COLLECTION OF THE LEVY ON INSURANCE PREMIUMS BY THE INSURANCE AUTHORITY IN HONG KONG

Starting from 1 January 2018, a levy will be imposed on insurance premiums for policies issued by our Hong Kong Branch Office in accordance with the Insurance (Levy) Order and the Insurance (Levy) Regulation. The levy is payable to the Insurance Authority ("IA") in Hong Kong and will be collected from policyholders via the insurer when the corresponding premium becomes payable to the insurer.

For all Transamerica Life (Bermuda) Ltd. (Transamerica Life Bermuda) policyholders, the levy will be borne by Transamerica Life Bermuda and remitted to the IA accordingly*.

The IA is taking an incremental approach to the collection of the levy whereby the rate will start at 0.040% on 1 January 2018 and progressively increase to 0.100% by 1 April 2021. Details of the applicable rates, stated as a percentage of premium payable, and the cap per policy, can be found in the table below:

Policy Inception Date or the Policy Anniversary Date Thereafter	Levy Rate (percentage of premium payable)	Cap per Policy under the Given Policy Year (HKD)
From 1 January 2018 till 31 March 2019 (both dates inclusive)	0.040%	40
From 1 April 2019 till 31 March 2020 (both dates inclusive)	0.060%	60
From 1 April 2020 till 31 March 2021 (both dates inclusive)	0.085%	85
From 1 April 2021 onwards (date inclusive)	0.100%	100

For more information on the insurance premium levy, please read the promotional leaflet and FAQs issued by the IA, or visit the IA website.

IA website: https://www.ia.org.hk/
Promotional leaflet: https://ia.org.hk/en/aboutus/role/files/IA_leaflet_3Mb.pdf
FAQs: https://www.ia.org.hk/en/infocenter/faqs/faqs_levy.html

*Transamerica Life Bermuda reserves the right to collect the levy from policyholders in the future without prior notification.