

Frequently Asked Questions

1. Why are The Canada Life Assurance Company ("CLA") and Canada Life Limited ("CLL") proceeding with this transfer of the long term business carried on in or from Hong Kong by them via their respective Hong Kong branches to MyPace Life Limited ("MPL")?

CLA, CLL and MPL, among other parties, have entered into a framework agreement dated 28 August 2025, pursuant to which CLA and CLL agreed to transfer, and MPL agreed to accept, the long term business carried on in or from Hong Kong by each of CLA and CLL via their respective Hong Kong branches (collectively, the "**Business**"), subject to the sanction of the Court of First Instance of the High Court of Hong Kong ("**Hong Kong Court**") (the "**Proposed Transfer**"). The scope of the Business being transferred to MPL is defined in the Summary of the Scheme dated 27 August 2025 under Scheule 1 to this letter.

The reason why CLA and CLL are proceeding with the Proposed Transfer is that CLA and CLL wish to cease to carry on any class of long term business in or from Hong Kong and close their respective Hong Kong branches.

After completion of the Proposed Transfer, CLA and CLL will apply to the Insurance Authority to withdraw their respective authorization to carry on any long term business in or from Hong Kong. Further, after withdrawal of authorization, both CLA and CLL will also close their respective Hong Kong branches and notify the Companies Registry of Hong Kong that they will cease to have their places of business in Hong Kong. After cessation of their places of business in Hong Kong, CLA and CLL will no longer be registered non-Hong Kong companies under Part 16 of the Companies Ordinance (Cap. 622) (the "**CO**").

2. What is the background of MPL? Who owns MPL?

MPL was incorporated in Hong Kong on 31 May 2024, with an issued share capital of HK\$100 as at 1 August 2025. MPL is 51% owned by Asia Insurance Company, Limited ("**Asia Insurance**") and 49% owned by PACE Solutions Limited ("**PACE**"). In order to take over the Business carried on by CLA and CLL, an application was made by MPL to the Insurance Authority on 1 August 2025 for authorization to carry on Classes A (life and annuity), C (linked long term), D (permanent health), G (Retirement scheme management category I), H (Retirement scheme management category II) and I (Retirement scheme management category III) of long term business in or from Hong Kong. On 25 August 2025, an approval-in-principle was granted by the Insurance Authority to MPL to carry on those classes of long term business in or from Hong Kong. Subject to the grant of authorization by the Insurance Authority, MPL will have the requisite license to carry on the relevant classes (i.e. Classes A (life and annuity) and C (linked long term)) of long term business and is therefore capable of taking up the Business carried on by CLA and CLL.

3. How will the Proposed Transfer take place?

Under the scheme of transfer ("**Scheme**"), your long term insurance policy(ies) effected with CLA or CLL, as the case may be, prior to the Transfer Date (as defined below) will be transferred to MPL, according to section 24 of the Insurance Ordinance, Cap. 41 of the Laws of Hong Kong ("**Ordinance**"), and is subject to the approval of the Hong Kong Court. After the transfer of the Business and implementation of the Scheme, 100% of the insurance risks under your long term insurance policy(ies) shall be ceded by MPL to the Barbados Branch of CLA ("**CLA BB**") through the coinsurance agreements entered into by MPL and CLA BB dated 28 August 2025 ("**Coinsurance Agreements**").

The Proposed Transfer is expected to take effect on 1 January 2026 or such other date as the Hong Kong Court shall approve ("**Transfer Date**").

After the Transfer Date, CLA and CLL will cease to carry on any class of long term business in or from Hong Kong, and they will apply to the Insurance Authority to withdraw their respective authorization to carry on any long term business in or from Hong Kong. Further, after withdrawal of authorization, both CLA and CLL will also close their respective Hong Kong branches and notify the Companies Registry of Hong Kong that they will cease to have their places of business in Hong Kong. After cessation of their places of business in Hong Kong, CLA and CLL will no longer be registered non-Hong Kong companies under Part 16 of the CO.

From the Transfer Date, MPL will be responsible for providing the insurance coverage and services under your insurance policy(ies) including processing of claims.

We have placed a notice of the Proposed Transfer in the Government of the Hong Kong Special Administrative Region Gazette as well as the South China Morning Post and the Hong Kong Economic Times in Hong Kong on 17 October 2025.

Information relating to the Proposed Transfer is also posted on the website of CLA at www.canadalife.com/hongkong-portfolio-transfer, the website of CLL at www.canadalife.co.uk/transferring-policies-to-my-pace-life, and the website of MPL at www.mypace.life. We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect.

For information on the substantive hearing of the petition in the Hong Kong Court of the Scheme, please refer to the section entitled "Further Information on the Hearing" in Schedule 1 - Part 2 attached to this letter.

4. What are the details of the Scheme?

We have prepared the Scheme pursuant to section 24 of the Ordinance. A summary of the Scheme dated 27 August 2025 is attached to this letter. You can also review the Scheme document (in both English and Chinese) on or before 13 November 2025 by visiting the office of Baker & McKenzie, our solicitors, at 14th Floor, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong between 9:00 a.m. and 5:30 p.m. (Hong Kong time), Monday to Friday (except public holidays).

5. Will there be any change to the terms of our insurance policies or each party's rights and obligations under the insurance policies?

No. The Proposed Transfer will not affect your rights and obligations under your insurance policy(ies). On and from the Transfer Date, you will have the same rights available to you under your insurance policy(ies) with MPL as you had with CLA or CLL, as the case may be. An independent actuary was engaged to give his professional opinion on the impact (if any) of the Scheme and the Coinsurance Agreements on the long term policy holders of CLA and CLL respectively and in his opinion, there will not be any material adverse effect on the reasonable expectations with regard to benefits and levels of service and the financial security of the long term policy holders of CLA and CLL respectively.

6. Will new insurance policies be issued for our existing insurance policies?

Your existing in force insurance policies remain valid and will be automatically transferred to MPL from the Transfer Date. As such, MPL will not be issuing new insurance policy(ies).

7. How does the Proposed Transfer affect the payment of premiums?

All premiums payable under your insurance policy(ies) with CLA or CLL, as the case may be, after the Transfer Date are to be made payable to MPL and submitted to MPL or through its agents. We will furnish payment instructions and bank account details directly to you in due course.

8. What if I make a claim before the Transfer Date and the claim has not yet been settled by the Transfer Date?

If you have made a claim before the Transfer Date, your existing policy terms and conditions will continue to govern the assessment of the claim and MPL will take over the processing of the claim from CLA or CLL, as the case may be, and be responsible for any subsequent payment to you. You do not need to submit a new claim form as the information will be transferred from CLA or CLL, as the case may be, to MPL.

9. Will there be any tax implications on me as a result of the Proposed Transfer?

Whether you live in Hong Kong or have tax residence other than Hong Kong, it is advisable that you consult your tax advisers to ascertain if there will be any effects on your tax position.

10. How can I keep up to date with the progress of the Proposed Transfer?

We will notify you in writing after the Scheme has been sanctioned by the Hong Kong Court and has taken effect. If the Scheme is not sanctioned by the Hong Kong Court and does not take effect, we will also notify you in writing.

Information relating to the Proposed Transfer is also posted on the website of CLA at www.canadalife.com/hongkong-portfolio-transfer, the website of CLL at www.canadalife.co.uk/transferring-policies-to-my-pace-life, and the website of MPL at www.mypace.life.