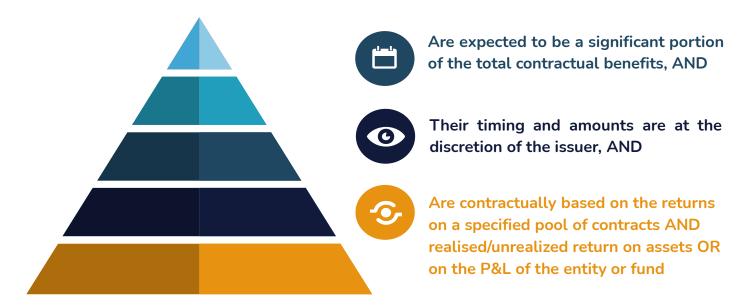


Investment Contract with Discretionary Participation Features

An investment contract with discretionary participation features **does not include a transfer of significant insurance risk**.

Such a contract is a **financial instrument** that provides an investor with the contractual right to receive additional amounts, in addition to the amounts that are not subject to the discretion of the issuer. These additional amounts:



Typically, Universal Life contracts may fall here!

The requirements in IFRS 17 for insurance contracts are modified for investment contracts with discretionary participation features in terms of:



To gain more insights on Investment Contracts with Discretionary Participation features under IFRS17 or for any other related discussions, please feel free to reach out to us at kap@ka-pandit.com.



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