therefore, I do not believe the Scheme presents an issue in relation to conflicting crediting rate policies.

#### **Discretionary charges of the Transferring Business under FWD**

- 5.32. FWD has broad rights to vary policy charges, as well as the right to impose any other charges for administering the policy. All scheme members and participating employers would be given written notice in advance according to policy provisions before any changes come into effect. These rights will continue with Sun Life and exist whether or not the Scheme proceeds.
- 5.33. I have been informed by Sun Life that the current charge level for the Transferring Business will not change materially as a result of the transfer. In particular no other fees would be applied to the Transferring Business. Charges will be disclosed in the Explanatory Memorandum for both MPF and ORSO policies.

#### **Contractual guaranteed benefits provisions**

- 5.34. According to the Scheme, Sun Life will commit to continue paying the guaranteed benefits of the Transferring Policy holders of FWD. The rights of these policy holders, as defined under their existing policy documents, will be the same before and after the transfer.

#### **Costs and expenses in relation to the Scheme**

- 5.35. The total cost incurred in relation to the Scheme is to be met by FWD and Sun Life's shareholders' Funds. Sun Life 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 policy

holders or a decrease in the policy holder level of discretionary benefits paid. Therefore, I have no reason to believe there will be any adverse impact on the Transferring Policy holders in this regard.

#### Tax implications

- 5.36. For Hong Kong tax purpose, FWD has elected to be assessed on a profit tax basis for all lines of business, including Class G business. As of 31 December 2018, FWD has accumulated tax loss carried forward. No tax balances will be transferred from FWD to Sun Life as a result of the transfer. In addition, the tax loss carried forward is not taken into account when determining the crediting rate.
- 5.37. Both FWD and Sun Life are using the Hong Kong profit tax rate of 16.5% to calculate the tax of the Class G businesses. Hence the tax regime applied to the Transferring Business will be unchanged following Scheme implementation.

#### Policy terms and conditions

- 5.38. I have been informed that there will be no change to the policy terms and conditions of Transferring Business as a result of Scheme implementation. I have no reason to believe there will be an adverse impact on the policy terms and conditions of policy holders due to the Scheme itself in this regard.

#### Impact of the split of FWD non-Class G plans

- 5.39. Two FWD non-Class G agency plans have been transferred to FWD's Shareholders' Fund as at 31 December 2016 following a review of the classification of FWD Class G plans. The split of these two non-Class G plans will not lead to any material adverse impact on the benefit expectations of the Transferring Policy holders as the two non-Class G agency plans were managed separately from the other remaining Class G plans.

#### Conclusion

- 5.40. In summary of my assessments above, I consider that the Scheme will have no material adverse effect on the reasonable benefit expectations of the Transferring Policy holders of FWD

## Section 6 Impact of The Proposed Transfer – Effect on Benefit Expectations of policy holders of the non-transferring policies of FWD and Existing Sun Life Policy holders

- 6.1. In this section, I consider the main issues relating to the benefit expectations of the policy holders of the non-transferring policies of FWD and the existing policy holders of Sun Life. In forming my opinion on this aspect, I have considered the various matters addressed in the following paragraphs.

### Discretionary benefits

#### *FWD non-Transferring Business*

- 6.2. The principles and methods currently adopted by FWD in determining dividends for its in-force participating policies and discretionary interest rates on universal life policies will not be changed after the proposed transfer. FWD will retain the rights to review the dividend management philosophy for participating policies and the crediting rate mechanism for universal life policies and such rights exist whether or not the Scheme proceeds, and will not be affected by the Scheme.
- 6.3. Before the transfer, the assets backing the participating and universal life policies of the remaining policy holders of FWD are managed separately from the assets underlying the Transferring Policies. The consideration of the transfer received by FWD will not be allocated to the participating and universal life policies of the remaining policy holders.
- 6.4. After the proposed transfer, part of the overhead expenses in relation to the retirement business (less than 3% of the total expenses based on a study of the pension related expenses incurred by FWD for the period 2014-2018) will not be fully eliminated and will be allocated to the remaining business. However, given that the increased expenses allocated to the remaining business should be in line with the increased effort into managing the business, FWD does not expect any material increase in unit cost. In addition, given the investment experience is the main factor affecting the dividend and crediting rate, there should not be any adverse impact on dividend payments and crediting rates.
- 6.5. For non-participating life policies and investment linked policies, FWD currently has broad rights to adjust premium and change fees or charges, which FWD may exercise in the future. These rights exist whether or not the Scheme proceeds. In determining the level of premium adjustment and non-guaranteed charges, the process and principles involved will not be changed as a result of the transfer.
- 6.6. For FWD Retained ORSO Business, FWD has no intention to change the investment strategy or the crediting rate philosophy as a result of the Transfer at Tranfer date. Any future review or change will undergo the same review process as the one before the transfer.

However, due to the decrease in asset under management in 2018 and the potential increase in investment expense, FWD has intention to outsource the investment of FWD Retained ORSO Business, keeping the investment objectives unchanged and continuing offering the same guarantee. However no concrete timeline has been defined at the time this Report has been written. In any event, FWD will ensure compliance with the requirements of GL14 "Guideline on Outsourcing" and will go through the necessary regulatory approval process.

*Sun Life existing business*

- 6.7. Sun Life will maintain the Transferring Business separately from Sun Life's existing business, and in particular Sun Life's existing Class G business. For existing policy holders, contractual guaranteed benefits will remain unchanged. Also there should be no impact to the expenses for Sun Life's existing business.
- 6.8. In particular, the principles and methods currently adopted by Sun Life in determining dividends for its in-force participating policies and discretionary interest rates on universal life policies will not be changed after the proposed transfer. Sun Life will retain the rights to review the dividend management philosophy for participating policies and the crediting rate mechanism for universal life policies and such rights exist whether or not the Scheme proceeds, and will not be affected by the Scheme.
- 6.9. For non-participating life policies and investment linked policies, Sun Life currently has broad rights to adjust premium and change fees or charges, which Sun Life may exercise in the future. These rights exist whether or not the Scheme proceeds. In determining the level of premium adjustment and non-guaranteed charges, the process and principles involved will not be changed as a result of the transfer.
- 6.10. No material change in the level of premium adjustment and/or non guaranteed charges is anticipated as a result of the transfer.

**Asset allocation and investment policy**

*FWD non-Transferring Business*

- 6.11. FWD has no intention to change the investment strategies currently adopted for the assets supporting the non-transferring policies after the proposed transfer. FWD will retain the rights to review the respective asset allocation and investment decisions set out in the investment policies and such rights exist whether or not the Scheme proceeds, and will not be affected by the Scheme.
- 6.12. However, due to the decrease in asset under management and the potential increase in investment expense, FWD has intention to outsource the investment management of FWD

Retained ORSO Business, keeping the investment objectives unchanged and continuing offering the same guarantee.

*Sun Life existing business*

- 6.13. Investment policies for existing and transferring funds will be maintained separately. Investment policies for Sun Life's existing Class G funds are maintained and endorsed by Sun Life ALCO, and approved by SLF Asia ALCO. The investment policies for both existing and transferring funds will not be affected by the Transfer. Investment policies for Sun Life's existing Class G funds will not be affected by the proposed transfer and Sun Life will retain the rights to review the respective asset allocation and investment decisions set out in the investment policies of the existing business. Investment policies for other lines of business will also not be affected by the Transfer.

**Policy terms and conditions**

- 6.14. I have been informed by FWD and Sun Life that there will be no change to the policy terms and conditions of the non-Transferring and existing Business as a result of Scheme implementation. I have no reason to believe there will be an adverse impact on the policy terms and conditions of policy holders of the non-transferring policies of FWD and existing Sun Life policy holders due to Scheme implementation.

**Costs and expenses in relation to the Scheme**

- 6.15. The costs associated with the Scheme are to be shared by FWD and Sun Life equally and the total cost incurred in relation to the Scheme is to be met by FWD and Sun Life's Shareholders' Funds. FWD and Sun Life have confirmed that the costs will be borne by shareholders and will not be passed on to policy holders. Thus 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 policy holders or a decrease in the policy holder level of discretionary benefits paid. Therefore, there will be no material adverse impact on the long term policy holders of FWD and Sun Life in this regard.

**Impact of the split of FWD non-Class G plans**

- 6.16. Two FWD non-Class G agency plans have been transferred to FWD's Shareholders' Fund as at 31 December 2016. The split of these two non-Class G plans will not lead to any material adverse impact on the benefit expectations of the policy holders of the non-transferring policies of FWD as the two non-Class G agency plans were managed separately from the other remaining Class G plans. Also, it will not have any impact on the benefit expectations of the existing Sun Life policy holders.

**Conclusion**

6.17. In summary of my assessment above, I consider that the Scheme will have no material adverse effect on the reasonable benefit expectations of the policy holders of the non-transferring policies of FWD and of the existing policy holders of Sun Life.

## Section 7 Impact of the Proposed Transfer – Effect on the Financial Security of Transferring Policy holders

- 7.1. In this section, I consider the main issues relating to the financial security of the Transferring Class G long term policy holders of FWD. In arriving at my opinion, I have considered the issues covered in the paragraphs below.

### Considerations affecting financial security of policy holders

- 7.2. The security of the contractual benefits of policy holders can be measured by the excess assets in the long term business fund plus the net shareholder assets. It is affected by the conservatism of the reserving bases used and the capital and free assets of FWD, together with additional security provided by a life insurance company as a whole, and any potential support available from its shareholders.
- 7.3. I need to consider the solvency positions of the Parties prior to the transfer and the expected overall solvency position of Sun Life following implementation of the Scheme and its possible future development.

### The provision of financial security

- 7.4. To protect the security of policy holders, insurance companies maintain three asset layers namely policy reserves, minimum solvency margin and surplus, with the first two layers required by legislation.

#### Policy reserves:

- Assets supporting the policy liabilities calculated according to the underlying contractual obligations. The valuation standards are prescribed by statutory rules.
- For Class G business, reserves are calculated and established with reference to the requirements of Guideline on the Reserve Provision for Class G of Long Term Business ("GL7") under the Ordinance issued by the HK IA. Under this Ordinance, an insurance company is required to have sufficient assets to meet the required provisions for all liabilities to the Class G policy holders, including the liabilities arising from the proper provision for investment guarantees which should cover most of the adverse situations with a 99% level of confidence.

- Minimum solvency margin:
- Prescribed by statutory regulation, which includes assets required to fulfil the minimum solvency requirements. This serves as a margin relating to the risks of liabilities undertaken by the insurers.
  - For long-term business written under Class G, there is no additional solvency margin required in Hong Kong on top of the existing GL7 reserve.
- Surplus:
- Admissible net assets that are over and above the statutory minimum solvency margin.
- 7.5. In addition to these three asset layers, insurance companies are required to examine annually the financial position of the overall business under a number of adverse scenarios as prescribed by the Actuarial Guidance Note 7 ("AGN7") on Dynamic Solvency Testing ("DST") issued by the Actuarial Society of Hong Kong and required by the HK IA. The objective of this investigation is to identify the possible actions for dealing with any potential threats that may happen during the course of the business.

#### **Policy reserves of the Transferring Business**

- 7.6. Both FWD and Sun Life have been reporting under the Hong Kong regulatory regime, with the auditors certifying the financial statements prepared in accordance with the Ordinance and Appointed Actuary issuing Actuary's certificate as required by the Ordinance.
- 7.7. In accordance with the required valuation standards, FWD 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 requirements of Guideline on the Reserve Provision for Class G of Long Term Business under the Ordinance issued by the HK IA. In particular, FWD statutory reserve of Class G long term business is equal to the sum of:
- accumulation of contributions paid into the fund, reduced by applicable expenses, fees or charges, and increased by interest credited in accordance with the applicable guaranteed rate or declared rate ("Account Balance");
  - provisions for investment guarantee ("GL7 reserves"); and
  - additional smoothing reserves.
- For ORSO business, the smoothing reserve is set equal to the difference between (i) the total assets and (ii) the sum of the Account Balance and the GL7 reserves. In other words, the remaining surplus above and on top of the sum of the Account Balance and GL7 reserve acts as a smoothing buffer to absorb certain market fluctuations.

- For MPF business, the smoothing reserve is held such that the sum of the GL7 reserve and smoothing reserve of the period is at least equal to the sum of the GL7 reserve and smoothing reserve of the previous period. This approach has been developed by FWD to ensure the stability of the total reserves excluding Account Balance for a rapidly growing MPF business. However this methodology may be subject to change should the economic environment be different in the future.

7.8. The Table below shows the statutory reserves of FWD Class G business from 31 December 2015 to 31 December 2018.

HK\$ million	31 December 2015			31 December 2016		
	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
MPF	677	16	10	758	21	5
ORSO	2,358	156	84	2,367	179	30
<b>Total</b>	<b>3,035</b>	<b>172</b>	<b>93</b>	<b>3,125</b>	<b>200</b>	<b>34</b>

HK\$ million	31 December 2017			31 December 2018		
	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
MPF	849	12	14	841	20	6
ORSO	2,563	205	128	2,049	167	91
<b>Total</b>	<b>3,412</b>	<b>217</b>	<b>143</b>	<b>2,890</b>	<b>186</b>	<b>97</b>

*Note: Transferring assets are equal to the sum of the account balance, minimum GL7 reserve and smoothing reserve.*

*Figures may not be additive due to rounding.*

- 7.9. I have not attempted to independently review the reserve calculations of the Parties. I explicitly rely on the Appointed Actuaries and management of both Parties that the reserves are appropriate with respect to regulatory compliance and accurate as presented. The Appointed Actuaries have both certified compliance with the Ordinance (CAP 41E-Insurance (Determination of Long Term Liabilities) Rules) and the reserves (including the entire process from data inputs to model to production of results) have been audited as part of the normal audit process.
- 7.10. After the transfer, stochastic valuation approach will be used by Sun Life to determine the GL7 reserves, which is the current approach adopted by FWD. More specifically, Sun Life will continue holding GL7 reserves for the Transferring Business that satisfies the Hong Kong regulatory standards, with reference to the requirements of the Guideline on the

Reserve Provision for Class G of Long Term Business. In particular, for each stochastic economic scenario, the shortfall between the market value of assets and the account balance is projected and discounted back to the valuation date and the minimum GL7 reserve is determined based on the 99<sup>th</sup> percentile of the empirical distribution of the present value of the shortfall under all stochastic scenarios. In addition Sun Life will continue holding a smoothing reserve for both ORSO and MPF using a methodology similar to FWD's.

- 7.11. At Transfer Date, there will be no change in both minimum GL7 reserve and smoothing reserve for MPF. For ORSO business,

Similar to FWD approach before the Transfer, the minimum GL7 reserve for ORSO business will be split between FWD Retained ORSO Business (HK\$ 38 million as at 31 December 2018) and the Transferring ORSO Business (HK\$ 128 million as at 31 December 2018) based on the Account Balance. Even though historically the two types of business were managed in aggregate, this split was assessed to be reasonable given (i) economic assumptions are equal between the two blocks; (ii) average historical lapse experience is close between the two blocks (although recent 2018 experience has been more volatile and has shown differences) and the minimum GL7 is not materially sensitive to change in lapses; and (iii) a quantitative assessment was made in the past showing that the account value is an appropriate driver to split the GL7 reserve. (further details are provided in paragraph 8.6)

The entire ORSO smoothing reserve, i.e. smoothing reserve for both FWD Retained ORSO Business and Transferring ORSO Business as defined in paragraph 7.7, will be transferred to Sun Life, leading to a higher smoothing reserve for the Transferring Business after the Transfer.

- 7.12. The Table below shows the Statutory Reserve of the Transferring Business before and after the Transfer:

31 December 2018	FWD – Before transfer			Sun Life – After transfer		
	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
MPF	841	20	6	841	20	6
Transferring ORSO Business	1,614	128	70	1,614	128	91
<b>Total</b>	<b>2,455</b>	<b>148</b>	<b>76</b>	<b>2,455</b>	<b>148</b>	<b>97</b>

*Figures may not be additive due to rounding. Sun Life has committed not to reducing the total reserves held at transfer date as shown in the table above and to use a stochastic valuation approach that satisfies the Hong Kong regulatory standards going forward, as per FWD existing approach.*

- 7.13. After the transfer, the procedures will also remain unchanged such that the reserving methods and valuation bases of the Transferring Business and the existing Sun Life business will be disclosed in the annual Actuary's report. Similar to FWD, any revised

valuation approach or bases, as a result of the normal review process, will continue to comply with local regulations and prescribing guidelines.

- 7.14. In conclusion, the reserves held after the transfer will be higher than the reserves held by FWD before the transfer. In addition, the methodology is not expected to be changed materially. Therefore it is my opinion that the changes in procedures in determining the valuation methodology before and after the transfer will not materially impact the financial security of the Transferring Policy holders of FWD.

#### Solvency position

- 7.15. There is no additional solvency margin required in Hong Kong for Class G business on top of the existing GL7 reserve.
- 7.16. Both FWD and Sun Life do not have a formal requirement for additional solvency margin above the GL7 reserve and smoothing reserve. Since GL7 reserves are calculated at the 99<sup>th</sup> percentile, which is a high confidence level, the GL7 requirement can be seen as an effective solvency requirement.

#### Overall financial position and shareholders' capital

- 7.17. In this section I consider in more detail the shareholders' capital of both FWD and Sun Life and the level of surplus in excess of the minimum requirement. In particular I have considered the free assets position, which is defined as the ratio of the surplus (net asset minus statutory solvency margin) divided by the total liabilities including statutory solvency margin. There is no regulatory requirement regarding free assets for Class G business in Hong Kong, but free assets represent an additional level of security.
- 7.18. From the audited accounts as at 31 December 2018, the valuation of FWD, under the Hong Kong statutory basis, included total liabilities of HK\$90,348 million. This was compared with total assets of HK\$96,796 million. When all assets are included (including the non-distributable surplus of HK\$400 million), there are HK\$6,847 million assets in excess of total liabilities. This is higher than the Hong Kong required minimum solvency margin of HK\$2,569 million.

31 December 2018 - HKFRS HK\$ million	FWD Total
<b><u>Assets</u></b>	
Intangible Assets	-
Held-to-maturity financial assets	3,658
Available-for-sale financial assets	58,620
Financial assets at fair value through profit or loss	8,679
Loans and receivables	1,111
Deferred Tax Assets	38
Reinsurance Assets	12,940
Other Assets	10,856
Insurance receivables	895
<b>Total Assets</b>	<b>96,796</b>
<b><u>Liabilities</u></b>	
Insurance contract liabilities(*)	83,604
Investment contract liabilities	2,522
Liabilities held for sale	2,713
Other Liabilities	1,509
<b>Total Liabilities</b>	<b>90,348</b>
<b>Net assets</b>	<b>6,448</b>
Non-distributable surplus	400
<b>Statutory net assets</b>	<b>6,847</b>
Required Solvency margin	2,569
<b>Surplus over Statutory Solvency Margin</b>	<b>4,278</b>

*Figures may not be additive due to rounding.  
 Exchange rate as at 31 December 2018 is US\$1 = HK\$7.832.  
 (\*) Including non-distributable surplus of HK\$400m.*

- 7.19. Before transfer, as at 31 December 2018, the Hong Kong statutory valuation of Sun Life included total net liabilities of HK\$63,900 million. This was compared with total assets of HK\$70,143 million. When all assets are included there are HK\$6,244 million assets in excess of total liabilities. This is higher than the Hong Kong required minimum solvency margin of HK\$1,985 million.

31 December 2018 - HKFRS HK\$ million	Sun Life - Before transfer		
	Class G	Shareholders Fund and Others	Total
<b>Assets</b>			
Intangible Assets	-	1,117	1,117
Plant & equipment	-	73	73
Investments in securities	1,252	62,378	63,630
Reinsurance assets	-	1,598	1,598
Interest in a subsidiary	-	318	318
Investments in associate	-	241	241
Loans and other receivables	-	945	945
Deferred Tax Asset	-	-	-
Deferred Origination Cost (DOC)	-	716	716
Amount due to Shareholders' Fund / Amount due from Long Term business	(43)	43	-
Other Assets	2	532	535
Bank balances & cash	7	963	970
<b>Total Assets</b>	<b>1,219</b>	<b>68,924</b>	<b>70,143</b>
<b>Liabilities</b>			
Insurance contract liabilities	1,094	47,992	49,086
Investment contract liabilities	-	4,684	4,684
Amount on deposits	-	7,572	7,572
Deferred Tax Liabilities	-	118	118
Other Liabilities	125	2,314	2,439
<b>Total Liabilities</b>	<b>1,219</b>	<b>62,680</b>	<b>63,900</b>
<b>Net assets</b>	<b>-</b>	<b>6,244</b>	<b>6,244</b>
Required Solvency margin	-	1,985	1,985
<b>Surplus over Statutory Solvency Margin</b>	<b>-</b>	<b>4,258</b>	<b>4,258</b>

*Figures may not be additive due to rounding.*

(\* Admissible surplus under IA basis = HKD 5,082 million with modified coinsurance reinsurance treaty and HKD 4,354 without modified coinsurance treaty.

- 7.20. After transfer, as at 31 December 2018, the Hong Kong statutory valuation of Sun Life included total net liabilities of HK\$66,601 million. This was compared with available assets of HK\$72,844 million. When all assets are included there are HK\$6,244 million assets in excess of total liabilities. This is higher than the Hong Kong required minimum solvency margin of HK\$1,985 million.

HK\$ million	31 December 2018 - HKFRS	Sun Life - After transfer		
		Class G	Shareholders' Fund and Others	Total
<b>Assets</b>				
Intangible Assets	-	1,217	1,217	1,217
Plant & equipment	-	73	73	73
Investments in securities	3,953	62,378	66,331	66,331
Reinsurance assets	-	1,598	1,598	1,598
Interest in a subsidiary	-	318	318	318
Investments in associate	-	241	241	241
Loans and other receivables	-	945	945	945
Deferred Tax Asset	-	-	-	-
Deferred Origination Cost (DOC)	-	716	716	716
Amount due to Shareholders' Fund / Amount due from Long Term business	(43)	43	-	-
Other Assets	2	532	535	535
Bank balances & cash	7	863	870	870
<b>Total Assets</b>	<b>3,920</b>	<b>68,924</b>	<b>72,844</b>	
<b>Liabilities</b>				
Insurance contract liabilities	3,795	47,992	51,787	51,787
Investment contract liabilities	-	4,684	4,684	4,684
Amount on deposits	-	7,572	7,572	7,572
Deferred Tax Liabilities	-	118	118	118
Other Liabilities	125	2,314	2,439	2,439
<b>Total Liabilities</b>	<b>3,920</b>	<b>62,680</b>	<b>66,601</b>	
<b>Net assets</b>	<b>-</b>	<b>6,244</b>	<b>6,244</b>	
Required Solvency margin	-	1,985	1,985	1,985
<b>Surplus over Statutory Solvency Margin</b>	<b>-</b>	<b>4,258</b>	<b>4,258</b>	

*Figures may not be additive due to rounding.*

- 7.21. The table below compares free asset ratios before and after the transfer as at 31 December 2018.

31 December 2018 HK\$ million	FWD before transfer	Sun Life after transfer
<b>Total company</b>		
Total liabilities including solvency margin (A)	92,918	68,586
Surplus over solvency margin (B)	4,278	4,258
<b>Free asset ratio (B) / (A)</b>	<b>4.6%</b>	<b>6.2%</b>

#### Dynamic solvency testing

- 7.22. Investigations into the financial position of the long term business under AGN7 issued by the Actuarial Society of Hong Kong (the "DST results") have been produced by both FWD and Sun Life. These DST results examine the risk profile of the companies before and after the proposed transfer under a number of possible adverse scenarios. I have been provided with these results for FWD and Sun Life with and without the Transferring Business. A summary of DST results is shown in Appendix F. The key conclusions are the following:

##### Before transfer under FWD

DST results show that the financial position of FWD remains satisfactory. In particular FWD solvency positions remain above the regulatory requirement in all prescribed scenarios after reflecting management action and risk management strategies such as reinsurance and hedging. There is no material difference in the future solvency positions of FWD whether the proposed transfer is executed or not due to the lack of materiality of the Transferring Business in the scheme of FWD total portfolio.

##### After transfer under Sun Life

DST results show that the financial position of Sun Life remains satisfactory for all the prescribed scenarios. In particular Sun Life solvency positions remain above the regulatory requirement in most of the prescribed scenarios (which are directly comparable to FWD's prescribed scenarios) and above 100% in all the scenarios. There is no material difference in the future solvency positions of Sun Life whether the proposed transfer is executed or not due to the lack of materiality of the Transferring Business in the scheme of Sun Life total portfolio.

#### Risk exposures

- 7.23. There have been DST projections which examine the financial positions of the companies before and after the proposed transfer under a number of possible adverse scenarios. In particular, these results examine the risk profile of the companies before and after the proposed transfer. I have been provided with these DST results for FWD and Sun Life with

and without the Transferring Business. I have considered these results to assess the impact of the Scheme on the Transferring Business.

- 7.24. The future solvency positions of both FWD and Sun Life are not materially impacted by whether or not the proposed transfer is executed. In particular the future solvency positions of both FWD before the transfer and Sun Life after the transfer remain satisfactory. In particular it remains above the regulatory requirement under most of the set of scenarios tested and above 100% under all the scenarios tested.
- 7.25. The risk exposure of Sun Life total portfolio after transfer appears to be comparable to the risk exposure of FWD before transfer. For both companies, the drop in interest rates, combined with an equity market and real estate shock is the most adverse prescribed scenario.
- 7.26. Overall, the Transferring Business only accounts for about 5% of the total Sun Life liabilities. So due to the relatively lack of materiality of the Transferring Business with regard to Sun Life total business, the additional risk introduced as a result of the transfer is not deemed material.
- 7.27. Investment risks are dependent on the investment policies for products offering minimum guarantees. I will consider the investment mandate involved with the Scherne separately. This consideration also covers other categories of risks including credit risk, liquidity risk and currency mismatch risk.
- 7.28. 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 the Transferring Policy holders, and hence the Scheme will not adversely affect the financial security of the Transferring Policy holders.

#### **Investment policy**

##### *FWD investment policy*

- 7.29. Investment activities within FWD are governed by investment policies, which are approved by the FWD Hong Kong Asset-Liability Management Committee, FWD Group Asset-Liability Management Committee, FWD Group Risk Management and Actuarial Committee and FWD Group Investment Committee.
- 7.30. I have been provided with the ALM guidelines, the currency mismatch position and the strategic asset allocation review papers of FWD before the transfer. In particular, these documents set out different investment policies which contain the strategic asset allocation, investment constraints and approval processes of each investment policy.
- 7.31. Each block of business subscribes to units of different funds. The funds are managed through Specialist Mandates, which are effectively the investment guidelines to fund managers.

*Sun Life investment policy*

- 7.32. Sun Life has confirmed that after the transfer, it will maintain a similar approach as FWD. In particular, the investment policies for the Transferring Business will be endorsed by Sun Life ALCO and approved by SLF Asia ALCO.
- 7.33. As mentioned in paragraph 5.25, Sun Life will maintain separate investment policies and asset allocations for the Transferring Business, and there will be no significant change to the target asset allocations and investment policies after the transfer. As the invested assets supporting the Transferring Business will be managed separately from the investment assets supporting the existing policies of Sun Life, there will be no conflicting investment objectives to reconcile, or varying operational standards to be aligned.
- 7.34. For the transferring internal ORSO business, underlying assets are currently managed under the investment department of FWD, while assets underlying the transferring MPF business and external funds for ORSO business are managed by external fund managers. After Scheme implementation, the assets underlying the transferring internal ORSO business will be managed internally by Sun Life investment department, and the assets underlying the other Transferring Business will continue being managed by external fund managers.

**Impact of the split of FWD non-Class G plans**

- 7.35. I have been informed by FWD that, before the Transfer, the account value of the two non-Class G agency plans LSB and Lions Fund, previously recorded as Class G business, has been transferred to FWD's Shareholders' Fund, while the associated GL7 reserve and smoothing reserve calculated previously by FWD but no longer required have been retained in the ORSO fund and will be transferred to Sun Life together with the Transferring ORSO Business on transfer date.
- 7.36. Hence it is my opinion that the split of FWD non-Class G plans will not have any material adverse effect on the financial security of the Transferring Policy holders.

**Conclusion**

- 7.37. In view of my assessment above, I believe the Scheme will have no material adverse effect on the financial security of the Transferring Policy holders. The main reasons for this opinion are summarised below:

Total reserves for the Transferring Business will be higher after the transfer than before the transfer and the underlying methodology is not expected to be changed materially

Under the prescribed scenarios, there is no material difference in the future solvency position of the Transferring Business before and after the transfer due to the lack of materiality of the Transferring Business with regards to the size of both FWD and Sun Life total portfolio.

## Section 8 Impact of the Proposed Transfer – Effect on the Financial Security of policy holders of the non-transferring policies of FWD and Existing Sun Life Policy holders

- 8.1. In this section I consider the main issues relating to the financial security of the policy holders of the non-transferring policies of FWD and existing Sun Life policy holders. In arriving at my opinion, I have considered the issues covered in the paragraphs below.

### Policy reserves

#### *FWD non-Transferring Business*

- 8.2. FWD has set up reserves using established methods and prudent assumptions certified by the Appointed Actuary of FWD in accordance with the Ordinance and the Actuarial Guidance Notes issued by the Actuarial Society of Hong Kong.
- 8.3. The reserving methodology and its underlying assumptions are reviewed from time to time as business and valuation techniques evolve to ensure that the reserves remain appropriate and comply with local regulations and prescribed guidelines. After the transfer, the reserving principles for the remaining policies will not change following the implementation of the Scheme. The same valuation methods will remain applicable after the transfer.
- 8.4. FWD retains the right to review the methodology as business and valuation evolve as a normal course of business, and the right exists whether or not the Scheme proceeds. The valuation bases adopted for each block of business will continue to be based on the underlying experience of the block and the investment return assumption will be based on the assets backing each of the respective blocks.
- 8.5. The current valuation basis adopted by FWD has been certified compliant with respect to Hong Kong requirements and is audited by the auditor of the company. The FWD basis after the transfer will be similarly audited. Any revised valuation approach or bases, as a result of the normal review process, will have to continue to comply with local regulations and prescribing guidelines.
- 8.6. After the transfer, FWD will have no in-force pension business except for the five internal Class G plans for FWD staffs and agents which will remain with FWD. For FWD Retained ORSO Business, the GL7 reserve and smoothing reserve have been calculated as follows

**Minimum GL7 reserve.**

The minimum GL7 reserve for ORSO business is split between FWD retained ORSO Business and the Transferring ORSO Business based on the Account Balance of internal funds.

Even though historically the two categories were managed in aggregate, this split was assessed to be reasonable given (i) economic assumptions are equal between the two blocks; (ii) average historical lapse experience has been close between the two blocks (although recent 2018 experience has been more volatile and has shown differences – further details are given in the Table below) and the minimum GL7 is not materially sensitive to change in lapses; and (iii) a quantitative assessment was made as at year end 2015 showing that the account value is an appropriate driver to split the GL7 reserve (further details are given in the Table below).

The Table below shows the historical lapse experience for the two blocks of business:

Lapse experience	Total	FWD Retained ORSO Business (*)	FWD Transferring ORSO Business
2013	6.6%	5.5%	6.8%
2014	13.1%	8.7%	13.9%
2015	6.3%	5.3%	6.6%
2016	6.6%	7.9%	6.2%
2017	8.5%	8.5%	8.5%
2018 (**)	9.9%	1.0%	13.1%
<b>Average</b>	<b>8.9%</b>	<b>6.0%</b>	<b>9.7%</b>

(\*) includes the two agency plans which did not strictly meet the criteria of retirement scheme principles.

(\*\*) 2018 low experience appears to be driven by volatility in claims. 2017 Lapse experience between the two blocks was much closer. 5-year average is used for assumption setting purpose.

The Table below shows the results of the quantitative assessment made as at year end 2015 which compares the minimum GL7 reserves calculated using the actuarial valuation model ("Approach A") against the proxy approach where the minimum GL7 reserve is allocated using the Account Balance ("Approach B").

Minimum GL7 reserve Year end 2015	Account balance	Approach A	Approach B
FWD Retained ORSO Business	650	43	43
FWD Transferring ORSO Business	1,707	112	113
<b>Total</b>	<b>2,358</b>	<b>156</b>	<b>156</b>

(\*) includes the two agency plans which did not strictly meet the criteria of retirement scheme principles.  
Figures may not be additive due to rounding.

In addition, sensitivity tests have been performed on the minimum GL7 reserve as at 31 December 2018 to ensure the minimum GL7 reserve is not impacted materially by a significant change in lapse. The results are shown in the Table below and are expressed as a percentage of the Account Balance.

**Minimum GL7 reserve expressed as a percentage of Account Balance – 31 December 2018**

<b>Base case scenario</b>	<b>8.76%</b>
Lapse assumption increases by 5% (i.e. 150% of the rates under the base case)	8.40%
Lapse assumption decreases by 5% (i.e. 50% of the rates under the base case)	9.43%

Based on the analysis above, the apportionement methodology is not expected to impact materially the minimum GL7 reserve of FWD Retained ORSO Business and the Transferring ORSO Business.

**Smoothing reserve.**

The smoothing reserve for ORSO business is split between FWD Retained ORSO Business and the Transferring ORSO Business based on the Account Balance of internal funds. Even though the entire ORSO smoothing reserve will be transferred to Sun Life at Transfer Date, FWD will set up smoothing reserve for FWD Retained ORSO Business after the transfer equal to the smoothing reserve before the transfer (i.e. based on the split of the total smoothing reserve based on the Account Balance). The smoothing reserve will be funded from FWD Shareholders' Fund. Given the relatively limited size of this smoothing reserve (HKD 21 million), setting up this additional reserve is not expected to have a material impact on policy holders of the non-transferring policies of FWD .

- 8.7. The Table below shows the Statutory Reserve of FWD Retained ORSO Business before and after the Transfer:

HK\$ million	Before transfer			After transfer			
	31 December 2018	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
FWD Retained ORSO Business		435	38	21	435	38	21

*Sun Life existing business*

- 8.8. Similar to FWD, Sun Life has set up reserves using established methods and prudent assumptions certified by the Appointed Actuary of Sun Life in accordance with the Ordinance and the Actuarial Guidance Notes issued by the Actuarial Society of Hong Kong. The current valuation basis adopted by Sun Life has been certified compliant with respect to Hong Kong requirements and is audited by the auditor of the company.
- 8.9. The Sun Life basis after the transfer will be similarly audited. Any revised valuation approach or bases, as a result of the normal review process, will have to continue to comply with local regulations and prescribing guidelines.

**Solvency Positions**

*FWD Solvency Position*

- 8.10. Solvency margins are currently maintained by FWD, in addition to the policy reserves in respect of the contracts in-force. The table below shows the solvency positions based on the audited accounts of FWD as at 31 December 2018. The projection is based on a set of realistic assumptions for investment return, management expenses and new business sales to get the December 2019 to December 2021 projected solvency ratio. Solvency margin refers to the minimum Hong Kong statutory solvency requirement and solvency ratio expresses Shareholders' Funds as a proportion of the minimum solvency margin.

	FWD's solvency position			
	Actual Dec 2018	Projected Dec 2019	Projected Dec 2020	Projected Dec 2021
Statutory solvency ratio	233%	225%	225%	225%

- 8.11. The DST projections provided show that the solvency of FWD remains satisfactory and above the regulatory minimum requirement. The solvency ratio during the projection period will remain at or above 150% under the six prescribed scenarios. The projections do not show any material difference with and without the transfer and the future solvency positions of FWD will have similar sensitivities under the scenarios tested. The risk exposures do not materially change after the proposed transfer. Based on these results, there is no reason to believe that the transfer will prejudice the financial security of the remaining policy holders of FWD.

*Sun Life Solvency position*

- 8.12. The tables below present the projected solvency ratio without Transferring Policy holders and with Transferring Policy holders between December 2019 and December 2021. The projection is based on a set of realistic assumptions as at 31 December 2018 for investment return, management expenses and new business sales consistent with the business plan

submitted to the IA in March 2019. It also reflects the modified coinsurance signed in August 2016.

Sun Life's projected solvency position before transfer				
	Dec 2018	Dec 2019	Dec 2020	Dec 2021
Statutory solvency ratio	256%	234%	225%	218%

Sun Life's projected solvency position after transfer				
	Dec 2018	Dec 2019	Dec 2020	Dec 2021
Statutory solvency ratio	256%	234%	221%	215%

- 8.13. Sun Life produces DST projections which examine the solvency positions of the company before and after the proposed transfer under a number of possible adverse scenarios. The DST projections provided show that the solvency of Sun Life remains satisfactory and above the regulatory minimum requirement. The projections do not show any material difference with and without the transfer. Based on these results, there is no reason to believe that the transfer will prejudice the financial security of the remaining policy holders of Sun Life.

#### Dynamic solvency testing and risk exposure

##### *FWD and Sun Life risk exposure*

- 8.14. The Scheme will transfer the Class G ORSO business, excluding FWD Retained ORSO Business, and the Class G MPF business of FWD into Sun Life. There will be a transfer of risk from FWD to Sun Life.
- 8.15. The DST results show that, whether the Scheme is executed or not, the future solvency positions of both FWD and Sun Life have similar sensitivities under the scenarios tested. The risk exposures are not materially changed after the proposed Scheme. As a result, I consider that the risk exposures for policy holders of the non-transferring policies of FWD and existing Sun Life policy holders will have no material change after implementation of the Scheme.
- 8.16. There is no reason to believe that the Scheme will prejudice the financial security of the contractual rights of the policy holders of the non-transferring policies of FWD and of the existing policy holders of Sun Life.

**Investment policy**

*FWD investment policy*

- 8.17. After the proposed transfer, FWD will continue to operate the investment portfolio underlying the remaining policies in exactly the same manner as their respective investment policies and guidelines. Any future changes to these investment policies will undergo the same review process as a normal course of business. There is no reason to believe that this will adversely affect the financial security of the contractual rights of the remaining policy holders of FWD.

*Sun Life investment policy*

- 8.18. Sun Life will continue to operate the investment portfolio underlying the current policies in exactly the same manner as their respective investment policies and guidelines. Investment policies for Sun Life's existing Class G funds will not be affected by the proposed transfer.

**Shareholder dividend policy**

*FWD shareholder dividend policy*

- 8.19. While in Hong Kong there are no regulatory restrictions regarding transfer of surplus capital in excess of the required solvency margin, FWD complies with local regulatory capital requirements. This practice will not be altered as a result of the Scheme.
- 8.20. No shareholder dividend is expected to be distributed as a result of the transfer. Instead the divestiture is expected to reduce the amount of capital required from FWD Group to support future business growth.

*Sun Life shareholder dividend policy*

- 8.21. Sun Life complies with regulatory capital requirements and follows operational targets commensurate with its risk profile for prudent capital risk management to distribute shareholder dividend. The operational targets are determined by consideration of the following factors:

The capital required by the HK IA; and

An amount of capital in excess to the minimum requirement, which can be used to absorb adverse financial results, fund acquisitions or support growth when raising capital is not advantageous.

The operational targets will not be altered as a result of the Scheme.

**Impact of the split of FWD non-Class G plans**

- 8.22. Two FWD non-Class G plans have been transferred to FWD's Shareholders' Fund as at 31 December 2016. These two plans are maintained separately as an internal arrangement with FWD's agents. The split of these two non-Class G plans will not lead to any material

adverse impact on the financial security of the policy holders of the non-transferring policies of FWD as it will not impact the reserving methodology and investment policy of the remaining Class G plans. Also, it will not have any impact on the financial security of the existing Sun Life policy holders.

**Conclusion**

- 8.23. In view of my assessment above, I consider the Scheme will not expose the policy holders of the non-transferring policies of FWD to new risks of significance and will have no material adverse effect on the financial security of these policy holders.
- 8.24. I consider that the Scheme will have no material adverse effect on the financial security of the existing policy holders of Sun Life.

## Section 9 Other Considerations

- 9.1. In this section, I have considered other operational areas that may impact the long term policy holders of the Parties if the Scheme proceeds.

### Group structure

- 9.2. The group structure of the Parties will remain unchanged after the transfer, with FWD remaining as a wholly-owned subsidiary of FWD Limited after the transfer and Sun Life remaining as a wholly-owned subsidiary of Sun Life Financial of Canada.

### Policy holder services

- 9.3. There is no intention to change the level of existing service to the remaining policy holders of FWD as a result of the Transfer. For investment linked policy holders, the existing range of fund choices currently available to them will not be adversely affected as a result of the proposed transfer.
- 9.4. For the Transferring Policy holders, the existing range of fund choices currently available to them will be maintained after the proposed transfer. In addition, the policy holders will continue being serviced by BestServe (BestServe is a fellow subsidiary of Sun Life, and FWD outsourced part of the pension operations to BestServe).

### Reinsurance arrangements

- 9.5. Before the transfer, there is no reinsurance in place with respect to the Transferring Business. For the non-Transferring Business of FWD and the existing business of Sun Life, the existing reinsurance arrangements will not be affected as a result of the transfer.
- 9.6. Sun Life has no intention to have any reinsurance arrangement for the Transferring Business.

### Distribution agreement

- 9.7. FWD and Sun Life have entered into a 15-year exclusive distribution agreement allowing Sun Life to offer MPF and ORSO schemes through FWD's agency networks in Hong Kong. There will be no impact to the remaining policy holders of FWD.

#### Premiums and mandates

- 9.8. All premiums and contributions attributable or referable to the Transferring Policies, on and after the Transfer Date, will be payable to Sun Life.
- 9.9. Any mandate or other instruction in force on the Transfer Date (including, without limitation, any instruction given to a bank by its customer in the form of a direct debit or standing order) and providing for the payment by a banker or other intermediary of premiums payable under or in respect of any transferring Policy to FWD shall, on and from the Transfer Date, take effect as if it had provided for and authorised such payment to Sun Life.

For MPF, the policy holder involved are the trustees of Sun Life MPF Basic Scheme, Sun Life MPF Comprehensive Scheme and Sun Life MPF Master Trust. Formal communication will be provided to these trustees by FWD at least 1 month before the Transfer Date so that these trustees can further inform the scheme custodian about the future premium payment arrangement.

For ORSO, the policy holder involved are the employers of ORSO schemes. Employer notice will be sent to employers by FWD at least 1 month before the Transfer Date. The future premium payment arrangement will be documented in the employer notice.

- 9.10. Any mandate or other instruction in force on the Transfer Date as to the manner of payment of any sum payable by FWD under any of the Transferring Policies shall, on and from the Transfer Date, continue in force as an effective authority to Sun Life.

#### Variations to the Scheme

- 9.11. The Scheme provides that FWD and Sun Life may apply to the Hong Kong Court and Bermuda Court for consent to modify, vary or amend the terms of the Scheme, provided that:

the proposed modification, variation or amendment has been approved by the respective Appointed Actuaries and Board of Directors of both FWD and Sun Life;

the HK IA and the BMA shall be notified of, and has the right to be heard at any hearing of the Court at which such application is considered; and

such application shall be accompanied by a certificate from an independent actuary to the effect that in his opinion, the proposed modification, variation or amendment will not materially and adversely affect the reasonable benefit expectations or the financial security of the holders of Transferring Policies.

#### Conclusion

- 9.12. I consider the above various operational areas will not have a material adverse impact on the long term policy holders of the Parties and should provide sufficient safeguards in the Scheme to ensure that the Scheme operates as presented.

## Section 10 Policy holders Communications

- 10.1. Each shareholder of FWD and Sun Life, and each legal holder of the Transferring Policies of FWD and the policy holder of the Class G policies of Sun Life will receive copies of a circular, enclosed with a summary of the Scheme, further information on the hearings, key assessments of the Independent Actuary and a summary of the Independent Actuary's report ("Statutory Statements") in English and Chinese. The statutory notices (in English and Chinese) will each be published in English and Chinese newspapers respectively, and the Gazette in Hong Kong and Bermuda.
- 10.2. Sun Life and FWD is seeking the Court's direction on the dispensations: (i) the requirements for the setting out of the terms in the Scheme in the Statutory Statements be dispensed with, and that a summary of the terms of the Scheme be set out in the Statutory Statements in place of such full terms; and (ii) the sending of the relevant Statutory Statements to all other long term policy holders of FWD and all non-Class G policy holders of Sun Life be dispensed with.
- 10.3. Dispensation in (i) is sought for the reasons set out below:

the terms of the entire Scheme are lengthy and complex, and it would be too technical for the members of Sun Life and FWD, and the legal holders of the Transferring Policies;

a copy of the Scheme will be made available at the websites of Sun Life and FWD, and available for inspection at the offices of Sun Life and FWD for not less than 21 days from the date of publication of the Statutory Notice. Any interested person who wishes to review the entire Scheme may visit the above websites or offices of Sun Life and FWD.

- 10.4. Dispensation in (ii) is sought for the reasons set out below:

the Statutory Statements do not relate to the other long term policy holders of FWD and the non-Class G policy holders of Sun Life;

the appointed actuary of FWD and the Independent Actuary have opined that the Scheme would not have a material adverse effect on the reasonable benefit expectations and financial security of the policy holders of the non-transferring policies of FWD;

the appointed actuary of Sun Life and the Independent Actuary have opined that the Scheme would not have a material adverse effect on the reasonable benefit expectations and financial security of the existing policy holders of Sun Life;

distribution of the relevant Statutory Statement to all other long term policy holders of FWD and the non-Class G policy holders of Sun Life will likely give rise to unnecessary confusion;

distribution of the relevant Statutory Statement to all the other long term policy holders of FWD and the non-Class G policy holders of Sun Life will impose unnecessary

administrative and financial burden on FWD and Sun Life, without any real benefits to such policy holders; and

interpretation of "policy holders" for the purposes of Section 24 of the Ordinance should mean the trustees or employers to whom such policies are issued and the members of the relevant policies to whom a benefit has become due and payable.

- 10.5. Notwithstanding the dispensation in (ii), all the other policy holders will be appropriately informed of the proposed transfer through the:

statutory notice that will be published in the Government of the Hong Kong Special Administrative Region Gazette and [the South China Morning Post and the Hong Kong Economic Times];

copies of the Court Petition, of the relevant Statutory Statement, of the Scheme and of the Independent Actuary's Report will be made available for inspection by all policy holders at the offices of FWD, Sun Life and Baker & McKenzie; and

a copy of the Court Petition, of the relevant Statutory Statement, of the Scheme and of the Independent Actuary's Report will be posted in the websites of FWD and Sun Life on the date of publication of the statutory notice, and maintain that posting until an order sanctioning the Scheme is made on the Court Petition.

- 10.6. I consider the dispensation in (i) should not have a material adverse impact on each member of FWD and Sun Life and each legal holder of the Transferring Policies of FWD. Further, the Scheme should not have a material adverse effect on the reasonable benefit expectations and financial security of the policy holders of the non-transferring policies of FWD and all non-Class G policy holders of Sun Life, hence the dispensation in (ii) should not have a material adverse impact on them.

- 10.7. Sun Life and FWD policy holders who feel they will be negatively affected by the Scheme may put their objections to the Court either in writing, by attending the hearing or by asking a representative to raise their objection. In dealing whether to sanction the Scheme, the Court will consider these objections. I will also consider them in coming to my view on the appropriateness of the Scheme.

- 10.8. Sun Life and FWD shall, pursuant to section 24(3)(d) of the Ordinance, make copies of the Statutory Statements, of the Court Petition, of the Scheme and of the Independent Actuary's Report open for inspection at the office of FWD at 28/F, FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong; the office of Sun Life at 10/F, Sun Life Tower, The Gateway, 15 Canton Road, Kowloon, Hong Kong, and the office of Baker & McKenzie, the solicitors for the Joint Petitioners, at 14th Floor, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong, between 9 a.m. to 5 p.m., on normal business days (Monday to Friday (except public holidays))

for 21 days from the date of publication of the statutory notice; and FWD Bermuda, Sun Life and Baker & McKenzie shall maintain a register of the names of persons who inspect the documents.

- 10.9. Sun Life and FWD (as the case may be) shall, pursuant to section 24(4) of the Ordinance, furnish copies of the Court Petition and the Independent Actuary's Report to any person who asks for one at any time before an order sanctioning the Scheme is made on the Court Petition.

## APPENDIX A: TERMS OF REFERENCE

### General Requirements

- A1. The Independent Actuary shall have a duty to act independently and this duty is paramount and overrides any obligation to the person from whom he has received instructions or by whom he is paid.
- A2. Evidence presented to the Hong Kong Court and/or the Bermuda Court should be, and should be seen to be, the independent product of the Independent Actuary uninfluenced by the exigencies of the instruction or court proceedings.
- A3. The Independent Actuary should provide independent assistance to the Hong Kong Court and/or the Bermuda Court where appropriate, by way of objective unbiased opinion in relation to matters within his expertise. He should never assume the role of an advocate.
- A4. The Independent Actuary should not omit to consider material facts within his knowledge which could detract from his concluded opinion.
- A5. The Independent Actuary should make it clear when a particular question or issue falls outside his expertise.
- A6. If the Independent Actuary's opinion is not properly researched because he considers that insufficient data is available, then this must be stated with an indication that the opinion is no more than a provisional one.
- A7. In a case where the Independent Actuary who has prepared a report could not assert that the report contained the truth, the whole truth and nothing but the truth without some qualification, that qualification should be stated in the report.
- A8. If the Independent Actuary changes his view on a material matter having read another expert's report or for any other reason, such change of view should be communicated in writing (through legal representatives) without delay to the Company, and where appropriate to the Hong Kong Court and/or the Bermuda Court.
- A9. The Independent Actuary may communicate with the HK IA and/or the BMA as he considers appropriate in connection with the services and the Scheme Report provided in connection with the appointment as Independent Actuary.

## Schedule 2

### Scope of the work of the Independent Actuary to the Hong Kong Scheme and/or the Bermuda Scheme

Any report to be prepared by the Independent Actuary including without limitation the Scheme Report is to consider the terms of the Hong Kong Scheme and/or the Bermuda Scheme generally and the likely effects which the Hong Kong Scheme and/or the Bermuda Scheme will have on the policy holders (and Scheme participants if required) of the Classes G long term policies underlying the external ORSO and MPF business involved in the Hong Kong Scheme and/or of the Class E long term business involved in the Bermuda Scheme as well as on the non-Transferring Policy holders of both FWD and Sun Life.

In particular such report will consider the following specific matters:

The impact of the Hong Kong Scheme and/or the Bermuda Scheme on the financial security of the different groups and generations of policy holders (and Scheme participants if required) involved in the Hong Kong Scheme and/or the Bermuda Scheme.

A review of, and opinion on the fairness of, proposals to combine any funds to the extent that any such combinations are included in the Hong Kong Scheme and/or the Bermuda Scheme (either as at the effective date or subsequently), and consideration of any further covenants or undertakings that may be required to ensure that each category of policy holder is treated fairly.

A review of, and opinion on the fairness of, any mechanisms to be implemented at the same time as the Hong Kong Scheme and/or the Bermuda Scheme, but not included in the Hong Kong Scheme and/or the Bermuda Scheme, to provide financial support to any of the funds involved in the Hong Kong Scheme and/or the Bermuda Scheme.

A review of the capital management policy to be adopted by the Companies following implementation of the Hong Kong Scheme and the Bermuda Scheme.

Part of the Class G business will not be transferred and will be retained by FWD. The carve-out of the retained portion from the transfer will also be covered in the Independent Actuary's review.

The Independent Actuary's review and report will address generally the way in which the Companies have conducted their Classes G long term business under the Hong Kong Scheme and Class E long term business under the Bermuda Scheme but taking into account the particular circumstances of each class of business to be transferred. It will deal inter alia with the following aspects:

Memorandum, and the Articles of Association, at least insofar as these affect the rights, expectations and interests of policy holders (and Scheme participants if required).

The terms of the policies issued by each of the Companies.

Promotional or marketing materials which would influence the reasonable expectations of policy holders (and Scheme participants if required).

The existing and proposed internal working arrangements relating to the financial management of the long term business fund of Classes G under the Hong Kong Scheme and the long term business fund of Class E under the Bermuda Scheme, including the operational and administrative arrangements which will apply to the policies to be transferred under the terms of the Hong Kong Scheme and/or the Bermuda Scheme.

The terms and conditions expected to be imposed by the Hong Kong Scheme and/or the Bermuda Scheme to be presented to the Hong Kong Court and/or the Bermuda Court, including the views expressed by the governing body or management of each of the Companies.

The terms of the previous Schemes of transfer concerning the policy holders (and Scheme participants if required) of the Companies, if any.

The above list is not intended to be exclusive to any other aspects which may be identified during the completion of the project and which are considered to be relevant.

The Independent Actuary shall not be directly involved in the formulation of the Hong Kong Scheme or the Bermuda Scheme although the Independent Actuary should be expected to give guidance during the evolution of the detailed proposals on those issues which concern him, or which he considers unsatisfactory.

The Independent Actuary will not provide any advice with respect to the merits of the Hong Kong Scheme and/or the Bermuda Scheme.

**Schedule 3**

**Disclosure of prior Hong Kong assignments undertaken for the Companies and their related parties**

The Hong Kong projects undertaken by Milliman Limited for FWD and its related companies over the last 10 years are as follows:

1. Embedded Value review in 2015, 2016, 2017 and 2018;
2. Financial Projections and Business Plan Review in 2015, 2016, 2017 and 2018;
3. M&A support (market entry, actuarial due diligence, appraisal support) from 2015 to 2019;
4. Product review and product proposition support;
5. Appointed Actuary Services for FWD Singapore;
6. ALM, risk appetite and economic balance sheet support from 2015 to 2019;
7. Prophet Liability and ALS support from 2015 to 2019.

The Hong Kong projects undertaken by Milliman Limited for Sun Life and its related companies over the last 10 years are as follows:

1. M&A support (market entry, actuarial due diligence, appraisal support) for various countries from 2011 to 2019.
2. High level advice regarding the regulatory, reserving (GL7 and smoothing) and capital issues associated with operating Class G business in Hong Kong in 2016;
3. Strategy review in 2011, 2013;
4. Reinsurance strategy review in 2012;
5. Participating business analysis in 2011.

## APPENDIX B: KEY SOURCES OF DATA

### Documents related to the Scheme

- B1. The Scheme pursuant to section 24 of the Ordinance (Cap. 41) and section 25 of the Bermuda Insurance Act 1978 for the transfer to Sun Life of FWD's Class G business, as filed with the Hong Kong Court and the Bermuda Court.
- B2. Appointed Actuary's Reports of FWD and Sun Life on the proposed transfer of Class G business of FWD to Sun Life.
- B3. GL7 required provision reports showing minimum required GL7 reserves of FWD before transfer, Sun Life before transfer, and of combined operations as a result of the proposed transfer, dated 31 December 2018.

### FWD

- B4. Articles of Association of the company and Certificate of Compliance from HK IA governing operation of the Hong Kong branch.
- B5. Dynamic Solvency Testing reports showing solvency positions of FWD before transfer, dated 31 December 2018.
- B6. Risk Governance Structure of FWD.
- B7. FWD Operational Risk Committee, Asset-Liability Management Committee and Board structure.
- B8. Recent Board of Directors meeting minutes.
- B9. Internal audit reports on pension governance and framework for year end 2015.
- B10. ORSO crediting rate policy.
- B11. ORSO crediting rate recommendation report for the year end 2015, 2016, 2017 and 2018.
- B12. Investment Guarantee Reserve for MPF and ORSO business for the year end 2014, 2015, 2016, 2017 and 2018.
- B13. FWD Investment Policy and Mandate, including ALS guidelines, investment strategy and policies, for the year end 2017.
- B14. Risk management policy including approach to currency mismatch risk.
- B15. Audited accounts and financial statements of FWD, including details of any off-balance sheet contingencies and contingent liabilities, for the year end 2016, 2017 and 2018.
- B16. Explanatory memorandum for MPF and ORSO business.
- B17. Discretionary benefits illustrations and statements for MPF and ORSO business.
- B18. Historical crediting rate.
- B19. Customer complaints register.

- B20. Investment management arrangements with external managers.
- B21. Correspondence with the regulator for the year end 2015, 2016, 2017 and 2018.
- B22. Legal review of the classification of FWD Class G plans by an External Counsel
- B23. Ernst & Young Independent Audit Report for the Securities and Future Commission

**Sun Life**

- B24. Dynamic Solvency Testing results showing solvency positions of Sun Life before transfer, dated 31 December 2018.
- B25. Dynamic Solvency Testing report showing solvency positions of Sun Life after transfer, dated 31 December 2018.
- B26. Fund Structure of Sun Life before and after transfer.
- B27. Sun Life bonus recommendation for year end 2017 and year end 2018.
- B28. Sun Life Investment Policy, including investment strategy and policies, for the year end 2018.
- B29. Audited accounts and financial statements of Sun Life, including details of any off-balance sheet contingencies and contingent liabilities, for the year end 2018.
- B30. 2018 Sun Life Group ALM Business Operating Guideline.

## APPENDIX C: PRUDENTIAL REGULATION AUTHORITY HANDBOOK SECTION 2.27 TO 2.40

- C1. In this appendix I set out the guidance in PRA's Handbook Section 2 (The Prudential Regulation Authority's approach to insurance business transfers) on the form of a report on an insurance business prepared by an independent expert.

### Scheme report

#### Section 2.27

- C2. Under section 109 of FSMA, a Scheme report must accompany an application to the court to approve an insurance business transfer scheme. This report must be made in a form approved by the PRA (following consultation with the FCA). The PRA would generally expect a Scheme report to contain at least the information specified in 2.30 below before giving its approval.

#### Section 2.28

- C3. When the PRA has approved the form of a Scheme report, the Scheme promoter may expect to receive written confirmation to that effect.

#### Section 2.29

- C4. There may be matters relating to the Scheme or the parties to the transfer that the regulators wish to draw to the attention of the independent expert. The regulators may also wish the report to address particular issues. The independent expert would therefore be expected to contact the regulators at an early stage to establish whether there are such matters or issues. The independent expert should form his own opinion on such issues, which may differ from the opinion of the regulators.

#### Section 2.30

- C5. The Scheme report should comply with the applicable rules on expert evidence and contain the following information:

who appointed the independent expert and who is bearing the costs of that appointment;  
confirmation that the independent expert has been approved or nominated by the PRA;  
a statement of the independent expert's professional qualifications and (where appropriate) descriptions of the experience that makes them appropriate for the role;  
whether the independent expert, or his employer, has, or has had, direct or indirect interest in any of the parties which might be thought to influence his independence, and details of any such interest;  
the scope of the report;  
the purpose of the Scheme;

a summary of the terms of the Scheme in so far as they are relevant to the report; what documents, reports and other material information the independent expert has considered in preparing the report and whether any information that they requested has not been provided; the extent to which the independent expert has relied on:

- a) information provided by others; and
- b) the judgment of others;

the people on whom the independent expert has relied and why, in his opinion, such reliance is reasonable; their opinion of the likely effects of the Scheme on policy holders (this term is defined to include persons with certain rights and contingent rights under the policies), distinguishing between:

- a) Transferring Policy holders;
- b) policy holders of the transferor whose contracts will not be transferred; and
- c) policy holders of the transferee;

their opinion on the likely effects of the Scheme on any reinsurer of a transferor, any of whose contracts of reinsurance are to be transferred by the Scheme; what matters (if any) that the independent expert has not taken into account or evaluated in the report that might, in their opinion, be relevant to policy holders' consideration of the Scheme; and for each opinion that the independent expert expresses in the report, an outline of their reasons.

#### Section 2.31

- C6. The purpose of the scheme report is to inform the court and the independent expert, therefore, has a duty to the court. However reliance will also be placed on it by policy holders, reinsurers, and others affected by the scheme and by the regulators. The amount of detail that it is appropriate to include will depend on the complexity of the scheme, the materiality of the details themselves and the circumstances.

#### Section 2.32

- C7. The summary of the terms of the Scheme should include:
- a description of any reinsurance arrangements that it is proposed should pass to the transferee under the Scheme; and
  - a description of any guarantees or additional reinsurance that will cover the transferred business or the business of the transferor that will not be transferred.

Section 2.33

- C8. The independent expert's opinion of the likely effects of the Scheme on policy holders should:
- include a comparison of the likely effects if it is or is not implemented;
  - state whether they considered alternative arrangements and, if so, what;
  - where different groups of policy holders are likely to be affected differently by the scheme, include comment on those differences they consider may be material to the policy holders; and
  - include their views on:
    - a) the effect of the Scheme on the security of policy holders' contractual rights, including the likelihood and potential effects of the insolvency of the insurer;
    - b) the likely effects of the Scheme on matters such as investment management, new business strategy, administration, claims handling, expense levels and valuation bases in relation to how they may affect:
      - i. the security of policy holders' contractual rights;
      - ii. levels of service provided to policy holders; or
      - iii. for long-term insurance business, the reasonable expectations of policy holders; and
    - c) the cost and tax effects of the Scheme, in relation to how they may affect the security of policy holders' contractual rights, or for long-term insurance business, their reasonable expectations.

Section 2.34

- C9. The independent expert is not expected to comment on the likely effects on new policy holders, that is, (those whose contracts are entered into after the effective date of the transfer).

Section 2.35

- C10. For any mutual company involved in the Scheme, the report should:
- describe the effect of the scheme on the proprietary rights of members of the company, including the significance of any loss or dilution of the rights of those members to secure or prevent further changes which could affect their entitlements as policy holders;
  - state whether, and to what extent, members will receive compensation under the scheme for any diminution of proprietary rights; and
  - comment on the appropriateness of any compensation, paying particular attention to any differences in treatment between members with voting rights and those without.

Section 2.36

C11. For a Scheme involving long-term insurance business, the report should:

describe the effect of the Scheme on the nature and value of any rights of policy holders to participate in profits;

if any such rights will be diluted by the Scheme, describe how any compensation offered to policy holders as a group (such as the injection of funds, allocation of shares, or cash payments) compares with the value of that dilution, and whether the extent and method of its proposed division is equitable as between different classes and generations of policy holders;

describe the likely effect of the Scheme on the approach used to determine:

a) the amount of any non-guaranteed benefits such as bonuses and surrender values ; and

b) the levels of any discretionary charges;

describe what safeguards are provided by the Scheme against a subsequent change of approach to these matters that could act to the detriment of existing policy holders of either firm;

include the independent expert's overall assessment of the likely effects of the Scheme on the reasonable expectations of long-term insurance business policy holders;

state whether the independent expert is satisfied that for each firm, the Scheme is equitable to all classes and generations of its policy holders; and

state whether, in the independent expert's opinion, for each relevant firm the Scheme has sufficient safeguards (such as principles of financial management or certification by the a with-profits actuary or actuarial function holder) to ensure that the Scheme operates as presented.

Section 2.37

C12. Where the transfer forms part of a wider chain of events or corporate restructuring, it may not be appropriate to consider the transfer in isolation and the independent expert should seek sufficient explanations on corporate plans to enable them to understand the wider picture. Likewise, the independent expert will also need information on the operational plans of the transferee and, if only part of the business of the transferor is transferred, of the transferor. These will need to have sufficient detail to allow them to understand in broad terms how the business will be run.

Section 2.38

C13. A transfer may provide for benefits to be reduced for some or all of the policies being transferred. This might happen if the transferor is in financial difficulties. If there is such a proposal, the independent expert should report on what reductions they consider ought to be made, unless:

the information required is not available and will not become available in time for his report, for instance it might depend on future events; or

he is unable to report on this aspect in the time available.

Under such circumstances, the transfer might be urgent and it might be appropriate for the reduction in benefits to take place after the event, by means of an order under section 112 of FSMA. The PRA considers any such reductions against its statutory objectives. Section 113 of FSMA allows the court, on the application of the PRA, to appoint an independent actuary to report on any such post-transfer reduction in benefits.

Section 2.39

C14. The PRA expects the independent expert to provide a supplementary report for the final court hearing. Any supplementary reports will form part of the scheme report required to be produced under section 109 of FSMA and must also comply with 2.30–2.37.

Section 2.40

C15. The purpose of the supplementary report is for the independent expert to provide an update on any relevant new information or events that have occurred since the date of the scheme report and to provide an opinion on whether they have affected the transfer. Matters that should be considered include, but are not limited to:

the latest available financial information in respect of the transferor and transferee;

any recent economic, financial or regulatory developments; and

any representations made by policy holders or affected persons that raise issues not previously considered in the scheme report.

## APPENDIX D: FINANCIAL SERVICES AUTHORITY HANDBOOK SUP18.2.31G TO 18.2.41G

- D1. In this appendix I set out the guidance in FCA's Supervision Handbook section 2 of SUP 18 (Transfers of Business) on the form of a report on an insurance business prepared by an independent expert.

### Form of Scheme report

SUP 18.2.31G

- D2. Under section 109 of the Act, a Scheme report must accompany an application to the court to approve an insurance business transfer Scheme. This report must be made in a form approved by the appropriate regulator. The appropriate regulator would generally expect a Scheme report to contain at least the information specified in SUP18.2.33G before giving its approval.

SUP 18.2.31AG

- D3. When the appropriate regulator has approved the form of a Scheme report, the Scheme promoter may expect to receive written confirmation to that effect from that regulator.

SUP 18.2.32G

- D4. There may be matters relating to the Scheme or the parties to the transfer that the regulators wish to draw to the attention of the independent expert. The regulators may also wish the report to address particular issues. The independent expert should therefore contact the regulators at an early stage to establish whether there are such matters or issues. The independent expert should form his own opinion on such issues, which may differ from the opinion of the regulators.

SUP 18.2.33G

- D5. The Scheme report should comply with the applicable rules on expert evidence and contain the following information:

who appointed the independent expert and who is bearing the costs of that appointment;  
confirmation that the independent expert has been approved or nominated by the appropriate regulator;  
a statement of independent expert's professional qualifications and (where appropriate) descriptions of the experience that fits him for the role;  
whether the independent expert has, or has had, direct or indirect interest in any of the parties which might be thought to influence his independence, and details of any such interest;  
the scope of the report;  
the purpose of the Scheme;

a summary of the terms of the Scheme in so far as they are relevant to the report;

what documents, reports and other material information the independent expert has considered in preparing his report and whether any information that he requested has not been provided;

the extent to which the independent expert has relied on:

- a) information provided by others; and
- b) the judgment of others;

the people on whom the independent expert has relied and why, in his opinion, such reliance is reasonable;

his opinion of the likely effects of the Scheme on policy holders (this term is defined to include persons with certain rights and contingent rights under the policies), distinguishing between:

- a) Transferring Policy holders;
- b) policy holders of the transferor whose contracts will not be transferred; and
- c) policy holders of the transferee;

his opinion on the likely effects of the Scheme on any reinsurer of a transferor, any of whose contracts of reinsurance are to be transferred by the Scheme;

what matters (if any) that the independent expert has not taken into account or evaluated in the report that might, in his opinion, be relevant to policy holders' consideration of the Scheme; and

for each opinion that the independent expert expresses in the report, an outline of his reasons.

SUP 18.2.34G

D6. The purpose of the Scheme report is to inform the court and the independent expert, therefore, has a duty to the court. However reliance will also be placed on it by policy holders, by reinsurers, by others affected by the Scheme and by the regulators. The amount of details that it is appropriate to include will depend on the complexity of the Scheme, the materiality of the details themselves and the circumstances.

SUP 18.2.35G

D7. The summary of the terms of the Scheme should include:

- a description of any reinsurance arrangements that it is proposed should pass to the transferee under the Scheme; and
- a description of any guarantee or additional reinsurance that will cover the transferred business or the business of the transferor that will not be transferred.

SUP 18.2.36G

- D8. The independent expert's opinion of the likely effects of the Scheme on policy holders should:
- include a comparison of the likely effects if it is or is not implemented;
  - state whether he considered alternative arrangements and , if so, what;
  - where different groups of policy holders are likely to be affected differently by the Scheme, include comment on those differences he considers may be material to the policy holders; and
  - include his views on:
    - a) the effect of the Scheme on the security of policy holders' contractual rights, including the likelihood and potential effects of the insolvency of the insurer;
    - b) the likely effects of the Scheme on matters such as investment management, new business strategy, administration, expense levels and valuation bases in so far as they may affect:
      - i. the security of policy holders' contractual rights;
      - ii. levels of service provided to policy holders; or
      - iii. for long-term insurance business, the reasonable expectations of policy holders; and
    - c) the cost and tax effects of the Scheme, in so far as they may affect the security of policy holders' contractual rights, or for long-term insurance business, their reasonable expectations.

SUP 18.2.37G

- D9. The independent expert is not expected to comment on the likely effects on new policy holders, that is, those whose contracts are entered into after the effective date of the transfer.

SUP 18.2.38G

- D10. For any mutual company involved in the Scheme, the report should:
- describe the effect of the Scheme on the proprietary rights of members of the company, including the significance of any loss or dilution of the rights of those members to secure or prevent further changes which could affect their entitlements as policy holders;
  - state whether, and to what extent, members will receive compensation under the Scheme for any diminution or proprietary rights; and
  - comment on the appropriateness of any compensation, paying particular attention to any differences in treatment between with voting rights and those without.

SUP 18.2.39G

D11. For a Scheme involving long-term insurance business, the report should:

describe the effect for the Scheme on the nature and value of any rights of policy holders to participate in profits;

if any such rights will be diluted by the Scheme, how any compensation offered to policy holders as group (such as the injection of funds, allocation of shares, or cash payments) compares with the value of that dilution, and whether the extent and method of its proposed division is equitable as between different classes and generations of policy holders.

describe the likely effect of the Scheme on the approach used to determine:

- a) the amount of any non-guaranteed benefits such as bonuses and surrender values ; and
- b) the levels of any discretionary charges;

describe what safeguards are provided by the Scheme against a subsequent change of approach to these matters that could act to the detriment of existing policy holders of either firm;

include the independent expert's overall assessment of the likely effects of the Scheme on the reasonable expectations of long-term insurance business policy holders;

state whether the independent expert is satisfied that for each firm the Scheme is equitable to all classes and generations of its policy holders; and

state whether, in the independent expert's opinion, for each relevant firm the Scheme has sufficient safeguards (such as principles of financial management or certification by the a with-profits actuary or actuarial function holder) to ensure that the Scheme operates as presented.

SUP 18.2.40G

D12. Where the transfer forms part of a wider chain of events or corporate restructuring, it may not be appropriate to consider the transfer in isolation and the independent expert should seek sufficient explanations on corporate plans to enable him to understand the wider picture. Likewise he will need information on the operational plans of the transferee and, if only part of the business of the transferor is transferred, of the transferor. These will need to have sufficient details to allow him to understand in broad terms how the business will be run.

SUP 18.2.41G

D13. A transfer may provide for benefits to be reduced for some or all of the policies being transferred. This might happen if the transferor is in financial difficulties. If there is such a proposal, the independent expert should report on what reductions he considers ought to be made, unless either:

the information required is not available and will not become available in time for his report, for instance it might depend on future events; or

otherwise, he is unable to report on this aspect in the time available.

Under such circumstances, the transfer might be urgent and it might be appropriate for the reduction in benefits to take place after the event, by the means of an order under section 112 of the Act. Each regulator would wish to consider the fairness of any such reduction against its objectives and section 113 of the Act allows the court, on the application of either regulator, to appoint an independent actuary to report on any such post-transfer reduction in benefits.

## APPENDIX E: INSTITUTE OF ACTUARIES (UK) GUIDANCE NOTE 15

**GN15: Transfer of Long-term Business of an Authorised Insurance Company - Role of the Independent Actuary**

### Classification

Recommended Practice.

### Legislation or Authority

Insurance Companies Act 1982 (1982, c.50). Schedule 2C, Part I, Paragraph 2(1).

Friendly Societies Act 1992 (1992, c.40). Section 86.

### Application

Actuaries invited to act as the 'Independent Actuary' in a transfer under Part I of Schedule 2C to the Insurance Companies Act 1982. Schedule 2C is given effect by Section 49 and was inserted by the Insurance Companies (Third Insurance Directives) Regulations 1994, SI 1994/1696, to replace the previous Sections 49, 49A, 49B, and 50-52. The general principles apply equally to transfers of business by or to friendly societies under the terms of Section 86 of the Friendly Societies Act 1992.

### Author

Life Board

### Status

Approved under Due Process.

Version	Effective from
1.0	01.06.90
1.1	01.09.90
2	01.01.98

## E1 Introduction

- a. Under Part 1 of Schedule 2C of the Insurance Companies Act 1982, any Scheme which provides for the whole or part of the long-term business carried on in one or more EU member states by a UK insurance company (or in the UK, in the case of a non-UK insurance company) to be transferred to another body requires the prior sanction of the court. 'UK company' is given a specific meaning in Section 5(4) of the Insurance Companies Act 1982 and a non-UK company accordingly means any company carrying on insurance business which is not a UK company. The court will consider the Scheme on the basis of a petition by one of the parties, and the petition must be accompanied by a report on the terms of the Scheme by an Independent Actuary.
- b. The purpose of this Guidance Note is to advise an actuary invited to act as the Independent Actuary in a Schedule 2C transfer of the statutory and professional responsibilities such an appointment entails.
- c. The Independent Actuary should ascertain whether any business has been written through branches outwith the UK and, if so, whether such business is to remain with the transferor or to be transferred under Schedule 2C or under some similar legislation. In the latter case, a report on similar lines to that required under Schedule 2C may be required.

## E2 Factors Influencing Acceptance of an Appointment as Independent Actuary

- a. Before accepting an appointment as the Independent Actuary in any particular case, an actuary must consider whether he or she has relevant practical knowledge and experience. Such experience would necessarily include familiarity with the role and responsibilities of an Appointed Actuary and with the types of long-term business transacted by the companies concerned. An actuary must also disclose to all the parties any direct or indirect interest the actuary may have or have had in any of them. Clearly, an actuary cannot act if such interest would, in the opinion of any party or its legal advisers, be likely to prejudice an actuary's status in the eyes of the court. In case of doubt, the situation should be discussed with the supervisory authority and the Secretary to the Professional Affairs Board before the appointment is accepted.
- b. The Act prescribes that a report on the terms of the Scheme by an Independent Actuary accompanies the petition to the court and the Independent Actuary's prime responsibility is, therefore, to the court. The Act does not prescribe who should appoint the Independent Actuary; in practice, the appointment is made by one of the parties to the Scheme – usually the party that will be petitioning the court. The purpose of the appointment is to secure an independent opinion for the court on the likely effects of the Scheme on the long-term policy holders of the companies concerned. It would, therefore, be improper for the Independent Actuary to take instructions from any of the parties on what should be included in or excluded from the report; or to be denied access by any of the parties to persons the Independent Actuary may wish to interview, or to information, reports and documents which the Independent Actuary may reasonably consider material to the formulation of an opinion on the likely effects of the Scheme on the long-term policy holders of the companies concerned. An actuary should ensure that this is understood by the parties concerned before accepting an appointment.

- c. If, for any reason other than the abandonment of the Scheme, the Independent Actuary's appointment is revoked or the Independent Actuary resigns prior to that individual's report being submitted to the court or being circulated (whether in summary or otherwise) to long-term policy holders, that individual should consider whether the circumstances are such that that individual should make them known to the supervisory authority. Any actuary offered an appointment as an Independent Actuary should enquire if the appointment has previously been accepted and subsequently vacated by another actuary; if so, an actuary should take all reasonable steps to establish the circumstances in which the revocation of the previous actuary's appointment or the resignation of the previous actuary took place.

### E3 The Extent of the Independent Actuary's Involvement

- a. Given that the court is unlikely to sanction the Scheme if the Independent Actuary indicates serious dissatisfaction with its terms, it is in the interest of all the parties that, once an actuary has been appointed, the Independent Actuary is informed of the draft terms and provisions of the proposed Scheme at the various stages of its development. The Independent Actuary should therefore actively seek such information and be prepared to indicate with impartiality any terms or provisions which by their inclusion in or omission from the Scheme as drafted, as the case may be, would be likely to cause the Independent Actuary to express reservations about the Scheme in the report.
- b. The Secretary of State for Trade and Industry is entitled to be heard by the court when a petition is being considered. It is therefore advisable for the Independent Actuary to contact the supervisory authority at an early stage, with the knowledge of the petitioner, to establish whether there are any matters pertaining to the Scheme which the supervisory authority wishes to draw to the Independent Actuary's attention. The Independent Actuary should maintain this line of communication until the Scheme is presented to the court.
- c. The amount of investigative work that the Independent Actuary will need to do will depend on the circumstances of the case. The Independent Actuary should communicate with the Appointed Actuaries of all affected companies. It is reasonable for the Independent Actuary to expect the Appointed Actuary of the transferor company to provide such valuations of the assets and liabilities as the Independent Actuary may require, and to disclose information on such matters as how bonus rates have been determined in recent years in respect of any with-profit business. If the transferee company already has a long-term business fund of its own, similar information from the Appointed Actuary of that company may be necessary. It has become customary in cases of any complexity for the petition to be accompanied by a report from any Appointed Actuary concerned, although this is not a legal requirement. There may also be private actuarial reports to one or more of the parties, production of which would assist the Independent Actuary in appraising the terms of the Scheme. The Independent Actuary must, however, form an independent judgment on the quality of the information supplied, the reasonableness of the work of other actuaries, and, therefore, the extent of any investigative or verification work the Independent Actuary needs to do.
- d. The Independent Actuary might be asked to attend a meeting with the policy holders organised by the management of one of the companies. If so, the Independent Actuary

should consider carefully whether to do so would give the impression that the Independent Actuary was not completely independent. If the Independent Actuary should decide to attend the meeting, the Independent Actuary's position should be properly explained, and nothing that the Independent Actuary does or says at the meeting should undermine the perception of independence.

- e. In the case of a transfer involving a composite company, writing both long-term and general business, the Independent Actuary will need to understand the relevance of the general insurance business to the security of the long-term policy holders, and the Independent Actuary may need to seek independent specialist advice on this.
- f. Special considerations may also be called for where the transfer forms part of a chain of events including restructure, reinsurance or changes in ownership, and the Independent Actuary should seek explanations regarding corporate plans to the extent necessary for the whole picture to be clear.
- g. If the Appointed Actuary of any affected company has held that position only for a relatively short period of time, it might be appropriate for the Independent Actuary to seek information from the previous Appointed Actuary.
- h. Other documents the Independent Actuary will normally wish to examine in relation to each of the companies involved in the transfer will include:
  - its memorandum and articles of association and, if the company is currently trading, its latest annual report and accounts and supervisory returns;
  - the latest report submitted by its Appointed Actuary to the directors in accordance with paragraphs 8.1 to 8.5 of GN1, together with any recent reports submitted in accordance with GN 2;
  - participating guides issued by the company in recent years;
  - any reports, actuarial or otherwise, dealing specifically with PRE;
  - the bases used for own-charge illustrations;
  - sample quotations and policy documents which state or illustrate how policies will participate in profits, qualify for discretionary benefits, or be subject to future variations in charges;
  - any reports dealing with investment policy of the long-term business fund;
  - any reports evaluating alternative Schemes; and
  - any other relevant documents associated with the transfer.
- i. In addition, the Independent Actuary should ask about the operational plans of any company which, after the effective date, will have policy holders who fall to be considered in the Independent Actuary's report.

E4 The Report

- a. The Independent Actuary's report on the terms of the Scheme is required by Paragraph 2(1) of Schedule 2C to accompany the petition, but the court – unless it has otherwise directed – will not determine the application unless a statement setting out the terms of the Scheme and containing a summary of the Independent Actuary's report "sufficient to indicate the opinion of the actuary on the likely effects of the Scheme on the long term policy holders of the companies concerned" has been sent to each of those policy holders and to every member of those companies (Paragraph 2(2)(b) of Schedule 2C). The full report, being a public document, must be available for inspection by any person and therefore by any policy holder or member. The Independent Actuary should therefore bear in mind in preparing the report that policy holders and members may rely on it when considering how to cast their vote in any extraordinary general meeting called to approve the terms of the Scheme, and any member of the public may rely on it when considering whether or not to make representations to the court about the likely adverse effect of the Scheme on him or her.
- b. Similar considerations apply to the summary of the Independent Actuary's report which has to be sent to policy holders and members of the companies concerned. It is the Independent Actuary's responsibility to ensure that the contents of the summary are adequate, and that neither it nor any document which will accompany it gives a misleading impression of the findings in the full report. The summary need not contain background factual matter contained in the accompanying documents.
- c. It follows from 4a above that the Independent Actuary needs to consider and report as appropriate on the likely effects of the Scheme on (i) all transferring long-term policy holders, (ii) any long-term policy holders of the transferor company whose policies will remain with that company, and (iii) any long-term policy holders of the transferee company. Whilst not directly concerned with the effect of the Scheme on those who become policy holders on or after the date when, subject to the approval of the court, it will become effective, the Independent Actuary will need to consider whether the development plans of any of the companies involved may adversely affect policy holders with whom the Independent Actuary is concerned.
- d. It is a responsibility of the directors and managers of the relevant insurance company to consider alternative arrangements in order that the company may fulfil its obligations to conduct its business with due regard to the interests of policy holders and potential policy holders. The term 'Independent Actuary' might be interpreted by members of the public to indicate that the actuary was advising on the relative merits of one Scheme of transfer against other possible arrangements, although this is not specifically required by the legislation. Consistent with the nature of the legal requirements, the report must include a comparison of the likely effects on the long-term policy holders of the relevant companies if the Scheme of transfer being presented to the court is or is not implemented. In addition, the Independent Actuary should state clearly whether or not reports of alternative arrangements were considered.

- e. The contents of the Independent Actuary's report will be influenced by the circumstances of each case; the following are, however, some of the matters which the Independent Actuary should, where appropriate, cover in it:

The name of the party which has appointed the Independent Actuary and a statement of who is bearing the costs of that appointment.

A statement of the Independent Actuary's professional qualification.

Whether or not the Independent Actuary has a direct or indirect interest in any of the parties which might be thought to influence the Independent Actuary's independence; if the Independent Actuary has an interest, it should be disclosed.

The scope of the report in accordance with Paragraph 4d above.

The purpose of the Scheme.

A summary of the terms of the Scheme in so far as they are relevant to the contents of the Independent Actuary's report.

What documents and reports the Independent Actuary has considered in relation to each of the companies involved in the transfer and whether there was any additional information which was requested but not provided.

The cost and tax consequences of the Scheme, in so far as these will affect policy holders' funds.

The effect of the Scheme on the security of policy holders' contractual benefits.

The effect of the Scheme on the nature and value of any rights of policy holders to participate in profits. In particular, if any such rights will be diluted by the Scheme, how any compensation being offered to those policy holders as a group (which might take the form of an injection of funds, an allocation of shares, or cash payments) compares with the value of that dilution, and whether the extent and method of its proposed division is equitable as between different classes and generations of policy holders.

The likely effect of the Scheme on the approach used to determine the amounts of non-guaranteed benefits such as reversionary (or similar bonus which is added periodically over the term of the contract) and terminal bonuses and surrender values, and the levels of discretionary charges, for example under unit-linked policies; and what safeguards are provided by the Scheme against a subsequent change of approach that could act to the detriment of existing policy holders of either company and is not due to external circumstances beyond its control.

The likely effects of the Scheme on matters such as investment management, new business strategy, administration, expense levels and valuation bases, in so far as they may affect the ability of the companies to meet throughout the lifetime of existing policies the reasonable expectations of the holders of those policies.

In the case of any mutual company involved in the Scheme, the effect of the Scheme on the proprietary rights of members of that company and, in particular, the significance of any loss or dilution of the rights of those members to secure or prevent further constitutional changes which could affect their expectations as policy holders (for

example, losing the ability to change the board and therefore control over a board's decision to convert to a closed fund). The Independent Actuary should state whether, and to what extent, members will receive compensation under the Scheme for any diminution in their proprietary rights, and comment on its appropriateness. Also, when commenting on the fairness of the Scheme, the Independent Actuary should pay particular attention to any differences in treatment between policy holders with voting rights and those without. It will assist the Independent Actuary if the issues involved are adequately explained in the directors' circular to policy holders.

Which matters, if any, the Independent Actuary has not taken into account or evaluated in the report that might nevertheless be relevant to policy holders' consideration of the Scheme.

The Independent Actuary's overall assessment of the likely effects of the Scheme on the reasonable expectations of long-term policy holders; whether the Independent Actuary is satisfied that for each of the companies concerned the Scheme is equitable to all classes and generations of its policy holders; and whether for each relevant company the Scheme places obligations on the directors, or provides for future certification by its Appointed Actuary, sufficient in the Independent Actuary's opinion for the protection of those expectations.

- f. Where the Independent Actuary expresses an opinion in the report, the Independent Actuary should outline the reasons for it.

## APPENDIX F: DYNAMIC SOLVENCY TESTING (“DST”) RESULTS AND ASSUMPTIONS

### FWD and Sun Life results before and after transfer

The tables below show the DST results for the six prescribed scenarios.

#### Solvency position of FWD before transfer

	2019 YE	2020 YE	2021 YE
Baseline	225%	225%	225%
<u>Prescribed scenario</u>			
Prescribed scenario 1	224%	222%	222%
Prescribed scenario 2	213%	205%	200%
Prescribed scenario 3	150%	150%	150%
Prescribed scenario 4	150%	185%	222%
Prescribed scenario 5	214%	196%	180%
Prescribed scenario 6	242%	265%	292%
<u>Compound scenario</u>			
Compound scenario 1	150%	159%	168%
Compound scenario 2	188%	195%	207%
Compound scenario 3	182%	181%	186%
<u>Additional plausible adverse scenario</u>			
Additional plausible adverse scenario 1	215%	216%	218%
Additional plausible adverse scenario 2	159%	169%	180%
<u>Change from baseline</u>			
<u>Prescribed scenario</u>			
Prescribed scenario 1	-1%	-3%	-3%
Prescribed scenario 2	-12%	-20%	-25%
Prescribed scenario 3	-75%	-75%	-75%
Prescribed scenario 4	-75%	-40%	-3%
Prescribed scenario 5	-11%	-29%	-45%
Prescribed scenario 6	17%	40%	67%
<u>Compound scenario</u>			
Compound scenario 1	-75%	-66%	-57%

	2019 YE	2020 YE	2021 YE
Compound scenario 2	-37%	-30%	-18%
Compound scenario 3	-43%	-44%	-39%
<u>Additional plausible adverse scenario</u>			
Additional plausible adverse scenario 1	-10%	-9%	-7%
Additional plausible adverse scenario 2	-66%	-56%	-45%

#### Solvency position of FWD after transfer

	2019 YE	2020 YE	2021 YE
Baseline	225%	225%	225%
<u>Prescribed scenario</u>			
Prescribed scenario 1	224%	222%	222%
Prescribed scenario 2	213%	205%	200%
Prescribed scenario 3	150%	150%	150%
Prescribed scenario 4	150%	186%	223%
Prescribed scenario 5	214%	196%	180%
Prescribed scenario 6	242%	265%	292%
<u>Compound scenario</u>			
Compound scenario 1	150%	159%	168%
Compound scenario 2	188%	195%	207%
Compound scenario 3	182%	181%	186%
<u>Additional plausible adverse scenario</u>			
Additional plausible adverse scenario 1	215%	216%	218%
Additional plausible adverse scenario 2	159%	169%	180%
<u>Change from baseline</u>			
<u>Prescribed scenario</u>			
Prescribed scenario 1	-1%	-3%	-3%
Prescribed scenario 2	-12%	-20%	-25%
Prescribed scenario 3	-75%	-75%	-75%
Prescribed scenario 4	-75%	-39%	-2%
Prescribed scenario 5	-11%	-29%	-45%
Prescribed scenario 6	17%	40%	67%

Compound scenario

Compound scenario 1	-75%	-66%	-57%
Compound scenario 2	-37%	-30%	-18%
Compound scenario 3	-43%	-44%	-39%

Additional Plausible Adverse Scenario

Additional Plausible Adverse Scenario 1	-10%	-9%	-7%
Additional Plausible Adverse Scenario 2	-66%	-56%	-45%

**Solvency position of Sun Life before transfer**

	2019 YE	2020 YE	2021 YE
Baseline	234%	225%	218%
<u>Prescribed scenario</u>			
Prescribed scenario 1	229%	214%	202%
Prescribed scenario 2	225%	205%	187%
Prescribed scenario 3	161%	143%	112%
Prescribed scenario 4	114%	200%	295%
Prescribed scenario 5	227%	207%	187%
Prescribed scenario 6	245%	246%	247%
<u>Plausible adverse scenario</u>			
Plausible adverse scenario 1	114%	198%	284%
Plausible adverse scenario 2	204%	155%	107%
Plausible adverse scenario 3	228%	209%	192%
Plausible adverse scenario 4	228%	220%	213%
Plausible adverse scenario 5	159%	157%	157%
<u>Change from baseline</u>			
<u>Prescribed scenario</u>			
Prescribed scenario 1	-5%	-11%	-16%
Prescribed scenario 2	-9%	-20%	-31%
Prescribed scenario 3	-73%	-82%	-106%
Prescribed scenario 4	-120%	-25%	77%
Prescribed scenario 5	-7%	-18%	-31%
Prescribed scenario 6	11%	21%	29%
<u>Plausible adverse scenario</u>			
Plausible adverse scenario 1	-120%	-27%	66%
Plausible adverse scenario 2	-30%	-70%	-111%
Plausible adverse scenario 3	-6%	-16%	-26%
Plausible adverse scenario 4	-6%	-5%	-5%
Plausible adverse scenario 5	-75%	-68%	-61%

**Solvency position of Sun Life after transfer**

	2019 YE	2020 YE	2021 YE
Baseline	234%	221%	215%
<u>Prescribed scenario</u>			
Prescribed scenario 1	229%	211%	199%
Prescribed scenario 2	225%	201%	184%
Prescribed scenario 3	161%	139%	108%
Prescribed scenario 4	114%	191%	286%
Prescribed scenario 5	227%	204%	184%
Prescribed scenario 6	245%	242%	244%
<u>Plausible adverse scenario</u>			
Plausible adverse scenario 1	114%	194%	280%
Plausible adverse scenario 2	204%	153%	105%
Plausible adverse scenario 3	228%	206%	189%
Plausible adverse scenario 4	228%	216%	210%
Plausible adverse scenario 5	159%	154%	155%
<u>Change from baseline</u>			
<u>Prescribed scenario</u>			
Prescribed scenario 1	-5%	-10%	-16%
Prescribed scenario 2	-9%	-20%	-31%
Prescribed scenario 3	-73%	-82%	-107%
Prescribed scenario 4	-120%	-30%	71%
Prescribed scenario 5	-7%	-17%	-31%
Prescribed scenario 6	11%	21%	29%
<u>Plausible adverse scenario</u>			
Plausible adverse scenario 1	-120%	-27%	65%
Plausible adverse scenario 2	-30%	-68%	-110%
Plausible adverse scenario 3	-6%	-15%	-26%
Plausible adverse scenario 4	-6%	-5%	-5%
Plausible adverse scenario 5	-75%	-67%	-60%

## Critical Assumptions in DST

### F1. Summary of critical assumptions

The base scenarios use a realistic set of assumptions for investment return, management expenses and new business sales used to project the financial position over the forecast period of three years.

#### *FWD specific assumptions*

For the base scenario, assumptions for investment return are as of 31 December 2018, whereas assumptions for management expenses and new business sales are based on the internal business planning conducted in year 2018. The solvency position as of 31 December 2018 is taken as the starting position of the projections under all scenarios.

#### *Sun Life specific assumptions*

The base scenario is a realistic set of assumptions that are used to forecast Sun Life's financial position and condition over the forecast period. The base scenario is consistent with the Hong Kong Statutory Business Plan submitted to the IA.

The starting point of the projection is 31 December 2018 and the opening assets, liabilities, net assets and solvency ratio are the actual 2018 year end statistics as at 31 December 2018.

### F2. Summary of scenarios

The scenarios conducted under the DST are as prescribed under the Guidance Note issued by the Actuarial Society of Hong Kong and required by the HK IA, with the aim to investigate the likely solvency of the companies under a range of adverse scenarios in the near future.

### F3. Detailed descriptions of scenarios

The prescribed scenarios illustrated in the DST are as follows:

#### *Prescribed scenario 1: deterioration in claims experience*

Throughout the forecast period, allow for:

- 15% deterioration in mortality rates for life business;
- 15% deterioration in morbidity rates;
- 15% increase in incidence rates for disability, accident and sickness; and
- No adjustment in mortality for annuity business (it is noted that this approach is different from the standard AGN7 approach but it is considered to be appropriate due to the lack of materiality of the annuity business).

#### *Prescribed scenario 2: deterioration in persistency experience*

Throughout the forecast period, allow for an increase or decrease in lapse rates of 5%, depending on which alternative produces the most adverse results, by product.

#### *Prescribed scenario 3: drop in interest rates, combined with a market crash*

Throughout the forecast period, and commencing immediately after the valuation date:

- Interest rates are set to 70% of the rates projected in the base scenario; and
- Equity and real estate market value fall by 25% in the first year, and then grow at the same rate as the base scenario

#### *Prescribed scenario 4: rise in interest rates, combined with a market crash*

- Interest rates are set to be 130% of the base scenario or the base scenario rates plus 2%, whichever is greater; and
- Equity and real estate market value fall by 25% in the first year, and then grow at the same rate as the base scenario

#### *Prescribed scenario 5: high new business growth rates*

High growth throughout the forecast period, with growth rate being 30%, or 150% of plan growth rate if higher, and with a reasonable increase in expenses, consistent with the higher growth.

#### *Prescribed scenario 6: low new business growth rates*

Low growth throughout the forecast period, with year 1 sales being 80% of current year, followed by 20% drop for years 2 and 3, without any saving in expenses other than commission and commission-related expenses that are directly related to the new sales volume.

The compound scenarios illustrated in FWD DST are as follows:

*Compound scenario 1: pandemic outbreak*

Throughout the forecast period, allow for:

- Excess death of 0.75 per 1,000 at all ages in year 1;
- Excess morbidity of 1.50 per 1,000 at all ages in year 1;
- 15% increase in incidence rates for disability , accident and sickness;
- Equity and real estate market value dropped by 25%

*Compound scenario 2: HKD/USD Spread Widening*

Throughout the forecast period, allow for:

- 1% increase in USD government bond yield;
- Flat HKD bond yield;
- 1.5% increase in inflation assumption;
- Policy holder dividend increased by 15%;
- Universal life credit rate increased by average 0.2%

*Compound scenario 3: HKD/USD Unpegged*

Throughout the forecast period, allow for:

- USD and SGD depreciated by 10%;
- Equity and real estate value drops by 25%;
- 20% shock lapse of USD policies.

The plausible adverse scenarios illustrated in FWD DST are as follows:

*Plausible adverse scenario 1: Operational Incidents*

- This is an operational scenario. It happens when an error in unit pricing calculation occurs for Class C and G business that adversely impacts the accuracy of the net asset value, and a business operation disruption, resulting from the system failure for business other than Class C and G.

*Plausible adverse scenario 2: Counterparty Default Events*

- This is a counterparty default scenario. It happens when an economic recession triggering the defaults of major corporate bond issuers and the reinsurers.

The plausible adverse scenarios illustrated in Sun Life DST are as follows:

*Plausible adverse scenario 1: Credit crises*

This scenario tests a credit crisis triggering the following changes in economic assumptions.

- Short-term rates, medium-term rates and long-term rates increase immediately in 2019 by 1.00%. Interest rates then stay at this shocked level over the projection period.
- Credit spreads of corporate bonds increase immediately in 2019 by 1.00% (rating BBB or above) and 1.25% (below BBB), then stay at this shocked level over the projection period.
- Equity market value drops by 20% in 2019 and then equity continues to grow at the base scenario rate for the following years.
- Public and private bond and mortgage default rates are 500% of the base scenario in 2019 and the same as base scenario for the following years.

*Plausible adverse scenario 2: USD / HKD non parallel drop*

This scenario tests the economic impact from a non-parallel drop of USD and HKD interest rates. The shocked economic assumptions are the following:

- For USD economics, short-term rates, medium-term rates and long-term rates gradually drop by 1.00% by the end of the first year and then stay 1.00% lower than the base scenario over the remaining projection period.
- For HKD economics, short-term rates, medium-term rates and long-term rates gradually drop by 0.50% by the end of the first year and then stay 0.50% lower than the base scenario over the remaining projection period.
- Credit spreads of corporate bonds gradually increase by 0.50% by the end of the first year and then stay 0.50% higher than the base scenario over the remaining projection period.
- HKD-USD currency swap spread differential adversely changes by 100bps at the end of the first year and then stay at this level over the projection period.
- Equity market value drops by 12.5% per annum during the projection period.
- Public and private bond and mortgage default rates are 200% of the base scenario over the projection years.

*Plausible adverse scenario 3: Anti-selective policy holder behaviour*

This scenario assumes structural changes in the marketplace leading to some forms of anti-selection against the Company. Therefore, this scenario explores the effects of increased sophistication in the marketplace leading to anti-selective policy holder behavior through the opportunistic exercise of premium payment flexibility, partial withdrawal and voluntary termination of contracts.

- 15% deterioration in mortality rates.
- 15% deterioration in morbidity rates.
- Lapse rates will change +/-25%, depending on which alternative produces the most adverse results by product.
- For Universal Life and linked products, the premium persistency will be set to 75% of base scenario and partial withdrawal turns to 10% in 2019.

*Plausible adverse scenario 4: Operational incidents*

This scenario examines the resilience of the business to operational incidents, particularly for classed C and G business that have a relatively low minimum solvency requirement under the Ordinance. This scenario assumes the following:

- An error was detected after the 2018 year end reporting. In particular, 10% of the account value of Class C and Class G business was recorded and reported by 15% lower than the true account value due to an investment allocation mistake. Consequently, the Company will have to compensate the reduced payments to policy holders to correct the account value and will receive a regulatory fine of HKD 5 million.
- This event has an adverse impact on the Company's reputation, which causes 10% additional lapses for Class C products in first two years and the marketing expense in year 2019 and 2020 are HKD 20 million higher to acquire new business.

*Plausible adverse scenario 5: Flu Pandemic & reinsurer default*

This scenario examines the impact of an outbreak of a worldwide flu pandemic which negatively impacts many insurers' mortality / morbidity claims. Meanwhile reinsurers are severely impacted because of the large amount of quota share reinsurance that has been ceded, which leads to default of some reinsurers. The main assumptions are the following:

- The Company experiences higher mortality claims in 2019, in aggregate around 7 per thousand higher mortality rate. Claim experience returns to base in the following period.
- Critical Illness (CI) and Hospital Income (HI) claim experience in 2019 is also adversely impacted, resulting in negative income impact. The negative income impact is assumed to be 2% of the actual 2018 CI Claims and 25% of the actual 2018 HI claims.
- This scenario assumes that RGA (the most significant reinsurer for the Company) defaults in 2019, causing 50% of the above excess claims not recovered from RGA. This scenario also assumes that the Company will recapture the ceded business from

RGA and find a new reinsurer to cover the recaptured business at the end of 2019. The reinsurance rates for both inforce and future new business continue to be guaranteed but are increased by 20%.

## APPENDIX G: THE TRANSFERRING POLICIES

### G.1 List of Class G Policies – MPF Schemes as at 30 April 2019

Class G Policies		Policy Number	Date of the Policy	Relevant MPF Scheme
1	FWD MPF Capital Guaranteed Policy	B001-CGP	(missing)	Sun Life MPF Basic Scheme – Capital Guaranteed Portfolio
2	FWD MPF Capital Guaranteed Policy	C002-CGP	29-Mar-01	Sun Life MPF Comprehensive Scheme – Capital Guaranteed Portfolio
3	FWD MPF Capital Guaranteed Policy	S001-CGP	01-Dec-00	Sun Life MPF Master Trust - Capital Guaranteed Portfolio

### G.2 List of Class G Policies – ORSO Schemes as at 30 April 2019

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
1	Albert Jewellery Company Limited Provident Fund Scheme	11000272	03-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
2	Alitom Engineers Ltd Provident Fund Scheme	11000327	27-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

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	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
3	Asia Pacific Adjusters Limited Provident Fund Scheme	150001 00	03-Jan-08	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
4	Campell Group (Hong Kong) Limited Provident Fund Scheme	110002 93	10-Mar-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
5	Checkpoint Apparel Labelling Solutions Asia Limited Provident Fund Scheme	110001 94	03-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
6	China Europus (International) Ltd. Employees' Retirement Scheme	110000 17	28-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
7	Parsons Delcan Inc. Provident Fund Scheme	110005 01	22-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
8	DHL Global Forwarding (Hong Kong) Limited Provident Fund Scheme	190007 71	10-Apr-96	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
9	Dimension Data China/Hong Kong Limited Provident Fund	150003 84	04-Dec-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
10	Dixmont Limited Provident Fund Scheme	180006 02	16-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
11	Double Wire Limited Provident Fund Scheme	190007 79	17-May-96	FWD Capital Guaranteed Plan	Insurance Policy based	1. Registered ORSO Scheme  2. Has not applied for MPF exemption
12	Drew Ameroid (Singapore) Pte. Limited Provident Fund Scheme	110002 07	27-Jun-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
13	EL Grande Holdings Limited Provident Fund Scheme	150009 32	12-May-98	FWD Multi-Funding Provident Plan	Insurance Policy based	1. Registered ORSO Scheme  2. Has not applied for MPF exemption
14	Fatti Components Limited Employees' Retirement Scheme	110000 31	25-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
15	Fook Lam Moon Restaurant Ltd. Provident Fund Scheme	150002 14	07-Feb-06	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
16	FWD Life Macau Agency Long Service Incentive Plan	110010 18	2010	FWD Multi-Funding Provident Plan	Insurance Policy based	1. Exempted ORSO Scheme  2. Has not applied for MPF exemption
17	FWD Life Macau Staff Provident Fund	110010 19	01-Aug-00	FWD Multi-Funding Provident Plan	Insurance Policy based	1. Exempted ORSO Scheme  2. Has not applied for MPF exemption
18	Group Retirement Plan for Members of Community Health Services Ltd.	150010 30	10-Sep-10	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
19	Hi-Watt International Enterprises Ltd Provident Fund Scheme	150003 72	10-Dec-08	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
20	Honda Button Company Limited Provident Fund Scheme	190006 82	28-Oct-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
21	Hong Kong Federation of Women's Centres Provident Fund Scheme	110002 62	27-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
22	Hong Kong Young Women's Christian Association Provident Fund	150006 60	04-Dec-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
23	Hop Hing Group Provident Fund Scheme	150001 42	03-Jun-05	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
24	Kasikorbank Public Company Limited Provident Fund Scheme	110003 86	25-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
25	Kassel Park Engineering Company Limited Provident Fund Scheme	110004 48	23-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
26 (*)	Kau Kee Trading Co., Limited Provident Fund Scheme	110002 56	16-Aug-95	FWD Provident Fund Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
27	KMT Enterprise Ltd. Provident Fund Scheme	180005 53	22-Jul-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
28	Kwong Kee Electrical Co Ltd Provident Fund Scheme	110005 19	13-Mar-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
29	Landard Toys Limited Provident Fund Scheme	150004 36	04-Dec-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
30	Leventhal Limited Provident Fund Scheme	150008 96	29-Feb-08	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
31	Lishan Company Limited Provident Fund Scheme	150007 15	16-Nov-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
32	MAHK Ltd Provident Fund Scheme	004-500102 6	19-Nov-07	FWD Multi-Funding Provident Plan	Insurance Policy based	1. Exempted ORSO Scheme  2. Has not applied for MPF exemption
33	Man Lead Services Limited Provident Fund Scheme	180006 54	27-Sep-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
34	Manfield Coatings Co. Ltd. Employees' Retirement Scheme	110001 15	03-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
35	Melbourne Bookcentre Ltd. Employees' Retirement Scheme	110000 54	08-Jun-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
36	Ming Fung Engineering Co. Provident Fund Scheme	190006 44	23-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
37	Multi-Gold Air & Sea Express Limited Provident Fund Scheme	110003 52	07-Sep-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
38	On Tak Lung Limited Provident Fund Scheme	150010 03	04-Jun-99	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
39	One Country Two Systems Research Institute Ltd. Provident Fund Scheme	110003 15	28-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
40	PMP Advertising (International) Ltd Provident Fund Scheme	110000 66	15-Mar-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
41	PPG Industries International Inc Provident Fund Scheme	190006 80	02-Oct-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
42	Product Marketing Mayborn Limited Provident Fund Scheme	150006 08	04-Dec-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
43	Realink Industries Ltd. Provident Fund Scheme	150005 08	12-Aug-05	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
44	Remotec Technology Limited Provident Fund Scheme	110004 49	28-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
45	Rocco Design Architects Limited Provident Fund Scheme	110000 69	07-Sep-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has not applied for MPF exemption
46	Samson Paper Holdings Limited Provident Fund Scheme	191007 94	19-Jun-96	FWD Multi Funding Provident Plan	Insurance Policy based	1. Registered ORSO Scheme  2. Has not applied for MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
47	Sotheby's Hong Kong Limited Provident Fund Scheme	110001 61	26-Jul-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
48	Specialty Metals Resources Limited Provident Fund Scheme	110002 96	16-Mar-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
49	The Incorporated Management Committee of St. Joseph's Primary School Defined Contribution Scheme	150010 28	08-Sep-10	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
50	St. James' Settlement Provident Fund Scheme (1)	110001 17	07-Sep-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption

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	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
51	Sunny Creations Limited Provident Fund Scheme	110003 54	25-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
52	Technik Industrial Co. Ltd. Provident Fund Scheme	110002 99	28-Apr-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
53	The Hong Kong L.P. Gas (Holdings) Limited Staff Provident Fund	150010 34	12-Jul-11	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
54	The Hong Kong Settlers Housing Corporation Limited Provident Fund Scheme	110000 41	16-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
55	The Sumida Electric (H.K.) Company Limited Provident Fund	150010 31	26-Oct-10	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
56	The Yip's H.C. (Holding) Ltd. Provident Fund	150010 32	26-Oct-10	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
57	Tong Seng Co Ltd Employee Benefit Scheme	110000 78	28-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
58	Tsuen Wan Wai Tsuen Evangelical Church (Hong Kong) Limited Provident Fund Scheme	190006 58	18-Sep-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
59	UCC Coffee Shop Co. (Hong Kong) Limited Provident Fund Scheme	150005 25	09-Nov-06	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
60	Essendant Hong Kong Limited Provident Fund Scheme	500030 2	15-Dec-11	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
61	Westrock MWV Hong Kong Limited Provident Fund Scheme	110002 03	28-Apr-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
62	Tai Cheng Shing Limited Provident Fund Scheme	110005 23	15-Mar-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
63	Wing Tai Jewellery & Goldsmith Company Limited Provident Fund Scheme	151007 64	28-Nov-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
64	Wiseknit Factory Ltd. Provident Fund Scheme	110000 90	23-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
65	Wylam's Services Limited Provident Fund Scheme	110002 35	25-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption
66	Yan Chai Hospital Board Head Office Provident Fund Scheme	150006 95	01-Apr-19	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme 2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
67	Yan Chai Hospital Social Services Provident Fund Scheme	150007 88	01-Apr-19	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
68	Yee Ying International Limited Provident Fund Scheme	110002 29	13-Mar-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
69	Yi Chang Tai Company Limited Employees' Retirement Scheme	110001 11	25-Jul-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
70	Yip Shing Diesel Engineering Co. Ltd. ORSO Scheme	810001 023	24-Oct-11	FWD Capital Guaranteed Plan	Insurance Policy based	1. Registered ORSO Scheme  2. Has not applied for MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
71	MHK Restaurants Limited Profit Sharing Plan	110001 14 (changed from 805-01 on 29 Sept 1995)	22-Dec-88	Independent Scheme (that invests into FWD Capital Guaranteed Plan; and SLPT acts as the trustee)	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
72	Caritas Retirement Fund	n/a	01-Jan-08	Independent Scheme (that invests into FWD Capital Guaranteed Plan; but SLPT is not the trustee)	-	-
73	Schroder Provident Plan	n/a	01-Apr-00	Independent Scheme (that invests into FWD Capital Guaranteed Plan; but SLPT is not the trustee)	-	-
74	Wing Hang Bank Limited Provident Fund	210000 01	18-Sep-04	Independent Scheme (that invests into FWD Capital Guaranteed Plan; but SLPT is not the trustee)	-	-

(\*) The scheme will be terminated, with the target date being 1 July 2019.

## APPENDIX H: INDEPENDENT OPINION ON THE IMPACT OF THE SPLIT OF FWD NON-CLASS G PLANS ON FWD CLASS G POLICY HOLDERS AS AT 30 JUNE 2018

### H.1 Introduction

- 1.1. I, Clement Bonnet, have been appointed to act as the Independent Actuary pursuant to Section 24 of the Hong Kong Insurance Ordinance Chapter 41 ("Ordinance", formerly Hong Kong Insurance Companies Ordinance), and as the Actuary pursuant to Section 25 of the Bermuda Insurance Act 1978, to provide an independent opinion on the terms and likely effects of the proposed scheme (the "Scheme") for the transfer of certain long term pension business from FWD Life Insurance Company (Bermuda) Limited ("FWD") to Sun Life Hong Kong Limited ("Sun Life").
- 1.2. The long term business involved is referred to as the "Transferring Business" and comprises the Class G insurance policies, excluding the five internal retirement plans for FWD agents and staff which will remain with FWD ("FWD Retained ORSO Business"), written by FWD before the date the Scheme takes into effect (the "Transfer Date").
- 1.3. Prior to 31<sup>st</sup> December 2016, the following Agency Plans and Staff Plan (which the amount involved is HK\$696m) have been included in FWD's Class G Fund:

Members	Plan	Account Balance 31 <sup>st</sup> Dec 2016 (HK\$m)
FWD Staff	<i> FWD Life Insurance Company (Bermuda) Limited Retirement Scheme	
FWD Agents	<ii> Long Service Incentive Scheme <iii> Long Service Bonus Scheme (for all agents) <iv> VNB Fund Scheme <v> Victory Fund Scheme  <vi> Lions Fund <vii> Long Service Bonus Scheme (for agency heads)	675
		21

(\* Given liabilities of <vi> and <vii> have been transferred as at 31 December 2016, the amounts shown in the table above are as at 31 December 2016.

- 1.4. I am not aware of any issues in respect of the Class G plan <i>.
- 1.5. According to FWD, there were no written insurance policies issued by FWD in respect of the Class G Agency Plans (<ii> to <v>). Hence, the contributions made to the Class G Fund by the Agency Plans were not referable to any written Class G policies.
- 1.6. Following a legal review of the classification of FWD Class G plans by an External Counsel, two internal agency Class G plans (<vi> & <vii>) which did not strictly meet the criteria of retirement scheme principles as laid out in Schedule 1 (Classes of Insurance Business) of the Ordinance have been transferred to FWD's Shareholders' Fund as at 31 December 2016. These two plans are

maintained separately as an internal arrangement with FWD's agents and are neither part of the Transferring ORSO Business nor part of FWD Retained ORSO business at the Transfer Date.

- 1.7. These were the irregularities identified in respect of the FWD's Class G Fund. The Insurance Authority (formerly Office of the Commissioner of Insurance) has been notified of the irregularities and the remediation plan by FWD in August 2016 and has requested FWD to ensure at all times proper classification of policies in accordance with Part 2 of the First Schedule to the Ordinance.
- 1.8. I have been appointed to provide an independent opinion on the effect of this split on the remaining FWD Class G policy holders as at 30 June 2018.

#### H.2 Review of the proper documentation of FWD class G plans (<ii> to <v>)

- 1.9. For those Class G Agency Plans without written insurance policies issued by FWD as specified in clause 1.4 above, indeed, FWD has sought legal opinion on the proper documentation of these Class G plans and I have relied upon that advice. I understand there is no legal requirement under the Ordinance for FWD to issue formal policies for both Class G and non-Class G businesses, respectively. I understand there is no specified form of formal policies for Class G business, which is a statutory creation and not a "true" contract of insurance. It is a question of whether the schemes have characteristics which mean they fall within Class G business and need to be accounted for accordingly. Having said that, to have proper documentation, by way of Declaration of Trust, FWD has declared that it holds the assets of the relevant schemes on trust for the benefit of the members covered under the schemes and to enter into the insurance policies in its capacity as trustee with FWD (in its capacity as insurer) to meet the liabilities of the schemes with the Class G Policy. The respective scheme rules of each scheme to describe eligibility and benefits are also attached to the relevant Class G policies.

#### H.3 Review of the split of FWD non-class G plans (<vi> & <vii>)

##### *Transfer of liabilities as at 31 December 2016*

1.10. The account balance arising from the two non-Class G agency plans is equal to HK\$ 21 million as at 31 December 2016, which represents less than 1% of the total account balance of FWD Class G business as at 31 December 2016. A non-interest bearing inter-fund balance equal to the account balance has been set up as at 31 December 2016 and has been subsequently settled in the first half of 2018 as detailed in paragraph 1.12.

1.11. While the account balance is transferred to FWD Shareholders' Fund as at 31 December 2016, the other statutory reserves of Class G long term business – namely the provision for investment guarantee ("GL7 reserve") and the additional smoothing reserves – are no longer required for the two non-Class G agency plans and will remain within FWD retirement fund. Therefore, total reserves for the Class G business will not be adversely impacted by the split of FWD non-class G plans. Moreover, the split of FWD non-class G plans will not affect the reserving methodology and investment policy of the Transferring Policy holders of FWD and the policy holders of the non-transferring policies of FWD. After the transfer of liabilities, an annual actuarial investigation was made into the financial condition of FWD's long term business pursuant to section 18 of the Ordinance with the review of Class G business as at 31st December 2016 covered by the then GL7 Report.

*Transfer of assets during the first half of 2018*

1.12. The actual asset transfer did not happen as at 31 December 2016; instead a non-interest bearing inter-fund balance equal to the account balance was set-up between FWD retirement fund (payable) and Shareholders' Fund (receivable). The settlement of this non-interest bearing inter-fund balance was performed in the first half of 2018, in conjunction with the settlement of assets to meet withdrawal demands of the fund, for a total amount of HKD 344 million. The assets selected and divested have been mutually agreed between Sun Life and FWD such that the key characteristics of the asset portfolio backing the FWD Class G business remain similar before and after the divestment. The Table below shows some of the key metrics considered as part of this analysis:

Assets backing FWD Class G business as at end of March 2018		
Key metrics	Before divestment (% total assets)	After divestment (% total assets)
Asset mix		
Cash	2%	1%
Equity	15%	15%
Bond	84%	84%
Currency mix		
HKD	82%	82%
USD	18%	18%
Duration	3.39	3.41
Yield (%)	2.97	2.98
Average rating	A+	A+

1.13. In addition, the strategic asset allocation for the assets backing the Transferring ORSO Business and FWD Retained ORSO Business remain unchanged before and after the divestment. Assets backing the two internal agency plans (<vi> & <vii>) will follow the strategic asset allocation of the Shareholders' Fund but the discretionary crediting rate will be based on the crediting rate of FWD Retained ORSO business (irrespective of the asset performance of the Shareholders' Fund), leading to no material adverse effect on the benefit expectations of the policy holders of the two internal agency plans. Overall, the apportionment of assets is not expected to have any material impact on the reasonable benefit expectations and financial security of the Transferring Policy holders of FWD and the policy holders of the non-transferring policies of FWD.

1.14. The split of these two non-Class G plans will not lead to any material adverse impact on the benefit expectations of the remaining FWD Class G plans. FWD has no intention to change the investment strategy or the crediting rate philosophy as a result of the split. Any future review change will undergo the same review process as the one before the split.

#### H.4 Conclusion

1.15. In summary of my assessment above, I have concluded that the remedial actions for rectification of the irregularities are done properly and will have no material adverse impact on the interests of the holders of FWD Class G policies:

The remedial actions will have no material adverse effect on the reasonable benefit expectations of FWD Class G policies.

The remedial actions will have no material adverse effect on the financial security of FWD Class G policies.

**ANNEX C**  
**SUPPLEMENTARY REPORT**

**Transfer of certain Class G  
insurance policies underlying the  
FWD MPF and ORSO business  
from FWD Life Insurance  
Company (Bermuda) Limited to  
Sun Life Hong Kong Limited**

Supplementary Report of the Independent Expert

**Prepared for:**

**FWD Life Insurance Company (Bermuda) Limited  
Sun Life Hong Kong Limited**

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## Section 1 Introduction

### Background

- 1.1. When an application is made to the High Court of the Hong Kong Special Administrative Region, Court of First Instance (the "Hong Kong Court") for an order to sanction the transfer of long term insurance business from one insurer to another, it must be accompanied by a report on the terms of the Scheme by an independent actuary in conformance to Section 24 of the Insurance Ordinance, Chapter 41 of the Laws of Hong Kong (the "Ordinance").
- 1.2. Similarly, when an application is made to the Supreme Court of Bermuda (the "Bermuda Court") for an order to sanction a transfer of long term insurance business, it must be accompanied by a report on the terms of the Scheme by an Approved Actuary ("Approved Actuary") in conformance to Section 25 of the Bermuda Insurance Act 1978.
- 1.3. I, Clement Bonnet, have been appointed by both FWD Life Insurance Company (Bermuda) Limited ("FWD") and Sun Life Hong Kong Limited ("Sun Life") as the Independent Actuary in connection with the proposed scheme of transfer (the "Scheme") of certain long term pension business from FWD to Sun Life. The long term business involved is referred to as the "Transferring Business" and comprises the Class G insurance policies, excluding the four internal retirement plans for FWD agents and staff which will remain with FWD<sup>1</sup> (namely: Long Service Incentive Scheme ("LSIS"), Long Service Bonus Scheme ("LSBS"), VNB Fund Scheme and FWD Life Insurance Company (Bermuda) Limited Retirement Scheme, collectively called "FWD Retained ORSO Business"), written by FWD before the Transfer Date. The Class G policies are currently issued to trustees or employers of mandatory provident funds ("MPF") schemes and occupational retirement ("ORSO") schemes. The trustees or employers taking out these Class G insurance policies are collectively referred to herein as the "Transferring Policy holders". FWD and Sun Life are collectively referred to herein as the "Parties".
- 1.4. My appointment as the Independent Actuary has been noted by the Hong Kong Insurance Authority ("HK IA") and the Bermuda Monetary Authority ("BMA").
- 1.5. I prepared a report dated 26 June 2019 ("my Main Report") in which I considered the proposed transfer.

### Scope of this Supplementary Report

- 1.6. The purpose of this report (the "Supplementary Report") is to provide an updated assessment of the likely effects of the proposed transfer in light of any developments or significant events since the date of my Main Report. I also consider whether the conclusions reached in my Main Report remain valid in the light of updated financial information received.

<sup>1</sup> Five internal retirement plans were mentioned in my Main Report. The Victory Fund Scheme has been removed in the Supplementary Report as this Scheme was fully vested and all payments were made to FWD agents (except for two FWD agents who have not responded to FWD's invitation to claim for their benefits).

any other relevant significant events subsequent to the date of finalisation of my Main Report.

- 1.7. In reporting on the Scheme I owe a duty to the Hong Kong Court and the Bermuda Court to help them on matters within my expertise. This duty overrides any obligation to any person from whom I have received instructions or by whom I am paid. Details of the scope of my appointment, my qualifications, disclosures and the reliances and limitations applying to my work are provided in my Main Report.
- 1.8. This Supplementary Report should be read in conjunction with my Main Report, and both should be considered in their entirety. The reliances and limitations listed in Section 1 of my Main Report also apply equally to this report. In particular, this report does not provide financial or other advice to individual policy holders.
- 1.9. I understand that copies of this Supplementary Report will be made available on both FWD and Sun Life websites prior to the final court hearing (the "Sanctions Hearing").
- 1.10. I have been provided with free access to the information that I requested as necessary to conduct my work. The key documents that have been made available to me include the Scheme, the Reports of the Appointed Actuaries of the Parties as at 31 December 2018 (the "Reports of the Appointed Actuaries") on the Scheme, statutory reserve reports, crediting rates and investment policies, financial projections before and after the Scheme implementation and information related to management of the Parties. In addition, I have also been given unrestricted access to and held discussions with various representatives of the Parties.
- 1.11. The financial analysis in Section 3 of this Supplementary Report is based on audited financial information as at 31 December 2019. Other than as set out in the following sections, I am not aware of any recent developments that would materially affect my assessment of the proposed transfer.
- 1.12. This Supplementary report is based on data available to me and Milliman at, or prior to 14 August 2020, and takes no account of developments after that date. Neither I nor Milliman is under any obligation to update or correct inaccuracies which may become apparent in the report.

#### **Structure of this Supplementary Report**

- 1.13. This Supplementary Report is structured as follows:
  - Section 2 includes updates on relevant developments since I prepared my Main Report;
  - Section 3 provides an update of the financial position of FWD and Sun Life as at 31 December 2019;
  - Section 4 contains an overall conclusion.
- 1.14. An update of key statistics as at 31 March 2020 is provided in Appendix B.

## Section 2 Relevant developments

### Introduction

- 2.1. Since my Main Report has been produced there have been a number of developments of relevance to the Scheme, which I describe below.

### Key statistics as at 31 December 2019

#### FWD

- 2.2. The following table shows the details of the long term and retirement business of FWD as at 31 December 2019:

31 December 2019 Class	Number of policies	Amount of net liability (HK\$'m)
A	363,478	59,197
C	17,919	5,765
D	2,731	229
I	269	5
<b>Total</b>	<b>384,397</b>	<b>65,196</b>

31 December 2019 Class	Number of participating schemes	Account balance (HK\$'m)	Amount of net liability (HK\$'m)
G – MPF	4,160 (*)	863	889
G – ORSO	72	2,090	2,402
<b>Total</b>	<b>4,232</b>	<b>2,953</b>	<b>3,291</b>

(\*) The number of participating schemes refers to the number of employers while Appendix C lists out the number of MPF Class G policies.

Figures may not be additive due to rounding.

- 2.3. There is no change to the fund structures of FWD as at 31 December 2019.

#### Sun Life

- 2.4. The following table shows the details of the long term insurance business of Sun Life as at 31 December 2019:

<b>31 December 2019 Class</b>	<b>Number of policies</b>	<b>Amount of net liability (HK\$'m)</b>
A - Non-ring fenced	378,429	48,668
A - Ring fenced	101	45
C - Non-ring fenced	57,932	11,494
C - Ring fenced	2	9
I - Non-ring fenced	1,171	74
I - Ring fenced	2	16
<b>Total</b>	<b>437,637</b>	<b>60,306</b>

<b>31 December 2019 Class</b>	<b>Number of participating schemes</b>	<b>Account balance (HK\$'m)</b>	<b>Amount of net liability (HK\$'m)</b>
G - MPF - Non-ring fenced (*)	4,160 (**)	863	-
G - ORSO - Non ring-fenced (DA fund)	25	66	77
G - ORSO - Ring-fenced (DA fund)	55	834	965
H - ORSO - Ring fenced	4	694	694
Number of ORSO employer with both Class G and H Policies	(2)	-	-
MPF Class G Policies where FWD is the issuer of the insurance policies	(4,160)	(863)	-
<b>Total</b>	<b>82</b>	<b>1,594</b>	<b>1,736</b>

(\*) Newly acquired MPF Capital Guaranteed Portfolio, where FWD remains as the issuer of the insurance policies.

(\*\*) The number of participating schemes refers to the number of employers while Appendix A lists out the number of MPF Class G policies.

Figures may not be additive due to rounding.

- 2.5. There is no change to the fund structures of Sun Life as at 31 December 2019.

#### *The Transferring Business*

- 2.6. There is no change to the definition of the Transferring business as at 31 December 2019. On the Transfer Date, FWD will transfer all Class G policies under and in respect of the MPF schemes and ORSO schemes, including all certificates, supplemental coverages, endorsements, riders and ancillary agreements, written by FWD before the Transfer Date, except the four internal ORSO retirement plans for FWD agents and staff which will remain with FWD ("FWD Retained ORSO Business"). In particular, assets backing all liabilities of the Transferring Business (i.e. the sum of Account Balance, minimum GL7 reserve and additional smoothing reserves as defined in my Main Report in paragraph 7.7) will be

transferred to Sun Life and, therefore, there will be no surplus / shortfall between total assets and total liabilities as a result of the way the statutory reserve has been set up.

- 2.7. The following tables show the details of the Class G long term business of FWD as at 31 December 2018 and 31 December 2019.

Class G long term business of FWD			
31 December 2018	Number of participating schemes	Account balance (HK\$ million)	Amount of net liability (HK\$ million)
Class			
MPF	4,400	841	867
ORSO	81	2,049	2,306
Transferring ORSO Business	77	1,614	1,812
FWD Retained ORSO Business	4	435	494
<b>Total</b>	<b>4,481</b>	<b>2,890</b>	<b>3,174</b>

Class G long term business of FWD			
31 December 2019	Number of participating schemes	Account balance (HK\$ million)	Amount of net liability (HK\$ million)
Class			
MPF (*)	4,160	863	889
ORSO	72	2,090	2,402
Transferring ORSO Business	68	1,617	1,853
FWD Retained ORSO Business	4	473	549
<b>Total</b>	<b>4,232</b>	<b>2,953</b>	<b>3,291</b>

(\*) The number of participating schemes refers to the number of employers while Appendix C lists out the number MPF Class G policies.

Figures may not be additive due to rounding.

- 2.8. As at 31 December 2018, the long term business of FWD comprised 4,400 MPF schemes and 81 ORSO schemes while it comprised 4,160 MPF schemes and 72 ORSO schemes as at 31 December 2019. The amount of net liability of Class G ORSO business has increased between 31 December 2018 and 31 December 2019 from HK\$ 2,306 million to HK\$ 2,402 million. The amount of net liability of Class G MPF business has also increased from HK\$867 million as at 31 December 2018 to HK\$889 million as at 31 December 2019.
- 2.9. After transfer, both FWD and Sun Life fund structures will remain in line with what is described in my Main Report. In particular, to incorporate the Transferring Business, Sun Life will establish three new segregated Class sub-funds, namely new ORSO non-guaranteed sub fund, new ORSO capital guaranteed sub-fund and new MPF sub-fund.

### Considerations affecting benefit expectations of Class G policy holders

- 2.10. Considerations affecting benefit expectations of retirement business include discretionary elements such as non-guaranteed crediting rates, fees and charges and the rights of the Transferring Policy holders.
- 2.11. In particular, the discretionary benefits of FWD ORSO business are affected by a discretionary crediting rate which is subject to a minimum guaranteed rate. As at 31 December 2019, only minimum guaranteed crediting rate of 0% p.a. was applicable. The discretionary crediting rate is determined based on four criteria that are unchanged since my Main Report :
- (i) the actual net investment return (the investment spread of 0.95% has remained unchanged since 31 December 2018);
  - (ii) the stability of return to policy holders;
  - (iii) the long-term supportability of the crediting rate; and
  - (iv) the competitiveness of the crediting rate.
- 2.12. Based on the latest ORSO crediting rate recommendation approved by FWD Hong Kong Asset-Liability Management Committee ("HK ALMCO") and Board dated 12 November 2019 and 13 December 2019 respectively, a crediting rate of 2.20% p.a. was declared from October 2018 to September 2019 (it was also 2.20% p.a. from October 2017 to September 2018). An interim crediting rate of 1.50% is effective from January 2020 (it was also 1.50% in 2019) and has been determined using the same methodology as the one described in my Main Report.
- 2.13. Overall, there are no changes to the approach used to determine discretionary elements since my Main Report has been prepared. In particular the approach followed by FWD to determine the crediting rate remains unchanged. In addition, the future governance procedures and safeguards provided by Sun Life against a change of approach that could have an adverse effect on policy holders are unchanged.

### Conclusion

- 2.14. I am satisfied that none of the above developments affects the conclusions of my Main Report. The financial positions of FWD and Sun Life are considered in further detail in Section 3 of this Supplementary Report.

## Section 3 The updated financial position as at 31 December 2019

### Introduction

3.1. This section provides an update of the Class G policy reserves as at 31 December 2019 and also describes the financial position of FWD and Sun Life as at 31 December 2019.

### Policy reserves of the transfer as at 31 December 2019

3.2. In line with the methodology described in my Main Report, FWD statutory reserve of Class G long term business is equal to the sum of

- accumulation of contributions paid into the fund, reduced by applicable expenses, fees or charges, and increased by interest credited in accordance with the applicable guaranteed rate or declared rate ("Account Balance");
- provisions for investment guarantee ("GL7 reserves"); and
- additional smoothing reserves.

3.3. The table below shows the Statutory Reserve of the Transferring Business before and after the Transfer using two different valuation dates, i.e. 31 December 2018 and 31 December 2019:

31 December 2018	FWD – Before transfer			Sun Life – After transfer		
	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
MPF	841	20	6	841	20	6
Transferring ORSO Business	1,614	128	70	1,614	128	91
<b>Total</b>	<b>2,455</b>	<b>148</b>	<b>76</b>	<b>2,455</b>	<b>148</b>	<b>97</b>

31 December 2019	FWD – Before transfer			Sun Life – After transfer		
	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
MPF	863	14	12	863	14	12
Transferring ORSO Business	1,617	159	76	1,617	159	101
<b>Total</b>	<b>2,480</b>	<b>173</b>	<b>88</b>	<b>2,480</b>	<b>173</b>	<b>113</b>

*Figures may not be additive due to rounding.*

- 3.4. At Transfer Date, there will be no change in both minimum GL7 reserve and smoothing reserve for MPF. For ORSO business, in line with the approach described in my Main Report,

- Similar to FWD approach before the transfer, the minimum GL7 reserve for ORSO business (HK\$211 million) will be split between the Transferring ORSO Business and FWD Retained ORSO Business based on the Account Balance (HK\$159 million and HK\$51 million for the Transferring ORSO Business and FWD Retained ORSO Business respectively). As mentioned in my Main Report, even though historically the two types of business were managed in aggregate, this split was assessed to be reasonable given
  - (i) economic assumptions are set equal between the two blocks.
  - (ii) average historical lapse experience is close between the two blocks (although recent experience has been more volatile and has shown differences) and the minimum GL7 is not materially sensitive to change in lapses as shown in the tables below:

<b>Historical lapse experience for the two blocks of business</b>			
Lapse experience	Total	FWD Retained ORSO Business (*)	FWD Transferring ORSO Business
2015	6.3%	5.3%	6.6%
2016	6.6%	7.9%	6.2%
2017	8.5%	8.5%	8.5%
2018 (**)	9.9%	1.0%	13.1%
2019	6.5%	3.1%	7.4%
<b>Average</b>	<b>7.6%</b>	<b>5.2%</b>	<b>8.4%</b>

(\*) includes the two agency plans which did not strictly meet the criteria of retirement scheme principles.

(\*\*) 2018 experience appears to be driven by volatility in claims. 2017

<b>Lapse sensitivity tests on the minimum GL7 reserve</b>			
Minimum GL7 reserve expressed as a percentage of Account Balance	31 December 2018	31 December 2019	
<b>Base case scenario</b>	<b>8.76%</b>	<b>10.87%</b>	
Lapse assumption increases by 50% (i.e. 150% of the rates under the base case)	8.40%	10.72%	
Lapse assumption decreases by 50% (i.e. 50% of the rates under the base case)	9.43%	11.31%	

- (iii) a quantitative assessment was made as at year end 2015 showing that the account value is an appropriate driver to split the GL7 reserve.
- The entire ORSO smoothing reserve, i.e. smoothing reserve for both FWD Retained ORSO Business and Transferring ORSO Business, will be transferred to Sun Life, leading to a higher smoothing reserve for the Transferring Business after the transfer (HK\$101 million after the transfer while HK\$76 million before the transfer).

- 3.5. The table below shows the Statutory Reserve of FWD Retained ORSO Business before and after the Transfer using two different valuation dates, i.e. 31 December 2018 and 31 December 2019.

HK\$ million	Before transfer			After transfer			
	31 December 2018	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
FWD Retained ORSO Business		435	38	21	435	38	21
HK\$ million	Before transfer			After transfer			
31 December 2019	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve	
FWD Retained ORSO Business		473	51	25	473	51	25

*Figures may not be additive due to rounding.*

- 3.6. Even though the entire ORSO smoothing reserve will be transferred to Sun Life at Transfer Date, FWD will set up smoothing reserve for FWD Retained ORSO Business after the transfer equal to the smoothing reserve before the transfer based on the split of the total smoothing reserve based on the Account Balance (HK\$25 million). The smoothing reserve will be funded from FWD Shareholders' Fund. Given the relatively limited size of this smoothing reserve, setting up this additional reserve will have an immaterial impact on the overall solvency position of FWD and therefore on the financial security of policy holders of the non-transferring policies of FWD.

#### Financial position as at 31 December 2019

- 3.7. From the audited accounts as at 31 December 2019, the valuation of FWD, under the Hong Kong statutory basis, included total liabilities of HK\$100,442 million. This was compared with total assets of HK\$111,379 million. When all assets are included (including the non-distributable surplus of HK\$391 million) except the amount of capital for FWD Vietnam and FWD Malaysia (HK\$2,117 million), there are HK\$6,339 million assets in excess of total liabilities. This is higher than the Hong Kong required minimum solvency margin of HK\$2,872 million.

	FWD Total
<b>31 December 2019 - HKFRS</b>	
<b>HK\$ million</b>	
<b>Assets</b>	
Intangible Assets	0
Held-to-maturity financial assets	3,553
Available-for-sale financial assets	67,666
Financial assets at fair value through profit or loss	11,755
Loans and receivables	1,158
Deferred Tax Assets	0
Reinsurance Assets	14,174
Other Assets	10,339
Insurance receivables	2,733
<b>Total Assets</b>	<b>111,379</b>
Insurance contract liabilities(*)	92,341
Investment contract liabilities	2,498
Liabilities held for sale	2,791
Other Liabilities	2,812
<b>Total Liabilities</b>	<b>100,442</b>
<b>Net assets</b>	<b>10,937</b>
Non-distributable surplus	391
Capital for FWD Vietnam and FWD Malaysia	(2,117)
<b>Statutory net assets</b>	<b>9,211</b>
Required Solvency margin	2,872
<b>Surplus over Statutory Solvency Margin</b>	<b>6,339</b>

*Figures may not be additive due to rounding.*

*Exchange rate as at 31 December 2019 is US\$1 = HK\$7.78645184.*

*(\*) Including non-distributable surplus of HK\$391m.*

- 3.8. Before transfer, as at 31 December 2019, the Hong Kong statutory valuation of Sun Life included total liabilities of HK\$77,535 million. This was compared with total assets of HK\$84,977 million. When all assets are included there are HK\$7,442 million assets in excess of total liabilities. This is higher than the Hong Kong required minimum solvency margin of HK\$2,369 million.

HK\$ million	31 December 2019 - HKFRS Class G	Sun Life - Before transfer		
		Shareholders	Fund and Others	Total
<b><u>Assets</u></b>				
Intangible Assets	-	1,099		1,099
Plant & equipment	-	85		85
ROU assets	-	524		524
Investments in securities	1,249	74,525		75,774
Reinsurance assets	-	3,306		3,306
Interest in a subsidiary	2	318		320
Investments in associate	-	221		221
Loans and other receivables	-	1,029		1,030
Deferred Tax Asset	-	-		-
Deferred Origination Cost (DOC)	-	808		808
Amount due to Shareholders' Fund / Amount due from Long Term business	(51)	51		-
Other Assets	1	679		680
Bank balances & cash	5	1,125		1,130
<b>Total Assets</b>	<b>1,207</b>	<b>83,770</b>		<b>84,977</b>
<b><u>Liabilities</u></b>				
Insurance contract liabilities	1,042	59,300		60,342
Investment contract liabilities	-	5,203		5,203
Amount on deposits	-	8,117		8,117
Deferred Tax Liabilities	-	182		182
Other Liabilities	165	3,526		3,690
<b>Total Liabilities</b>	<b>1,207</b>	<b>76,328</b>		<b>77,535</b>
<b>Net assets</b>				<b>7,442</b>
Required Solvency margin				2,369
<b>Surplus over Statutory Solvency Margin</b>				<b>5,072</b>

*Figures may not be additive due to rounding.*

- 3.9. After transfer, as at 31 December 2019, the Hong Kong statutory valuation of Sun Life included total net liabilities of HK\$80,302 million. This was compared with total assets of HK\$87,743 million. When all assets are included there are HK\$7,442 million assets in

excess of total liabilities. This is higher than the Hong Kong required minimum solvency margin of HK\$2,369 million.

HK\$ million	31 December 2019 - HKFRS Class G	Sun Life - After transfer		
		Shareholders Fund and Others		Total
<b><u>Assets</u></b>				
Intangible Assets	-	1,199		1,199
Plant & equipment	-	85		85
ROU assets	-	524		524
Investments in securities	4,015	74,525		78,540
Reinsurance assets	-	3,306		3,306
Interest in a subsidiary	2	318		320
Investments in associate	-	221		221
Loans and other receivables	-	1,029		1,030
Deferred Tax Asset	-	0		0
Deferred Origination Cost (DOC)	-	808		808
Amount due to Shareholders' Fund / Amount due from Long Term business	(51)	51		0
Other Assets	1	679		680
Bank balances & cash	5	1,025		1,030
<b>Total Assets</b>	<b>3,973</b>	<b>83,770</b>		<b>87,743</b>
<b><u>Liabilities</u></b>				
Insurance contract liabilities	3,808	59,300		63,108
Investment contract liabilities	-	5,203		5,203
Amount on deposits	-	8,117		8,117
Deferred Tax Liabilities	-	182		182
Other Liabilities	165	3,526		3,690
<b>Total Liabilities</b>	<b>3,973</b>	<b>76,328</b>		<b>80,301</b>
<b>Net assets</b>				<b>7,442</b>
Required Solvency margin				2,369
<b>Surplus over Statutory Solvency Margin</b>				<b>5,072</b>

Figures may not be additive due to rounding.

- 3.10. The table below compares free asset ratios before and after the transfer as at 31 December 2017, 31 December 2018 and 31 December 2019. As at 31 December 2017 and as at 31 December 2018, Sun Life's free asset ratio was higher than FWD's free asset ratio while

the ratio is closer as at 31 December 2019 given FWD injected US\$225 million (HK\$1,752 million) of capital in August 2019.

31 December 2017 HK\$ million	FWD before transfer	Sun Life after transfer
<b>Total company</b>		
Total liabilities including solvency margin (A)	86,609	70,512
Surplus over solvency margin (B)	4,035	4,122
<b>Free asset ratio (B) / (A)</b>	<b>4.7%</b>	<b>5.8%</b>
31 December 2018 HK\$ million	FWD before transfer	Sun Life after transfer
<b>Total company</b>		
Total liabilities including solvency margin (A)	92,918	68,586
Surplus over solvency margin (B)	4,278	4,258
<b>Free asset ratio (B) / (A)</b>	<b>4.6%</b>	<b>6.2%</b>
31 December 2019 HK\$ million	FWD before transfer	Sun Life after transfer
<b>Total company</b>		
Total liabilities including solvency margin (A)	103,314	82,670
Surplus over solvency margin (B)	6,339	5,072
<b>Free asset ratio (B) / (A)</b>	<b>6.1%</b>	<b>6.1%</b>

- 3.11. As at 31 December 2019, there is no additional solvency margin requirement in Hong Kong for Class G business on top of the existing GL7 reserve requirement. However the comparison of the overall solvency position of both FWD and Sun Life should also help assess the financial security of policy holders. The table below compares the solvency ratios as at 31 December 2017, 31 December 2018 and 31 December 2019 for both FWD and Sun Life before transfer.

Solvency ratio before transfer	FWD (*)	Sun Life (**)
31 December 2017	244%	257%
31 December 2018	233%	256%
31 December 2019	321%	266%

(\*) The solvency ratios exclude the amount of capital for FWD Malaysia and FWD Vietnam and includes the capital injection of US\$225 million. The increase in solvency ratio between 31 December 2018 and 31 December 2019 is due to a capital injection of US\$ 225 million in August 2019.

(\*\*) The solvency ratios reflect the modified coinsurance signed in August 2016.

3.12. Sun Life's solvency ratio has slightly increased from 256% as at 31 December 2018 to 266% as at 31 December 2019. FWD's solvency ratio increased significantly between 31 December 2018 and 31 December 2019 due to a capital injection of US\$225 million in August 2019. Overall, and similar to the conclusions of my Main Report, the actual solvency positions of both Sun Life and FWD remain well above the minimum regulatory requirement as at 31 December 2019.

3.13. Insurance companies are required to examine annually the financial position of the overall business under a number of adverse scenarios as prescribed by the Actuarial Guidance Note 7 ("AGN7") on Dynamic Solvency Testing ("DST") issued by the Actuarial Society of Hong Kong and required by the HK IA. I have been provided with these DST results for FWD and Sun Life with and without the Transferring Business as at 31 December 2019. I have considered these results to assess the impact of the Scheme on the Transferring Business

- The future solvency positions of both FWD and Sun Life are not materially impacted by whether or not the proposed transfer is executed. In particular the future solvency positions of both FWD before the transfer and Sun Life after the transfer remain satisfactory. In particular it remains above the regulatory requirement under most of the sets of scenarios tested and above 100% under all the scenarios tested.
- The risk exposure of Sun Life total portfolio after transfer appears to be relatively comparable to the risk exposure of FWD before transfer, although FWD may be more materially exposed to certain risks than Sun Life. For both companies, the drop in interest rates, combined with an equity market and real estate shock is the most adverse prescribed scenario (prescribed scenario 3).

As a consequence, I consider that my conclusions in respect of the risk exposures of policy holders remain valid and the risk exposure of policy holders will not be materially impacted by the transfer.

3.14. In addition, the overall solvency position of Sun Life is not materially impacted by whether or not the proposed transfer is executed given the Transferring Business only accounts for less than 5% of the total Sun Life liabilities as at 31 December 2019.

### Conclusion

3.15. Based on the paragraphs above, the overall financial position of both FWD and Sun Life (before and after Transfer) has not changed significantly between 31 December 2018 and

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31 December 2019. I am satisfied that my conclusions in respect of the financial position of both FWD and Sun Life before and after transfer remain valid.

## Section 4 Conclusions

- 4.1. I have considered relevant developments brought to my attention by FWD and Sun Life since the completion of my Main Report. I have not changed my conclusions regarding the likely effects of the Scheme.
- 4.2. In my opinion,
  - The Scheme will have no material adverse effect on the reasonable benefit expectations of the Transferring Policy holders of FWD, the policy holders of the non-transferring policies of FWD or the existing policy holders of Sun Life.
  - The Scheme will have no material adverse effect on the financial security of the Transferring Policy holders of FWD, the policy holders of the non-transferring policies of FWD or the existing policy holders of Sun Life.
  - The Scheme will have no material adverse effect on the level of service to the long term policy holders of FWD and Sun Life.
  - I am satisfied that the Scheme provides sufficient safeguards to ensure that the Scheme operates as presented.

Clement Bonnet  
Independent Actuary  
14 August 2020

C. Bonnet.

## APPENDIX A: DYNAMIC SOLVENCY TESTING (“DST”) RESULTS AND ASSUMPTIONS

### FWD and Sun Life results before and after transfer

The tables below show the DST results for the six prescribed scenarios and additional compound and plausible adverse scenarios.

#### Solvency position of FWD before transfer

	2020 YE	2021 YE	2022 YE
Baseline	206%	225%	225%
<u>Prescribed scenario</u>			
Prescribed scenario 1	204%	222%	220%
Prescribed scenario 2	196%	206%	202%
Prescribed scenario 3 (*)	150%	150%	150%
Prescribed scenario 4 (*)	150%	219%	278%
Prescribed scenario 5	187%	179%	151%
Prescribed scenario 6	212%	251%	278%
<u>Compound scenario</u>			
Compound scenario 1 (*)	150%	168%	169%
Compound scenario 2	163%	163%	150%
Compound scenario 3	170%	186%	183%
<u>Additional plausible adverse scenario</u>			
Additional plausible adverse scenario 1	195%	215%	216%
Additional plausible adverse scenario 2 (*)	150%	175%	180%
<u>Change from baseline</u>			
<u>Prescribed scenario</u>			
Prescribed scenario 1	-2%	-3%	-5%
Prescribed scenario 2	-10%	-19%	-24%
Prescribed scenario 3 (*)	-56%	-75%	-75%
Prescribed scenario 4 (*)	-56%	-6%	53%
Prescribed scenario 5	-19%	-46%	-75%
Prescribed scenario 6	6%	26%	52%
<u>Compound scenario</u>			

	2020 YE	2021 YE	2022 YE
Compound scenario 1 (*)	-56%	-57%	-57%
Compound scenario 2	-43%	-62%	-75%
Compound scenario 3	-36%	-39%	-42%
<u>Additional plausible adverse scenario</u>			
Additional plausible adverse scenario 1	-11%	-10%	-9%
Additional plausible adverse scenario 2 (*)	-56%	-51%	-45%

(\*) Additional management actions have been taken into account

#### Solvency position of FWD after transfer

	2020 YE	2021 YE	2022 YE
Baseline	206%	225%	225%
<u>Prescribed scenario</u>			
Prescribed scenario 1	204%	222%	220%
Prescribed scenario 2	196%	206%	202%
Prescribed scenario 3 (*)	150%	150%	150%
Prescribed scenario 4 (*)	150%	221%	279%
Prescribed scenario 5	187%	179%	151%
Prescribed scenario 6	212%	251%	278%
<u>Compound scenario</u>			
Compound scenario 1 (*)	150%	168%	169%
Compound scenario 2	163%	163%	150%
Compound scenario 3	170%	186%	183%
<u>Additional plausible adverse scenario</u>			
Additional plausible adverse scenario 1	195%	216%	217%
Additional plausible adverse scenario 2 (*)	150%	175%	180%
<u>Change from baseline</u>			
<u>Prescribed scenario</u>			
Prescribed scenario 1	-2%	-3%	-5%
Prescribed scenario 2	-10%	-19%	-23%
Prescribed scenario 3 (*)	-56%	-75%	-75%

Prescribed scenario 4 (*)	-56%	-5%	54%
Prescribed scenario 5	-19%	-46%	-75%
Prescribed scenario 6	6%	26%	52%
<u>Compound scenario</u>			
Compound scenario 1 (*)	-56%	-57%	-57%
Compound scenario 2	-43%	-62%	-75%
Compound scenario 3	-36%	-39%	-42%
<u>Additional Plausible Adverse Scenario</u>			
Additional Plausible Adverse Scenario 1	-10%	-10%	-9%
Additional Plausible Adverse Scenario 2 (*)	-56%	-51%	-45%

(\*) Additional management actions have been taken into account

**Solvency position of Sun Life before transfer**

	2020 YE	2021 YE	2022 YE
Baseline	275%	226%	209%
<u>Prescribed scenario</u>			
Prescribed scenario 1	270%	215%	193%
Prescribed scenario 2	262%	201%	173%
Prescribed scenario 3 (*)	192%	134%	112%
Prescribed scenario 4	152%	210%	285%
Prescribed scenario 5	264%	200%	170%
Prescribed scenario 6	283%	250%	249%
<u>Plausible adverse scenario</u>			
Plausible adverse scenario 1	202%	194%	216%
Plausible adverse scenario 2	144%	194%	251%
Plausible adverse scenario 3 (*)	209%	134%	110%
Plausible adverse scenario 4	268%	209%	184%
Plausible adverse scenario 5	269%	219%	202%
Plausible adverse scenario 6	213%	171%	160%
<u>Change from baseline</u>			
<u>Prescribed scenario</u>			
Prescribed scenario 1	-5%	-11%	-16%
Prescribed scenario 2	-13%	-25%	-36%
Prescribed scenario 3 (*)	-83%	-92%	-97%
Prescribed scenario 4	-123%	-16%	76%
Prescribed scenario 5	-11%	-26%	-39%
Prescribed scenario 6	8%	24%	40%
<u>Plausible adverse scenario</u>			
Plausible adverse scenario 1	-73%	-32%	7%
Plausible adverse scenario 2	-131%	-32%	42%
Plausible adverse scenario 3 (*)	-66%	-92%	-99%
Plausible adverse scenario 4	-7%	-17%	-25%
Plausible adverse scenario 5	-6%	-7%	-7%
Plausible adverse scenario 6	-62%	-55%	-49%

(\*) Additional management actions have been taken into account

**Solvency position of Sun Life after transfer**

	2020 YE	2021 YE	2022 YE
Baseline	271%	223%	206%
<u>Prescribed scenario</u>			
Prescribed scenario 1	266%	212%	190%
Prescribed scenario 2	258%	198%	170%
Prescribed scenario 3 (*)	188%	129%	107%
Prescribed scenario 4	147%	205%	280%
Prescribed scenario 5	260%	197%	168%
Prescribed scenario 6	279%	247%	246%
<u>Plausible adverse scenario</u>			
Plausible adverse scenario 1	198%	191%	215%
Plausible adverse scenario 2	140%	190%	246%
Plausible adverse scenario 3 (*)	204%	130%	108%
Plausible adverse scenario 4	263%	205%	181%
Plausible adverse scenario 5	265%	216%	200%
Plausible adverse scenario 6	209%	168%	158%
<u>Change from baseline</u>			
<u>Prescribed scenario</u>			
Prescribed scenario 1	-5%	-11%	-16%
Prescribed scenario 2	-13%	-25%	-36%
Prescribed scenario 3 (*)	-83%	-94%	-99%
Prescribed scenario 4	-124%	-18%	74%
Prescribed scenario 5	-11%	-26%	-38%
Prescribed scenario 6	8%	24%	40%
<u>Plausible adverse scenario</u>			
Plausible adverse scenario 1	-73%	-32%	9%
Plausible adverse scenario 2	-131%	-33%	40%
Plausible adverse scenario 3 (*)	-67%	-93%	-98%
Plausible adverse scenario 4	-8%	-18%	-25%
Plausible adverse scenario 5	-6%	-7%	-6%
Plausible adverse scenario 6	-62%	-55%	-48%

(\*) Additional management actions have been taken into account

## Critical Assumptions in DST

### F1. Summary of critical assumptions

The base scenarios use a realistic set of assumptions for investment return, management expenses and new business sales used to project the financial position over the forecast period of three years.

#### *FWD specific assumptions*

The base scenario is based on the business plan conducted at mid-year 2019 with the following updated:

- Use of best estimate assumption effective as at year end 2019;
- In-force business data as at year end 2019.

Given the volatility observed in the market during the first quarter of 2020, the following adjustments have also been considered:

- Latest reforecast of new business sales;
- Interest rate and equity value up to 31 March 2020.

#### *Sun Life specific assumptions*

The base scenario is a realistic set of assumptions that are used to forecast Sun Life's financial position and condition over the forecast period. The base scenario is consistent with the Hong Kong Statutory Business Plan submitted to the IA in June 2020 with the additional inclusion of the new coinsurance signed at the end of March 2020 that covers inforce High Net Worth business.

The starting point of the projection is 31 December 2019 and the opening assets, liabilities, net assets and solvency ratio are the actual 2019 year end statistics as at 31 December 2019.

### F2. Summary of scenarios

The scenarios conducted under the DST are as prescribed under the Guidance Note issued by the Actuarial Society of Hong Kong and required by the HK IA, with the aim to investigate the likely solvency of the companies under a range of adverse scenarios in the near future.

### F3. Detailed descriptions of scenarios

The prescribed scenarios illustrated in the DST are as follows:

- *Prescribed scenario 1: deterioration in claims experience*

Throughout the forecast period, allow for:

- 15% deterioration in mortality rates for life business;
- 15% deterioration in morbidity rates;
- 15% increase in incidence rates for disability, accident and sickness; and
- No adjustment in mortality for annuity business (it is noted that this approach is different from the standard AGN7 approach but it is considered to be appropriate due to the lack of materiality of the annuity business).

- *Prescribed scenario 2: deterioration in persistency experience*

Throughout the forecast period, allow for an increase or decrease in lapse rates of 5%, depending on which alternative produces the most adverse results, by product.

- *Prescribed scenario 3: drop in interest rates, combined with a market crash*

Throughout the forecast period, and commencing immediately after the valuation date:

- Interest rates are set to 70% of the rates projected in the base scenario; and
- Equity and real estate market value fall by 25% in the first year, and then grow at the same rate as the base scenario

- *Prescribed scenario 4: rise in interest rates, combined with a market crash*

- Interest rates are set to be 130% of the base scenario or the base scenario rates plus 2%, whichever is greater; and
- Equity and real estate market value fall by 25% in the first year, and then grow at the same rate as the base scenario

- *Prescribed scenario 5: high new business growth rates*

High growth throughout the forecast period, with growth rate being 30%, or 150% of plan growth rate if higher, and with a reasonable increase in expenses, consistent with the higher growth.

- *Prescribed scenario 6: low new business growth rates*

Low growth throughout the forecast period, with year 1 sales being 80% of current year, followed by 20% drop for years 2 and 3, without any saving in expenses other than commission and commission-related expenses that are directly related to the new sales volume.

The compound scenarios illustrated in FWD DST are as follows:

- *Compound scenario 1: pandemic outbreak*

Throughout the forecast period, allow for:

- Excess death of 0.75 per 1,000 at all ages in year 1;
- Excess morbidity of 1.50 per 1,000 at all ages in year 1;
- 15% increase in incidence rates for disability , accident and sickness;
- Equity and real estate market value dropped by 25%

- *Compound scenario 2: HKD/USD Spread Widening*

Throughout the forecast period, allow for:

- 1% increase in USD government bond yield;
- Flat HKD bond yield;
- 1.5% increase in inflation assumption;
- Policy holder dividend increased by 15%;
- Universal life credit rate increased by average 0.2%

- *Compound scenario 3: HKD/USD Unpegged*

Throughout the forecast period, allow for:

- USD and SGD depreciated by 10%;
- Equity and real estate value drops by 25%;
- 20% shock lapse of USD policies.

The plausible adverse scenarios illustrated in FWD DST are as follows:

- *Plausible adverse scenario 1: Operational Incidents*

- This is an operational scenario. It happens when an error in unit pricing calculation occurs for Class C and G business that adversely impacts the accuracy of the net asset value, and a business operation disruption, resulting from the system failure for business other than Class C and G.

- *Plausible adverse scenario 2: Counterparty Default Events*

- This is a counterparty default scenario. It happens when an economic recession triggering the defaults of major corporate bond issuers and the reinsurers.

The plausible adverse scenarios illustrated in Sun Life DST are as follows:

- *Plausible adverse scenario 1: Credit spread widening*

This scenario tests the economic impact from a widening of credit spreads triggering the following changes in economic assumptions.

- 150bps increase in credit spread for investment grade bonds.
  - 250bps increase in credit spread for non-investment grade bonds.

- *Plausible adverse scenario 2: Credit crises*

This scenario tests a credit crisis triggering the following changes in economic assumptions.

- Short-term rates, medium-term rates and long-term rates increase immediately in 2020 by 1.00%. Interest rates then stay at this shocked level over the projection period.
  - Credit spreads of corporate bonds increase immediately in 2020 by 1.00% (rating BBB or above) and 1.25% (below BBB), then stay at this shocked level over the projection period.
  - Equity market value drops by 20% in 2020 and then equity continues to grow at the base scenario rate for the following years.
  - Public and private bond and mortgage default rates are 500% of the base scenario in 2020 and the same as base scenario for the following years.

- *Plausible adverse scenario 3: USD / HKD non parallel drop*

This scenario tests the economic impact from a non-parallel drop of USD and HKD interest rates. The shocked economic assumptions are the following:

- For USD economics, short-term rates, medium-term rates and long-term rates gradually drop by 1.00% by the end of the first year and then stay 1.00% lower than the base scenario over the remaining projection period.
  - For HKD economics, short-term rates, medium-term rates and long-term rates gradually drop by 0.50% by the end of the first year and then stay 0.50% lower than the base scenario over the remaining projection period.
  - Credit spreads of corporate bonds gradually increase by 0.50% by the end of the first year and then stay 0.50% higher than the base scenario over the remaining projection period.

- HKD-USD currency swap spread differential adversely changes by 100bps at the end of the first year and then stay at this level over the projection period.
- Equity market value drops by 10% per annum during the projection period.
- Public and private bond and mortgage default rates are 200% of the base scenario over the projection years.
- *Plausible adverse scenario 4: Anti-selective policy holder behaviour*

This scenario assumes structural changes in the marketplace leading to some forms of anti-selection against the Company. Therefore, this scenario explores the effects of increased sophistication in the marketplace leading to anti-selective policy holder behavior through the opportunistic exercise of premium payment flexibility, partial withdrawal and voluntary termination of contracts.

- 15% deterioration in mortality rates.
- 15% deterioration in morbidity rates.
- Lapse rates will change +/-25%, depending on which alternative produces the most adverse results by product.
- For Universal Life and linked products, the premium persistency will be set to 75% of base scenario and partial withdrawal turns to 10% in 2019.
- *Plausible adverse scenario 5: Operational incidents*

This scenario examines the resilience of the business to operational incidents, particularly for classed C and G business that have a relatively low minimum solvency requirement under the Ordinance. This scenario assumes the following:

- An error was detected after the 2019 year end reporting. In particular, 10% of the account value of Class C and Class G business was recorded and reported by 15% lower than the true account value due to an investment allocation mistake. Consequently, the Company will have to compensate the reduced payments to policy holders to correct the account value and will receive a regulatory fine of HKD 5 million.
- This event has an adverse impact on the Company's reputation, which causes 10% additional lapses for Class C products in first two years and the marketing expense in year 2020 and 2021 are HKD 20 million higher to acquire new business.
- *Plausible adverse scenario 6: Flu Pandemic & reinsurer default*

This scenario examines the impact of an outbreak of a worldwide flu pandemic which negatively impacts many insurers' mortality / morbidity claims. Meanwhile reinsurers are severely impacted because of the large amount of quota share reinsurance that has been ceded, which leads to default of some reinsurers. The main assumptions are the following:

- 
- The Company experiences higher mortality claims in 2020, in aggregate around 7 per thousand higher mortality rate. Claim experience returns to base in the following period.
  - Critical Illness (CI) and Hospital Income (HI) claim experience in 2020 is also adversely impacted, resulting in negative income impact. The negative income impact is assumed to be 2% of the actual 2019 CI Claims and 25% of the actual 2019 HI claims.
  - This scenario assumes that RGA (the most significant reinsurer for the Company) defaults in 2020, causing 50% of the above excess claims not recovered from RGA. This scenario also assumes that the Company will recapture the ceded business from RGA and find a new reinsurer to cover the recaptured business at the end of 2020. The reinsurance rates for both inforce and future new business continue to be guaranteed but are increased by 20%.

## APPENDIX B: KEY STATISTICS AS AT 31 MARCH 2020

### Transferring business key statistics

The following tables show the detailed of the Class G long term business of FWD as at 31 December 2019 and as at 31 March 2020.

Class G long term business of FWD			
31 December 2019	Number of participating schemes	Account balance (HK\$ million)	Amount of net liability (HK\$ million)
Class			
MPF (*)	4,160	863	889
ORSO	72	2,090	2,402
Transferring ORSO Business	68	1,617	1,853
FWD Retained ORSO Business	4	473	549
<b>Total</b>	<b>4,232</b>	<b>2,953</b>	<b>3,291</b>

Class G long term business of FWD			
31 March 2020	Number of participating schemes	Account balance (HK\$ million)	Amount of net liability (HK\$ million)
Class			
MPF (*)	4,142	837	863
ORSO	72	2,083	2,365
Transferring ORSO Business	68	1,588	1,798
FWD Retained ORSO Business	4	495	567
<b>Total</b>	<b>4,214</b>	<b>2,920</b>	<b>3,228</b>

(\*) The number of participating schemes refers to the number of employers while Appendix C lists out the number MPF Class G policies.

Figures may not be additive due to rounding.

As at 31 December 2019, the long term business of FWD comprised 4,160 MPF schemes and 72 ORSO schemes while it comprised 4,142 MPF schemes and 72 ORSO schemes as at 31 March 2020. The amount of net liability of Class G ORSO business has slightly decreased between 31 December 2019 and 31 March 2020 from HK\$ 2,402 million to HK\$ 2,365 million mainly due to a decrease in account balance. The amount of net liability of Class G MPF business has also slightly decreased from HK\$ 889 million as at 31 December 2019 to HK\$ 863 million as at 31 March 2020.

### Policy reserves before and after Transfer

The following tables show the Statutory Reserve of the Transferring Business before and after the Transfer using two different valuation dates, i.e. 31 December 2019 and as at 31 March 2020.

HK\$ million 31 December 2019	FWD – Before transfer			Sun Life – After transfer		
	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
MPF	863	14	12	863	14	12
Transferring ORSO Business	1,617	159	76	1,617	159	101
<b>Total</b>	<b>2,480</b>	<b>173</b>	<b>88</b>	<b>2,480</b>	<b>173</b>	<b>113</b>

HK\$ million 31 March 2020	FWD – Before transfer			Sun Life – After transfer		
	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
MPF	837	25	1	837	25	1
Transferring ORSO Business	1,588	151	59	1,588	151	79
<b>Total</b>	<b>2,424</b>	<b>176</b>	<b>60</b>	<b>2,424</b>	<b>176</b>	<b>80</b>

Figures may not be additive due to rounding.

At Transfer Date, there will be no change in both minimum GL7 reserve and smoothing reserve for MPF. For ORSO business, in line with the approach described in my Main Report,

- Similar to FWD approach before the Transfer, the minimum GL7 reserve for ORSO business will be split between FWD Retained ORSO Business and the Transferring ORSO Business based on the Account Balance.
- The entire ORSO smoothing reserve, i.e. smoothing reserve for both FWD Retained ORSO Business and Transferring ORSO Business will be transferred to Sun Life, leading to a higher smoothing reserve for the Transferring Business after the Transfer.

The Table below shows the Statutory Reserve of FWD Retained ORSO Business before and after the Transfer using two different valuation dates, i.e. 31 December 2019 and 31 March 2020.

HK\$ million 31 December 2019	Before transfer			After transfer		
	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
FWD Retained ORSO Business	473	51	25	473	51	25

HK\$ million 31 March 2020	Before transfer			After transfer		
	Account balance	Minimum GL7 reserve	Smoothing reserve	Account balance	Minimum GL7 reserve	Smoothing reserve
FWD Retained ORSO Business	495	51	20	495	51	20

**Financial position**

The table below compares free asset ratios before and after the transfer as at 31 December 2019 and as at 31 March 2020.

31 December 2019 HK\$ million	FWD before transfer	Sun Life after transfer
Total company		
Total liabilities including solvency margin (A)	103,314	82,671
Surplus over solvency margin (B)	6,339	5,072
<b>Free asset ratio (B) / (A)</b>	<b>6.1%</b>	<b>6.1%</b>

31 March 2020 HK\$ million	FWD before transfer	Sun Life after transfer
Total company		
Total liabilities including solvency margin (A)	109,901	85,679
Surplus over solvency margin (B)	5,928	4,855
<b>Free asset ratio (B) / (A)</b>	<b>5.4%</b>	<b>5.7%</b>

Both FWD and Sun Life free asset ratios have reduced between 31 December 2019 and 31 March 2020 as a result of the recent drop in the financial market. Sun Life free asset ratio is however more stable than FWD's.

The table below compares the solvency ratios as at 31 December 2019, 31 January 2020, 29 February 2020, and 31 March 2020 for both FWD and Sun Life before transfer.

Solvency ratio before transfer	FWD (*)	Sun Life (**)
31 December 2019	321%	266%
31 January 2020	298%	240%
29 February 2020	263%	232%
31 March 2020	193%	265%

(\*) The solvency ratios exclude the amount of capital for FWD Malaysia and FWD Vietnam.

(\*\*) The solvency ratios reflect the modified coinsurance signed in August 2016.

FWD's solvency ratio has reduced from 321% as at 31 December 2019 to 193% as at 31 March 2020 as a result of the recent drop in the financial market. Sun Life's solvency ratio has also reduced to a lesser extent but the actual solvency positions of both Sun Life and FWD remain above the minimum regulatory requirement as at 31 March 2020.

### Conclusion

I am satisfied that none of the above developments affects the conclusions of either my Main Report or the main sections of my Supplementary Report.

## APPENDIX C: THE TRANSFERRING POLICIES AS AT 31 DECEMBER 2019

### C.1 List of Class G Policies – MPF Schemes as at 31 December 2019

	Class G Policies	Policy Number	Date of the Policy	Relevant MPF Scheme
1	FWD MPF Capital Guaranteed Policy	B001-CGP	(missing)	Sun Life MPF Basic Scheme – Capital Guaranteed Portfolio
2	FWD MPF Capital Guaranteed Policy	C002-CGP	29-Mar-01	Sun Life MPF Comprehensive Scheme – Capital Guaranteed Portfolio
3	FWD MPF Capital Guaranteed Policy	S001-CGP	01-Dec-00	Sun Life MPF Master Trust - Capital Guaranteed Portfolio

### C.2 List of Class G Policies – ORSO Schemes as at 31 December 2019

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
1	Albert Jewellery Company Limited Provident Fund Scheme	110002 72	03-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
2	Alitom Engineers Ltd Provident Fund Scheme	110003 27	27-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
3	Asia Pacific Adjusters Limited Provident Fund Scheme	150001 00	03-Jan-08	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
4	Campell Group (Hong Kong) Limited Provident Fund Scheme	110002 93	10-Mar-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
5	Checkpoint Apparel Labelling Solutions Asia Limited Provident Fund Scheme	110001 94	03-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
6	China Europus (International) Ltd. Employees' Retirement Scheme	110000 17	28-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
7	Parsons Delcan Inc. Provident Fund Scheme	110005 01	22-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
8	DHL Global Forwarding (Hong Kong) Limited Provident Fund Scheme	190007 71	10-Apr-96	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
9	Dimension Data China/Hong Kong Limited Provident Fund	150003 84	04-Dec-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
10	Drew Ameroid (Singapore) Pte. Limited Provident Fund Scheme	110002 07	27-Jun-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
11	EL Grande Holdings Limited Provident Fund Scheme	150009 32	12-May-98	FWD Multi-Funding Provident Plan	Insurance Policy based	1. Registered ORSO Scheme  2. Has not applied for MPF exemption
12	Fatti Components Limited Employees' Retirement Scheme	110000 31	25-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
13	Fook Lam Moon Restaurant Ltd. Provident Fund Scheme	150002 14	07-Feb-06	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
14	FWD Life Macau Agency Long Service Incentive Plan	110010 18	2010	FWD Multi-Funding Provident Plan	Insurance Policy based	1. Exempted ORSO Scheme  2. Has not applied for MPF exemption
15	FWD Life Macau Staff Provident Fund	110010 19	01-Aug-00	FWD Multi-Funding Provident Plan	Insurance Policy based	1. Exempted ORSO Scheme  2. Has not applied for MPF exemption
16	Group Retirement Plan for Members of Community Health Services Ltd.	150010 30	10-Sep-10	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
17	Hi-Watt International Enterprises Ltd Provident Fund Scheme	150003 72	10-Dec-08	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
18	Honda Button Company Limited Provident Fund Scheme	190006 82	28-Oct-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
19	Hong Kong Young Women's Christian Association Provident Fund	150006 60	04-Dec-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
20	Hop Hing Group Provident Fund Scheme	150001 42	03-Jun-05	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
21	Kasikorbank Public Company Limited Provident Fund Scheme	110003 86	25-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
22	Kassel Park Engineering Company Limited Provident Fund Scheme	110004 48	23-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
23	Kau Kee Trading Co., Limited Provident Fund Scheme	110002 56	16-Aug-95	FWD Capital Guaranteed Plan -	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
24	KMT Enterprise Ltd. Provident Fund Scheme	180005 53	22-Jul-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
25	Kwong Kee Electrical Co Ltd Provident Fund Scheme	110005 19	13-Mar-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
26	Landard Toys Limited Provident Fund Scheme	150004 36	04-Dec-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
27	Leventhal Limited Provident Fund Scheme	150008 96	29-Feb-08	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
28	Lishan Company Limited Provident Fund Scheme	150007 15	16-Nov-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
29	MAHK Ltd Provident Fund Scheme	004-500102 6	19-Nov-07	FWD Multi-Funding Provident Plan	Insurance Policy based	1. Exempted ORSO Scheme  2. Has not applied for MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
30	Man Lead Services Limited Provident Fund Scheme	180006 54	27-Sep-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
31	Manfield Coatings Co. Ltd. Employees' Retirement Scheme	110001 15	03-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
32	Melbourne Bookcentre Ltd. Employees' Retirement Scheme	110000 54	08-Jun-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
33	Ming Fung Engineering Co. Provident Fund Scheme	190006 44	23-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
34	Multi-Gold Air & Sea Express Limited Provident Fund Scheme	110003 52	07-Sep-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
35	On Tak Lung Limited Provident Fund Scheme	150010 03	04-Jun-99	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
36	One Country Two Systems Research Institute Ltd. Provident Fund Scheme	110003 15	28-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
37	PMP Advertising (International) Ltd Provident Fund Scheme	110000 66	15-Mar-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
38	PPG Industries International Inc Provident Fund Scheme	190006 80	02-Oct-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
39	Realink Industries Ltd. Provident Fund Scheme	150005 08	12-Aug-05	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
40	Remotec Technology Limited Provident Fund Scheme	110004 49	28-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
41	Rocco Design Architects Limited Provident Fund Scheme	110000 69	07-Sep-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has not applied for MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
42	Samson Paper Holdings Limited Provident Fund Scheme	191007 94	19-Jun-96	FWD Multi Funding Provident Plan	Insurance Policy based	1. Registered ORSO Scheme  2. Has not applied for MPF exemption
43	Sotheby's Hong Kong Limited Provident Fund Scheme	110001 61	26-Jul-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
44	Specialty Metals Resources Limited Provident Fund Scheme	110002 96	16-Mar-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
45	The Incorporated Management Committee of St. Joseph's Primary School Defined Contribution Scheme	150010 28	08-Sep-10	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
46	St. James' Settlement Provident Fund Scheme (1)	110001 17	07-Sep-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
47	Sunny Creations Limited Provident Fund Scheme	110003 54	25-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
48	Technik Industrial Co. Ltd. Provident Fund Scheme	110002 99	28-Apr-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
49	The Hong Kong L.P. Gas (Holdings) Limited Staff Provident Fund	150010 34	12-Jul-11	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
50	The Hong Kong Settlers Housing Corporation Limited Provident Fund Scheme	110000 41	16-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
51	The Sumida Electric (H.K.) Company Limited Provident Fund	150010 31	26-Oct-10	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
52	The Yip's H.C. (Holding) Ltd. Provident Fund	150010 32	26-Oct-10	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
53	Tong Seng Co Ltd Employee Benefit Scheme	110000 78	28-Apr-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
54	Tsuen Wan Wai Tsuen Evangelical Church (Hong Kong) Limited Provident Fund Scheme	190006 58	18-Sep-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
55	UCC Coffee Shop Co. (Hong Kong) Limited Provident Fund Scheme	150005 25	09-Nov-06	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
56	Westrock MWV Hong Kong Limited Provident Fund Scheme	110002 03	28-Apr-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
57	Tai Cheng Shing Limited Provident Fund Scheme	110005 23	15-Mar-95	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	<b>Class G Policies</b>	<b>Policy Number</b>	<b>Date of the Policy</b>	<b>Relevant Plan/Scheme</b>	<b>Insurance Based or Trust Based</b>	<b>Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption</b>
58	Wing Tai Jewellery & Goldsmith Company Limited Provident Fund Scheme	151007 64	28-Nov-18	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
59	Wiseknit Factory Ltd. Provident Fund Scheme	110000 90	23-Aug-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
60	Wylam's Services Limited Provident Fund Scheme	110002 35	25-May-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
61	Yan Chai Hospital Board Head Office Provident Fund Scheme	150006 95	01-Apr-19	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
62	Yan Chai Hospital Social Services Provident Fund Scheme	15000788	01-Apr-19	FWD Multi-Funding Provident Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
63	Yee Ying International Limited Provident Fund Scheme	11000229	13-Mar-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
64	Yi Chang Tai Company Limited Employees' Retirement Scheme	11000111	25-Jul-95	FWD Capital Guaranteed Plan	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
65	Yip Shing Diesel Engineering Co. Ltd. ORSO Scheme	810001023	24-Oct-11	FWD Capital Guaranteed Plan	Insurance Policy based	1. Registered ORSO Scheme  2. Has not applied for MPF exemption

	Class G Policies	Policy Number	Date of the Policy	Relevant Plan/Scheme	Insurance Based or Trust Based	Type of ORSO Scheme and whether it has MPF exemption or has not applied for MPF exemption
66	MHK Restaurants Limited Profit Sharing Plan	110001 14 (changed from 805-01 on 29 Sept 1995)	22-Dec-88	Independent Scheme (that invests into FWD Capital Guaranteed Plan; and SLPT acts as the trustee)	Trust based - Sun Life Pension Trust Limited	1. Registered ORSO Scheme  2. Has MPF exemption
67	Schroder Provident Plan	n/a	01-Apr-00	Independent Scheme (that invests into FWD Capital Guaranteed Plan; but SLPT is not the trustee)	-	-
68	Wing Hang Bank Limited Provident Fund	210000 01	18-Sep-04	Independent Scheme (that invests into FWD Capital Guaranteed Plan; but SLPT is not the trustee)	-	-

Note: the number of Class G policies has reduced since my Main Report given some policies have been terminated.

IN THE SUPREME COURT OF BERMUDA  
(COMMERCIAL COURT)

2020: No.

IN THE MATTER OF FWD LIFE INSURANCE  
COMPANY (BERMUDA) LIMITED  
AND IN THE MATTER OF SUN LIFE HONG  
KONG LIMITED  
AND IN THE MATTER OF SECTION 25 OF THE  
INSURANCE ACT 1978

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PETITION

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APPLEBY (BERMUDA) LIMITED  
Canon's Court, 22 Victoria Street  
Hamilton HM 12, Bermuda  
206412.0002/JSW/LV

Attorneys for the Petitioners

SUPREME COURT BERMUDA  
2020 SEP 23 PM 4:46

**計劃更新至 2020 年 9 月 11 日**

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根據《保險業條例》（香港法例第 41 章）第 24 條及第 25 條

並根據百慕達 1978 年《保險法案》第 25 條

向

香港永明金融有限公司

轉讓

富衛人壽保險（百慕達）有限公司

某些香港長期業務之

計劃

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更新至 2020 年 9 月 11 日

貝克·麥堅時律師事務所

香港

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## A. 導言

### 1. 定義

1.1 在本計劃中，《保險業條例》中定義的詞彙和表述應具有其中界定的相同含義，下列詞彙和表述應具有以下規定之含義：

《保險法案》	指百慕達 1978 年《保險法案》；
委任精算師	就富衛或永明而言，指根據《保險業條例》第 15(1)(b) 條指定為其精算師之人；
百慕達最高法院	指百慕達最高法院；
百慕達命令	指百慕達最高法院根據《保險法案》第 25 條發出的（如授予）認許本計劃並進一步制定其實施規定的一項命令（包括任何後續命令）；
百慕達金管局	指百慕達金融管理局；
有關業務	指富衛開展的與轉讓保單有關的長期業務（定義見《保險業條例》）；
《公司條例》	指《公司條例》（香港法例第 622 章）；
G 類保單	指屬於 G 類（退休計劃管理第 I 類）長期業務（定義見《保險業條例》第 2(1) 條和第 3 條）性質的保險單；
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；
富衛	指富衛人壽保險（百慕達）有限公司，一家在百慕達註冊成立的公司（註冊為一家非香港公司，註冊號為 F0003114），主要營業地址位於香港德輔道中 308 號富衛金融中心 28 樓；

富衛退休金信託	指富衛退休金信託有限公司，一家在香港註冊成立的公司（註冊號為 0678409），註冊辦公地址位於香港德輔道中 308 號富衛金融中心 2506 室，如第 2.10 條所述，在富衛向永明出售富衛退休金信託之後，更名為永明退休金信託；
香港	指中華人民共和國香港特別行政區；
香港原訟法庭	指香港高等法院原訟法庭；
香港命令	指香港原訟法庭根據《保險業條例》第 24 條和第 25 條發出的（如授予）認許本計劃並進一步制定其實施規定一項命令（包括任何後續命令）；
實施協議	指由 FWD Management Holdings Limited 與永明等當事方於 2016 年 8 月 3 日就（包括但不限於）(i)買賣當時的富衛退休金信託及(ii)富衛向永明轉讓所有轉讓保單簽訂的實施協議；
保監局	指根據《保險業條例》設立的保險業監管局；
強積金計劃	指(i)永明強積金基本計劃（原為富衛強積金集成信託基本計劃）、(ii)永明強積金綜合計劃（原為富衛強積金集成信託綜合計劃）及(iii)永明強積金集成信託，均為根據《強制性公積金計劃條例》（香港法例第 485 章）設立的集成信託計劃；
新的強積金子基金（G 類）	指自轉讓日起將由永明在永明 G 類基金下為與強積金計劃有關的轉讓保單設立並維持的一個新的子帳戶，該子帳戶應與永明 G 類基金的其他子帳戶分開；
新的職業退休計劃子基金（G 類）	指新的職業退休計劃本金保證子基金（G 類）和新的職業退休計劃非保證子基金（G 類）；

新的職業退休計劃本金保證子基金 ( G 類 )	指自轉讓日起將由永明在永明 G 類基金下為與相關職業退休計劃下的保證義務有關的轉讓保單設立並維持的一個新的子帳戶，該子帳戶應與永明 G 類基金的其他子帳戶分開；
新的職業退休計劃非保證子基金 ( G 類 )	指自轉讓日起將由永明在永明 G 類基金下為與相關職業退休計劃下的非保證義務有關的轉讓保單設立並維持的一個新的子帳戶，該子帳戶應與永明 G 類基金的其他子帳戶分開；
職業退休計劃	指富衛本金保證計劃及富衛綜合公積金計劃；
《保險業條例》	指《保險業條例》( 香港法例第 41 章 ) ；
剩餘資產	<p>(i) 根據實施協議及在實施協議下應於轉讓日當日或前後轉讓予永明、無論位於何處的任何富衛財產、資產或投資（包括富衛在任何轉讓保單下或依任何轉讓保單享有的任何權利、酌處權、權限、權力或利益）及歸屬於有關業務的其他財產、資產或投資中，於轉讓日存在下列情形者：</p> <p>(a) 須征得（富衛、永明、香港原訟法庭或百慕達最高法院之外）任何一人或多人的同意，但尚未取得該等同意；或</p> <p>(b) 須任何一人或多人大放棄就下列事項所享有的任何權利：獲得該等財產或資產之全部或其中任何部分，或向其提供權利以自行或責成他人獲得該等財產或資產之全部或其中任何部分，要約自行或責成他人獲得該等財產或資產之全部或其中任何部分，但尚未取得該等放棄；或</p>

	(c) 富衛和永明約定其轉讓應予延遲；
	但僅限於富衛在須取得上述同意和/或放棄方可轉讓及/或已就其轉讓達成上述約定的該等財產或資產中的那部分權益；
	(ii) 就本定義(i)款所述的該等財產或資產不時賺得或收到的任何出售收益或收入或任何其他增加額或回報（不論是否以現金形式）；
剩餘負債	指富衛符合下列情形的任何負債：
	(i) 歸屬於剩餘資產或與剩餘資產相關，並且產生於該等剩餘資產之相關後續轉讓日之前的任何時候；或
	(ii) 歸屬於有關業務或與有關業務相關，於轉讓日須征得（富衛、永明、香港原訟法庭或百慕達最高法院之外）任何人或多人的同意或須征得任何一人或多人的放棄方可根據本計劃轉讓予永明，但尚未取得該等同意或放棄；
本計劃	指原有格式的本計劃，以及香港原訟法庭和百慕達最高法院批准或施加的任何修改或條件或根據第 11.3 條作出的任何修改；
法定記錄	指適用的法律或監管規定或公司治理（無論是否具有法律效力）要求富衛就有關業務保存並由其保留佔有的所有簿冊、文檔、登記簿、文件、往來信函、文書及其他記錄；
後續轉讓日	就任何剩餘資產或剩餘負債而言，指（轉讓日之後）本計劃規定的該等剩餘資產或剩餘負債的轉讓應予進行且該等剩餘資產或剩餘負債應歸屬於永明日，即：

(i) 就剩餘資產定義第(i)(a)或(b)款所界定的任何剩餘資產及任何剩餘負債而言，指為能夠根據本計劃條款向永明轉讓該等資產及負債而有必要取得的同意或放棄發生下列情形之日：

- (a) 已取得；或
- (b) 不再有必要取得；或
- (c) 被香港原訟法庭和百慕達最高法院豁免；或

(ii) 就剩餘資產定義第(i)(c)款所界定的任何剩餘資產而言，指富衛與永明約定應進行轉讓之日；或

(iii) 就剩餘資產定義第(ii)款所界定的任何剩餘資產而言，指富衛收到或賺得該等剩餘資產之日；

**永明** 指香港永明金融有限公司，一家在百慕達註冊成立的公司（註冊為一家非香港公司，註冊號為 F0003725），註冊辦公地址位於香港九龍紅磡紅鸞道 18 號祥祺中心 A 座 16 樓；

**永明 G 類基金** 指永明根據《保險業條例》第 22 (1)(a) 條就其 G 類（退休計劃管理第 I 類）長期業務（定義見《保險業條例》第 2(1) 條和第 3 條）維持的帳戶；

**永明退休金信託** 指永明退休金信託有限公司，即如第 2.10 條所述，在富衛向永明出售富衛退休金信託之後，富衛退休金信託的新名稱；

**轉讓日** 指本計劃應根據本計劃第 10 條生效的時間和日期；

轉讓資產	指根據實施協議及在實施協議下應於轉讓日當日或前後轉讓予永明、無論位於何處、歸屬於有關業務的富衛財產、資產或投資（包括富衛在任何轉讓保單下或依任何轉讓保單享有的任何權利、酌處權、權限、權力或利益），但不包括剩餘資產；
轉讓負債	指於轉讓日歸屬於有關業務、根據實施協議及在實施協議下應於轉讓日當日或前後轉讓予永明的所有富衛負債，包括但不限於轉讓保單下及與轉讓保單有關的負債和義務（不論是現時的、未來的或者或有的，包括但不限於轉讓保單下的保證義務），但不包括剩餘負債；及
轉讓保單	指於轉讓日富衛於香港或自香港在強積金計劃和職業退休計劃下及就強積金計劃和職業退休計劃承保的所有 G 類保單，詳見本計劃附件所列，包括與該等保單有關的所有證書、補充保險保障、背書、附加計劃及附屬協議。為免疑義，與富衛的下列員工計劃和代理計劃有關的保單：富衛人壽保險（百慕達）有限公司退休計劃、長期服務激勵計劃、長期服務獎勵計劃和 VNB 基金計劃，不包含在本計劃中。

1.2 在本計劃中，對下列各項的任何提述，其含義如下：

- (a) 「類」指《保險業條例》附表 1 第 2 部或第 3 部（視情況而定）規定的某一類別的長期或一般業務；
- (b) 「財產」一詞包括（但不限於）各種描述的財產、資產、權利（不論是現時的、未來的、已歸權的或者或有的）、酌處權、權限、利益和權力；
- (c) 「負債」一詞包括（但不限於）各種描述的責任和義務（不論是現時的、未來的或者或有的）；及
- (d) 「包括」/「包含」指包括/包含但不限於。

1.3 對單數形式的任何提述應包括複數形式，反之亦然。

- 1.4 除非另有說明，否則，對任何法案、法規、條例或規例的任何提述應指經不時修訂的該等法案、法規、條例或規例。

## B. 簡介

### 2. 富衛和永明

- 2.1 富衛於 1977 年 4 月 13 日採用「Rauco Insurance Company Limited」名稱在百慕達註冊成立。富衛係富衛集團之成員。富衛集團是投資集團 Pacific Century Group 的保險業務分支，擁有包括 Swiss Re Group 在內的少數股東。Pacific Century Group 於 2013 年 3 月收購 ING Groep N.V. 的人壽保險業務（包括富衛）並於 2013 年 8 月創立富衛品牌。富衛現時是 FWD Limited 透過間接控股公司全資擁有的間接附屬公司。截至 2019 年 12 月 31 日財年結束時，富衛的已發行股本為 830,200,000 美元。
- 2.2 富衛的主要業務是於香港開展長期業務。富衛在百慕達受百慕達金管局監管，並根據《保險法案》獲發 E 類和 3 類牌照。
- 2.3 富衛於香港根據《公司條例》註冊為非香港公司。富衛根據《保險業條例》獲保監局授權於香港或自香港經營《保險業條例》附表 1 第 2 部所載的 A 類（人壽及年金）、C 類（相連長期）、D 類（永久健康）、G 類（退休計劃管理第 I 類）及 I 類（退休計劃管理第 III 類）長期業務。富衛在香港的主要營業地址位於香港德輔道中 308 號富衛金融中心 28 樓。
- 2.4 作為其長期業務的一部份，富衛在香港開展退休基金業務，包括強積金計劃和職業退休計劃。在下文第 2.10 條所述的富衛退休金信託出售之前，富衛擁有其 20% 的已發行股本，並且是強積金計劃的受託人。每一強積金計劃和職業退休計劃均投資於富衛簽發的一份或多份轉讓保單。截至 2019 年 12 月 31 日，如本計劃附件中詳述，富衛的有關業務包含 71 份轉讓保單。
- 2.5 永明於 1985 年 10 月 15 日在百慕達註冊成立。永明由 Sun Life Assurance Company of Canada 全資擁有。Sun Life Assurance Company of Canada 是一家在加拿大註冊成立的公司。截至 2019 年 12 月 31 日，永明的已發行股本為 35.27 億美元。
- 2.6 永明的主要業務是於香港開展長期業務。永明在百慕達受百慕達金管局監管，並根據《保險法案》獲發 E 類牌照。
- 2.7 永明於香港根據《公司條例》註冊為非香港公司。永明根據《保險業條例》獲保監局授權於香港或自香港經營《保險業條例》附表 1 第 2 部所載的 A 類（人壽及年金）、C 類（相

連長期)、D類(永久健康)、G類(退休計劃管理第I類)、H類(退休計劃管理第II類)及I類(退休計劃管理第III類)長期業務。永明在香港的註冊辦公地址位於香港九龍紅磡紅鸞道18號祥祺中心A座16樓。

- 2.8 截至2019年12月31日，永明於香港為其強積金計劃和各項職業退休計劃簽發並維持了80份G類保單。
- 2.9 於2016年8月3日，FWD Management Holdings Limited(作為FWD集團的一部分)與永明訂立了關於處置富衛在香港的強積金和職業退休計劃業務的實施協議。
- 2.10 該項處置包括但不限於(i)向永明(及其代名人)出售當時的富衛退休金信託的股份，即特定強積金計劃(即：當時的富衛強積金集成信託基本計劃和富衛強積金集成信託綜合計劃，之後分別更名為永明強積金基本計劃和永明強積金綜合計劃)的受託人；及(ii)富衛向永明轉讓強積金計劃和職業退休計劃下的G類保單。當時的富衛退休金信託的出售已於首個成交日2017年10月3日完成，富衛退休金信託隨後更名為永明退休金信託。
- 2.11 有關業務的轉讓因此屬於實施協議下所擬交易的一部分。
- 2.12 本計劃的目的是根據(i)《保險業條例》第24條和第25(1)條；以及(ii)根據《保險法案》第25條將有關業務由富衛轉讓予永明。根據實施協議，就轉讓保單而言，FWD Management Holdings Limited同意根據實施協議的條款向永明(及/或其代名人)轉讓於實施協議第二個成交日凌晨十二時零一分(香港時間)「公允市值」等於富衛預估的G類所需準備金(應包括帳戶餘額準備金、投資保證準備金和平滑投資回報的準備金)的現金和/or「合資格資產」的法定及實益所有權。
- 2.13 富衛與永明擬議根據《保險業條例》第24條和《保險法案》第25條分別向香港原訟法庭和百慕達最高法院提交申請，以便將有關業務由富衛根據本計劃的條款轉讓予永明。該轉讓須按根據《保險業條例》第24條和第25(1)條發出的香港命令及根據《保險法案》第25條發出的百慕達命令進行。
- 2.14 除非本計劃經香港命令及百慕達命令得到認許，否則本計劃所擬轉讓將不進行。

## C. 轉讓規定

### 3. 資產的轉讓

- 3.1 於轉讓日且自轉讓日起，轉讓資產應依據香港命令和百慕達命令，無須任何進一步的行動或文書，由富衛轉讓予永明並歸屬於永明（須受限於與該等資產相關的任何產權負擔）。
- 3.2 於每一個後續轉讓日且自每一個後續轉讓日起，該後續轉讓日所適用的每一剩餘資產應依據香港命令和百慕達命令，無須任何進一步的行動或文書，由富衛轉讓予永明並歸屬於永明（須受限於與該等資產相關的任何產權負擔）。
- 3.3 若：
- (1) 原本符合轉讓資產定義的任何富衛財產或資產，由於下列原因於轉讓日未或不能依香港命令和百慕達命令立即轉讓予永明並有效歸屬於永明：
- (i) 該等財產或資產為剩餘資產；或
- (ii) 該等財產或資產的轉讓在香港原訟法庭或百慕達最高法院的管轄權範圍之外；或
- (iii) 任何其他原因；或
- (2) 符合轉讓資產定義但位於香港原訟法庭或百慕達最高法院管轄區域之外的任何財產或資產之轉讓未獲得該等財產或資產所在管轄區域法律的承認，
- 於轉讓日且自轉讓日起，富衛應完全作為受託人為永明信託持有上文(1)或(2)款所述的任何財產或資產，並應遵從永明就該等財產或資產作出的指令，直至相關財產或資產轉讓予永明或以其他方式歸屬於永明或者被處置（處置後富衛應向永明說明該等財產或資產的出售收益），且永明應有權為所有該等目的就該等財產或資產作為富衛的代理人行事。
- 3.4 永明應不經調查或要求接受富衛於轉讓日對每一轉讓資產享有的所有權以及於每一後續轉讓日對屆時轉讓的剩餘資產享有的所有權。
- 3.5 富衛與永明應於適當之時為實現或完善任何轉讓資產或剩餘資產對永明的轉讓並使其歸屬於永明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。

#### **4. 負債的轉讓**

- 4.1 於轉讓日且自轉讓日起，每一轉讓負債應依據香港命令和百慕達命令，無須任何進一步的行動或文書，亦不經調查或要求，由富衛轉讓予永明並成爲永明的負債，而富衛對該等轉讓負債的責任應完全解除，且永明應承繼該等轉讓負債的責任。
- 4.2 於每一個後續轉讓日且自每一個後續轉讓日起，該後續轉讓日所適用的每一剩餘負債應依據香港命令和百慕達命令，無須任何進一步的行動或文書，亦不經調查或要求，由富衛轉讓予永明並成爲永明的負債，而富衛對該等剩餘負債的責任應完全解除，且永明應承繼該等剩餘負債的責任。
- 4.3 若：
- (1) 原本符合轉讓負債定義的任何富衛義務或負債，由於下列原因於轉讓日未或不能依香港命令和百慕達命令立即轉讓予永明並有效歸屬於永明：
- (i) 該等義務或負債為剩餘負債；或
- (ii) 該等義務或負債的轉讓在香港原訟法庭或百慕達最高法院的管轄權範圍之外；或
- (iii) 任何其他原因；或
- (2) 符合轉讓負債定義但受香港或百慕達之外另一管轄區域法律管轄的任何義務或負債之轉讓未獲得管轄該等義務或負債的管轄區域法律的承認，

永明應自轉讓日起並於轉讓日後代表富衛履行/清償上文(1)或(2)款所述的任何義務或負債，如未履行/清償該等義務或負債，永明應就該等義務或負債向富衛作出彌償。

- 4.4 富衛與永明應於適當之時為實現或完善任何轉讓負債或任何剩餘負債對永明的轉讓並由永明承繼該等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。

#### **5. 轉讓保單的轉讓**

- 5.1 於轉讓日且自轉讓日起，永明應享有富衛在轉讓保單下或依轉讓保單享有的一切權利和權力。於轉讓日且自轉讓日起轉讓保單應構成永明於香港或自香港開展的長期業務的一部份。
- 5.2 於轉讓日且自轉讓日起，每一轉讓保單之保單持有人對富衛具有的一切權利和權力均告終止，並應替換為對永明具有的該等相同權利和權力。於轉讓日，富衛持有的關於轉讓保單的保單持有人、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），均應轉讓予永明，而永明對持有和使用（及轉移）該等資料應具有與富衛在轉讓日之前所具有的相同權利及權力。

- 5.3 針對應繼續繳納保費之轉讓保單，轉讓保單之保單持有人應於保費到期應繳時向永明結算任何進一步的保費。永明對轉讓保單或在轉讓保單下應享有轉讓之前富衛本可享有的任何及所有辯護、索償、反索償及抵銷權。
- 5.4 永明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，承繼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，如同轉讓保單是由永明而非富衛簽發的。
- 5.5 轉讓保單的所有條款和條件（包括申請書、說明文件、銷售說明書、附加計劃、附表和聲明），除下述變更外應保持不變：於轉讓日且自轉讓日起，轉讓保單中凡提述富衛、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永明、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（視情況而定）；且轉讓保單的名稱中凡提述「富衛」之處均應變更為「永明」。尤其是（但不限於此），富衛、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，於轉讓日且自轉讓日起，可由永明、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（視情況而定）行使或須由其履行。

## 6. 法律程序的繼續

- 6.1 依據香港命令和百慕達命令，於轉讓日且自轉讓日起，由富衛提起的或針對富衛提起的與轉讓保單、轉讓資產或轉讓負債有關的任何司法、類似司法、紀律研訊、行政、仲裁或法律程序或申訴（不論是現時的、未完結的、威脅的或擬議中的），應視為已由永明取代富衛，由永明繼續提起或針對永明繼續提起，而永明應享有與富衛就該等程序所享有的相同的辯護、索償、反索償及抵銷權。
- 6.2 依據香港命令和百慕達命令，於適用的後續轉讓日且自適用的後續轉讓日起，由富衛提起的或針對富衛提起的與剩餘資產或剩餘負債有關的任何司法、類似司法、紀律研訊、行政、仲裁或法律程序或申訴（不論是現時的、未完結的、威脅的或擬議中的），應視為已由永明取代富衛，由永明繼續提起或針對永明繼續提起，而永明應享有與富衛就該等程序所享有的相同的辯護、索償、反索償及抵銷權。

**D. 永明新設保險基金**

**7. 新的永明保險基金**

**設立新的永明保險基金**

7.1 自轉讓日起，永明應在 G 類基金下設立三項新的子基金，即：新的強積金子基金（G 類）、新的職業退休計劃本金保證子基金（G 類）和新的職業退休計劃非保證子基金（G 類），均應由永明作為永明 G 類基金下單獨的子帳戶加以維持。

**保單、資產和負債的分配**

7.2 於轉讓日且自轉讓日起，與強積金計劃有關的所有轉讓保單應分配予新的強積金子基金（G 類）並成為其一部分；與職業退休計劃有關的所有轉讓保單應分配予新的職業退休計劃子基金（G 類）並成為其一部分。

7.3 於轉讓日且自轉讓日起，富衛為與強積金計劃相關的轉讓保單維持的所有轉讓資產應分配予新的強積金子基金（G 類）並成為其一部分；富衛為與職業退休計劃相關的轉讓保單維持的所有轉讓資產應分配予新的職業退休計劃子基金（G 類）並成為其一部分。

7.4 於適用的後續轉讓日且自適用的後續轉讓日起，富衛為與強積金計劃相關的轉讓保單維持的每一剩餘資產應分配予新的強積金子基金（G 類）；並且，於適用的後續轉讓日且自適用的後續轉讓日起，富衛為與職業退休計劃相關的轉讓保單維持的每一剩餘資產應分配予新的職業退休計劃子基金（G 類）。

7.5 富衛根據上文第 3.3 條為永明信託持有的任何財產、資產或投資中的所有實益權益應分配予在該等財產、資產或投資構成轉讓資產的情況下其本應分配予的新的強積金子基金（G 類）或新的職業退休計劃子基金（G 類）（視情況而定）。

7.6 於轉讓日且自轉讓日起，歸屬於轉讓保單的所有富衛的轉讓負債應分配予新的強積金子基金（G 類）或新的職業退休計劃子基金（G 類）（視情況而定）並成為其一部分。

7.7 於適用的後續轉讓日且自適用的後續轉讓日起，歸屬於轉讓保單的每一富衛的剩餘負債應分配予新的強積金子基金（G 類）或新的職業退休計劃子基金（G 類）（視情況而定）。

7.8 根據上文第 4.3 條須由永明清償的所有負債應分配予在該等負債構成轉讓負債的情況下其本應分配予的新的強積金子基金（G 類）或新的職業退休計劃子基金（G 類）（視情況而定）。

## **E. 一般規定**

### **8. 保費及委托書**

- 8.1 富衛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當日或之後均應支付予永明。
- 8.2 永明將獲不可撤銷的授權，背書於轉讓日當日或之後永明收到的與轉讓保單下繳納保費或貸款還款（如有）有關的、收款人為富衛或憑富衛指示支付的任何支票、匯票、郵政匯單或其他票據以完成支付。
- 8.3 於轉讓日當日或之後，永明將獨自負責轉讓保單下保費開單及收款並繳納與轉讓保單下收到的保費有關的一切適用稅負。
- 8.4 於轉讓日有效並規定銀行或其他中介機構就任何轉讓保單支付應付予富衛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，自轉讓日起並於轉讓日之後，應如同前述各項是以永明為受益人而規定和授權的一般生效。

### **9. 費用**

富衛與永明應以其各自的股東資金平均分攤支付與編制本計劃及將本計劃分別提交香港原訟法庭和百慕達最高法院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。該等費用不應由富衛或永明根據《保險業條例》維持的與其各自的長期業務、轉讓保單或者富衛或永明的其他保單或該等保單之保單持有人有關的基金承擔。

### **10. 轉讓日**

- 10.1 本計劃應於富衛與永明共同決定的一個日期的凌晨十二時零一分（香港時間）生效，該日期應為頒發香港命令及頒發百慕達命令認許本計劃之日（以較遲者為準）後 90 日之內的一日。以獲得香港命令和百慕達命令為前提，預計本計劃將於 2020 年 12 月 1 日生效，但該日期可更改。
- 10.2 除非本計劃於頒發香港命令之日及頒發百慕達命令之日（以較遲者為準）後第 90 日當日或之前的一日，或者於富衛和永明決定且香港原訟法庭和百慕達最高法院允許的較晚日期和/或時間（如有）生效，否則，本計劃將失效。

### **11. 修改**

- 11.1 在遵守第 11.3 條的前提下，富衛和永明可向香港原訟法庭和百慕達最高法院申請同意以修改、變更或修訂本計劃的條款，但條件是：
- (a) 擬議的修改、變更或修訂已獲得富衛和永明各自的委任精算師和董事會的批准；

- (b) 於法院就該申請進行的任何聆訊已通知保監局和百慕達金管局，且保監局和百慕達金管局有權於該等聆訊中陳詞。就保監局而言，應提前三個月作出書面通知；及
  - (c) 該申請應隨附一份獨立精算師報告，說明獨立精算師認為擬議的修改、變更或修訂將不會對轉讓保單之保單持有人、富衛的非轉讓保單之保單持有人或永明的現有保單持有人的合理利益期望、財務保障或服務水平產生重大不利影響。
- 11.2 在遵守第 11.3 條的前提下，本計劃的條款應根據第 11.1 條下香港原訟法庭和百慕達最高法院作出的認許加以修改、變更或修訂。
- 11.3 下列修改、變更或修訂無須獲得香港原訟法庭和百慕達最高法院的認許：
- (a) 紹正本計劃中明顯錯誤的修改、變更或修訂；或
  - (b) 為確保在相關法律或法規發生變更的情況下本計劃條款能夠按預期方式運作，富衛和永明合理認為有必要的修改、變更或修訂；
- 但條件是，應就上述修改、變更或修訂向保監局和百慕達金管局作出通知，並且保監局和百慕達金管局表明其不反對上述修改、變更或修訂。
- 12. 管轄法律**
- 本計劃受香港法律管轄，但與《保險法案》第 25 條下的呈請書有關的任何程序事宜則受百慕達法律管轄。

## 附件

### 截至 2019 年 12 月 31 日的轉讓保單

#### **強積金計劃 G 類保單列表**

	G 類保單	保單號	保單日期	相關強積金計劃
1	富衛強積金本金保證保單	B001-CGP	(缺失)	永明強積金基本計劃-本金保證組合
2	富衛強積金本金保證保單	C002-CGP	01 年 3 月 29 日	永明強積金綜合計劃-本金保證組合
3	富衛強積金本金保證保單	S001-CGP	00 年 12 月 1 日	永明強積金集成信託-本金保證組合

#### **職業退休計劃 G 類保單列表**

	G 類保單	保單號	保單日期	相關計劃
1	Albert Jewellery Company Limited Provident Fund Scheme	11000272	95 年 8 月 3 日	富衛本金保證計劃
2	Alitom Engineers Ltd Provident Fund Scheme	11000327	95 年 4 月 27 日	富衛本金保證計劃
3	Asia Pacific Adjusters Limited Provident Fund Scheme	15000100	08 年 1 月 3 日	富衛綜合公積金計劃
4	Campell Group (Hong Kong) Limited Provident Fund Scheme	11000293	95 年 3 月 10 日	富衛本金保證計劃
5	Checkpoint Apparel Labelling Solutions Asia Limited Provident Fund Scheme	11000194	95 年 8 月 3 日	富衛本金保證計劃
6	China Europaus (International) Ltd. Employees' Retirement Scheme	11000017	95 年 4 月 28 日	富衛本金保證計劃
7	Parsons Delcan Inc. Provident Fund Scheme	11000501	95 年 5 月 22 日	富衛本金保證計劃
8	DHL Global Forwarding (Hong Kong) Limited Provident Fund Scheme	19000771	96 年 4 月 10 日	富衛本金保證計劃

	G 類保單	保單號	保單日期	相關計劃
9	Dimension Data China/Hong Kong Limited Provident Fund	15000384	18 年 12 月 4 日	富衛綜合公積金計劃
10	Drew Ameroid (Singapore) Pte. Limited Provident Fund Scheme	11000207	95 年 6 月 27 日	富衛綜合公積金計劃
11	EL Grande Holdings Limited Provident Fund Scheme	15000932	98 年 5 月 12 日	富衛綜合公積金計劃
12	Fatti Components Limited Employees' Retirement Scheme	11000031	95 年 5 月 25 日	富衛本金保證計劃
13	Fook Lam Moon Restaurant Ltd. Provident Fund Scheme	15000214	06 年 2 月 7 日	富衛綜合公積金計劃
14	FWD Life Macau Agency Long Service Incentive Plan	11001018	2010 年	富衛綜合公積金計劃
15	FWD Life Macau Staff Provident Fund	11001019	00 年 8 月 1 日	富衛綜合公積金計劃
16	Group Retirement Plan for Members of Community Health Services Ltd.	15001030	10 年 9 月 10 日	富衛綜合公積金計劃
17	Hi-Watt International Enterprises Ltd Provident Fund Scheme	15000372	08 年 12 月 10 日	富衛綜合公積金計劃
18	Honda Button Company Limited Provident Fund Scheme	19000682	95 年 10 月 28 日	富衛本金保證計劃
19	Hong Kong Young Women's Christian Association Provident Fund	15000660	18 年 12 月 4 日	富衛綜合公積金計劃
20	Hop Hing Group Provident Fund Scheme	15000142	05 年 6 月 3 日	富衛綜合公積金計劃
21	Kasikorbank Public Company Limited Provident Fund Scheme	11000386	95 年 5 月 25 日	富衛本金保證計劃
22	Kassel Park Engineering Company Limited Provident Fund Scheme	11000448	95 年 8 月 23 日	富衛本金保證計劃
23	Kau Kee Trading Co., Limited Provident Fund Scheme	11000256	95 年 8 月 16 日	富衛本金保證計劃

	G 類保單	保單號	保單日期	相關計劃
24	KMT Enterprise Ltd. Provident Fund Scheme	18000553	95年7月 22日	富衛本金保證計劃
25	Kwong Kee Electrical Co Ltd Provident Fund Scheme	11000519	95年3月 13日	富衛本金保證計劃
26	Landard Toys Limited Provident Fund Scheme	15000436	18年12月 4日	富衛綜合公積金計劃
27	Leventhal Limited Provident Fund Scheme	15000896	08年2月 29日	富衛綜合公積金計劃
28	Lishan Company Limited Provident Fund Scheme	15000715	18年11月 16日	富衛綜合公積金計劃
29	MAHK Ltd Provident Fund Scheme	004- 5001026	07年11月 19日	富衛綜合公積金計劃
30	Man Lead Services Limited Provident Fund Scheme	18000654	95年9月 27日	富衛本金保證計劃
31	Manfield Coatings Co. Ltd. Employees' Retirement Scheme	11000115	95年8月 3日	富衛本金保證計劃
32	Melbourne Bookcentre Ltd. Employees' Retirement Scheme	11000054	95年6月 8日	富衛本金保證計劃
33	Ming Fung Engineering Co. Provident Fund Scheme	19000644	95年8月 23日	富衛本金保證計劃
34	Multi-Gold Air & Sea Express Limited Provident Fund Scheme	11000352	95年9月 7日	富衛綜合公積金計劃
35	On Tak Lung Limited Provident Fund Scheme	15001003	99年6月 4日	富衛綜合公積金計劃
36	One Country Two Systems Research Institute Ltd. Provident Fund Scheme	11000315	95年4月 28日	富衛本金保證計劃
37	PMP Advertising (International) Ltd Provident Fund Scheme	11000066	95年3月 15日	富衛綜合公積金計劃
38	PPG Industries International Inc Provident Fund Scheme	19000680	95年10月 2日	富衛本金保證計劃

	G 類保單	保單號	保單日期	相關計劃
39	Realink Industries Ltd. Provident Fund Scheme	15000508	05 年 8 月 12 日	富衛綜合公積金 計劃
40	Remotec Technology Limited Provident Fund Scheme	11000449	95 年 4 月 28 日	富衛本金保證計 劃
41	Rocco Design Architects Limited Provident Fund Scheme	11000069	95 年 9 月 7 日	富衛本金保證計 劃
42	Samson Paper Holdings Limited Provident Fund Scheme	19100794	96 年 6 月 19 日	富衛綜合公積金 計劃
43	Sotheby's Hong Kong Limited Provident Fund Scheme	11000161	95 年 7 月 26 日	富衛本金保證計 劃
44	Specialty Metals Resources Limited Provident Fund Scheme	11000296	95 年 3 月 16 日	富衛本金保證計 劃
45	The Incorporated Management Committee of St. Joseph's Primary School Defined Contribution Scheme	15001028	10 年 9 月 8 日	富衛綜合公積金 計劃
46	St. James' Settlement Provident Fund Scheme (1)	11000117	95 年 9 月 7 日	富衛本金保證計 劃
47	Sunny Creations Limited Provident Fund Scheme	11000354	95 年 5 月 25 日	富衛本金保證計 劃
48	Technik Industrial Co. Ltd. Provident Fund Scheme	11000299	95 年 4 月 28 日	富衛綜合公積金 計劃
49	The Hong Kong L.P. Gas (Holdings) Limited Staff Provident Fund	15001034	11 年 7 月 12 日	富衛綜合公積金 計劃
50	The Hong Kong Settlers Housing Corporation Limited Provident Fund Scheme	11000041	95 年 8 月 16 日	富衛本金保證計 劃
51	The Sumida Electric (H.K.) Company Limited Provident Fund	15001031	10 年 10 月 26 日	富衛綜合公積金 計劃
52	The Yip's H.C. (Holding) Ltd. Provident Fund	15001032	10 年 10 月 26 日	富衛綜合公積金 計劃

	G 類保單	保單號	保單日期	相關計劃
53	Tong Seng Co Ltd Employee Benefit Scheme	11000078	95 年 4 月 28 日	富衛本金保證計劃
54	Tsuen Wan Wai Tsuen Evangelical Church (Hong Kong) Limited Provident Fund Scheme	19000658	95 年 9 月 18 日	富衛本金保證計劃
55	UCC Coffee Shop Co. (Hong Kong) Limited Provident Fund Scheme	15000525	06 年 11 月 9 日	富衛綜合公積金計劃
56	Westrock MWV Hong Kong Limited Provident Fund Scheme	11000203	95 年 4 月 28 日	富衛綜合公積金計劃
57	Tai Cheng Shing Limited Provident Fund Scheme	11000523	95 年 3 月 15 日	富衛綜合公積金計劃
58	Wing Tai Jewellery & Goldsmith Company Limited Provident Fund Scheme	15100764	18 年 11 月 28 日	富衛綜合公積金計劃
59	Wiseknit Factory Ltd. Provident Fund Scheme	11000090	95 年 8 月 23 日	富衛本金保證計劃
60	Wylam's Services Limited Provident Fund Scheme	11000235	95 年 5 月 25 日	富衛本金保證計劃
61	Yan Chai Hospital Board Head Office Provident Fund Scheme	15000695	19 年 4 月 1 日	富衛綜合公積金計劃
62	Yan Chai Hospital Social Services Provident Fund Scheme	15000788	19 年 4 月 1 日	富衛綜合公積金計劃
63	Yee Ying International Limited Provident Fund Scheme	11000229	95 年 3 月 13 日	富衛本金保證計劃
64	Yi Chang Tai Company Limited Employees' Retirement Scheme	11000111	95 年 7 月 25 日	富衛本金保證計劃
65	Yip Shing Diesel Engineering Co. Ltd. ORSO Scheme	810001023	11 年 10 月 24 日	富衛本金保證計劃

	<b>G 類保單</b>	<b>保單號</b>	<b>保單日期</b>	<b>相關計劃</b>
66	MHK Restaurants Limited Profit Sharing Plan	11000114 (原為 805-01， 於 1995 年 9 月 29 日 變更 )	88 年 12 月 22 日	獨立計劃 ( 投資 於富衛本金保證 計劃；且永明退 休金信託擔任受 託人 )
67	Schroder Provident Plan	不適用	00 年 4 月 1 日	獨立計劃 ( 投資 於富衛本金保證 計劃；但永明退 休金信託不是受 託人 )
68	Wing Hang Bank Limited Provident Fund	21000001	04 年 9 月 18 日	獨立計劃 ( 投資 於富衛本金保證 計劃；但永明退 休金信託不是受 託人 )

# **獨立精算師報告**

**2020 年 6 月 26 日**

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富衛人壽保險（百慕達）有限公司  
向香港永明金融有限公司轉讓富衛  
強積金及職業退休計劃業務某些 G  
類保單的獨立精算師報告

呈交予：

富衛人壽保險（百慕達）有限公司  
香港永明金融有限公司

Clement Bonnet  
法國精算師協會會員  
編制

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## 獨立精算師的意見書

本人 Clement Bonnet 為 Milliman Limited（「Milliman」）的合夥人暨精算顧問。本人是法國精算師協會會員及香港精算學會會員。本人獲委任根據香港《保險業條例》（香港法例第 41 章）第 24 條擔任獨立精算師及根據百慕達 1978 年《保險法案》（「《保險法案》」）第 25 條擔任核准精算師（「核准精算師」），就富衛人壽保險（百慕達）有限公司（「富衛」）向香港永明金融有限公司（「永明」）轉讓強制性公積金（「強積金」）業務及職業退休計劃（「ORSO」）業務的某些 G 類長期保單的擬議計劃（「計劃」）之條款和可能造成的影響提供獨立意見。在本報告內，富衛與永明統稱為「有關方」，購買該等 G 類保單（其清單載於附錄 G，「轉讓保單」）之受託人或僱主在本報告內統稱為「轉讓保單持有人」。

本轉讓的根本原因是為了使永明能夠取得富衛的退休金業務，擴大永明在亞洲財富管理領域中資本較低的收費業務，並增加永明現有的退休金業務規模，從而減少每一成員的開支。

在擬備本意見書時，本人已獲准自由查閱本人視為必要並要求的可以獲得的資料、報告和文件。此外，本人亦可自由接觸有關方的代表。

本人的審閱及意見範圍僅限於計劃對有關方的長期保單持有人的影響。特別是，本人是基於以下考慮因素而作出有關意見：

- 計劃對富衛及永明之長期保單持有人合約利益的財務保障的影響；
- 計劃對富衛及永明之長期保單持有人的合理利益期望的影響；
- 計劃對富衛及永明之長期保單持有人的服務水平的影響；及
- 計劃能否提供充分的保障，以確保計劃如所述般運作。

本人的工作範圍並不包括評估計劃對有關方的股東造成的影響。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。

本人認為：

- 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的合理利益期望均無重大不利影響。
- 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的財務保障均無重大不利影響。
- 計劃對富衛與永明之長期保單持有人的服務水平均無重大不利影響。
- 本人信納計劃提供充分的保障，以確保計劃如所述般運作。

Clement Bonnet  
法國精算師協會  
獨立精算師  
2019 年 6 月 26 日

## 第1節 緒言

### 獨立精算師

- 1.1. 在向香港特別行政區高等法院原訟法庭（「香港原訟法庭」）申請作出認許某保險人將其長期保險業務轉讓給另一保險人的命令時，必須根據《保險業條例》（香港法例第 41 章）（「《保險業條例》」）第 24 條規定附上獨立精算師就計劃條款作出的報告。
- 1.2. 同樣，在向百慕達最高法院（「百慕達最高法院」）申請作出認許長期保險業務轉讓的命令時，必須根據百慕達 1978 年《保險法案》（「《保險法案》」）第 25 條規定附上核准精算師就計劃條款作出的報告。
- 1.3. 就富衛人壽保險（百慕達）有限公司（「富衛」）向香港永明金融有限公司（「永明」）轉讓特定長期退休金業務的擬議計劃（「計劃」），本人已獲富衛與永明委任為獨立精算師。所涉及的長期業務稱為「轉讓業務」，包括富衛在轉讓日之前承保的 G 類保單，但不包括富衛代理人及員工的五項內部退休計劃，該等計劃將由富衛保留（即：長期服務激勵計劃（「LSIS」）、長期服務獎勵計劃（「LSBS」）、VNB 基金計劃、Victory 基金計劃和富衛人壽保險（百慕達）有限公司退休計劃，統稱為「富衛職業退休計劃保留業務」）。G 類保單現時簽發予強制性公積金（「強積金」）計劃及職業退休計劃（「ORSO」）的受託人或僱主。購買此等 G 類保單的受託人或僱主以下統稱為「轉讓保單持有人」。富衛及永明以下統稱為「有關方」。
- 1.4. 保險業監管局（「香港保監局」）及百慕達金融管理局（「百慕達金管局」）已知悉本人獲委任為獨立精算師。

### 報告工作範圍

- 1.5. 本報告僅考慮計劃對富衛和永明之長期保單持有人的影響，並無評估計劃對兩間公司的股東的影響。
- 1.6. 本人僅考慮向本人提呈的計劃，並無考慮其他可能的替代轉讓計劃。
- 1.7. 就計劃作出報告時，本人有責任就本人專業範疇內的事項為香港原訟法庭和百慕達最高法院提供協助。此項責任優先於本人對任何向本人作出指示或支付報酬的人士應盡的任何義務。
- 1.8. 在擬備報告時，本人就規定內容諮詢香港保監局，並於適當的情況下納入香港保監局的建議。
- 1.9. 本報告是根據本報告附錄 C 所附的 2015 年 4 月《審慎監管局對保險業務轉讓的處理方法》（「PRA 政策聲明」）所載的審慎監管局（「PRA」）手冊第 2 條第 31 條至第 41 條中的方法和預期編制的。本人亦參考了金融市場行為監管局（「FCA」）手冊中監管守則第 18 章（「SUP 18」）。SUP 第 18.2.31G 款至第 18.2.41G 款規定了在英國所要求的有關獨立專家計劃報告的形式指引，詳情載列於本報告附錄 D。此外，本人已考慮附錄 E 所載由英國精算師學會發出的指引 15（「指引 15」）（該指引在英國已被撤銷，並由上述 FCA 手冊的指定

章節所取代）。指引 15 已不再有效，但因為香港的法院過往曾參照該指引審理第 24 條保險組合轉讓，因此仍用作參考。本人亦將百慕達 1978 年《保險法案》第 25 條用作參考基準。

- 1.10. 2018 年 5 月，金融市場行爲監管局頒佈了關於其審查第七部保險業務轉讓之方法的最終指引（「FG18/4：金融市場行爲監管局審查第七部保險業務轉讓之方法」）。在編制本報告時，本人已對該指引加以考慮。
- 1.11. 本人已獲准自由查閱本人所要求的為進行工作所需的資料。本人取得的主要文件包括計劃、有關方的委任精算師（「委任精算師」）就計劃作出的報告、法定儲備金報告、給付利率及投資政策、計劃執行前及執行後的財務預測，以及有關方的管理層相關資料。本報告的附錄 B 載列本人獲提供的主要資料及文件。此外，本人亦獲准不受限制地接觸有關方的多名代表並與之進行了討論。
- 1.12. 在擬備本報告的意見時，本人已考慮以下因素：
  - 計劃對富衛及永明之長期保單持有人的合約利益的財務保障的影響；
  - 計劃對富衛及永明之長期保單持有人的合理利益期望的影響；
  - 計劃對富衛及永明之長期保單持有人的服務水平的影響；及
  - 計劃能否提供充分的保障，以確保計劃如所述般運作。
- 1.13. 本報告須連同計劃的完整條款一併閱覽。

## 專業資格及資料披露

- 1.14. 本人是香港精算學會的會員及法國精算師協會會員。
- 1.15. 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。本人自 2012 年起在香港工作。憑藉本人的專業知識和經驗（包括本人熟悉有關方所承保的長期業務類別，加上本人過往在第 24 條保險組合轉讓方面的經驗），本人認為具有適當及相關能力接受委任，作為計劃的獨立精算師。
- 1.16. 本人並非 FWD Limited 或其任何附屬公司的股東。本人並無持有富衛集團旗下任何公司的個人壽險保單，本人亦非任何富衛集團保險計劃的成員。本人在 FWD Limited 並無其他財務利益。本人並非 Sun Life Financial Inc. 或其任何附屬公司的股東。本人並無持有 Sun Life Financial Inc. 旗下任何公司的個人壽險保單，本人亦非任何 Sun Life Financial Inc. 保險計劃的成員。本人在 Sun Life Financial Inc. 並無其他財務利益。此外，本人與本項委任有關的酬金將獨立於計劃的最終結果。

## 依據

- 1.17. 在擬備報告時，本人已獲有關方提供所需的證明文件，其主要項目載於附錄 B。本人亦依賴富衛和永明的委任精算師及高級管理團隊其他成員提供的關於富衛和永明經營情況的信息。

在本報告中本人明確指明了該等人士所作的陳述，並且本人依賴向本人作出的該等陳述（以及其他陳述）的準確性。

- 1.18. 本人是依賴提供予本人的書面及口頭資料的準確性作出報告的結論，並無就該等資料的準確性進行獨立核實。然而，大部分該等資料（例如資產負債表和法定儲備金，包括從資料輸入到模型到生成最終結果的整個過程）已經過審計（未發現任何審計問題）或其他外部審查，而且本人亦有機會就該等資料的任何明顯不一致之處作出提問。
- 1.19. 本人並無企圖就所獲提供的計算結果進行獨立覆核，本人明確依賴委任精算師及有關方關於就計劃使用的所有計算結果為如所述般適當及準確。
- 1.20. 本人已經獲得就特定事宜向富衛管理層出具的法律意見的副本，並已與富衛就該法律意見進行討論。本人不具備就法律事宜出具意見的專業資格。因此，本人在適當情況下明確引述了該意見，並依賴該意見。

#### 限制

- 1.21. 本報告是根據本報告及其附錄中所述的基礎擬備。
- 1.22. 本報告必須整份閱覽，若獨立考慮個別章節，可能會造成誤導。本人已提供一份報告撮要（「報告撮要」），以供刊載於保單持有人的通函。除此之外，未經本人明確同意，不得作出其他版本的報告撮要。
- 1.23. 本報告是由 Milliman 按照協定的基礎，因應計劃內容而為有關方擬備，不得為任何其他目的而依賴本報告。因將本報告用於任何非原定目的，或因使用本報告的任何人士對本報告的任何觀點有任何誤解，Milliman 及本人概不負責。
- 1.24. 除下文所述外，本報告不擬供任何第三方用作其作出或不作出任何事項的依據，因此任何第三方不應依賴本報告。本報告及文內所載意見及結論僅供有關方的管理層、有關方的專業顧問、股東和保單持有人以及監管機構及法庭內部使用。除第 1.26 條和第 1.27 條具體註明的有限的分發及披露報告的情況外，未經本人及 Milliman 書面同意，不得複製本報告以及由本人或 Milliman 提供的任何書面或口頭資料或建議的全部或部分內容或將其全部或部分分發或傳播予任何其他人士，任何其他人士亦不應依賴此等報告、資料或建議。
- 1.25. 若有關方擬向第三方或顧問發布本報告的副本，則除本報告第 10 節規定的情況外，該等第三方或顧問必須按 Milliman 認可的格式簽署免責聲明及責任免除書，其中列明提供資料所依據的條款，以及確認 Milliman 及本人均毋須對他們承擔任何責任、法律責任或謹慎責任。若有關方擬在其他文件中披露本報告的摘要，有關摘要的擬議用語必須事先獲得 Milliman 及本人的書面同意。
- 1.26. 根據《保險業條例》第 24 條，就香港原訟法庭對轉讓長期業務的認許而言，上述例外情況包括：
  - 向香港保監局提交報告副本；

- 在香港特別行政區政府憲報、一份香港的認可英文報章及一份香港的認可中文報章刊登關於計劃的通告後最少 21 日期間，報告副本必須存放於有關方在香港的辦事處，以供查閱；及
  - 任何人士均可索取報告副本，但其要求須在作出認許計劃的命令前提出。
  - 將可於富衛與永明的公司網站上查閱報告副本。
- 1.27. 根據《保險法案》第 25 條，就百慕達最高法院對轉讓長期業務的認許而言，上述例外情況包括：
- 向百慕達金管局提交報告副本；
  - 在百慕達皇家憲報刊登關於計劃的通告後最少 21 日期間，報告副本必須存放於有關方的辦公場所，以供查閱；及
  - 任何人士均可索取報告副本，但其要求須在作出認許計劃的命令前提出。
- 1.28. 在任何媒體發布、公告或公開披露（包括任何促銷或市場推廣材料、網站或業務簡報）中直接或間接使用 Milliman 的名稱、商標或服務商標，或直接或間接提述 Milliman，須就每次使用或發布獲得 Milliman 事先書面同意（由 Milliman 全權酌情決定是否同意），否則即屬未經許可。
- 1.29. 本報告是以本人及 Milliman 於 2019 年 6 月 26 日或之前獲提供的資料為基礎擬備，並無考慮該日期後的事態發展。本人或 Milliman 並無任何義務更新或修正報告內可能顯得不再準確的資料。
- 1.30. 本報告不向個別保單持有人提供財務或其他方面的建議。

## 責任限制及司法管轄權

- 1.31. 本報告受聘用協議書內所述的條款及限制（包括責任限制及司法管轄權）所規限。

## 第2節 計劃的有關方

### 富衛

- 2.1. 富衛人壽保險（百慕達）有限公司（「富衛」）是一家由 FWD Limited 全資擁有的附屬公司。Pacific Century Group 於 2013 年自 ING Groep N.V. 收購了該公司並將其更名為富衛人壽保險（百慕達）有限公司。
- 2.2. 富衛根據百慕達 1978 年《保險法案》獲發 E 類和 3 類保險公司牌照，主要業務活動為經營長期保險及退休業務。
- 2.3. 目前，富衛獲授權在香港承保多種長期保險業務，包括《保險業條例》附表 1 第 2 部所列明的類別 A（人壽及年金）、類別 C（相連長期）、類別 D（永久健康）、類別 G（退休計劃管理第 I 類）及類別 I（退休計劃管理第 III 類）。
- 2.4. 截至 2018 年 12 月 31 日，富衛已發行 2.572 億股普通股和 246,500 股優先股，總股本為 503,700,000 美元。
- 2.5. 根據香港《財務報告準則》（「HKFRS」）所訂基準而編製的截至 2018 年底經審計的帳目顯示，富衛擁有資產 967.96 億港元，總負債 903.48 億港元。該年度利潤為 18.12 億港元，而 2017 年虧損為 4 億港元。
- 2.6. 為香港稅務之目的，富衛已為所有類別的業務（包括 G 類業務）選擇以利得稅為評稅基礎。

### 永明

- 2.7. 本報告中，永明指香港永明金融有限公司，是 Sun Life Assurance Company of Canada 於 2005 年 10 月向 Commonwealth Bank of Australia 收購後全資擁有的一家附屬公司。永明之後於 2006 年 10 月 1 日自永明金融（香港）有限公司（Sun Life Financial (Hong Kong) Limited）收購長期業務。
- 2.8. 永明於 1985 年 10 月 15 日在百慕達註冊成立，於 1987 年 4 月 15 日獲香港保監局授權於香港或自香港開展長期業務。
- 2.9. 截至 2018 年 12 月 31 日，永明的股本為 35.27 億港元。
- 2.10. 目前，永明獲授權在香港承保多種長期保險業務，包括《保險業條例》附表 1 第 2 部所列明的類別 A（人壽及年金，自 1987 年 4 月 15 日起）、類別 C（相連長期，自 2000 年 11 月 7 日起）、類別 D（永久健康，自 1987 年 4 月 15 日起）、類別 G（退休計劃管理第 I 類，自 1995 年 5 月 31 日起）、類別 H（退休計劃管理第 II 類，自 1995 年 5 月 31 日起）及類別 I（退休計劃管理第 III 類，自 1995 年 5 月 31 日起）。
- 2.11. 根據 HKFRS 所訂基準而編製的截至 2018 年底經審計的帳目顯示，永明擁有資產 701.43 億港元，總負債 639 億港元。該年度利潤為 2.74 億港元，而 2017 年淨利潤為 4.77 億港元。
- 2.12. 為香港稅務之目的，永明已選擇 A 類和 C 類業務以保費的 5% 作為應評稅利潤按稅基評稅，而 G 類、H 類和 I 類業務直接以利潤作為稅基。

## 第3節 現有業務及基金結構

### 富衛

#### 綜述

- 3.1. 富衛獲授權在香港經營《保險業條例》附表 1 第 2 部所列明的類別 A（人壽及年金）、類別 C（相連長期）、類別 D（永久健康）、類別 G（退休計劃管理第 I 類）及類別 I（退休計劃管理第 III 類）的長期業務。

#### 基金結構

- 3.2. 富衛按下列基金結構營運：

- 富衛長期基金；
- 富衛退休基金；及
- 富衛股東基金。

- 3.3. 富衛承保及管理其現有的長期基金和退休基金，包括下表所列的不同子基金：

基金	轉讓前富衛基金結構 子基金
長期基金	Traditional Life Fund (類別 A) MaxFocus Fund I (類別 A) MaxFocus Fund II (類別 A) MaxFocus Fund III (類別 A) MaxFocus Fund IV (類別 A) Crisis XDefender Fund (類別 A) Wealth ICON Fund (類別 A) Universal Life Fund (類別 A) Universal Life 2 Fund (類別 A) Universal Life 2.1 Fund (類別 A) Unit Linked Fund (類別 C) Permanent Health Fund (類別 D) Group Life Fund (類別 I)
退休基金	職業退休計劃非保證基金 (類別 G) 職業退休計劃本金保證基金 (類別 G) 強積金本金保證組合 (類別 G)
股東基金	

(\*)支持不同類別業務的資產均加以分離。同一類別業務中的資產不加以分離，但存在單獨的帳戶以單獨跟蹤表現。

子基金	計劃
職業退休計劃非保證基金	富衛公積金計劃
	富衛本金保證計劃
	富衛分拆基金計劃
	富衛綜合公積金計劃
	獨立計劃
職業退休計劃本金保證基金	富衛公積金計劃
	富衛本金保證計劃
	富衛分拆基金計劃
	富衛綜合公積金計劃
	獨立計劃
強積金本金保證組合	強積金基本計劃
	強積金綜合計劃
	永明強積金集成信託 (原為施羅德強積金集成信託)

- 3.4. 在強積金本金保證組合（「強積金 CG」）下，富衛內部管理兩個強積金計劃，原為富衛強積金集成信託基本計劃（「強積金基本計劃」）和富衛強積金集成信託綜合計劃（「強積金綜合計劃」）。兩個內部強積金計劃之發起人和受託人已於 2017 年由富衛轉為永明，而富衛仍為強積金本金保證組合保單之簽發人。強積金基本計劃和強積金綜合計劃已分別更名為永明強積金基本計劃和永明強積金綜合計劃，均對新業務開放，且永明退休金信託有限公司（「永明退休金信託」）擔任這兩個強積金計劃的受託人（富衛退休金信託有限公司於 2017 年 10 月所有權轉讓予永明退休金信託之前曾擔任受託人）。強積金 CG 還包括另一個外部管理的核准匯集投資基金，即永明強積金集成信託（原為施羅德強積金集成信託）。
- 3.5. 截至 2019 年 4 月 30 日，在職業退休計劃本金保證基金和職業退休計劃非保證基金（保單持有人有權在這兩個基金之間作出選擇）下，富衛內部管理在四個職業退休計劃下（即富衛公積金計劃、富衛本金保證計劃、富衛分拆基金計劃及富衛綜合公積金計劃）簽發的七十四項保單。僅富衛綜合公積金計劃對新業務開放。永明退休金信託是所有職業退休計劃的受託人，但未申請強積金豁免之保單除外（因該等保單無需受託人）。在該七十四項保單中，有四項向獨立計劃簽發的富衛本金保證計劃並非由富衛管理但由富衛擔任其投資經理之一。富衛已告知本人，(i)富衛公積金計劃預定於 2019 年 7 月 1 日終止；及(ii)富衛分拆基金計劃下所有計劃已於 2019 年 4 月 1 日轉入富衛綜合公積金計劃。
- 3.6. 富衛亦已告知本人，在一名外聘律師審查富衛 G 類計劃的分類後，兩個內部代理計劃（即長期服務獎勵計劃和 Lions 基金）並不嚴格符合《保險業條例》附表 1（保險業務的類別）所列明的退休計劃原則的標準，已於 2016 年 12 月 31 日轉入富衛的股東基金。這兩個計劃是作為與富衛代理人的內部安排單獨維持的。更多詳情參見附錄 H。

#### 主要數據

- 3.7. 下表顯示富衛截至 2018 年 12 月 31 日的長期業務和退休業務詳情：

類別	保單數量	淨負債金額 (百萬港元)
A	343,180	52,598
C	19,242	5,285
D	2,850	284
I	268	5
<b>合計</b>	<b>365,540</b>	<b>58,172</b>

類別	參與計劃數量	淨負債金額 (百萬港元)
G – 強積金	4,400 (*)	867
G – 職業退休計劃	81	2,306
<b>合計</b>	<b>4,481</b>	<b>3,174</b>

注1：以上 G 類數據包括列於富衛 2018 年 12 月 31 日資產負債表中的強積金和職業退休計劃業務。

注2：附錄 G 列有截至附錄 G 中所述日期（該日期不同於上表所述日期（2018 年 12 月 31 日））富衛發出的 G 類保單（上表中稱為參與計劃）的數量。

(\*) 參與計劃數量指僱主數量，而附錄 G 列有強積金 G 類保單的數量。

由於四捨五入，數字相加可能與合計總數不符。

## 永明

### 綜述

- 3.8. 永明為香港《保險業條例》下的持牌保險人，獲授權經營《保險業條例》附表 1 第 2 部所列明的類別 A（人壽及年金）、類別 C（相連長期）、類別 D（永久健康）、類別 G（退休計劃管理第 I 類）、類別 H（退休計劃管理第 II 類）及類別 I（退休計劃管理第 III 類）長期業務。

### 基金結構

- 3.9. 永明的基金結構如下表所示：

轉讓前永明基金結構	
	Closed Block Fund (類別 A)
現有業務基金	CMG Par Fund (類別 A)
	Open Par Fund (類別 A)
	RB Par Fund (類別 A)
	AoD Fund (類別 A)
	Non-Par Fund (類別 A)

Universal Life Fund (類別 A)
Guardian Individual Trad (類別 A)
Guardian Individual Linked (類別 C)
VUL Fund (類別 C)
CMG Deposit Administration Fund (類別 G)
Guardian Ring-fenced Retirement Fund (類別 G)
Guardian Ring-fenced Retirement Fund (類別 H)
Group Life and Medical (類別 I)
Guardian Group (類別 I)

#### 股東基金

(\*) 上述子基金均實際分離並單獨管理。

- 3.10. 在 G 類業務中，永明單獨管理並維持兩個基金，即 CMG Deposit Administration（存款管理）和 Guardian Ring-fenced Retirement Fund，均不對新業務開放。在類別 H 中，永明有職業退休計劃業務。除新獲得的富衛和永明強積金本金保證組合（目前富衛為保證人，永明為發起人）外，未就強積金提供保證基金。

#### 主要數據

- 3.11. 下表顯示永明截至 2018 年 12 月 31 日的長期保險業務詳情：

2018 年 12 月 31 日 類別	保單數量	淨負債金額 (百萬港元)
A - Non-ring fenced	358,940	39,826
A - Ring fenced	102	43
C - Non-ring fenced	60,457	10,251
C - Ring fenced	2	8
I - Non-ring fenced	1,071	58
I - Ring fenced	2	18
<b>合計</b>	<b>420,574</b>	<b>50,204</b>

2018 年 12 月 31 日 類別	參與計劃數量	帳戶結餘 (百萬港元)	淨負債金額 (百萬港元)
G - 強積金 - Non-ring fenced (*)	4,400 (**)	841	-
G - 職業退休計劃 - Non ring-fenced (存款管理基金)	25	77	85
G - 職業退休計劃- Ring-fenced (存款管 理基金)	63	897	1,009
H - 職業退休計劃- Ring fenced	4	644	644

具有 G 類和 H 類保單的職業退休計劃 僱主數量	(2)	-	-
富衛為保單簽發人的強積金 G 類保單	(4,400)	(841)	-
<b>合計</b>	<b>90</b>	<b>1,618</b>	<b>1,738</b>

(\*)新獲得的富衛仍為保單簽發人的強積金本金保證組合。

(\*\*) 參與計劃數量指僱主數量，而附錄 G 列有強積金 G 類保單的數量。

由於四捨五入，數字相加可能與合計總數不符。

## 第4節 轉讓計劃

### 目的

- 4.1. 擬議轉讓是指向香港原訟法庭和百慕達最高法院提交的有關方編制的文件中所述的轉讓。
- 4.2. 計劃涉及富衛向永明轉讓與強積金計劃和職業退休計劃有關的保證基金的相關 G 類保單，不包括富衛職業退休計劃保留業務，該等業務將由富衛保留。
- 4.3. 本轉讓的根本原因是為了使永明能夠取得富衛的退休金業務，擴大永明在亞洲財富管理領域中資本較低的收費業務，並增加永明現有的退休金業務規模，從而減少每一成員的開支。
- 4.4. 計劃將於富衛和永明共同決定的一個日期（該日應為香港原訟法庭和百慕達最高法院各頒發命令認許計劃之日（以較遲者為準）後 90 天內）凌晨十二時零一分（香港時間）生效。在香港原訟法庭和百慕達最高法院均頒發命令的前提下，預計計劃將於 2020 年 12 月 1 日生效（「轉讓日」），但該日期可另行更改。

### 轉讓業務

- 4.5. 於轉讓日，富衛將轉讓於轉讓日前富衛在強積金計劃和職業退休計劃下及就強積金計劃和職業退休計劃承保的所有 G 類保單，包括所有證書、補充保險保障、背書、附加計劃及附屬協議，但不包括職業退休計劃下富衛代理人和員工的五項內部退休計劃，該等計劃將由富衛保留（「富衛職業退休計劃保留業務」）。投資經理將由富衛變更為永明。
- 4.6. 強積金計劃為永明強積金基本計劃、永明強積金綜合計劃和永明強積金集成信託，G 類保單為強積金本金保證組合（系每一強積金計劃之成分基金）下的核准匯集投資基金（「APIF」）。永明強積金基本計劃（原為富衛強積金集成信託基本計劃）和永明強積金綜合計劃（原為富衛強積金集成信託綜合計劃）之發起人和受託人已於 2017 年由富衛轉為永明，而富衛仍為強積金本金保證組合保單之簽發人。
- 4.7. 截至 2018 年 12 月 31 日，職業退休計劃下或與職業退休計劃相關之 G 類保單均在下列四個計劃下簽發：
  - 富衛本金保證計劃；
  - 富衛綜合公積金計劃；
  - 富衛分拆基金計劃；
  - 富衛公積金計劃；
- 4.8. 截至 2019 年 4 月 30 日已簽發之保單共計七十四項。富衛已告知本人，(i)富衛公積金計劃預定於 2019 年 7 月 1 日終止；及(ii)富衛分拆基金計劃下所有計劃已於 2019 年 4 月 1 日轉入富衛綜合公積金計劃。

4.9. 第 1.3 條界定的富衛職業退休計劃保留業務於轉讓日後仍將由富衛保留。

### 轉讓負債

4.10. 在轉讓日及自轉讓日起：

- 永明將取代富衛，承繼所有轉讓長期負債；及
- 所轉讓的長期保單將成為永明的長期業務組合的一部分。

4.11. 轉讓負債指富衛於轉讓日歸屬於 G 類保單負債的所有負債，不包括富衛職業退休計劃保留業務，等於下列各項之和：

- 為反映於轉讓日當日或前後保單持有人的應付款和應收款而經調整的帳戶結餘；
- 根據指引 7 第 6.2 條就投資保證規定的方法作出的，並按照截止於 2018 年 12 月 31 日年度的指引 7 報告中規定的方法和假設計算的，與 G 類保單有關的投資保證準備金；及
- 使用富衛的方法和假設釐定的任何有關平滑準備金。

4.12. 下表顯示富衛截至 2018 年 12 月 31 日的 G 類長期業務詳情。

富衛 G 類長期業務			
2018 年 12 月 31 日 類別	參與計劃數量	帳戶結餘 (百萬港元)	淨負債金額 (百萬港元)
強積金	4,400 (*)	841	867
職業退休計劃	81	2,049	2,306
職業退休計劃轉讓業務	77	1,614	1,812
富衛職業退休計劃保留業務	4	435	494
<b>合計</b>	<b>4,481</b>	<b>2,890</b>	<b>3,174</b>

注：附錄 G 列有截至附錄 G 中所述日期（該日期不同於上表所述日期（2018 年 12 月 31 日））富衛發出的 G 類保單（上表中稱為參與計劃）的數量。

(\*) 參與計劃數量指僱主數量，而附錄 G 列有強積金 G 類保單的數量。

由於四捨五入，數字相加可能與合計總數不符。

4.13. 截至 2018 年 12 月 31 日，長期業務包含 4,400 個強積金計劃和 81 個職業退休計劃。G 類職業退休計劃業務的淨負債金額為 23.06 億港元，G 類強積金計劃業務的淨負債金額為 8.67 億港元。

4.14. 富衛職業退休計劃保留業務的帳戶結餘已由 2017 年 12 月 31 日的 7.19 億港元大幅減少至 2018 年 12 月 31 日的 4.35 億港元，主要原因是 2018 年 4 月就 Victory 基金計劃向富衛代理人支付了 3.27 億港元。

### 轉讓資產

4.15. 轉讓資產是指應轉讓給永明的、於轉讓日等於轉讓負債的所有富衛財產、資產或投資。

- 4.16. 根據計劃，永明的長期業務基金將進行重組，以吸納富衛的轉讓業務。基金的拆分以及構成基金之間的資產與負債的分配載於下文第 4.17 條。

### 計劃下的永明基金結構

- 4.17. 下表顯示轉讓將導致永明基金結構發生的擬議變化：

轉讓前永明基金結構	
現有業務基金	Closed Block Fund (類別 A) CMG Par Fund (類別 A) Open Par Fund (類別 A) RB Par Fund (類別 A) AoD Fund (類別 A) Non-Par Fund (類別 A) Universal Life Fund (類別 A) Guardian Individual Trad (類別 A) Guardian Individual Linked (類別 C) VUL Fund (類別 C) CMG Deposit Administration Fund (類別 G) Guardian Ring-fenced Retirement Fund (類別 G) Guardian Ring-fenced Retirement Fund (類別 H) Group Life and Medical (類別 I) Guardian Group (類別 I)
股東基金	
轉讓後永明基金結構	
現有業務基金	Closed Block Fund (類別 A) CMG Par Fund (類別 A) Open Par Fund (類別 A) RB Par Fund (類別 A) AoD Fund (類別 A) Non-Par Fund (類別 A) Universal Life Fund (類別 A) Guardian Individual Trad (類別 A) Guardian Individual Linked (類別 C) VUL Fund (類別 C)

	CMG 存款管理基金（類別 G）
	Guardian Ring-fenced Retirement Fund（類別 G）
	Guardian Ring-fenced Retirement Fund（類別 H）
	Group Life and Medical（類別 I）
	Guardian Group（類別 I）
	新的職業退休計劃非保證子基金（類別 G）
轉讓業務	新的職業退休計劃本金保證子基金（類別 G）
	新的強積金子基金（類別 G）
股東基金	

- 4.18. 為吸納轉讓業務，永明將新設立三項新的獨立 G 類子基金。該等子基金將作為永明 G 類基金下單獨的子帳戶加以維持。永明將獨立於轉讓業務繼續維持現有 G 類業務。
- 4.19. 支持轉讓業務的總資產，包括支持帳戶結餘、投資保證準備金及任何平滑準備金的所有資產，將由富衛轉讓給永明，以支付轉讓業務的所有預期支出並維持轉讓業務的償付能力。此外，在出現資產短缺的情況下，永明的股東基金將繼續支持現有業務和轉讓業務。

#### 計劃下的富衛基金結構

- 4.20. 在擬議計劃下，除富衛職業退休計劃保留業務外，富衛將不再有有效的退休金業務。因此，富衛的基金結構將保持不變。各個長期子基金將不受影響。下表顯示轉讓後的基金結構：

基金	轉讓後的富衛基金結構
	子基金
長期基金	Traditional Life Fund（類別 A） MaxFocus Fund I（類別 A） MaxFocus Fund II（類別 A） MaxFocus Fund III（類別 A） MaxFocus Fund IV（類別 A） Crisis XDefender Fund（類別 A） Wealth ICON Fund（類別 A） Universal Life Fund（類別 A） Universal Life 2 Fund（類別 A） Universal Life 2.1 Fund（類別 A） Unit Linked Fund（類別 C） Permanent Health Fund（類別 D） Group Life Fund（類別 I）
退休基金	職業退休計劃本金保證基金 (富衛員工及代理人)（類別 G）
股東基金	

## 日後運作

- 4.21. 若獲得轉讓業務，永明承諾將履行所有保單合約條件，包括支付轉讓業務所引致的一切理賠給付、期滿利益及其他款額（包括客戶交易的行政管理成本）的責任。
- 4.22. 富衛與永明簽訂了一項為期 15 年的獨家分銷協議，以允許永明透過富衛在香港的代理網絡提供強積金計劃和職業退休計劃。

## 計劃的相關成本及開支

- 4.23. 計劃所涉及的成本將由富衛與永明平均分擔，並以有關方的股東基金支付。有關成本包括在轉讓日當日及之前發生的擬備計劃及取得香港原訟法庭及百慕達最高法院認許的相關成本。

## 第5節 擬議轉讓的影響 – 對轉讓保單持有人的利益期望的影響

5.1. 在本節中，本人考慮了與轉讓保單持有人的利益期望有關的主要問題。在形成本人在此方面的意見時，本人已考慮下列各段所述的各項事宜。

### 影響保單持有人利益期望的考慮因素

- 5.2. 影響退休業務利益期望的考慮因素包括非保證給付利率、費用和收費以及轉讓保單持有人的權利等酌情因素。
- 5.3. 對於涉及酌情利益成份的保單，本人還須考慮計劃將如何影響有關酌情權的行使，同時考慮保單持有人現有的利益期望。這些保單包括結合酌情及保證給付利率的保單，例如 G 類保單。本人將於本節稍後部分進一步闡述向富衛保單持有人派付的酌情利益的形式。
- 5.4. 在考量計劃對轉讓保單持有人的酌情利益預期可能造成的影響時，本人已考慮下列因素：
- 計劃實施後用以釐定保單持有人的酌情給付利率數額的方法，以及該方法與現行做法之間的任何差異。
  - 針對可對帶有酌情利益成分的保單造成不利影響的方法改變，永明的股東所規定的日後管治程序及保障措施。
  - 計劃對支持保單的資產的日後投資策略及投資表現可能造成的影響程度。
  - 計劃導致保單持有人須承擔的開支。

### 富衛轉讓業務的現有酌情利益

#### 富衛強積金本金保證組合（「富衛強積金 CG」）

- 5.5. 富衛強積金 CG 是一個單位化基金，其價格等於淨資產價值。淨資產價值基於實際回報減去適用的管理費用、受託人費用和保證費用而增加。富衛強積金 CG 保證在每個為期 5 年的連續投資期結束時或（若成員年屆 65 歲）在較短的期間內，本金將得到保全。

#### 富衛職業退休計劃業務

- 5.6. 富衛職業退休計劃業務的酌情利益受酌情給付利率影響，酌情給付利率受限於最低保證利率。富衛提供的內部和外部職業退休計劃適用相同的給付利率原理。於 2018 年 12 月 31 日，僅適用每年 0% 的最低保證給付利率（詳情參見第 5.9 條）。
- 5.7. 酌情給付利率至少每年重審一次。在建議當年給付利率時，考慮下列四項標準：
- (i) 實際淨投資回報

相關期間實現的總投資回報扣除費用、稅負和目標投資價差後，為釐定宣佈利率的起始點。其中包括債券和股票的未實現損益。2002年以來目標投資價差設定為0.95%，由富衛定期重審。對於富衛公積金計劃而言，目標投資價差可酌情而定，但最高為每年1.5%。對於其他計劃而言，目標投資價差完全酌情而定。

- (ii) 對保單持有人回報的穩定性

宣佈利率或低於或高於平滑後總的淨投資回報。

- (iii) 紿付利率的長期可支持性

基金盈餘規模是衡量組合可持續性的一項指標，應在合理的範圍內，使其規模足以支持指引7的儲備金要求。每一宣佈均應進行壓力測試，以評估宣佈給付利率後緩衝措施的充分性。宣佈利率的設定應確保淨盈餘至少為正。另一方面，如果盈餘隨著時間而增加，宣佈利率亦會提高，以將超額部分的回報分配給保單持有人。

- (iv) 紉付利率的競爭力

還與競爭對手的宣佈利率進行比較，以確保該建議在商業上可行。

根據富衛香港資產負債管理委員會和董事會分別於2018年11月12日和2018年12月6日批准的最新職業退休計劃給付利率建議，2017年10月至2018年9月期間的宣佈給付利率為每年2.20%。

5.8. 就職業退休計劃而言，中期給付利率於每年年初時宣佈，按酌情給付利率減去非經常性項目計算，可由委任精算師進一步調整最多0.5%。在極端年度中，委任精算師可排除特殊的非經常性項目以進一步調低中期利率。自2019年1月起，在考慮酌情給付利率、非經常性項目和委任精算師建議的0.5%進一步調整後，中期給付利率釐定為每年1.50%。

5.9. 如下所示，職業退休計劃的最低保證利率各不相同：

- 富衛公積金計劃

富衛公積金計劃保證，自開始日期起的最初10年内，每一供款將從收到相關供款之日起賺取不低於5%的有效年度複合利率。

5%的保證對該計劃已失效。該計劃不對新業務開放。富衛公積金計劃預定於2019年7月1日終止

- 富衛本金保證計劃

職業退休計劃本金保證計劃保證，自開始日期起的十年內，總供款的給付利率將不低於每年0%，減去任何提取和該期間內計入帳戶的任何適用收費。

該計劃不對新業務開放。

- 富衛分拆基金計劃

分拆基金計劃保證，自開始日期起的十年內，總供款的給付利率將不低於每年0%，減去任何提取和該期間內計入帳戶的任何適用收費。

該計劃不對新業務開放。富衛分拆基金計劃下所有計劃已於 2019 年 4 月 1 日轉入富衛綜合公積金計劃。

- 富衛綜合公積金計劃

綜合公積金計劃保證，自開始日期起的十年內，總供款的給付利率將不低於每年 0%，減去任何提取和該期間內計入帳戶的任何適用收費。

該計劃對新業務開放。

## 富衛職業退休計劃業務的過往宣佈給付利率

5.10. 富衛過去曾對職業退休計劃本金保證基金的給付利率作出若干調整，近年來的調整摘要見下表：

紅利年度	中期給付利率	年度宣佈利率 (*)
2002	5.00%	6.00%
2003	4.00%	7.00%
2004	4.00%	6.25%
2005	3.00%	6.25%
2006	3.00%	6.25%
2007	3.00%	7.25%
2008	3.00%	3.00%
2009	3.00%	5.25%
2010	3.25%	5.10%
2011	2.50%	3.60%
2012	2.00%	3.15%
2013	1.75%	3.05%
2014	1.75%	3.10%
2015	1.75%	2.20%
2016	1.50%	2.20%
2017	1.50%	2.40%
2018	1.50%	2.20%

(\*)自上年度 10 月至本年度 9 月。

## 永明對轉讓業務的酌情利益

5.11. 永明已承諾遵循富衛採用的現行做法來釐定給付利率。給付利率至少將每年重審，並考慮到保單持有人的合理期望及市場環境。永明的目標是為保單持有人提供連續性，並在可行的範圍內制定與富衛相類似的政策和做法。與富衛相類似，永明將根據正常的審查過程定期對該方法進行重審。詳情參見以下各段。

### 酌情給付利率

- 5.12. 永明已承諾為職業退休計劃和強積金計劃維持相同的最低給付利率。
- 5.13. 對於富衛轉讓的 G 類業務，永明亦將在可行的範圍內採用與之前年度中富衛給付利率方法相同的原則。給付利率將根據保單持有人的合理期望和該期間的淨投資回報進行管理。特別是，根據永明用於其現有 G 類業務的方法，永明在釐定給付利率時將考慮以下因素：
- 預期的投資組回報率，該回報率將以資產組合的構成以及永明關於資產回報的內部假設為依據。
  - 目標投資價差，將維持在現時富衛收取的 0.95% 的水平，但可不時調整以反映不斷變化的情況。雖然自 2002 年以來，富衛未對目標投資價差進行任何調整，但富衛享有變更目標投資價差的廣泛權利。永明將承繼該權利，且不論計劃進行與否，該權利均存在。
  - 平滑調整，用於最大限度地減少由於市場波動導致給付利率產生的任何意外波動。
  - 保單持有人的合理期望。
- 5.14. 富衛根據正常的審查過程定期對給付利率方法進行重審，永明將繼續奉行這項慣例。
- 5.15. 由於對未來市場表現的內部看法不同，以及戰略資產配置、策略性收益率提升和資產負債匹配方面的差異，預期的投資組回報率在富衛與永明之間有所不同。下表對比了永明和富衛用於得出 2018 年 DST 結果的 2021 年投資回報假設。由於對長期投資回報假設的內部看法不同，富衛與永明之間的差異在 2017 年 12 月 31 日（13 個基點）至 2018 年 12 月 31 日（44 個基點）的期間有所擴大，但有關方之間的差異預計不會對長期預計投資組回報產生重大影響。因此，在計劃實施後，在經濟狀況相同的情況下，給付利率很可能與以往類似。

	資產配置(*)	富衛	永明
5 年期港元公司債券	78.30%	3.13%	2.24%
5 年期美元公司債券	8.70%	3.68%	3.60%
股票	13.00%	8.00%	10.00%
<b>合計</b>	<b>100%</b>	<b>3.81%</b>	<b>3.37%</b>

(\*)為上述評估之目的，資產配置基於存款管理基金的策略性資產配置。

- 5.16. 對於職業退休計劃中期給付利率，永明將採用與富衛類似的管理辦法。中期利率將基於宣佈的給付利率，並根據委任精算師的建議作進一步調整。

## 富衛 對轉讓業務的資產配置和投資政策

### 概述

- 5.17. 富衛設有經富衛香港資產負債管理委員會、富衛集團資產負債管理委員會、富衛集團風險管理及精算委員會及富衛集團投資委員會批准的正式結構的投資政策。投資政策考慮負債和支持負債的資產之性質。
- 5.18. 投資過程透過富衛香港資產負債管理委員會及首席投資官管理。已制定內部資產的投資準則，並規定任何投資要求和限制。
- 5.19. 富衛將所有內部管理的職業退休計劃 G 類業務投資於一個單獨管理的存款管理基金，該基金的投資目標是實現高於保證水平的長期穩定回報。對於強積金本金保證投資組合，富衛擔任投資經理，但資產投資於由施羅德管理的另一個 APIF。

### 存款管理基金投資政策

- 5.20. 該基金至少三分之二的資產投資於優質全球固定收益證券，其餘資產為現金（最高 10%）和股票（最高 33%）。根據富衛內部準則，不超過總資產 15% 的資產將投資於受限制資產<sup>1</sup>。
- 5.21. 存款管理基金截至 2018 年 12 月 31 日的實際資產配置和策略性資產配置如下：

資產類別	實際資產配置 – 2018 年 12 月 31 日	策略性資產配置
現金及現金等價物	2%	0%
固定收益	85%	87%
香港股票	13%	13%
合計	100%	100%

## 永明對轉讓業務的資產配置和投資政策

- 5.22. 永明現有 G 類基金、CMG DA 和 Guardian DA 的投資政策由永明資產負債管理委員會維持和核准，並由 Sun Life Financial Asia 資產負債管理委員會（「SLF Asia 資產負債管理委員會」）批准。

<sup>1</sup>受限制資產為貴金屬、商品、不動產、認股權證、期貨合約、期權或評級低於 A/A2 的債券以及任何該等資產中的權利和其他權益。

- 5.23. CMG DA 的資產投資於固定收益工具，目標是：
- 最大限度地提高稅後風險調整後的長期投資收益；
  - 實現具有市場競爭力的資產收益/價差，以支持可持續和有競爭力的給付利率。
- CMG DA 投資於優質投資級別固定收益工具。在信用評級下降的情況下，低於投資級別的投資比例不應超過投資組合的 5%。
- 5.24. Guardian DA 的資產投資於公開發行的固定收益資產和股票，目標是：
- 實現可持續收益；
  - 通過保留與投資政策相一致的風險特性，維持保單持有人的合理期望。
- Guardian DA 固定收益投資組合僅投資於優質投資級別固定收益工具。在信用評級下降的情況下，低於投資級別的投資比例不應超過投資組合的 5%。一定比例的資產也可投資於股票。
- 5.25. 轉讓的 G 類基金的投資政策和資產配置將獨立於永明現有 G 類基金加以維持。特別是，本人獲告知，轉讓後的目標資產配置和投資政策不會有重大改變。與現有 G 類基金的管治流程相類似，轉讓業務的投資政策將由永明資產負債管理委員會維持和核准，由 SLF Asia 資產負債管理委員會批准。職業退休計劃業務的目標資產配置將按照永明現有業務的現行做法記錄在本金保證政策的投資指引中，而強積金本金保證基金的目標資產配置已經記錄在強積金說明備忘錄中，不會改變。轉讓基金的投資政策和資產配置與富衛現有保單相比不會有重大改變。

#### 對轉讓後保單持有人酌情利益原理的整體評論

- 5.26. 本人已考慮可能會影響轉讓保單持有人在計劃實施後可收取的酌情利益之水平的日後決定。永明已確認公司將遵循富衛所採用的現有給付利率政策，而現有準則和方法在計劃實施後將不會有任何重大改變。
- 5.27. 轉讓業務的給付利率將分別釐定，將反映所得投資回報（扣除收費後）的影響，惟須符合保單的回報平滑及固有保證規定。
- 5.28. 富衛定期對給付利率方法進行重審，永明將繼續奉行這項慣例。
- 5.29. 本人獲告知轉讓業務的投資政策將與轉讓前的基金投資政策保持一致。
- 5.30. 基於本人的審核，本人認為現時的酌情利益釐定準則和方法，以及永明承諾在業務轉讓後就現有做法的任何變動採用的所需程序，均為保單持有人提供充分保障，以致保單持有人可預期在業務轉讓前後獲得相類似的待遇。
- 5.31. 本人亦已考慮計劃因任何互相抵觸的利率政策而引致的潛在影響。由於在轉讓後，轉讓保單將隨即由一個獨立於永明現有保單的基金管理，因此計劃實施後不需要促使任何互相抵觸的利率政策達成一致。有鑑於此，本人相信計劃不會引致與互相抵觸的利率政策相關的問題。

### 富衛對轉讓業務的酌情收費

- 5.32. 富衛享有廣泛的權利調整保單收費，且有權就保單的管理徵收任何其他收費。根據保單條款規定，在任何費用調整生效前，所有計劃成員和參與僱主將會預先獲發書面通知。永明將承繼這些權利，且不論計劃進行與否，這些權利均存在。
- 5.33. 本人獲永明告知，轉讓業務的現行收費水平將不會因轉讓而有重大改變。特別是，將不會有其他收費適用於轉讓業務。收費將在強積金和職業退休計劃保單的說明備忘錄中披露。

### 合約保證利益條文

- 5.34. 按照計劃，永明將承諾繼續向富衛的轉讓保單持有人支付保證利益。在轉讓前後，上述保單持有人的權利（在現有保單文件內界定）均相同。

### 與計劃有關的費用及開支

- 5.35. 就計劃引致的總費用將由富衛與永明的股東基金承擔。永明已確認，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，本人並無理由相信轉讓保單持有人將在這方面受到任何不利影響。

### 稅務影響

- 5.36. 為香港稅務之目的，富衛已為所有類別的業務（包括 G 類業務）選擇以利得稅為評稅基礎。截至 2018 年 12 月 31 日，富衛有累計的結轉稅損。任何稅務餘額都不會因轉讓而從富衛轉給永明。此外，在釐定給付利率時，未考慮結轉稅損。
- 5.37. 富衛和永明均採用 16.5% 的香港利得稅稅率計算 G 類業務的稅款。因此，計劃實施後適用於轉讓業務的稅務制度不會改變。

### 保單條款及細則

- 5.38. 本人獲告知，轉讓業務的保單條款及細則不會因計劃的實施而改變。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不利影響。

### 富衛非 G 類計劃拆分之影響

- 5.39. 在對富衛 G 類計劃的分類進行審查後，兩個富衛非 G 類代理計劃已於 2016 年 12 月 32 日轉入富衛股東基金。由於這兩個非 G 類代理計劃獨立於其他剩餘 G 類計劃加以管理，這兩個非 G 類計劃的拆分將不會對轉讓保單持有人的利益期望產生任何重大不利影響。

## 結論

5.40. 總結上述評估，本人認為計劃對富衛之轉讓保單持有人的合理利益期望並無重大不利影響。

## 第6節 擬議轉讓的影響 – 對富衛之非轉讓保單持有人及永明之現有保單持有人的利益期望的影響

- 6.1. 在本節中，本人考慮了與富衛之非轉讓保單持有人及永明之現有保單持有人的利益期望相關的主要問題。在此方面形成本人的意見時，本人已考慮下列各段中所涉及的各種事項。

### 酌情利益

#### 富衛非轉讓業務

- 6.2. 富衛現時在釐定其有效分紅保單的紅利及萬用壽險保單的酌情利率時採用的準則和方法於擬議轉讓後不會改變。富衛將保留重審分紅保單的紅利管理原理及萬用壽險保單的給付利率機制的權利，不論計劃實施與否，該等權利均存在，並不受計劃影響。
- 6.3. 轉讓前，支持富衛其餘保單持有人的分紅保單和萬用壽險保單的資產獨立於轉讓保單的相關資產加以管理。富衛收取的轉讓代價將不會分配予其餘保單持有人的分紅保單和萬用壽險保單。
- 6.4. 擬議轉讓後，與退休業務有關的部份間接費用（基於對富衛 2014-2018 年期間發生的退休金相關費用的研究，不足總費用的 3%）將不會完全消除，將分攤給剩餘業務。但是，鑑於剩餘業務分攤費用的增加應與業務管理工作的力度加大相匹配，因此，富衛預計單位成本不會有任何重大增加。此外，鑑於投資經驗是影響紅利和給付利率的主要因素，因此，紅利支付和給付利率不會受到任何不利影響。
- 6.5. 對於非分紅壽險保單與投資相連保單，富衛現時享有調整保費及變更費用或收費的廣泛權利，富衛未來可行使該等權利，無論計劃是否進行，此等權利均存在。在釐定保費調整和非保證收費的水平時，所涉及的程序和準則將不會因轉讓而改變。
- 6.6. 對於富衛職業退休計劃保留業務，富衛無意於轉讓日因轉讓而改變投資策略或給付利率原理。未來的任何審核或改變均將通過與轉讓前相同的審核程序。但是，由於 2018 年管理資產減少而投資費用可能增加，富衛有意外包富衛職業退休計劃保留業務的投資，投資目標保持不變，並繼續提供相同的保證。但於本報告編寫完成之時尚未確定具體時間安排。在任何情況下，富衛均將確保符合指引 14「外包指引」的要求，並將通過必要的監管審批流程。

#### 永明現有業務

- 6.7. 對於轉讓業務，永明將獨立於其現有業務（尤其是永明現有的 G 類業務）予以維持。對於現有保單持有人而言，合約保證利益將保持不變。此外，永明現有業務的費用應不受影響。

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- 6.8. 特別是，永明現時在釐定其有效分紅保單的紅利及萬用壽險保單的酌情利率時採用的準則和方法於擬議轉讓後不會改變。永明將保留重審分紅保單的紅利管理原理及萬用壽險保單的給付利率機制的權利，不論計劃實施與否，該等權利均存在，並不受計劃影響。
  - 6.9. 對於非分紅壽險保單與投資相連保單，永明現時享有調整保費及變更費用或收費的廣泛權利，永明未來可行使該等權利，無論計劃是否進行，此等權利均存在。在釐定保費調整和非保證收費的水平時，所涉及的程序和準則將不會因轉讓而改變。
  - 6.10. 保費調整和/或非保證收費的水平預計不會因轉讓而發生重大變化。

## 資產配置及投資政策

### 富衛非轉讓業務

- 6.11. 富衛無意於擬議轉讓後改變現時就支持非轉讓保單的資產所採取的投資策略。富衛將保留審查投資政策中所載各項資產配置和投資決定的權利，無論計劃是否進行，此等權利均存在，將不會受到計劃的影響。
- 6.12. 但是，由於管理資產減少而投資費用可能增加，富衛有意外包富衛職業退休計劃保留業務的投資管理，投資目標保持不變，並繼續提供相同的保證。

### 永明現有業務

- 6.13. 現有基金和轉讓基金的投資政策將分別加以維持。永明現有 G 類基金的投資政策由永明資產負債管理委員會核准並由 SLF Asia 資產負債管理委員會批准。現有及轉讓基金的投資政策不會受到轉讓的影響。永明現有 G 類基金的投資政策將不會受到擬議轉讓的影響，且永明將保留審查現有業務投資政策中所載各項資產配置和投資決定的權利。其他各類業務的投資政策亦不會受到轉讓的影響。

## 保單條款及細則

- 6.14. 富衛和永明告知本人，非轉讓及現有業務的保單條款及細則不會因計劃的實施而改變。本人並無理由相信計劃實施將對富衛之非轉讓保單持有人和永明之現有保單持有人的保單條款及細則構成不利影響。

### 與計劃有關的費用及開支

6.15. 與計劃相關的費用將由富衛和永明平均分擔，就計劃引致的總費用將由富衛與永明的股東基金承擔。富衛與永明已確認，費用將由股東承擔，而不會轉嫁給保單持有人。因此，計劃引致的相關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，富衛與永明的長期保單持有人在這方面將不會受到重大不利影響。

### 富衛非 G 類計劃拆分之影響

6.16. 兩個非 G 類代理計劃已於 2016 年 12 月 32 日轉入富衛股東基金。由於這兩個非 G 類代理計劃獨立於其他剩餘 G 類計劃加以管理，這兩個非 G 類計劃的拆分將不會對富衛之非轉讓保單持有人的利益期望產生任何重大不利影響。同樣，該拆分也不會對永明之現有保單持有人的利益期望產生任何影響。

### 結論

6.17. 總結上述評估，本人認為計劃對富衛之非轉讓保單持有人及永明之現有保單持有人的合理利益期望並無重大不利影響。

## 第7節 擬議轉讓的影響 – 對轉讓保單持有人的財務保障的影響

7.1. 在本節中，本人考慮了與富衛之轉讓 G 類長期保單持有人的財務保障相關的主要問題。在提出本人的意見時，本人考慮了下列各段所述的事宜。

### 影響保單持有人的財務保障的考慮因素

- 7.2. 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：富衛採用的儲備基礎的保守程度，其資本和自由資產，其作為一家壽險公司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。
- 7.3. 本人須考慮有關方在轉讓前的償付能力狀況，以及永明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。

### 財務保障的提供

- 7.4. 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、最低償付準備金及盈餘，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。
    - 就 G 類業務而言，儲備金是參照香港保監局依照《保險業條例》發出的《長期保險業務 G 類儲備金的指引》（「指引 7」）的要求計算和建立的。根據該條例，保險公司須有足夠的資產，以按要求為其對 G 類保單持有人的所有負債作出準備，其中包括為給投資保證作出適當準備而產生的負債（應當以 99% 的置信水平涵蓋大多數不利情景）。
  - 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。
    - 對於在 G 類中承保的長期業務而言，除現有的指引 7 儲備金之外，在香港沒有額外的償付準備金要求。
  - 盈餘：
    - 超過法定最低償付準備金的認可淨資產。

- 7.5. 在上述三種資產層之外，保險公司亦須每年根據香港精算學會所發出及香港保監局所要求的關於動態償付能力測試（「DST」）的《精算指引七》（「AGN7」）所規定的若干不利情景下，檢視整體業務的財務狀況。此項檢視旨在識別可以用來應對在業務經營過程中可能出現的任何潛在威脅的措施。

### 轉讓業務的保單儲備金

- 7.6. 富衛和永明一直根據香港監管制度作出報告，包括依照香港《保險業條例》編制並由核數師證明的財務報表，及按《保險業條例》要求由委任精算師簽發的精算師證明書。
- 7.7. 依照所須遵守的估值準則，富衛此前已按符合香港監管準則的既定方法和估值基礎，並參照香港保監局依照《保險業條例》發出的《長期保險業務 G 類儲備金的指引》的要求，為轉讓業務建立了儲備金。具體而言，富衛為 G 類長期業務設立的法定儲備金為下列各項之總和：
- 向基金繳付的供款的累計金額減去適用的開支、費用或收費，再加上根據適用的保證利率或宣佈利率所給付的利息（「帳戶結餘」）；
  - 投資保證儲備金（「指引 7 儲備金」）；及
  - 額外的平滑儲備金。
    - 就職業退休計劃業務而言，平滑儲備金設定為等於(i)總資產與(ii)帳戶結餘及指引 7 儲備金之和之間的差額。換言之，超出帳戶結餘及指引 7 儲備金之和的剩餘盈餘用作吸收某些市場波動的平滑緩衝。
    - 就強積金業務而言，持有的平滑儲備金應使該期間的指引 7 儲備金和平滑儲備金之和至少等於上一個期間指引 7 儲備金和平滑儲備金之和。富衛制定這一方法是為了確保總儲備金（不包括帳戶結餘）的穩定性，以滿足強積金業務的快速增長。但是，若未來經濟環境不同，這一方法亦應改變。
- 7.8. 下表顯示 2015 年 12 月 31 日至 2018 年 12 月 31 日富衛 G 類業務之法定儲備金。

百萬港元	2015 年 12 月 31 日			2016 年 12 月 31 日		
	帳戶結餘	最低指引 7 儲備金	平滑儲備金	帳戶結餘	最低指引 7 儲備金	平滑儲備金
強積金	677	16	10	758	21	5
職業退休計劃	2,358	156	84	2,367	179	30
合計	<b>3,035</b>	<b>172</b>	<b>93</b>	<b>3,125</b>	<b>200</b>	<b>34</b>

百萬港元	2017年12月31日			2018年12月31日		
	帳戶結餘	最低指引7 儲備金	平滑儲備 金	帳戶結餘	最低指引7 儲備金	平滑儲備 金
強積金	849	12	14	841	20	6
職業退休計劃	2,563	205	128	2,049	167	91
<b>合計</b>	<b>3,412</b>	<b>217</b>	<b>143</b>	<b>2,890</b>	<b>186</b>	<b>97</b>

注：轉讓資產等於帳戶結餘、最低指引7儲備金和平滑儲備金之和。

由於四捨五入，數字相加可能與合計總數不符。

7.9. 本人並無試圖就有關方的儲備金計算結果進行獨立覆核。本人明確依賴有關方的委任精算師及管理層的意見表明儲備金在監管合規方面是適當並準確反映。委任精算師已證明遵守了香港《保險業條例》（香港法例第41E章—保險公司（長期負債釐定）規例）的規定，並已作為正常審計過程的一部分，對儲備金（包括從資料輸入到模型再到生成結果的整個過程）進行了審計。

7.10. 轉讓後，永明將採用隨機估值方法來釐定指引7儲備金，這是富衛目前採用的方法。更具體而言，永明將根據《長期保險業務G類儲備金的指引》的規定，為轉讓業務持有符合香港監管標準的指引7儲備金。特別是，對於每一隨機經濟情景，資產市值與帳戶結餘之間的缺口都會加以預測並貼現回估值日，而最低指引7儲備金按所有隨機情景下缺口現值經驗分佈的99百分位數釐定。此外，永明將繼續採用與富衛相類似的方法，為職業退休計劃和強積金持有平滑儲備金。

7.11. 轉讓日後，強積金的最低指引7儲備金和平滑儲備金不會變化。就職業退休計劃而言，

- 類似於轉讓前富衛的方法，職業退休計劃業務的最低指引7儲備金將在富衛職業退休計劃保留業務（截至2018年12月31日為3,800萬港元）和職業退休計劃轉讓業務（截至2018年12月31日為1.28億港元）之間基於帳戶結餘拆分。儘管這兩類業務過去是匯總管理的，但有鑑於下列原因，評估認為這一拆分是合理的：(i)這兩類業務的經濟假設是相等的；(ii)這兩類業務的平均過往失效情況曾是接近的（但最近的2018年情況較不穩定並表現出差異），而最低指引7儲備金對失效情況的變化並不十分敏感；及(iii)過去進行的量化評估顯示帳戶價值是拆分指引7儲備金的適當驅動因素（詳情見第8.6條）。
- 整個職業退休計劃平滑儲備金，即第7.7條界定的富衛職業退休計劃保留業務和職業退休計劃轉讓業務的平滑儲備金，將轉給永明，使得轉讓業務的平滑儲備金在轉讓後有所增加。

7.12. 下表顯示轉讓前及轉讓後富轉讓業務之法定儲備金：

百萬港元 2018年12月 31日	富衛 – 轉讓前			永明 – 轉讓後		
	帳戶結餘	最低指引 7 儲備金	平滑儲備 金	帳戶結 餘	最低指引 7 儲備金	平滑儲備 金
強積金	841	20	6	841	20	6
職業退休計 劃轉讓業務	1,614	128	70	1,614	128	91
<b>合計</b>	<b>2,455</b>	<b>148</b>	<b>76</b>	<b>2,455</b>	<b>148</b>	<b>97</b>

由於四捨五入，數字相加可能與合計總數不符。永明已承諾不減少轉讓日持有的總儲備金（如上表所示），並按照富衛現有的方法採用符合香港監管標準的隨機估值方法。

- 7.13. 轉讓後，有關程序仍將維持不變，精算師年度報告中將揭露轉讓業務和永明現有業務的儲備金釐定方法和估值基礎。與富衛相類似，由於正常審核程序而作出任何修訂的估值方法或基礎，將繼續符合本地規例和訂明準則。
- 7.14. 總之，轉讓後持有的儲備金將高於富衛在轉讓前持有的儲備金。此外，有關方法預計將不會有重大變化。因此，本人認為，轉讓前及轉讓後確定估值方法的程序之變化將不會對富衛轉讓保單持有人的財務保障產生重大影響。

### 償付能力狀況

- 7.15. 在現有的指引 7 儲備金之外，在香港對於 G 類業務並不要求額外的償付準備金。
- 7.16. 富衛和永明對於指引 7 儲備金和平滑儲備金以外的額外償付準備金並無正式要求。由於指引 7 儲備金是按 99% 的百分位數（屬於高度置信水平）計算的，指引 7 要求可被視為有效的償付能力要求。

### 整體財務狀況及股東股本

- 7.17. 在此節中，本人更詳細地考慮了富衛和永明的股東股本以及超出最低要求水平的盈餘。尤其是，本人考慮了自由資產的水平（定義為盈餘（即淨資產減去法定償付準備金）除以包括法定償付準備金在內的總負債所得的比率）。香港對 G 類業務的自由資產沒有任何監管要求，但自由資產代表額外的安全保障。
- 7.18. 根據截至 2018 年 12 月 31 日的經審計帳目，富衛的估值（採用香港法定基礎）其中包括 903.48 億港元的總負債。與之相比，總資產為 967.96 億港元。若計入所有資產（包括 4 億港元不可分配盈餘），則資產值超出總負債 68.47 億港元，高於香港的法定最低償付準備金的 25.69 億港元。

2018 年 12 月 31 日 - HKFRS

百萬港元

富衛

合計

**資產**

無形資產

持有至到期的金融資產 3,658

持有待售金融資產 58,620

以公允價值計量且其變動計入當期損益的金融資產 8,679

貸款及應收款 1,111

遞延稅務資產 38

再保險資產 12,940

其他資產 10,856

保險應收款 895

**總資產 96,796****負債**

保險合約負債 (\*) 83,604

投資合約負債 2,522

持有待售負債 2,713

其他負債 1,509

**總負債 90,348****淨資產 6,448**

不可分配盈餘 400

**法定淨資產 6,847**

法定償付準備金 2,569

**超出法定償付準備金的盈餘 4,278**

由於四捨五入，數字相加可能與合計總數不符。

2018 年 12 月 31 日的匯率為 1 美元 = 7.832 港元。

(\*) 包括 4 億港元不可分配盈餘

- 7.19. 轉讓前，截至 2018 年 12 月 31 日，永明的香港法定估值中包括 639.00 億港元的淨負債總額。與之相比，總資產為 701.43 億港元。若將所有資產計入，則資產值超出總負債 62.44 億港元，高於香港的法定最低償付準備金的 19.85 億港元。

2018 年 12 月 31 日 - HKFRS		永明 - 轉讓前		
百萬港元	G 類	股東基金及其他	合計	
<b>資產</b>				
無形資產	-	1,117	1,117	
廠房及設備	-	73	73	
證券投資	1,252	62,378	63,630	
再保險資產	-	1,598	1,598	
附屬公司中權益	-	318	318	
對關聯公司投資	-	241	241	
貸款及其他應收款	-	945	945	
遞延稅務資產	-	-	-	
遞延發放成本(DOC)	-	716	716	
應付股東基金的款項/長期業務 應付款項	(43)	43	-	
其他資產	2	532	535	
銀行結餘及現金	7	963	970	
<b>總資產</b>	<b>1,219</b>	<b>68,924</b>	<b>70,143</b>	
<b>負債</b>				
保險合約負債	1,094	47,992	49,086	
投資合約負債	-	4,684	4,684	
存款金額	-	7,572	7,572	
遞延稅務負債	-	118	118	
其他負債	125	2,314	2,439	
<b>總負債</b>	<b>1,219</b>	<b>62,680</b>	<b>63,900</b>	
<b>淨資產</b>	<b>-</b>	<b>6,244</b>	<b>6,244</b>	
法定償付準備金	-	1,985	1,985	
<b>超出法定償付準備金的盈餘</b>	<b>-</b>	<b>4,258</b>	<b>4,258</b>	

由於四捨五入，數字相加可能與合計總數不符。

(\*) 保監局基準的認可盈餘 = 50.82 億港元（在有經修改的共同保險條約的情況下），43.54 億港元（在無經修改的共同保險條約的情況下）。

7.20. 轉讓後，截至 2018 年 12 月 31 日，永明的香港法定估值中包括 666.01 億港元的淨負債總額。與之相比，可用資產為 728.44 億港元。若將所有資產計入，則資產值超出總負債 62.44 億港元，高於香港的法定最低償付準備金的 19.85 億港元。

2018 年 12 月 31 日 - HKFRS		永明 - 轉讓後	
百萬港元	G 類	百萬港元	合計
<b>資產</b>			
無形資產	-	1,217	1,217
廠房及設備	-	73	73
證券投資	3,953	62,378	66,331
再保險資產	-	1,598	1,598
附屬公司中權益	-	318	318
對關聯公司投資	-	241	241
貸款及其他應收款	-	945	945
遞延稅務資產	-	-	-
遞延發放成本(DOC)	-	716	716
應付股東基金的款項/長期業務 應付款項	(43)	43	-
其他資產	2	532	535
銀行結餘及現金	7	863	870
<b>總資產</b>	<b>3,920</b>	<b>68,924</b>	<b>72,844</b>
<b>負債</b>			
保險合約負債	3,795	47,992	51,787
投資合約負債	-	4,684	4,684
存款金額	-	7,572	7,572
遞延稅務負債	-	118	118
其他負債	125	2,314	2,439
<b>總負債</b>	<b>3,920</b>	<b>62,680</b>	<b>66,601</b>
<b>淨資產</b>	<b>-</b>	<b>6,244</b>	<b>6,244</b>
法定償付準備金	-	1,985	1,985
<b>超出法定償付準備金的盈餘</b>	<b>-</b>	<b>4,258</b>	<b>4,258</b>

由於四捨五入，數字相加可能與合計總數不符。

7.21. 下表比較轉讓前和轉讓後（截至 2018 年 12 月 31 日）的自由資產比率。

2018 年 12 月 31 日 (百萬港元)	轉讓前的富衛	轉讓後的永明
<b>公司合計</b>		
包括償付準備金在內的總負債 (A)	92,918	68,586
超過償付準備金的盈餘 (B)	4,278	4,258
<b>自由資產比率 (B) / (A)</b>	<b>4.6%</b>	<b>6.2%</b>

### 動態償付能力測試

7.22. 富衛和永明均提供了按照香港精算學會發出的 AGN7 對長期業務的財務狀況進行檢視所得出的結果（「DST 結果」）。該等 DST 結果檢視了在擬議轉讓之前和之後，在可能出現的若干不利情景下，公司的風險特性。永明和富衛向本人提供了存在和不存在轉讓業務這兩種情景下的測試結果。DST 結果的概述見附錄 F。關鍵結論如下：

- **轉讓前的富衛。**

DST 結果顯示，富衛的財務狀況保持令人滿意。尤其是，在反映再保險和套期保值等管理行為和風險管理策略後，富衛的償付能力狀況在所有設定情景下均保持在監管要求之上。由於轉讓業務在富衛總資產組合計劃中不具實質性，不論擬議轉讓實施與否，富衛未來的償付能力狀況不會有重大差異。

- **轉讓後的永明。**

DST 結果顯示，永明的財務狀況在所有設定情景下均保持令人滿意。尤其是，永明的償付能力狀況在大多數設定情景（與富衛的設定情景直接可比）下均保持在監管要求之上，在所有設定情景下均高於 100%。由於轉讓業務在永明總資產組合計劃中不具實質性，不論擬議轉讓實施與否，永明未來的償付能力狀況不會有重大差異。

### 風險承擔

7.23. DST 預測檢視了在擬議轉讓之前和之後在可能出現的若干不利情景下公司的財務狀況。尤其是，該等測試結果檢視了在擬議轉讓之前和之後公司的風險特性。永明和富衛向本人提供了在存在和不存在轉讓業務的這兩種情景下的 DST 結果。在評估計劃對轉讓業務的影響時，本人考慮了該等測試結果。

7.24. 擬議轉讓實施與否將不會對富衛和永明的未來償付能力狀況產生重大影響。尤其是，富衛在轉讓前的未來償付能力狀況及永明在轉讓後的未來償付能力狀況保持令人滿意，特別是，其在大多數測試的設定情景下均保持在監管要求之上，在所有測試情景下均高於 100%

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- 7.25. 轉讓後永明總資產組合的風險承擔似乎與轉讓前富衛的風險承擔保持相當。對兩家公司而言，利率下跌加上股市和房地產市場震蕩是最不利的設定情景。
  - 7.26. 總體而言，轉讓業務僅占永明總負債的 5%左右。因此，由於對永明整體業務而言，轉讓業務相對不具實質性，因轉讓而產生的額外風險不被視為實質性風險。
  - 7.27. 投資風險取決於提供最低保證的產品的投資政策。本人將單獨考慮計劃所涉及的投資委託。此項考慮因素亦涵蓋其他類別的風險，包括信貸風險、流動性風險和貨幣錯配風險。
  - 7.28. 基於上述考慮，本人沒有發現因計劃實施導致額外風險承擔而可能損害轉讓保單持有人應享合約權利的任何問題，因此計劃不會對轉讓保單持有人的財務保障產生不利影響。

## 投資政策

### 富衛投資政策

- 7.29. 富衛的投資活動受富衛香港資產負債管理委員會、富衛集團資產負債管理委員會、富衛集團風險管理和精算委員會及富衛集團投資委員會批准的投資政策所管轄。
- 7.30. 本人已獲提供富衛在轉讓前的資產負債管理指引、貨幣錯配狀況及策略性資產配置檢視書。尤其是，該等文件列載了不同的投資政策，其中載有每項投資政策的策略性資產配置、投資規限及審批程序。
- 7.31. 各類業務認購不同基金之單位。基金透過專家委託管理，該等委託實際上是基金經理的投資指引。

### 永明投資政策

- 7.32. 永明已確認，轉讓後其將維持與富衛類似的做法。尤其是，轉讓業務的投資政策將由永明資產負債管理委員會核准並由 SLF Asia 資產負債管理委員會批准。
- 7.33. 如第 5.25 條所述，轉讓後，永明將為轉讓業務維持不同的投資政策和資產配置，目標資產配置和投資政策不會有任何重大改變。鑑於支持轉讓業務的已投資資產將與支持永明現有保單的投資資產分別管理，因此並無任何互相抵觸的投資目標需要調和，亦無任何不同的營運準則需要達成一致。
- 7.34. 就轉讓的內部職業退休計劃業務而言，相關資產目前由富衛的投資部門管理，而轉讓的強積金業務和職業退休計劃業務外部基金的相關資產則由外部基金經理管理。計劃實施後，轉讓的內部職業退休計劃業務的相關資產將由永明投資部門內部管理，其他轉讓業務的相關資產將繼續由外部基金經理管理。

### 富衛非 G 類計劃拆分之影響

- 7.35. 富衛已告知本人，於轉讓前，兩個非 G 類代理計劃 LSB 和 Lions 基金（之前記為 G 類業務）的帳戶結餘已轉入富衛股東基金，而富衛之前計算的但不再需要的相關指引 7 儲備金和平滑儲備金保留在職業退休計劃基金中，將於轉讓日與職業退休計劃轉讓業務一併轉讓給永明。
- 7.36. 因此，本人認為，富衛非 G 類計劃的拆分將不會對轉讓保單持有人的財務保障產生任何重大不利影響。

### 結論

- 7.37. 基於本人所作的上述評估，本人相信，計劃對於轉讓保單持有人的財務保障並無重大不利影響。提出這一意見的主要理由概述如下：
- 轉讓後，轉讓業務的總儲備金將比轉讓前為高，且相關方法預計不會有重大變化。
  - 在設定情景下，由於轉讓業務就富衛和永明總資產組合的規模而言不具實質性，在轉讓前及轉讓後，轉讓業務未來的償付能力狀況不會有重大差異。

## 第8節 擬議轉讓的影響 – 對富衛之非轉讓保單持有人和永明之現有保單持有人的財務保障的影響

- 8.1. 在本節中，本人考慮了與富衛之非轉讓保單持有人和永明之現有保單持有人的財務保障相關的主要問題。在提出本人的意見時，本人考慮了下列各段所述的事宜。

### 保單儲備金

#### 富衛的非轉讓業務

- 8.2. 根據香港《保險業條例》和香港精算學會發出的《精算指引》，富衛已採用其委任精算師證明的既定方法和審慎假設建立儲備金。
- 8.3. 隨著業務和估值技術的發展，將不時審核儲備金釐定方法及其相關假設，以確保儲備金始終是適當的，並符合本地規例和訂明準則。轉讓後，其餘保單的儲備金原則在實施計劃後將不會改變。相同的估值方法在轉讓後將繼續適用。
- 8.4. 富衛保留隨業務和估值發展作為正常經營過程審核該等方法之權利，且無論計劃是否繼續實施，都存在這一權利。每一部分業務採用的估值基礎將繼續基於該部分業務的相關情況，投資回報假設將基於支持每一相關部分業務的資產。
- 8.5. 富衛所採用的現行估值基礎已被證明為符合香港的要求，並由公司核數師審計。富衛在轉讓後採用的基礎將會接受類似的審計。由於正常審核程序而作出任何修訂的估值做法或基礎，必須繼續符合本地規例和訂明準則。
- 8.6. 轉讓後，富衛將不再有有效的退休金業務，但富衛代理人及員工的五個內部 G 類計劃除外，該等計劃將由富衛保留。富衛職業退休計劃保留業務的指引 7 儲備金和平滑儲備金如下計算：

#### ■ 最低指引 7 儲備金

職業退休計劃業務的最低指引 7 儲備金在富衛職業退休計劃保留業務和職業退休計劃轉讓業務之間基於內部基金的帳戶結餘拆分。

儘管這兩個類別過去是匯總管理的，但有鑑於下列原因，評估認為這一拆分是合理的：  
(i)這兩個類別的經濟假設是相等的；(ii)這兩個類別的平均過往失效情況曾是接近的（但最近的 2018 年情況較不穩定並表現出差異- 詳情見下表），且最低指引 7 儲備金對失效情況的變化並不十分敏感；及(iii)2015 年底進行的量化評估顯示帳戶價值是拆分指引 7 儲備金的適當驅動因素（詳情見下表）。

下表顯示兩部分業務過往的失效情況：

失效情況	合計	富衛職業退休計劃 保留業務 (*)	富衛職業退休計劃 轉讓業務
2013	6.6%	5.5%	6.8%
2014	13.1%	8.7%	13.9%
2015	6.3%	5.3%	6.6%
2016	6.6%	7.9%	6.2%
2017	8.5%	8.5%	8.5%
2018(**)	9.9%	1.0%	13.1%
<b>平均</b>	<b>8.9%</b>	<b>6.0%</b>	<b>9.7%</b>

(\*)包括並不嚴格符合退休計劃原則之標準的兩個代理計劃。

(\*\*) 2018 年較低的失效情況看似是因理賠波動所致。這兩個類別 2017 年的失效情況更加接近。5 年平均值用於設定假設之目的。

下表顯示 2015 年底進行的量化評估結果，該評估對使用精算估值模型（「方法 A」）與使用帳戶結餘分配最低指引 7 儲備金的替代方法（「方法 B」）計算的最低指引 7 儲備金進行了比較。

最低指引 7 儲備金 2015 年底	帳戶結餘	方法 A	方法 B
富衛職業退休計劃保留業務	650	43	43
富衛職業退休計劃轉讓業務	1,707	112	113
<b>合計</b>	<b>2,358</b>	<b>156</b>	<b>156</b>

(\*)包括並不嚴格符合退休計劃原則之標準的兩個代理計劃。

由於四捨五入，數字相加可能與合計總數不符。

此外，2018 年 12 月 31 日對最低指引 7 儲備金進行了敏感性測試，以確保失效情況的重大變化不會對最低指引 7 儲備金產生重大影響。結果如下表所示，按帳戶結餘之百分比表示。

最低指引 7 儲備金  
(按帳戶結餘之百分比表示) - 2018 年 12 月 31 日

基本情景	<b>8.76%</b>
失效假設增加 50% (即基本情景比率的 150%)	8.40%
失效假設減少 50% (即基本情景比率的 50%)	9.43%

基於以上分析，分攤方法預計不會對富衛職業退休計劃保留業務和職業退休計劃轉讓業務的最低指引 7 儲備金產生重大影響。

#### ■ 平滑儲備金

職業退休計劃業務的平滑儲備金在富衛職業退休計劃保留業務和職業退休計劃轉讓業務之間基於內部基金的帳戶結餘拆分。儘管職業退休計劃平滑儲備金將於轉讓日全部轉給永明，富衛將在轉讓後為富衛職業退休計劃保留業務建立與轉讓前的平滑儲備金相等（即總平滑儲備金基於帳戶結餘拆分後所得之金額）的平滑儲備金。平滑儲備金將由富衛股東基金提供資金。鑑於該平滑儲備金的規模相對有限（2,100 萬港元），設立該額外儲備金預計不會對富衛之非轉讓保單持有人產生重大影響。

- 8.7. 下表顯示富衛職業退休計劃保留業務在轉讓前及轉讓後的法定儲備金：

百萬港元	轉讓前			轉讓後		
	2018 年 12 月 31 日	帳戶結 餘	最低指引 7 儲備金	平滑儲備 金	帳戶結 餘	最低指引 7 儲備金
富衛職業退休 計劃保留業務	435	38	21	435	38	21

#### 永明的現有業務

- 8.8. 與富衛相類似，根據香港《保險業條例》和香港精算學會發出的《精算指引》，永明已採用其委任精算師證明的既定方法和審慎假設建立儲備金。永明所採用的現行估值基礎已被證明為符合香港的要求，並由公司核數師審計。
- 8.9. 永明在轉讓後採用的基礎將會接受類似的審計。由於正常審核程序而作出任何修訂的估值做法或基礎，必須繼續符合本地規例和訂明準則。

## 償付能力狀況

### 富衛的償付能力狀況

- 8.10. 除了就現行有效的合約而持有的保單儲備金之外，富衛目前還持有償付準備金。下表顯示了基於富衛 2018 年 12 月 31 日經審計帳目的償付能力狀況。依據一套合乎現實的投資回報、管理開支及新業務銷售假設作出預測，以獲得 2019 年 12 月至 2021 年 12 月的預計償付能力比率。償付準備金指香港的法定最低償付能力要求，而法定償付能力比率則為股東基金對最低償付準備金的比率。

	富衛的償付能力狀況			
	實際 2018 年 12 月	預測 2019 年 12 月	預測 2020 年 12 月	預測 2021 年 12 月
法定償付能力比率	233%	225%	225%	225%

- 8.11. 所提供的 DST 預測結果顯示，富衛的償付能力依舊令人滿意，且高於監管最低要求。在六種設定情景下，預測期內的償付能力比率將保持在 150% 或以上。在存在和不存在轉讓的情況下，預測結果並未顯示出任何重大差異，而且，在所測試的各種情景下，富衛將來的償付能力狀況將具有類似的敏感度。在擬議的轉讓後，風險承擔情況並無重大變化。根據此等結果，並無理由相信轉讓會損害富衛之其餘保單持有人的財務保障。

### 永明的償付能力狀況

- 8.12. 下表反映了 2019 年 12 月至 2021 年 12 月期間在無轉讓保單持有人和有轉讓保單持有人的情況下的預計償付能力比率。預計乃是基於截至 2018 年 12 月 31 日對投資回報、管理費用和新業務銷售所作的一組具有現實性的假設（符合 2019 年 3 月向保監局提交的業務計劃）。還反映了 2016 年 8 月簽署的經修改的共同保險條約。

	轉讓前永明的預計償付能力狀況			
	2018 年 12 月	2019 年 12 月	2020 年 12 月	2021 年 12 月
法定償付能力比率	256%	234%	225%	218%

	轉讓後永明的預計償付能力狀況			
	2018 年 12 月	2019 年 12 月	2020 年 12 月	2021 年 12 月
法定償付能力比率	256%	234%	221%	215%

- 8.13. 永明提供了 DST 預測結果，檢視在擬議轉讓之前和之後，在可能出現的若干不利情景下，公司的償付能力狀況。所提供的 DST 預測結果顯示，永明的償付能力依舊令人滿意，且高

於監管最低要求。在存在和不存在轉讓的情況下，預測結果並未顯示出任何重大差異。根據此等結果，並無理由相信轉讓會損害永明之其餘保單持有人的財務保障。

## 動態償付能力測試及風險承擔

### 富衛與永明的風險承擔

- 8.14. 計劃將把富衛的 G 類職業退休計劃業務（不包括富衛職業退休計劃保留業務）及 G 類強積金業務轉入永明。風險也將從富衛轉移至永明。
- 8.15. DST 結果表明，不論計劃實施與否，富衛和永明未來的償付能力狀況在所測試情況下均有相似的敏感度。擬議轉讓後風險承擔並無重大變化。因此，本人認為富衛非轉讓保單持有人及永明現有保單持有人的風險承擔在計劃實施後不會有重大變化。
- 8.16. 並無理由相信計劃會損害富衛之非轉讓保單持有人及永明現有保單持有人的合約權利的財務保障。

## 投資政策

### 富衛的投資政策

- 8.17. 在擬議轉讓之後，富衛將繼續以與各自的投資政策和指引相同的方式運作其餘保單下的投資組合。未來對這些投資政策的任何改變均將經過與正常業務相同的審核程序。因此，並無理由相信這會對富衛之其餘保單持有人的合約權利的財務保障產生不利影響。

### 永明的投資政策

- 8.18. 永明將繼續以與各自的投資政策和指引相同的方式運作現有保單下的投資組合。永明現有 G 類基金的投資政策將不受擬議轉讓的影響。

## 股東股息政策

### 富衛的股東股息政策

- 8.19. 雖然香港對轉移超出法定償付準備金的資本盈餘沒有任何監管限制，但富衛仍然遵守本地資本監管要求。此等做法不會因計劃而改變。
- 8.20. 預計將不會因轉讓而分配股東股息。相反，剝離預計將減少富衛集團為支持未來業務增長所需的資本金額。

### 永明的股東股息政策

8.21. 永明遵守資本監管要求並遵循與其風險特性相稱的營運目標，進行審慎的資本風險管理，以分配股東股息。營運目標是考慮以下因素而釐定的：

- 香港保監局要求的資本；及
- 超過最低要求的資本金額，可用於吸收不利財務結果、為收購提供資金或在不利融資的情況下支持發展。

營運目標不會因計劃而改變。

### 富衛非 G 類計劃拆分之影響

8.22. 兩個富衛非 G 類計劃已於 2016 年 12 月 31 日轉入富衛股東基金。這兩個計劃是作為與富衛代理人的內部安排單獨維持的。這兩個非 G 類計劃的拆分將不會影響其餘 G 類計劃的儲備金釐定方法和投資政策，因此不會導致對富衛非轉讓保單持有人的財務保障產生任何重大不利影響，同樣，亦不會對永明現有保單持有人的財務保障產生任何影響。

### 結論

8.23. 基於本人的上述評估，本人認為，計劃不會給富衛之非轉讓保單持有人帶來新的重大風險，對該等保單持有人的財務保障亦無重大不利影響。

8.24. 本人認為，計劃對於永明之現有保單持有人的財務保障不會產生重大不利影響。

## 第9節 其他考慮因素

9.1. 在本節中，本人已考慮在實施計劃後可能影響有關方長期保單持有人的其他營運問題。

### 集團架構

9.2. 有關方的集團架構在轉讓後將維持不變，富衛在轉讓後將繼續為 FWD Limited 的全資附屬公司，而永明將繼續為 Sun Life Financial of Canada 的全資附屬公司。

### 保單持有人服務

9.3. 無意因轉讓而改變向富衛其餘保單持有人提供的現有服務水平。對於投資相連保單持有人，其現有的基金選擇範圍不會因擬議轉讓而受到不利影響。

9.4. 對於轉讓保單持有人，其現有的基金選擇範圍在擬議轉讓後將予以維持。此外，將繼續由 BestServe 向保單持有人提供服務（BestServe 是永明的同類附屬公司，富衛將部分退休金業務外包給 BestServe）。

### 再保險安排

9.5. 轉讓前，轉讓業務並無再保險。對於富衛的非轉讓業務及永明的現有業務，現有再保險安排不會因轉讓而受到影響。

9.6. 永明無意為轉讓業務作出任何再保險安排。

### 分銷協議

9.7. 富衛與永明簽訂了一項為期 15 年的獨家分銷協議，允許永明透過富衛在香港的代理網絡提供強積金計劃和職業退休計劃。這將不會對富衛其餘保單持有人產生任何影響。

### 保費及授權

9.8. 於轉讓日及其後，歸屬於轉讓保單或與其有關的所有保費和供款均須支付予永明。

9.9. 於轉讓日有效且其中規定由某家銀行或其他中介人向富衛支付在任何轉讓保單下應付或與轉讓保單相關之保費的任何授權或其他指示（包括但不限於客戶透過直接付款或定期支付指示形式給予銀行的任何指示）應於轉讓日並自該日起如同該等授權或指示已規定並授權向永明進行該等支付一般生效。

- 就強積金而言，所涉及的保單持有人為永明強積金基本計劃、永明強積金綜合計劃和永明強積金集成信託之受託人。富衛將至少在轉讓日前 1 個月向該等受託人提供正式通訊，以便該等受託人能夠進一步向計劃託管人告知未來保費支付安排。
- 就職業退休計劃而言，所涉及的保單持有人為職業退休計劃的僱主。富衛將至少在轉讓日前 1 個月向僱主發出僱主公告，其中將載明未來保費支付安排。

9.10. 於轉讓日有效的關於任何轉讓保單下應由富衛支付之任何款項的支付方式的任何授權或其他指示應於轉讓日並自該日起作為對永明的有效授權而繼續有效。

### 計劃的改動

9.11. 計劃規定富衛和永明可向香港原訟法庭和百慕達最高法院申請，以同意對計劃的條款進行修改、改動或修訂，前提是：

- 建議的修改、改動或修訂已由富衛和永明各自的委任精算師及董事會批准；
- 香港保監局和百慕達金管局須先獲通知，並有權在審理該等申請的法庭聆訊中陳詞；
- 該等申請須附有獨立精算師的證書，以示明其認為擬議的修改、改動或修訂不會對轉讓保單之持有人的合理利益期望或財務保障構成重大及不利影響。

### 結論

9.12. 本人認為上述各種營運問題將不會對有關方長期保單持有人產生重大不利影響，本人信納計劃提供充分的保障，以確保計劃如所述般運作。

## 第10節 保單持有人通訊

- 10.1. 富衛和永明的每一股東以及富衛轉讓保單的每一法定持有人和永明 G 類保單持有人將收到一份通函，附有計劃摘要、有關聆訊的進一步資訊、獨立精算師的主要評估及獨立精算師報告摘要的中英文版本（「法定陳述書」）。法定公告（中英文版本）將分別刊登於一份英文報章及一份中文報章以及香港及百慕達的憲報。
- 10.2. 永明和富衛正在尋求法院的下列豁免指令：(i) 豁免在法定陳述書中列載計劃條款的要求，在法定陳述書中列載計劃條款摘要，而非完整計劃條款；及(ii) 豁免向富衛所有其他長期保單持有人及永明所有非 G 類保單持有人發出有關的法定陳述書。
- 10.3. 尋求 (i) 所述豁免的理由如下：
- 完整計劃的條款冗長而複雜，對於永明和富衛的成員以及轉讓保單的法定持有人而言過於技術性；
  - 計劃副本將在永明和富衛的網站上提供，並可在法定公告刊登之日後至少 21 日內於永明和富衛辦事處查閱。任何感興趣之人可訪問上述網站或前往永明和富衛的辦事處查閱完整計劃。
- 10.4. 尋求 (ii) 所述豁免的理由如下：
- 法定陳述書與富衛其他長期保單持有人和永明非 G 類保單持有人無關；
  - 富衛的委任精算師及獨立精算師認為計劃不會對富衛非轉讓保單持有人的合理利益期望和財務保障產生重大不利影響；
  - 永明的委任精算師及獨立精算師認為計劃不會對永明現有保單持有人的合理利益期望和財務保障產生重大不利影響；
  - 向所有富衛其他長期保單持有人和永明非 G 類保單持有人分發相關法定陳述書可能引起不必要的混淆；
  - 向所有富衛其他長期保單持有人和永明非 G 類保單持有人分發相關法定陳述書將對富衛和永明造成不必要的行政和財務負擔，而對該等保單持有人並無任何實際利益；及
  - 就《保險業條例》第 24 條而言，「保單持有人」的釋義為向其發出該等保單之受託人或僱主以及相關保單之利益已到期應付的成員。
- 10.5. 即使獲得(ii) 所述豁免，所有其他保單持有人仍將通過以下方式被適當告知擬議的轉讓：
- 將刊登於香港特別行政區政府憲報和[《南華早報》和《香港經濟日報》]的法定公告；
  - 將於富衛、永明及貝克•麥堅時律師事務所的辦事處提供法院呈請書、相關法定陳述書、計劃及獨立精算師報告的副本供所有保單持有人查閱；及
  - 將於法定公告刊登之日起在富衛和永明的網站上公佈法院呈請書、相關法定陳述書、計劃及獨立精算師報告的副本，並維持至認許計劃之命令應法院呈請書作出之時為止。

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- 10.6. 本人認為(i)所述豁免對富衛和永明的每一位成員以及富衛轉讓保單之每一位法定持有人不應產生重大不利影響。此外，計劃對富衛非轉讓保單持有人和永明所有非G類保單持有人的合理利益期望和財務保障不應產生重大不利影響，因此(ii)所述豁免對其亦不應產生重大不利影響。
- 10.7. 若永明與富衛的保單持有人認為計劃對其構成負面影響，可以書面、出席聆訊或透過代表提出反對等方式向法庭提出反對。法庭在決定是否批准計劃前，將考慮有關反對意見。本人亦將考慮有關意見，以判斷計劃是否恰當。
- 10.8. 永明和富衛應根據《保險業條例》第 24(3)(d)條，於法定公告刊登之日起 21 日內的正常工作日（星期一至星期五（公眾假期除外））上午 9 時至下午 5 時，於富衛位於香港德輔道中 308 號富衛金融中心 28 樓的辦事處、永明位於香港九龍廣東道 15 號港威大廈永明金融大樓 10 樓的辦事處、或貝克•麥堅時律師事務所（共同呈請人的律師）位於香港鯉魚涌英皇道 979 號太古坊一座 14 樓的辦事處提供法定陳述書、法院呈請書、計劃及獨立精算師報告之副本以供公開查閱；且富衛百慕達、永明及貝克•麥堅時律師事務所應保存一份查閱文件之人的姓名登記冊。
- 10.9. 永明和富衛（視情況而定）應根據《保險業條例》第 24(4)條，於法院應呈請書作出認許計劃的命令之前任何時間，將法院呈請書及獨立精算師報告副本提供予索取該等副本的任何人。

## 附錄 A：職權範圍

### 一般規定

- A1. 獨立精算師有獨立行事的職責，這項職責非常重要，優先於精算師對向其作出指示或支付報酬之其他人所負的任何責任。
- A2. 呈交香港原訟法庭和/或百慕達最高法院的證據須為（並須能看出為）獨立精算師在不受指示的迫切性或法庭聆訊的影響下作出的獨立證據。
- A3. 在合適情況下，獨立精算師須向香港原訟法庭和/或百慕達最高法院提供獨立協助，就其專業知識範圍內的事宜提供客觀和不偏不倚的意見。精算師不得擔任出庭代言人。
- A4. 獨立精算師不應忽略其所知事情內的重要事實，因而可能影響其最終意見。
- A5. 當個別問題或課題超出其專業知識範圍，精算師應明確說明。
- A6. 若獨立精算師認為數據不足而未有就意見進行適當研究，必須說明有關意見只屬臨時意見。
- A7. 若編製報告的精算師無法在無保留意見的情況下堅稱有關報告所載為事實真相、完整事實及除事實之外無他，須於報告中說明該等保留意見。
- A8. 若獨立精算師在閱讀其他專家報告後或因任何其他原因就一項重要事宜改變觀點，須沒有延誤地把有關觀點改變（透過法律代表）以書面形式知會公司，及在適當的情況下知會香港原訟法庭和/或百慕達最高法院。
- A9. 在獨立精算師認為適當的情況下，其可就委任為獨立精算師而提供的服務和計劃報告，與香港保監局和百慕達金管局交流意見。

## 附件 2

### 獨立精算師於香港計劃及/或百慕達計劃的工作範圍

由獨立精算師編制之任何報告（包括但不限於計劃報告）均應整體考慮香港計劃及/或百慕達計劃的條款以及香港計劃及/或百慕達計劃可能會對香港計劃所涉外部職業退休計劃和強積金業務所相關的 G 類長期保單及/或百慕達計劃所涉 E 類長期業務的保單持有人（以及計劃參與者，如要求）以及富衛與永明的非轉讓保單持有人產生的影響。

該報告將特別考慮下列個別事宜：

- 香港計劃及/或百慕達計劃對香港計劃及/或百慕達計劃所涉不同類別及年代群組的保單持有人（以及計劃參與者，如要求）之財務保障的影響。
- 審閱合併任何基金的擬議（以香港計劃及/或百慕達計劃在生效日或其後涵蓋的合併為限），並就其公平性作出意見，以及考慮是否需要任何進一步契諾或承諾，以確保每個類別的保單持有人獲得公平待遇。
- 審閱將於實施香港計劃及/或百慕達計劃當日為香港計劃及/或百慕達計劃所涉任何基金提供財務支持但並未涵蓋在香港計劃及/或百慕達計劃內的任何機制，並就其公平性作出意見。
- 審閱實施香港計劃及/或百慕達計劃後該等公司將採用的資本管理政策。

部分 G 類業務將不會轉讓，將由富衛保留。從轉讓中分拆保留部分亦將納入獨立精算師的審閱。

獨立精算師的審閱及報告將概括針對公司經營香港計劃下 G 類長期業務以及百慕達計劃下 E 類長期業務的方式，但會考慮將予轉讓的各類業務的個別情況，審閱內容包括但不限於下列項目：

- 組織章程大綱及章程細則，至少將審閱可影響保單持有人（以及計劃參與者，如要求）權利、期望和利益的大綱及細則。
- 該等公司各自簽發的保單的條款。
- 可影響保單持有人（以及計劃參與者，如要求）合理期望的宣傳或推廣資料。
- 與香港計劃下 G 類長期業務基金以及百慕達計劃下 E 類長期業務基金財務管理相關的現有及擬議內部工作安排，包括適用於將根據香港計劃及/或百慕達計劃條款而轉讓的保單的營運及行政安排。
- 預期將由香港計劃及/或百慕達計劃實施並會呈交香港原訟法庭及/或百慕達最高法院的條款和細則，包括每一該等公司的管治組織或管理層表達的意見。
- 過往涉及該等公司保單持有人（以及計劃參與者，如要求）的轉讓計劃的條款。

上述清單並不擬排除本人在完成項目期間確認及認為相關的任何其他範疇。

儘管獨立精算師將於擬定詳細建議過程中，就其關注或其認為未令人滿意的問題提供指引，但獨立精算師將不會直接參與制訂香港計劃及/或百慕達計劃。

獨立精算師不會就香港計劃及/或百慕達計劃的優點提供任何意見。

### 附件 3

#### 為該等公司及其關聯方此前所進行之香港工作的披露

Milliman Limited 在過去十年裏為富衛及其關聯公司進行的香港項目如下：

1. 2015 年、2016 年、2017 年和 2018 年內含價值審查；
2. 2015 年、2016 年、2017 年和 2018 年財務預測和業務計劃審查；
3. 2015 年至 2019 年提供併購支持（市場進入、精算盡職調查、評估支持）；
4. 產品評審和產品主張支持；
5. 為富衛新加坡提供委任精算師服務；
6. 2015 年至 2019 年提供 ALM、風險偏好和經濟資產負債表支持；
7. 2015 年至 2019 年提供 Prophet Liability 和 ALS 支持。

Milliman Limited 在過去十年裏為永明及其關聯公司進行的香港項目如下：

1. 2011 年至 2019 年就多個國家提供併購支持（市場進入、精算盡職調查、評估支持）。
2. 2016 年就在香港經營 G 類業務的相關監管、儲備金（指引 7 和平滑）和資本問題提供簡要諮詢；
3. 2011 年、2013 年戰略審查；
4. 2012 年再保險戰略審查；
5. 2011 年分紅業務分析。

## 附錄 B：數據主要來源

### 與計劃相關的文件

- B1. 根據香港法例第 41 章《保險業條例》第 24 條和百慕達 1978 年《保險法案》第 25 條把富衛的 G 類業務轉讓予永明的計劃（已送交香港原訟法庭和百慕達最高法院存檔）。
- B2. 富衛和永明關於擬向永明轉讓富衛 G 類業務之交易的委任精算師報告。
- B3. 日期為 2018 年 12 月 31 日的指引 7 法定儲備金報告，顯示富衛在轉讓前、永明在轉讓前及擬議轉讓所產生的合併業務的最低指引 7 儲備金。

### FWD

- B4. 公司章程細則及香港保監局管轄香港分支機構營運的合規證書。
- B5. 日期為 2018 年 12 月 31 日的動態償付能力測試報告，顯示富衛在轉讓前的償付能力狀況。
- B6. 富衛風險管治結構。
- B7. 富衛營運風險委員會、資產負債管理委員會及董事會結構。
- B8. 近期董事會會議記錄。
- B9. 關於 2015 年度退休金管治和框架之內部審計報告。
- B10. 職業退休計劃給付利率政策。
- B11. 2015、2016、2017 和 2018 年度職業退休計劃給付利率建議報告。
- B12. 2014、2015、2016、2017 和 2018 年度強基金和職業退休計劃業務的投資保證儲備金。
- B13. 2017 年度富衛投資政策和授權，包括 ALS 指引、投資策略和政策。
- B14. 風險管理政策，包括處理貨幣錯配風險的方法。
- B15. 2016、2017 和 2018 年度富衛的經審計帳目和財務報表，包括任何資產負債表外或有費用和或有負債的詳細情況。
- B16. 強基金和職業退休計劃業務的說明備忘錄。
- B17. 強基金和職業退休計劃業務的酌情利益說明及陳述。
- B18. 過往給付利率。
- B19. 客戶投訴登記冊。
- B20. 與外部經理之間的投資管理安排。
- B21. 2015、2016、2017 和 2018 年度與監管機構之間的通訊。
- B22. 外聘律師對富衛 G 類計劃分類進行的法律審查。

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B23. 安永為證監會出具的獨立審計報告。

### 永明

- B24. 日期為 2018 年 12 月 31 日的動態償付能力測試報告，顯示永明在轉讓前的償付能力狀況。
- B25. 日期為 2018 年 12 月 31 日的動態償付能力測試報告，顯示永明在轉讓後的償付能力狀況。
- B26. 永明於轉讓前及轉讓後的基金結構。
- B27. 2017 和 2018 年度永明的分紅建議。
- B28. 2018 年度永明投資政策，包括投資策略和政策。
- B29. 2018 年度永明的經審計帳目和財務報表，包括任何資產負債表外或有費用和或有負債的詳細情況。
- B30. 2018 年永明集團 ALM 業務營運指引。

## 附錄 C：英國審慎監管局（PRA）手冊第 2.27 至 2.40 節

C1 在本附錄中本人列出了 PRA 手冊第 2 節（審慎監管局對保險業務轉讓的處理方法）中有關獨立專家所編保險業務報告之形式的指引。

### 計劃報告

#### 第 2.27 節

C2 根據 FSMA 第 109 條，就批准保險業務轉讓計劃向法庭提交的申請必須附有計劃報告。有關報告必須以 PRA（經諮詢 FCA 後）批准的形式編製。PRA 通常希望計劃報告至少包含下文第 2.30 節中規定的資料，方會給予批准。

#### 第 2.28 節

C3 PRA 批准計劃報告的形式之後，計劃發起人預計會收到就此出具的確認書。

#### 第 2.29 節

C4 監管機構或希望獨立專家注意若干與計劃相關或與轉讓方相關的事宜。監管機構亦可能希望有關報告處理特定問題。因此，獨立專家應盡早與監管機構聯絡，以確定該等事宜或問題是否存在。獨立專家應就該等問題建立自己獨立的觀點，該等觀點或與監管機構的觀點不同。

#### 第 2.30 節

C5 計劃報告應符合有關專家證據的適用規則，並包含下列資料：

- 委任獨立專家和承擔該項委任費用的人士；
- 獨立專家獲 PRA 批准或提名的確認；
- 獨立專家的專業資格聲明及（在適當情況下）經驗陳述，以顯示其適合擔當有關任務；
- 獨立專家或其僱主是否於任何有關方中擁有，或曾經擁有可能被視為可影響其獨立性的直接或間接權益，以及任何該等權益的詳情；
- 報告的範圍；
- 計劃的目的；
- 與報告相關的計劃條款撮要；
- 獨立專家編製報告時曾經考慮的文件、報告及其他重要資料，以及其要求的資料是否未獲提供；

- 獨立專家對下列項目的依據程度：
  - a) 其他人士提供的資料；及
  - b) 其他人士的判斷；
- 獨立專家依據的人士，及獨立專家認為依據該等人士屬合理的原因；
- 獨立專家認為計劃對保單持有人（定義包括根據保單擁有明確權利及或有權利的人士）可能構成的影響，保單持有人可分類為以下類別：
  - a) 轉讓保單持有人；
  - b) 轉讓人的保單持有人，以其合約將不轉讓的保單持有人為限；及
  - c) 承讓人的保單持有人；
- 獨立專家認為計劃對轉讓人的再保險人（以其再保險合約將根據計劃轉讓的再保險人為限）可能構成的影響；
- 獨立專家在報告中並無考慮或評估的事宜（如有），而其認為該等事宜可能關乎保單持有人對計劃的考慮；及
- 獨立專家就報告中表達的各項意見概述其原因。

#### 第 2.31 節

C6 計劃報告的目的是知會法庭，因此獨立專家對法庭負有責任。然而，保單持有人、再保險人、其他受計劃影響人士或監管機構亦可能依據有關報告。計劃報告應包含的資料數量將視乎計劃的複雜程度、有關資料的重要性以及具體情況而定。

#### 第 2.32 節

C7 計劃條款的撮要應包括：

- 擬議在計劃下交予承讓人的任何再保險安排的陳述；及
- 將保障轉讓業務或轉讓人不轉讓的業務的任何保證或額外再保險的陳述。

#### 第 2.33 節

C8 獨立專家就計劃對保單持有人可能構成的影響作出的意見應：

- 包括實施計劃或不實施計劃可能構成的影響的比較；
- 說明其有否考慮替代安排，如有，應說明安排的內容；

- 若不同組別的保單持有人受計劃的影響或有差異，應包括其認為對保單持有人而言屬重大的該等差異；及
- 包括其對下列事項的觀點：
  - a) 計劃對保障保單持有人合約權利的影響，包括保險人出現資不抵債的可能性及其潛在影響；
  - b) 計劃對投資管理、新業務策略、行政、索償的處理、開支水平及估值基礎等事宜可能構成的影響，關於其將如何影響下列各項：
    - i. 保單持有人合約權利的保障；
    - ii. 向保單持有人提供的服務水平；或
    - iii. 就長期保險業務而言，保單持有人的合理期望；及
  - c) 計劃的成本及稅務影響，關於其將如何影響保單持有人合約權利或就長期保險業務而言，其合理期望。

#### 第 2.34 節

C9 獨立專家預期不需要就新保單持有人可能面對的影響作出評論，新保單持有人指在轉讓生效日後訂立合約者。

#### 第 2.35 節

C10 就計劃涉及的任何互惠保險公司而言，報告應：

- 陳述計劃對該公司成員的所有權權利的影響，包括該等成員確保作出或防止作出可影響其保單持有人權利的進一步變動的權利如果喪失或被攤薄將會帶來的影響；
- 說明成員根據計劃會否就任何所有權權利的減損獲得補償，以及獲補償的程度；及
- 就任何補償是否恰當作出評論，並應特別注意具有及不具投票權的成員所獲待遇的任何差異。

#### 第 2.36 節

C11 就涉及長期保險業務的計劃而言，報告應：

- 陳述計劃對保單持有人參與溢利的任何權利的性質及價值的影響；
- 若任何該等權利將被計劃攤薄，陳述保單持有人作為一個團體所獲任何補償（例如注資、分配股份或支付現金）與有關攤薄的價值的比較差異，以及擬議劃分的程度及方法在不同類別及年代群組的保單持有人之間是否公平。
- 陳述計劃對釐定下列項目的方法可能構成的影響：

- 
- a) 任何無保證利益（例如紅利及退保價值）的金額；及
  - b) 任何酌情收費的水平；
  - 陳述計劃提供甚麼保障，以防止處理上述事宜的方法日後出現變動時對任何一方公司的現有保單持有人不利；
  - 包括獨立專家就計劃對長期保險業務的保單持有人的合理期望可能構成的影響所作的整體評估；
  - 說明獨立專家是否認同計劃對每家公司的所有類別及年代群組的保單持有人公平；及
  - 說明獨立專家就各相關公司而言，是否認同計劃具備充分保障（例如財務管理原則或者分紅保險業務精算師或精算師核證），以確保計劃按照呈示的方式進行。

#### 第 2.37 節

C12 若有關轉讓屬於較廣泛一連串事件或企業重組的一部分，獨立專家並不應單獨考慮轉讓，而應就企業計劃尋求充分解釋，以更全面瞭解情況。同樣，獨立專家還將需要承讓人及（若轉讓人僅轉讓部分業務）轉讓人的營運計劃資料。這些營運計劃資料應充分詳細，以便獨立專家能夠概括瞭解業務如何運作。

#### 第 2.38 節

C13 在轉讓人面對財政困難時，轉讓或會規定削減部分或所有轉讓保單的保障。若轉讓包含這類擬議，獨立專家應在報告中說明其認為應予削減的保障，除非：

- 其未能取得所需資料，且該等資料將不能在其編制報告時及時提供，例如有關資料需視乎未來事件而定；或
- 其無法在既定時間內就這方面作出報告。

在該等情況下，轉讓或屬迫切，而透過法庭根據 FSMA 第 112 條發出命令而在事件後削減保障或屬恰當。PRA 認為任何該等削減違背其法定目的。FSMA 第 113 條允許法庭按 PRA 的申請委任獨立精算師，就任何轉讓後的保障削減作出報告。

#### 第 2.39 節

C14. PRA 希望獨立專家為最終法院聆訊提供一項補充報告。任何補充報告將構成 FSMA 第 109 條要求提交的計劃報告的一部分，還必須符合第 2.30 至 2.37 節的規定。

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#### 第 2.40 節

C15. 補充報告的目的是讓獨立專家就自計劃報告之日起以來發生的任何相關新資訊或事件提供最新情況，並就該等資訊或事件是否影響轉讓提出意見。應考慮的事項包括但不限於：

- 轉讓人和受讓人的最新財務資訊；
- 近期經濟、金融或監管方面的任何發展；及
- 保單持有人或受影響人士所作的任何陳述，其中提出了計劃報告中之前未加考慮的問題。

## 附錄 D：英國金融服務管理局（FSA）手冊：SUP 第 18.2.31G 至 18.2.41G 款

D1 在本附錄中本人列出了 FCA 監管手冊 SUP18（業務轉讓）第 2 條中有關獨立專家所編保險業務報告之形式的指引。

### 計劃報告的形式

#### SUP18.2.31G

D2 根據該法案第 109 條，就批准保險業務轉讓計劃向法庭提交的申請必須附有計劃報告。有關報告必須以相關監管機構批准的形式編製。相關監管機構通常希望計劃報告至少包含 SUP18.2.33G 中規定的資料，方會給予批准。

#### SUP18.2.31AG

D3 相關監管機構批准計劃報告的形式之後，計劃發起人預計會收到該監管機構就此出具的確認書。

#### SUP18.2.32G

D4 監管機構或希望獨立專家注意若干與計劃相關或與轉讓方相關的事宜。監管機構亦可能希望有關報告處理特定問題。因此，獨立專家應盡早與監管機構聯絡，以確定該等事宜或問題是否存在。獨立專家應就該等問題建立自己獨立的觀點，該等觀點或與監管機構的觀點不同。

#### SUP18.2.33G

D5 計劃報告應符合有關專家證據的適用規則，並包含下列資料：

- 委任獨立專家和承擔該項委任費用的人士；
- 獨立專家獲相關監管機構批准或提名的確認；
- 獨立專家的專業資格聲明及（在適當情況下）經驗陳述，以顯示其適合擔當有關任務；
- 獨立專家是否於任何有關方中擁有，或曾經擁有可能被視為可影響其獨立性的直接或間接權益，以及任何該等權益的詳情；
- 報告的範圍；
- 計劃的目的；
- 與報告相關的計劃條款撮要；

- 獨立專家編製報告時曾經考慮的文件、報告及其他重要資料，以及其要求的資料是否未獲提供；
- 獨立專家對下列項目的依據程度：
  - a) 其他人士提供的資料；及
  - b) 其他人士的判斷；
- 獨立專家依據的人士，及獨立專家認為依據該等人士屬合理的原因；
- 獨立專家認為計劃對保單持有人（定義包括根據保單擁有明確權利及或有權利的人士）可能構成的影響，保單持有人可分類為以下類別：
  - a) 轉讓保單持有人；
  - b) 轉讓人的保單持有人，以其合約將不轉讓的保單持有人為限；及
  - c) 承讓人的保單持有人；
- 獨立專家認為計劃對轉讓人的再保險人（以其再保險合約將根據計劃轉讓的再保險人為限）可能構成的影響；
- 獨立專家在報告中並無考慮或評估的事宜（如有），而其認為該等事宜可能關乎保單持有人對計劃的考慮；及
- 獨立專家就報告中表達的各項意見概述其原因。

#### SUP18.2.34G

D6 計劃報告的目的是知會法庭，因此獨立專家對法庭負有責任。然而，保單持有人、再保險人、其他受計劃影響人士或監管機構亦可能依據有關報告。計劃報告應包含的資料數量將視乎計劃的複雜程度、有關資料的重要性以及具體情況而定。

#### SUP18.2.35G

D7 計劃條款的摘要應包括：

- 擬議在計劃下交予承讓人的任何再保險安排的陳述；及
- 將保障轉讓業務或轉讓人不轉讓的業務的任何保證或額外再保險的陳述。

#### SUP18.2.36G

D8 獨立專家就計劃對保單持有人可能構成的影響作出的意見應：

- 包括實施計劃或不實施計劃可能構成的影響的比較；
- 說明其有否考慮替代安排，如有，應說明安排的內容；

- 若不同組別的保單持有人受計劃的影響或有差異，應包括其認為對保單持有人而言屬重大的該等差異；及
- 包括其對下列事項的觀點：
  - a) 計劃對保障保單持有人合約權利的影響，包括保險人出現資不抵債的可能性及其潛在影響；
  - b) 計劃對投資管理、新業務策略、行政、開支水平及估值基礎等事宜可能構成的影響，但以可能影響下列各項的為限：
    - i. 保單持有人合約權利的保障；
    - ii. 向保單持有人提供的服務水平；或
    - iii. 就長期保險業務而言，保單持有人的合理期望；及
  - c) 計劃的成本及稅務影響，但只限於可能影響保單持有人合約權利或就長期保險業務而言，其合理期望。

#### SUP18.2.37G

D9 獨立專家預期不需要就新保單持有人可能面對的影響作出評論，新保單持有人指在轉讓生效日後訂立合約者。

#### SUP18.2.38G

D10 就計劃涉及的任何互惠保險公司而言，報告應：

- 陳述計劃對該公司成員的所有權權利的影響，包括該等成員確保作出或防止作出可影響其保單持有人權利的進一步變動的權利如果喪失或被攤薄將會帶來的影響；
- 說明成員根據計劃會否就任何所有權權利的減損獲得補償，以及獲補償的程度；及
- 就任何補償是否恰當作出評論，並應特別注意具有及不具投票權的成員所獲待遇的任何差異。

#### SUP18.2.39G

D11 就涉及長期保險業務的計劃而言，報告應：

- 陳述計劃對保單持有人參與溢利的任何權利的性質及價值的影響；
- 若任何該等權利將被計劃攤薄，陳述保單持有人作為一個團體所獲任何補償（例如注資、分配股份或支付現金）與有關攤薄的價值的比較差異，以及擬議劃分的程度及方法在不同類別及年代群組的保單持有人之間是否公平。
- 陳述計劃對釐定下列項目的方法可能構成的影響：

- 
- a) 任何無保證利益（例如紅利及退保價值）的金額；及
  - b) 任何酌情收費的水平；
  - 陳述計劃提供甚麼保障，以防止處理上述事宜的方法日後出現變動時對任何一方公司的現有保單持有人不利；
  - 包括獨立專家就計劃對長期保險業務的保單持有人的合理期望可能構成的影響所作的整體評估；
  - 說明獨立專家是否認同計劃對每家公司的所有類別及年代群組的保單持有人公平；及
  - 說明獨立專家就各相關公司而言，是否認同計劃具備充分保障（例如財務管理原則或者分紅保險業務精算師或精算師核證），以確保計劃按照呈示的方式進行。

#### SUP18.2.40G

D12 若有關轉讓屬於較廣泛一連串事件或企業重組的一部分，獨立專家並不應單獨考慮轉讓，而應就企業計劃尋求充分解釋，以更全面瞭解情況。同樣，獨立專家將需要承讓人及（若轉讓人僅轉讓部分業務）轉讓人的營運計劃資料。這些營運計劃資料應充分詳細，以便獨立專家能夠概括瞭解業務如何運作。

#### SUP18.2.41G

D13 在轉讓人面對財政困難時，轉讓或會規定削減部分或所有轉讓保單的保障。若轉讓包含這類擬議，獨立專家應在報告中說明其認為應予削減的保障，除非：

- 其未能取得所需資料，且該等資料將不能在其編制報告時及時提供，例如有關資料需視乎未來事件而定；或
- 其無法在既定時間內就這方面作出報告。

在該等情況下，轉讓或屬迫切，而透過法庭根據《保險法案》第 112 條發出命令而在事件後削減保障或屬恰當。每一監管機構或擬考慮根據任何該等削減的目標來判斷其公平性，而《保險法案》第 113 條允許法庭按任一監管機構的申請委任獨立精算師，就任何轉讓後的保障削減作出報告。

## 附錄 E：英國精算師學會指引 15

指引 15：認可保險公司的長期業務轉讓 – 獨立精算師的角色

### 類別

建議守則

### 法例或權力依據

《1982 年保險公司法》（1982, c.50）。附表 2C，第一部分，第 2（1）段。

《1992 年互助保險協會法》（1992, c.40）第 86 條。

### 適用範圍

根據《1982 年保險公司法》附表 2C 第一部分獲邀出任一項轉讓的「獨立精算師」的精算師。附表 2C 獲第 49 條賦予效力，並由 1994 年保險公司（第三保險指令）規例（SI 1994/1696）加入，以取代先前的第 49、49A、49B 及 50 至 52 條。一般原則同樣適用於根據《1992 年互助保險協會法》第 86 條條款由互助保險協會轉讓業務或轉讓業務至互助保險協會。

### 作者

壽險委員會

### 地位

根據適當程序予以批准

### 版本                  自下列日期起生效

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## E1 緒言

- a. 根據《1982 年保險公司法》附表 2C 第一部分，任何把一家英國保險公司在一個或多個歐盟成員國經營的長期業務（或非英國保險公司在英國經營的長期業務）全部或部分轉讓至另一實體的計劃須獲法庭事先批准。《1982 年保險公司法》第 5 (4) 條對「英國公司」作出特定定義，因此非英國公司即指任何從事保險業務而不屬於英國公司的公司。法庭將根據其中一方提出的呈請考慮有關計劃，而有關呈請書須附有獨立精算師就計劃條款作出的報告。
- b. 本指引旨在向獲邀出任附表 2C 所述轉讓的獨立精算師的精算師告知該項任命所帶來的法定及專業責任。
- c. 獨立精算師應確定是否有任何業務由英國境外的分支機構承保；若有，應確定該等業務是否將由轉讓人保留，或根據附表 2C 或其他類似法例予以轉讓。若屬後者，獨立精算師或須根據附表 2C 的規定作出類似報告。

## E2 影響接受獨立精算師任命的因素

- a. 在任何個別情況下，精算師在接受獨立精算師任命之前，必須考慮其是否具備相關實務知識及經驗。有關經驗需包括熟識委任精算師的角色及責任，以及有關公司從事的長期業務的類別。精算師亦必須向所有有關方披露其於當中任何一方是否擁有或曾經擁有任何直接或間接權益。顯然，若任何一方或其法律顧問認為有關權益或會損害精算師在法庭眼中的地位，則其不可擔任有關職務。若有任何疑問，精算師應於接受任命前與監管當局及專業事務委員會（Professional Affairs Board）秘書討論有關情況。
- b. 《保險法案》規定向法庭提交的呈請書須附有獨立精算師就計劃條款編製的報告，因此獨立精算師對法庭負有首要責任。《保險法案》並無訂明獨立精算師應由何方委任；在實際情況下，獨立精算師將由計劃的其中一方（通常為向法庭提出呈請的一方）委任。有關任命旨在確保法庭就計劃對相關公司長期保單持有人可能構成的影響取得獨立意見。因此，下列行為將屬不當：任何有關方指示獨立精算師應在其報告中包括或剔除內容；任何有關方拒絕讓獨立精算師與其擬接觸的人士會面，或拒絕讓其獲得其合理認為對編製計劃對有關公司長期保單持有人可能構成的影響的意見而言屬重大的資料、報告及文件。在接受任命前，精算師應確保有關方瞭解有關不當行為。
- c. 若基於任何原因（放棄計劃除外）導致獨立精算師在向法庭提交或向長期保單持有人傳閱獨立精算師報告（以撮要或其他形式）前遭撤銷任命或請辭，獨立精算師應考慮有關情況是否屬應告知監管當局的情況。任何獲邀出任獨立精算師的精算師，應查詢有關任命是否曾被另一名精算師接受而其後離任；若是，該名精算師應採取所有合理步驟，以瞭解前任精算師遭撤銷任命或請辭的情況。

### E3 獨立精算師的參與程度

- a. 鑑於若獨立精算師對計劃條款表示強烈不滿，預期法庭將不會批准計劃，故在委任精算師後，讓獨立精算師得悉擬議計劃在擬訂期間不同階段的草擬條款及規定，將有利所有有關方。因此，獨立精算師應主動尋求有關資料，並應準備公正無私地指出在計劃草稿中納入或剔除（視情況而定）的、可能導致獨立精算師在報告中對計劃作出保留意見的任何條款或規定。
- b. 在法庭考慮一項呈請時，貿易及工業大臣（Secretary of State for Trade and Industry）有權出席有關聆訊。因此建議獨立精算師在呈請人知情的情況下盡早與監管當局聯絡，以瞭解監管當局是否希望獨立精算師注意任何關乎計劃的事宜。獨立精算師應保持有關溝通，直至計劃呈交法庭為止。
- c. 獨立精算師需進行的調查工作量將視乎案件的情況而定。獨立精算師應與所有受影響公司的委任精算師溝通。獨立精算師可合理預期轉讓人公司的委任精算師向其提供所需的資產與負債估值，以及披露有關任何分紅業務在近年如何釐定紅利率等事宜的資料。若承讓人公司已經擁有本身的長期業務基金，則該公司的委任精算師或需提供類似資料。儘管法律並無規定呈請書必須附有任何相關委任精算師的報告，但此舉已成為任何複雜案件的慣常做法。此外，私人精算師或會就一方或多方有關方作出報告，而提供有關報告或有助獨立精算師評估計劃的條款。然而，獨立精算師必須就所獲提供資料的質素、其他精算師工作的合理性，以及獨立精算師需進行任何調查或核證工作的程度作出獨立判斷。
- d. 其中一家公司的管理層或會邀請獨立精算師和保單持有人出席其舉行的會議。在這情況下，獨立精算師應審慎考慮出席有關會議會否導致他人產生獨立精算師不完全獨立的印象。若獨立精算師決定出席有關會議，應適當闡釋其立場，而獨立精算師於會議上的任何行為或發言，均不應有損他人對其獨立性的印象。
- e. 若轉讓涉及承保長期及一般業務的綜合公司，獨立精算師需瞭解有關一般業務對長期保單持有人保障的相關性，而獨立精算師或需就此尋求獨立專家意見。
- f. 若轉讓屬一連串事件（包括重組、再保險或所有權變更）的一部分，獨立精算師應就企業計劃尋求清晰瞭解整體情況所需的必要解釋。
- g. 若任何受影響公司的委任精算師僅上任不久，獨立精算師或應向上一任的委任精算師尋求資料。
- h. 獨立精算師一般擬審閱的轉讓所涉每家公司的其他文件包括：
  - 其公司組織章程大綱及細則。若公司目前為上市公司，則還包括其最近期的年報、帳目及遞交監管機構的年度報告；
  - 其委任精算師根據指引 1 第 8.1 至 8.5 段向董事提交的最近期報告，連同任何根據指引 2 提交的報告；
  - 該公司近年刊發的分紅政策指引（participating guides）；
  - 特別就保單持有人合理期望（PRE）所作的任何報告（不論是精算或其他報告）；

- 自費說明（own-charge illustrations）所用的基準；
  - 報價樣本，以及陳述或說明保單如何參與溢利、享有酌情保障，或日後收費在甚麼情況下可予更改的保單文件；
  - 任何有關長期業務基金投資政策的報告；
  - 任何替代計劃的評估報告；及
  - 任何與轉讓關聯的其他相關文件。
- i. 此外，若任何公司在生效日後將擁有應納入獨立精算師報告考慮範圍的保單持有人，獨立精算師應查詢該公司的營運計劃。

## E4 報告

- a. 附表 2C 第 2 (1) 段規定呈請書須附有獨立精算師有關計劃條款的報告，但除非有關公司的每名長期保單持有人及有關公司每名成員均獲發載有計劃條款的聲明，連同「足以顯示精算師就計劃對公司長期保單持有人可能構成的影響所提出的意見」的獨立精算師報告撮要，否則法庭將不會考慮有關呈請（除非法庭另有指示）（附表 2C 第 2 (2) (b) 段）。有關報告全文屬公開文件，必須供任何人士（亦即包括任何保單持有人或有關公司成員）查閱。獨立精算師在編製報告時亦應注意，保單持有人及有關公司成員在任何就批准計劃條款而召開的特別股東大會上考慮如何投票時或會依據有關報告，而任何公眾人士在考慮是否就計劃對其可能構成的不利影響向法庭作出陳述時亦或會依據有關報告。
- b. 類似的考慮亦適用於須送交有關公司保單持有人及成員的獨立精算師報告撮要。獨立精算師有責任確保撮要具備充分內容，而且撮要或其附帶的任何其他文件將不會對報告全文的定論產生誤導。有關撮要無需包含其附帶文件所載的背景事實。
- c. 在上述 4a 項引申之下，獨立精算師亦需要考慮計劃對下列人士可能構成的影響，並就其作出適當報告：(i) 所有轉讓長期保單持有人，(ii) 保單將保留於轉讓人公司的任何轉讓人公司長期保單持有人，及 (iii) 承讓人公司的任何長期保單持有人。雖然獨立精算師並不需要考慮計劃對其生效（有待法庭批准）當日或其後成為保單持有人的影響，但亦需要考慮計劃所涉任何公司的發展計劃會否對獨立精算師應予關注的保單持有人構成不利影響。
- d. 相關保險公司的董事及管理人有責任考慮替代安排，致使公司可在充分顧及保單持有人及潛在保單持有人權益的情況下履行經營業務的責任。「獨立精算師」一詞或會被公眾人士詮釋為該名精算師就一項轉讓計劃與其他可行安排比較下的相對優點提出意見，儘管法例對此並無特別規定。為符合法律規定的性質，有關報告必須就呈交法庭的轉讓計劃實施或不實施對相關公司長期保單持有人可能構成的影響作出比較。此外，獨立精算師應說明其曾否考慮替代安排的報告。
- e. 獨立精算師報告的內容將受個別案件的情況影響，在合適的情況下獨立精算師應涵蓋下列事宜：
  - 委任獨立精算師及承擔有關任命費用一方的名字。

- 獨立精算師的專業資格聲明。
  - 獨立精算師是否於任何有關方中擁有可能被視為可影響獨立精算師的獨立性的直接或間接權益；若獨立精算師擁有權益，應予披露。
  - 符合上述 4d 段所述的報告範圍。
  - 計劃的目的。
  - 與獨立精算師報告內容相關的計劃條款摘要。
  - 獨立精算師已予考慮的與轉讓所涉每家公司相關的文件及報告，以及是否存在其要求但未獲提供的任何其他資料。
  - 將影響保單持有人基金的計劃費用及稅務後果。
  - 計劃對保單持有人合約利益保障的影響。
  - 計劃對保單持有人參與溢利的任何權利的性質及價值的影響。特別是，若任何該等權利將被計劃攤薄，陳述保單持有人作為一個團體所獲任何補償（例如注資、分配股份或支付現金）與有關攤薄的價值的比較差異，以及擬議劃分的程度及方法在不同類別及年代群組的保單持有人之間是否公平。
  - 計劃對釐定下列非保證利益的方法可能構成的影響，包括復歸紅利（或隨著合約年期定期增添的類似紅利）及期終紅利與退保價值，以及酌情收費水平，例如單位相連保單下的酌情收費；以及計劃為防止有關方法日後出現變動（並非由於有關公司控制能力範圍以外的外在情況引起）時可能對任何一方公司的現有保單持有人不利而提供的保障。
  - 計劃對投資管理、新業務策略、行政、開支水平及估值基礎等事宜可能構成的影響，但限於可能影響公司在現有保單年期內滿足有關保單持有人合理期望的能力的事宜。
  - 若計劃涉及任何互惠保險公司，計劃對該公司成員的所有權權利的影響，特別是該等成員確保作出或防止作出可影響其作為保單持有人的合理期望的進一步改組的權利如果喪失或被攤薄將會帶來的影響（例如失去更換董事會的能力，因而無法控制董事會把基金轉為封閉式基金的決定）。獨立精算師應說明成員根據計劃會否就任何所有權權利的減損獲得補償，以及獲補償的程度，並就其是否恰當作出評論。此外，在評論計劃的公平性時，獨立精算師應特別注意具有及不具投票權的成員所獲待遇的任何差異。若董事向保單持有人發出的通函已充分解釋相關問題，將對獨立精算師的工作帶來幫助。
  - 獨立精算師報告並無考慮或評估，但可能與保單持有人考慮計劃相關的事宜（如有）。
  - 獨立精算師就計劃對長期保單持有人的合理期望可能構成的影響所作的整體評估；獨立精算師是否認同計劃對每家相關公司所有類別及年代群組的保單持有人公平；以及獨立精算師認為，就每家相關公司而言，計劃有否對董事施加了充分責任，或規定其委任精算師日後須進行充分核證，從而足以保障該等期望。
- f. 凡獨立精算師於報告中表達意見，應概述得出該等意見的原因。

## 附錄 F：動態償付能力測試（「DST」）結果及假設

### 富衛和永明於轉讓前後的狀況

下表顯示六種設定情景的 DST 結果。

#### 富衛於轉讓前的償付能力狀況

	2019 年底	2020 年底	2021 年底
基本情景	225%	225%	225%
<u>設定情景</u>			
設定情景 1	224%	222%	222%
設定情景 2	213%	205%	200%
設定情景 3	150%	150%	150%
設定情景 4	150%	185%	222%
設定情景 5	214%	196%	180%
設定情景 6	242%	265%	292%
<u>複合情景</u>			
複合情景 1	150%	159%	168%
複合情景 2	188%	195%	207%
複合情景 3	182%	181%	186%
<u>其他可能發生的不利情景</u>			
其他可能發生的不利情景 1	215%	216%	218%
其他可能發生的不利情景 2	159%	169%	180%

#### 對比基本情景的變動

	2019 年底	2020 年底	2021 年底
<u>設定情景</u>			
設定情景 1	-1%	-3%	-3%
設定情景 2	-12%	-20%	-25%
設定情景 3	-75%	-75%	-75%
設定情景 4	-75%	-40%	-3%
設定情景 5	-11%	-29%	-45%
設定情景 6	17%	40%	67%
<u>複合情景</u>			
複合情景 1	-75%	-66%	-57%
複合情景 2	-37%	-30%	-18%

	2019 年底	2020 年底	2021 年底
複合情景 3	-43%	-44%	-39%
<u>其他可能發生的不利情景</u>			
其他可能發生的不利情景 1	-10%	-9%	-7%
其他可能發生的不利情景 2	-66%	-56%	-45%

### 富衛於轉讓後的償付能力狀況

	2019 年底	2020 年底	2021 年底
基本情景	225%	225%	225%
<u>設定情景</u>			
設定情景 1	224%	222%	222%
設定情景 2	213%	205%	200%
設定情景 3	150%	150%	150%
設定情景 4	150%	186%	223%
設定情景 5	214%	196%	180%
設定情景 6	242%	265%	292%
<u>複合情景</u>			
複合情景 1	150%	159%	168%
複合情景 2	188%	195%	207%
複合情景 3	182%	181%	186%
<u>其他可能發生的不利情景</u>			
其他可能發生的不利情景 1	215%	216%	218%
其他可能發生的不利情景 2	159%	169%	180%

### 對比基本情景的變動

設定情景	2019 年底	2020 年底	2021 年底
設定情景 1	-1%	-3%	-3%
設定情景 2	-12%	-20%	-25%
設定情景 3	-75%	-75%	-75%
設定情景 4	-75%	-39%	-2%
設定情景 5	-11%	-29%	-45%
設定情景 6	17%	40%	67%
<u>複合情景</u>			

複合情景 1	-75%	-66%	-57%
複合情景 2	-37%	-30%	-18%
複合情景 3	-43%	-44%	-39%
<u>其他可能發生的不利情景</u>			
其他可能發生的不利情景 1	-10%	-9%	-7%
其他可能發生的不利情景 2	-66%	-56%	-45%

**永明於轉讓前的償付能力狀況**

	2019 年底	2020 年底	2021 年底
基本情景	234%	225%	218%
<b>設定情景</b>			
設定情景 1	229%	214%	202%
設定情景 2	225%	205%	187%
設定情景 3	161%	143%	112%
設定情景 4	114%	200%	295%
設定情景 5	227%	207%	187%
設定情景 6	245%	246%	247%
<b>可能發生的不利情景</b>			
可能發生的不利情景 1	114%	198%	284%
可能發生的不利情景 2	204%	155%	107%
可能發生的不利情景 3	228%	209%	192%
可能發生的不利情景 4	228%	220%	213%
可能發生的不利情景 5	159%	157%	157%
<b>對比基本情景的變動</b>			
<b>設定情景</b>			
設定情景 1	-5%	-11%	-16%
設定情景 2	-9%	-20%	-31%
設定情景 3	-73%	-82%	-106%
設定情景 4	-120%	-25%	77%
設定情景 5	-7%	-18%	-31%
設定情景 6	11%	21%	29%
<b>可能發生的不利情景</b>			
可能發生的不利情景 1	-120%	-27%	66%
可能發生的不利情景 2	-30%	-70%	-111%
可能發生的不利情景 3	-6%	-16%	-26%
可能發生的不利情景 4	-6%	-5%	-5%
可能發生的不利情景 5	-75%	-68%	-61%

**永明於轉讓後的償付能力狀況**

	2019 年底	2020 年底	2021 年底
基本情景	234%	221%	215%
<b>設定情景</b>			
設定情景 1	229%	211%	199%
設定情景 2	225%	201%	184%
設定情景 3	161%	139%	108%
設定情景 4	114%	191%	286%
設定情景 5	227%	204%	184%
設定情景 6	245%	242%	244%
<b>可能發生的不利情景</b>			
可能發生的不利情景 1	114%	194%	280%
可能發生的不利情景 2	204%	153%	105%
可能發生的不利情景 3	228%	206%	189%
可能發生的不利情景 4	228%	216%	210%
可能發生的不利情景 5	159%	154%	155%
<b>對比基本情景的變動</b>			
<b>設定情景</b>			
設定情景 1	-5%	-10%	-16%
設定情景 2	-9%	-20%	-31%
設定情景 3	-73%	-82%	-107%
設定情景 4	-120%	-30%	71%
設定情景 5	-7%	-17%	-31%
設定情景 6	11%	21%	29%
<b>可能發生的不利情景</b>			
可能發生的不利情景 1	-120%	-27%	65%
可能發生的不利情景 2	-30%	-68%	-110%
可能發生的不利情景 3	-6%	-15%	-26%
可能發生的不利情景 4	-6%	-5%	-5%
可能發生的不利情景 5	-75%	-67%	-60%

## DST 的重要假設

### F1. 重要假設概要

基本情景採用一套合乎現實的投資回報、管理開支及新業務銷售假設，來預測三年預測期內的財務狀況。

#### 富衛的特定假設

就基本情景而言，投資回報的假設截止於 2018 年 12 月 31 日，管理開支和新業務銷售的假設基於 2018 年度進行的內部業務規劃。以 2018 年 12 月 31 日的償付能力狀況作為所有情景下預測的起始狀況。

#### 永明的特定假設

基本情景是用來預測永明在預測期內財務狀況和條件的一套合乎現實的假設。基本情景與向保監局提交的香港法定業務計劃一致。

預測的起始點是 2018 年 12 月 31 日，期初資產、負債、淨資產和償付能力比率均為 2018 年 12 月 31 日的 2018 年底實際數據。

## F2. 情景概要

DST 的情景根據香港精算學會發出的指引及香港保監局的規定而進行，旨在評估有關公司在多個短期不利情景下可能具備的償付能力。

## F3. 情景的詳細描述

DST 的設定情景如下：

- 設定情景 1：理賠情況惡化

在預測期內容許：

- 人壽業務的死亡率惡化 15%；
- 發病率惡化 15%；
- 傷殘、意外及疾病的發生率增加 15%；及
- 年金業務的死亡率無調整（特此指出此等方法不同於標準的 AGN7 方法，但由於年金業務不具實質性，此等方法被視為是適當的）。

- **設定情景 2：續保情況惡化**

在預測期內容許產品的失效率增加或下跌 5%，視乎哪一種情況產生最不利的結果（按產品計）。

- **設定情景 3：利率下跌加上股市大瀉**

在預測期內，緊隨估值日後開始：

- 利率訂為基本情景預測利率的 70%，及
- 股票及房地產市值於第一年下跌 25%，隨後以基本情景的相同比率增長

- **設定情景 4：利率上漲加上股市大瀉**

- 利率訂為基本情景的 130% 或基本情景利率加上 2%（以較高者為准）；及
- 股票及房地產市值於第一年下跌 25%，隨後以基本情景的相同比率增長

- **設定情景 5：高新業務增長率**

在預測期內迅速增長，增長率為 30%，或計劃增長率的 150%（如此為較高），而開支則合理地增加，與業務增長較快的情況一致。

- **設定情景 6：低新業務增長率**

在預測期內新業務緩慢增長，第一年的銷售為本年的 80%，其後的第二年及第三年下跌 20%，除直接關乎新銷量的佣金及佣金相關開支外，開支並無任何減少。

富衛 DST 的複合情景如下：

- **複合情景 1：疫情爆發**

在預測期內容許：

- 第 1 年中所有年齡的額外死亡率為每 1,000 人中 0.75 人；
- 第 1 年中所有年齡的額外發病率為每 1,000 人中 1.50 人；
- 傷殘、意外及疾病的發生率增加 15%；
- 股票及房地產市值下跌 25%

- **複合情景 2：港元/美元價差擴大**

在預測期內容許：

- 美元政府債券收益率提高 1%；

- 港元債券收益率固定不變；
- 通脹假設提高 1.5%；
- 保單持有人紅利增加 15%；
- 萬用壽險利率平均提高 0.2%

- **複合情景 3：港元/美元不再挂鈎**

在預測期內容許：

- 美元與新加坡元貶值 10%；
- 股票及房地產市值下跌 25%；
- 美元保單休克失效（shock lapse）達 20%。

富衛 DST 的可能發生的不利情景如下：

- **可能發生的不利情景 1：營運事件**

- 這是營運情景。當 C 類和 G 類業務的單位定價計算中發生錯誤，對淨資產價值的準確性產生不利影響，以及 C 類和 G 類以外的業務發生系統故障，導致業務運營中斷時，會發生這種情景。

- **可能發生的不利情景 2：交易對手方違約事件**

- 這是交易對手方違約情景。當經濟衰退引發主要企業債券發行人和再保險公司違約時，會發生這種情景。

永明 DST 的可能發生的不利情景如下：

- **可能發生的不利情景 1：信用危機**

該情景測試會引發以下經濟假設變化的信用危機。

- 短期利率、中期利率和長期利率於 2019 年立即上調 1.00%。然後利率在預測期內保持在這一水平。
- 企業債券的信用價差於 2019 年立即提高 1.00%（評級為 BBB 或以上）和 1.25%（評級為 BBB 以下），然後在預測期內保持在這一水平。
- 股票市值於 2019 年下跌 20%，隨後幾年股票按基本情景的相同幅度繼續增長。

- 公開發行和私募債券及抵押貸款違約率於 2019 年是基本情景的 500%，隨後幾年與基本情景相同。

- 可能發生的不利情景 2：美元/港元非平行下跌

該情景測試美元和港元利率非平行下跌產生的經濟影響。經濟假設如下：

- 就美元經濟而言，短期利率、中期利率和長期利率至第一年結束時逐步下降 1.00%，之後在剩餘預測期內保持在比基本情景低 1.00% 的水平。
- 就港元經濟而言，短期利率、中期利率和長期利率至第一年結束時逐步下降 0.50%，之後在剩餘預測期內保持在比基本情景低 0.50% 的水平。
- 企業債券的信用價差至第一年結束時逐步上漲 0.50%，之後在剩餘預測期內保持在比基本情景高 0.50% 的水平。
- 港元-美元貨幣掉期息差至第一年結束時發生 100 個基點的不利變化，之後在預測期內保持在這一水平。
- 預測期內股票市值每年下跌 12.5%。
- 預測期內公開發行和私募債券及抵押貸款違約率是基本情景的 200%。

- 可能發生的不利情景 3：保單持有人逆向選擇行為

這種情景假設市場的結構變化導致針對公司的某些形式的逆向選擇。因此，這種情景研究市場日益複雜所產生的影響，此等影響導致保單持有人（通過有機會利用保費支付靈活性、部分提取和自願終止合約）實施逆向選擇行為。

- 死亡率惡化 15%。
- 發病率惡化 15%。
- 失效率變化正/負 25%，視乎哪一種情況產生最不利的結果（按產品計）。
- 就萬用壽險和相連產品而言，於 2019 年保費持續性將設定為基本情景的 75%，部分提取率變為 10%。

- 可能發生的不利情景 4：營運事件

這種情景檢驗業務對經營事件的適應力，特別是對《保險業條例》下最低償付能力要求相對較低的 C 類和 G 類業務而言。這種情景假定如下：

- 2018 年底報告後檢測到錯誤。特別是，記錄和報告的 C 類和 G 類業務帳戶價值的 10% 由於投資分配錯誤比真實帳戶價值低 15%。因此，公司必須補償對保單持有人少付的款項，以糾正帳戶價值，並將被處以 500 萬港元的監管罰款。
- 該事件對公司聲譽產生不利影響，導致前兩個年度中 C 類產品的失效率增加 10%，2019 年和 2020 年為獲得新業務行銷費用增加 2,000 萬港元。
- 可能發生的不利情景 5：流感疫情及再保險公司違約

這種情景檢驗全球流感疫情爆發的影響，此等疫情爆發對許多保險公司的死亡/發病理賠產生負面影響。同時，由於大量定額分保被放棄，再保險公司受到嚴重影響，導致部分再保險公司違約。主要假設如下：

- 該公司在 2019 年的死亡理賠數量增加，總體死亡率的增加約為每 1,000 人中 7 人。在隨後期間內，理賠情況恢復至基本情景。
- 2019 年的重疾（CI）和住院入息（HI）理賠情況也受到不利影響，導致對收入產生負面影響。負面收入影響假定為 2018 年實際 CI 理賠的 2% 和 2018 年實際 HI 理賠的 25%。
- 這種情景假設 RGA（公司最重要的再保險公司）在 2019 年違約，導致上述超額理賠的 50% 未能從 RGA 收回。這種情景還假設公司將從 RGA 取回被放棄的業務，並於 2019 年底找到新的再保險公司來承保重新取回的業務。生效業務和未來新業務的再保險費率繼續得到保證，但增加了 20%。

## 附錄 G：轉讓保單

### G.1 截至 2019 年 4 月 30 日的強積金計劃 G 類保單列表

	G 類保單	保單號	保單日期	相關強積金計劃
1	富衛強積金本金保證 保單	B001-CGP	(缺失)	永明強積金基本計劃-本金保證組合
2	富衛強積金本金保證 保單	C002-CGP	01 年 3 月 29 日	永明強積金綜合計劃-本金保證組合
3	富衛強積金本金保證 保單	S001-CGP	00 年 12 月 1 日	永明強積金集成信託-本金保證組合

### G.2 截至 2019 年 4 月 30 日的職業退休計劃 G 類保單列表

	G 類保單	保單號	保單日期	相關計劃	基於保險或基 於信託	職業退休計劃 類型以及是否 已獲得強基金 豁免或尚未申 請強基金豁免
1	Albert Jewellery Company Limited 公積金 計劃	1100027 2	95 年 8 月 3 日	富衛本金保證 計劃	基於信託 - 永 明退休金信託 有限公司	1. 已註冊職業 退休計劃  2. 已獲得強基 金豁免
2	Alitom Engineers Ltd 公積金計劃	1100032 7	95 年 4 月 27 日	富衛本金保證 計劃	基於信託 - 永 明退休金信託 有限公司	1. 已註冊職業 退休計劃  2. 已獲得強基 金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
3	Asia Pacific Adjusters Limited 公積金計劃	15000100	08 年 1 月 3 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
4	Campell Group (Hong Kong) Limited 公積金計劃	11000293	95 年 3 月 10 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
5	Checkpoint Apparel Labelling Solutions Asia Limited 公積金計劃	11000194	95 年 8 月 3 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
6	China Europus (International) Ltd. 僱員退休計劃	11000017	95 年 4 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
7	Parsons Delcan Inc. 公積金計劃	11000501	95 年 5 月 22 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
8	DHL Global Forwarding (Hong Kong) Limited 公積金計劃	1900077 1	96 年 4 月 10 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃  2. 已獲得強基金豁免
9	Dimension Data China/Hong Kong Limited 公積金	1500038 4	18 年 12 月 4 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃  2. 已獲得強基金豁免
10	Dixmont Limited 公積金計劃	1800060 2	95 年 8 月 16 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃  2. 已獲得強基金豁免
11	Double Wire Limited 公積金計劃	1900077 9	96 年 5 月 17 日	富衛本金保證計劃	基於保單	1. 已註冊職業退休計劃  2. 尚未申請強基金豁免
12	Drew Ameroid (Singapore) Pte. Limited 公積金計劃	1100020 7	95 年 6 月 27 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃  2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
13	EL Grande Holdings Limited 公積金計劃	15000932	98 年 5 月 12 日	富衛綜合公積金計劃	基於保單	1. 已註冊職業退休計劃 2. 尚未申請強基金豁免
14	Fatti Components Limited 僱員退休計劃	11000031	95 年 5 月 25 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
15	Fook Lam Moon Restaurant Ltd. 公積金計劃	15000214	06 年 2 月 7 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
16	富衛人壽澳門代理人長期服務激勵計劃	11001018	2010 年	富衛綜合公積金計劃	基於保單	1. 豁免的職業退休計劃 2. 尚未申請強基金豁免
17	富衛人壽澳門員工公積金	11001019	00 年 8 月 1 日	富衛綜合公積金計劃	基於保單	1. 豁免的職業退休計劃 2. 尚未申請強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
18	Community Health Services Ltd.成員團體退休計劃	15001030	10 年 9 月 10 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
19	Hi-Watt International Enterprises Ltd 公積金計劃	15000372	08 年 12 月 10 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
20	Honda Button Company Limited 公積金計劃	19000682	95 年 10 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
21	Hong Kong Federation of Women's Centres 公積金計劃	11000262	95 年 5 月 27 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
22	Hong Kong Young Women's Christian Association 公積金	15000660	186 年 12 月 4 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
23	Hop Hing Group 公積金計劃	1500014 2	05 年 6 月 3 日	富衛綜合公積 金計劃	基於信託 - 永 明退休金信託 有限公司	1. 已註冊職業 退休計劃  2. 已獲得強基 金豁免
24	Kasikorbank Public Company Limited 公積金 計劃	1100038 6	95 年 5 月 25 日	富衛本金保證 計劃	基於信託 - 永 明退休金信託 有限公司	1. 已註冊職業 退休計劃  2. 已獲得強基 金豁免
25	Kassel Park Engineering Company Limited 公積金 計劃	1100044 8	95 年 8 月 23 日	富衛本金保證 計劃	基於信託 - 永 明退休金信託 有限公司	1. 已註冊職業 退休計劃  2. 已獲得強基 金豁免
26(*)	Kau Kee Trading Co., Limited 公積金 計劃	1100025 6	95 年 8 月 16 日	富衛公積金計 劃	基於信託 - 永 明退休金信託 有限公司	1. 已註冊職業 退休計劃  2. 已獲得強基 金豁免
27	KMT Enterprise Ltd.公積金計劃	1800055 3	95 年 7 月 22 日	富衛本金保證 計劃	基於信託 - 永 明退休金信託 有限公司	1. 已註冊職業 退休計劃  2. 已獲得強基 金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
28	Kwong Kee Electrical Co Ltd 公積金計劃	11000519	95 年 3 月 13 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
29	Landard Toys Limited 公積金計劃	15000436	18 年 12 月 4 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
30	Leventhal Limited 公積金計劃	15000896	08 年 2 月 29 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
31	Lishan Company Limited 公積金計劃	15000715	18 年 11 月 16 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
32	MAHK Ltd 公積金計劃	004-5001026	07 年 11 月 19 日	富衛綜合公積金計劃	基於保單	1. 豁免的職業退休計劃 2. 尚未申請強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
33	Man Lead Services Limited 公積金計劃	18000654	95 年 9 月 27 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
34	Manfield Coatings Co. Ltd. 僱員退休計劃	11000115	95 年 8 月 3 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
35	Melbourne Bookcentre Ltd. 僱員退休計劃	11000054	95 年 6 月 8 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
36	Ming Fung Engineering Co. 公積金計劃	19000644	95 年 8 月 23 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
47	Multi-Gold Air & Sea Express Limited 公積金計劃	11000352	95 年 9 月 7 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
38	On Tak Lung Limited 公積金計劃	15001003	99 年 6 月 4 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
39	One Country Two Systems Research Institute Ltd. 公積金計劃	11000315	95 年 4 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
40	PMP Advertising (International) Ltd 公積金計劃	11000066	95 年 3 月 15 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
41	PPG Industries International Inc 公積金計劃	19000680	95 年 10 月 2 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
42	Product Marketing Mayborn Limited 公積金計劃	15000608	18 年 12 月 4 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
43	Realink Industries Ltd. 公積金計劃	15000508	05 年 8 月 12 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
44	Remotec Technology Limited 公積金計劃	11000449	95 年 4 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
45	Rocco Design Architects Limited 公積金計劃	11000069	95 年 9 月 7 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 尚未申請強基金豁免
46	Samson Paper Holdings Limited 公積金計劃	19100794	96 年 6 月 19 日	富衛綜合公積金計劃	基於保單	1. 已註冊職業退休計劃 2. 尚未申請強基金豁免
47	Sotheby's Hong Kong Limited 公積金計劃	11000161	95 年 7 月 26 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
48	Specialty Metals Resources Limited 公積金計劃	11000296	95 年 3 月 16 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
49	The Incorporated Management Committee of St. Joseph's Primary School 固定供款計劃	15001028	10 年 9 月 8 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
50	St. James' Settlement 公積金計劃 (1)	11000117	95 年 9 月 7 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
51	Sunny Creations Limited 公積金計劃	11000354	95 年 5 月 25 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
52	Technik Industrial Co. Ltd. 公積金計劃	11000299	95 年 4 月 28 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
53	The Hong Kong L.P. Gas (Holdings) Limited 員工公積金	1500103 4	11 年 7 月 12 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃  2. 已獲得強基金豁免
54	The Hong Kong Settlers Housing Corporation Limited 公積金計劃	1100004 1	95 年 8 月 16 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃  2. 已獲得強基金豁免
55	The Sumida Electric (H.K.) Company Limited 公積金	1500103 1	10 年 10 月 26 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃  2. 已獲得強基金豁免
56	The Yip's H.C. (Holding) Ltd. 公積金	1500103 2	10 年 10 月 26 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃  2. 已獲得強基金豁免
57	Tong Seng Co Ltd 僱員福利計劃	1100007 8	95 年 4 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃  2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
58	Tsuen Wan Wai Tsuen Evangelical Church (Hong Kong) Limited 公積金計劃	19000658	95 年 9 月 18 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
59	UCC Coffee Shop Co. (Hong Kong) Limited 公積金計劃	15000525	06 年 11 月 9 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
60	Essendant Hong Kong Limited 公積金計劃	5000302	11 年 12 月 15 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
61	Westrock MWV Hong Kong Limited 公積金計劃	11000203	95 年 4 月 28 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
62	Tai Cheng Shing Limited 公積金計劃	11000523	95 年 3 月 15 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
63	Wing Tai Jewellery & Goldsmith Company Limited 公積金計劃	15100764	18 年 11 月 28 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
64	Wiseknit Factory Ltd. 公積金計劃	11000090	95 年 8 月 23 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
65	Wylam's Services Limited 公積金計劃	11000235	95 年 5 月 25 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
66	Yan Chai Hospital Board Head Office 公積金計劃	15000695	19 年 4 月 1 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
67	Yan Chai Hospital Social Services 公積金計劃	15000788	19 年 4 月 1 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
68	Yee Ying International Limited 公積金計劃	11000229	95 年 3 月 13 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
69	Yi Chang Tai Company Limited 僱員退休計劃	11000111	95 年 7 月 25 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
70	Yip Shing Diesel Engineering Co. Ltd. 職業退休計劃	810001023	11 年 10 月 24 日	富衛本金保證計劃	基於保單	1. 已註冊職業退休計劃 2. 尚未申請強基金豁免
71	MHK Restaurants Limited 利潤共享計劃	11000114 (原為 805-01，於 1995 年 9 月 29 日變更)	88 年 12 月 22 日	獨立計劃（投資於富衛本金保證計劃；且永明退休金信託擔任受託人）	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
72	Caritas 退休基金	不适用	08 年 1 月 1 日	獨立計劃（投資於富衛本金保證計劃；但永明退休金信託不是受託人）	-	-
73	施羅德公積金計劃	不适用	00 年 4 月 1 日	獨立計劃（投資於富衛本金保證計劃；但永明退休金信託不是受託人）	-	-
74	Wing Hang Bank Limited 公積金	21000001	04 年 9 月 18 日	獨立計劃（投資於富衛本金保證計劃；但永明退休金信託不是受託人）	-	-

(\*) 該計劃將終止，預定終止日期為 2019 年 7 月 1 日。

## 附錄 H：關於截至 2018 年 6 月 30 日富衛非 G 類計劃拆分對富衛 G 類保單持有人之影響的獨立意見

### H.1 緒言

- 1.1. 本人 Clement Bonnet 獲委任根據香港《保險業條例》（香港法例第41章，原為香港《保險公司條例》）第24條擔任獨立精算師及根據百慕達1978年《保險法案》第25條擔任精算師，就富衛人壽保險（百慕達）有限公司（「富衛」）向香港永明金融有限公司（「永明」）轉讓某些長期退休金業務的擬議計劃（「計劃」）之條款和可能造成的影响提供獨立意見。
- 1.2. 所涉及的長期業務稱為「轉讓業務」，包括富衛在計劃生效日期（「轉讓日」）之前承保的G類保單，但不包括富衛代理人及員工的五個內部退休計劃，該等計劃將由富衛保留（「富衛職業退休計劃保留業務」）。
- 1.3. 2016年12月31日之前，下列代理計劃和員工計劃（所涉金額為6.96億港元）包含在富衛G類基金中：

成員	計劃	帳戶結餘 2016年12月31日 (百萬港元)
富衛員工	<i> 富衛人壽保險（百慕達）有限公司退休計劃	
富衛代理人	<ii>長期服務激勵計劃	675
	<iii>長期服務獎勵計劃（適用於所有代理人） <iv> VNB 基金計劃 <v> Victory 基金計劃	
	<vi> Lions 基金 <vii> 長期服務獎勵計劃（適用於代理負責人）	21

(\*)鑑於<vi>和<vii>的負債已於2016年12月31日轉讓，上表所示數額為截至2016年12月31日的數額。

- 1.4. 本人並不知曉與G類計劃<i>有關的任何問題。
- 1.5. 据富衛稱，富衛就G類代理計劃（<ii>至<v>）未發出任何書面保單。因此，代理計劃向G類基金所作供款並不與任何書面G類保單有關。
- 1.6. 在一名外聘律師審查富衛G類計劃的分類後，兩個內部G類代理計劃（即<vi>和<vii>）並不嚴格符合《保險業條例》附表1（保險業務的類別）所列明的退休計劃原則的標準，已於2016年12月31日轉入富衛股東基金。這兩個計劃是作為與富衛代理人的內部安排單獨維持的，於轉讓日，不屬於職業退休計劃轉讓業務或富衛職業退休計劃保留業務的一部分。
- 1.7. 以上是就富衛G類基金發現的不合規情況。保監局（原為保險業監理處）已於2016年8月被告知富衛的不合規情況及補救計劃，並已要求富衛確保於任何時候均按照《保險業條例》附表1第2部對保單進行適當分類。

1.8. 本人獲委任就截至2018年6月30日該拆分對其餘富衛G類保單持有人的影響提供獨立意見。

### H.2 審查富衛 G 類計劃（*<ii>*至*<v>*）的適當文件記錄

1.9. 針對以上第1.4條所述富衛未發出書面保單的G類代理計劃，富衛事實上已就該等G類計劃的適當文件記錄尋求法律諮詢意見，且本人已信賴該諮詢意見。據本人瞭解，《保險業條例》下並無關於富衛分別就G類和非G類業務簽發正式保單的法定要求。據本人瞭解，G類業務沒有規定格式的正式保單，這是法律所設定的，而非「真正」的保險合約。問題在於計劃的特徵是否表明其屬於G類業務，並需要作出相應說明。儘管如此，為了作出適當的文件記錄，富衛已通過《信託聲明書》聲明其以相關計劃所涵蓋的成員為受益人信託持有該等計劃的資產，並以其受託人身份與富衛（作為保險公司）簽訂保單，以履行有G類保單之計劃的責任。相關G類保單亦附有每一計劃說明資格及利益的相關計劃規則。

### H.3 審查富衛非 G 類計劃（*<vi>*和*<vii>*）之拆分

#### 於 2016 年 12 月 31 日轉讓負債

1.10. 兩個非G類代理計劃所產生的帳戶結餘截至2016年12月31日等於2,100萬港元，在截至2016年12月31日的富衛G類業務總帳戶結餘中占不足1%。等於帳戶結餘的不計息基金間結餘已於2016年12月31日設立，隨後於2018年上半年結算，詳見第1.12條所述。

1.11. 雖然帳戶結餘已於2016年12月31日轉入富衛股東基金，G類長期業務的其他法定儲備金 – 即投資保證準備金（「指引7儲備金」）和額外的平滑儲備金 – 已不再為兩個非G類代理計劃所需，將留在富衛退休基金中。因此，G類業務的總儲備金將不會因富衛非G類計劃的拆分而受到不利影響。此外，富衛非G類計劃的拆分將不會影響富衛轉讓保單持有人及富衛非轉讓保單持有人的儲備金釐定方法和投資政策。在轉讓負債後，根據《保險業條例》第18條對富衛長期業務的財務狀況進行了年度精算調查，並對當時指引7報告所涵蓋的截至2016年12月31日的G類業務進行了審查。

#### 於 2018 年上半年轉讓資產

1.12. 實際資產轉讓並不是於2016年12月31日發生的；而是在富衛退休基金（應付）和股東基金（應收）之間設立了等於帳戶結餘的不計息基金間結餘。該不計息基金間結餘的結算於2018年上半年在為滿足基金的提取需求而結算資產的同時進行，總額為3.44億港元。選定及剝離的資產由永明和富衛一致商定，使得支持富衛G類業務的資產組合的關鍵特徵在剝離前和剝離後保持相似。下表顯示作為本項分析的一部分而加以考慮的一些關鍵指標：

截至 2018 年 3 月底支持富衛 G 類業務的資產		
關鍵指標	剝離前 (占總資產%)	剝離後 (占總資產%)
資產組合		
現金	2%	1%
股票	15%	15%
債券	84%	84%
貨幣組合		

港元	82%	82%
美元	18%	18%
期限	3.39	3.41
收益 (%)	2.97	2.98
平均評級	A+	A+

1.13.此外，支持職業退休計劃轉讓業務和富衛職業退休計劃保留業務的資產的策略性資產配置於剝離前和剝離後保持不變。支持兩個內部代理計劃（<vi>和<vii>）的資產將遵循股東基金的策略性資產配置，但酌情給付利率將基於富衛職業退休計劃保留業務的給付利率釐定（不考慮股東基金的資產業績），因此將不會對兩個內部代理計劃保單持有人的利益期望造成重大不利影響。總體而言，資產分配預計將不會對富衛轉讓保單持有人和富衛非轉讓保單持有人的合理利益期望和財務保障產生任何重大影響。

1.14.這兩個非G類計劃的拆分將不會對其餘富衛G類計劃的利益期望產生任何重大不利影響。富衛無意因分拆而改變投資策略或給付利率原則。今後的任何審查變化均將遵循與分拆前相同的審查程序。

#### H.4 結論

1.15.總結上述評估，本人得出結論認為糾正不合規情況的補救行動是適當採取的，將不會對富衛 G 類保單持有人的利益產生重大不利影響。

- 補救行動將不會對富衛 G 類保單的合理利益期望產生重大不利影響。
- 補救行動將不會對富衛 G 類保單的財務保障產生重大不利影響。

# **獨立專家報告之補充報告**

**2020 年 8 月 14 日**

富衛人壽保險（百慕達）有限公司  
向香港永明金融有限公司轉讓富衛  
強積金及職業退休計劃業務某些 G  
類保單

獨立專家報告之補充報告

呈交予：

富衛人壽保險（百慕達）有限公司  
香港永明金融有限公司

Clement Bonnet  
法國精算師協會會員  
編制

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## 第1節 緒言

### 背景情況

- 1.1. 在向香港特別行政區高等法院原訟法庭（「香港原訟法庭」）申請作出認許某保險人將其長期保險業務轉讓給另一保險人的命令時，必須根據《保險業條例》（香港法例第 41 章）（「《保險業條例》」）第 24 條規定附上獨立精算師就計劃條款作出的報告。
- 1.2. 同樣，在向百慕達最高法院（「百慕達最高法院」）申請作出認許長期保險業務轉讓的命令時，必須根據百慕達 1978 年《保險法案》（「《保險法案》」）第 25 條規定附上核准精算師（「核准精算師」）就計劃條款作出的報告。
- 1.3. 就富衛人壽保險（百慕達）有限公司（「富衛」）向香港永明金融有限公司（「永明」）轉讓特定長期退休金業務的擬議計劃（「計劃」），本人，Clement Bonnet，已獲富衛與永明委任為獨立精算師。所涉及的長期業務稱為「轉讓業務」，包括富衛在轉讓日之前承保的 G 類保單，但不包括富衛代理人及員工的四項內部退休計劃，該等計劃將由富衛<sup>1</sup>保留（即：長期服務激勵計劃（「LSIS」）、長期服務獎勵計劃（「LSBS」）、VNB 基金計劃 V 和富衛人壽保險（百慕達）有限公司退休計劃，統稱為「富衛職業退休計劃保留業務」）。G 類保單現時簽發予強制性公積金（「強積金」）計劃及職業退休計劃（「職業退休計劃」）的受託人或僱主。購買此等 G 類保單的受託人或僱主以下統稱為「轉讓保單持有人」。富衛及永明以下統稱為「有關方」。
- 1.4. 保險業監管局（「香港保監局」）及百慕達金融管理局（「百慕達金管局」）已知悉本人獲委任為獨立精算師。
- 1.5. 本人編制了一份日期為 2019 年 6 月 26 日的報告（「本人主要報告」），其中已對擬議轉讓予以考慮。

### 本補充報告工作範圍

- 1.6. 本報告（本「補充報告」）旨在基於自本人主要報告日期以來之任何最新情況或重大事件對擬議轉讓可能產生的影響進行進一步評估。本人亦已基於本人主要報告定稿日期後收到的最新財務資訊及發生的任何其他相關重大事件考慮本人主要報告中所得出之結論是否仍然有效。
- 1.7. 就計劃作出報告時，本人有責任就本人專業範疇內的事項為香港原訟法庭和百慕達最高法院提供協助。此項責任優先於本人對任何向本人作出指示或支付報酬的人士應盡的任何義務。有關本人委任之範圍、本人資格、資料披露及適用於本人工作之依據和限制均在本人主要報告中載明。

<sup>1</sup>本人主要報告中曾提及五項內部退休計劃。Victory 基金計劃已從本補充報告中刪除，因為該計劃已充分歸權，且所有款項均已支付給富衛代理人（未就富衛發出的關於申索利益的邀請作出回復的兩名富衛代理人除外）。

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- 1.8. 本補充報告應與本人主要報告一併閱讀，且應對該兩份報告全文加以考慮。本人主要報告第 1 節中所列之依據和限制亦同等適用於本報告。尤其是，本報告不向個別保單持有人提供財務或其他方面的建議。
  - 1.9. 本人理解，在最終法院聆訊（「認許聆訊」）開始之前將在富衛和永明各自的網站上發佈本補充報告。
  - 1.10. 本人已獲准自由查閱本人所要求的為進行工作所需的資料。本人取得的主要文件包括計劃、有關方的委任精算師截至 2018 年 12 月 31 日就計劃作出的報告（「委任精算師報告」）、法定儲備金報告、給付利率及投資政策、計劃執行前及執行後的財務預測，以及有關方的管理層相關資料。此外，本人亦獲准不受限制地接觸有關方的多名代表並與之進行了討論。
  - 1.11. 本補充報告第 3 節中之最終分析是基於截至 2019 年 12 月 31 日經審計財務資料。除下文列明之外，本人不知悉會對本人所做擬議轉讓評估造成重大影響之任何新近發展情況。
  - 1.12. 本補充報告是以本人及 Milliman 於 2020 年 8 月 14 日或之前獲提供的資料為基礎擬備，並無考慮該日期後的事態發展。本人或 Milliman 並無任何義務更新或修正報告內可能顯得不再準確的資料。

#### 本補充報告之結構

- 1.13. 本補充報告之結構如下：
  - 第 2 節包含自本人編制本人主要報告以來發生的最新相關情況；
  - 第 3 節提供了富衛和永明截至 2019 年 12 月 31 日的最新財務狀況；
  - 第 4 節包含一項整體結論。

## 第2節 最新相關情況

### 緒言

2.1. 自本人主要報告出具以來，發生了與計劃相關的若干情況，具體如下。

### 截至 2019 年 12 月 31 日的主要數據

#### 富衛

2.2. 下表顯示富衛截至 2019 年 12 月 31 日的長期業務和退休業務詳情：

2019 年 12 月 31 日 類別	保單數量	淨負債金額 (百萬港元)
A	363,478	59,197
C	17,919	5,765
D	2,731	229
I	269	5
<b>合計</b>	<b>384,397</b>	<b>65,196</b>

2019 年 12 月 31 日 類別	參與計劃數量	帳戶結餘 (百萬港元)	淨負債金額 (百萬港元)
G - 強積金	4,160 (*)	863	889
G - 職業退休計劃	72	2,090	2,402
<b>合計</b>	<b>4,232</b>	<b>2,953</b>	<b>3,291</b>

(\*) 參與計劃數量指僱主數量，而附錄 C 列有強積金 G 類保單的數量。

由於四捨五入，數字相加可能與合計總數不符。

2.3. 截至 2019 年 12 月 31 日富衛基金結構未發生任何變化。

#### 永明

2.4. 下表顯示永明截至 2019 年 12 月 31 日的長期保險業務詳情：

2019 年 12 月 31 日 類別	保單數量	淨負債金額 (百萬港元)
A - Non-ring fenced	378,429	48,668
A - Ring fenced	101	45
C - Non-ring fenced	57,932	11,494
C - Ring fenced	2	9

I - Non-ring fenced	1,171	74
I - Ring fenced	2	16
<b>合計</b>	<b>437,637</b>	<b>60,306</b>

2019 年 12 月 31 日 類別	參與計劃數量	帳戶結餘 (百萬港元)	淨負債金額 (百萬港元)
G – 強積金 - Non-ring fenced (*)	4,160 (**)	863	-
G – 職業退休計劃 - Non ring-fenced (存款管理基金)	25	66	77
G -職業退休計劃- Ring-fenced (存款管 理基金)	55	834	965
H -職業退休計劃- Ring fenced	4	694	694
具有 G 類和 H 類保單的職業退休計劃 僱主數量	(2)	-	-
富衛為保單簽發人的強積金 G 類保單	(4,160)	(863)	-
<b>合計</b>	<b>82</b>	<b>1,594</b>	<b>1,736</b>

(\*)新獲得的富衛仍為保單簽發人的強積金本金保證組合。

(\*\*) 參與計劃數量指僱主數量，而附錄 A 列有強積金 G 類保單的數量。

由於四捨五入，數字相加可能與合計總數不符。

2.5. 截至 2019 年 12 月 31 日永明基金結構未發生任何變化。

#### 轉讓業務

2.6. 截至 2019 年 12 月 31 日轉讓業務定義未發生任何變化。於轉讓日，富衛將轉讓於轉讓日前富衛在強積金計劃和職業退休計劃下及就強積金計劃和職業退休計劃承保的所有 G 類保單，包括所有證書、補充保險保障、背書、附加計劃及附屬協議，但不包括職業退休計劃下富衛代理人和員工的四項內部退休計劃，該等計劃將由富衛保留（「富衛職業退休計劃保留業務」）。投資經理將由富衛變更為永明。尤其是，支持轉讓業務所有負債之資產（即本人主要報告第 7.7 條所定義之帳戶結餘金額、最低指引 7 儲備金和額外平滑儲備金）將轉讓給永明，因此，由於法定儲備金的設置方式，在總資產和總負債之間將不會有任何盈餘/短缺。

2.7. 下表顯示富衛截至 2018 年 12 月 31 日和 2019 年 12 月 31 日的 G 類長期業務詳情。

富衛 G 類長期業務			
2018 年 12 月 31 日 類別	參與計劃數量	帳戶結餘 (百萬港元)	淨負債金額 (百萬港元)
強積金	4,400	841	867
職業退休計劃	81	2,049	2,306

職業退休計劃轉讓業務	77	1,614	1,812
富衛職業退休計劃保留業務	4	435	494
<b>合計</b>	<b>4,481</b>	<b>2,890</b>	<b>3,174</b>

富衛 G 類長期業務			
2019 年 12 月 31 日 類別	參與計劃數量	帳戶結餘 (百萬港元)	淨負債金額 (百萬港元)
強積金	4,160	863	889
職業退休計劃	72	2,090	2,402
職業退休計劃轉讓業務	68	1,617	1,853
富衛職業退休計劃保留業務	4	473	549
<b>合計</b>	<b>4,232</b>	<b>2,953</b>	<b>3,291</b>

(\*) 參與計劃數量指僱主數量，而附錄 C 列有強積金 G 類保單的數量。

由於四捨五入，數字相加可能與合計總數不符。

2.8. 截至 2018 年 12 月 31 日，富衛的長期業務包含 4,400 個強積金計劃和 81 個職業退休計劃，而截至 2019 年 12 月 31 日，其長期業務包含 4,160 個強積金計劃和 72 個職業退休計劃。G 類職業退休計劃業務的淨負債金額在 2018 年 12 月 31 日至 2019 年 12 月 31 日期間從 23.06 億港元增至 24.02 億港元，G 類強積金計劃業務的淨負債金額在 2018 年 12 月 31 日至 2019 年 12 月 31 日期間亦從 8.67 億港元增至 8.89 億港元。

2.9. 轉讓後，富衛和永明的基金結構將仍然保持本人主要報告中所述狀態。尤其是，為吸納轉讓業務，永明將新設立三項新的獨立 G 類子基金，即新的職業退休計劃非保證子基金、新的職業退休計劃本金保證子基金和新的強積金子基金。

### 影響 G 類保單持有人利益期望的考慮因素

2.10. 影響退休業務利益期望的考慮因素包括非保證給付利率、費用和收費以及轉讓保單持有人的權利等酌情因素。

2.11. 尤其是，富衛職業退休計劃業務的酌情利益受酌情給付利率影響，酌情給付利率受限於最低保證利率。截至 2019 年 12 月 31 日，僅適用每年 0% 的最低保證給付利率。酌情給付利率基於四項標準確定，該四項標準自本人主要報告出具以來並未發生變更：

- (i) 實際淨投資回報（自 2018 年 12 月 31 日以來 0.95% 的投資價差並未發生變更）；
- (ii) 對保單持有人回報的穩定性；
- (iii) 紿付利率的長期可支持性；及
- (iv) 紉付利率的競爭力

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- 2.12. 根據富衛香港資產負債管理委員會和董事會分別於 2019 年 11 月 12 日和 2019 年 12 月 13 日批准的最新職業退休計劃給付利率建議，2018 年 10 月至 2019 年 9 月期間的宣佈給付利率為每年 2.20%（2017 年 10 月至 2018 年 9 月期間亦為每年 2.20%）。1.50% 的中期給付利率自 2020 年 1 月起生效（2019 年亦為 1.50%），是採用本人主要報告中所述之相同方法釐定。
  - 2.13. 整體而言，自本人主要報告編制以來，用於釐定酌情因素之方法並未發生變更。尤其是富衛用於釐定給付利率之方法保持不變。此外，永明針對可對保單持有人造成不利影響的方法改變所規定的日後管治程序及保障措施並未發生變更。

#### 結論

- 2.14. 本人確信上述最新情況並不影響本人主要報告中所得出之結論。本補充報告第 3 節將對富衛和永明的財務狀況做進一步的詳細考量。

## 第3節 截至 2019 年 12 月 31 日的最新財務狀況

### 緒言

3.1. 本節對截至 2019 年 12 月 31 日的 G 類保單儲備金最新情況及富衛和永明截至 2019 年 12 月 31 日的財務狀況予以說明。

### 截至 2019 年 12 月 31 日轉讓業務的保單儲備金

3.2. 根據本人主要報告中所述之方法，富衛為 G 類長期業務設立的法定儲備金為下列各項之總和：

- 向基金繳付的供款的累計金額減去適用的開支、費用或收費，再加上根據適用的保證利率或宣佈利率所給付的利息（「帳戶結餘」）；
- 投資保證儲備金（「指引 7 儲備金」）；及
- 額外的平滑儲備金。

3.3. 下表顯示轉讓業務在轉讓前及轉讓後（使用兩個不同估值日期，即 2018 年 12 月 31 日和 2019 年 12 月 31 日）之法定儲備金。

百萬港元 (2018 年 12 月 31 日)		富衛-轉讓之前			永明-轉讓之後		
	帳戶結餘	最低指 引 7 儲備金	平滑儲備 金		帳戶結餘	最低指 引 7 儲備金	平滑儲備 金
強積金	841	20	6		841	20	6
職業退休計 劃轉讓業務	1,614	128	70		1,614	128	91
合計	<b>2,455</b>	<b>148</b>	<b>76</b>		<b>2,455</b>	<b>148</b>	<b>97</b>
百萬港元 (2019 年 12 月 31 日)		富衛-轉讓之前			永明-轉讓之後		
	帳戶結餘	最低指 引 7 儲備金	平滑儲備 金		帳戶結餘	最低指 引 7 儲備金	平滑儲備 金
強積金	863	14	12		863	14	12
職業退休計 劃轉讓業務	1,617	159	76		1,617	159	101
合計	<b>2,480</b>	<b>173</b>	<b>88</b>		<b>2,480</b>	<b>173</b>	<b>113</b>

由於四捨五入，數字相加可能與合計總數不符。

3.4. 於於轉讓日，強積金的最低指引 7 儲備金和平滑儲備金不會變化。就職業退休計劃而言，根據本人在本人主要報告中所述之方法：

- 類似於轉讓前富衛的方法，職業退休計劃業務的最低指引 7 儲備金（2.11 億港元）將在職業退休計劃轉讓業務和富衛職業退休計劃保留業務之間基於帳戶結餘（職業退休計劃轉讓業務為 1.59 億港元，富衛職業退休計劃保留業務為 5100 萬港元）拆分。如本人主要報告中所述，儘管這兩類業務過去是匯總管理的，但有鑑於下列原因，評估認為這一拆分是合理的：
  - (i) 這兩類業務的經濟假設是相等的；
  - (ii) 這兩類業務的平均過往失效情況曾是接近的（但最近的情況較不穩定並表現出差異），而最低指引 7 儲備金對失效情況的變化並不十分敏感，如下表所示：

失效情況	合計	兩部分業務過往的失效情況	
		富衛職業退休計劃 保留業務 (*)	富衛職業退休計劃 轉讓業務
2015	6.3%	5.3%	6.6%
2016	6.6%	7.9%	6.2%
2017	8.5%	8.5%	8.5%
2018 (**)	9.9%	1.0%	13.1%
2019	6.5%	3.1%	7.4%
<b>Average</b>	<b>7.6%</b>	<b>5.2%</b>	<b>8.4%</b>

(\*)包括並不嚴格符合退休計劃原則之標準的兩個代理計劃。

(\*\*) 2018 年的失效情況看似是因理賠波動所致。2017 年

最低指引 7 儲備金失效敏感度測試		2018 年 12 月 31 日	2019 年 12 月 31 日
<b>最低指引 7 儲備金（按帳戶結餘之百分比表示）</b>			
<b>基本情景</b>		<b>8.76%</b>	<b>10.87%</b>
失效假設增加 50% (即基本情景比率的 150%)		8.40%	10.72%
失效假設減少 50% (即基本情景比率的 50%)		9.43%	11.31%

(iii) 於 2015 年年底進行的量化評估顯示帳戶價值是拆分指引 7 儲備金的適當驅動因素。

- 整個職業退休計劃平滑儲備金，即富衛職業退休計劃保留業務和職業退休計劃轉讓業務的平滑儲備金，將轉給永明，使得轉讓業務的平滑儲備金在轉讓後有所增加（轉讓後為 1.01 億港元，而轉讓前為 7600 萬港元）。

3.5. 下表顯示轉讓前及轉讓後（使用兩個不同估值日期，即 2018 年 12 月 31 日和 2019 年 12 月 31 日）富衛職業退休計劃保留業務之法定儲備金：

百萬港元	轉讓前			轉讓後		
2018 年 12 月 31 日	帳戶結 餘	最低指引 7 儲備金	平滑儲備 金	帳戶結 餘	最低指引 7 儲備金	平滑儲備 金
富衛職業退休計 劃保留業務	435	38	21	435	38	21
<hr/>						
百萬港元	轉讓前			轉讓後		
2019 年 12 月 31 日	帳戶結 餘	最低指引 7 儲備金	平滑儲備 金	帳戶結 餘	最低指引 7 儲備金	平滑儲備 金
富衛職業退休計 劃保留業務	473	51	25	473	51	25

由於四捨五入，數字相加可能與合計總數不符。

3.6. 儘管職業退休計劃平滑儲備金將於轉讓日全部轉給永明，富衛將在轉讓後為富衛職業退休計劃保留業務建立與轉讓前的平滑儲備金相等（即總平滑儲備金基於帳戶結餘拆分後所得之金額）的平滑儲備金（2500 萬港元）。平滑儲備金將由富衛股東基金提供資金。鑑於該平滑儲備金的規模相對有限，設立該額外儲備金將不會對富衛的整體償付能力產生重大影響，從而不會對非轉讓保單持有人的財務保障產生重大影響。

### 截至 2019 年 12 月 31 日的財務狀況

3.7. 根據截至 2019 年 12 月 31 日的經審計帳目，富衛的估值（採用香港法定基礎）中包括 1004.42 億港元的總負債。與之相比，總資產為 1113.79 億港元。若計入所有資產（包括 3.91 億港元不可分配盈餘，但不包括 21.17 億港元的富衛越南和富衛馬來西亞資本），則資產值超出總負債 63.39 億港元，高於香港的法定最低償付準備金的 28.72 億港元。

2019 年 12 月 31 日 - HKFRS		富衛 合計
百萬港元		
<b>資產</b>		
<b>無形資產</b>		
持有至到期的金融資產		3,553
持有待售金融資產		67,666
以公允價值計量且其變動計入當期損益的金融資產		11,755

貸款及應收款	1,158
遞延稅務資產	0
再保險資產	14,174
其他資產	10,339
保險應收款	2,733
<b>總資產</b>	<b>111,379</b>
保險合約負債 (*)	92,341
投資合約負債	2,498
持有待售負債	2,791
其他負債	2,812
<b>總負債</b>	<b>100,442</b>
<b>淨資產</b>	<b>10,937</b>
不可分配盈餘	391
富衛越南和富衛馬來西亞資本	(2,117)
<b>法定淨資產</b>	<b>9,211</b>
法定償付準備金	2,872
<b>超出法定償付準備金的盈餘</b>	<b>6,339</b>

由於四捨五入，數字相加可能與合計總數不符。

2019 年 12 月 31 日的匯率為 1 美元 = 7.78645184 港元。

(\*) 包括 3.91 億港元不可分配盈餘

- 3.8. 轉讓前，截至 2019 年 12 月 31 日，永明的香港法定估值中包括 775.35 億港元的淨負債總額。與之相比，總資產為 849.77 億港元。若將所有資產計入，則資產值超出總負債 74.42 億港元，高於香港的法定最低償付準備金的 23.69 億港元。

2019 年 12 月 31 日 - HKFRS		永明 - 轉讓前		
百萬港元	G 類	股東基金及其他	合計	
<b>資產</b>				
無形資產	-	1,099	1,099	
廠房及設備	-	85	85	
ROU 資產	-	524	524	
證券投資	1,249	74,525	75,774	
再保險資產	-	3,306	3,306	
附屬公司中權益	2	318	320	
對關聯公司投資	-	221	221	
貸款及其他應收款	-	1,029	1,030	
遞延稅務資產	-	-	-	

遞延發放成本(DOC)	-	808	808
應付股東基金的款項/長期業務 應付款項	(51)	51	-
其他資產	1	679	680
銀行結餘及現金	5	1,125	1,130
<b>總資產</b>	<b>1,207</b>	<b>83,770</b>	<b>84,977</b>
<b>負債</b>			
保險合約負債	1,042	59,300	60,342
投資合約負債	-	5,203	5,203
存款金額	-	8,117	8,117
遞延稅務負債	-	182	182
其他負債	165	3,526	3,690
<b>總負債</b>	<b>1,207</b>	<b>76,328</b>	<b>77,535</b>
<b>淨資產</b>			<b>7,442</b>
法定償付準備金			2,369
<b>超出法定償付準備金的盈餘</b>			<b>5,072</b>

由於四捨五入，數字相加可能與合計總數不符。

- 3.9. 轉讓後，截至 2019 年 12 月 31 日，永明的香港法定估值中包括 803.02 億港元的淨負債總額。與之相比，總資產為 877.43 億港元。若將所有資產計入，則資產值超出總負債 74.42 億港元，高於香港的法定最低償付準備金的 23.69 億港元。

2019 年 12 月 31 日 - HKFRS		永明 - 轉讓後	
百萬港元	G 類	股東基金及其他	合計
<b>資產</b>			
無形資產	-	1,199	1,199
廠房及設備	-	85	85
ROU 資產	-	524	524
證券投資	4,015	74,525	78,540
再保險資產	-	3,306	3,306
附屬公司中權益	2	318	320
對關聯公司投資	-	221	221
貸款及其他應收款	-	1,029	1,030
遞延稅務資產	-	0	0
遞延發放成本(DOC)	-	808	808
應付股東基金的款項/長期業務 應付款項	(51)	51	0
其他資產	1	679	680

銀行結餘及現金	5	1,025	1,030
<b>總資產</b>	<b>3,973</b>	<b>83,770</b>	<b>87,743</b>
<b>負債</b>			
保險合約負債	3,808	59,300	63,108
投資合約負債	-	5,203	5,203
存款金額	-	8,117	8,117
遞延稅務負債	-	182	182
其他負債	165	3,526	3,690
<b>總負債</b>	<b>3,973</b>	<b>76,328</b>	<b>80,301</b>
<b>淨資產</b>			<b>7,442</b>
法定償付準備金			2,369
<b>超出法定償付準備金的盈餘</b>			<b>5,072</b>

由於四捨五入，數字相加可能與合計總數不符。

- 3.10. 下表對轉讓前和轉讓後（分別截至 2017 年 12 月 31 日、2018 年 12 月 31 日和 2019 年 12 月 31 日）的自由資產比率予以比較。截至 2017 年 12 月 31 日和 2018 年 12 月 31 日，永明的自由資產比率高於富衛的自由資產比率，而截至 2019 年 12 月 31 日，二者的自由資產比率則更為接近，因為富衛於 2019 年 8 月注資了 2.25 億美元（17.52 億港元）。

2017 年 12 月 31 日 (百萬港元)	轉讓前的富衛	轉讓後的永明
<b>公司合計</b>		
包括償付準備金在內的總負債 (A)	86,609	70,512
超過償付準備金的盈餘 (B)	4,035	4,122
<b>自由資產比率 (B) / (A)</b>	<b>4.7%</b>	<b>5.8%</b>
2018 年 12 月 31 日 (百萬港元)	轉讓前的富衛	轉讓後的永明
<b>公司合計</b>		
包括償付準備金在內的總負債 (A)	92,918	68,586
超過償付準備金的盈餘 (B)	4,278	4,258
<b>自由資產比率 (B) / (A)</b>	<b>4.6%</b>	<b>6.2%</b>
2019 年 12 月 31 日 (百萬港元)	轉讓前的富衛	轉讓後的永明
<b>公司合計</b>		
包括償付準備金在內的總負債 (A)	103,314	82,670
超過償付準備金的盈餘 (B)	6,339	5,072
<b>自由資產比率 (B) / (A)</b>	<b>6.1%</b>	<b>6.1%</b>

- 3.11. 截至 2019 年 12 月 31 日，在現有的指引 7 儲備金之外，在香港對於 G 類業務並無額外的償付準備金要求。但是，對富衛和永明的整體償付能力加以比較亦有助於評估保單持有人的財務保障。下表對富衛和永明在轉讓前和轉讓後（分別截至 2017 年 12 月 31 日、2018 年 12 月 31 日和 2019 年 12 月 31 日）的償付能力比率予以比較。

轉讓前的償付能力比率	富衛 (*)	永明 (**)
2017 年 12 月 31 日	244%	257%
2018 年 12 月 31 日	233%	256%
2019 年 12 月 31 日	321%	266%

(\*) 債付能力比率不包括富衛馬來西亞和富衛越南的資本金額，但包括 2.25 億美元的注資。2018 年 12 月 31 日至 2019 年 12 月 31 日期間的償付能力比率提高歸功於 2019 年 8 月的 2.25 億美元注資。

(\*\*) 債付能力比率體現了 2016 年 8 月簽訂並經修改的共同保險條約。

- 3.12. 永明的償付能力比率從 2018 年 12 月 31 日的 256% 略微提高至 2019 年 12 月 31 日的 266%。富衛的償付能力在 2018 年 12 月 31 日至 2019 年 12 月 31 日期間則有了顯著提高，這歸功於 2019 年 8 月的 2.25 億美元注資。整體而言，且與本人主要報告中所得出的結論相似，永明和富衛於 2019 年 12 月 31 日的實際償付能力均仍大大高於最低法定要求。

- 3.13. 保險公司須每年根據香港精算學會所發出及香港保監局所要求的關於動態償付能力測試（「DST」）的《精算指引七》（「AGN7」）所規定的若干不利情景下，檢視整體業務的財務狀況。永明和富衛向本人提供了截至 2019 年 12 月 31 日在存在和不存在轉讓業務的這兩種情景下的 DST 結果。在評估計劃對轉讓業務的影響時，本人考慮了該等測試結果。

- 擬議轉讓實施與否將不會對富衛和永明的未來償付能力狀況產生重大影響。尤其是，富衛在轉讓前的未來償付能力狀況及永明在轉讓後的未來償付能力狀況保持令人滿意，特別是，其在大多數測試的設定情景下均保持在監管要求之上，在所有測試情景下均高於 100%
- 轉讓後永明總資產組合的風險承擔似乎與轉讓前富衛的風險承擔保持相當，儘管就某些風險而言，富衛的風險承擔程度要重於永明。對兩家公司而言，利率下跌加上股市和房地產市場震蕩是最不利的設定情景（設定情景 3）。

因此，本人認為本人有關保單持有人風險承擔的結論繼續有效，轉讓不會對保單持有人的風險承擔產生重大影響。

- 3.14. 此外，考慮到截至 2019 年 12 月 31 日轉讓業務在永明總負債中所佔比例不到 5%，無論擬議轉讓是否實施，均不會對永明的整體償付能力產生重大影響。

## 結論

- 3.15. 基於上述情況，富衛和永明（在轉讓前和轉讓後）的整體財務狀況在 2018 年 12 月 31 日至 2019 年 12 月 31 日期間並未發生顯著變化。本人確信本人就富衛和永明在轉讓前和轉讓後的財務狀況所得出之結論繼續有效。

## 第4節 結論

- 4.1. 本人已考慮富衛和永明向本人告知的、自本人主要報告編制以來所發生的最新相關情況。本人就計劃可能產生的影響所得出的結論保持不變。
- 4.2. 本人認為：
  - 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的合理利益期望均無重大不利影響。
  - 計劃對富衛之轉讓保單持有人、富衛之非轉讓保單持有人或永明之現有保單持有人的財務保障均無重大不利影響。
  - 計劃對富衛與永明之長期保單持有人的服務水平均無重大不利影響。
  - 本人信納計劃提供充分的保障，以確保計劃如所述般運作。

## 附錄 A：動態償付能力測試（「DST」）結果及假設

### 富衛和永明於轉讓前後的狀況

下表顯示六種設定情景及其他複合及可能發生的不利情景的 DST 結果。

#### 富衛於轉讓前的償付能力狀況

	2020 年底	2021 年底	2022 年底
基本情景	206%	225%	225%
<u>設定情景</u>			
設定情景 1	204%	222%	220%
設定情景 2	196%	206%	202%
設定情景 3(*)	150%	150%	150%
設定情景 4(*)	150%	219%	278%
設定情景 5	187%	179%	151%
設定情景 6	212%	251%	278%
<u>複合情景</u>			
複合情景 1(*)	150%	168%	169%
複合情景 2	163%	163%	150%
複合情景 3	170%	186%	183%
<u>其他可能發生的不利情景</u>			
其他可能發生的不利情景 1	195%	215%	216%
其他可能發生的不利情景 2(*)	150%	175%	180%

#### 對比基本情景的變動

<u>設定情景</u>	2020 年底	2021 年底	2022 年底
設定情景 1	-2%	-3%	-5%
設定情景 2	-10%	-19%	-24%
設定情景 3(*)	-56%	-75%	-75%
設定情景 4(*)	-56%	-6%	53%
設定情景 5	-19%	-46%	-75%
設定情景 6	6%	26%	52%
<u>複合情景</u>			
複合情景 1(*)	-56%	-57%	-57%
複合情景 2	-43%	-62%	-75%

	2020 年底	2021 年底	2022 年底
複合情景 3	-36%	-39%	-42%
<u>其他可能發生的不利情景</u>			
其他可能發生的不利情景 1	-11%	-10%	-9%
其他可能發生的不利情景 2(*)	-56%	-51%	-45%

(\*)其他管理行為已考慮在內

#### 富衛於轉讓後的償付能力狀況

	2020 年底	2021 年底	2022 年底
基本情景	206%	225%	225%
<u>設定情景</u>			
設定情景 1	204%	222%	220%
設定情景 2	196%	206%	202%
設定情景 3(*)	150%	150%	150%
設定情景 4(*)	150%	221%	279%
設定情景 5	187%	179%	151%
設定情景 6	212%	251%	278%
<u>複合情景</u>			
複合情景 1(*)	150%	168%	169%
複合情景 2	163%	163%	150%
複合情景 3	170%	186%	183%
<u>其他可能發生的不利情景</u>			
其他可能發生的不利情景 1	195%	216%	217%
其他可能發生的不利情景 2(*)	150%	175%	180%

#### 對比基本情景的變動

	2020 年底	2021 年底	2022 年底
設定情景			
設定情景 1	-2%	-3%	-5%
設定情景 2	-10%	-19%	-23%
設定情景 3(*)	-56%	-75%	-75%
設定情景 4(*)	-56%	-5%	54%
設定情景 5	-19%	-46%	-75%
設定情景 6	6%	26%	52%
<u>複合情景</u>			

複合情景 1(*)	-56%	-57%	-57%
複合情景 2	-43%	-62%	-75%
複合情景 3	-36%	-39%	-42%
<b><u>其他可能發生的不利情景</u></b>			
其他可能發生的不利情景 1	-10%	-10%	-9%
其他可能發生的不利情景 2(*)	-56%	-51%	-45%

(\*)其他管理行為已考慮在內

**永明於轉讓前的償付能力狀況**

	2020 年底	2021 年底	2022 年底
基本情景	275%	226%	209%
<b>設定情景</b>			
設定情景 1	270%	215%	193%
設定情景 2	262%	201%	173%
設定情景 3(*)	192%	134%	112%
設定情景 4	152%	210%	285%
設定情景 5	264%	200%	170%
設定情景 6	283%	250%	249%
<b>可能發生的不利情景</b>			
可能發生的不利情景 1	202%	194%	216%
可能發生的不利情景 2	144%	194%	251%
可能發生的不利情景 3(*)	209%	134%	110%
可能發生的不利情景 4	268%	209%	184%
可能發生的不利情景 5	269%	219%	202%
可能發生的不利情景 6	213%	171%	160%
<b>對比基本情景的變動</b>			
<b>設定情景</b>			
設定情景 1	-5%	-11%	-16%
設定情景 2	-13%	-25%	-36%
設定情景 3(*)	-83%	-92%	-97%
設定情景 4	-123%	-16%	76%
設定情景 5	-11%	-26%	-39%
設定情景 6	8%	24%	40%
<b>可能發生的不利情景</b>			
可能發生的不利情景 1	-73%	-32%	7%
可能發生的不利情景 2	-131%	-32%	42%
可能發生的不利情景 3(*)	-66%	-92%	-99%
可能發生的不利情景 4	-7%	-17%	-25%
可能發生的不利情景 5	-6%	-7%	-7%
可能發生的不利情景 6	-62%	-55%	-49%

(\*)其他管理行為已考慮在內

**永明於轉讓後的償付能力狀況**

	2020 年底	2021 年底	2022 年底
基本情景	271%	223%	206%
<b>設定情景</b>			
設定情景 1	266%	212%	190%
設定情景 2	258%	198%	170%
設定情景 3(*)	188%	129%	107%
設定情景 4	147%	205%	280%
設定情景 5	260%	197%	168%
設定情景 6	279%	247%	246%
<b>可能發生的不利情景</b>			
可能發生的不利情景 1	198%	191%	215%
可能發生的不利情景 2	140%	190%	246%
可能發生的不利情景 3(*)	204%	130%	108%
可能發生的不利情景 4	263%	205%	181%
可能發生的不利情景 5	265%	216%	200%
可能發生的不利情景 6	209%	168%	158%
<b>對比基本情景的變動</b>			
<b>設定情景</b>			
設定情景 1	-5%	-11%	-16%
設定情景 2	-13%	-25%	-36%
設定情景 3(*)	-83%	-94%	-99%
設定情景 4	-124%	-18%	74%
設定情景 5	-11%	-26%	-38%
設定情景 6	8%	24%	40%
<b>可能發生的不利情景</b>			
可能發生的不利情景 1	-73%	-32%	9%
可能發生的不利情景 2	-131%	-33%	40%
可能發生的不利情景 3(*)	-67%	-93%	-98%
可能發生的不利情景 4	-8%	-18%	-25%
可能發生的不利情景 5	-6%	-7%	-6%
可能發生的不利情景 6	-62%	-55%	-48%

(\*)其他管理行為已考慮在內

## DST 的重要假設

### F1. 重要假設概要

基本情景採用一套合乎現實的投資回報、管理開支及新業務銷售假設，來預測三年預測期內的財務狀況。

#### 富衛的特定假設

基本情景基於 2019 年年中所實施之業務計劃，其中已作如下更新：

- 使用 2019 年年終有效的最佳假設；
- 2019 年年終有效的業務數據。

鑑於 2020 年第一季度的市場波動，亦對如下調整予以考慮：

- 對新業務銷售的最新重新預測；
- 截至 2020 年 3 月 31 日的利率和股權價值。

#### 永明的特定假設

基本情景是用來預測永明在預測期內財務狀況和條件的一套合乎現實的假設。基本情景與 2020 年 6 月向保監局提交的香港法定業務計劃一致，其中額外包含於 2020 年 3 月底簽署的、涵蓋已生效高淨值業務的新共同保險條約。

預測的起始點是 2019 年 12 月 31 日，期初資產、負債、淨資產和償付能力比率均為 2019 年 12 月 31 日的 2019 年底實際數據。

### F2. 情景概要

DST 的情景根據香港精算學會發出的指引及香港保監局的規定而進行，旨在評估有關公司在多個短期不利情景下可能具備的償付能力。

### F3. 情景的詳細描述

DST 的設定情景如下：

- **設定情景 1：理賠情況惡化**

在預測期內容許：

- 人壽業務的死亡率惡化 15%；
- 發病率惡化 15%；

- 傷殘、意外及疾病的發生率增加 15%；及
- 年金業務的死亡率無調整（特此指出此等方法不同於標準的 AGN7 方法，但由於年金業務不具實質性，此等方法被視為是適當的）。

- **設定情景 2：續保情況惡化**

在預測期內容許產品的失效率增加或下跌 5%，視乎哪一種情況產生最不利的結果（按產品計）。

- **設定情景 3：利率下跌加上股市大瀉**

在預測期內，緊隨估值日後開始：

- 利率訂為基本情景預測利率的 70%，及
- 股票及房地產市值於第一年下跌 25%，隨後以基本情景的相同比率增長

- **設定情景 4：利率上漲加上股市大瀉**

- 利率訂為基本情景的 130% 或基本情景利率加上 2%（以較高者為准）；及
- 股票及房地產市值於第一年下跌 25%，隨後以基本情景的相同比率增長

- **設定情景 5：高新業務增長率**

在預測期內迅速增長，增長率為 30%，或計劃增長率的 150%（如此為較高），而開支則合理地增加，與業務增長較快的情況一致。

- **設定情景 6：低新業務增長率**

在預測期內新業務緩慢增長，第一年的銷售為本年的 80%，其後的第二年及第三年下跌 20%，除直接關乎新銷量的佣金及佣金相關開支外，開支並無任何減少。

富衛 DST 的複合情景如下：

- **複合情景 1：疫情爆發**

在預測期內容許：

- 第 1 年中所有年齡的額外死亡率為每 1,000 人中 0.75 人；
- 第 1 年中所有年齡的額外發病率為每 1,000 人中 1.50 人；
- 傷殘、意外及疾病的發生率增加 15%；
- 股票及房地產市值下跌 25%

- 複合情景 2：港元/美元價差擴大

在預測期內容許：

- 美元政府債券收益率提高 1%；
- 港元債券收益率固定不變；
- 通脹假設提高 1.5%；
- 保單持有人紅利增加 15%；
- 万用壽險利率平均提高 0.2%

- 複合情景 3：港元/美元不再挂鈎

在預測期內容許：

- 美元與新加坡元貶值 10%；
- 股票及房地產市值下跌 25%；
- 美元保單休克失效（shock lapse）達 20%。

富衛 DST 的可能發生的不利情景如下：

- 可能發生的不利情景 1：營運事件

- 這是營運情景。當 C 類和 G 類業務的單位定價計算中發生錯誤，對淨資產價值的準確性產生不利影響，以及 C 類和 G 類以外的業務發生系統故障，導致業務運營中斷時，會發生這種情景。

- 可能發生的不利情景 2：交易對手方違約事件

- 這是交易對手方違約情景。當經濟衰退引發主要企業債券發行人和再保險公司違約時，會發生這種情景。

永明 DST 的可能發生的不利情景如下：

- 可能發生的不利情景 1：信用價差擴大

該情景測試由信用價差擴大所導致且會引發以下經濟假設變化的經濟影響。

- 投資級別債券的信用價差增加 150 個基點。
- 非投資級別債券的信用價差增加 250 個基點。

## ■ 可能發生的不利情景 2：信用危機

該情景測試會引發以下經濟假設變化的信用危機。

- 短期利率、中期利率和長期利率於 2020 年立即上調 1.00%。然後利率在預測期內保持在這一水平。
- 企業債券的信用價差於 2020 年立即提高 1.00%（評級為 BBB 或以上）和 1.25%（評級為 BBB 以下），然後在預測期內保持在這一水平。
- 股票市值於 2020 年下跌 20%，隨後幾年股票按基本情景的相同幅度繼續增長。
- 公開發行和私募債券及抵押貸款違約率於 2020 年是基本情景的 500%，隨後幾年與基本情景相同。

## ■ 可能發生的不利情景 3：美元/港元非平行下跌

該情景測試美元和港元利率非平行下跌產生的經濟影響。經濟假設如下：

- 就美元經濟而言，短期利率、中期利率和長期利率至第一年結束時逐步下降 1.00%，之後在剩餘預測期內保持在比基本情景低 1.00% 的水平。
- 就港元經濟而言，短期利率、中期利率和長期利率至第一年結束時逐步下降 0.50%，之後在剩餘預測期內保持在比基本情景低 0.50% 的水平。
- 企業債券的信用價差至第一年結束時逐步上漲 0.50%，之後在剩餘預測期內保持在比基本情景高 0.50% 的水平。
- 港元-美元貨幣掉期息差至第一年結束時發生 100 個基點的不利變化，之後在預測期內保持在這一水平。
- 預測期內股票市值每年下跌 10%。
- 預測期內公開發行和私募債券及抵押貸款違約率是基本情景的 200%。

## ■ 可能發生的不利情景 4：保單持有人逆向選擇行為

這種情景假設市場的結構變化導致針對公司的某些形式的逆向選擇。因此，這種情景研究市場日益複雜所產生的影響，此等影響導致保單持有人（通過有機會利用保費支付靈活性、部分提取和自願終止合約）實施逆向選擇行為。

- 死亡率惡化 15%。
- 發病率惡化 15%。

- 失效率變化正/負 25%，視乎哪一種情況產生最不利的結果（按產品計）。
- 就万用壽險和相連產品而言，於 2019 年保費持續性將設定為基本情景的 75%，部分提取率變為 10%。

## ■ 可能發生的不利情景 5：營運事件

這種情景檢驗業務對經營事件的適應力，特別是對《保險業條例》下最低償付能力要求相對較低的 C 類和 G 類業務而言。這種情景假定如下：

- 2019 年底報告後檢測到錯誤。特別是，記錄和報告的 C 類和 G 類業務帳戶價值的 10% 由於投資分配錯誤比真實帳戶價值低 15%。因此，公司必須補償對保單持有人少付的款項，以糾正帳戶價值，並將被處以 500 萬港元的監管罰款。
- 該事件對公司聲譽產生不利影響，導致前兩個年度中 C 類產品的失效率增加 10%，2020 年和 2021 年為獲得新業務行銷費用增加 2,000 萬港元。

## ■ 可能發生的不利情景 6：流感疫情及再保險公司違約

這種情景檢驗全球流感疫情爆發的影響，此等疫情爆發對許多保險公司的死亡/發病理賠產生負面影響。同時，由於大量定額分保被放棄，再保險公司受到嚴重影響，導致部分再保險公司違約。主要假設如下：

- 該公司在 2020 年的死亡理賠數量增加，總體死亡率的增加約為每 1,000 人中 7 人。在隨後期間內，理賠情況恢復至基本情景。
- 2020 年的重疾（CI）和住院入息（HI）理賠情況也受到不利影響，導致對收入產生負面影響。負面收入影響假定為 2019 年實際 CI 理賠的 2% 和 2019 年實際 HI 理賠的 25%。
- 這種情景假設 RGA（公司最重要的再保險公司）在 2020 年違約，導致上述超額理賠的 50% 未能從 RGA 收回。這種情景還假設公司將從 RGA 取回被放棄的業務，並於 2020 年底找到新的再保險公司來承保重新取回的業務。生效業務和未來新業務的再保險費率繼續得到保證，但增加了 20%。

## 附錄 B：截至 2020 年 3 月 31 日的主要數據

### 轉讓業務主要數據

下表顯示了富衛 G 類長期業務截至 2019 年 12 月 31 日及截至 2020 年 3 月 31 日的詳情。

富衛 G 類長期業務			
2019 年 12 月 31 日 類別	參與計劃數量	帳戶結餘 (百萬港元)	淨負債金額 (百萬 港元)
強積金 (*)	4,160	863	889
職業退休計劃	72	2,090	2,402
職業退休計劃轉讓業務	68	1,617	1,853
富衛職業退休計劃保留業務	4	473	549
<b>合計</b>	<b>4,232</b>	<b>2,953</b>	<b>3,291</b>
富衛 G 類長期業務			
2020 年 3 月 31 日 類別	參與計劃數量	帳戶結餘 (百萬港元)	淨負債金額 (百萬 港元)
強積金 (*)	4,142	837	863
職業退休計劃	72	2,083	2,365
職業退休計劃轉讓業務	68	1,588	1,798
富衛職業退休計劃保留業務	4	495	567
<b>合計</b>	<b>4,214</b>	<b>2,920</b>	<b>3,228</b>

(\*) 參與計劃數量指僱主數量，而附錄 C 則列出強積金 G 類保單的數量。

由於四捨五入，數字相加可能與合計總數不符。

截至 2019 年 12 月 31 日，富衛的長期業務包含 4,160 個強積金計劃和 72 個職業退休計劃，而截至 2020 年 3 月 31 日，其長期業務包含 4,142 個強積金計劃和 72 個職業退休計劃。主要由於帳戶結餘減少，G 類職業退休計劃業務的淨負債金額在 2019 年 12 月 31 日至 2020 年 3 月 31 日期間從 24.02 億港元略微下降至 23.65 億港元。G 類強積金計劃業務的淨負債金額亦從 2019 年 12 月 31 日的 8.89 億港元略微下降至 2020 年 3 月 31 日的 8.63 億港元。

### 轉讓前及轉讓後的保單儲備金

下表顯示轉讓業務在轉讓前及轉讓後（使用兩個不同估值日期，即 2019 年 12 月 31 日和 2020 年 3 月 31 日）之法定儲備金。

百萬港元		富衛 – 轉讓前			永明 – 轉讓後	
2019 年 12 月 31 日	帳戶結餘	最低指引 7 儲備金	平滑儲備金	帳戶結餘	最低指引 7 儲備金	平滑儲備金
強積金	863	14	12	863	14	12
職業退休計劃轉 讓業務	1,617	159	76	1,617	159	101
<b>合計</b>	<b>2,480</b>	<b>173</b>	<b>88</b>	<b>2,480</b>	<b>173</b>	<b>113</b>

百萬港元		富衛 – 轉讓前			永明 – 轉讓後	
2020 年 3 月 31 日	帳戶結餘	最低指引 7 儲備金	平滑儲備金	帳戶結餘	最低指引 7 儲備金	平滑儲備金
強積金	837	25	1	837	25	1
職業退休計劃轉 讓業務	1,588	151	59	1,588	151	79
<b>合計</b>	<b>2,424</b>	<b>176</b>	<b>60</b>	<b>2,424</b>	<b>176</b>	<b>80</b>

由於四捨五入，數字相加可能與合計總數不符。

於轉讓日，強積金的最低指引 7 儲備金和平滑儲備金不會變化。就職業退休計劃而言，根據本人主要報告中所述之方法，

- 類似於轉讓前富衛的方法，職業退休計劃業務的最低指引 7 儲備金將在富衛職業退休計劃保留業務和職業退休計劃轉讓業務之間基於帳戶結餘拆分。
- 整個職業退休計劃平滑儲備金，即富衛職業退休計劃保留業務和職業退休計劃轉讓業務的平滑儲備金，將轉給永明，使得轉讓業務的平滑儲備金在轉讓後有所增加。

下表顯示富衛職業退休計劃保留業務在轉讓前及轉讓後（使用兩個不同估值日期，即 2019 年 12 月 31 日和 2020 年 3 月 31 日）之法定儲備金。

百萬港元		轉讓前			轉讓後	
2019 年 12 月 31 日	帳戶結餘	最低指引 7 儲備金	平滑儲備金	帳戶結餘	最低指引 7 儲備金	平滑儲備金
富衛職業退休計劃 保留業務	473	51	25	473	51	25

百萬港元 2020 年 3 月 31 日	帳戶結餘	轉讓前		轉讓後	
		最低指引 7 儲備金	帳戶結餘	最低指引 7 儲備金	帳戶結餘
富衛職業退休計劃 保留業務	495	51	20	495	51
					20

### 財務狀況

下表對轉讓前和轉讓後（分別截至 2019 年 12 月 31 日和 2020 年 3 月 31 日）的自由資產比率予以比較。

2019 年 12 月 31 日 百萬港元	轉讓前的富衛	轉讓後的永明
<b>公司合計</b>		
包括償付準備金在內的總負債 (A)	103,314	82,671
超過償付準備金的盈餘 (B)	6,339	5,072
<b>自由資產比率 (B) / (A)</b>	<b>6.1%</b>	<b>6.1%</b>
2020 年 3 月 31 日 百萬港元	轉讓前的富衛	轉讓後的永明
<b>公司合計</b>		
包括償付準備金在內的總負債 (A)	109,901	85,679
超過償付準備金的盈餘 (B)	5,928	4,855
<b>自由資產比率 (B) / (A)</b>	<b>5.4%</b>	<b>5.7%</b>

由於最近金融市場的下挫，富衛和永明的自由資產比率在 2019 年 12 月 31 日至 2020 年 3 月 31 日期間均有所下降。但是，永明的自由資產比率比富衛更為穩定。

下表對富衛和永明在轉讓前和轉讓後（分別截至 2019 年 12 月 31 日、2020 年 1 月 31 日、2020 年 2 月 29 日和 2020 年 3 月 31 日）的償付能力比率予以比較。

轉讓前的償付能力比率	富衛 (*)	永明 (**)
2019 年 12 月 31 日	321%	266%
2020 年 1 月 31 日	298%	240%
2020 年 2 月 29 日	263%	232%
2020 年 3 月 31 日	193%	265%

(\*) 偿付能力比率不包括富衛馬來西亞和富衛越南的資本金額。

(\*\*) 偿付能力比率體現了 2016 年 8 月簽訂並經修改的共同保險條約。

由於最近金融市場的下挫，富衛的償付能力比率由 2019 年 12 月 31 日的 321% 下降至 2020 年 3 月 31 日的 193%。永明的償付能力比率亦有較小幅度的下降，但永明和富衛於 2020 年 3 月 31 日的實際償付能力均仍高於最低法定要求。

### 結論

本人確信上述任何最新情況均不會影響本人主要報告或本人補充報告主要章節中所得出之結論。

## 附錄 C：截至 2019 年 12 月 31 日的轉讓保單

### C.1 截至 2019 年 12 月 31 日的強積金計劃 G 類保單列表

	G 類保單	保單號	保單日期	相關強積金計劃
1	富衛強積金本金保證 保單	B001-CGP	(缺失)	永明強積金基本計劃-本金保證組合
2	富衛強積金本金保證 保單	C002-CGP	01 年 3 月 29 日	永明強積金綜合計劃-本金保證組合
3	富衛強積金本金保證 保單	S001-CGP	00 年 12 月 1 日	永明強積金集成信託-本金保證組合

### C.2 截至 2019 年 12 月 31 日的職業退休計劃 G 類保單列表

	G 類保單	保單號	保單日期	相關計劃	基於保險或基 於信託	職業退休計劃 類型以及是否 已獲得強基金 豁免或尚未申 請強基金豁免
1	Albert Jewellery Company Limited 公積金 計劃	1100027 2	95 年 8 月 3 日	富衛本金保證 計劃	基於信託 - 永 明退休金信託 有限公司	1. 已註冊職業 退休計劃  2. 已獲得強基 金豁免
2	Alitom Engineers Ltd 公積金計劃	1100032 7	95 年 4 月 27 日	富衛本金保證 計劃	基於信託 - 永 明退休金信託 有限公司	1. 已註冊職業 退休計劃  2. 已獲得強基 金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
3	Asia Pacific Adjusters Limited 公積金計劃	15000100	08 年 1 月 3 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
4	Campell Group (Hong Kong) Limited 公積金計劃	11000293	95 年 3 月 10 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
5	Checkpoint Apparel Labelling Solutions Asia Limited 公積金計劃	11000194	95 年 8 月 3 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
6	China Europus (International) Ltd. 僱員退休計劃	11000017	95 年 4 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
7	Parsons Delcan Inc. 公積金計劃	11000501	95 年 5 月 22 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
8	DHL Global Forwarding (Hong Kong) Limited 公積金計劃	19000771	96 年 4 月 10 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
9	Dimension Data China/Hong Kong Limited 公積金	15000384	18 年 12 月 4 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
10	Drew Ameroid (Singapore) Pte. Limited 公積金計劃	11000207	95 年 6 月 27 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
11	EL Grande Holdings Limited 公積金計劃	15000932	98 年 5 月 12 日	富衛綜合公積金計劃	基於保單	1. 已註冊職業退休計劃 2. 尚未申請強基金豁免
12	Fatti Components Limited 僱員退休計劃	11000031	95 年 5 月 25 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
13	Fook Lam Moon Restaurant Ltd. 公積金計劃	15000214	06 年 2 月 7 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
14	富衛人壽澳門代理人長期服務激勵計劃	11001018	2010 年	富衛綜合公積金計劃	基於保單	1. 豁免的職業退休計劃 2. 尚未申請強基金豁免
15	富衛人壽澳門員工公積金	11001019	00 年 8 月 1 日	富衛綜合公積金計劃	基於保單	1. 豁免的職業退休計劃 2. 尚未申請強基金豁免
16	Community Health Services Ltd. 成員團體退休計劃	15001030	10 年 9 月 10 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
17	Hi-Watt International Enterprises Ltd 公積金計劃	15000372	08 年 12 月 10 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
18	Honda Button Company Limited 公積金計劃	19000682	95 年 10 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
19	Hong Kong Young Women's Christian Association 公積金	15000660	186 年 12 月 4 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
20	Hop Hing Group 公積金計劃	15000142	05 年 6 月 3 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
21	Kasikorbank Public Company Limited 公積金計劃	11000386	95 年 5 月 25 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
22	Kassel Park Engineering Company Limited 公積金計劃	11000448	95 年 8 月 23 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
23	Kau Kee Trading Co., Limited 公積金計劃	11000256	95 年 8 月 16 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
24	KMT Enterprise Ltd.公積金計劃	18000553	95 年 7 月 22 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
25	Kwong Kee Electrical Co Ltd 公積金計劃	11000519	95 年 3 月 13 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
26	Landard Toys Limited 公積金計劃	15000436	18 年 12 月 4 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
27	Leventhal Limited 公積金計劃	15000896	08 年 2 月 29 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
28	Lishan Company Limited 公積金計劃	15000715	18 年 11 月 16 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
29	MAHK Ltd 公積金計劃	004-5001026	07 年 11 月 19 日	富衛綜合公積金計劃	基於保單	1. 豁免的職業退休計劃 2. 尚未申請強基金豁免
30	Man Lead Services Limited 公積金計劃	18000654	95 年 9 月 27 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
31	Manfield Coatings Co. Ltd.僱員退休計劃	11000115	95 年 8 月 3 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
32	Melbourne Bookcentre Ltd. 僱員退休計劃	11000054	95 年 6 月 8 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
33	Ming Fung Engineering Co. 公積金計劃	19000644	95 年 8 月 23 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
34	Multi-Gold Air & Sea Express Limited 公積金計劃	11000352	95 年 9 月 7 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
35	On Tak Lung Limited 公積金計劃	15001003	99 年 6 月 4 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
36	One Country Two Systems Research Institute Ltd. 公積金計劃	11000315	95 年 4 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
37	PMP Advertising (International) Ltd 公積金計劃	11000066	95 年 3 月 15 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
38	PPG Industries International Inc 公積金計劃	19000680	95 年 10 月 2 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
39	Realink Industries Ltd. 公積金計劃	15000508	05 年 8 月 12 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
40	Remotec Technology Limited 公積金計劃	11000449	95 年 4 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
41	Rocco Design Architects Limited 公積金計劃	11000069	95 年 9 月 7 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 尚未申請強基金豁免
42	Samson Paper Holdings Limited 公積金計劃	19100794	96 年 6 月 19 日	富衛綜合公積金計劃	基於保單	1. 已註冊職業退休計劃 2. 尚未申請強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
43	Sotheby's Hong Kong Limited 公積金計劃	11000161	95 年 7 月 26 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
44	Specialty Metals Resources Limited 公積金計劃	11000296	95 年 3 月 16 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
45	The Incorporated Management Committee of St. Joseph's Primary School 固定供款計劃	15001028	10 年 9 月 8 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
46	St. James' Settlement 公積金計劃 (1)	11000117	95 年 9 月 7 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
47	Sunny Creations Limited 公積金計劃	11000354	95 年 5 月 25 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
48	Technik Industrial Co. Ltd. 公積金計劃	1100029 9	95 年 4 月 28 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
49	The Hong Kong L.P. Gas (Holdings) Limited 員工公積金	1500103 4	11 年 7 月 12 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
50	The Hong Kong Settlers Housing Corporation Limited 公積金計劃	1100004 1	95 年 8 月 16 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
51	The Sumida Electric (H.K.) Company Limited 公積金	1500103 1	10 年 10 月 26 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
52	The Yip's H.C. ( Holding ) Ltd. 公積金	1500103 2	10 年 10 月 26 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
53	Tong Seng Co Ltd 僱員福利計劃	11000078	95 年 4 月 28 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
54	Tsuen Wan Wai Tsuen Evangelical Church (Hong Kong) Limited 公積金計劃	19000658	95 年 9 月 18 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
55	UCC Coffee Shop Co. (Hong Kong) Limited 公積金計劃	15000525	06 年 11 月 9 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
56	Westrock MWV Hong Kong Limited 公積金計劃	11000203	95 年 4 月 28 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
57	Tai Cheng Shing Limited 公積金計劃	11000523	95 年 3 月 15 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
58	Wing Tai Jewellery & Goldsmith Company Limited 公積金計劃	15100764	18 年 11 月 28 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
59	Wiseknit Factory Ltd. 公積金計劃	11000090	95 年 8 月 23 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
60	Wylam's Services Limited 公積金計劃	11000235	95 年 5 月 25 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
61	Yan Chai Hospital Board Head Office 公積金計劃	15000695	19 年 4 月 1 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
62	Yan Chai Hospital Social Services 公積金計劃	15000788	19 年 4 月 1 日	富衛綜合公積金計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
63	Yee Ying International Limited 公積金計劃	11000229	95 年 3 月 13 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
64	Yi Chang Tai Company Limited 僱員退休計劃	11000111	95 年 7 月 25 日	富衛本金保證計劃	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免
65	Yip Shing Diesel Engineering Co. Ltd. 職業退休計劃	810001023	11 年 10 月 24 日	富衛本金保證計劃	基於保單	1. 已註冊職業退休計劃 2. 尚未申請強基金豁免
66	MHK Restaurants Limited 利潤共享計劃	11000114 (原為 805-01，於 1995 年 9 月 29 日變更)	88 年 12 月 22 日	獨立計劃（投資於富衛本金保證計劃；且永明退休金信託擔任受託人）	基於信託 - 永明退休金信託有限公司	1. 已註冊職業退休計劃 2. 已獲得強基金豁免

	G 類保單	保單號	保單日期	相關計劃	基於保險或基於信託	職業退休計劃類型以及是否已獲得強基金豁免或尚未申請強基金豁免
67	施羅德公積金計劃	不适用	00 年 4 月 1 日	獨立計劃（投資於富衛本金保證計劃；但永明退休金信託不是受託人）	-	-
68	Wing Hang Bank Limited 公積金	21000001	04 年 9 月 18 日	獨立計劃（投資於富衛本金保證計劃；但永明退休金信託不是受託人）	-	-

備註：因一些職業退休計劃 G 類保單已終止，本補充報告中的職業退休計劃 G 類保單總數與本人主要報告相比有所下降。