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

Savings and Life Insurance



Diamond Fortune Savings Insurance Plan

ENABLING YOU TO ACHIEVE YOUR SHORT TERM FINANCIAL GOALS WITH EASE AND ENJOY A PROSPEROUS LIFE.

China Taiping Life Insurance (Hong Kong) Company Limited (the "Company") is delighted to present you **Diamond Fortune Savings Insurance Plan** (the "Plan") which offers both guaranteed cash value and non-guaranteed maturity dividend[1], helping you to build your wealth for future while enjoying life protection.



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

Wealth accumulation with guaranteed return

The Plan offers you guaranteed cash value which is increasing with the policy year, so that your assets can accelerate steadily.

What's more, the Plan offers a non-guaranteed maturity dividend[1] which is payable upon the end of 5th policy year.

Single premium payment with ease

With a one-off premium payment, you can enjoy 5-year life protection under the Plan.

Boost your savings with maturity benefit

After the 5-year protection under the Plan, provided that the insured is alive at the end of the benefit term, you will receive a maturity benefit, enabling you to achieve your saving goals more easily.

Life protection for your loved ones

In the unfortunate event of the death of the insured while the policy is in force, the beneficiary will receive a death benefit to alleviate any immediate financial burden.

Policy loans[2] for emergency cash

To adapt to your financial needs, you can always apply for a policy loan[2] with a minimum amount of USD5,000 (or its equivalent in the policy currency) and a maximum amount of 90% of guaranteed cash value for emergency cash while keeping your policy in force.



PRODUCT INFORMATION

Product Type	Savings and life insurance
Plan Type	Basic plan
Premium Term	Single
Issue Age (Age Last Birthday)	15 days - age 75
Benefit Term	5 years
Policy Currency	USD / HKD
Minimum Notional Amount	USD25,000 / HKD200,000
Payment Mode	Single pay
Characteristics and Level of Premiums	Level and guaranteed
Death Benefit	The greater of the following as at date of insured's death: (a) 101% of the total premiums paid; or (b) guaranteed cash value **–** Any outstanding amount due or owing by you to us under the policy
Surrender Benefit	Guaranteed cash value **–** Any outstanding amount due or owing by you to us under the policy
Maturity Benefit	Guaranteed cash value **+** maturity dividend[1] (non-guaranteed, if any) **–** Any outstanding amount due or owing by you to us under the policy

Remarks

1. The amount of maturity dividend will be determined by the Company at its sole discretion.
2. 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 guaranteed cash value, less any indebtedness due by you to us under the policy at the time of the Company's approval. Interest will be charged from the date such loans are incurred and until they are fully repaid. 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.

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

We will review and determine the maturity dividend amount to be payable to policyowners at least once per year. The actual maturity 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 maturity dividend against the illustration or in the projected future maturity 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 maturity 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 maturity dividend, which is 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 maturity 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	60% - 100%
Equity and Fund	0% - 40%

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. **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.

4. **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.

5. **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.

Exclusions for Suicide

If the insured commits suicide, whether sane or insane, within 1 year after the latest of (i) the policy issue date; or (ii) the effective 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.

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) upon the death of the insured; or

(ii) upon the surrender of the policy; or

(iii) if the amount of the outstanding indebtedness due by you to us under the policy equals or exceeds 100% of the guaranteed cash value; or

(iv) 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, and is a product of the Company but not Agricultural Bank of China Limited, Hong Kong Branch ("ABC"). ABC is an insurance agent authorized by the Company. For any eligible dispute (as defined in the Terms of Reference for the Financial Dispute Resolution Centre in relation to the Financial Dispute Resolution Scheme) arising between ABC and the customer out of the selling process or processing of the related transaction, ABC is required to enter into a Financial Dispute Resolution Scheme process with the customer; however any dispute over the contractual terms of the Plan should be resolved between the Company and the customer directly.
- 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.

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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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