中国太平 CHINA TAIPING | 太平人壽(香港) TAIPING LIFE (HK)

Savings and Life Insurance

Amazing Life Savings Insurance Plan

SECURE YOUR LEGACY AND PASS ON YOUR PROSPERITY

China Taiping Life Insurance (Hong Kong) Company Limited (the "Company") is delighted to introduce **Amazing Life Savings Insurance Plan** (the "Plan"). Tailored to empower your financial growth and ensure your wealth benefits future generations, the Plan provides a solid foundation with a policy value that grows over time, while allowing you to customize how your meaningful legacy carries on. Enjoy the freedom to withdraw as needed, split your policy for asset allocation, and choose from a range of death benefit settlement options to pass on your wealth exactly as you wish. See your wealth start to grow today, and let your legacy live on for generations to come.

PLAN HIGHLIGHTS

Capture both guaranteed and potential returns for boosting your wealth

guaranteed cash value + cash dividend + terminal dividend

4 legacy options

pass down the policy to future generation

Split policy

manage asset allocation efficiently

Life protection

up to 7 death benefit settlement options

Customers can choose to purchase the Plan as a standalone plan. This product brochure is for reference only. It is not, and does not form part of, a contract of insurance and is designed to provide an overview of the key features of the Plan. The precise terms and conditions of the Plan are specified in the policy provisions. Please refer to the policy provisions for the exact and complete terms and conditions of the cover. This product brochure should be read along with the benefit illustrations (if any) and other relevant marketing materials (if any), which include additional information and important considerations about the Plan. The Company would like to remind you to review the relevant product materials (if any) provided to you and seek independent professional advice if necessary. Customers may ask for a sample policy provisions for reference purposes.

PLAN FEATURES

Capture both guaranteed and potential returns for boosting your wealth

This plan not only provides guaranteed cash value to help you grow your wealth steadily, but also offers non-guaranteed cash dividend[1] and terminal dividend, allowing you to unlock your wealth potential.

Guaranteed portion	+	Non-guaranteed portion		
Guaranteed cash value		**Cash dividend[1]**	+	**Terminal dividend**
• Guaranteed • Payable upon the death of insured, or surrender (in whole or in part) or termination of the policy		**Allocation** Annual basis **When will it be distributed?** Starting from the end of the 4th policy year		**Allocation** One-off basis **When will it be distributed?** Starting from the end of the 4th policy year, it will be distributed upon: • death of the insured (and provided always that the "policy continuation option"[2, 3] or "contingent insured option"[2, 4] has not been elected); or • surrender of the policy

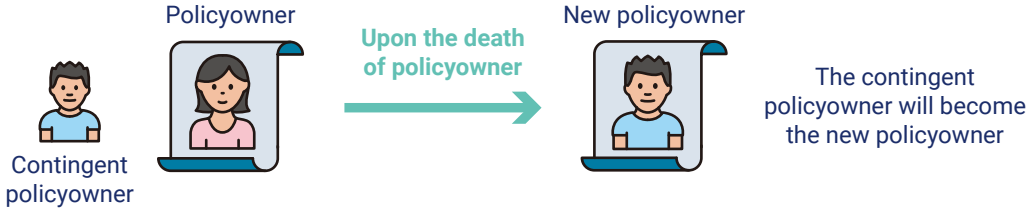
Change of insured option[2, 5]

Starting from the 2nd policy year while the insured is alive, you can apply for the "change of insured option"[2, 5] for unlimited times to replace the existing insured with another person in lieu as a replacing insured without affecting the policy values, such that value of the policy can be inherited by later generations.

Once the insured has been changed, the policy will continue to be in force. The coverage of the policy will be extended to the date of death of the replacing insured, whereas the coverage for the original insured will be ceased.

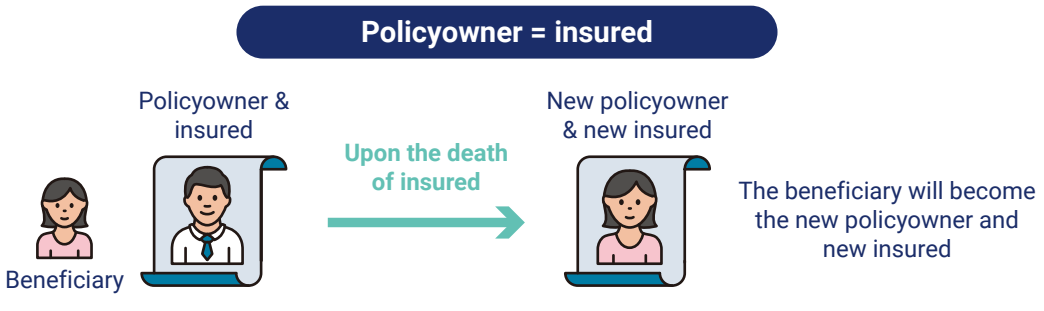
Contingent policyowner option[2, 6]

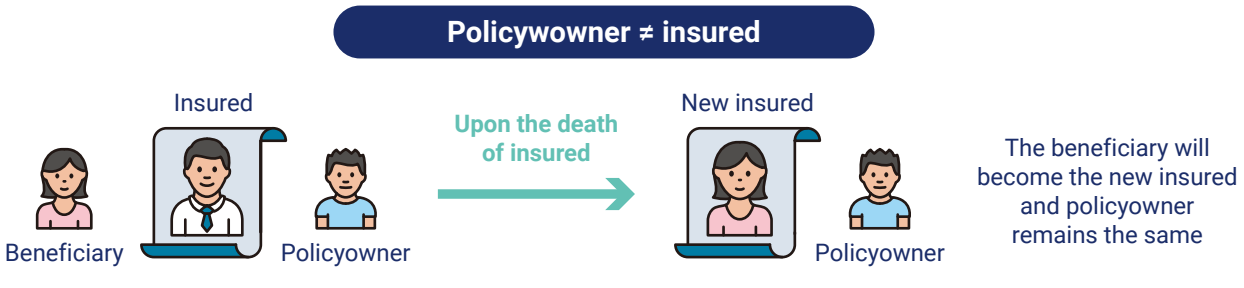
To prepare for any unforeseeable events, you may nominate a contingent policyowner upon policy application or make a change any time while the policy is in force by applying for "contingent policyowner option"[2, 6], provided that the policy has not been assigned. The policy can be managed by the contingent policyowner in the event of unfortunate death of the current policyowner.



Policy continuation option[2, 3]

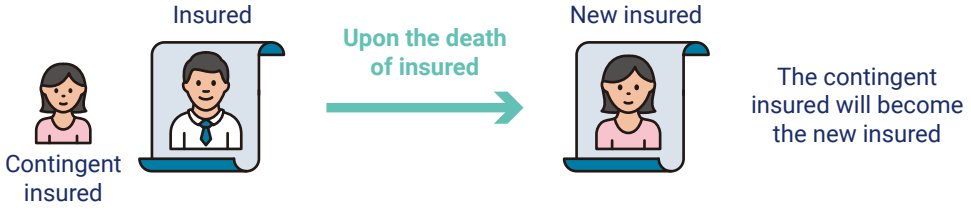
The Plan offers a "policy continuation option"[2, 3] that allows you to keep the policy in force in the event of the insured's death. If this option is elected and the deceased insured happens to be the policyowner as well, the beneficiary will become both the new policyowner and the new insured. If the deceased insured is not the policyowner, the beneficiary will become the new insured upon the death of the current insured[7].





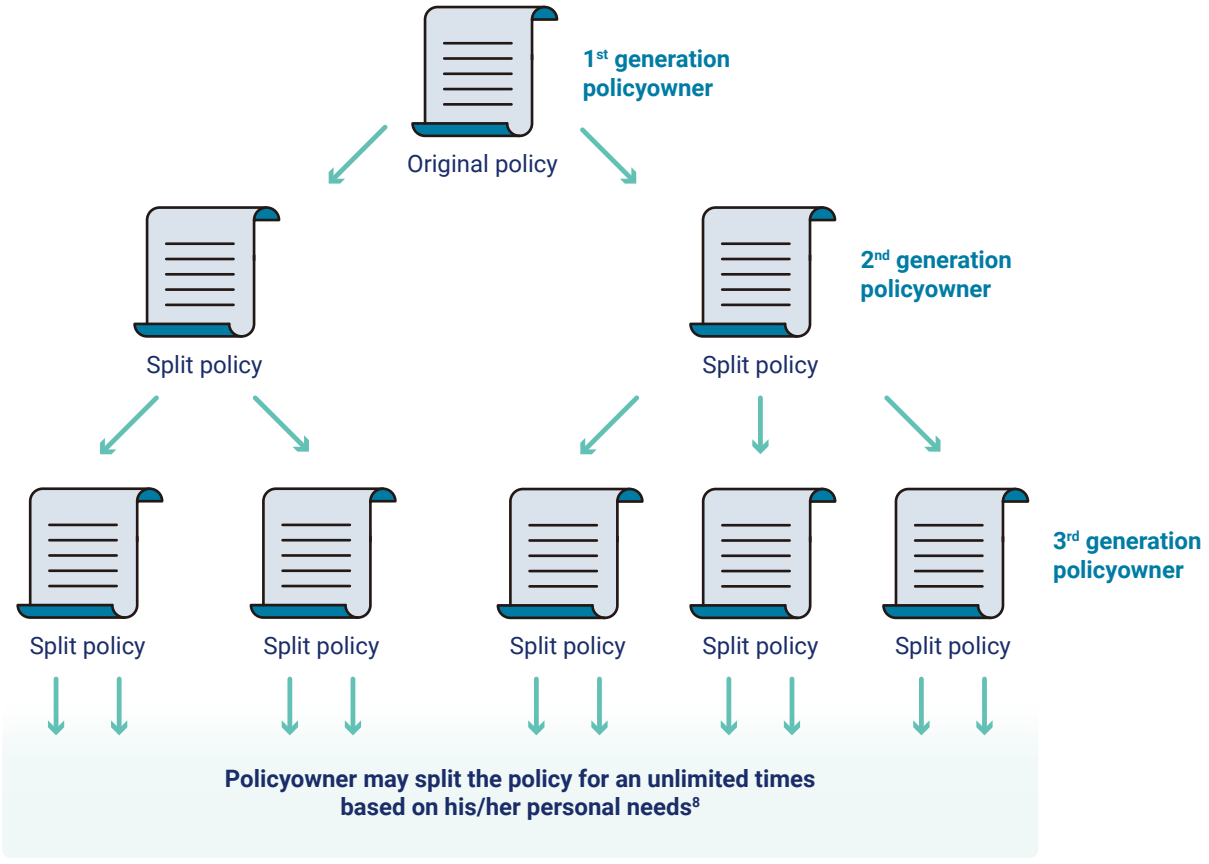
Contingent insured option[2, 4]

Starting from the 2nd policy year, while the policy is in force and the insured is alive, you can apply for the "contingent insured option"[2, 4] to nominate a contingent insured for the policy. Upon successful application, in case of the unexpected death of the insured, the contingent insured will become the new insured and the policy shall continue to remain in force after the death of the current insured.



Split policy to manage asset allocation efficiently

Starting from the 5th policy anniversary date, you may exercise the "policy split option"[8] once per policy year, to separate your policy into 2 or more new policies ("split policies"), allocating your asset according to your needs and plans.



Life protection with up to 7 death benefit settlement options[9]

In case of the unfortunate death of the insured and provided that "policy continuation option"[2, 3] or "contingent insured option"[2, 4] has not been elected, the beneficiary(ies) will receive a "death benefit" to alleviate an immediate financial burden. For details of "death benefit", please refer to the "Product Information" section.

To give you a flexible control of passing on your financial legacy, the Plan offers 7 death benefit settlement options[9] for your selection. You can decide, whether to pay the "death benefit" to your beneficiary in the form of a lump sum payment or monthly instalment, to decide how the legacy can be inherited when the worst happens.

Death benefit settlement options[9]	
Option 1	**Lump sum payment**
Option 2	**Monthly instalment[10]**
Option 3	**Monthly instalment until designated age of the beneficiary[10]**
Option 4	**Partial payment by instalment[10]**
Option 5	**Deferred payment for juvenile beneficiary[10]**
Option 6	**Increasing instalment payment[10]**
Option 7	**Flexi-legacy[10, 11]** - Monthly instalment payment and one or more lump sum payment(s) in a designated percentage of the "death benefit" upon the happening of the designated life event of the beneficiary Monthly instalment payment + Lump sum payments in designated percentages upon certain life events University graduation **5%** Get married **10%** Giving birth or adopting child **10%** Attaining designated age **5%** Diagnosed of major critical illness **20%** Involuntarily unemployed **5%** Get divorced **10%** Purchasing residential property **15%** Changing of principal location of residence city **10%**

Short premium term with prepayment option and guaranteed prepayment interest rate[12]

The premium term is as short as 5 years. You can choose to pay premium on annual basis or make a one-off payment by paying the premiums of the remaining period of the premium term together with the 1st year's premium upon application, the amount of prepaid premium will accumulate interest at a guaranteed prepayment interest rate[12] for you.

Cash withdrawal[13] and policy loans[14] for extra liquidity

In case you need extra cash flow, starting from the 4th policy year onwards, you can apply to make "cash withdrawals"[13] from the policy. What's more, you can apply for a policy loan[14] to cope with your immediate needs while keeping the policy in force.

PRODUCT INFORMATION

Product Type	Savings and life insurance
Plan Type	Basic plan
Premium Term	5 years
Issue Age (Age Last Birthday)	15 days - age 75
Benefit Term	Whole life
Policy Currency	USD / HKD
Minimum Notional Amount	USD50,000 / HKD400,000
Payment Mode	Annually
Characteristics and Level of Premiums	Level and guaranteed
Death Benefit	The greater of the following as at the date of insured's death: (a) 101% of the total premiums paid; or (b) guaranteed cash value **+** Accumulated cash dividends and accumulated interest (non-guaranteed, if any) **+** Terminal dividend (non-guaranteed, if any) **+** Any prepaid premium and any accumulated interest that is not used (e.g. to offset any unpaid premium) **–** Any outstanding amount due or owing by you to us under the policy
Surrender Benefit	Guaranteed cash value **+** Accumulated cash dividends and accumulated interest (non-guaranteed, if any) **+** Terminal dividend (non-guaranteed, if any) **+** Any prepaid premium and any accumulated interest that is not used (e.g. to offset any unpaid premium) **–** Any prepaid premium claw back charge **–** Any outstanding amount due or owing by you to us under the policy

ILLUSTRATIVE EXAMPLES

Secure today and sustain tomorrow

Patrick adores his newborn son Leo, and wants to create a secure financial future for his family through thoughtful long-term planning. He decides to purchase **Amazing Life Savings Insurance Plan**, which steadily grows his assets while supporting legacy arrangements and offering strong backing for his loved ones down the line.

Policyowner	**Patrick (age 35)**	Insured	**Leo (15 days)**
Premium term	**5 years**	Annual premium	**USD150,000**
Total premiums paid	**USD750,000**		

Non-guaranteed accumulated cash dividends and accumulated interest, and terminal dividend | **Guaranteed cash value**

Policy year

Policy inception

Patrick, a father (age 35) purchases the Plan and named his son, Leo (15 days) as the insured

5

Patrick's daughter, Lily is born

On the 20th policy anniversary date, the projected total cash value of the policy#: USD1,751,315

USD948,605	USD802,710

To pass on the financial legacy conveniently, Patrick, the father (age 55) exercises "policy split option"[8] to separate the policy into 2. Patrick, the father remains the policyowner of both split policies, and Leo, the son (age 20) remains the insured of split policy 1. Meanwhile, Patrick, the father changes the insured of split policy 2 [2,5] as himself

Split policy 1

20

Notional amount of spilt policy: USD375,000

Projected total cash value of the policy#: USD875,658

USD474,303	USD401,355

22

Patrick, the father (age 57) changes the policyowner to Leo, the son (age 22) as a graduation gift

35

On the 35th policy anniversary date, the projected total cash value of the policy#: USD1,867,627

USD1,414,908	USD452,719

Patrick, the father (age 70) passes away. Split policy 1 will continue to accumulate wealth, and Leo (age 35) can exercise legacy options to pass the policy down to next generation

Split policy 2

20

Notional amount of spilt policy: USD375,000

Projected total cash value of the policy#: USD875,658

USD474,303	USD401,355

35

Death benefit: USD1,867,627

USD1,414,908	USD452,719

Patrick, the father (age 70) passes away. When he was alive, he had opted for "flexi-legacy"[10,11]. He had chosen that the beneficiary, Lily, his daughter (age 30), would receive the "death benefit" with following arrangement:

- 50% paid in monthly instalments over 20 years for living expenses
- 30% as a lump sum when Lily gets married to subsidize the wedding expenses
- 20% as a lump sum when Lily gives birth to a child for celebrating the arrival of the newborn

Accumulate wealth and pass on to next generation

Ray is a father with a 5-year-old daughter, Ruby. Determined to secure her future, he purchases **Amazing Life Savings Insurance Plan**, enjoying steady wealth growth to pass on her and building a solid foundation for the next generation.

Policyowner and insured	Ray (age 40)
Premium term	5 years
Annual premium	USD100,000
Total premiums paid	USD500,000

Non-guaranteed accumulated cash dividends and accumulated interest, and terminal dividend | **Guaranteed cash value**

Policy year

Policy inception

Ray (age 40) purchases the Plan

25

End of the 25th policy year, the projected total cash value of the policy#: USD1,501,239

USD945,729 | **USD555,510**

Ray (age 65) changes the policyowner and insured to his daughter, Ruby (age 30), for better legacy planning

35

End of the 35th policy year, the projected total cash value of the policy#: USD2,390,167

USD1,795,834 | **USD594,333**

Ruby (age 40) withdraws **USD100,000** to start her florist business

65

End of the 65th policy year, the projected total cash value of the policy#: USD11,851,367

USD11,051,684 | **USD799,683**

Ruby (age 70) changes the policyowner and insured to her son for better legacy planning

On the 65th policy anniversary date, the value of accumulated cash withdrawals amount plus total cash value of the policy# is USD11,951,367 (up to 23.90 times of total premiums paid).

The above examples and figures are calculated based on the projected cash value at the end of each policy year, which are hypothetical and for illustrative purpose only. The actual amounts of the accumulated cash dividends and accumulated interest and terminal dividend payable may be higher or lower than the above illustrated figures. Under some circumstances, the actual amounts of these dividends may be zero. The above figures and amount may have adjustment in decimal places and are rounded to the nearest whole number after calculation, the actual return and actual amount payable may be higher or lower than those illustrated.

Assumption: There is no advanced claim paid, policy loan, change in notional amount nor other "cash withdrawals" made on the policy. There is no indebtedness due to the Company under the policy and all premiums are paid in full when due.

The projected total cash value illustrated is the sum of the policy's guaranteed cash value plus the non-guaranteed cash values of the accumulated cash dividends and accumulated interest (if any) and terminal bonus (if any) and is based on the current projected cash value and bonus scales after "cash withdrawals" (if any). The current projected total cash value and bonus scales are neither indicative of future performance nor are they guaranteed.

Remarks

1. Once the cash dividend is declared, you can either leave it with us to accumulate interest (if any) or withdraw it upon our approval. If you have not elected any of the cash dividend options, the option of "accumulation with interest" will automatically apply.
2. Subject to the Company's approval and prevailing conditions and requirements as determined in the Company's sole discretion from time to time.
3. While the policy is in force and the policy has not been assigned, elect by a written request in our prescribed form to keep the policy in force after the death of the insured, provided that only 1 beneficiary was named prior to the death of the insured and such beneficiary is a natural person who survives the insured and such request is made to us prior to the death of the insured. Upon the Company's approval of the application for "policy continuation option", the notional amount, guaranteed cash value, policy date and policy years will remain the same on the policy continuation effective date, whereas the coverage period of the basic plan will be adjusted until the date of death of the new insured.
4. Only 1 contingent insured can be nominated by the policyowner prior to the death of the insured. The proposed contingent insured must have proof of insurable interest with the policyowner and insurability which are satisfactory to us, and his/her attained age on his/her last birthday must not be over 65.
5. The proposed replacing insured must have proof of insurable interest with the policyowner and insurability satisfactory to us, and his/her attained age on his/her last birthday must not be over 65.
6. Only 1 contingent policyowner can be nominated by the policyowner prior to the death of the policyowner. The proposed contingent policyowner must have proof of insurable interest with the insured which is satisfactory to us, and his/her attained age on last birthday must be 18 or above.
7. For the case where the deceased insured and the policyowner are different persons, and the policyowner dies within 14 calendar days immediately after the death of the deceased insured, the beneficiary will become both the new policyowner and the new insured.
8. Subject to the Company's prevailing rules and approval at its sole and absolute discretion, the application of "policy split option" must meet all of the following requirements and conditions ("policy split"):
   a) your application of policy split must be made within 60 days before a policy anniversary date starting from the 5th policy anniversary date;
   b) the sum of all designated split percentages of all split policies must add up to 100%;
   c) the respective notional amount of the split policies following the policy split must not be less than the policy's minimum notional amount requirements at the time of such application;
   d) policy split can only be made once per policy year;
   e) there is no premium(s) in default and outstanding indebtedness due by you to us under the original policy;
   f) there is no claim in progress under the original policy; and
   g) the application for policy split cannot be withdrawn, changed or reverted once made.

   Upon the Company's approval of the application for policy split, the split policies and any related changes shall commence on the effective date of this option as specified in the relevant endorsement ("policy split effective date"), and the following shall apply:
   a) the policy date, policy issue date and policy year of the split policies will be the same as the original policy right before policy split;
   b) the total premiums paid, guaranteed cash value, accumulated cash dividends and accumulated interest (non-guaranteed, if any), cash dividend (non-guaranteed, if any) and terminal dividend (non-guaranteed, if any) allocated to the split policies will be based on the ratio of the notional amount applicable to such split policies with reference to the designated split percentage;
   c) for the avoidance of doubt, the original policy shall automatically terminate on the policy split effective date;
   d) any supplementary contract(s) under the original policy will be automatically terminated after the policy split;
   e) the policyowner, insured, beneficiary(ies) (with the respective designated percentage) of the split policies will be the same as the policyowner, insured, beneficiary(ies) (with the respective designated percentage) of the original policy;
   f) there is no cooling-off period for the split policies;
   g) any new policyowner, new insured, replacing insured, contingent policyowner, contingent insured, the settlement option of "death benefit" of the original policy on our record will automatically apply to the split policies;
   h) we will issue an endorsement to record our approval of the split of the policy and the policy split effective date; and
   i) unless otherwise provided above, all benefits, terms and conditions of the original policy shall apply to the split policies.

   For details, please refer to the policy provisions.
9. Option 1 will automatically apply if you do not elect an option by giving us written notice in a form required by us. If the death of the insured occurs on or before the 5th policy anniversary date, option 1 shall automatically apply. If there is more than 1 beneficiary, you must choose the same "death benefit settlement option" for all beneficiaries, failing of which, we will pay the "death benefit" in accordance with option 1 to all beneficiaries.
10. Options 2 to 7 are only available after the 5th policy anniversary date and provided that all the following conditions are met: (i) the policy has not been assigned; (ii) the death benefit amount is equal to or greater than USD125,000 (or its equivalent in the policy currency) at the time of approving the death claim; and (iii) the monthly instalment amount, wherever applicable, must not be less the minimum amount requirement determined by us from time to time at our sole discretion without prior notice. If any one of the above conditions cannot be fulfilled, option 1 shall automatically apply. Any unpaid balance of the "death benefit" will be left with us and accumulate interest. The interest rate is not guaranteed and will be at such rate as may be declared by us from time to time at our sole discretion. If the beneficiary dies during the payment period of monthly instalment, we shall, upon receipt and approval of due proof of death in the form specified by us, pay the balance of the "death benefit" and its accumulated interest (if any) to the estate of the beneficiary in a lump sum payment. For details, please refer to "death benefit settlement" section of policy provision.
11. You are allowed to designate a percentage between 0% and 100% of the "death benefit" (as specified in the "death benefit" provision of the "benefit provisions") in advance for each of the life events of the beneficiary by completing and submitting to us in our prescribed form and subject to our then administrative rules and requirements as we set out from time to time as well as our approval at our sole discretion. Upon receipt of satisfactory proof, we will pay the benefit amount which is equivalent to the life events designated percentage for that particular life event of the beneficiary multiplied by the "death benefit" (as specified in the "death benefit" provision of the "benefit provisions") in a lump sum payment to the beneficiary, of which the maximum payable amount shall not exceed the remaining balance of the death benefit amount. For details, please refer to "death benefit settlement" section of policy provision.
12. Prepaid premium will be credited with interest at the prepayment interest rate at the end of each policy year until the end of the premium term. The prepayment interest rate is guaranteed based on the prevailing rate at the policy issue date as determined at the Company entire discretion. Only full withdrawal of prepaid premium (together with accrued interest, if any) is allowed, subject to terms and conditions and claw back charge required. For details, please refer to the policy provisions.

13. "Cash withdrawal" will be deducted in the following sequence: (a) from the accumulated cash dividends and accumulated interest (non-guaranteed, if any) until its exhaustion; (b) from the guaranteed cash value and terminal dividend (non-guaranteed, if any) proportionately, which in turn will reduce the notional amount. In the event of any reduction in the notional amount in (b), you will automatically be deemed to have partially surrendered the policy, and there will be a consequential adjustment on the values of the guaranteed cash value, accumulated cash dividends and accumulated interest (non-guaranteed, if any), terminal dividend (non-guaranteed, if any) and total premiums paid on the basis of the reduced notional amount. "Cash withdrawal" is subject to a minimum withdrawal amount of USD5,000 (or its equivalent in policy currency). No "cash withdrawal" will be allowed which has the effect of reducing the notional amount of the policy to fall below the minimum notional amount required. Any "cash withdrawals" that lead the notional amount to fall below our then minimum requirements will be deemed to have fully surrendered the policy. The application for "cash withdrawal" is subject to the applicable laws, regulations, our administrative rules and requirements as set out from time to time. The Company reserves the right to restrict any or more of the following: (a) the number; (b) the timing; and (c) the amount of cash withdrawal.
14. The minimum amount of a policy loan is USD5,000 (or its equivalent in the policy currency) and the maximum amount is 90% of the sum of the guaranteed cash value, the accumulated cash dividends and accumulated interest from the cash dividends (non-guaranteed, if any), less any indebtedness due by you to the Company under the policy at the time of our approval. Interest will be charged on policy loans at a rate determined by us from time to time. Please note that policy loan(s) will affect the amount of benefits payable under the policy. For details, please refer to the policy provisions.

Bonus Concept

This is a participating insurance plan designed to be held long term. Your premiums will be invested in a variety of assets according to our investment strategy, with the cost of policy benefits (such as charges to support guarantees (if applicable)) and expenses deducted as appropriate from premiums or assets. Your policy can share the divisible surplus (if any) from related policy groups determined by us. We aim to ensure a fair sharing of profits between policyowners and shareholders, and among different groups of policyowners. For the Plan's target profit sharing ratio between policyowners and shareholders, please visit our website at https://tplhk.cntaiping.com/en.

Future investment performance is unpredictable. Through our smoothing process, we aim to deliver more stable cash dividends and terminal dividend payment by spreading out the gains and losses over a longer period of time.

We will review and determine the cash dividends and terminal dividend amount to be payable to policyowners at least once per year. The actual cash dividends and terminal dividend declared may be different from those illustrated in any product information provided (e.g. benefit illustrations). If there are any changes in the actual cash dividends and terminal dividend against the illustration or in the projected future cash dividends and terminal dividend, such changes will be reflected in the policy anniversary statement.

A committee has been set up to provide independent advice on the determination of the cash dividends and terminal dividend amount to the Board of Directors of the Company. The committee is comprised of members from different departments within the organization. Each member of the committee will exercise due care, diligence and skill in the performance of his or her duties as a member. The committee will utilize the knowledge, experience, and perspectives of each individual member to assist the Board of Directors in the discharge of its duty to make independent decision and to manage the risk of conflict of interests, in order to ensure fair treatment between policyowners and shareholders, and among different groups of policyowners. The actual cash dividends and terminal dividend, which are recommended by the Appointed Actuary, will be decided upon the deliberation of the committee and finally approved by the Board of Directors of the Company, including one or more Independent Non-Executive Directors.

To determine the cash dividends and terminal dividend of the policy, we consider both past experiences and the future outlook of all the factors including, but not limited to, the following:

Investment returns: include interest earnings, dividends and any changes in the market value of the product's backing assets. Depending on the asset combination adopted for the product, investment returns could be affected by fluctuations in interest income (both interest earnings and the outlook for interest rates) and various market risks, including credit spread and default risk, fluctuations in equity prices, property prices and foreign exchange currency fluctuation of the backing asset against the policy currency.

Claims: include the cost of providing death benefits and other insured benefits under the product(s).

Surrenders: include policy surrenders, partial surrenders and policy lapses; and the corresponding impact on the investments backing the product(s).

Expenses: include both expenses directly related to the policy (e.g. commission, underwriting, issue and premium collection expenses) and indirect expenses allocated to the policy group (e.g. general administrative costs).

You may browse the Company's website (https://tplhk.cntaiping.com/en/info/fulfillment_ratio) to understand the Company's historical bonus fulfillment ratio for reference purposes. Fulfillment ratio is not an indicator of future performance of the participating products.

Investment Philosophy and Strategy

Our investment philosophy is to achieve sustainable and stable returns on investments whilst maintaining moderate investment risk levels in the long term. We strive to reward our policyowners with investment returns and protect their interests and reasonable expectations.

Through active portfolio management, we will invest in multiple asset classes to control and diversify investment risks and secure potential and stable returns under different economic conditions. In general, it is expected that we will, through this product, invest in a variety of asset classes, including but not limited to stocks, real estates, government bonds, corporate bonds, funds, alternative investments and cash. If needed, we may also utilize derivatives to manage our risk exposures, such as currency risk exposures. Derivatives may be utilized mainly for hedging purposes.

In terms of our geographic allocation of investments, we are inclined towards allocating our assets in various geographic regions and our major investment areas are currently Asia, North America and Pan-European regions. Our present currency exposures are mainly in USD and HKD and if we invest in assets in other currencies, we will hedge the foreign exchange ("FX") risk with the use of FX derivatives.

The asset allocation under our long-term investment strategy for the Plan is as follows:

Asset Category	Long-term Target Allocation (%)
Fixed Income and Alternative Investment	30% - 100%
Equity and Fund	0% - 70%

Depending on the asset allocation of the product, investment returns could be subject to fluctuations in interest income and a number of market risks including but not limited to credit spread and default risk, volatility in equity and property prices. These factors will have a significant impact on the determination of bonus.

Our investment strategy will be constantly adjusted according to changes in the investment market and economic conditions. We will review our long-term investment targets on a regular basis to ensure that they are in line with our business and financial goals. If there is material change in our investment strategy, we will inform the policyowner the details of the change, the reasons for the change as well as the impact it may have on the relevant policy.

Key Product Risks

1. **Exchange Rate Risk**

   The application of the Plan with the policy currency denominated in a foreign currency is subject to that foreign currency's exchange rate and currency risk. The foreign currency may be subject to the relevant regulatory bodies' control (for example, exchange restrictions). If your home currency is different from the policy currency, please note that any exchange rate fluctuation between your home currency and the policy currency of your policy will have a direct impact on the amount of premiums required and the value of the benefit(s) to be received. For instance, if the policy currency of your policy depreciates substantially against your home currency, the potential loss arising from such exchange rate movement may have a negative impact on your benefits to be received from the policy and your burden of the premium payment. You may browse our website (https://tplhk.cntaiping.com/en/customer-dhl) to find out the latest prevailing exchange rate for reference.

2. **Early Surrender Risk**

   The liquidity of the Plan is limited. You should hold the policy until the end of benefit term and reserve adequate liquid assets for emergency use. While the policy is in force, you may terminate the policy by sending a written surrender request. If the policy is terminated or surrendered before the end of benefit term of the policy, the surrender benefit received by you may be less than the total amount of premiums paid.

3. **Premium Term and Result of Non-premium of Payment**

   You should pay the premiums on time for the whole premium term. Any delay or missing of the payment of premiums due may lead to policy lapse and result in loss of coverage and financial loss.

4. **Automatic Premium Loan Risk**

   Any premium remains unpaid at the end of the grace period will be paid automatically use any prepaid premium(s) and interest (if any) to offset the premium due. Then, any outstanding unpaid premium will be paid automatically by way of a loan known as the "automatic premium loan". We will not advance you an "automatic premium loan" if the sum of the guaranteed cash value, the accumulated cash dividends and accumulated interest from the cash dividends (non-guaranteed, if any) is insufficient for paying the unpaid premium and levy (if any) plus any amount due or owing by you to us under the policy. In this case, the policy will terminate automatically with immediate effect at the premium due date (subject to the "reinstatement" provision of the premium provisions). You will lose insurance coverage under the policy and may suffer a financial loss. We will, subject to applicable laws, regulations and rules, refund to you the balance of any remaining the sum of the guaranteed cash value, the accumulated cash dividends and accumulated interest from the cash dividends (non-guaranteed, if any), after deducting any amount due or owing by you to us under the policy. For details, please refer to the policy provision.

5. **Credit Risk of Issuer**

   The Plan is issued and underwritten by the Company. Your policy is subject to the credit risk of the Company. All premiums paid become part of our assets and you do not have any rights or ownership over any of our assets. In the worst case, you may lose all the premiums paid and insurance coverage.

6. **Inflation Risk**

   Your current planned benefit may not be sufficient to meet your future needs since the future cost of living may become higher than they are today due to inflation. Where the actual rate of inflation is higher than expected, you may receive less in real terms even if we meet all of our contractual obligations.

7. **Investment Risks**

Our investments are based on policy details. Professional and licensed asset management company has been appointed to manage duration, currency exposure and the return according to the characteristics of the insurance products. We have long term strategic asset allocation (SAA) and short-mid term tactical asset allocation (TAA). Portfolio manager will follow the TAA range to optimize investment return. The portfolios are built up and aimed at attaining a balanced portfolio to deliver stable return by investing in fixed return financial assets, high quality alternative debt investments, public equity, private equity and fund investments.

(i) Market Risk and Price Risk

Market risk, which is also called "systematic risk", is the possibility for an investor to experience losses due to factors that affect the overall performance of the financial markets in which he is involved. Sources of market risk include recessions, political turmoil, changes in interest rates, natural disasters and terrorist attacks.

Price risk is the risk of a decline in the value of a security or a portfolio.

(ii) Interest Rate Risk and Credit Risk

The investments in debt and debt-related securities are subject to interest rate risk and credit risk. Interest rate fluctuations will affect the capital value of investments. Where long term interest rates rise, the capital value of shares is likely to fall and vice versa. Interest rate risk is the chance that such movements in interest rates will negatively affect the value of a security. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Credit risk reflects the ability of the borrower (bond issuer) to meet its obligations (pay the interest on a bond and return the capital on redemption date). Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values. The credit worthiness of each issuer will be considered carefully and certain level of diversification will be pursued by the portfolio manager.

(iii) Liquidity Risk

The Plan is a long term insurance policy. The policy contains value and, if you surrender your policy in the early policy years, the amount you get back may be considerably less than the total premiums you have paid. Application of the Plan may constitute the liquidity risk to your financial condition. You need to bear the liquidity risk associated with the Plan. Our investment manager will closely monitor the duration gap between investment and insurance liabilities and will ensure to prepare sufficient fund to meet each maturity of insurance contracts. Marketable fixed income instruments can be sold to provide cash flow for policy surrender when necessary.

Cancellation Right

You have the right to cancel the policy and obtain a refund of any premium and any levy paid less any market value adjustment, if applicable, by giving written notice to us within the cooling-off period, i.e. 21 calendar days immediately following the day of the delivery of (i) the policy; or (ii) the cooling-off notice to you or your nominated representative, whichever is earlier. However, no refund can be made if a claim under the policy has been made prior to your request for cancellation. After the cooling-off period expires, if you cancel the policy before the end of benefit term, the actual cash value may be substantially less than the total amount of premiums paid.

Grace Period

Other than the 1st premium, there is a grace period of 31 days after the due date of each premium. The policy will continue to be in force during the grace period even the premium is not paid. If you fail to pay the premium at the end of the grace period, the policy will automatically terminate, subject to the "automatic premium loan" provision (if any).

Exclusions for Suicide

If the insured commits suicide, whether sane or insane, within 1 year after the latest of (i) the policy issue date; (ii) the effective date; or (iii) the reinstatement date, the Company's liability under the policy will be limited to a refund of the premiums paid, without interest and after deducting any amount due or owing by you to the Company under the policy. If there has been a reinstatement of the policy, such refund of the premiums to you will be calculated from the date on which we confirm the policy is reinstated.

Duty of Disclosure

The policyowner and the insured of the policy have an obligation to disclose every fact material to our assessment of the risk of issuing the policy and any of its supplementary contract, if applicable.

If the policyowner or the insured fails to make the relevant disclosures in relation to the application of the Plan and such failure has materially affected the underwriting decision of the Company, the Company shall have the right to adjust the premiums of the policy, add additional exclusions or void the policy and demand a refund of the benefits previously paid. In the event that the Company void the policy as a result of fraud, the Company shall have the right not to refund the premium received. For details, please refer to the policy provisions.

Claims Procedures

If you wish to make a claim, you must send us written notice as soon as possible and in any event within 30 days from the date of the event which gives rise to such claim under the policy. You can get the appropriate claim forms by calling our customer service hotline (Hong Kong) (852) 800 961 589 / (Mainland China) (86) 95589, or download the forms from our website https://tplhk.cntaiping.com/en/customer-lpzyjbgxz, or by visiting our customer service centre.

Termination of Policy

The policy will automatically terminate upon the earliest of the following:

(i) failure to pay premium at the end of the grace period (subject to the "automatic premium loan" provision, if any); or

(ii) upon the death of the insured (unless the "policy continuation option" provision or the "contingent insured option" provision applies); or

(iii) upon the surrender of the policy; or

(iv) if the amount of the outstanding indebtedness due by you to us under the policy equals or exceeds 100% of the sum of the guaranteed cash value, the accumulated cash dividends and accumulated interest from the cash dividends (non-guaranteed, if any); or

(v) any circumstance contemplated under the "policy continuation option" provision or the "contingent insured option" provision has occurred rendering the policy unable to continue.

Unless otherwise stated, termination of the policy will not affect any claim or benefit arising before such termination.

You may cancel, or not to renew (if applicable), the policy by giving the requisite written notice to the Company. For details, terms and benefits, please refer to policy provisions. You can obtain the appropriate form(s) by calling our customer service hotline (Hong Kong) (852) 800 961 589 / (Mainland China) (86) 95589 or by visiting our customer service centre.

Important Notes

- From January 1, 2018, the Insurance Authority starts collecting levy on insurance premiums from policyowners for policies issued in Hong Kong Special Administrative Region of the People's Republic of China (the "HKSAR"). For details of the levy and its collection arrangement, please visit our website (https://tplhk.cntaiping.com).
- The Plan is an insurance product. All premiums paid are used for the insurance and related costs of the policy. The premiums paid are not the savings deposit or time deposit of the bank. It is not protected deposit under the Deposit Protection Scheme in the HKSAR. The Plan is intended only for sale in the HKSAR.
- The Plan is underwritten by China Taiping Life Insurance (Hong Kong) Company Limited.
- The Company is authorized and regulated by Insurance Authority to carry on long-term life insurance business in the HKSAR.
- The offer of the Plan is limited and subject to availability. The Company reserves the right to decide at its sole discretion whether to accept or decline any application for the Plan according to the information provided by the applicant and the proposed insured at the time of application.
- This product brochure is issued by the Company and is intended to be distributed in the HKSAR only. It shall not be construed as any offer to sell or a solicitation of an offer or recommendation to purchase or sale or provision of any products of the Company outside the HKSAR.

Company Profile

China Taiping Life Insurance (Hong Kong) Company Limited (the "Company") is a life insurance subsidiary of China Taiping Insurance Group Co., Ltd ("China Taiping"). Founded in Shanghai in 1929, China Taiping is not only a time-honored national insurance brand with the longest history in the country, but also the only Chinese state-owned financial and insurance group whose management headquarters is located in Hong Kong.

Since the Company's business started in 2015, it has been dedicated to business developments both in Hong Kong and Macau while having a resolutely global outlook. In the severe market environment, the Company actively seeks change and progress while maintaining stability. Having sped up value transformation and achieved high-quality development, the Company have continuously enhanced its comprehensive strength.

Official Wechat Account

Facebook Page

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中國太平人壽保險(香港)有限公司
CHINA TAIPING LIFE INSURANCE(HONG KONG)COMPANY LIMITED

Customer Enquiry

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