

**Life Insurance**  
**Family Fortune Savings Insurance Plan**



**Attentive Protection and  
Reward for your Family**

The life insurance plan is underwritten by Hong Kong Life Insurance Limited ("Hong Kong Life")



Attentive

Protection  
and Reward for your Family

Shouldering the responsibility to take good care of your family, you work hard to plan for the future. Hong Kong Life truly understands your needs on wealth accumulation and cordially launches Family Fortune Savings Insurance Plan (the “Plan”), which Guaranteed Cash Coupon will be payable annually until the Policy Maturity starting from as early as the end of 2<sup>nd</sup> Policy Year. The Plan also offers Guaranteed Bonus which will be payable at the end of 10<sup>th</sup> and 20<sup>th</sup> Policy Year respectively. Besides, the Plan is tailored with Family Benefit to offer extra life coverage to parents, spouse and children of the Policyowner (except the Life Insured) so that you can devote your attention to wealth accumulation with extra peace of mind.

5/10 years

Flexible Premium  
Payment TermGuaranteed Cash  
CouponGuaranteed  
Bonus

Life Protection

Family Benefit  
for Extra Peace of  
MindAdditional Return  
to Accelerate Your  
SuccessDesignated Contingent  
Life Insured and  
Contingent Policyowner  
arrangementFlexible Death  
Benefit Settlement  
Options

**5/10**  
years

### Flexible Premium Payment Term<sup>1</sup> with Whole Life Protection

The Plan provides 2 choices of Premium Payment Term<sup>1</sup>, i.e. 5 years<sup>1</sup> and 10 years<sup>1</sup>, with whole life protection until age 100 of the Initial Life Insured<sup>2</sup>.



### Guaranteed Cash Coupon until Policy Maturity

Starting from as early as the end of 2<sup>nd</sup> Policy Year, Guaranteed Cash Coupon will be payable annually until the Policy Maturity. You can choose cash withdrawal<sup>3</sup> or leaving it with the Policy for interest accumulation<sup>4</sup>. Guaranteed Cash Coupon will increase with Policy Year, thus helps you achieve your financial goals.

Guaranteed Cash Coupon is payable according to the Premium Payment Term<sup>1</sup> of the Plan as below:

At the end of Policy Year	Guaranteed Cash Coupon (% of Principal Amount <sup>5</sup> )	
	5 Years Premium Payment Term	10 Years Premium Payment Term
2 <sup>nd</sup>	1%	Not applicable
3 <sup>rd</sup> to 15 <sup>th</sup>		1%
16 <sup>th</sup> to 24 <sup>th</sup>		1.7%
25 <sup>th</sup> and every end of Policy Year thereafter		2.5%



### Guaranteed Bonus for More Flexibility

Guaranteed Bonus which is equal to 1% of the Principal Amount<sup>5</sup> will be payable at the end of 10<sup>th</sup> and 20<sup>th</sup> Policy Year respectively. You can choose cash withdrawal<sup>3</sup> or leaving it with the Policy for interest accumulation<sup>4</sup>.

At the end of Policy Year	Guaranteed Bonus (% of Principal Amount <sup>5</sup> )	
	5 Years Premium Payment Term	10 Years Premium Payment Term
10 <sup>th</sup>		1%
20 <sup>th</sup>		1%





### Life Protection for Peace of Mind

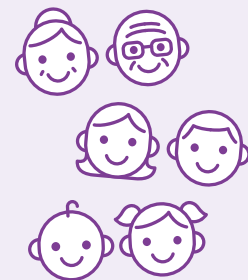
If the Life Insured dies while the Plan is in force, the Total Death Benefit will be paid to the Policy Beneficiary.

Policy Year	Total Death Benefit	
1-5	101% of Net Premiums Paid <sup>6</sup> OR 100% of Guaranteed Cash Value as at the date of death of the Life Insured (whichever is greater)	plus Accumulated Guaranteed Cash Coupon <sup>4</sup> (if any) and Accumulated Dividends and Interest (non-guaranteed) <sup>7,8</sup> (if any), less Indebtedness (if any).
6-20	105% of Net Premiums Paid <sup>6</sup> OR 100% of Guaranteed Cash Value as at the date of death of the Life Insured (whichever is greater)	plus Accumulated Guaranteed Cash Coupon <sup>4</sup> (if any), Accumulated Guaranteed Bonus <sup>4</sup> (if any), Accumulated Dividends and Interest (non-guaranteed) <sup>7,8</sup> (if any) and
21 and onwards	110% of Net Premiums Paid <sup>6</sup> OR 100% of Guaranteed Cash Value as at the date of death of the Life Insured (whichever is greater)	Terminal Dividend (non-guaranteed) <sup>7</sup> (if any), less Indebtedness (if any).



### Family Benefit<sup>9</sup> for Extra Peace of Mind

The Plan specially offers Family Benefit<sup>9</sup> to the Policyowner's parents, spouse and children (except the Life Insured). No medical examination and health questions are required for the Covered Family Members. If the parents, spouse or children dies during the benefit term of the Family Benefit<sup>9</sup>, the Family Benefit<sup>9</sup> which is equal to 2% of the Principal Amount<sup>5</sup> will be payable to the Policyowner. Family Benefit<sup>9</sup> could be claimed a maximum of 4 times and in which a maximum of 1 time for spouse. The policy value and the coverage of Life Insured will not be changed due to the claim of Family Benefit<sup>9</sup>.



Family Benefit <sup>9</sup>	Parents	Spouse	Children
Maximum no. of Covered Family Members	2	1	No Limit
Benefit Term*	Until age 85 of Parents/Spouse		Until age 18 of Children
Coverage Amount	2% of the Principal Amount <sup>5</sup> (maximum of 4 times)		

\* The Family Benefit for each Covered Family Member will be effective 2 years after (i) the endorsement date of such Covered Family Member or (ii) date of any reinstatement, whichever is later.



### Additional Return to Accelerate Your Success

Annual Dividend (non-guaranteed)<sup>7</sup> may be payable annually in terms of cash starting as early as from the 2<sup>nd</sup> Policy Anniversary. You can choose cash withdrawal or leaving it with the Policy for interest accumulation<sup>7</sup> to meet your personal needs.

Annual Dividend (non-guaranteed)<sup>7</sup> may be payable according to the Premium Payment Term<sup>1</sup> of the Plan as below:

Premium Payment Term <sup>1</sup>	Policy Anniversary
5 Years	2 <sup>nd</sup> and every Policy Anniversary thereafter
10 Years	3 <sup>rd</sup> and every Policy Anniversary thereafter

In addition, Terminal Dividend (non-guaranteed)<sup>7</sup> may be payable as early as on or after the end of 8<sup>th</sup> Policy Year when the Policy is fully surrendered by the Policyowner, upon the death of the Life Insured or upon Policy Maturity, whichever is the earliest. When the Policy is partially surrendered by the Policyowner, Terminal Dividend (non-guaranteed)<sup>7</sup> may be payable as early as on or after the end of 8<sup>th</sup> Policy Year. The payable amount is equal to the Terminal Dividend (non-guaranteed)<sup>7</sup> attributable to the reduced portion of Principal Amount<sup>5</sup>. Terminal Dividend (non-guaranteed)<sup>7</sup> will not accumulate in the Policy.

Terminal Dividend (non-guaranteed)<sup>7</sup> may be payable according to the Premium Payment Term<sup>1</sup> of the Plan as below:

Premium Payment Term <sup>1</sup>	End of Policy Year
5 Years	On or after the end of 8 <sup>th</sup> Policy Year
10 Years	On or after the end of 11 <sup>th</sup> Policy Year



### Designated Contingent Life Insured<sup>10</sup> and Contingent Policyowner<sup>11</sup> arrangement for Policy Continuum

During the lifetime of the Life Insured and while the Plan is in force, the Policyowner may designate a Contingent Life Insured<sup>10</sup>. In the event of the death of the Life Insured on or after the 1<sup>st</sup> Policy Anniversary, the Contingent Life Insured will become the new Life Insured. This sustains the Policy and avoids the possibility of Policy termination due to the unexpected death of the Life Insured.

Moreover, to safeguard the wealth management planning, during the lifetime of the Life Insured and while the Plan is in force, Policyowner may designate a Contingent Policyowner<sup>11</sup> so that the ownership of the Policy will be transferred to the Contingent Policyowner in the event of death of the Policyowner.



### Flexible Death Benefit Settlement Options<sup>12</sup>

The Plan provides flexible Death Benefit Settlement Options<sup>12</sup>. Instead of receiving the Death Benefit in a lump sum payment, Policyowner can designate other settlement options including Installment Payments (Fixed Amount) or Installment Payments (Fixed Period) while the Plan is in force and the Life Insured is alive to settle the Death Benefit to the Beneficiary.

Death Benefit Settlement Options are not applicable to Family Benefit.



### Service Arrangement on Extension of Premium Grace Period<sup>13</sup>

You may apply for the service arrangement on extension of premium Grace Period<sup>13</sup> subject to your financial needs. Upon successful approval from Hong Kong Life, the Grace Period of the premiums will be extended to 6 months. Each Policy can enjoy this service arrangement with maximum 2 times.



### Fixed Premium for Your Better Planning

The premium will remain unchanged throughout the Premium Payment Term<sup>1</sup>, allowing you to have a better plan for your future.



### Simple Application

The Life Insured will not have to go through any medical examination, up to a certain Principal Amount subject to the prevailing administrative rules as determined by Hong Kong Life.



### Basic Application Conditions

Premium Payment Term <sup>1</sup>	5 years	10 years
Issue Age*	Age 0 (15 days after birth) to 70	Age 0 (15 days after birth) to 65
Policy Currency	HKD / USD	
Benefit Term	Until age 100 of the Initial Life Insured <sup>2</sup>	
Minimum Principal Amount <sup>5</sup>	HKD100,000 / USD12,500	
Maximum Principal Amount <sup>5</sup>	HKD15,000,000 / USD1,875,000 <sup>##</sup> (per Life Insured and per Plan)	
Premium Payment Mode	Annual / Semi-annual / Quarterly / Monthly	

\* Age means age of the Life Insured at the last birthday

## Subject to underwriting result if the Principal Amount is larger than HKD10,000,000 / USD1,250,000.



## Case Sharing 1: Family Benefit



Male,  
Engineer, Married  
Peter (age 35)



Spouse  
Emily (age 30)



Father and mother  
age 70 and 65  
respectively



Principal Amount  
USD 50,000



Annual Premium  
USD 10,000  
(Annual payment mode)



Premium Payment Term  
5 years



Total Premiums Paid  
USD 50,000

Assume that accumulation with interest option is chosen for Annual Dividend, Guaranteed Cash Coupon and Guaranteed Bonus throughout the Benefit Term



Unfortunately, Peter's father is diagnosed with cancer. So Peter applies to extend the premium Grace Period to 6 months.



Emily gives birth to her son John. John is also applied and approved as Covered Family Member under Family Benefit.



Peter retires at age 70 and terminates the Policy. He can receive a projected Total Surrender Value\*\* USD 174,461.



Annual Dividend<sup>#</sup> (payable starting from the 2<sup>nd</sup> Policy Anniversary until Policy Maturity), Guaranteed Cash Coupon (payable starting from the end of 2<sup>nd</sup> Policy Year until Policy Maturity) and Guaranteed Bonus (payable at the end of 10<sup>th</sup> and 20<sup>th</sup> Policy Year respectively).

End of Policy Year

3

5

10

15

35



Peter insures Family Fortune Savings Insurance Plan. And Emily, his father and mother are applied and approved as Covered Family Members under Family Benefit.



Peter's father dies unfortunately due to illness. Peter receives Family Benefit USD 1,000 (Principal Amount USD 50,000 x 2%). The remaining maximum number of claim under Family Benefit is 3.



Peter's mother is unfortunately dead. Peter receives Family Benefit USD 1,000 (Principal Amount USD 50,000 x 2%). The remaining maximum number of claim under Family Benefit is 2.

The above example assumes no Policy Loan, no partial surrender, no withdrawal of Policy Value and all premiums have been paid within the premium Grace Period. The above example is for reference only. Please refer to the Insurance Proposal of the Plan for actual premium and more details.

- # Annual Dividend is not guaranteed and may be changed from time to time. Past performance is not indicative of future performance. The actual amount payable may be higher or lower than those illustrated in the Insurance Proposal. Hong Kong Life reserves the right to change them from time to time.
- \*\* Total Surrender Value is equal to 100% of Guaranteed Cash Value, plus Accumulated Guaranteed Cash Coupon, Accumulated Guaranteed Bonus, Accumulated Dividends and Interest (non-guaranteed)(if any) and Terminal Dividend (non-guaranteed)(if any), less Indebtedness (if any). Accumulated Dividends and Interest means the aggregate of (1) the total amount of distributed Annual Dividend left with Hong Kong Life (if any); and (2) the total amount of interest accumulated on any distributed Annual Dividend, Guaranteed Cash Coupon and Guaranteed Bonus left with Hong Kong Life. Annual Dividend, the annual interest accumulation rate and Terminal Dividend are not guaranteed and may be changed from time to time. Past performance is not indicative of future performance. The actual amount payable may be higher or lower than those illustrated in the Insurance Proposal. Hong Kong Life reserves the right to change them from time to time.



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## Case Sharing 2: Cash Withdrawal of Guaranteed Cash Coupon and Guaranteed Bonus, Accumulation with Interest of Annual Dividend



Male,  
Accountant, Married  
Michael (age 40)



Spouse  
Fiona (age 35)



Daughter  
Olivia (age 0)



Principal Amount  
USD 200,000



Annual Premium  
USD 40,000  
(Annual payment mode)



Premium Payment Term  
5 years



Total Premiums Paid  
USD 200,000



From 2<sup>nd</sup> to 15<sup>th</sup> year:  
At the end of each Policy Year,  
Guaranteed Cash Coupon  
(1% of Principal Amount) USD  
2,000 is payable.  
Total amount of Guaranteed  
Cash Coupon: USD 2,000 x  
14 years = USD 28,000



From 16<sup>th</sup> to 24<sup>th</sup> year:  
At the end of each Policy Year,  
Guaranteed Cash Coupon  
(1.7% of Principal Amount)  
USD 3,400 is payable.  
Total amount of Guaranteed  
Cash Coupon: USD 3,400 x  
9 years = USD 30,600



At the end of 25<sup>th</sup> and every  
end of Policy Year thereafter,  
Guaranteed Cash Coupon  
(2.5% of Principal Amount)  
USD 5,000 is payable.  
Total amount of Guaranteed  
Cash Coupon: USD 5,000 x  
36 years = USD 180,000

End of  
Policy Year

2

10

15

16

20

24

25

40

60



Michael insures Family Fortune Savings Insurance Plan. His spouse, Fiona and newborn daughter, Olivia are applied and approved as Covered Family Members under Family Benefit. He also designates Olivia to be the Contingent Policyowner and Contingent Life Insured.



In the end of 10<sup>th</sup> and 20<sup>th</sup>  
Policy Year, Guaranteed  
Bonus (1% of Principal  
Amount) USD 2,000 is  
payable respectively.



Michael is unfortunately dead and the Family Benefit is terminated. Olivia becomes the Policyowner and Life Insured and continues to receive the Guaranteed Cash Coupon.



The Policy matures with a projected Total Surrender Value\*: USD 1,350,295, including Guaranteed Cash Value: USD 134,200, Accumulated Dividends and Interest\*\*: USD 158,895 and Terminal Dividend (non-guaranteed)\*\*: USD 1,057,200. Guaranteed Cash Coupon USD 238,600 and Guaranteed Bonus USD 4,000 are payable throughout the Benefit Term.

The above example assumes no Policy Loan, no partial surrender and all premiums due have been paid during the Benefit Term. The above example is for reference only. Please refer to the Insurance Proposal of the Plan for actual premium and more details.

- \* Total Surrender Value is equal to 100% of Guaranteed Cash Value, plus Accumulated Dividends and Interest (non-guaranteed)(if any) and Terminal Dividend (non-guaranteed)(if any), less Indebtedness (if any). Accumulated Dividends and Interest means the aggregate of (1) the total amount of distributed Annual Dividend left with Hong Kong Life (if any); and (2) the total amount of interest accumulated on any distributed Annual Dividend left with Hong Kong Life. The Guaranteed Cash Coupon of the 60<sup>th</sup> Policy Year is not included in the Total Surrender Value. Annual Dividend, the annual interest accumulation rate and Terminal Dividend are not guaranteed and may be changed from time to time. Past performance is not indicative of future performance. The actual amount payable may be higher or lower than those illustrated in the Insurance Proposal. Hong Kong Life reserves the right to change them from time to time.
- \*\* Annual Dividend, the annual interest accumulation rate and Terminal Dividend are not guaranteed and may be changed from time to time. Past performance is not indicative of future performance. The actual amount payable may be higher or lower than those illustrated in the Insurance Proposal. Hong Kong Life reserves the right to change them from time to time.



## Remarks

1. The Policy will be terminated if the Policyowner cannot settle the premium payment before the end of the Grace Period during the Premium Payment Term, subject to the Automatic Premium Loan, Non-forfeiture Option and other relevant provisions of the Policy. For detailed terms and conditions, please refer to the policy document issued by Hong Kong Life. If the Policy is terminated before the Policy Maturity, the Total Surrender Value (if applicable) received by the Policyowner may be less than the Total Premiums Paid.
2. Initial Life Insured means the Life Insured at the commencement of the Plan.
3. The Guaranteed Cash Coupon and/or Guaranteed Bonus withdrawn will no longer be accumulated as part of the Total Surrender Value and the Total Death Benefit of the Policy. The Total Surrender Value and the Total Death Benefit of the Policy will be reduced accordingly.
4. The annual interest accumulation rate is not guaranteed and may be changed from time to time. Past performance is not indicative of future performance. The actual amount payable may be higher or lower than those illustrated in the Insurance Proposal. Hong Kong Life reserves the right to change it from time to time.
5. Principal Amount is used to calculate Initial Premium, any subsequent premium, benefits and policy values (if any) of the respective Basic Plan and any Supplementary Benefit. Any subsequent change of the Principal Amount will result in corresponding change in premium, benefits and policy values (if any) of the respective Basic Plan and any Supplementary Benefit. The Principal Amount does not represent the amount of death benefit of the respective Basic Plan and any Supplementary Benefit.
6. Net Premiums Paid means the Total Premiums Paid less the aggregate amount of Guaranteed Cash Coupon and Guaranteed Bonus distributed by Hong Kong Life from the Policy Date up to the date of termination of the Plan. Total Premiums Paid means the total amount of due and payable premiums for the Plan from the Policy Date up to the date of termination of the Plan.
7. Annual Dividend, the annual interest accumulation rate and Terminal Dividend are not guaranteed and may be changed from time to time. Past performance is not indicative of future performance. The actual amount payable may be higher or lower than those illustrated in the Insurance Proposal. Hong Kong Life reserves the right to change them from time to time. The Annual Dividend and/or interest withdrawn will no longer be accumulated as part of the Total Surrender Value and the Total Death Benefit of the Policy. The Total Surrender Value and the Total Death Benefit of the Policy will be reduced accordingly.
8. Accumulated Dividends and Interest means the aggregate of (1) the total amount of distributed Annual Dividend left with Hong Kong Life (if any); and (2) the total amount of interest accumulated on any distributed Annual Dividend, Guaranteed Cash Coupon and Guaranteed Bonus left with Hong Kong Life.
9. Family Benefit for each Policyowner's natural parents, spouse or natural children, except the Life Insured (Covered Family Members) is only available if such parents, spouse or children is accepted and approved by Hong Kong Life. The Family Benefit for each Covered Family Member will be effective 2 years after (i) the endorsement date of such Covered Family Member or (ii) date of any reinstatement, whichever is later. The aggregate amount of the Family Benefit paid under the Plan and the same benefits paid under other policies issued with Hong Kong Life in respect of each Covered Family Member shall not exceed HKD200,000/USD25,000. Family Benefit for a Covered Family Member shall automatically terminate if such Covered Family Member subsequently becomes the new Life Insured pursuant to the "Designation of Contingent Life Insured" clause. Family Benefit for all Covered Family Member will cease automatically upon the termination of the Plan. Upon a transfer of the ownership of the Policy pursuant to the "Ownership" clause, Family Benefit of the Plan will be terminated automatically and cannot be restored. Upon the death of the Policyowner, whether there is any named Contingent Policyowner pursuant to the "Designation of Contingent Policyowner" clause, Family Benefit of the Plan will be terminated automatically and cannot be restored. For detailed terms and conditions, please refer to relevant form and the policy document issued by Hong Kong Life.
10. Designation of Contingent Life Insured is subject to the terms and conditions, and the then administrative rules as determined by Hong Kong Life from time to time. Only one Contingent Life Insured can be designated at a time. At the time Hong Kong Life receives the written request, the Proposed Contingent Life Insured's age must not be over 65 and must not be older than the Initial Life Insured. Also, evidence of insurability including the insurable interest for the Proposed Contingent Life Insured must be submitted. Upon the death of the Life Insured on or after the 1<sup>st</sup> Policy Anniversary while the Policy is in force, the actual change of

Life Insured to the Contingent Life Insured shall be approved and becomes effective subject to Hong Kong Life's receipt of satisfactory proof of the Life Insured's death and any documents as requested, the relevant conditions and limitation, and the prevailing administrative rules and requirements of Hong Kong Life. All Supplementary Benefit(s) (if any) for the Life Insured will be terminated automatically upon the date of death of the Life Insured and no unearned premium shall be refunded. The relevant Supplementary Benefit(s) can be applied for by the Contingent Life Insured, subject to the underwriting rules and requirements as determined by Hong Kong Life from time to time. For detailed terms and conditions, please refer to relevant form and the policy document issued by Hong Kong Life.

11. Designation of Contingent Policyowner is subject to the terms and conditions, and the then administrative rules as determined by Hong Kong Life from time to time. Only one Contingent Policyowner can be designated at a time, and evidence of insurability including the insurable interest for the Proposed Contingent Policyowner must be submitted. Upon the death of the Policyowner while the Policy is in force, the actual transfer of ownership of this Policy to the Contingent Policyowner shall be approved and becomes effective subject to Hong Kong Life's receipt of satisfactory proof of the Policyowner's death and any documents as requested, the relevant conditions and limitation, and the prevailing administrative rules and requirements of Hong Kong Life. All Supplementary Benefit(s) (if any) for the Policyowner will be terminated automatically upon the date of death of the Policyowner and no unearned premium shall be refunded. The relevant Supplementary Benefit(s) can be applied for by the Contingent Policyowner, subject to the underwriting rules and requirements as determined by Hong Kong Life from time to time. For detailed terms and conditions, please refer to relevant form and the policy document issued by Hong Kong Life.
12. Death Benefit Settlement Options are only applicable in the event of the death of the Life Insured after the Premium Payment Term and all premiums due have been paid, and subject to the terms and conditions, and the then administrative rules as determined by Hong Kong Life from time to time. For detailed terms and conditions, please refer to the policy document issued by Hong Kong Life.
13. The service arrangement on extension of premium Grace Period is subject to the then administrative rules as determined by Hong Kong Life. Such service is not part of the product features. The availability of this service is not guaranteed. Hong Kong Life reserves the right to cancel or amend the said service at its sole discretion.

## Important Statements

### • Basic Plan

#### **Risk**

##### **1. Exchange Rate Risk**

You are subject to exchange rate risks for the Policy denominated in currencies other than the local currency. Exchange rates fluctuate from time to time. You may suffer a loss of your benefit values and the subsequent premium payments (if any) may be higher than your initial premium payment as a result of exchange rate fluctuations.

##### **2. Liquidity Risk / Long Term Commitment**

The Plan is designed to be held until the Maturity / Expiry Date. If you partially surrender or terminate the Policy prior to the Maturity / Expiry Date, a loss of the premium paid may be resulted.

The premium of the Plan should be paid in full for the whole payment term. If you discontinue the payment, the Policy may lapse and a loss of the premium paid may be resulted.

##### **3. Credit Risk of Issuer**

The life insurance product is issued and underwritten by Hong Kong Life. The premium to be paid by you would become part of the assets of Hong Kong Life and that you and your Policy are subject to the credit risk of Hong Kong Life. In the worst case, you may lose all the premium paid and benefit amount.

#### 4. Market Risk

The amount of dividends (if any) of the Plan depends principally on the factors including investment returns, claim payments, policy persistency rates, operation expenses and tax; while the annual interest accumulation rate principally depends on the factors including investment performance and market conditions. Hence the amount of dividends (if any) and annual interest accumulation rate are not guaranteed and may be changed over time. The actual dividends payable and annual interest accumulation rate may be higher or lower than the expected amount and value at the time when the Policy was issued.

#### 5. Inflation Risk

When reviewing the values shown in the Insurance Proposal, please note that the cost of living in the future is likely to be higher than it is today due to inflation.

#### *Important Policy Provisions*

#### 6. Suicide

If the Life Insured commits suicide, while sane or insane, within one (1) year from the Issue Date or the date of any reinstatement, whichever is later, the liability of Hong Kong Life shall be limited to a refund of paid premiums to the Beneficiary without interest less any existing Indebtedness. In the case of reinstatement, such refund of premium shall be calculated from the date of reinstatement.

#### 7. Incontestability

The validity of the Policy shall not be contestable except for (i) the non-payment of premiums, (ii) fraud or (iii) misstatement of age and/or sex as specified in the Misstatement of Age and/or Sex provisions, after it has been in force during the lifetime of the Life Insured for two (2) years from the Issue Date or the date of any reinstatement, whichever is later. Premiums paid will not be refunded should the Policy be voided by Hong Kong Life.

#### 8. Automatic Termination

The Plan shall terminate automatically:

- i. upon the death of the Life Insured (provided that there is no named and surviving Contingent Life Insured who will become the new Life Insured pursuant to the "Designation of Contingent Life Insured" provisions of the General Provisions of the Policy); or
- ii. if and when the Plan matures or is fully surrendered; or
- iii. if and when a premium remains unpaid at the end of the Grace Period as specified in the General Provisions of the Policy unless Automatic Premium Loan applies; or
- iv. if and when the Indebtedness of the Policy equals to or exceeds the Guaranteed Cash Value; or
- v. if and when the Guaranteed Cash Value less Indebtedness (if any) is less than the premium required to maintain the Policy up to the next premium due date as specified in the Automatic Premium Loan provisions.

#### *Others*

#### 9. Insurance Costs

The Plan is an insurance plan with a savings element. Part of the premium pays for the insurance and related costs (if any).

#### 10. Cooling-off Period

If you are not satisfied with your Policy, you have a right to cancel it within the cooling-off period and obtain a refund of any premium(s) and levy(ies) paid (in the original payment currency) to Hong Kong Life without any interest. A written notice signed by you should be received directly by Hong Kong Life Insurance Limited at 15/F Cosco Tower, 183 Queen's Road Central, Hong Kong within the cooling-off period (that is, the period of 21 calendar days immediately following either the day of delivery of the Policy or the Cooling-off Notice to you or your nominated representative (whichever is the earlier)). After the expiration of the cooling-off period, if you cancel the Policy before the end of the term, the projected Total Surrender Value (if applicable) may be less than the Total Premiums Paid.



**11. Dividends**

Hong Kong Life determines the amount of divisible surplus that will be distributed in the form of dividends. Dividends will be determined and distributed according to the Policy's terms and conditions and in compliance with the relevant legislative and regulatory requirements as well as relevant actuarial standards, whereas Terminal Dividend is available for certain types of policies and payable at the termination of the policies.

The amount of divisible surplus depends principally on the factors including investment returns, claim payments, policy persistency rates, operation expenses and tax. Hence the amount of dividends is not guaranteed and may be changed over time. The actual dividends payable may be higher or lower than the expected amount at the time when the policies were issued. The withdrawal of dividends will decrease the Total Surrender Value and Total Death Benefit of the Policy.

**12. Withdrawal of Cash Payments**

The withdrawal of cash payments (including but not limited to guaranteed cash coupon (if any) and monthly incomes (if any) etc.) will decrease the Total Surrender Value and Total Death Benefit of the Policy.

**13. Partial Surrender**

In case of Partial Surrender, the Guaranteed Cash Value and Terminal Dividend of the Policy will be decreased accordingly. This will also decrease the Principal Amount, Total Surrender Value, Total Death Benefit, Guaranteed Cash Coupon, Guaranteed Bonus, Annual Dividend and other benefits (if applicable) of the Policy.

**14. Policy Loan**

After the Plan has acquired a Guaranteed Cash Value and while the Policy is in force, the Policyowner may, upon the sole security and satisfactory assignment of the Policy to Hong Kong Life, apply for a Policy Loan from the Plan. Any loan on the Policy shall bear interest at a rate declared by Hong Kong Life from time to time. Interest on the loan shall accrue and compound daily from the date of loan. The Policy Loan Interest Rate is not guaranteed and will be changed from time to time. The loan and the interest accrued thereon shall constitute Indebtedness against the Policy. Interest shall be due on each Policy Anniversary subsequent to the date of loan. In the event that the Indebtedness of the Policy equals to or exceeds the Guaranteed Cash Value, the Policy will terminate. Any Policy Loan and accrued loan interest may reduce the Total Surrender Value and Total Death Benefit of the Policy.

**15. Non-Protected Deposit**

The Plan is not equivalent to, nor should it be treated as a substitute for, time deposit. The Plan is not a protected deposit and is not protected by the Deposit Protection Scheme in Hong Kong.

**16. Dispute on Selling Process and Product**

Chong Hing Bank Limited, CMB Wing Lung Bank Limited, OCBC Wing Hang Bank Limited and Shanghai Commercial Bank Limited (collectively "Appointed Licensed Insurance Agencies" and each individually "Appointed Licensed Insurance Agency") are the Appointed Licensed Insurance Agencies of Hong Kong Life, and the life insurance product is a product of Hong Kong Life but not the Appointed Licensed Insurance Agencies. In respect of an eligible dispute (as defined in the Terms of Reference for the Financial Dispute Resolution Centre in relation to the Financial Dispute Resolution Scheme) arising between the Appointed Licensed Insurance Agency and the customer out of the selling process or processing of the related transaction, Appointed Licensed Insurance Agency is required to enter into a Financial Dispute Resolution Scheme process with the customer; however any dispute over the contractual terms of the life insurance product should be resolved between Hong Kong Life and the customer directly.

## Dividend Policy

Hong Kong Life offers a comprehensive range of life insurance products which provide both guaranteed and non-guaranteed benefits to the Policyowners depending on the specific features of different products.

The guaranteed benefits generally include the insurance coverage payable on death, maturity, or disablement as well as guaranteed cash value for loan or Policy cancellation. The non-guaranteed benefits are the dividends (including Annual Dividend and Terminal Dividend) and rate of interest (referred to as “interest accumulation rate”) on Annual Dividend and other cash payments left on deposit under a Policy. The rate of interest may vary at the discretion of Hong Kong Life. Past dividends record is not indicative of future performance.

The amount available for distribution as dividends to relevant classes of Policyowner is determined by the Appointed Actuary of Hong Kong Life in accordance with Hong Kong Life’s internal dividend management. The amount depends on both the emerging experience and the future best estimate assumption including investment returns, claim payments, policy persistency rates, operation expenses and tax. The Appointed Actuary will also report to the Board of Hong Kong Life on the Policy covering allocation of profits between shareholders and participating fund for approval, taking into account the principle of fair treatment of customers, and the equity between shareholders and Policyowners.

Dividends will be determined and distributed according to the Policy’s dividend provision and in compliance with the relevant legislative and regulatory requirements as well as relevant actuarial standards, whereas Terminal Dividend is available for certain types of Policies and payable upon termination of the Policies.

As stated, the amount of dividends will vary according to the emerging experience of the above factors and types of the products. Hong Kong Life applies a smoothing approach in relation to the distribution of the dividends. It will only be modified if the actual experience is significantly different from expected or if the future expectation is changed.

Policyowners may also choose to leave their Annual Dividend or other cash payments with Hong Kong Life to earn interest at a rate determined by Hong Kong Life based on its investment performance and market conditions. As a consequence, the interest accumulation rates are not guaranteed and may be adjusted from time to time.

## Investment Policy

The underlying investment is a dedicated fund managed by Hong Kong Life according to the investment mandate of participating fund specified in Hong Kong Life's internal investment guidelines. The fund's investments are mainly government bonds or corporate bonds with high credit rating and equities.

Generally, the asset allocation strategy is that at least 50% of the fund's assets will be invested in bonds mainly issued in US and Hong Kong, 0% to 40% invested in Hong Kong equities, and 0% to 10% in cash, with relatively higher allocation in USD denominated assets. The target currency mix of the fund's investments will vary according to the currency mix of Hong Kong Life's liability. Allocation of different asset classes will be reviewed regularly with considerations of the market conditions, economic outlook and global insights in order to generate sustainable long term returns.

For the details of dividends history for each product series, please visit the company website of Hong Kong Life (<http://www.hklife.com.hk/en/customer-info/fulfillment-ratios>).

Should you have any enquiries, please visit any branches of the Appointed Licensed Insurance Agencies, or call Hong Kong Life's Customer Services Hotline at 2290 2882.

This product leaflet is for reference and is applicable within Hong Kong only. The information of this product leaflet does not contain the full terms of the policy document. For full terms and conditions, please refer to the policy document. If there is any conflict between the product leaflet and the policy document, the latter shall prevail. The copy of the policy document is available upon request. Before applying for the insurance plan, you may refer to the contents and terms of the policy document. You may also seek independent and professional advice before making any decision.

Please mail to Hong Kong Life Insurance Limited at 15/F Cosco Tower, 183 Queen's Road Central, Hong Kong or call Hong Kong Life's Data Protection Officer at 2290 2882 if you request Hong Kong Life not to use your personal data for direct marketing purposes. No charge shall be levied on such arrangement.

In the event of conflicts between the Chinese and English versions, the English version shall prevail.



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