

<<Plan owner name>>
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Financial adviser
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24 October 2022

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.

RL360 Insurance Company Limited (“RL360”) accepts responsibility for the accuracy of the information contained in this notice. To the best knowledge and belief of RL360 (having taken all reasonable care to ensure that such is the case), the information contained in this notice is, at the date of this letter, in accordance with the facts and there are no other facts the omission of which would make any statement in this notice misleading.

Dear <<Salutation>>

Withdrawal of authorisation and termination of the investment option Janus Henderson Horizon Euro Corporate Bond A3 Inc GBP (the “Affected Investment Option”) available under the Scheme Preference (the “Scheme”) - <<INSERT POLICY NUMBER>>

Due to lack of demand from investors, the Directors of Janus Henderson Horizon Fund (“the Company”) have decided to withdraw the Janus Henderson Horizon Fund – Euro Corporate Bond Fund, which is the corresponding underlying fund of the above Affected Investment Option, from the authorisation of the Securities and Futures Commission (the “SFC”) in Hong Kong. The withdrawal of the SFC’s authorisation will take effect from 31 December 2022. The underlying fund can no longer be marketed to investors in Hong Kong and the Company will no longer accept any subscriptions into the underlying fund.

In view of the above, RL360 has made the decision to i) terminate the Affected Investment Option pursuant to section 4 “Closure of Funds” of the Preference Policy Conditions, and ii) withdraw the SFC authorisation of the Affected Investment Option, both with effect from **16 December 2022 (the Effective Date)**. Further investment into the Affected Investment Option, including top-ups and switches in, is not accepted from the date of this notice.

Action required by policyholders with existing holdings in the Affected Investment Option

You are free to switch your existing holding in the Affected Investment Option at any time on or before 5.00pm (HK time) on **12 December 2022** (the “Instruction Deadline”), without charge, to other investment options available under your policy. You can do this by completing a Fund Switch instruction form and returning it to our Hong Kong office by post or electronically, or if registered for online dealing, completing a switch through our online service centre by the Instruction Deadline.

If we have not received any instruction from you to switch your existing holding out of the Affected Investment Option by the Instruction Deadline, we will automatically switch your existing holdings in the Affected Investment Option into the **Invesco Euro Ultra-Short Term Debt A Acc EUR** (the “Default Investment Option”) on **14 December 2022** without charge.

Default Investment Option

We select the Default Investment Option based on various factors which include but are not limited to (1) investment objective and strategy, (2) asset mix, (3) risk profile, (4) currency denomination, (5) volatility and (6) performance of the investment option. The underlying fund corresponding to the Default Investment Option is the Invesco Funds – Invesco Euro Ultra-Short Term Debt Fund. The Default Investment Option has been selected as it invests in European fixed income instruments, which is similar to the Affected Investment Option, but has a lower volatility, level of risk and charges than the Affected Investment Option.

Please refer to the Appendix for comparison details of the Affected Investment Option and the Default Investment Option.

You should read the corresponding offering documents (including Product Key Facts Statement) of the underlying fund of the Default Investment Option and other investment options available under your policy, which will be made available by our Hong Kong office upon request without charge, (including, without limitation, their investment objectives and policies, risk factors and charges).

You may visit the interactive fund centre for the Scheme at www.rl360.com/row/products/closed-products/preference/fundcentre.htm to help you decide on new investment option(s). Please note that our website contains investment options marked with '#' which are not available to Hong Kong policyholders. You will only be able to switch your existing holdings to other investment options available under the Scheme which are available to Hong Kong policyholders.

All costs relating to the arrangement herein, including, without limitation, expenses relating to the termination and withdrawal of authorisation of the Affected Investment Option will be borne by RL360.

We recommend that you seek the advice of your usual independent financial adviser before making any investment decisions.

Getting in touch

If you have questions regarding this letter or any general queries, please don't hesitate to get in touch. Call our Customer Service Team on +852 3929 4333 or send an email to hongkong@rl360.com and one of our team will be happy to help.

Kind regards



Chris Corkish
Investment Marketing Manager

Enc: Fund Switch instruction form

Appendix – Comparison of the Affected Investment Option and the Default Investment Option

| | Affected Investment Option | Default Investment Option |
|---|---|--|
| Name of investment option | Janus Henderson Horizon Euro Corporate Bond A3 Inc GBP | Invesco Euro Ultra-Short Term Debt A Acc EUR |
| Name of the corresponding underlying fund | Janus Henderson Horizon Fund - Euro Corporate Bond Fund | Invesco Funds – Invesco Euro Ultra-Short Term Debt Fund |
| Name of management company of the underlying fund | Henderson Management S.A | Invesco Management S.A |
| Share class of the underlying fund | Class A3 Hedged £ | Class A Accumulation - EUR |
| ISIN of the underlying fund | LU0593293326 | LU0102737730 |
| Currency of the investment option # | GBP Hedged | EUR |
| Currency of the underlying fund | GBP Hedged | EUR |
| Highlights of the investment objective and policy of the underlying fund | <p>The underlying fund invests primarily (at least 80% of its net asset value (“NAV”)) in Euro denominated investment grade corporate bonds and other fixed and floating rate securities.</p> <p>The underlying fund may make use of a variety of instruments / strategies in order to achieve its objective.</p> <p>Instruments may include, but not limited to asset and mortgage backed securities, perpetual bonds, forward foreign exchange contracts (including non-deliverable forwards), interest rate futures, bond futures and over-the-counter swaps (such as interest rate swaps, credit default swaps, credit default swaps on indices and total return swaps).</p> <p>The underlying fund may invest up to:</p> <ul style="list-style-type: none"> - 20% of its NAV in non-investment grade securities. - 20% of its NAV in contingent convertible bonds (i.e. debt instruments with loss-absorption features). - 20% of its NAV in asset-backed | <p>The underlying fund seeks to achieve a positive gross return through a conservative allocation (low duration and high credit quality) to rates and credit as more fully described below. It is possible that this may not be achieved.</p> <p>The underlying fund seeks to achieve its objective by investing in debt securities and cash. Debt securities may include government debt securities, fixed and floating rate corporate debt securities, money market Instruments and cash equivalents.</p> <p>The underlying fund will invest at least 70% of its net asset value (“NAV”) in debt securities denominated in Euro. The average portfolio duration will not exceed 18 months. Portfolio duration is a measure of the weighted average duration of the individual debt securities of the portfolio. For the purposes of the underlying fund, debt securities will not have a residual maturity exceeding 3 years at the time of purchase.</p> <p>The underlying fund may invest up</p> |

| | | |
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| | <p>securities (“ABS”) and mortgage-backed securities (“MBS”). ABS/MBS include, but are not limited to, residential mortgage-backed securities, commercial mortgage-backed securities, and collateralised loan obligations. The ABS and MBS may be leveraged.</p> <p>- 20% of its NAV in total return swaps.</p> <p>The underlying fund may use financial derivatives instruments (“FDIs”) with the aim of making investment gains in line with the underlying fund’s objective, to reduce risk or to manage it more efficiently.</p> <p>The underlying fund’s major part of currency exposure is hedged to its base currency (i.e. Euro), although it may also be exposed (through investments or cash) to other currencies.</p> <p>The underlying fund may invest up to 10% of its NAV in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, public or local authority) which is below investment grade.</p> <p>No more than 10% of the underlying fund’s NAV may be invested in units of Undertakings for the Collective Investment in Transferable Securities (“UCITS”) or other Undertakings for the Collective Investments (“UCIs”).</p> <p>For the remaining assets, the investment manager has the flexibility to invest outside the underlying fund’s principal geographies or asset classes.</p> <p>The underlying fund’s leverage level is expected to be 50% of the its total NAV, based on the sum of notional exposures of FDIs in the investment portfolio including those held for risk reduction purposes.</p> | <p>to 5% of its NAV in non-investment grade debt securities but will not invest in securities with a credit rating of below B- by Standard and Poor’s rating agency, or equivalent (or in the case of unrated debt securities, determined to be of an equivalent rating).</p> <p>The underlying fund may enter into financial derivative instruments for efficient portfolio management, hedging and not extensively for investment purposes. The underlying fund’s use of derivatives may include active financial derivative positions on credit, interest rates and currencies which may be used to achieve both long and short positions, which overall will not result in the underlying fund being directionally short or short any asset class. In addition, the underlying fund will not have uncovered short positions, in line with appropriate Undertakings for the Collective Investment in Transferable Securities (“UCITS”) regulatory requirements.</p> <p>Non-Euro investments are intended to be hedged back into Euro on a discretionary basis.</p> <p>The underlying fund may enter into financial derivative instruments for efficient portfolio management, hedging purposes and for investment purposes.</p> <p>The underlying fund will engage in securities lending, however, the proportion lent out at any time will be dependent on dynamics including, but not limited to, ensuring a reasonable rate of return for the lending fund and borrowing demand in the market. As a result of such requirements, it is possible that no securities are lent out at certain times. The expected proportion of the NAV of the underlying fund subject to securities lending is 20%. Under normal circumstances, the maximum proportion of the NAV of the underlying fund subject to securities lending is 29%.</p> |
| <p>Annual Management Charge of the underlying fund (% of net asset value)</p> | <p>0.75%</p> | <p>0.25%</p> |
| <p>Global Investment Fund Sector</p> | <p>Europe Fixed Income</p> | <p>Europe Fixed Income</p> |

Policyholders should note that while the Affected Investment Option is denominated in GBP, the Default Investment Option is in EUR. This means the Affected Investment Option and the Default Investment Option are subject to different foreign exchange risk exposure, and that any exchange rate movements between these two currencies may affect the policy performance. If your policy currency is not in EUR, your investment will be subject to foreign exchange risk when switched into the Default Investment Option.

Please note that our website contains products that are not authorised by the SFC and are not available to Hong Kong investors. The information in the website has not been reviewed by the SFC. Investment options marked with '#' are not available to Hong Kong policyholders.

You should consider your attitude to risk and speak to a financial adviser before making any investment decision. Investment involves risk. Performance can go up and down. Past performance may not be repeated and should not be used as a guide to future performance.