


## Content

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| Title :       | Jin-Guan-Bao-Li-Zi-10102009141   |
| Date :        | 2012.05.28  |
| Legislative : | Full 3 Points Promulgated on 28 May 2012 per Order Ref. Jin-Kuan-Bao- Li 10102009141 of the Financial Supervisory Commission  |
| Content :     | <p>Directions for Product Marketing of Investment-linked Insurance, which stipulates the terms and conditions for insurance enterprises to follow when selling investment-linked insurance products linked to off-shore funds Full 3 Points Promulgated on 28 May 2012 per Order Ref. Jin-Kuan-Bao- Li 10102009141 of the Financial Supervisory Commission</p> <p>Order of Financial Supervisory Commission, Executive Yuan</p> <p>Issue date: May 28, 2012</p> <p>Ref. No.: Jin-Guan-Bao-Li-Zi-10102009141</p> <p>1. This order is issued in accordance with Paragraph 1, Article 5 of the Regulations Governing the Implementation of Internal Control and Audit Systems by Insurance Enterprises as well as Subparagraph 2, Point 10 and Paragraph 1, Point 13 of the Directions for Selling Investment-Linked Insurance Products.</p> <p>2. Insurance enterprises that sell offshore fund-linked insurance products should understand fully and observe the following operating rules and include the product sales operations in their internal control procedures:</p> <p>(1) When conducting internal pre-launch review of the insurance product, the review should cover at least the following items:</p> <p>a. Whether the legality of the offshore fund to be linked to complies with relevant provisions of the Regulations Governing Investment of Investment-linked Insurance.</p> <p>b. The investment targets, directions, operational strategies, risk return and past performance of the offshore fund to be linked.</p> <p>c. Whether related fees (including the short-swing trading fees, anti-dilution levy or price adjustment mechanism) of the offshore fund to be linked are reasonable.</p> <p>d. Types of customers that the offshore fund to be linked are suitable for.</p> <p>e. Whether the prospectus, investor brochure and other information on the offshore fund to be linked are fully disclosed.</p> <p>(2) Preparation and provision of information on the offshore fund to be linked before and at the time of sale:</p> <p>a. Make sure the Chinese translations of the offshore fund's prospectus, investor brochure and other documents prepared by the general agent and to be given to customers are the latest valid versions, and make sure the contents and formats of other sales documents to be given to customers are accurate, complete, appropriate and complying with applicable laws and regulations.</p> <p>b. Make sure the solicitors that sell the product have the qualifications to sell investment-linked insurance products, have received adequate</p> |

training and education, and require that they fully understand the product information and risk level of the offshore fund to be linked.

c. Consider whether the information provided to customers will enable the customers to understand the offshore fund the insurance product is linked to and communicate the information in a clear, fair and non-misleading manner.

(3) Preparation and provision of information on the ranking of the linked offshore fund and relevant fund information after sale:

a. Continue to carry out announcement, notice and update of information on the linked offshore fund.

b. Make sure information given to customers is conveyed in a clear, fair and non-misleading manner.

c. Evaluate whether the linked offshore fund remains suitable for the types of customers originally identified, and draw up response measures for change of circumstances.

3. This order takes effect on July 1, 2012.

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Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System