



Ref. No. : MEMO/035/2016
To : All Members & Chief Executives
From : Jase Yiu – Chief Administrative Executive
Date : 22 August 2016
Page : 2

Dear all,

**Important Facts Statement for Mainland Policyholder (“IFS-MP”) -
Control Measures for Change of Policy Ownership or
Policy Assignment to Mainlanders**

Following our memo dated 26 July 2016 (MEMO/034/2016), OCI has set out and Long Term Insurers to adopt control measures for change of policy ownership or policy assignment to Mainlanders effective 1 September 2016 as below:

1. For policy assignment (i.e. all assignments without a change of ownership, such as collateral assignment) where the new assignee is holder of Resident Identity Card (PRC)

The IFS-MP is required but the assignee does not need to be in Hong Kong to sign it. It should be noted that even a new selling process might not be involved in the case of policy assignment, the IFS-MP must still be adopted in full to ensure that those Mainland customers are fully aware of the relevant requirements in Hong Kong.

2. For change of policy ownership where the new policyholder is holder of Resident Identity Card (PRC)

The IFS-MP is required to be signed by the new policyholder in Hong Kong if the application for change of policy ownership is within one year of the earlier of policy issuance or policy commencement date (“one-year rule”).

For change of policy ownership after that, the IFS-MP is still required to be signed by the new policyholder but he/she does not need to be in Hong Kong to sign it.

The above one-year rule does not apply to change of policy ownership where the existing and new policyholders are direct family members (i.e. parent, spouse and children). Insurers are required to request for documentary proof (i.e. declaration by customer alone is not acceptable)



in this regard. For the avoidance of doubt, this requirement applies to the IFS-MP only. For the other documents (e.g. transfer form), the insurer concerned will decide whether those documents need to be signed in Hong Kong.

3. Submission of IFS-MP

Where the IFS-MP is required, it must be signed before the insurer concerned accepts the relevant application (i.e. policy assignment or change of policy ownership application). For the avoidance of doubt, the IFS-MP can be signed after the other documents (e.g. transfer form in the case of change of policy ownership).

4. Applicability of IFS-MP


The IFS-MP applies to individuals only. It does not apply to corporate entities registered in the Mainland or trusts with Ultimate Beneficiary Owners being Mainlanders.

5. Role of Insurance Intermediary

It is not required for the selling (or existing) intermediary to sign on the IFS-MP for policy assignment or change of policy ownership. However, the one that explains the individual items of the IFS-MP to the Mainland customer and signed on the IFS-MP must be a licensed individual (i.e. agent or technical representative etc).

Please update your Technical Representatives respectively.

Best Regards,


Jase Yiu
Chief Administrative Executive