

## The Hong Kong Federation of Insurers

### Cooling-off Period

#### **Introduction**

1. The Cooling-off Period gives purchasers of new life insurance policies a chance to re-think within a reasonable period of time their decision to purchase a life insurance product which is a long term commitment.

#### **Scope**

2. The scope of life insurance products to which the Cooling-off Period applies is listed out in Appendix 1 which may be amended or expanded from time to time.

#### **Cooling-off Period**

3. The Cooling-off Period is 21 days after the delivery of the policy or issue of a Notice (see clause 4) to the policyholder or the policyholder's representative, whichever is the earlier.
  4. The Notice should inform the policyholder of the availability of the policy and the expiry date of the Cooling-off Period. The Notice should remind the policyholder that he/she has the right to re-think his/her decision to purchase the life insurance product and to obtain a refund of premium paid if the policy is cancelled within the Cooling-off Period. The Notice should also remind the policyholder to contact the Customer Service Department of the insurer directly (service hotline number should be provided) if he/she does not receive the policy contract within 9 days from the issue date of the Notice.
  5. Insurers should keep a copy of the Notice or acknowledgement of receipt of Policy delivery. In case of a reasonable complaint or dispute, insurers will be required to produce evidence to show that the Policy notice or Policy has been delivered.
  6. Life Insurance Members of The Hong Kong Federation of Insurers (HKFI) are advised to:
    - a. specify in their intermediaries' training materials and internal guidelines that insurance intermediaries must:
      - i. inform prospective policyholders of their Cooling-off rights and the expiry date of the Cooling-off Period when policyholders sign their policy application forms; and
      - ii. make all reasonable endeavour to deliver policies to the policyholders within a period of time consistent with Clauses 4 and 6b after the policies are issued if they are vested with the obligation to deliver policies on behalf of the companies.
    - b. devise internal control measures which will ensure and prove that:
      - i. policies are delivered no later than 9 days after the policy issue date; or
      - ii. a Notice to inform policyholders of the availability of the policies and the expiry date of the Cooling-off Period is issued no later than 9 days from the policy issue date;
- and
- c. maintain records in respect of complaints or disputes for cases where clients seek refunds outside the period defined in clause 3 but are refused by the company and to provide these records to the HKFI upon request.

### **Cooling-off Rights**

7. Subject to clauses 8 to 12 below, policyholders have the rights to cancel new policies within the Cooling-off Period and obtain a refund of the premium(s) paid.
8. For all non-linked policies other than non-linked single premium policies, the refund shall be 100% of the premiums paid.
9. For all linked policies and all non-linked single premium life insurance policies, the insurer will have the right to apply a "market value adjustment" (MVA) to the refund of premiums.
10. Any such MVA must be calculated solely with reference to the loss the insurer might make in realizing the value of any assets acquired through investment of the premiums made under the life policy. It shall therefore not include any allowance for expenses or commissions in connection with the issuance of the contract.
11. In the case of a linked policy, the insurer's right to apply a MVA must be disclosed in the Principal brochure, and the basis of calculation must be available for disclosure to the potential policyholder prior to the completion of the application form.
12. For non-linked single premium policies, potential policyholders must be made aware that the insurer has the right to apply a MVA before the policyholders sign the application. This may be done by letter, or within the product brochure.

### **Announcement of Cooling-off Rights on Application Form**

13. A statement as defined in *Wording Guidelines on Announcement of Cooling-off Rights on Application Form* (Appendix 2) must be included on the application form immediately above the space for the signature.
14. The size of the printing for the statement must not be smaller than the print size used for any other declarations on the form. Furthermore, the font size shall not be less than 8.
15. It shall be communicated in the same language(s) as are used for all other sections of the application form.

### **Advice at time of Policy Issue**

16. When the policy is issued, the policyholder must be reminded of the Cooling-off rights attaching to the policy.
17. This may be done by way of a letter from the insurer mailed direct to the policyholder, or a statement on the policy jacket or policy cover (either printed or by way of label).
18. It shall be communicated in the same language(s) as are used for other communication at the time of policy issue.
19. The typeface shall be no smaller than font size 10.
20. For details of the Announcement required, see *Wording Guidelines on Announcement of Cooling-off Rights with Policy Issue* (Appendix 3).

**Scope of Cooling-off Rights**

"Cooling-off" rights will apply as follows:

	<b>Transaction</b>	<b>Do cancellation rights apply?</b>	<b>Cooling-off Period</b>	<b>How to exercise the Cooling-off rights?</b>	<b>Refund Amount</b>
1.	New non linked life policies (excluding single premium policies)	Yes	21 days after the delivery of the policy or issue of a Notice to the policyholder or the policyholder's representative, whichever is the earlier	Policyholder shall within the Cooling-off Period (a) write to the insurance company cancelling the relevant life insurance policy; and (b) return the life insurance policy.	All premium(s) paid
2.	New linked life policies and all single premium life policies	Yes	Same as above	Same as above	All premium(s) paid <u>less</u> Market Value Adjustment (MVA)
3.	Premium increase for increased sum assured	No	N/A	N/A	N/A
4.	Indexation increases exercised under existing policy terms and conditions	No	N/A	N/A	N/A
5.	New rider added to existing life policy	No	N/A	N/A	N/A
6.	Existing policy where the client applies to "convert" e.g. Term basic or Term rider to whole of life	No	N/A	N/A	N/A
7.	General insurance products	No	N/A	N/A	N/A
8.	Group medical	No	N/A	N/A	N/A
9.	Group life insurance	No	N/A	N/A	N/A
10.	Employer sponsored provident fund	No	N/A	N/A	N/A

(effective 1 Feb 2010)

**Wording Guidelines**  
**on**  
**Announcement of Cooling-off Rights on Application Form**

The ability of a policyholder to take advantage of their cancellation rights must be prominently displayed on the application form and clearly explained to him/her by the producing insurance intermediary. Guideline wordings and format as below:-

**(1) For All Non Linked Policies other than Non Linked Single Premium Policies**

***"Cancellation Rights and Refund of Premium(s)"***

I understand that I have the right to cancel and obtain a refund of any premium(s) paid by giving written notice. Such notice must be signed by me and received directly by [Address of the insurer's Hong Kong Main Office] within 21 days after the delivery of the policy or issue of a Notice to the policyholder or the policyholder's representative, whichever is the earlier."

*Note*

- (i) The address must be a Hong Kong address.

**(2) For All Linked Policies and all Non Linked Single Premium Policies**

***"Cancellation Rights and Refund of Premium(s)"***

I understand that I have the right to cancel and obtain a refund of any premium(s) paid less any market value adjustment, by giving written notice. Such notice must be signed by me and received directly by [Address of the insurer's Hong Kong Main Office] within 21 days after the delivery of the policy or issue of a Notice to the policyholder or the policyholder's representative, whichever is the earlier."

*Notes*

- (i) Insurers will be required to disclose their rights to apply a MVA and have available details of the basis of calculation of the MVA as part of the sales process and for disclosure before the application is signed.
- (ii) For linked products the right to apply a MVA must be included in the principal brochure.
- (iii) The address must be a Hong Kong address.

**(3) Format of Wording**

Should be prominent and no less than 8 font size, and

- (a) In bold type no smaller than the main type font used on the application form,  
 (b) Be communicated in the same language(s) as are used for all other sections of the application form, and  
 (c) On the application form immediately above the place for the clients signature.

**Wording Guidelines**  
**on**  
**Announcement of Cooling-off Rights with Policy Issue**

An announcement must be prominently made at the time of policy issue clearly reminding the policyholders of their Cooling-off rights. Policyholders should also be advised that they have the rights to call the company direct if they wish to further understand their rights. Guideline wordings and format as below:

**(1) Wording**

***"Your Right to Change Your Mind***

If you are not fully satisfied with this policy,  
you have the right to change your mind.

We trust that this policy will satisfy your financial needs. However, if you are not completely satisfied then you should

- return the policy, and
- attach a letter, signed by you, requesting cancellation.

The policy will then be cancelled and the premium(s) paid will be refunded (\*).

These cancellation rights have the following conditions :

- Your request to cancel must be signed by you and received directly by our [Address of the insurer's Hong Kong Main Office] within 21 days after the delivery of the policy or issue of a Notice to the policyholder or the policyholder's representative, whichever is the earlier and
- No refund can be made if a claim payment has been made.

Should you have any further queries you may contact [ ] and we will be happy to explain your cancellation rights further."

**Notes**

- \* For all linked Policies and all Non Linked Single Premium Life Policies add "less a deduction of the amount (if any) by which the value of your investment has fallen at the time when your cancellation letter is received by us."

**(2) Announcement Format**

Insurers may decide to make this announcement either by:

- (a) display on policy jacket / cover, or
- (b) separate notice, from the Insurer mailed direct to the client.

The announcement must be prominently displayed and no smaller than 10 font size.

# 香港保險業聯會

## 冷靜期

### 引言

1. 「冷靜期」旨在讓剛購入新壽險保單的投保人於一段合理時間內，再三考慮是否願意承擔壽險產品的長期契約。

### 適用範圍

2. 「冷靜期」適用於附件一羅列的壽險產品，香港保險業聯會（下稱「保聯」）會不時予以增訂。

### 冷靜期

3. 「冷靜期」的時段為將保單交付保單持有人或其代表後或將《通知書》（見第 4 條）發予保單持有人或其代表後，起計的 21 天，以較先者為準。
4. 《通知書》必須通知保單持有人保單已經可以領取，及「冷靜期」的屆滿日。《通知書》應提醒保單持有人，他／她有權再三考慮投購人壽保險產品之決定，以及如在「冷靜期」內取消保單，可獲發還已繳保費。《通知書》亦應提醒保單持有人，在《通知書》簽發日期後 9 天內，假如仍未收到保單合約，便應直接聯絡保險公司客戶服務部（提供客戶服務熱線號碼）。
5. 保險公司應保留《通知書》副本或確認保單已送出之收據。若有爭議或合理投訴時，保險公司須提供《通知書》或保單已送出的證明文件。
6. 保聯提醒壽險會員：
  - (甲) 在中介人培訓資料和內部指引訂明：
    - (i) 準保單持有人簽署投保申請書時，保險中介人必須向他們說明他們可享有「冷靜期」權益和「冷靜期」的屆滿日；及
    - (ii) 如果保險中介人負責代表保險公司派發保單，則必須盡力於保單簽發後，並符合第 4 條及第 6 條規定之合理時間內，將保單交付保單持有人。
  - (乙) 制定內部監控措施確保和證明：
    - (i) 在保單簽發後 9 天內將保單交付保單持有人；或
    - (ii) 在保單簽發後 9 天內，發《通知書》予保單持有人，說明保單已經可以領取以及「冷靜期」的屆滿日；及
  - (丙) 遇到客戶於第 3 條條款訂明的時段過後要求退還保費而遭保

（生效日期：2010 年 2 月 1 日）

險公司拒絕者，保存有關投訴或爭議紀錄，以備在保聯要求時，提供該等紀錄。

#### 「冷靜期」權益

7. 在符合下列第 8 至 12 條的規定下，保單持有人有權在「冷靜期」內取消新保單，並取回已繳保費。
8. 除了「非投資相連整付保費」保單外，所有「非投資相連」的保單，均可獲得退還全數已繳保費。
9. 但凡是「投資相連」和「非投資相連整付保費」保單，保險公司退還保費時，有權在已繳保費中扣除「市值調整」。
10. 「市值調整」只可用來計算兌現資產時可能出現的虧損，而該等資產是保險公司按有關壽險保單的保費所作出的投資；因此，保險公司簽發保單時支出的費用或佣金，不得計算在「市值調整」之內。
11. 如果是「投資相連」保單，保險公司必須在壽險計劃銷售說明書內披露引用「市值調整」的權利，並必須準備資料說明計算「市值調整」的基準，以供保單持有人填寫投保申請書前參閱。
12. 至於「非投資相連整付保費」保單，保險公司必須在保單持有人簽署投保申請書前，在函件或在產品推銷刊物上提醒準保單持有人，保險公司有權引用「市值調整」。

#### 投保申請書上的《「冷靜期」權益聲明》

13. 投保申請書簽署欄的正上方必須印上《「冷靜期」權益聲明》(《聲明》)，《聲明》細則詳見於「投保申請書上的《「冷靜期」權益聲明》用詞指引」(附件二)。
14. 《聲明》的文字型號不能小於申請書內其他聲明的文字型號，而且不能小於 8 號。
15. 《聲明》用的語言，必須與申請書其他部分一致。

#### 於保單簽發後知會保單持有人

16. 於保單簽發時，保單持有人必須再獲提醒保單附帶的「冷靜期」權益。
17. 保險公司可以直接致函通知保單持有人，或將《聲明》列印或以標籤形式張貼在保單封套／封面上。

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18. 《聲明》用的語言，必須與通知客戶保單已經簽發的其他往來函件的語言一致。
19. 《聲明》的文字型號不能小於 10 號。
20. 《聲明》的內容細則詳見於「保單簽發時的《「冷靜期」權益聲明》用詞指引」(附件三)。





投保申請書上的《「冷靜期」權益聲明》(《聲明》)  
用詞指引

投保申請書上必須印上顯眼的《聲明》，說明保單持有人有權取消保單，又負責銷售有關保單的保險中介人，必須向保單持有人清楚解釋他／她有權取消保單。《聲明》的用詞和格式的指引如下：

(1) 所有「非投資相連」保單（「非投資相連整付保費」保單除外）適用

「取消保單權益及發還保費

本人明白本人有權以書面通知要求取消保單及取回所有已繳保費；但是本人必須簽署該通知，並確保【保險公司之香港總辦事處】於以下時段內直接收到該通知：保單交付本人或本人的代表後或《通知書》發予本人或本人的代表後，起計的 21 天，以較先者為準。」

註釋：

(i) 總辦事處的地址必須位處香港。

(2) 所有「投資相連」及「非投資相連整付保費」保單適用

「取消保單權益及發還保費

本人明白本人有權以書面通知要求取消保單及取回扣除市值調整後的已繳保費；但是本人必須簽署該通知，並確保【保險公司之香港總辦事處】於以下時段內直接收到該份函件：保單交付本人或本人代表後或《通知書》發予本人或本人代表後，起計的 21 天，以較先者為準。」

註釋：

- (i) 在營銷過程中，以及投保人簽署投保申請書之前，保險公司必須披露引用「市值調整」的權利，以及有詳盡資料說明計算「市值調整」的基準。
- (ii) 至於投資相連產品，保險公司必須在壽險計劃銷售說明書內披露引用「市值調整」的權利。
- (iii) 總辦事處的地址必須位處香港。

(3) 《聲明》的格式

《聲明》必須顯而易見，文字的型號不能小於 8 號，以及：

- (甲) 必須用粗體印刷，文字的型號不能小於申請書上其他部分的文字的型號；
- (乙) 語言得與申請書其他部分一致；及
- (丙) 印於投保申請書客戶簽署欄的正上方。

隨簽發保單而作出的《「冷靜期」權益聲明》(《聲明》)  
用詞指引

保險公司簽發保單時，必須加上顯眼的《聲明》，清楚提醒保單持有人他們享有「冷靜期」權益，並說明保單持有人如欲進一步了解其權益，有權直接致電保險公司查詢。《聲明》的用詞和格式的指引如下：

(1) 用詞

「閣下有權改變主意

如果 閣下並非完全滿意這份保單，  
閣下有權改變主意。

我們相信這份保單能滿足 閣下的財務需求，但是如果 閣下並非完全滿意，請：

- 將保單退回本公司；以及
- 附上由 閣下親筆簽署要求取消保單的函件。

我們會取消此保單，並發還 閣下已繳的保費(\*)。

閣下如欲行使取消保單權益，必須符合以下條件：

- 閣下必須簽署要求取消保單的函件，並確保【保險公司之香港總辦事處】於以下時段內直接收到該份函件：保單交付 閣下或 閣下代表後或《通知書》發予 閣下或 閣下代表後，起計的 21 天，以較先者為準；及
- 如果 閣下曾經因索償而獲得賠償，則不會獲發還保費。

如果 閣下尚有疑問，請與 ( ) 聯絡，我們樂於進一步向 閣下解釋取消保單的權益。」

註釋：

\* 所有「投資相連」及「非投資相連整付保費」的保單必須加上：「假如在我們接獲 閣下取消保單的書面通知之時， 閣下的投資已經貶值，我們會先行扣除虧蝕的金額。」

(2) 《聲明》的格式

保險公司可將《聲明》：

- (甲) 顯示在保單封套／封面上，或
- (乙) 以獨立通告形式，由保險公司直接寄交客戶。

《聲明》必須顯而易見，文字的型號不能小於 10 號。