

Life Insurance

Lifelong Promise • Lifelong Partner



## Brighter Life Insurance Plan

Give your child a rainbow of colours to paint their future

The perfect way to express your enduring devotion to your children as they grow into adulthood and beyond



## Plan Features

### Education fund for your children

Turning 18 is an important milestone. That is why Brighter Life Insurance Plan (the “Plan”) provides a guaranteed cash coupon as lucky money on the policy anniversary immediately following the insured’s 18<sup>th</sup> birthday. The guaranteed cash coupon is equal to 8% of the current sum assured.

The Plan also provides a guaranteed cash coupon on each policy anniversary between age 18 and 21 of the insured. For example, for insured who enrolls the Plan at age 0 to 4, the guaranteed cash coupon payable each time is 14% of the current sum assured, and the total amount payable will be up to 56% of the current sum assured. You may refer to the guaranteed cash coupon table for the guaranteed cash coupon payable to insured of other issue ages.

You can choose to withdraw<sup>1</sup> the guaranteed cash coupon or leave it in the policy to earn interest<sup>2</sup> until policy maturity.

Issue age	Guaranteed cash coupon (% of the current sum assured)					
	Payable on the policy anniversary immediately following the insured’s 18 <sup>th</sup> birthday	Payable on the policy anniversary immediately following the respective ages of the insured				
		Age 18	Age 19	Age 20	Age 21	Age 65
Age 0-4	8%	14%	14%	14%	14%	100%
Age 5-9	8%	12%	12%	12%	12%	100%
Age 10-11	8%	10%	10%	10%	10%	100%

### Accumulate wealth through dividends

You will receive a non-guaranteed dividend<sup>2</sup> at every policy anniversary while the policy is in force. You can opt to leave the non-guaranteed dividends in the policy to earn interest<sup>2</sup> until policy maturity. Alternatively, you may withdraw<sup>1</sup> that to achieve financial goals or use that to pay future premiums.

### Triple protection when grown up

Your children will need additional coverage when they grow up. Therefore, on the policy anniversary immediately following the insured’s 21<sup>st</sup> birthday and after the guaranteed cash coupon is paid, the sum assured of the Plan will be automatically increased by 3 times without the need to pay additional premiums.

The insured will also enjoy life protection until age 100 with premium payment up to age 65 only, offering your children adequate protection at different life stages.

### Savings for a prosperous retirement

On the policy anniversary immediately following the 65<sup>th</sup> birthday of the insured, a guaranteed cash coupon equivalent to the current sum assured will be provided. This way, you can extend your care to your children until they reach old age.

On the policy anniversary immediately following the 100<sup>th</sup> birthday of the insured, a maturity benefit equal to the current sum assured, plus accumulated guaranteed cash coupons and interest<sup>2</sup> (if any), and accumulated non-guaranteed dividends and interest<sup>2</sup> (if any), and less all indebtedness (if any), will be paid.

## Life protection

In case the insured passes away while the policy is in force, a death benefit will be provided. If the insured passes away before the first policy anniversary after age 21, the death benefit will be equal to the initial sum assured, plus accumulated guaranteed cash coupons and interest<sup>2</sup> (if any), and accumulated non-guaranteed dividends and interest<sup>2</sup> (if any), and less all indebtedness (if any).

If the insured passes away on and after the first policy anniversary after age 21, the death benefit will be equal to 300% of the initial sum assured, plus accumulated guaranteed cash coupons and interest<sup>2</sup> (if any), and accumulated non-guaranteed dividends and interest<sup>2</sup> (if any), and less all indebtedness (if any).

The plan features above are based on assumption that you have not applied for adjustment of sum assured.

## Enrollment Terms

<b>Issue age:</b>	15 days to age 11
<b>Benefit term:</b>	To age 100 of the insured
<b>Premium payment term<sup>3</sup>:</b>	To age 65 of the insured
<b>Premium payment mode:</b>	Annual, semi-annual, quarterly, monthly <sup>4</sup> , annual and premium prepayment <sup>5</sup>
<b>Policy currency:</b>	HKD or USD
<b>Minimum sum assured:</b>	HKD55,000 or USD7,000

## Illustrative Example

<b>Insured's gender:</b>	Male	<b>Smoking status:</b>	Non-smoking
<b>Premium payment mode:</b>	Annual	<b>Sum assured:</b>	HKD100,000
<b>Premium payment term:</b>	To age 65 of the insured		

The policy at age 21 of the insured:

(Policy currency: HKD)

Issue age	Total premiums paid	Accumulated cash coupons and interest <sup>2</sup>	Accumulated dividends and interest <sup>2</sup>	Guaranteed cash value	Total surrender value <sup>6</sup>	Projected rate of total returns <sup>7</sup>
Age 0	69,279	69,024	20,483	10,800	100,307	145%
Age 3	68,058	69,024	15,792	5,400	90,216	133%
Age 6	61,050	60,468	11,435	2,100	74,003	121%
Age 9	55,080	60,468	7,400	900	68,768	125%
Age 11	47,750	51,911	4,759	900	57,570	121%

The figures in the above example are rounded to the nearest whole number and are for illustrative purposes only. The actual return of the accumulated interest rate is not guaranteed. The above example is based on the following assumptions:

- all premiums exclude levy; and
- the non-guaranteed dividends and cash coupons are accumulated in the policy; and
- the current accumulated interest rates of the non-guaranteed dividends and the guaranteed cash coupons are 4.5% p.a. at China Life (Overseas). The interest rates are not guaranteed; and
- the above example assumes that there is no withdrawal and no indebtedness throughout the benefit term and that all premiums are paid in full when due.

### Notes:

1. You may withdraw the guaranteed cash coupons and/or non-guaranteed dividends at any time without any charge, however, the policy value and death benefit will be affected in case of withdrawal.
2. The dividends and interest are not guaranteed. The actual benefits and/or returns may be lower or higher than the estimates. China Life (Overseas) reserves the right to revise these from time to time. The actual amount of dividends is subject to the overall performance of China Life (Overseas)'s participating businesses, including investment returns and claims, etc.
3. In addition to premiums, you have to pay policy fee of HKD200/USD25 (subject to policy currency) per year during the premium payment term.
4. If the required renewal premium is paid by you within the grace period, the policy shall continue to be in force. 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 premium paid.
5. 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 HKD100 / USD12.5. You can withdraw the unused prepaid premium once only. The interest rate of prepaid premium is not guaranteed.
6. The total surrender value includes accumulated guaranteed cash coupons and interest (if any), guaranteed cash value, and accumulated non-guaranteed dividends and interest (if any), less all indebtedness (if any).
7. Projected rate of total returns is equal to the total surrender value divided by total premiums paid.

## 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 contract, 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 this Plan and consider whether this Plan is affordable and suitable to you before making your application.
2. China Life (Overseas) shall make the final decisions on the underwriting and claims. We 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.
3. Exclusions and limitations - 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.
4. Non-payment of premium / automatic premium loan - You should pay premium(s) on time according to the selected premium payment term. If the due premium remains unpaid upon the expiry of the grace period, an automatic premium loan will be taken against the policy to settle the unpaid premium automatically. All policy loans are interest-bearing and calculated at a rate (as stated on our corporate 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. When the loan balance is equal to or exceeds the guaranteed cash value of the basic plan of the policy, the policy will be lapsed and you will lose the related insurance coverage and suffer a 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.
5. Dividend and/or crediting interest philosophy - This is a participating and/or providing interest on accumulation insurance plan. Premiums received from the policies will be invested to a variety of assets according to China Life (Overseas)'s investment strategy. The surplus from the invested assets will be shared with policyholder through declared dividends and/or interest rate on accumulation in accordance with the relevant clause in the "benefit provisions". China Life (Overseas) will ensure a fair sharing of surplus among different groups of policyholders and also between policyholders and China Life (Overseas). China Life (Overseas) will review and determine the dividend and/or interest rate on accumulation at least once a year, the current projection on dividend and/or interest rate on accumulation are not guaranteed and subject to change with the entire performance of the relevant policies and the factor including but not limited to the past experience and future prospect of investment returns, claims and persistency:  
**Claims** – including the costs of providing death benefit as well as other benefits under the product(s).  
**Investment return** – including the interest income, dividend income, investment outlook and changes in the asset value.  
**Persistency** – including policy lapse and partial surrender experience.  
Note: The dividend or interest rate history is not an indicator of the future performance of the Plan.
6. Investment philosophy, policy and strategy - China Life (Overseas) aims to strive for minimizing volatility of the investment return and provides stable return as our investment philosophy. Assets are mainly invested in bonds and other fixed income instruments, such as government and corporate bonds and other fixed income instruments to support the guaranteed financial obligation. To enhance the performance of the investment portfolio, China Life (Overseas) invests in equity-type investments and other investment instruments such as mutual funds and direct / indirect investment in properties or commercial institutions.

The investment portfolio will be diversified across different geographic regions and/or industries. Investment strategy will be subject to change depending on the market conditions and the economic outlook. China Life (Overseas) will inform policyholder through the annual statement the relevant changes in dividend and/or interest rate on accumulation and the impact to the policies when there is change in the investment strategy.

China Life (Overseas)'s current investment strategy on participating and/or providing interest on accumulation plans are as follow:

Asset type	Target asset mix (%)
Bonds and other fixed income instruments	50% to 90%
Equity-type investment and other investments	10% to 50%

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 and/or crediting interest philosophy, investment philosophy, policy and strategy, as well as the fulfillment ratio of China Life (Overseas).

7. Cooling-off right - 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.

## 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. The fluctuations in exchange rates may also cause financial losses to you during currency conversions. You should take exchange rate risk into consideration when deciding the policy currency.

### Inflation risk:

The cost of living in the future may be higher than expected due to the effects of inflation. Therefore, your current planned benefits and/or returns may be insufficient to meet your future needs even if we fulfill 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 prior to the policy maturity date, you will 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.

### Policy termination:

The policy will be terminated if (a) the policy is lapsed and surrendered; or (b) the Company has paid the maturity benefit; or (c) the Company has paid the death benefit; or (d) the due premium has not been paid within 31 days after the premium due date, and the policy has no remaining guaranteed cash value; or (e) the indebtedness of the policy is equal to or exceeds the guaranteed cash value of the policy.

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 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).

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. For a copy of the terms and conditions of the policy contract, please contact China Life (Overseas) for enquiry.

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