KEY FACTS STATEMENT (KFS) FOR OVERDRAFT FACILITY

Insurance Financing
Sep, 2024

This product is an overdraft facility.

This statement provides you with indicative information about interest, fees and charges of this product but please refer to our offer letter for the final terms of your overdraft facility.

Interest Rates and Interest Charges

Annualised Interest Rate

HKD Overdraft		
Credit Limit	HKD 3,000,000 or above	Below HKD 3,000,000
Annualised Interest Rate for HKD Overdraft	(a) 1-month HKD HIBOR[2] + 0.8% ~ 1.5% and (b) P[1] ~ P[1] – 2.2%, whichever is the lower	(a) 1-month HKD HIBOR[2] + 1.1% ~ 2% and (b) P[1] ~ P[1] – 2.2%, whichever is the lower
USD Overdraft		
Credit Limit	USD 385,000 or above	Below USD 385,000
Annualised Interest Rate for USD Overdraft	USD Prime rate[3] – 2.25% ~ 2.5%	USD Prime rate[3] – 2.05%
RMB Overdraft		
Credit Limit	RMB 3,000,000 or above	Below RMB 3,000,000
Annualised Interest Rate for RMB Overdraft	3-month RMB HIBOR[4] + 1.2% ~1.5%	3-month RMB HIBOR[4] +1.5% ~1.8%

Annualised Overdue / Default Interest Rate	N/A
Overlimit Interest Rate	For HKD Overdraft: HKD Prime rate[1] + 10% will be applied to the amount in excess, if your current loan balance exceeds the credit limit of the loan. For USD Overdraft: USD Prime rate[3] + 10% will be applied to the amount in excess, if your current loan balance exceeds the credit limit of the loan. For RMB Overdraft: 3-month RMB HIBOR[4] + 10% will be applied to the amount in excess, if your current loan balance exceeds the credit limit of the loan.

Fees and Charges[4]

Annual Fee / Fee	For HKD Overdraft: 0.25% of the credit limit (Min. HK$1,000) per year For USD Overdraft: 0.25% of the credit limit (Min. US$150) per year For RMB Overdraft: 0.25% of the credit limit (Min. RMB$1,000) per year
Late Payment Fee and Charge	For HKD Overdraft: HK$500 per late payment For USD Overdraft: US$100 per late payment For RMB Overdraft: RMB$500 per late payment
Overlimit Handling Fee	N/A
Returned Cheque / Rejected Autopay Charge	N/A

Additional Information

1. Prime rate means the Hong Kong Dollar Best Lending Rate quoted by the Bank from time to time. Prime rate is not fixed and it may increase or decrease.
2. "HKD HIBOR" means Hong Kong Interbank Offered Rate for Hong Kong Dollars at (11:00 a.m.) on each day as shown on the Reuters page "HIBOR1=R" provided that if the same shown on the Reuters page "HIBOR 1=R" is a percentage which contains more than 4 digits after the decimal point, it shall be round up to 4 digits after the decimal point so that the 4th digit after the decimal point will in all cases be increased by 1.
3. Prime rate means the China Construction Bank (Asia) Corporation Limited US Dollar Best Lending Rate quoted by the Bank from time to time. USD Print rate is not fixed and it may increase or decrease.
4. RMB HIBOR means the China Construction Bank (Asia) Corporation Limited RMB HIBOR quoted by the Bank from time to time. RMB HIBOR is not fixed and it may increase or decrease.
5. Please refer to the Fees and Charges (General Banking Services) as set out in the Schedule of Service Fees as amended by the Bank from time to time.

2138(9/2024)

RISK DISCLOSURE STATEMENTS RELATING TO PREMIUM FINANCING / POLICY FINANCING

The Bank would like to draw your special attention to certain risk factors relating to your application for premium financing / policy financing. Please read the following risk disclosures carefully and ask questions and take independent advice if you wish. These risk disclosures are intended as a general guidance only and are not exhaustive statements of all the risks involved.

Generally, Premium Financing involves a facility granted to you for paying the premium of your insurance application (i.e. a certain percentage of the premium of the insurance policy). It is a lending secured by your life insurance policy as a collateral.

Generally, Policy Financing involves a facility granted to you and secured by your life insurance policy as a collateral. The lending aims to provide you with the flexibility on the financial situation to obtain extra cash for personal expenses or investments after purchasing the life insurance policy.

- **Interest rate risk:**

  Loan product linked to the Hong Kong Interbank Offering Rate (HIBOR), China Construction Bank (Asia) Corporation Limited's US Dollar Prime Rate ("US Dollar Prime Rate"), China Construction Bank (Asia) Corporation Limited's HK Dollar Prime Rate ("HK Dollar Prime Rate") or China Construction Bank (Asia) Corporation Limited's RMB HIBOR ("RMB HIBOR") (Collectively referred as "Base Rate")involves risk as Base Rate will be affected by the currency demand and supply in the market. Regardless of the level of the Base Rate currently stays at, it may be increased or decreased substantially if there is imbalance in the currency demand and supply in the market. If Base Rate is increased, customer may suffer from higher interest payment.

  Please note that the increase in Base Rate could increase costs of serving the loan, and therefore reduce the overall rate of return of the insurance policy under this arrangement. In the worst case, the financing interest rate may be higher than the returns received from the life insurance policy and customer may be subject to significant financial loss. You should take into account of this factor when considering whether this arrangement is suitable for you.

- **Collateral top-up risk:**

  If the outstanding loan amount is higher than the Loan/Facility Limit granted to you by the Bank (as stated in the Facility Letter), the loan will be charged at the Default Interest Rate. The Default Interest Rate may be substantially higher than the interest rate charged on the loan amount within the Loan/Facility Limit. Borrowers may also be asked to provide additional cash to lower the outstanding loan amount below the Loan/Facility Limit.

- **Exchange rate risk:**

  Exchange rate exposure arises when the borrower chooses a loan currency different to the policy currency. For instance, in case of premium financing, the borrower is required to convert the premium loans (e.g. HKD loans) into the policy currency (e.g. USD) in the form of a separate FX transaction with the Bank for premium settlement. Similarly, any proceeds (denominated in e.g. USD) received under the policy are required to be converted into the loan currency (e.g. HKD) before being used for the loan repayment. Ongoing mark-to-market monitoring will take into account the currency conversion of the policy's surrender value against the premium loan using prevailing market rate, and the borrower may be required to top-up in case of shortfall.

- **Loan recall risk:**

  Please note that the Bank reserves the right to increase, reduce or cancel the Loan/Facility or any part of it at any time by notice to the borrower. However, if it occurs an event or a series of events which in the Bank's opinion that might have a material and adverse effect on the financial condition of the borrower, the Loan/Facility amount may be modified, reduced or cancelled by the Bank without prior notice.

- **Assignment of Insurance Policy:**

  With Premium Financing / Policy Financing loan, the insurance policy will be assigned to the Bank via a Deed of Assignment. You have to ensure that the policy has been assigned from policy owner and beneficiary and the policy rights have been transferred to the Bank. This means that all proceeds payable under the insurance policy, including but not limit to premium, income, dividends, bonuses or other payment, are to be paid to the Bank first, and any changes or amendment to the insurance policy are subject to the Bank's approval.

  In case the maturity of the insurance policy, policy owner passes away (in case of individual policy owner) or is wound up (in case of corporate policy owner), the Bank reserves the right to surrender the policy and use the surrender value to repay the outstanding loan. Please note that any early termination of the arrangement which result in early surrender of the insurance policy may result in you not achieving your desired financial goal of increasing the estate to be left to your designated beneficiaries.

  Upon any default or failure to repay under the relevant assignment or loan agreement, the Bank may exercise the right to surrender the policy on borrower's behalf, and apply all or part of the proceeds against the outstanding amount(s) under the facility owed by the Borrower to the Bank. Borrower may therefore lose the life coverage and other benefits under the Insurance Policy

  All options and proceeds with respect to the insurance policy, including but not limited to all incomes, dividends, bonuses, other payment, are to be assigned to Bank. Bank may reserve its right to exercise any options contained in the insurance policy or transfer immediately all or part of the proceed to pay up any fees, chargers, accrued interest or other amounts payable by the customer related to the secured obligation or facility.

  During the cooling-off period of the insurance policy, Bank can exercise the right to surrender the policy on borrower's behalf and collect any refund or premium received.

  The Bank may obtain loans or advances on the insurance policy either from the insurer or at any time the insurer may allow from any other persons and to pledge or assign the insurance policy as security for such loans or advances.

If the insurance policy is surrendered for whatever reason, customer may partially or fully lose the insurance coverage in respect of the policy and may not be able to obtain the same insurance coverage due to reasons including without limitation increases in insurance premium and changes in health conditions.

If the insurance is required as part of positive conditions in the customer's business or other arrangements, the termination of the insurance policy may trigger further events of defaults in these arrangements with undesired consequences.

The customer shall remain liable for any shortfall between the amounts of the proceeds of the insurance policy and the outstanding amount of the facility.

The Bank may set off any obligation with the customer to the Bank (including but not limit to the outstanding amount of the facility) against any obligation owed by the Bank to customer (including but not limit to credit balances in any account the customer maintains with the Bank)

- **Insurance Company Credit Risk:**

  Insurance company becomes insolvent or defaults on its obligations, the Bank may have a claim against the Borrower if the net amounts received by the Bank under the Insurance Policy are inadequate to pay off the outstanding amounts owed by the Borrower.

  The maximum loan-to-value ratio may depend on, among other factors, the credit rating of the relevant insurer

  The Bank may at its discretion call for additional collateral, or restructure or terminate the facility in the event of any adverse change of the credit rating or default of the insurer.

- **Counterparty risk:**

  If the relevant credit rating of the insurance company of the issued insurance policy is downgraded, the Bank shall reserve the right to review the Credit Limit and to call for additional collateral if required.

- **Loan/Facility Review**

  The Loan/Facility is subject to review and repayable on demand.

  The Loan/Facility is subject to review by the Bank annually (unless otherwise specified)

  The maximum limit of the facility is determined by the Bank at its discretion.

  Under certain circumstances, the Bank may exercise the right to request the customer to provide additional collateral, partially or fully repay the outstanding amount of the facility, and the Bank has the right to restructure or terminate the facility, at any time and reasonable notice (in electronic, written or verbal format) will be given to the Borrower a reasonable time before such variations take effect.

  Examples of Circumstances:

  i. A decrease in the maximum loan-to-value ratio ;
  ii. The maximum loan-to-value ratio is exceeded (e.g. a decrease in cash surrender value of the insurance policy during the facility term) ;
  iii. Default in obligation under the facility or unsatisfactory account performance ;
  iv. Adverse change of the credit rating or default of the insurer during the term of the facility

- **Surrender risk and death benefit risk**

  In the event of the surrender of policy before the end of the policy term or death of the life insured during the policy term, the amount receivable by the customer or the beneficiary may be less than the sum of total premium paid and the interest expenses incurred under the facility.

- **Rate of Return Risk**

  If the investment return assumed for the insurance policy is not achieved, the return generated from the insurance policy may not be sufficient to cover the interest payable under the facility.

- **Cooling-off rights**

  Bank should not impose any conditions and/or costs on the customer before the expiry of the cooling-off period as it may deter the customer from exercising the cooling-off right.

- **Risks specific to Premium Financing**

  - **No guarantee of Profit:**

    There are many factors affecting the returns generated from the insurance policy and the interest payment for the facility (including but not limiting to prevailing interest rate fluctuation, market condition, investment outlook, investment return of insurance company, cost of insurance, etc). For instance, Cost of Insurance will increase with the age of the insured. There is no historical support for deriving a long term profit from the difference between a loan rate and the return from a life insurance policy.

  - **Conflicts of Interest:**

    Customers should note that potential and actual conflict of interest may arise from the different roles played by the Bank in connection to the offering of the Facility and the Insurance Product.

Customers should not rely on the content of this document alone to make any investment and/or insurance decisions. Customer should also read other relevant documents relating to both the Insurance Products and Premium and/or Policy Financing in order to fully understand the risks involved. If you have any inquiries, please seek independent professional advice prior to accepting the Facility available to you

透支服務產品資料概要（“概要”）

保險融資
2024 年 9 月

此乃透支服務產品。

本概要所提供的利息、費用及收費等資料僅供參考，
透支服務的最終條款以貸款確認書為準。

利率及利息支出

年化利率

港元透支		
信貸額度	3 百萬港元或以上	少於 3 百萬港元
港元透支的年化利率	(a) 1 個月香港銀行同業拆息率 [2] + 0.8% ~ 1.5% 及 (b) P^1 ~ P^1 – 2.2%, 以較低者為準	(a) 1 個月香港銀行同業拆息率 [2] + 1.1% ~ 2% 及 (b) P^1 ~ P^1 – 2.2%, 以較低者為準
美元透支		
信貸額度	385,000 美元或以上	少於 385,000 美元
美元透支的年化利率	美元最優惠利率 [3] - 2.25% ~ 2.5%	美元最優惠利率 [3] - 2.05%
人民幣透支		
信貸額度	3 百萬人民幣或以上	少於 3 百萬人民幣
人民幣透支的年化利率	3 個月人民幣同業拆息率 [4] + 1.2% ~1.5%	3 個月人民幣同業拆息率 [4] +1.5% ~1.8%

逾期還款年化利率 / 就違約貸款收取的年化利率	不適用
超出信用額度利率	港元透支：如客戶現有的貸款餘額超出其貸款的信用額度，本行將收取超出信用額度部分之最優惠利率 [1] + 10% 美元透支：如客戶現有的貸款餘額超出其貸款的信用額度，本行將收取超出信用額度部分之最優惠利率 [3] + 10%計算 人民幣透支：如客戶現有的貸款餘額超出其貸款的信用額度，本行將收取超出信用額度部分之 3 個月人民幣同業拆息 [4] + 10%計算

費用及收費 [4]

年費 / 收費	港元透支：年費為透支額度的 0.25%（最少 HK$1,000） 美元透支：年費為透支額度的 0.25%（最少 US$150） 人民幣透支：年費為透支額度的 0.25%（最少 RMB$1000）
逾期還款費用及收費	港元透支：就每次逾期還款收取手續費為 HK$500 美元透支：就每次逾期還款收取手續費為 US$100 人民幣透支：就每次逾期還款收取手續費為 RMB$500
超出信用額度手續費	不適用
退票 / 退回自動轉帳授權指示的收費	不適用

其他資料

1. 最優惠利率指本行不時公佈的港元最優惠利率。最優惠利率可能會上升或下跌，而非固定不變。
2. “香港銀行同業拆息率”是指路透社熒幕"HIBOR1=R"每日早上 11:00 時顯示港元香港銀行同業拆息率。惟倘路透社熒幕"HIBOR1=R"顯示的利率是擁有小數點之後超過 4 位數字的百分 率，則小數點後數字將以進一方式整合為最多 4 位數字，亦即小數點後第 4 位數字必須進一。
3. 美元最優惠利率指本行不時公佈的美元最優惠利率。美元最優惠利率可能會上升或下跌，而非固定不變。
4. 人民幣同業拆息率指本行不時公佈的香港銀行人民幣同業拆息率。人民幣資金成本可能會上升或下跌，而非固定不變。
5. 最新收費及費用，請參閱本行不時修訂的服務收費表（一般銀行服務）。

2138(9/2024)

保費融資 / 保單融資的風險披露聲明

銀行欲請閣下特別關注某些關於閣下申請之保費融資/保單融資的特定風險因素。請細心閱讀以下風險披露，如有需要，請作出提問及尋求獨立意見。此風險披露聲明只供一般指引之用，並非徹底闡述所有有關風險。

一般而言，保費融資為給予閣下貸款以作繳付客戶申請保單的保費之用(貸款金額為保費的某個特定百分比)。此貸款以閣下之人壽保險保單作為抵押。

一般而言，保單融資為給予閣下以人壽保險保單作為抵押的貸款。此貸款旨在為閣下提供財務靈活性供閣下在購買保單後獲得額外的現金作個人支出或投資之用。

- **利率風險:**
  以香港銀行同業拆息(「銀行同業拆息」)、中國建設銀行(亞洲)股份有限公司的美元最優惠利率(「美元最優惠利率」)、中國建設銀行(亞洲)股份有限公司的港元最優惠利率(「港元最優惠利率」)或中國建設銀行(亞洲)股份有限公司的人民幣同業拆息(「人民幣同業拆息」)(統稱「利率基數」)釐定利息之信貸產品存在風險，因利率基數會因應市場貨幣供應及需求作出調整。不論利率基數現處於任何水平，若市場貨幣供應及需求失衡，利率基數有可能會大幅提升或下跌。若利率基數上升，客戶可能需要支付更高的利息支出。

  請注意利率基數之上升會提高貸款的利率，繼而減低保單在此安排下的整體回報率。在最壞的情況下，貸款利率有可能高於在人壽保險可收到的回報，令客戶蒙受重大損失。當決定此安排是否合適的時候，閣下應該考慮上述因素。

- **提供額外抵押品風險:**

  如未償還之貸款金額高於銀行給予閣下的貸款信用額度(根據貸款確認書)，貸款將根據違約利率收費。此預設利率可能大大高於在信用額度內收取的利率。借款人亦有機會被要求提供額外現金以減低未償還之貸款金額至信用額度以下。

- **匯率風險:**

  當借款人選擇一個與保單貨幣不同的貸款貨幣時將暴露於匯率風險。例如，在保費融資的情況下，借款人須分別地以外匯交易的方式向銀行轉換其保費貸款(例如: 港元貸款)至其保單貨幣(例如: 美元)以作保費結算之用。同樣地，任何由保單得到的收入(例如: 美元)須在用作償還貸款前被轉換至貸款貨幣(例如:港元)。銀行不間斷地以市值計價作監控時，亦會考慮比較以市場匯率轉換後的保單退保價值及保費貸款，如有不足之數，借款人可須額外注入現金。

- **收回貸款風險:**

  請注意銀行保留於任何時間在預先通知借款人的情況下加大、減少、取消部份或全部貸款的權利。但是，如果發生事故或一連串的事故以致銀行認為借款人在財政狀況上出現重大的不良影響，該貸款可能會被銀行在沒有預先通知的情況下修改、減少或取消。

- **保單之權益轉讓:**

  在保費融資 / 保單融資的情況下，保單將會透過權益轉讓契約被轉讓給銀行。閣下必須確保保單權益已由保單持有人及受益人轉讓至銀行，這代表所有保單的權益以及被支付的款項，包括並不限保費、收入、利息、 紅利或其他款項將首先給予銀行，而保單的任何更改及修正亦須經過銀行的批准。

  若保單到期或保單持有人去世(如保單持有人為個人)或清盤(如保單持有人為公司)，銀行保留退保該保單並使用退保價值償還未償還貸款的權利。請注意提早終止此安排將導致提前退保保單，有可能導致閣下沒有達到增加留給所指定受益人的遺產之財務目標。

  在相關保單權益轉讓及貸款的協議下，當借款人觸發違約或未能償還貸款時，銀行可代表借款人行使保單的退保權利，並將退保金的部分或全部用於償還客戶的未償還的款項。借款人將可能損失保單內的保障及其他利益。

  所有保單的權益以及被支付的款項，包括並不限保費、收入、利息、 紅利或其他款項將首先給予銀行。銀行可行使保單下的權益，或將部分或全部保單被支付的款項用作償還有關低押責任或貸款的費用，利息或其他應付款項。

  在冷靜期內，銀行可代表借款人行使取消保單的權利，並收取退回的保費和款項。

  銀行有權將有關保單抵押於保險公司或保險公司允許的其他人士作取得貸款或資金之用途。

  若保單因任何原因被中止，客戶可能會部分或完全失去保單的保障範圍。若客戶於保單中止後並欲再作投保，屆時亦可能因保費和其健康狀況的變化等因素而無法獲得相同的保障範圍。

  若有關保單是客戶業務或其他安排中的條件， 取消保單可能會觸發違約，而帶來不良後果。

  客戶須對保單收入與未償還貸款金額之間可能出現的差額負責。

  銀行可將其對客戶的義務（包括但不限於客戶在銀行持有的任何賬戶中的餘額），用以抵銷客戶對銀行的任何債務（包括但不限於貸款的未償還的金額）。

- **保險公司信貸風險:**

  當保險公司無力償債或不履行其義務,如本行根據保單所收取的款項淨額不足以償還借款人的貸款餘額,本行可向借款人提出索償。

  最大的貸款價值比是取決於不同因素，其中包括但不限於保險公司的信貸評級。

  若保險公司不履行其對有關保單的義務，或其信貸評級有不利的轉變，銀行有權要求客戶提供額外的抵押品、重組或終止有關貸款。

2138(9/2024)

- **交易對手風險:**

  若發出保單的保險公司之相關信用評級被下調，如有需要，銀行保留重新審核信用額度及要求額外抵押品的權利。

- **貸款審查**

  貸款會被進行覆核和須應要求償還。

  貸款會每年覆核(除非另有註明)。

  銀行有權決定有關貸款的最大額度。

  在特定情況下，銀行有機會行使其權利要求客戶提供額外的抵押品，償還部份或全部貸款，並可隨時重組或終止有關貸款。銀行會在該更改生效前，給予借款人合理期限的通知（以電子，書面或口頭形式）。

  特定情況的例子:

  i. 最大貸款價值比下降 ;

  ii. 超出最大貸款價值比(例如:在貸款期間保單退保現金額值下跌) ;

  iii. 貸款違約或帳戶表現不良;

  iv. 在貸款期間，保險公司不履行其對有關保單的義務，或其信貸評級有不利的轉變

- **退保和身故賠償風險**

  若客戶在保險的保單期內退保或身故，客戶或受益人能取回的金額或會低於已支付的保費及相關貸款利息支出的總和。

- **回報率風險**

  若保單的實際回報低於預期， 該回報或會不足以抵銷有關貸款的利息。

- **冷靜期權利**

  在冷靜期完結前，本行不會向客戶施加任何條件或收取費用，而導致有機會影響客戶行使冷靜期權利的決定。

- **保費融資之特定風險**

  - **收益並非保證:**

    很多因素會影響保單所產生的收益及貸款的利息款項(包括但不限於現行利率波動、市場狀況、投資前景、保險公司的投資回報及保險費用等)，例如保險費用會隨著被保險人的年齡增加。目前並沒有歷史支持貸款利率和人壽保險合約之間能衍生長期利潤。

  - **利益衝突:**

    客戶應注意，潛在及實際利益衝突可能來自於銀行在提供貸款及提供保險產品上扮演著不同角色。

客戶不應單獨依賴此文件的內容而作出任何投資和 / 或保險的決定。客戶亦應閱讀有關保險產品和保費融資及/或保單融資的文件以充分了解所涉及的風險。如果閣下有任何疑問，請在接受貸款時尋求獨立專業意見。

2138(9/2024)