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

Savings and Life Insurance



Perpetual Life Savings Insurance Plan

How much retirement savings do you need?

On average, retirement expenses amount to about **$21,000** per person per month[#],
which means you may need savings of around **$5.27 million**[#] to retire comfortably



How much you should prepare for your children?



Parents typically set aside an additional **$2.26 million**[*] per child to feel secure, with most of it going toward education costs

Can your wealth keep up with inflation?

While the current average inflation rate is only **1.4%**[^], but over time even small increases can gradually erode the value of your savings over time



How can you pass on wealth to the next generation?



Establishing a trust: offers structured wealth transfer but requires substantial assets and comes with high costs

Making a will: offers less flexibility as it only takes effect after the will-maker passes away

Remarks

The above amounts are in HKD | [#] Ming Pao, "HKIFA estimates HK$5.27 million needed for retirement – survey shows monthly expenses of HK$21,000 over 21 years", 2025 | * Hong Kong Deposit Protection Board, "Hong Kong People's 'Savings Security' Index Survey", 2025 | ^ Census and Statistics Department, "Consumer Price Index", 2025

EVERY STAGE OF LIFE DESERVES AN EVERLASTING LEGACY

China Taiping Life Insurance (Hong Kong) Company Limited (the "Company") is delighted to present you **Perpetual Life Savings Insurance Plan** (the "Plan") , a tailored solution that enables you to grow your wealth, secure a worry-free retirement, and seamlessly pass on your legacy. Featuring flexible policy withdrawals, and customizable death benefit payout options, the Plan grants you complete autonomy over how your wealth is preserved for generations to come.

PLAN HIGHLIGHTS



Grow your retirement reserve with guaranteed and potential returns

guaranteed cash value + reversionary bonus[1] + terminal bonus[1]



Flexible cash withdrawal[2] and policy loans[3] for extra liquidity



Up to 7 death benefit settlement options

in addition to lump sum payment for designated life events



Celebrate your milestone with our birthday benefit



Easy policy transfer across generations

with various legacy option

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

Grow your retirement reserve with guaranteed and potential returns

The Plan offers guaranteed cash value for steady wealth growth, plus reversionary bonus[1] and terminal bonus[1] to unlock your wealth potential.

Guaranteed portion	Non-guaranteed portion	
Guaranteed cash value	**Reversionary bonus[1]**	**Terminal bonus[1]**
	Allocation Annual basis	**Allocation** One-off basis
	When will it be declared? Starting from the end of the 2nd policy year	**When will it be declared?** Starting from the end of the 3rd policy year
• Guaranteed • Payable upon the death of the insured, or surrender (in whole or in part), maturity or termination of the policy	**Face value of the bonus** • Non-guaranteed, but guaranteed once declared • Accumulated within to the policy on a permanent basis • Payable upon the death of the insured	**Face value of the bonus** • Non-guaranteed • Payable upon the death of the insured
	Cash value of the bonus • Non-guaranteed • Will not accumulate within the policy • Payable upon cash withdrawal, or surrender (in whole or in part), maturity or termination of the policy	**Cash value of the bonus** • Non-guaranteed • Payable upon cash withdrawal, or surrender (in whole or in part), maturity or termination of the policy

Flexible withdrawal[2] and policy loans[3] for extra liquidity

In case you need extra cash flow, starting from the 2nd policy year onwards (only applicable to policy with single-pay premium term) / 4th policy year onwards (only applicable to policy with 3-year premium term), you can apply to make "cash withdrawals"[2] from the policy. What's more, you can apply for a policy loan[3] to cope with your immediate needs while keeping the policy in force.

Policyowner mental protection privilege[4]

Starting from the 4th policy year, you can nominate one of your trusted ones to take over the policy in the unfortunate event you are suffering from a mental issue and diagnosed with one of the designated illnesses[4], including Alzheimer's Disease, Appallic Syndrome, Coma, Major Head Trauma and Severe Dementias. That way, the value of your policy will not be affected and can be passed on to your trusted ones for peace of mind.

Change of insured option[5, 6]

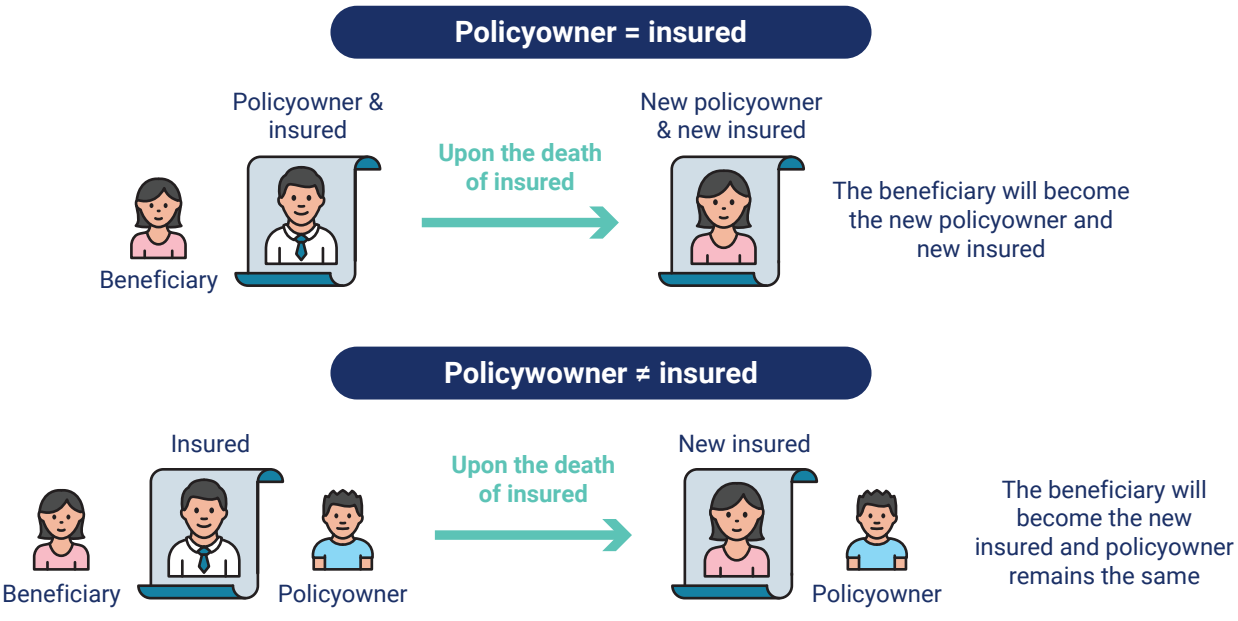
Starting from the 2nd policy year while the insured is alive, you can apply for the "change of insured option"[5, 6] for unlimited times to replace the existing insured with another person in lieu as a replacing insured without affecting the policy values, such that the value of the policy can be inherited 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 policy anniversary date on or following the 130th birthday of the replacing insured, whereas the coverage for the original insured will cease.



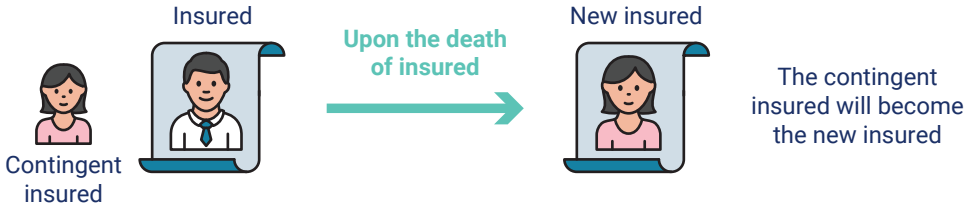
Policy continuation option[5, 7]

The Plan offers a "policy continuation option"[5, 7] 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[8].



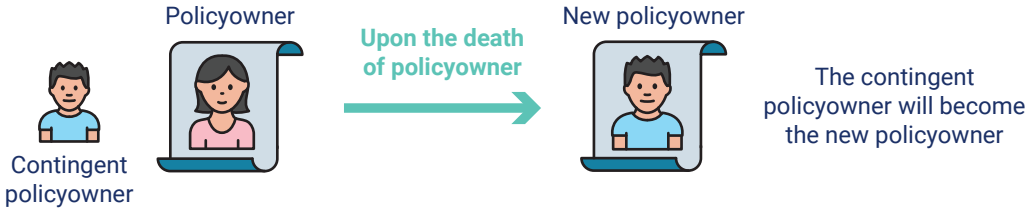
Contingent insured option[5, 9]

Starting from the 2nd policy year, while the insured is alive, you can apply for the "contingent insured option"[5, 9] to nominate a contingent insured for the policy. 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.



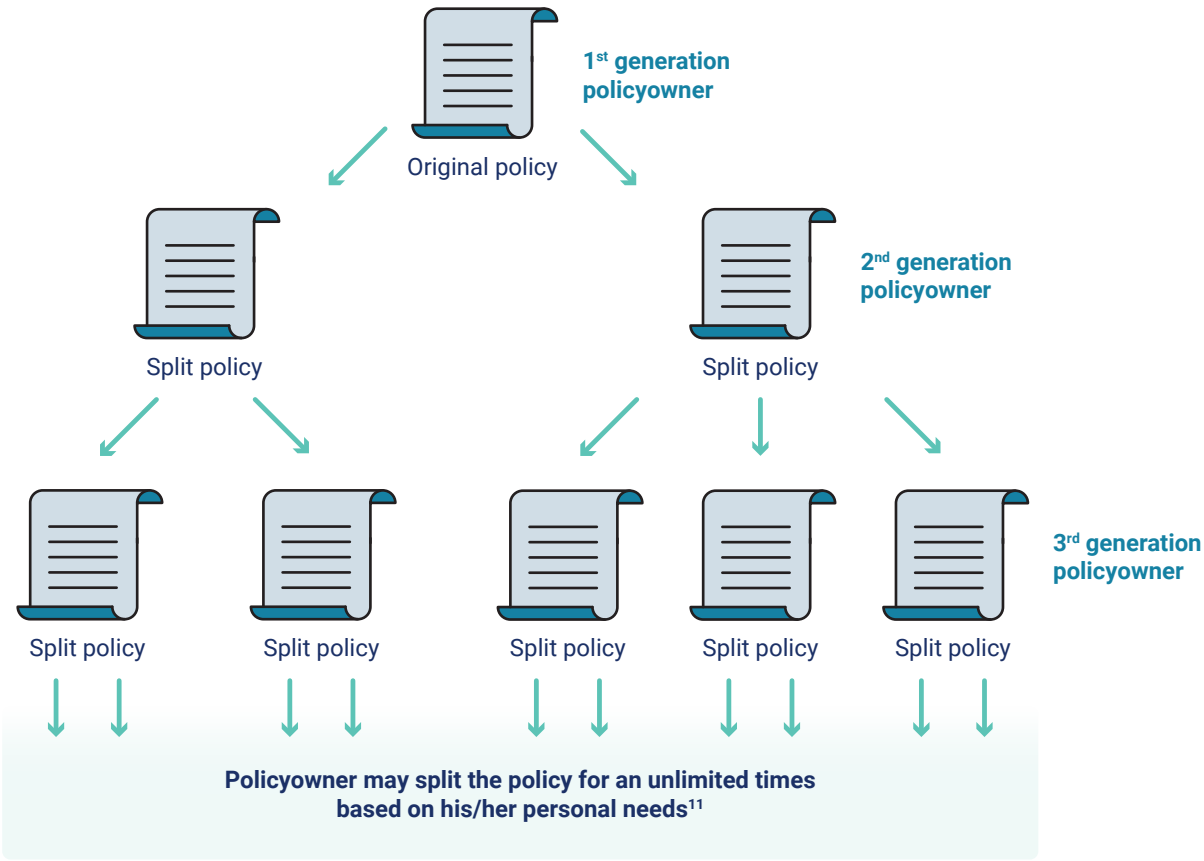
Contingent policyowner option[5, 10]

To prepare for any unforeseeable events, you may nominate a contingent policyowner upon policy application or make a change at any time while the policy is in force by applying for "contingent policyowner option"[5, 10]. The policy can be managed by the contingent policyowner in the event of unfortunate death of the current policyowner.



Split policy to manage asset allocation efficiently

Starting from the 3rd policy anniversary date or the premium paid up date of the Plan (whichever is later) (only applicable to policy with 3-year premium term) / Starting from the 3rd policy anniversary date (only applicable to policy with single premium term), you may exercise the "policy split option"[11] once per policy year to separate your policy into 2 or more new policies ("split policies"), allocating your assets according to your needs and plans.



Life protection with flexible death benefit settlement options[12]

In the unfortunate event that the insured passes away without having chosen a "policy continuation option"[5, 7] or "contingent insured option"[5, 9], the Plan offers a "death benefit" to lighten the financial load of your loved ones during this difficult time.

Since you know your loved ones best, the Plan allows you to choose from 7 "death benefit settlement options"[12], ensuring each beneficiary receives the right support at the right time.

Death benefit settlement options[12]	
Option 1	**Lump sum payment**
Option 2	**Monthly instalment**[13]
Option 3	**Monthly instalment until designated age of the beneficiary**[13]
Option 4	**Partial payment by instalment**[13]
Option 5	**Deferred payment for juvenile beneficiary**[13]
Option 6	**Increasing instalment payment**[13]
Option 7	**Flexi-legacy**[13, 14] - 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%**

Birthday benefit[15]

Starting from the 11th policy year, if the initial insured is aged 65 or above, you will receive "birthday benefit"[15]. This benefit not only recognize your commitment, but also provides a financial boost for your retirement years.

Choices of premium term with prepayment option and guaranteed prepayment interest rate[16]

The Plan offers premium terms of single and 3 years for your selection. If you can opt for 3-year premium term and make a one-time 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[16] for you.

PRODUCT INFORMATION

Product Type	Savings and life insurance	
Plan Type	Basic plan	
Premium Term	Single Pay	3 years
Issue Age (Age Last Birthday)	15 days - age 75	
Benefit Term	Up to age 130 of the insured	
Policy Currency	USD / HKD	
Minimum Notional Amount	USD10,000 / HKD80,000	
Payment Mode	Single pay	Annually
Characteristics and Level of Premiums	Single pay	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 + Any face value of reversionary bonus + Any face value of terminal bonus – Any outstanding amount due or owing by you to us under the policy	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 + Any face value of reversionary bonus + Any face value of terminal bonus + 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 + Any cash value of reversionary bonus + Any cash value of terminal bonus – Any outstanding amount due or owing by you to us under the policy	Guaranteed cash value + Any cash value of reversionary bonus + Any cash value of terminal bonus + 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
Maturity Benefit	Guaranteed cash value + Any cash value of reversionary bonus + Any cash value of terminal bonus – Any outstanding amount due or owing by you to us under the policy	
Birthday Benefit[15]	1% of the total premiums paid in a lump sum	

ILLUSTRATIVE EXAMPLES

Comprehensive Savings and Protection for Life's Milestones

Sarah, dreams of retiring early to travel the world while ensuring her daughter, Emma, is financially protected. She chooses **"Perpetual Life Savings Insurance Plan"** to turn this vision into reality. With flexible premium options and guaranteed cash value growth, the Plan gives Sarah the confidence to build her savings today, enjoy a worry-free retirement tomorrow, and pass on a meaningful legacy to Emma, no matter what the future holds.



Policyowner	Sarah (age 35)	Insured	Emma (15 days)
Premium term	3 years	Annual premium	USD50,000
Total premiums paid	USD150,000		

Non-guaranteed bonuses value | **Guaranteed cash value**

Policy year

Policy inception

Sarah, a mother (age 35) purchases the Plan and named her daughter, Emma (15 days) as the insured

15

On the 15th policy anniversary date, the projected total cash value of the policy#: USD292,523

Non-guaranteed bonuses value	Guaranteed cash value
USD141,614	USD150,909

Kammy, the granddaughter (age 0) is born. Sarah, the mother (age 55) exercises "policy split option"[11] to separate the policy into 2. She changes the policyowner of both split policies to Emma, the daughter (age 20) and the insured of split policy 2 to Kammy, the granddaughter

Split policy 1

20

Notional amount of spilt policy: USD75,000
Projected total cash value of the policy#: USD198,431

Non-guaranteed bonuses value	Guaranteed cash value
USD122,188	USD76,243

POLICYOWNER Emma | INSURED Emma

30

On the 30th policy anniversary date, the projected total cash value of the policy#: USD405,547

Non-guaranteed bonuses value	Guaranteed cash value
USD327,706	USD77,841

65

On the 65th policy anniversary date, the projected total cash value of the policy#: USD4,224,244

Non-guaranteed bonuses value	Guaranteed cash value
USD4,134,056	USD90,188

Emma, the daughter (age 65) qualifies for the "birthday benefit"[15] to supplement her retirement income as a reward for her long-term commitment to the policy

On the 65th policy anniversary date,

the projected total cash value of both split policies# is USD8,448,488

(up to 56 times of total premiums paid).

Split policy 2

20

Notional amount of spilt policy: USD75,000
Projected total cash value of the policy#: USD198,431

Non-guaranteed bonuses value	Guaranteed cash value
USD122,188	USD76,243

POLICYOWNER Emma | INSURED Kammy

40

On the 40th policy anniversary date, the projected total cash value of the policy#: USD801,633

Non-guaranteed bonuses value	Guaranteed cash value
USD721,539	USD80,094

Emma, the daughter (age 40) changes the policyowner to Kammy, the granddaughter (age 20), establishing a financial foundation that provides a lifelong safety net for her education and future financial needs

POLICYOWNER Kammy | INSURED Kammy

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 cash value and face value of accumulated reversionary bonus, cash value and face value of terminal bonus payable may be higher or lower than the above illustrated figures. Under some circumstances, the actual amounts of these bonuses 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 reversionary bonus (if any), of the terminal bonus (if any) 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.

Foresight today, reassurance for your family

Mark wants to ensure his wife Sally and their family remain financially secure no matter what life brings. He chooses the **"Perpetual Life Savings Insurance Plan"** to build savings steadily while safeguarding his loved ones. With policyowner mental protection privilege[4], the Plan gives Mark the confidence that Sally can take over seamlessly if he unfortunately becomes incapacitated, flexibly withdraw cash value[2] to meet needs, and eventually pass on a lasting legacy to their daughter Amy.



Policyowner and insured	**Mark (age 40)**
Premium term	**Single pay**
Total premiums paid	**USD250,000**

Non-guaranteed bonuses value **Guaranteed cash value**

Policy year 4

Mark, a husband (age 40) purchases the Plan

Kelly, the daughter (age 0) is born. Mark (age 44) nominates his wife Sally (age 29) as the designated contingent policyowner option[5, 10], ensuring she can seamlessly take over the policy in the event he becomes incapacitated

Policy year 20

On the 20th policy anniversary date, the projected total cash value of the policy#: USD698,949

USD443,466 **USD255,483**

Mark (age 60) is involved in a severe motorcycle accident. He suffers Major Head Trauma and is hospitalized in the intensive care unit. After several weeks, he remains in a Coma with no signs of neurological recovery. The policy ownership is transferred, allowing Sally (age 45) to manage the policy seamlessly

Policy year 35

On the 35th policy anniversary date, the projected total cash value of the policy#: USD2,006,422

USD1,742,140 **USD264,282**

Years later, Mark (age 75) passes away. As Sally (age 60) approaches retirement age, she decides to withdraw USD12,500 from the policy, providing additional financial support for her daily living expenses and overall retirement planning

Policy year 61

On the 61st policy anniversary date, the projected total cash value of the policy#: USD10,777,983

USD10,501,691 **USD276,292**

Sally (age 86) changes the policyowner and insured of the policy to Amy. The policy cash value remains in force and continues to accumulate, supporting the continuation of family wealth

Policy year: Policy inception, 4, 20, 35, 61

On the 61st policy anniversary date, the value of accumulated cash withdrawals amount plus total cash value of the policy# is USD11,115,483 (up to 44.5 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 cash value and face value of accumulated reversionary bonus, cash value and face value of terminal bonus payable may be higher or lower than the above illustrated figures. Under some circumstances, the actual amounts of these bonuses 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.

The projected total cash value illustrated is the sum of the policy's guaranteed cash value plus the non-guaranteed cash values of reversionary bonus (if any), of the terminal bonus (if any) 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. The Company will declare the reversionary bonus at the sole discretion of the Company on end of 2nd policy year and at the end of every policy year and declare terminal bonus at the sole discretion of the Company on end of 3rd policy year and at the end of every policy year. The amount of reversionary bonus and terminal bonus will be determined by the Company at its sole discretion.
2. "Cash withdrawal" will be deducted in the following sequence: (a) from the cash value of reversionary bonus (non-guaranteed, if any) until its exhaustion; (b) from the guaranteed cash value and the corresponding cash value of the terminal bonus (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, future declaration of the reversionary bonus and terminal bonus, and total premiums paid. "Cash withdrawal" is subject to a minimum withdrawal amount of USD500 (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.
3. 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 and the cash value of reversionary bonus (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.
4. You may nominate 1 designated policyowner in advance to take up the ownership of the policy in the case where the policyowner is unequivocally diagnosed as suffering from one of the following covered illnesses: (a) Alzheimer's Disease; (b) Apallic Syndrome; (c) Coma; (d) Major Head Trauma; or (e) Severe Dementias. Exclusions apply, please refer to policy provisions for details. At the time of receiving the written request, the designated policyowner's attained age on his/her last birthday must be 18 or above and you must provide us with satisfactory proof of designated policyowner's insurable interest in the insured and such other information as may be requested by us in processing your application. Subject to the prevailing rules and all applicable laws and regulations, please prefer to the policy provision for details.
5. Subject to the Company's approval and prevailing conditions and requirements as determined in the Company's sole discretion from time to time.
6. The proposed replacing 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. Upon the Company's approval of the application for "change of insured option", the maturity date will be adjusted to the policy anniversary date on or following the 130th birthday of the replacing insured.
7. 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 of "policy continuation option" 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, while maturity date will be adjusted to the policy anniversary date on or following the 130th birthday of the new insured.
8. 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.
9. While the policy is still in force and the insured is alive, make a written request to us in our prescribed form to nominate a contingent insured to keep the policy in force after the death of the insured, provided that only 1 contingent insured can be nominated 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 last birthday must not be over 65.
10. Only 1 contingent policyowner can be nominated prior to the death of the policyowner. The proposed contingent policyowner must have proof of insurable interest in the insured which is satisfactory to us, and his/her attained age on last birthday must be 18 or above.

11. 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 3rd policy anniversary date or the premium paid up date of the basic plan (whichever is later) (only applicable to policy with 3-year premium term) / your application of policy split must be made within 60 days before a policy anniversary date starting from the 3rd policy anniversary date (only applicable to policy with single premium term);
    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 (only applicable to policy with 3-year premium term);
    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, policy year and maturity date of the split policies will be the same as the original policy right before policy split;
    b) the total premiums paid, guaranteed cash value, face values and cash values of the reversionary bonus and terminal bonus 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 designated policyowner, 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.
12. 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.
13. 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.
14. 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.
15. The application together with identity document of the initial insured (if at the time of policy application, no such identity document was provided or if the identity document provided is expired) must be submitted to us within 180 days after the 11th policy year while the policy is still in force, and the attained age of the initial insured reaches 65 or above, whichever is later. "Birthday benefit" can only be claimed once per initial insured and per policy, irrespective of the number of policy issued on the life of the same insured with the same basic plan as the policy. The benefit under all such policies will automatically end once we pay the proceed as described above. We reserve the right to change the terms and conditions of the benefit from time to time at our sole discretion provided that a reasonable prior notice in writing is given. For the avoidance of doubt, the benefit will terminate once there is any change of insured.
16. 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's entire discretion. Only full withdrawal of the 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.

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.

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

We will review and determine the reversionary bonus and terminal bonus amount to be payable to policyowners at least once per year. The actual reversionary bonus and terminal bonus declared may be different from those illustrated in any product information provided (e.g. benefit illustrations). If there are any changes in the actual reversionary bonus and terminal bonus against the illustration or in the projected future reversionary bonus and terminal bonus, 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 reversionary bonus and terminal bonus 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 reversionary bonus and terminal bonus, 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 reversionary bonus and terminal bonus 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 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 (Only Applicable to Policy With 3-year Premium Term)**

   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 and cash value of the reversionary bonus (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 and cash value of the reversionary bonus (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 of long term insurance will be made for certain determined term of years starting from the policy effective date to the policy maturity date. The policy contains value and, if you surrender your policy in the early policy years or before its maturity date, 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 (Only Applicable to Policy With 3-year Premium Term)

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 (only applicable to policy with 3-year premium term), 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.

Exclusions for Policyowner Mental Protection Privilege

The policy shall not cover any total permanent disability or any of the following illnesses, including Alzheimer's Disease, Apallic Syndrome, Coma, Major Head Trauma or Severe Dementias, caused directly or indirectly, wholly or partly, voluntarily or involuntarily by any of the following occurrences:

(a) war, declared or undeclared, or revolution, and any warlike operation;

(b) violation or attempted violation of the law or resistance to arrest;

(c) served in the armed forces in time of declared or undeclared war or while under orders for warlike operations or restoration of public order;

(d) the insured or policyowner (as the case may be) entering, exiting, operating, servicing, or being transported by any aircraft, aerial device or conveyance, except as a fare-paying passenger (not as a pilot / operator or a member of the aircrew) in any properly licensed private aircraft and / or commercial aircraft;

(e) suicide or attempted suicide or self-inflicted injury or deliberate exposure to exceptional danger (except in an attempt to save human life), or is sustained whilst the insured or policyowner (as the case may be) is in a state of insanity;

(f) in the case of a woman, pregnancy, miscarriage, childbirth, or any complications concerning therewith notwithstanding that such event may have been accelerated or induced by injury;

(g) accident occurring while or because the insured or policyowner (as the case may be) is under the influence of alcohol or any non-prescribed drug;

(h) the insured or policyowner (as the case may be) engaging in a sport in a professional capacity or where the insured or policyowner (as the case may be) would or could earn income or remuneration from engaging in such sport;

(i) assault, murder, riot, civil commotion, strikes or making an arrest while the insured or policyowner (as the case may be) is employed as a full or part-time police officer, or cadet officer or is an officer or member of the Correctional Services Department;

(j) riot, civil commotion or strikes while the insured or policyowner (as the case may be) is employed as a fireman or is on duty as a fireman in the course of extinguishing fires or protecting life and property in case of fire; or

(k) pre-existing condition.

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) (only applicable to policy with 3-year premium term); 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 and cash value of the reversionary bonus (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; or

(vi) upon the maturity date of the policy.

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

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

Customer Enquiry

Customer Service Hotline : (852) 800 961 589 ; (86) 95589 | Website : https://tplhk.cntaiping.com
Customer Service Centre : 7/F, China Taiping Tower Phase I, 8 Sunning Road, Causeway Bay, Hong Kong