

## Wise Legend Multi-Currency Plan (Excel)

Underwritten by China Life Insurance (Overseas)  
Company Limited



Agency :



Insurance Company :



# Wise Legend Multi-Currency Plan (Excel)

## Exceptional flexibility Infinite wealth legacy

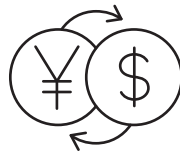
Underwritten by China Life Insurance (Overseas) Company Limited ("China Life (Overseas)"), Wise Legend Multi-Currency Plan (Excel) ("Wise Legend (Excel) or the Plan") is a whole life savings insurance plan with all-in-one features. The Plan allows you to choose from various policy currencies, helps opening your world to infinite possibilities. The Plan also assists you to enjoy long-term wealth accumulation, flexible change of policy currency and option to split your policy as your financial needs evolve, helping you to pass your legacy onto the generations to come. The Plan is a wise choice for you - build your wealth today for a prosperous future for generations to come.

## Plan Features

### Wealth accumulation with ease



Multiple  
potential returns



Switch of  
policy currency



Lock in your gains  
from terminal dividend

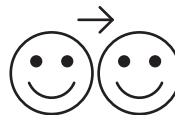
### Pass your legacy for generations to come



Policy split



Unlimited  
change of insured



Contingent  
insured



Life protection and  
settlement options

### Financing with flexibility



Premium holiday



## Wealth accumulation with ease

### Multiple potential returns to accelerate wealth building

The Plan is a participating insurance plan that offers you potential capital growth. The policy value consists of the following guaranteed and non-guaranteed components:

**Guaranteed cash value** grows over the policy years helping you accumulate wealth.

**Terminal dividend<sup>1</sup>** is a one-off non-guaranteed dividend, which is not perpetually attached to the policy and may be reduced or increased at subsequent declarations. Terminal dividend<sup>1</sup> (if any) is payable from the 5<sup>th</sup> policy anniversary upon policy surrender or death benefit (if applicable) payment, whichever is earlier. Under the worst-case scenario, non-guaranteed terminal dividend<sup>1</sup> may be zero. Policyholder can refer to the "Policy Anniversary Statement" for details about non-guaranteed terminal dividend<sup>1</sup> amount for relevant policy year.

**Total amount of terminal dividend management account<sup>2</sup>** is equivalent to locked-in terminal dividend and its interest<sup>3</sup> (if any) less withdrawal amount (if any).

### Switch policy currency to keep pace with market trends

Whenever you wish to capture currency opportunities, prepare fund for staying overseas after retirement or for your children's education abroad, the Plan is a good fit for you.

Between 60 days and 90 days (both days inclusive) before the 3<sup>rd</sup> policy anniversary and before every policy anniversary thereafter, you can choose to apply through China Life (Overseas) for exercising the currency conversion option<sup>4,5</sup> to change the existing policy currency to other policy currency. China Life (Overseas) offers various policy currencies for you to choose from, please refer to enrollment terms in the below for details.

Your policy will be converted to a policy ("new policy") in the specified plan of the designated currency at the time of conversion. The policy effective date of the new policy will remain the same after the policy currency switch and the wealth will continue to accumulate.

There is no limitation on the number of times of exercising the currency conversion option<sup>4,5</sup>, however the policyholder can apply for currency conversion option once only in each policy year. The new policy currencies available for selection are policy currencies China Life (Overseas) makes available for selection at the time when applying for currency conversion option. Once the policyholder submitted currency conversion option<sup>4,5</sup> application to China Life (Overseas), the policyholder cannot change, cancel, revoke or terminate the application. Before exercising the currency conversion option, the policyholder should base on the future policy value indicated by China Life (Overseas) to evaluate in detail for the differences between the offerings of the original plan and the plan available for currency exchange provided by China Life (Overseas). Material difference includes but not limited to: product features (i.e. benefits, terms and conditions, investment strategy, target asset mix and relevant investment return and limitation). The policyholder should consider whether the relevant product meets his/her own individual needs, and should not convert to the plan solely for the sake of exercising the currency conversion option. The currency conversion option may not be available in the new policy after exercising the currency conversion option, which means you may not be able to further change the policy currency of the new policy and in a worst-case scenario, it may only be a one-time option depending on the new policy's product features. For more details, please refer to Notes 4, 5 and key product risks - "Risk from exercising currency conversion option" in this product brochure, or call China Life (Overseas) customer service hotline at (852) 3999 5519 for enquiry.

### Terminal dividend management option to help you lock in gains from terminal dividend

Terminal dividend is non-guaranteed. To facilitate your financial need, starting from the 15<sup>th</sup> policy anniversary, you can apply through China Life (Overseas) within 30 days starting from every policy anniversary (including the date of policy anniversary) for exercising the terminal dividend management option<sup>2</sup> to lock in a designated percentage of the terminal dividend of the policy. This option can only be exercised once for each policy year. The minimum percentage for each application is 10% and the maximum aggregate percentage of all applications is 50%. The terminal dividend which is applied to lock in will be transferred to the terminal dividend management account and will become locked-in terminal dividend and the locked-in terminal dividend will not be reduced. The locked-in terminal dividend will then be guaranteed and will accumulate with interest<sup>3</sup> (if any) at a non-guaranteed rate. You may also withdraw from the terminal dividend management account for extra liquidity.

Upon the completion of transferring the terminal dividend to the terminal dividend management account by the Company as per application, the terminal dividend (if any) of the relevant policy year will be reduced accordingly. The non-guaranteed terminal dividend (if any) of subsequent policy years will be reduced accordingly with adjustment percentage subject to sole discretion of China Life (Overseas).

You can submit request to the Company to withdraw part or all of the locked-in terminal dividend and its interest (if any) from terminal dividend management account without surrendering the policy, while the terminal dividend management account value will be reduced accordingly as a result. The withdrawal amount is subject to minimum requirement set by China Life (Overseas) from time to time. The option will only be exercised provided that the application fulfills the application requirement to be determined by China Life (Overseas) at its sole discretion from time to time and is confirmed by China Life (Overseas).

## Pass your legacy for generations to come

### Split your policy and pass it to your loved ones

You can distribute your wealth in the way you choose by applying through China Life (Overseas) for exercising the policy split option<sup>6</sup>, which allows you to divide your policy into two or more policies as you wish after the policy split option application is accepted by China Life (Overseas), whether you desire to pass your wealth to your next generation or prepare funds for your own moving abroad.

Starting from the 5<sup>th</sup> policy anniversary or the premium expiry date (whichever is later), you may apply for exercising the policy split option<sup>6</sup> through China Life (Overseas) at any time to split the original policy into two or more new policies according to the designated percentages.

Once the policy split is completed, you may also apply for change of insured<sup>7</sup> and exercise currency conversion option<sup>4, 5</sup> to assist you to allocate your legacy and enjoy greater flexibility on wealth allocation.

Once the policyholder submitted policy split option<sup>6</sup> application to China Life (Overseas), the policyholder cannot change, cancel, revoke or terminate the application. Application for policy split option is subject to China Life (Overseas)'s acceptance and approval, and such other terms and conditions as China Life (Overseas) shall determine from time to time. For more details about policy split option, please call China Life (Overseas) customer service hotline at (852) 3999 5519 for enquiry.

### Unlimited change of insured to pass on wealth across generations

We understand you wish to provide your loved ones with a secure financial future. This is why the Plan features the "change of insured option"<sup>7</sup>, allowing you to apply for changing the insured through China Life (Overseas) starting from the 1<sup>st</sup> policy anniversary for unlimited times while the insured is alive. The benefit term of the policy will be extended to whole life of the new insured upon each change, giving your wealth more time to grow and pass on through generations. Change of policyholder and insured is subject to approval of China Life (Overseas) and such other terms and conditions as China Life (Overseas) shall determine from time to time.

### Contingent insured to sustain insurance coverage

You can appoint and prioritize a maximum of 2 contingent insureds<sup>8</sup> through China Life (Overseas) at a time while the insured is alive and the policy is in force. In case the insured unfortunately passes away, we will arrange the contingent insured who is first in line to be the new insured according to relevant administrative procedures and orders. The policy will continue to be effective so as to protect your legacy for future generations. Application for contingent insured is subject to approval of China Life (Overseas) and such other terms and conditions as China Life (Overseas) shall determine from time to time.

### Life protection provides peace of mind to your loved ones

#### Death benefit

In case the insured passes away when the policy is in force and there is no contingent insured under the policy, we will pay the beneficiary a death benefit which is equal to the higher of:

- 1) 105% of the accumulated premium due and paid of the basic plan at the date of death of the insured, or
- 2) sum of guaranteed cash value and non-guaranteed terminal dividend<sup>1</sup> (if any) of the basic plan at the date of death of the insured, plus the total amount of terminal dividend management account<sup>2</sup> (if any), less all indebtedness (if any).

The policy will be terminated after we pay the death benefit.

#### Flexible death benefit settlement options

The Plan offers flexible death benefit settlement options to help you safeguard your family's financial future. While the insured is alive, you can apply through China Life (Overseas)'s designated application form or written confirmation notice accepted by China Life (Overseas) to pay the death benefit to the beneficiary according to any one of the following options.

**Option 1:** Lump sum payment.

**Option 2<sup>9</sup>:** Death benefit will be paid at annual or monthly intervals over your selected payment term of 10, 20, 30, 40 or 50 years.

**Option 3<sup>9</sup>:** A designated percentage of death benefit (which must be equal to 5% or above of the death benefit) will be paid in a lump sum as the first instalment; while the remaining balance will be paid at annual or monthly intervals over your selected payment term of 10, 20, 30, 40 or 50 years.

**Option 4<sup>9</sup>:** Death benefit will be paid at annual or monthly intervals over your selected payment term of 10, 20, 30, 40 or 50 years. After paying the instalments, a designated percentage of death benefit (which must be equal to 5% or above of the death benefit) will be paid in a lump sum as the last instalment of death benefit.

**Option 5<sup>9</sup>:** Death benefit will be paid at annual or monthly intervals over your selected payment term of 10, 20, 30, 40 or 50 years. The instalment amount will increase 5% annually until the total amount of death benefit have been paid.

For the instalment option (i.e. option 2 to 5), starting from the payment date of the first instalment until the total amount of death benefit have been paid, interest (if any) will be accrued monthly on the remaining balance of death benefit at a rate to be determined by China Life (Overseas) at its sole discretion from time to time.



### Premium holiday offers extra flexibility

In case of unexpected incident or immediate financial need, you can apply through China Life (Overseas) for exercising a premium holiday<sup>10</sup> of up to 2 years starting from the 2<sup>nd</sup> policy anniversary to suspend premium payment while the policy will remain in force. After the premium holiday, you should continue to pay the required renewal premium within the grace period. Terminal dividend is non-guaranteed and will be subject to adjustment during premium holiday period. Exercising premium holiday is subject to the applicable terms and conditions determined by us from time to time. If no partial policy surrender is made during premium holiday period, the basic amount, guaranteed cash value and accumulated premium due and paid of the Plan will remain unchanged and equal the amount immediately before premium holiday takes effect. If partial policy surrender is made during premium holiday period, the basic amount, guaranteed cash value and accumulated premium due and paid of the Plan which equal the amount immediately before premium holiday takes effect shall be reduced proportionally.

### 24-hour worldwide emergency assistance service

If the insured is diagnosed with an illness or is injured in an accident outside the country of residence, he/she can access comprehensive coverage under the free 24-hour worldwide emergency assistance service<sup>11</sup>.

### Medical and elderly care assistance services

A series of assistance services<sup>11</sup> are available for the Plan, including online health information, home care assessment, home care booking service, elderly centre consultation, outpatient appointment and medicine delivery service.

### Simplified underwriting

To assist you to achieve your goals with ease, application of the Plan is easy. Simplified underwriting procedures are available and no medical examination<sup>12</sup> is required.

## Enrollment Terms

Issue age	15 days to age 74
Benefit term	Whole life
Premium payment term	5 years
Premium payment mode <sup>13</sup>	Annual, semi-annual, quarterly, monthly, or annual and premium prepayment <sup>5,14</sup>
Policy currency	Currencies currently available: USD / HKD / CNY Currencies available from the 3 <sup>rd</sup> policy anniversary for conversion: USD / HKD / CNY / AUD / CAD / EUR / GBP / NZD / SGD
Minimum basic amount <sup>10</sup>	HKD64,000 / USD8,000 / CNY51,200 / AUD12,800 / CAD12,800 / EUR8,000 / GBP8,000 / NZD16,000 / SGD12,800
Maximum basic amount <sup>10</sup>	Subject to underwriting

## Case 1: Wealth accumulation and legacy planning

Man works as the Chief Information Technology Officer. He hopes to achieve long-term potential returns and relocate to mainland China after retirement to enjoy a comfortable lifestyle. He also desires to support his son's overseas study and development in the future, and pass on his wealth to future generations. Therefore, he takes out **Wise Legend Multi-Currency Plan (Excel)**.

Insured and policyholder: Man (Male)

Smoking status: Non-smoking

Insured's issue age: Age 35

Basic amount<sup>15</sup>: CNY1,000,000

Premium payment mode: Annual






Annual premium: CNY198,000

Premium payment term: 5 years

Total premium: CNY990,000

The figures in the below case are rounded to the nearest whole number and are assumptions for illustrative purposes only, the figures may differ from the proposal document and are subject to the proposal document and policy provisions. Actual returns would depend on different situations of individual customers and plan(s) purchased.

(Policy currency: CNY)

End of policy year	0	10	25	35	65				
Event	At age 35, Man takes out Wise Legend (Excel)	At age 45, Man exercises the policy split option <sup>6</sup> and separates his policy into two policies, and switches <sup>4,5</sup> the policy currency of Policy 2 to USD, in order to plan ahead for his son's overseas study and development in the future		At age 60, Man decides to retire and relocate to Guangzhou					
		<div>Policy 1 (50%) (Policy currency: CNY)</div> <div>Policy value accumulates to achieve wealth growth</div> 	<div>Policy 2 (50%) (Policy currency: USD)</div> <div>Man switches the policy currency<sup>4,5</sup> of Policy 2 to USD, as fund for his son, Manson to study and develop overseas in the future</div> 	<div>Policy 1 (50%) (Policy currency: CNY)</div> <div>Man withdraws CNY50,000 from the policy to fund the renovation fee for his new home in mainland China</div> 	<div>Policy 2 (50%) (Policy currency: USD)</div> <div>Policy value continues to accumulate to achieve wealth growth</div>	<div>Policy 1 (50%) (Policy currency: CNY)</div> <div>Policy value is CNY3,498,008. Policy value continues to accumulate to achieve wealth growth</div> 	<div>Policy 2 (50%) (Policy currency: USD)</div> <div>Policy value is USD492,755 (approximately equals to CNY3,695,663). Man changes the insured<sup>7</sup> and policyholder to his 30-year-old son, Manson, passing on his wealth to the next generation</div>	<div>Policy 1 (50%) (Policy currency: CNY)</div> <div>Policy value is CNY32,231,884. Man passes away at age 100. As the contingent insured<sup>8</sup>, Manson becomes the new insured<sup>7</sup> to inherit the policy</div> 	<div>Policy 2 (50%) (Policy currency: USD)</div> <div>Policy value is USD4,541,370 (approximately equals to CNY34,060,276), which provides strong financial support to Manson and his family's living in the USA</div>
Projected total surrender value (non-guaranteed)		CNY 615,825	USD 82,110 (approximately equals to CNY615,825)	CNY 1,776,507	USD 253,510 (approximately equals to CNY1,901,329)	CNY 3,498,008	USD 492,755 (approximately equals to CNY3,695,663)	CNY 32,231,884	USD 4,541,370 (approximately equals to CNY34,060,276)
		equivalent to 124% of total premiums <sup>+</sup>	equivalent to 124% of total premiums <sup>+</sup>	equivalent to 359% of total premiums <sup>+</sup>	equivalent to 384% of total premiums <sup>+</sup>	equivalent to 707% of total premiums <sup>+</sup>	equivalent to 747% of total premiums <sup>+</sup>	equivalent to 6511% of total premiums <sup>+</sup>	equivalent to 6881% of total premiums <sup>+</sup>
Guaranteed cash value		CNY 270,465	USD 32,892 (approximately equals to CNY246,690)	CNY 491,939	USD 66,545 (approximately equals to CNY499,088)	CNY 505,444	USD 68,372 (approximately equals to CNY512,790)	CNY 589,571	USD 79,752 (approximately equals to CNY598,139)
Non-guaranteed terminal dividend <sup>1</sup>		CNY 345,360	USD 49,218 (approximately equals to CNY369,137)	CNY 1,284,569	USD 186,965 (approximately equals to CNY1,402,240)	CNY 2,992,565	USD 424,383 (approximately equals to CNY3,182,873)	CNY 31,642,313	USD 4,461,618 (approximately equals to CNY33,462,137)

<sup>+</sup> Total premium of policy 1 and policy 2 is CNY495,000 respectively after policy split, which is calculated by the policy split percentage of 50%.

The above case is based on the following assumptions:

- all premiums exclude levy; and
- total surrender value is equal to the sum of the guaranteed cash value, non-guaranteed terminal dividend (if any) and total amount of terminal dividend management account (if any), less all indebtedness (if any); and
- terminal dividend is non-guaranteed and is a one-time dividend. It is not perpetually attached to this policy and the amount of terminal dividend will be subject to adjustment when it is declared; and
- there is no other withdrawal, no policy loan, no indebtedness and no premium holiday exercised throughout the benefit term and all premiums are paid in full when due.
- the figures in the above example are calculated based on the following assumed currency exchange rate: CNY to USD = 7.5:1. The aforementioned assumed currency exchange rate is for reference only, and the actual exchange rate will be based on prevailing currency exchange rate.

Please refer to the proposal document for further details.

**Remark:** The policyholder is subject to the credit risk of China Life (Overseas). If the policyholder discontinues and / or surrenders the insurance plan in the early policy years, the amount of the benefit he / she will get back may be considerably less than the amount of the premiums he / she paid. Past, current, projected and / or potential benefits and / or returns (e.g. bonuses, dividends, interests) presented herein are not guaranteed and are for illustrative purposes only. The actual future amounts of benefits and / or returns may be lower or higher than the currently quoted benefits / or returns.



## Case 2: Building up retirement reserves

April is a business woman, she would like to start planning for her retirement at an early stage. As such, she takes out **Wise Legend Multi-Currency Plan (Excel)** which helps her capture market opportunities and achieve wealth accumulation through the feature of locked-in terminal dividend.

Insured and policyholder: April (Female)

Smoking status: Non-smoking

Insured's issue age: Age 35

Basic amount<sup>15</sup>: USD252,525

Premium payment mode: Annual








Annual premium: USD50,000

Premium payment term: 5 years

Total premium: USD250,000

The figures in the below case are rounded to the nearest whole number and are assumptions for illustrative purposes only, the figures may differ from the proposal document and are subject to the proposal document and policy provisions. Actual returns would depend on different situations of individual customers and plan(s) purchased.

(Policy currency: USD)

End of policy year	0	15	25	35	
Event	At age 35, April takes out Wise Legend (Excel)	At age 50, the declared terminal dividend is USD242,255. April locks in 20% of terminal dividend (i.e. USD48,451). The remaining projected terminal dividend* is USD193,804	At age 60, the declared terminal dividend is USD574,163. April locks in 20% of terminal dividend (i.e. USD114,833). Plus the original balance of USD71,033 in the terminal dividend management account, the total amount of the terminal dividend management account is USD185,865. The remaining projected terminal dividend* is USD459,330	At age 70, the policy value is USD1,577,562. April exercises the policy split option <sup>6</sup> and separates her policy into two policies	
				<div> <div>Policy 1 (50%)</div> <div>April withdraws the policy value annually as a regular stream of retirement income</div> </div> <div> <div>Policy 2 (50%)</div> <div>April changes the insured<sup>7</sup> and policyholder to his 35-year-old son, Leo. The benefit term of the policy will be extended to whole life of the new insured</div> </div>	
Aggregate percentage of locked-in terminal dividend		20%	40%	40%	40%
Projected total surrender value (non-guaranteed) 		USD456,901 equivalent to <b>183%</b> of total premiums	USD900,642 equivalent to <b>360%</b> of total premiums	USD788,781 equivalent to <b>631%</b> of total premiums <sup>+</sup>	USD788,781 equivalent to <b>631%</b> of total premiums <sup>+</sup>
Guaranteed cash value 	0	USD 214,646	USD 255,447	USD 131,230	USD 131,230
Non-guaranteed terminal dividend <sup>1</sup> 	0	USD 193,804	USD 459,330	USD 521,306	USD 521,306
Total amount of terminal dividend management account <sup>2</sup> 	Not applicable	USD 48,451	USD 185,865	USD 136,246	USD 136,246

\* Upon the completion of transferring the terminal dividend to the terminal dividend management account as per application, the terminal dividend of the relevant policy year will be reduced accordingly. The terminal dividend of subsequent policy years will be reduced accordingly with adjustment percentage subject to sole discretion of the Company.

+ Total premium of policy 1 and policy 2 is USD125,000 respectively after policy split, which is calculated by the policy split percentage of 50%.

The above case is based on the following assumptions:

- all premiums exclude levy; and
- the locked-in terminal dividend transferred to the terminal dividend management account will accumulate with interest at a non-guaranteed rate of 3.90% p.a. for USD; and
- total surrender value is equal to the sum of the guaranteed cash value, non-guaranteed terminal dividend (if any) and total amount of terminal dividend management account (if any), less all indebtedness (if any); and
- terminal dividend is non-guaranteed and is a one-time dividend. It is not perpetually attached to this policy and the amount of terminal dividend will be subject to adjustment when it is declared; and
- there is no other withdrawal, no policy loan, no indebtedness, no premium holiday and no currency conversion option exercised throughout the benefit term and all premiums are paid in full when due.

Please refer to the proposal document for further details.

**Remark:** The policyholder is subject to the credit risk of China Life (Overseas). If the policyholder discontinues and / or surrenders the insurance plan in the early policy years, the amount of the benefit he / she will get back may be considerably less than the amount of the premiums he / she paid. Past, current, projected and / or potential benefits and / or returns (e.g. bonuses, dividends, interests) presented herein are not guaranteed and are for illustrative purposes only. The actual future amounts of benefits and / or returns may be lower or higher than the currently quoted benefits / or returns.

#### Notes:

1. Terminal dividend is a one-off dividend and is non-guaranteed. Amount of non-guaranteed terminal dividend shown in proposal illustration is just an indicative figure. Declared terminal dividend is not perpetually attached to the policy. It may be reduced or increased at subsequent declarations. Its actual amount will only be determined when it becomes payable. The actual amount may be lower or higher than the projected figure. Under the worst-case scenario, actual amount of non-guaranteed terminal dividend may be zero. The amount of the non-guaranteed terminal dividend is affected by various factors including but not limited to the performance of the underlying investments, so the amount is relatively volatile and will move up and down over time. China Life (Overseas) reserves the right to revise the non-guaranteed terminal dividend from time to time. Past record is not necessarily indicative of future result. For more information, please refer to clause 12 and clause 13 under "Important information" and "Non-guaranteed benefit" risk.

Starting from the 5<sup>th</sup> policy anniversary, non-guaranteed terminal dividend shall be paid upon the occurrence of the earliest of the following conditions:

- (i) when China Life (Overseas) pays the death benefit (only applicable if the sum of guaranteed cash value and non-guaranteed terminal dividend of the basic plan at the date of death of the insured is higher than 105% of accumulated premium due and paid of the basic plan); or
- (ii) when the policy is surrendered by the policyholder.

You may refer to relevant notice document(s) issued by China Life (Overseas) for reference of non-guaranteed terminal dividend.

2. For application to exercise the terminal dividend management option, such application must be received by China Life (Overseas) within 30 days from the relevant policy anniversary (including the date of policy anniversary). The option will only be exercised provided that the application fulfills the application requirement to be determined by the Company at its sole discretion from time to time and is confirmed by the Company. The policyholder can apply to exercise terminal dividend management option in writing only once for each policy year. The Company will process the exercise of this option only once for each written application. There must be no premium due and unpaid or indebtedness in the policy during application to exercise this option. The amount of locked-in terminal dividend is guaranteed after the Company's approval of the application. Once the application is approved by the Company, the terminal dividend which is applied to lock in will be transferred to the terminal dividend management account as soon as practicable and will become locked-in terminal dividend. The locked-in terminal dividend will be deposited with the Company to accumulate interest (if any) and the non-guaranteed interest (if any) will be accrued annually at a rate to be determined by the Company at its sole discretion from time to time. You can submit request to the Company to withdraw part or all of the locked-in terminal dividend and accumulated interest (if any) from terminal dividend management account in a lump sum without surrendering the policy. The withdrawal amount is subject to minimum requirement imposed by the Company from time to time.

The actual amount of the locked-in terminal dividend will only be determined after the application has been approved by China Life (Overseas). The total amount of terminal dividend management account is equivalent to locked-in terminal dividend and accumulated interest (if any) less withdrawal amount (if any) from the terminal dividend management account. Upon the completion of transferring the terminal dividend to the terminal dividend management account by the Company as per application, the terminal dividend (if any) of the relevant policy year will be adjusted proportionally. Locked-in terminal dividend will not be allowed to be reset or reversed to terminal dividend. For details, please refer to the policy provisions. After the terminal dividend is locked-in, it will no longer carry investment function, the locked-in terminal dividend will then be guaranteed and will not be reduced. The locked-in terminal dividend will accumulate with interest (if any) in the terminal dividend management account at a non-guaranteed rate to be determined by China Life (Overseas) at its sole discretion from time to time.

3. The interest rate is not guaranteed. The actual benefits and/or returns may be lower or higher than estimates. China Life (Overseas) reserves the right to revise the interest from time to time. You may refer to relevant notice document(s) issued by China Life (Overseas) for reference of non-guaranteed interest and interest rate.
4. While this Plan is in force, between 60 days to 90 days (both days inclusive) before the 3rd policy anniversary and before every policy anniversary thereafter, you may submit application to China Life (Overseas) for exercising the currency conversion option to change the policy currency to a different currency available for selection ("new policy currency(ies)"), by exchanging this Plan to a policy under the plan designated by the Company at the time ("new policy") available in the new policy currency. All benefits, terms and condition will follow from those as provided by the new policy. There could be a material difference between this Plan and the new policy. Material difference includes but not limited to: product features (i.e. benefits, terms and conditions, investment strategy, target asset mix and relevant investment return and limitation). Under normal circumstances, there is no limitation on the number of times of exercising the currency conversion option. The new policy currencies available for selection are policy currencies China Life (Overseas) makes available for selection at the time when applying for currency conversion option. However, the currency conversion option may not be available in the new policy after exercising the currency conversion option, which means you may not be able to further change the policy currency of the new policy and thus in a worst-case scenario, currency conversion option may only be a one-time option depending on the new policy's product features.

Once the policyholder submitted currency conversion option application to China Life (Overseas), the policyholder cannot change, cancel, revoke or terminate the application. Before exercising the currency conversion option, the policyholder should base on the future policy value indicated by China Life (Overseas) to evaluate in detail for the differences between the offerings of the original plan and the plan available for currency exchange provided by China Life (Overseas). Material difference includes but not limited to: product features (i.e. benefits, terms and conditions, investment strategy, target asset mix and relevant investment return and limitation). The policyholder should consider whether the relevant product meets his/her own individual needs, and should not convert to the plan solely for the sake of exercising the currency conversion option.

The policyholder can apply for currency conversion option once only in each policy year. Application of currency conversion option is subject to the followings:

- (a) the basic amount of the new policy must not be less than the minimum basic amount of the basic plan determined by the Company at the time after exercising currency conversion option;
- (b) there is no premium due and unpaid or indebtedness under the policy (if any);
- (c) the Plan is not in the period which the premium holiday is in effect;
- (d) there is no claim pending for approval under the policy;
- (e) the new policy currency is not demonetized by the issuance country or region when exercising currency conversion option; and



- (f) no change, cancellation, withdrawal or termination by the policyholder will be allowed once the application is submitted to the Company for exercising the currency conversion option.

Upon the Company's approval on the application of currency conversion option, the following will be applied:

- (i) the currency conversion option will be effective provided that the application is approved by the Company with remarks duly signed by the Company's authorized signatory(ies) or endorsements. The effective date of currency conversion option will be the date of the Company's approval for such application (according to the Company's record);
- (ii) the policy will be terminated immediately and the new policy will take effect immediately when the currency conversion option is effective;
- (iii) the policy year, policy date, policy effective date and the date of latest reinstatement (if any) of new policy will be the same as the policy year, policy date, policy effective date and the date of latest reinstatement (if any) of the policy as of the currency conversion option effective date;
- (iv) the policyholder, insured and beneficiary(ies) (with the respective designated percentage) of new policy will be the same as the policyholder, insured and beneficiary(ies) (with the respective designated percentage) of the policy as of the currency conversion option effective date;
- (v) the settlement option of death benefit, contingent insured(s) and sequence of contingent insured(s) of new policy will have to be designated again by the policyholder;
- (vi) cooling-off period will not be applicable to the new policy;
- (vii) if any rider(s) is/are attached to the policy, the rider(s) will be changed to the new policy currency by the prevailing currency exchange rate and be attached to the new policy and remain in force unless the new policy currency is not available in such rider(s) or the amount of the rider(s) is less than the minimum amount(s) determined by the company at the time as a result of any reduction of the basic amount of the policy pursuant to (viii) below. If the new policy currency is not available in such rider(s) or the amount of the rider(s) is less than the minimum amount(s) determined by the company at the time, the rider(s) will be terminated immediately when the currency conversion option is effective;
- (viii) the basic amount, guaranteed cash value and non-guaranteed terminal dividend (if any) of the policy as of the currency conversion option effective date will be adjusted (may increase or decrease) and transferred to the new policy based on the prevailing currency exchange rate, the investment yield and asset values of the existing and new underlying portfolio of assets, and/or the cost of transactions from the existing to new assets;
- (ix) the total amount of terminal dividend management account (if any), accumulated premium due and paid and the prepaid premium balance (if any) of the policy as of the currency conversion option effective date will be transferred to the new policy and exchanged to the new policy currency based on the prevailing currency exchange rate on the currency conversion option effective date, and interest (if any) will accrue annually on the total amount of terminal dividend management account (if any) of the new policy at a non-guaranteed rate applicable to the new policy currency and to be determined by the Company at its sole discretion from time to time;
- (x) the future premium payable (if any) of the new policy will be determined based on the basic amount of new policy;
- (xi) as of the currency conversion option effective date, terminal dividend management option will also be applicable to the new policy but if the terminal dividend management option has been exercised under the original policy, all applications for currency conversion option under the original policy and the new policy are subject to the aggregate percentage limit in accordance with relevant clause of the benefit provisions;
- (xii) currency conversion option will also be applicable to the new policy starting from the policy year immediately after the policy year in which currency conversion option becomes effective;
- (xiii) premium holiday will also be applicable to the new policy but if the premium holiday has been exercised under the original policy, all applications for exercising the premium holiday in respect of the original policy and the new policy are subject to the maximum aggregate premium holiday period in accordance with relevant clause of the benefit provisions; and
- (xiv) you may incur a substantial loss when you choose to convert your payout benefits to other currencies. The subsequent premium payments (if any) may be higher than your initial premium payment as a result of exchange rate fluctuations. Additionally, the conversion of your benefits to other currencies is subject to currency conversion restrictions applicable at the time when the benefits are paid. If your policy currency is not your local currency, your policy value may appreciate or depreciate when viewed against your local currency.

If the policyholder intends to apply for the currency conversion option in the future, please contact China Life (Overseas) for details and further handling. Application for currency conversion option is subject to China Life (Overseas)'s acceptance and approval, and such other terms and conditions as China Life (Overseas) shall determine from time to time. For more details about currency conversion option, please call China Life (Overseas) customer service hotline at (852) 3999 5519 for enquiry.

5. The interest rate of the prepaid premiums will also be changed according to the policy currency. If you exercise the currency conversion option before the renewal premium due date, the interest rate of the prepaid premiums after the conversion may be lowered and / or become non-guaranteed. The prepaid premiums and its interest may not be sufficient to cover the subsequent renewal premiums and you may be required to pay the resulting premium difference.
6. While the policy is in force, policyholder can apply for exercising policy split option through China Life (Overseas) from the 5<sup>th</sup> policy anniversary or premium expiry date of the basic plan (whichever occurs later), the policy will be split into two or more new policies ("split policy(ies)") according to the percentages ("split percentage(s)") designated by the policyholder. There is no limitation on the number of split policies for exercising the policy split option. For the policy year in which the policy split option is exercised under the policy, the policyholder cannot apply policy split option for the split policy(ies) in the same policy year. Application for exercising the policy split option is subject to the followings:
- (a) the basic amount of each split policy must not be less than the minimum basic amount of the basic plan determined by the Company at the time;
  - (b) the sum of split percentage of all split policies equals to 100%;
  - (c) there is no premium due and unpaid or indebtedness under the policy (if any);
  - (d) there is no claim pending for approval under the policy; and
  - (e) no change, cancellation, withdrawal or termination by the policyholder will be allowed once the application is submitted to the Company for exercising the policy split option.

Upon the Company's approval on the application of policy split option, the following will be applied:

- (i) the policy split option will be effective provided that the application is approved by the Company with remarks duly signed by the Company's authorized signatory(ies) or endorsements. The effective date of policy split option will be the date of the Company's approval for such application (according to the Company's record);
- (ii) the policy will be terminated immediately and the split policies will take effect immediately when the policy split option is effective;
- (iii) the policy year, policy date, policy effective date and the date of latest reinstatement (if any) of each split policies will be the same as the policy year, policy date, policy effective date and the date of latest reinstatement (if any) of the policy as of the policy split option effective date;
- (iv) the policyholder, insured and beneficiary(ies) (with the respective designated percentage) of the split policies will be the same as the policyholder, insured and beneficiary(ies) (with the respective share percentage) of the policy as of the policy split option effective date;
- (v) after policy split option is exercised, the clauses of incontestability and suicide will not be calculated afresh;
- (vi) settlement option of death benefit will not be changed as a result of the exercise of policy split option;
- (vii) the settlement option of death benefit, contingent insured(s) and sequence of contingent insured(s) of the split policies will be the same as the settlement option of death benefit, contingent insured(s) and sequence of contingent insured(s) of the policy as of the policy split option effective date;
- (viii) cooling-off period will not be applicable to the split policies;
- (ix) all rider(s) under the policy (if any) will be terminated immediately on the policy split option effective date;
- (x) the basic amount, guaranteed cash value, non-guaranteed terminal dividend (if any) and total amount of terminal dividend management account (if any) of the policy as of the policy split option effective date will be allocated to each split policy according to the corresponding split percentage;
- (xi) the accumulated premium due and paid of the policy as of the policy split option effective date will be allocated to each split policy according to the corresponding split percentage;
- (xii) the total amount of terminal dividend management account (if any) of the policy as of the policy split option effective date will be allocated to each split policy according to the corresponding split percentage and interest (if any) will accrue annually on the total amount of terminal dividend management account (if any) of each split policy at a non-guaranteed rate to be determined by the Company at its sole discretion from time to time;
- (xiii) terminal dividend management option will also be applicable to each split policy but if the terminal dividend management option has been exercised under the policy, the aggregate of the percentage of the declared terminal dividend designated by the policyholder in all applications under the policy will be included in the calculation for determining whether the maximum limit for the aggregate of the percentages of the declared terminal dividend designated by the policyholder in all applications for exercising the terminal dividend management option under each split policy will be exceeded (note: the minimum percentage for each application is 10% and the maximum aggregate percentage of all applications is 50%). Policyholder can refer to the "Policy Anniversary Statement" for details about non-guaranteed terminal dividend amount for relevant policy year;
- (xiv) policy split option will also be applicable to each split policy starting from the policy year immediately after the policy year in which the policy split option becomes effective; and
- (xv) unless otherwise specified above, all benefits, terms and conditions of each split policy will be the same as the policy.

Application for policy split option is subject to China Life (Overseas)'s acceptance and approval, and such other terms and conditions as China Life (Overseas) shall determine from time to time. For more details about policy split option, please call China Life (Overseas) customer service hotline at (852) 3999 5519 for enquiry.

7. When China Life (Overseas) receives the written request for the "change of insured", the age limit for the new insured is as follows:
- (a) if the new insured's attained age exceeds the 1<sup>st</sup> insured's attained age, the attained age of the new insured shall not exceed age 65; or
  - (b) if the new insured's attained age is equal to or below the 1<sup>st</sup> insured's attained age, the attained age of the new insured shall not exceed age 80;

The Company must be satisfied with the insurable interest between the new insured and the policyholder. Both the current insured and the new insured must be alive at the time of the application for changing the insured. Such request must fulfill the related administration procedure of the Company. The policy's basic amount, guaranteed cash value, policy date, policy year, premium expiry date, the latest date of reinstatement of the policy (if any), accumulated premium due and paid, death benefit, settlement option of death benefit, non-guaranteed terminal dividend (if any), terminal dividend management option (if any), total amount of terminal dividend management account (if any), policy split option (if any), currency conversion option (if any), premium holiday (if any) and indebtedness (if any) will not be changed as a result of the change of insured.

For more details about change of insured, please call China Life (Overseas) customer service hotline at (852) 3999 5519 for enquiry.

8. When China Life (Overseas) receives the written request for "designating the contingent insured", the age limit for the contingent insured(s) is as follows:
- (a) if the contingent insured(s)' attained age (on an individual basis if more than 1 contingent insured) exceeds the 1<sup>st</sup> insured's attained age, the attained age of contingent insured(s) shall not exceed age 65; or
  - (b) if the contingent insured(s)' attained age (on an individual basis if more than 1 contingent insured) is equal to or below the 1<sup>st</sup> insured's attained age, the attained age of the contingent insured(s) shall not exceed age 80;

The Company must be satisfied with the insurable interest between the contingent insured(s) and the policyholder. Such request must fulfill the related administration procedure of the Company. The policy's basic amount, guaranteed cash value, policy date, policy year, premium expiry date, the latest date of reinstatement of the policy (if any), accumulated premium due and paid, death benefit, settlement



option of death benefit, non-guaranteed terminal dividend (if any), terminal dividend management option (if any), total amount of terminal dividend management account (if any), policy split option (if any), currency conversion option (if any), premium holiday (if any) and indebtedness (if any) will not be changed after the contingent insured becomes the insured.

If the policyholder and the insured passes away at the same time, the applications of the change of policyholder and contingent insured to be the new insured will be submitted simultaneously, the application for contingent insured to be the new insured will be processed first by China Life (Overseas), while the application for the change of policyholder will be handled afterwards. Application for contingent insured is subject to approval of China Life (Overseas).

For more details about contingent insured, please call China Life (Overseas) customer service hotline at (852) 3999 5519 for enquiry.

9. For the instalment option (i.e. option 2 to 5), starting from the payment date of the first instalment until the total amount of death benefit have been paid, interest (if any) will be accrued monthly on the remaining balance of death benefit at a non-guaranteed rate to be determined by China Life (Overseas) at its sole discretion from time to time. The accumulated interest (if any) will be paid together with the last instalment of death benefit, detailed information about the interest will be stated in the customer correspondence relevant to payment of the last instalment. If the beneficiary(ies) dies at any time before the Company has fully paid the death benefit, the Company shall pay the remaining balance of the death benefit with accumulated interest (if any) in a lump sum payment to the respective personal representative for the estate of the deceased beneficiary(ies) (in accordance with their entitlement, where applicable). The policy shall terminate when the death benefit is paid in full. Settlement option of death benefit must be applied by the policyholder while the insured is alive and through China Life (Overseas)'s designated application form or written confirmation notice accepted by China Life (Overseas).

Applicable to options 2 to 5 : (i) If the total amount of death benefit at the date of death of the insured is less than HKD400,000/USD50,000/ CNY320,000/ AUD80,000/ CAD80,000 / EUR50,000/ GBP50,000/ NZD100,000 / SGD80,000; or (ii) the annualized amount of instalment(s) of death benefit is less than HKD20,000/USD2,500 / CNY16,000 / AUD4,000/ CAD4,000 / EUR2,500/ GBP2,500/ NZD5,000 / SGD4,000 ; or (iii) the policyholder does not specify any settlement option; or (iv) any of the beneficiary(ies) of the policy is not a natural person, we will pay out the benefit amount to the beneficiary in a lump sum.

10. During premium payment term, between 60 days and 90 days (both days inclusive) before the 2<sup>nd</sup> policy anniversary and before every policy anniversary thereafter, the policyholder can submit application to China Life (Overseas) to exercise premium holiday and suspend paying premiums for a specified period from the immediately subsequent policy anniversary. It is required to fulfill the below requirements: (a) premium holiday period for each application must be in multiples of 1 year; (b) the aggregate premium holiday period must not exceed 2 years; (c) premium holiday is not applicable to any policy which is currently paying premium by annual and premium prepayment; and (d) the policy has no indebtedness and the policyholder cannot exercise currency conversion option at the time of application of premium holiday and during the period when the premium holiday is in effect.

After the premium holiday, you should pay the required renewal premium within the grace period so that the policy shall continue to be in force. For more information, please refer to "Non-payment of premium / automatic premium loan / Risks of applying for policy loans".

During the period which the premium holiday is in effect, the premium of the Plan will be suspended in the period(s) designated by the policyholder and the policy will remain in force. China Life (Overseas) will defer the premium due date and premium expiry date of the Plan according to the premium holiday period as designated by the policyholder. The policy date of the Plan will also remain unchanged after exercising premium holiday. Terminal dividend is non-guaranteed and will be subject to adjustment during premium holiday period.

If no partial policy surrender is made during premium holiday period, the basic amount, guaranteed cash value and accumulated premium due and paid of the Plan will remain unchanged and equal the amount immediately before premium holiday takes effect. If partial policy surrender is made during premium holiday period, the basic amount, guaranteed cash value and accumulated premium due and paid of the Plan which equal the amount immediately before premium holiday takes effect shall be reduced proportionally.

In addition, all riders (if any) under the policy will be terminated on the effective date of the first premium holiday and no riders can be further added to the policy during the period which the premium holiday is in effect. Partial policy surrender, change of insured and contingent insured are still applicable, whereas any policy loan will not be accepted in the policy when premium holiday is in effect.

If any benefits of the Plan is payable during the period which the premium holiday is effective, China Life (Overseas) will adjust the related policy values according to the corresponding changes mentioned above. For details, please refer to the policy provisions.

11. The relevant services (including services which are only applicable in Mainland China or online) are provided by third party service provider and are not part of the policy, the third party service provider may charge for the services. China Life (Overseas) will not guarantee the service quality and shall not be liable for any matter in connection with the services. The Company reserves the right to amend the terms and conditions thereof or terminate provision of the services from time to time without prior notice.
12. If the insured's total premium of all policy(ies) under China Life (Overseas) exceeds the aggregate limit set for simplified underwriting, the insured is required to go through medical examination when taking out the plan, subject to relevant underwriting requirements and guidelines.
13. If the required renewal premium is paid by you within the grace period, the policy shall continue to be in force. Grace period is within 31 days after the premium due date. For details, please refer to the policy provisions issued by China Life (Overseas). If the policy is lapsed or surrendered early, the policy cash value received by you may be considerably less than the total amount of the premiums paid.
14. If you choose the annual and premium prepayment option, you can withdraw the unused prepaid premium (including interest, if any) at one time. China Life (Overseas) will charge 2% of the withdrawal amount, at a minimum amount of HKD200/ USD25 /CNY160/ AUD40/ CAD40/ EUR25/ GBP25/ NZD50/ SGD40. You can withdraw the unused prepaid premium once only. The interest rate of prepaid premium is (i) 4% p.a. (applicable to HKD / USD policies) and the interest rate is guaranteed, or (ii) 2% p.a. (applicable to CNY/ AUD/ CAD/ EUR/ GBP/ NZD/ SGD policies) and the interest rate is not guaranteed.
15. "Basic amount" means the amount shown on the policy information page or endorsement as the "basic amount". The basic amount is used to calculate the premium and relevant values of the policy, but is not applicable to the calculation of the death benefit. If the basic amount has been amended while the policy is in force, the said premium and relevant values of the policy will be adjusted accordingly.



## Important Information

This product brochure is for reference only. It does not form a contract between China Life (Overseas) and anyone or any entity else. The detailed terms, conditions and exclusions of the Plan are subject to the relevant policy contract. You are reminded to review the policy contract and all relevant product materials and to seek independent professional advice if necessary. For a copy of the policy provisions, please contact China Life (Overseas) for enquiry.

1. The Plan is underwritten by China Life Insurance (Overseas) Company Limited ("China Life (Overseas)", the "Company" or "us / we / our"). China Life (Overseas) is responsible for the features, underwriting and benefit payments under the Plan. You should fully understand all of the risks involved in the Plan and consider whether the Plan is affordable and suitable to you before making your application.
2. The Plan is underwritten by China Life (Overseas). It is not a bank deposit scheme or bank savings plan. Bank of China (Hong Kong) Limited ("BOCHK") is an appointed insurance agency of China Life (Overseas) for distribution of life insurance products. The life insurance product is a product of China Life (Overseas) but not BOCHK.
3. In respect of an eligible dispute (as defined in the Terms of Reference for the Financial Dispute Resolution Centre in relation to the Financial Dispute Resolution Scheme) arising between BOCHK and the customer out of the selling process or processing of the related transaction, BOCHK is required to enter into a Financial Dispute Resolution Scheme process with the customer; however any dispute over the contractual terms of the insurance product should be resolved directly between China Life (Overseas) and the customer.
4. China Life (Overseas) is authorized and regulated by Insurance Authority to carry on long term insurance business in the Hong Kong Special Administrative Region of the People's Republic of China. BOCHK is granted insurance agency licence under the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) by Insurance Authority (insurance agency licence no. of BOCHK is FA2855).
5. China Life (Overseas) 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 proposed insured and / or the applicant at the time of application.
6. The Plan is subject to the formal policy documents and provisions issued by China Life (Overseas). Please refer to the relevant policy documents and provisions for details of the insured items and coverage, provisions and exclusions.
7. This product brochure is issued by China Life (Overseas), and is distributed by BOCHK. China Life (Overseas) accepts full responsibility for the information contained in this product brochure. China Life (Overseas) recommends you to carefully consider whether the Plan is appropriate for you in view of your financial needs before application. You should not purchase the Plan unless you understand it and it has been explained to you how it is suitable for you. The final decision is yours.
8. The Plan is an insurance product. Part of the premium is paid for the insurance and related costs.
9. This product brochure is for distribution in Hong Kong only and shall not be construed as any provision of or offer to sell or solicitation to buy any insurance product outside Hong Kong. China Life (Overseas) does not provide or offer to sell any insurance product outside Hong Kong. The above information is for reference only. The detailed terms, conditions and exclusions of the Plan are subject to the terms and conditions of the policy contract of the Plan.
10. China Life (Overseas) reserves the right to revise, suspend or terminate the Plan, or alter the relevant terms and conditions at any time without prior notice. In case of disputes, the decision of China Life (Overseas) shall be final.
11. China Life (Overseas) shall make the final decisions on the underwriting and claims. China Life (Overseas) shall rely on your submitted information to assess whether to accept or decline your application, and shall refund any premium and levy (if any) paid without interest for declined cases.
12. Dividend philosophy  
Policyholders of participating insurance plans can enjoy the potential surplus arising from the long term operation of the participating fund via a form of non-guaranteed dividend in addition to the guaranteed benefits. Your premiums will usually be allocated into a relevant participating fund and will be invested in a variety of asset classes according to our investment strategy. We will manage the relevant participating fund in a prudent manner and aim to ensure a fair distribution of surplus and risks between policyholders and shareholders, and among different groups of policyholders.

As dividends are mainly affected by the overall performance of the participating business, in order to alleviate the volatility of achieved gains and losses and the future uncertainties, in particular, future investment returns, we may take moderate smoothing measures to achieve relatively more stable dividends and strive to meet policyholders' reasonable expectation. We will maintain a fair distribution method or sharing ratio, and appropriate grouping to ensure policyholders are treated fairly, and to ensure policyholders' benefit expectation and rights are protected.

The current dividend projection is not guaranteed. We will review and declare the dividend at least once a year. When determining the dividend, we will consider the overall performance of all relevant policies on factors including but not limited to past experience as well as future prospect of investment returns, claims and surrenders:

- Investment return – including the interest income, dividend income, investment outlook and changes to asset values.
- Claims – including the costs of providing death benefit as well as other benefits under the product(s).
- Surrenders – including policy termination, partial surrenders and the corresponding experience and impact.

If there are any changes in the actual dividends against the illustration or to the projected future dividends, such changes will be reflected in the policy anniversary statement.

The declaration of actual dividends is recommended by the Appointed Actuary and is subject to the approval of the Board (including one or more Independent Non-Executive Director(s)).

For products that are associated with an element of non-guaranteed accumulation interest rate, the Company will consider past investment experience as well as future expected return and other related factors when determining this non-guaranteed interest rate. If there are changes from market, expectation or policyholder behavior, the Company may apply reasonable adjustments to the non-guaranteed interest rate.

### 13. Investment strategy

Our investment philosophy aims at containing volatility and providing long term stable return. Meanwhile, in order to control and diversify risks, maintain adequate liquidity, and achieve higher potential returns for policyholders under an acceptable risk appetite, we will invest in a wide range of asset classes with consideration of the status of assets and liabilities. The target asset mix may also differ between different participating products. We will actively manage the investment portfolio and adjust the asset mix in response to the external market conditions.

Currently, our investments include bonds and other fixed income assets, such as government and corporate bonds and other fixed income instruments, to support the guaranteed liability payment. To enhance the potential performance of the investment portfolio, the Company will invest in equity-type assets and other investment instruments such as private funds, mutual funds and direct/indirect investment in properties or commercial institutions. Subject to our investment policy, we may also utilise derivatives to manage risks (including but not limited to currency risk) and enhance returns, or use security lending to improve returns. The investment portfolio will be diversified across different geographic regions and/or industries.

China Life (Overseas)'s current investment strategy on this participating plan is as follows:

Asset type	Target asset mix (%)
Bonds and other fixed income instruments	30% to 90%
Equity-type investment and other investments	10% to 70%

Please refer to China Life (Overseas)'s website [www.chinalife.com.hk/products/dividend-philosophy-and-investment-strategy](http://www.chinalife.com.hk/products/dividend-philosophy-and-investment-strategy) for dividend history, dividend philosophy, investment strategy, as well as the fulfillment ratio of China Life (Overseas).

### 14. Policy loan (applicable to USD and HKD policies only)

You can apply for the policy loan where the maximum loanable value of the policy loan will be equal to a certain percentage of the guaranteed cash value (currently 90% of guaranteed cash value), as determined and revised by China Life (Overseas) from time to time. Policy loan will reduce the policy's death benefit and surrender value. Interest compounded at the rate per annum determined and revised by China Life (Overseas) from time to time will be charged on the policy loan. The interest rate of the policy loan is generally higher than loans offered by banks, the interest rate can also be significantly higher than the policy return rate. For inquiry about the applicable interest and charges on the policy loan, please contact China Life (Overseas). All policy loans are interest-bearing and calculated at a rate (as stated on China Life (Overseas) website [www.chinalife.com.hk](http://www.chinalife.com.hk)) to be declared by us from time to time. Interest accrued shall become a part of the indebtedness. If the policy loan with its accumulated interest equals to or exceeds the accumulated guaranteed cash value in the policy, the policy and relevant life protection will be automatically terminated and will become invalid. Therefore, you may face substantial losses.

### 15. Cooling-off right (not applicable to split policies under policy split option or new policy under currency conversion option)

You have the right to cancel the policy within the cooling-off period and obtain a refund of any premiums and premium levy (if any) paid provided that no claim has been made under it. You must submit a written notice signed by you to China Life (Overseas) at 22/F, CLI Building, 313 Hennessy Road, Wan Chai, Hong Kong within 21 calendar days after the delivery of the policy or Notice of Policy Issuance (telling you about the availability of the policy and the expiry date of the cooling-off period) to you or your representative, whichever is earlier.

### 16. Potential fees and charges

The currency of the premium refund or payout benefits shall be the policy currency at that time. If the premium refund or the payout benefits is not in Hong Kong Dollar, United States Dollar or Chinese Yuan, the payout can only be made in form of telegraphic transfer. The receiving bank will deduct the telegraphic transfer fees (if applicable) from the payout. The amount of fees (if applicable) will vary depending on the bank designated by you. For details, you can refer to your designated receiving bank.

## What are the key product risks?

### **Credit risk:**

The Plan is a life insurance policy issued by China Life (Overseas). Any premium paid will become part of our assets and our financial strength will affect our ability to meet our contractual obligations to you under the policy. Therefore, you are subject to our credit risk.

### **Early surrender risk:**

The savings component of the Plan is subject to risks and possible losses. Should you surrender the policy early, you may receive an amount considerably less than the total amount of premiums paid.

### **Exchange rate and currency risks:**

Any policy with foreign currencies involves risks, such as potential changes in political or economic conditions that may substantially affect the price or liquidity of a currency. As a result, you may incur a substantial loss when you choose to convert your payout benefits to other currencies. The subsequent premium payments (if any) may be higher than your initial premium payment as a result of exchange rate fluctuations. Additionally, the conversion of your benefits to other currencies is subject to currency conversion restrictions applicable at the time when the benefits are paid. If your policy currency is not your local currency, your policy value may appreciate or depreciate when viewed against your local currency.

The Plan offers non-HKD policy currency. Currency exchange rate can go up and down. If the policy currency is non-HKD but calculated in HKD, the calculation is subject to the exchange rate. There is a risk that you could lose a substantial portion of total value of the policy or benefit if the policy currency depreciates substantially against your local currency. You should understand that Chinese Yuan, United States Dollar and other foreign currencies involves exchange rate risks before you decide the policy currency.

Chinese Yuan is currently not freely convertible and conversion of Chinese Yuan is subject to certain restrictions. The actual conversion arrangement will depend on the restrictions prevailing at the relevant time. You should allow sufficient period for the conversion.

### **Inflation risk:**

The cost of living in the future may be higher than expected due to the effects of inflation. Therefore, your current projected benefits and/or returns may be insufficient to meet your future needs even if China Life (Overseas) fulfills all of our contractual terms and obligations.

### **Liquidity and withdrawal risk:**

You are obliged to hold the policy and pay the premium(s) for the designated period of time. If you terminate the policy, you may suffer a financial loss. In case you make partial withdrawals from the policy, your policy value, death benefit and other policy benefits will be affected, and you may need to pay the relevant handling fee or charges (if any).

### **Non-guaranteed benefit:**

The Plan consists of non-guaranteed benefits and/or returns. The actual amounts of benefits and/or returns in the future may be different from the benefits and/or returns which project on the product materials. The product materials are for illustrative purposes only.

### **Risk from exercising currency conversion option:**

When you exercise the currency conversion option to change the policy currency to a different currency available for selection, the policy will be exchanged to a policy under the plan designated by the Company, the adjustments on policy value may be significant (may increase or decrease) and the amount of guaranteed cash value and non-guaranteed terminal dividend will be adjusted. In particular, the guaranteed cash value may be lower. The policy value may be less than accumulated premium due and paid after exercising the currency conversion option. Any future premium payable (if any) will be adjusted (may increase or decrease) if the currency conversion option is exercised within the premium payment period. CNY/foreign currency policies are subject to exchange rate risk. The exchange rate between CNY/foreign currency and HKD may rise as well as fall. Therefore, if calculated in HKD, premiums, fees and charges (where applicable), account value/surrender value (where applicable) and other benefits payable under CNY/foreign currency policy will vary with the exchange rate. The exchange rate between CNY/foreign currency and HKD will be the market-based prevailing exchange rate determined by China Life (Overseas) from time to time, which may not be the same as the spot rate of banks. The fluctuation in exchange rate may result in losses if a customer chooses to pay premiums in HKD, or requests the insurer to pay the account value/surrender value (where applicable) or other benefits payable in HKD, for CNY/foreign currency policy.

The approval of the currency conversion option will be subject to the availability of currency at the time of exercising this option as well as the prevailing laws and regulations. Please note that there could be a material difference between the Plan and the designated plan provided at the time when you exercise the currency conversion option.

Once the policyholder submitted currency conversion option application to China Life (Overseas), the policyholder cannot change, cancel, revoke or terminate the application. Before exercising the currency conversion option, the policyholder should base on the future policy value indicated by China Life (Overseas) to evaluate in detail for the differences between the offerings of the original plan and the plan available for currency exchange provided by China Life (Overseas). Material difference includes but not limited to: product features (i.e. benefits, terms and conditions, investment strategy, target asset mix and relevant investment return and limitation). The policyholder should consider whether the relevant product meets his/her own individual needs, and should not convert to the plan solely for the sake of exercising the currency conversion option. The currency conversion option may not be available in the new policy after exercising the currency conversion option, which means you may not be able to further change the policy currency of the new policy and in a worst-case scenario, it may only be a one-time option depending on the new policy's product features.



**Non-payment of premium / automatic premium loan / Risks of applying for policy loans:**

You should pay premium(s) on time according to the selected premium payment term. If the due premium(s) remains unpaid upon the expiry of the grace period, an automatic premium loan will be taken out against the policy to settle the unpaid premium automatically. Besides, where the policy has cash value, the policyholder may apply to the Company for a policy loan. All automatic premium loan or policy loans are interest-bearing and calculated at a rate (as stated on China Life (Overseas)'s website [www.chinalife.com.hk](http://www.chinalife.com.hk)) to be declared by us from time to time. Interest accrued shall become a part of the indebtedness. Once the policyholder fails to pay the loans and interest, where the total amount of the indebtedness is equal to or exceeds the guaranteed cash value of the basic plan of the policy, the policy will be terminated and you will lose the related benefits and suffer a substantial financial loss. Under these circumstances, the surrender value of the policy will be deducted to repay the outstanding loan balance (including interest), and the remaining value will be refunded to you.

**Suicide clause, exclusions and limitations:**

If the insured commits suicide within one year from the policy effective date or within one year from the latest date of reinstatement of the policy, whichever is later, irrespective of whether the insured was sane or insane at the time of committing suicide, the liability of China Life (Overseas) shall be limited to the refund of the higher of the below without interest thereon:

- (i) accumulated premium due and paid of the basic plan; or
- (ii) sum of guaranteed cash value and terminal dividend (if any) at the date of death of the insured,

plus total amount of terminal dividend management account (if any), less any claim paid (if applicable), any benefit paid under the benefit provisions (if applicable) and any indebtedness (if applicable). The requirement of the suicide clause of 1 year will be calculated afresh from the effective date of the change of the insured and / or the contingent insured becoming the insured.

The information stated in this product brochure is for reference only. Please refer to the "general provisions" and "benefit provisions" for the exact terms and conditions and limitations such as incontestability, suicide and fraud, etc. or all exclusions, or call China Life (Overseas) customer service hotline at (852) 3999 5519 for details.

**Incontestability clause:**

Save for where there is fraud or non-payment of premium(s) falling due, during the lifetime of the insured, and after two years have passed since the policy effective date or since the latest date of reinstatement of the policy (whichever occurs later), China Life (Overseas) will not contest the validity of the policy. This clause is only applicable to the death benefit under the policy. The requirement of the incontestability clause of 2 years will be calculated afresh from the effective date of the change of the insured and / or the contingent insured becoming the insured.

**Policy termination:**

The Plan shall terminate upon the occurrence of any of the following events (whichever is the earliest): (a) the policy is surrendered by the policyholder; or (b) the Company has paid the death benefit in full; or (c) the due premium has not been paid by the policyholder to the Company within 31 days after the premium due date (except for the period which the premium holiday is in effect), and the policy has no remaining guaranteed cash value; or (d) the indebtedness of the policy is equal to or exceeds the guaranteed cash value of the policy; or (e) the application of policy split option or currency conversion option has been approved by the Company and is effective.

Effective from 1 January 2018, all policyholders are required to pay a levy on each premium payment made for both new and in-force policies to the Insurance Authority (the "IA"). For premium levy details, please visit our website at [www.chinalife.com.hk](http://www.chinalife.com.hk) or contact our customer service hotline at 399 95519 or visit IA's website at [www.ia.org.hk](http://www.ia.org.hk).

Customer Service Hotline: (852) 3999 5519

Website: [www.chinalife.com.hk](http://www.chinalife.com.hk)

E-mail: [info@chinalife.com.hk](mailto:info@chinalife.com.hk)

China Life Insurance (Overseas) Company Limited (incorporated in the People's Republic of China with limited liability)

Agency :



Insurance Company :

