

Life Insurance

Lifelong Promise • Lifelong Partner



Healthguard Insurance Plan

An increasingly polluted environment, rising work stress and unbalanced diet are contributing to elevated incidence of critical illnesses. The significant medical costs involved can be overwhelming – so what should we do to protect ourselves and plan a healthy life?

Healthguard Insurance Plan (the “Plan”) provides comprehensive coverage for 41 critical illnesses and 10 special illnesses to help you prepare for the unexpected. In addition, the Plan also offers life protection and 3 choices of premium payment term to suit your needs.



Plan Features

Comprehensive coverage

If the insured is diagnosed with any of the 41 covered critical illnesses below, the Plan will provide “critical illnesses benefit”¹ which is equivalent to the sum of 100% of the original sum assured and accumulated non-guaranteed dividends and interest² (if any). The policy will be terminated thereafter. The Plan provides “critical illnesses benefit” up to age 100 of the insured.

1. Acute Necrotic Pancreatitis	16. Encephalitis	31. Multiple Sclerosis
2. Advanced Dementia (including Alzheimer’s Disease)	17. Fulminant Hepatitis	32. Muscular Dystrophy
3. Aorta Surgery	18. Heart Attack	33. Occupational Acquired HIV
4. Aplastic Anaemia	19. Heart Valve Surgery	34. Paralysis
5. Apallic Syndrome	20. HIV Through Blood Transfusion	35. Parkinson’s Disease
6. Bacterial Meningitis	21. Kidney Failure	36. Poliomyelitis
7. Benign Brain Tumour	22. Life Threatening Cancer	37. Severe Burns
8. Blindness	23. Loss of Hearing	38. Severe Rheumatoid Arthritis
9. Cardiomyopathy	24. Loss of Independent Existence	39. Stroke
10. Chronic Liver Failure	25. Loss of Limbs	40. Terminal Illness
11. Chronic Respiratory Failure	26. Loss of Speech	41. Ulcerative Colitis
12. Coma	27. Major Head Injury	
13. Coronary Artery Bypass Grafting	28. Major Organ Transplant	
14. Crohn's Disease	29. Medullary Cystic Disease	
15. Disabling Primary Pulmonary Hypertension	30. Motor Neurone Disease	

The Plan also provides “special illnesses benefit” for the 10 special illnesses below, covering the insured up to age 85. If the insured is diagnosed with any of the covered special illnesses, 20% of the original sum assured or HKD240,000/USD30,000 (whichever is lower) will be paid.

The “special illnesses benefit” will be terminated after payout. We will reduce the sum assured of the Plan in accordance with the total benefit payout under “special illnesses benefit” of the Plan. We will also lower your premiums and the related values of the policy according to the reduced sum assured.

1. Angioplasty	6. Carcinoma in situ of the Fallopian Tube
2. Carcinoma in situ of the Breast	7. Carcinoma in situ of the Vagina
3. Carcinoma in situ of the Cervix Uteri	8. Early Stage Cancer of the Prostate
4. Carcinoma in situ of the Uterus	9. Carcinoma in situ of the Testes
5. Early Stage Cancer of the Ovary	10. Systemic Lupus Erythematosus

Annual dividends

You will receive a non-guaranteed dividends² on every policy anniversary while the policy is in force. You can choose to leave the non-guaranteed dividends in the policy to earn interest². Alternatively, you may withdraw³ that or use that to pay future premiums.

Maturity benefit

When the insured reaches age 100, the Plan will pay a maturity benefit¹, which is equivalent to 100% of the original sum assured, plus the accumulated non-guaranteed dividends (if any) and interest² (if any). The policy will be terminated thereafter.

Death benefit

If the insured unfortunately passes away while the policy is in force, a death benefit¹ which is equivalent to 100% of the original sum assured, plus the accumulated non-guaranteed dividends (if any) and interest² (if any) will be paid. The policy will be terminated thereafter.

Optional benefits

With a wide range of optional benefits, the Plan allows you to enhance the protection for your specific needs.

Enrollment Terms

Plan type:	Critical illness plan
Issue age:	15 days to age 60
Benefit term:	Up to age 100 of the insured Under “special illnesses benefit”: Up to age 85 of the insured
Premium payment term⁴:	10 years, 15 years, 20 years
Premium payment mode:	Annual, semi-annual, quarterly, monthly ⁵ , annual and premium prepayment ⁶
Policy currency:	HKD or USD
Sum assured:	HKD200,000 to HKD4,000,000 or USD25,000 to USD500,000

Illustrative Example

The table below is an illustration of the premium for a non-smoking male based on different issue age, with the assumption of a sum assured of HKD500,000 and a 15-year premium payment term.

Insured's gender:	Male	Smoking status:	Non-smoking
Premium payment term:	15 years	Sum assured:	HKD500,000
Premium payment mode:	Annual		

(Policy currency : HKD)

Issue age	Annual premium	Total premiums paid	At age 65 of the insured			
			Guaranteed cash value	Accumulated dividends and interest ²	Total surrender value ⁷	Total death benefit
Age 30	11,600	174,000	241,000	134,207	375,207	634,207
Age 35	13,850	207,750	241,000	105,776	346,776	605,776
Age 40	16,650	249,750	241,000	79,661	320,661	579,661
Age 45	20,050	300,750	241,000	55,698	296,698	555,698

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 are deposited and accumulated in the policy; and
- the current accumulated interest rate of the non-guaranteed dividends is 4.5% p.a. at China Life (Overseas). The interest rate is 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.

Benefits Schedule

Benefit type	Maximum number of claims	Maximum benefit amount (% of the sum assured)	Benefit term (Insured's age)
Special illnesses benefit ¹	1	20% of the original sum assured as advance payment or HKD240,000/USD30,000; whichever is lower	To age 85
Critical illnesses benefit ¹	1	100% of the original sum assured + accumulated non-guaranteed dividends (if any) and interest ² (if any)	To age 100
Death benefit ¹	1	100% of the original sum assured + accumulated non-guaranteed dividends (if any) and interest ² (if any)	To age 100

Notes:

1. When China Life (Overseas) pays out "critical illnesses benefit", "death benefit" or "maturity benefit", all paid "special illnesses benefit" (if any) and all indebtedness (if any) will be deducted.
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 dividend is subject to the overall performance of China Life (Overseas)'s participating businesses, including investment returns and claims, etc.
3. You may withdraw the dividends at any time without any charge, however, the policy value, "critical illnesses benefit" and "death benefit" will be affected in case of withdrawal.
4. In addition to premiums, you have to pay policy fee of HKD200/USD25 (subject to policy currency) per year during the premium payment term.
5. 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.
6. 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.
7. The total surrender value includes the guaranteed cash value and accumulated non-guaranteed dividends (if any) and interest (if any), less all indebtedness (if any).

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.

You have the right to purchase the medical insurance product as a standalone plan instead of bundling with other type(s) of insurance product.

- 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.
- China Life (Overseas) shall make the final decisions on the underwriting and claims. You are required to declare all requisite information that would affect our underwriting decisions. We have the right to declare the policy void due to any misrepresentation or fraud. 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.
- Exclusions – any claims caused by or resulting from the following conditions will not be covered: (1) any critical illness commences and manifests itself within ninety(90) days from the issue date or any date of reinstatement of this Plan, whichever is later; (2) congenital or pre-existing conditions when applying for the Plan; (3) Acquired Immunodeficiency Syndrome (AIDS) or AIDS-related complex (except in the circumstances as specified in the definition of "HIV Through Blood Transfusion" or "Occupational Acquired HIV"); (4) suicide or self-inflicted injuries, whether sane or not; (5) the insured participating in hunting, mountaineering, motor racing, horse racing, ice-skiing, skiing, scuba-diving, flying, hang gliding, parachuting, boxing or other hazardous competitions or performances; (6) the insured engaging service in the forces, police, warlike operations or aviation on duty; (7) war, act of hostility, declared or not, civil war, riots, civil commotion, strike or other activities of terrorism; (8) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exception combustion shall include any self-sustaining process of nuclear fission; (9) drug-taking other than under the direction of a qualified medical practitioner, abuse of alcohol or the taking of poison; (10) failure to seek or follow medical advice; (11) gas inhalation, except as a result of unavoidable catastrophes encountered while on duty; and (12) entering, departing from, driving or flying on or being situated by any means in an aerial vehicle except as a fare-paying passenger of a flight of scheduled route on a commercial aircraft of an airline.

In addition, 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.

- Limitation – limitation of the Plan includes:
 - Coverage of specific items will be effective on the following dates:

Items	Effective date (after the policy commences)
Death benefit (except death due to suicide)	Immediate
Covered special illnesses and critical illnesses	90 days

- When the policy is in force, if the insured is diagnosed with one or more than one covered special illnesses and/or covered critical illnesses by a registered medical practitioner, the maximum amount payable shall not exceed the original sum assured of the Plan.
- 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 out 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) 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.
 - 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.

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

- Maturity benefit – When the policy matures, if the total benefit payout of "special illnesses benefit" and "critical illnesses benefit" under the Plan has not reached 100% of the original sum assured, China Life (Overseas) will pay maturity benefit, which is equal to 100% of the original sum assured, plus the accumulated non-guaranteed dividends (if any) and interest (if any), and less the total benefit payout of "special illnesses benefit", as well as all indebtedness (if any).
- Surrender value – When you surrender, if the total benefit payout of "special illnesses benefit" and "critical illnesses benefit" under the Plan has not reached 100% of the original sum assured, China Life (Overseas) will pay surrender value, which is equal to the guaranteed cash value, and accumulated non-guaranteed dividends (if any) and interest (if any), and less all indebtedness (if any).
- 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.
- Cancellation right - You have the right to send a policy cancellation request to China Life (Overseas) at any time after the cooling-off period. You must complete and sign the relevant form and submit that to China Life (Overseas) at 22/F, CLI Building, 313 Hennessy Road, Wan Chai, Hong Kong. China Life (Overseas) will pay you the surrender value (if any) and the policy will be terminated thereafter. Should you have the relevant form, please contact your financial consultant or call China Life (Overseas) customer service hotline: 399 95519.
- Claims procedure – If you would file a claim, you must submit completed designated form(s) with relevant proof within 90 days from the first treatment date for any covered disease condition or the date of death of the insured to China Life (Overseas). You can obtain the claims forms from your financial consultant, by calling China Life (Overseas) customer service hotline: 399 95519 or by visiting any China Life (Overseas) customer service centre.

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 Plan. 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).

Premium adjustment, benefit adjustment and renewal:

China Life (Overseas) reserves the right to review and adjust the premium rates on each policy anniversary. Factors leading to premium adjustment include but not limited to the experience in claims, policy surrender, investment return, expenses and medical cost incurred by and/or in relation to the Plan.

In addition, China Life (Overseas) reserves the right to review the terms and conditions and/or benefit schedule of the Plan from time to time. China Life (Overseas) will provide you a written notice 30 days before any revision, amendment or modification by ordinary post to your last known address in China Life (Overseas)'s records. In the event you disagree with such revision, you must provide a written request to China Life (Overseas) at any time within 30 days after such revision takes effect and the Plan shall automatically terminate on the premium due date following China Life (Overseas)'s receipt of such notice.

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 matures, expires, is surrendered or converted to paid-up insurance; or (b) the benefit expires as shown in the policy information page or any endorsements; or (c) the insured attains age 100; or (d) 100% of the sum assured is paid or payable.

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 or contact our customer service hotline at 399 95519 or visit IA's website at 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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