



Alternative Investments: Writing Insurance in Stone

An interview with Kelvin Tan, Group Executive Chairman, Genesis-Global Group

Why did you decide to set-up Genesis-Global?

Before I started Genesis-Global, I practiced law for over 17 years, working in the legal and compliance department of major insurance and financial institutions. While I love the legal profession, over the past 20 years, I developed an even greater passion for collecting precious gemstones and following investment trends in the gemstone market.

At first, it was just a hobby, but as my passion grew, so did the size of my collection and knowledge of this unique marketplace. I also had a burning desire to go out on my own and forge my path as an entrepreneur. So in 2012, I decided to leave the legal profession and set-up Genesis-Global, quite possibly becoming the first lawyer to transform into a jeweler.

Today, Genesis-Global is one of the leading purveyors of exquisite gems and jewelry in the ultra-luxury sector of the gemstones and jewelry industry, with offices and exclusive showrooms in Singapore and Hong Kong.

We are unique because we have established partnerships with the significant precious gem mining companies to source rare precious gems ranging from rubies to sapphires,

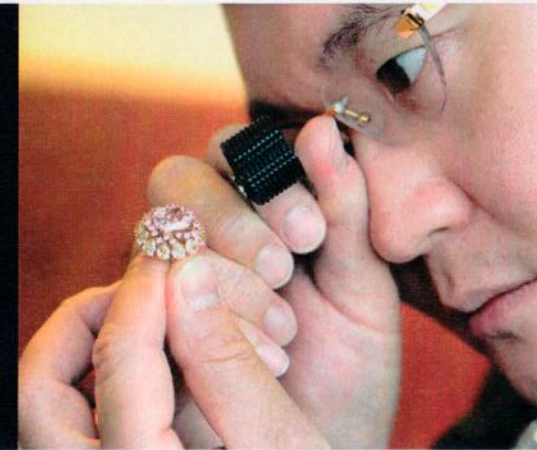
emeralds, jadeite, and diamonds. We couple this with in-house expertise in transforming gemstones into lucrative alternative investments, using well-established investment models based on conventional financial instruments such as securities, banking, and insurance products.

How did the idea for the Gems Legacy Investment Plan originate?

The idea first came to me when I was still a lawyer working for Prudential during the global financial crisis of 2008.

I watched the loss of investor confidence crumbling our major financial institutions. I remember the lines of investors queuing up at banks and insurance companies looking to withdraw money from their investment accounts. We now live in an environment where even the most respected and established institutions can fail. So I said to myself: there needs to be something more than just a piece of paper to protect a person's wealth.

In the insurance world, you rely on a promissory note from



the insurer that essentially says they promise to pay upon certain circumstances such as death. But with wavering confidence in these very financial institutions, I saw an opportunity to create a product where the customer receives not only a promissory note written on paper, but something of substance that has value. Why not write the insurance policy on stone rather than paper? That was the essence of the idea at the time.

How does the Gems Legacy Investment Plan work?

With the Gems Legacy Investment Plan, clients write their insurance policy on precious stones that will go up in value over time. The stones that investors acquire in the plan are some of the rarest in the world, like top investment grade rubies, sapphires, emeralds and colored diamonds.

In a simple scenario, an investor purchases a valuable gem from Genesis-Global for US\$1 million. A significant part of the proceeds from the sale is used to purchase a life insurance policy in the customer's name, with the condition that he agrees to transfer the policy by absolute assignment to Genesis-Global. For a US\$2 million life insurance policy, Genesis-Global takes US\$500,000 from the US\$1 million proceeds of the gem sale to finance the premium. As part of the agreement, Genesis-Global provides the customer with a guarantee to buy back the gem at a value equal to the payout of the death benefit.

Of course, there is the potential for the value of the gemstone to increase more than the death benefit at any point in time when the policy is in force. In this case, the customer has the option to sell the gemstone to any buyer they choose. Profit generated from the sale would then be split with Genesis-Global, if the deal is brokered by us.

Ultimately, the investment in the gemstone alongside an insurance plan, provides the customer with the guarantee of the death benefit and a real asset that increases in value over time. With this plan, you also don't have to wait as long as a lifetime to realize the financial gains that come with a standalone insurance policy. If the market conditions at any point in time meet your

expectations for the kind of income you look to generate, then you have the option to sell the stone for huge profits.

Certainly, in the world we live in today, it is possible for some precious stones to appreciate more than 100% per annum. In fact, ruby and jadeite prices have already soared more than 1000% over the last 10 years! The trend appears to be ongoing and unstoppable.

What makes Genesis-Global unique in this space and why did you choose to partner with Grandtag?

It takes someone with a legal background and financial services training – specifically in the insurance industry, as well as intimate knowledge about gemstones – to create this product. At Genesis-Global, we understand every aspect of this investment beyond the gemstone itself, and ensure each of the parts – from the legal framework, to the insurance policy, to the buy-back guarantees – all work seamlessly for the customer's benefit.

We chose to partner with Grandtag because CEO Jameson Leung shares my vision. Not only is he passionate about this new investment product, he is singularly dedicated to opening up new opportunities that will help clients of Grandtag build strong legacies – legacies that are truly rock solid!





另類投資： 將保險單「刻」在寶石上

與Genesis-Global集團執行主席陳勉思(Kelvin Tan)對話



您為何決定創立Genesis-Global?

在創辦Genesis-Global之前，我曾從事執業律師事務超過17年，於大型保險及金融機構的法律及合規部門任職。雖然我很喜歡律師職業，但在過去20年，我逐漸對收藏珍貴的寶石以及研究寶石市場的投資趨勢燃起更大的熱情。

最初，這只是我的一個業餘愛好，但隨著我的熱情不斷高漲，珍藏品越來越豐富，我對這個獨特市場的認識也亦越來越深。加上在我心中燃燒的一團火，極其渴望走出去開創一番事業，成為一名企業家；因此在2012年，決心離開法律界並創立Genesis-Global。我很有可能是全世界第一個轉行做珠寶商的律師。

時至今日，Genesis-Global已在頂級奢華寶石和珠寶界站穩腳步，成為全球其中一員領先的珍稀寶石和珠寶商，在新加坡及香港均設有辦事處及尊貴展廳。

我們的獨特之處在於我們已與全球知名的寶石開採商建立密切的合作夥伴關係，直接採購各種舉世罕見的珍貴寶石，

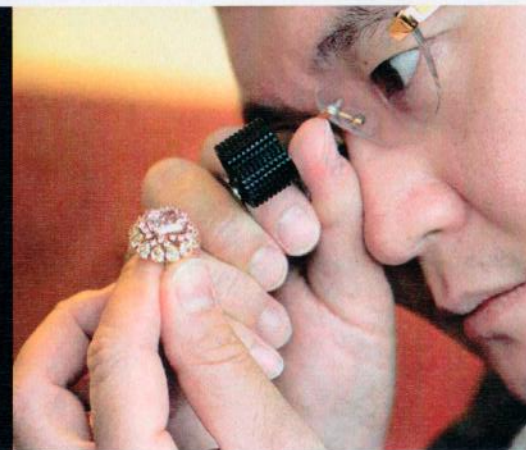
包括紅寶石、藍寶石、祖母綠、翡翠，以及鑽石等。加上我們公司內部投資專家的淵博專業知識，以傳統的金融工具為基礎，如證券、銀行及保險產品，將寶石轉變成利潤豐厚的另類投資項目。

您是如何構思「寶石承傳投資計劃」的?

計劃的概念是在2008年環球金融危機時開始形成，當時我們在保誠保險公司擔任律師。

我親眼目睹市場投資信心崩潰後對各大金融機構造成災難性的衝擊。許多投資者當時在各大銀行和保險公司大排長龍情景如今還歷歷在目，他們希望從自己的投資賬戶中領回現金。我們身處的這年代，即使是最受推崇、最穩健的金融機構都有倒閉的可能。於是對我來說：除了一紙保險單之外，我們必須創造革新的保證方案作為財富安全的保障。

在保險界，你需要依賴保險公司簽發的一張承兌票據，



實際上這是保險公司承諾表明他們在某些情況下會作出賠償，例如身故賠款。但隨著人們對這些金融機構的信心出現動搖，我發現了一個很好的機會。我可以創造出一種投資產品，讓投資者不僅能夠得到一張承兌票據，更可以擁有一件具有價值的寶物。為何不將保單書「刻」在寶石上，而不是寫在紙上呢？這就是概念的核心所在。

時候，只要市況達到期待的收益水平時，你就可以選擇出售寶石以賺取豐厚利潤。

今時今日，某些寶石每年可升值超過一倍。事實上，紅寶石和翡翠的價格在過去10年間已飆升超過10倍！這種趨勢仍會持續，而且趨勢說不可擋。

Genesis-Global在經營珍貴寶石領域的獨特之處是什麼？為何您會選擇與廣達合作？

寶石承傳投資計劃如何運作？

透過寶石承傳投資計劃，客戶將他們的保險單書「刻」在能夠長期升值的寶石上。投資者透過計劃購買的寶石都是稀世珍寶，包括頂尖投資級別的紅寶石、藍寶石、祖母綠和各種彩鑽。

舉個簡單例子，投資者以100萬美元從Genesis-Global購買一顆寶石。其中大部分的銷售所得款項將會用於以客戶的名義購買一份壽險保單，條件是客戶同意以絕對轉讓方式將保單轉讓給Genesis-Global。如購買一份200萬美元賠款的壽險保單，Genesis-Global將會從出售寶石所得的100萬美元款項中，用50萬美元作保費資金。作為協議的一部分，Genesis-Global向客戶保證將會按照與保單身故賠款相同的金額購回寶石。

當然，在保單生效期間的任何時候，有可能出現寶石升值超過身故賠款的情況。在這種情況下，客戶可選擇將寶石賣給他們所選的任何買家。如果交易是由我們作為中介代理，那麼出售寶石所得利潤將會與Genesis-Global分享。

最終，這種寶石與保險計劃掛鉤的投資計劃不僅保證客戶肯定獲取身故賠款的保障，更令他們擁有一項具長期升值潛能的實質資產。透過這項計劃，客戶亦不需要依賴擁有其他普通保單那樣要歷經漫長的等待才能夠將收益兌現。在任何

因為擁有法律背景及金融服務業經歷，特別是保險行業，並對寶石有著深厚認識的人，才能夠創造出這項投資計劃。在Genesis-Global，我們全然掌握這項環繞寶石投資所有層面的要訣，並且確保各個環節，從法律框架到保險單，再到回購承諾等各個方面的運作都能夠完全符合顧客的利益為依歸。

我們選擇與廣達合作是因為其行政總裁大年與我擁有共同的願景。他不僅對這項新的投資計劃充滿熱忱，更樂於開拓嶄新的投資機遇，幫助廣達的客戶創立牢固的承傳計劃，而這些承傳資產恰似鑽石般堅不可摧！

