

Life Insurance

Lifelong Promise • Lifelong Partner



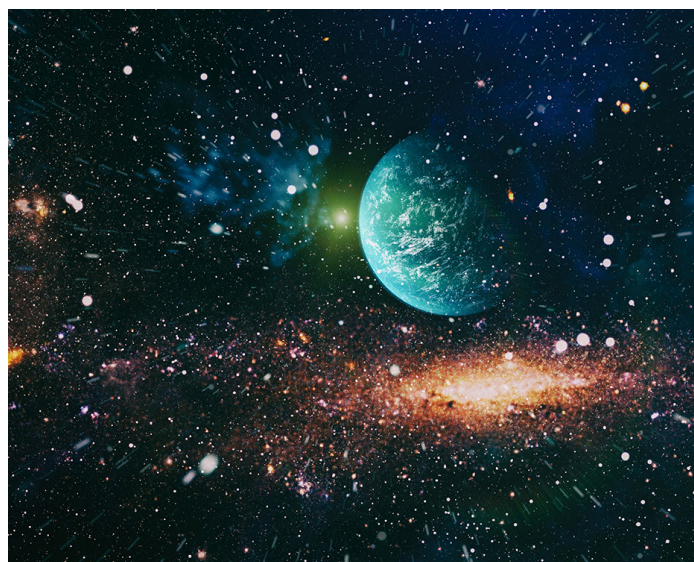
Joyful Promise Savings Insurance Plan

Customer Service Hotline

399 95519

www.chinalife.com.hk

Love and support of parents can get a child anywhere and everywhere in life. Joyful Promise Savings Insurance Plan (the “Plan”) can help you plan ahead for a joyful future for your child and build education reserve with ease. When your child approaches retirement, the Plan can help offer a stable stream of retirement income and serve as solid financial support.



Plan Features

Build education reserve with guaranteed cash coupons

Preparing for education is an important milestone. Your child will also have different life goals when grown up. That is why the Plan provides guaranteed cash coupons to help your child achieve dreams. You can choose any one of the following payment patterns to receive the guaranteed cash coupons when the first insured reaches specified ages, offering ample financial support for your child through different life stages.

Pattern 1:

Payment age (based on the policy anniversary (or the succeeding business day) that the first insured attains the age below)	Payment amount (based on basic amount ¹)	
Age 15 - 17	10% per policy year	110% in total
Age 18 - 21	20% per policy year	
Age 35	120%	
Total guaranteed cash coupon amount (based on basic amount¹)	230%	

Pattern 2:

Payment age (based on the policy anniversary (or the succeeding business day) that the first insured attains the age below)	Payment amount (based on basic amount ¹)	
Age 18 - 21	30% per policy year	120% in total
Age 35	120%	
Total guaranteed cash coupon amount (based on basic amount¹)	240%	

While the policy is in force and 30 days before the policy anniversary which the first insured reaches age 15, you can apply to exercise the “change cash coupon payment pattern option”² to change the payment pattern option for guaranteed cash coupon selected at policy application for at most once.

You may leave the guaranteed cash coupon in the policy to accumulate interest³ or withdraw⁴ it for use.

Multiple potential returns for wealth accumulation

The Plan is a participating insurance plan that offers you potential capital growth. Its policy value consists of: guaranteed cash value, accumulated guaranteed cash coupons and interest³ (if any), terminal dividend⁵ (if any) and the total amount of terminal dividend management account⁶ (if any). Terminal dividend is a one-off non-guaranteed dividend, which is payable from the 3rd policy anniversary upon certain events.

Terminal dividend management option to help you lock in gains

To facilitate your financial need, you can choose to exercise “terminal dividend management option”⁶ within 30 days starting from every policy anniversary (including the date of policy anniversary) to lock in gains from part of your non-guaranteed terminal dividend starting from the 15th policy anniversary and every policy anniversary thereafter. This option can only be exercised once every policy anniversary. The minimum percentage for each locked-in terminal dividend under the terminal dividend management option is 10% and the aggregate percentage limit for locked-in terminal dividend is 50%. The non-guaranteed terminal dividend which is applied to lock in will be transferred to the terminal dividend management account and will become locked-in terminal dividend. The locked-in terminal dividend will then be guaranteed and will accumulate with interest³ at a non-guaranteed rate. You may also withdraw from the terminal dividend management account for extra liquidity.

Maturity benefit helps boost your capital

When the insured reaches age 138, the Plan will provide a maturity benefit which is equivalent to the guaranteed cash value plus accumulated guaranteed cash coupon and interest³ (if any), terminal dividend⁵ (if any) and total amount of terminal dividend management account⁶ (if any), less all indebtedness (if any). The policy will be terminated thereafter.

Unlimited change of insured to pass on wealth across generations

The Plan gives your wealth more time to grow and pass on through generations. It allows you to change the insured for unlimited times at any time starting from the next policy anniversary after all guaranteed cash coupons are fully paid and while the insured is alive. The benefit term will be extended to age 138 of the new insured⁷ upon each change.

Contingent insured to sustain insurance coverage

You can appoint and prioritize a maximum of 2 contingent insureds⁸ at a time starting from the next policy anniversary after all guaranteed cash coupons are fully paid and while the insured is alive. 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 for allowing the policy to continuously provide protection to you and your family.

Life protection provides peace of mind to your loved ones

Life protection

If the insured passes away while the policy is in force, provided that there is no appointed contingent insured⁸ under the policy, we will pay the beneficiary a death benefit which is equivalent to:

105% of the accumulated premium due and paid of the basic plan after deducting the guaranteed cash coupon paid, or the guaranteed cash value of the basic plan at the date of death of the insured, whichever is higher;

+ accumulated guaranteed cash coupons and interest³ (if any);

+ terminal dividend⁵ (if any);

+ total amount of terminal dividend management account⁶ (if any);

– all indebtedness (if any).

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

Accidental death benefit

The Plan also provides accidental death benefit to the beneficiary. In the event the insured unfortunately dies from an accidental injury, the beneficiary will receive an additional coverage. During the first 10 policy years from the policy effective date, if the insured suffers from accidental injury caused by an accident, and dies from the accidental injury within 180 days from the date of the occurrence of the accidental injury (both dates inclusive), provided that there is no appointed contingent insured⁸ under the Plan, the Company will pay to the beneficiary 100% of the accumulated premium due and paid of the basic plan or HKD500,000/USD62,500, whichever is lower, in addition to the death benefit. The policy shall then terminate.

If the insured is covered under other policies issued by the Company, the total amount payable by the Company for the death of insured due to accident shall not exceed HKD1,000,000/USD125,000.

Death benefit and accidental death benefit settlement option

While the insured is alive, you can choose how the death benefit and accidental death benefit (if any) are to be paid⁹, as long as the payment options of both benefits are the same. You can choose to settle the benefits in a lump sum or by annual installments with a fixed amount over a fixed payment term of 10 or 20 years, helping you to safeguard his or her family's financial future.

If the death benefit at the date of the insured's death is less than HKD400,000/USD50,000, or the policyholder does not specify any settlement option, we will pay out the benefit amount to the beneficiary in a lump sum.

Flexible full surrender settlement options

You may exercise full policy surrender according to your financial condition. The Plan will provide a surrender value. You can choose to receive such payment¹² in a lump sum¹⁰ or by installments¹¹ to enjoy greater financial flexibility.

For the installment option, while the policy is in force, you can choose to exercise the "annuity conversion option" 30 days before the policy anniversary that the insured reaches age 65 and every policy anniversary thereafter to convert the guaranteed cash value, accumulated guaranteed cash coupons and interest³ (if any), terminal dividend⁵ (if any) and total amount of terminal dividend management account⁶ (if any), less all unpaid premiums (if any) and indebtedness (if any) to annuity. The amount mentioned above will be transferred to the "annuity conversion account" and become total annuity amount. The annuity income can be paid out in cash by annual installments over a fixed payment term of 10 or 20 years, giving you a stable stream of retirement income. If the amount mentioned above is less than HKD400,000/USD50,000, or you have not selected any settlement option, you will receive the relevant amount in a lump sum.

Premium waiver benefit for death of parents

To ensure your loved ones can still enjoy coverage even when the worst happens, we will waive the undue premiums of the Plan¹³ if the insured is below age 18 and his/her father or mother unfortunately passes away during the premium payment term after the Plan has been in force for 2 years, subject to the condition that the insured's father or mother is the policyholder or a beneficiary of the Plan. This benefit is only applicable if the insured's father or mother is below age 50 on the policy effective date.

In case there is a change in your family status, this benefit will be effective again after 2 years from the effective date of the change of policyholder or beneficiary, provided that the new policyholder or new beneficiary is the insured's father or mother and is below age 50.

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 service¹⁴.

Simplified underwriting

The Plan offers simplified underwriting procedures of which no medical examination is required.

Enrollment Terms

	Premium payment term	Issue age
Premium payment term and issue age:	5 years	15 days to age 11
	10 years	15 days to age 6
Benefit term:	To age 138 of the latest insured	
Premium payment mode¹⁵:	<ul style="list-style-type: none"> • Annual • Semi-annual • Quarterly • Monthly • Annual and premium prepayment¹⁶ (applicable to 5-year premium payment term) 	
Policy currency:	HKD / USD	
Minimum basic amount¹:	HKD80,000 / USD10,000	
Maximum basic amount¹:	HKD40,000,000 / USD5,000,000	

Case Study

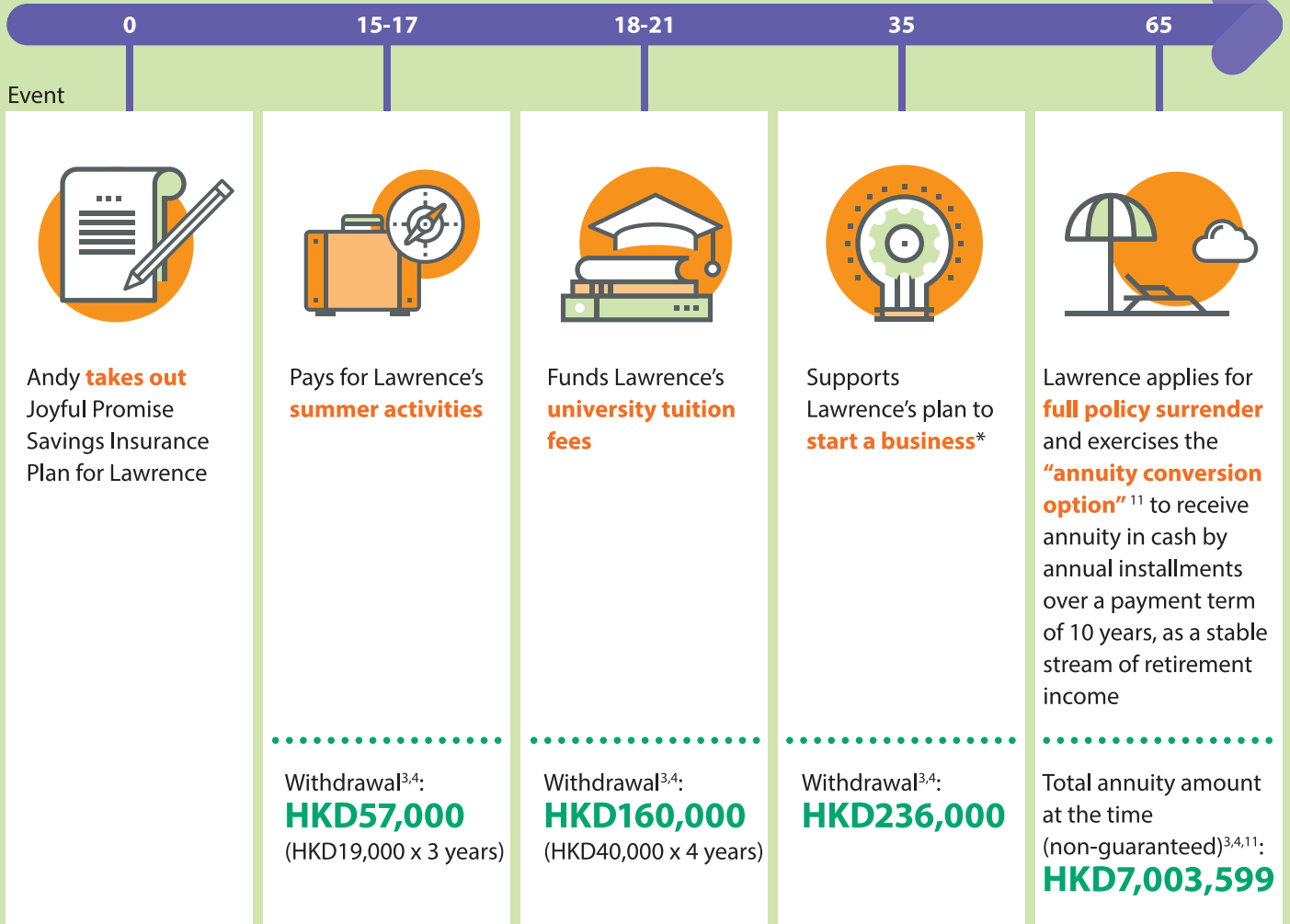
Andy wants to prepare the best for his new-born son Lawrence and build a solid financial reserves to help him achieve different life goals. As such, Andy takes out Joyful Promise Savings Insurance Plan. The Plan offers 2 different payment patterns of guaranteed cash coupons, catering to different needs.



Insured's gender:	Male	Smoking status:	Non-smoking
Insured's age:	Age 0	Basic amount ¹ :	HKD197,424
Premium payment mode:	Annual	Annual premium:	HKD50,000
Premium payment term:	10 years	Total premium paid:	HKD500,002

Scenario 1: Andy selects pattern 1

Insured's age (at the end of the policy year of relevant age)

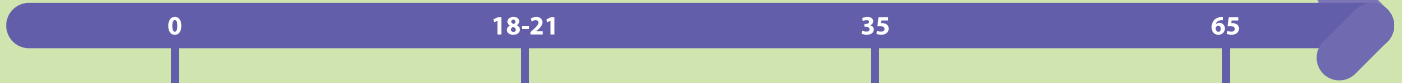


* Andy changes the policyholder to Lawrence when he reaches age 40

The total withdrawal^{3,4} throughout the benefit term is **HKD453,000** and the total annuity amount at the time when "annuity conversion option"^{3,4,11} is exercised is **HKD7,003,599**, which is equivalent to about **15 times** of total premiums paid.

Scenario 2: Andy selects pattern 2

Insured's age (at the end of the policy year of relevant age)



Event



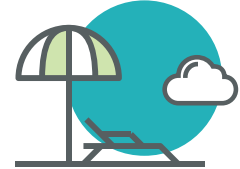
Andy **takes out** Joyful Promise Savings Insurance Plan for Lawrence



Support Lawrence to **pursue personal interest** in eSports



Lawrence gets married and enters a new phase of life. Funds Lawrence's **wedding expenses***



Lawrence applies for **full policy surrender** and exercises the "**annuity conversion option**"¹¹ to receive annuity in cash by annual installments over a payment term of 20 years, as a stable stream of retirement income

Withdrawal^{3,4}:
HKD236,000
(HKD59,000 x 4 years)

Withdrawal^{3,4}:
HKD236,000

Total annuity amount at the time (non-guaranteed)^{3,4,11}:
HKD7,005,765

* Andy changes the policyholder to Lawrence when he reaches age 40

The total withdrawal^{3,4} throughout the benefit term is **HKD472,000** and the total annuity amount at the time when "**annuity conversion option**"^{3,4,11} is exercised is **HKD7,005,765**, which is equivalent to about **15 times** of total premiums paid.

The figures in the above case are rounded to the nearest whole number and for illustrative purpose only.

The above case is based on the following assumptions:

- all premiums exclude levy; and
- withdrawals includes guaranteed cash coupons and interest³ (if any); and
- the current accumulated interest rate³ of the guaranteed cash coupons is 3.45% p.a. at China Life (Overseas). The interest rate is not guaranteed; and
- total annuity amount at the time (non-guaranteed) refers to the total annuity amount transferred to the annuity conversion account upon the policyholder's application to exercise the annuity conversion option at the end of the 65th policy year; and
- no other withdrawal is made apart from the withdrawals of specified amount in the above case study; and
- there is no indebtedness, no terminal dividend management option exercised, no change cash coupon payment pattern option excised throughout the benefit term and all premiums are paid in full when due.

Notes:

1. "Basic amount" means the amount shown on the policy information page or endorsement as the "basic amount". The "basic amount" is used to calculate 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.
2. The application for "change cash coupon payment pattern option" is subject to the prevailing administrative rules of China Life (Overseas) and has to be confirmed by the Company (subject to the Company's record). No change, cancellation, withdrawal or termination will be allowed once the policyholder submits the application for exercising the option. After the change cash coupon payment pattern option has been exercised, the payment age and payment amount of guaranteed cash coupons and total guaranteed cash coupon amount of the basic plan will be adjusted accordingly; while the basic amount, premium and guaranteed cash value will not be adjusted because of the exercise of the change cash coupon payment pattern option.
3. The interest for the guaranteed cash coupon accumulated in the policy and the interest transferred to the terminal dividend management account are not guaranteed. The actual benefits and/or returns may be lower or higher than estimates. China Life (Overseas) reserves the right to revise this from time to time. The prevailing accumulation interest rate of policy(ies) denominated in HKD and USD are 3.45% p.a. and 3.9% p.a. respectively. The above accumulation interest rate is not applicable to annuity conversion option.
4. You may withdraw the guaranteed cash coupons at any time without any charge, however, the policy value and death benefit will be affected in case of withdrawal of guaranteed cash coupons.
5. Terminal dividend is a one-off dividend and is non-guaranteed. Amount of 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 some circumstances, actual amount of terminal dividend may be zero. The amount of the 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 terminal dividend from time to time. Past record is not necessarily indicative of future result. For more information, please refer to clause 5 and clause 6 under "Important information" and "Non-guaranteed benefit" risk.

Starting from the 3rd policy anniversary, the terminal dividend shall be paid upon the occurrence of the earliest of the following conditions:

- (a) when the death benefit is paid; or
- (b) when the policy is surrendered; or
- (c) when the policy reaches the policy maturity date.

6. The minimum percentage for each locked-in terminal dividend under the "terminal dividend management option" is 10% and the aggregate percentage limit for locked-in terminal dividend is 50%. The option will only be exercised provided that the application fulfills the application requirement and is confirmed by the Company. There is no limitation on the number of exercising this option and it is subject to change by the Company from time to time. But this option can only be exercised once every policy anniversary. The Company will only process this option once for each written request. Should this option be exercised again afterwards, written request must be resubmitted. No application will be accepted if there is any indebtedness during application. The amount of locked-in terminal dividend is guaranteed after exercising this option successfully. 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, which will accumulate with interest at a non-guaranteed rate. The Company reserves the right to revise the rate from time to time. You can submit request to the Company to withdraw part or all of the locked-in terminal dividend and interest (if any) from terminal dividend management account without surrendering the policy. The withdrawal amount is subject to minimum requirement set by the Company from time to time.

There may be a delay when exercising terminal dividend management option at the time of market volatility. The actual amount of the locked-in terminal dividend will only be determined after the application has been processed successfully by the Company. Upon the completion of transferring the terminal dividend to the terminal dividend management account by the Company 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. Locked-in terminal dividend will not be allowed to be reset or reversed to terminal dividend. For details, please refer to the policy provision.

7. The new insured must have insurable interest which is satisfactory to the Company with the policyholder. The new insured must be aged between 15 days and 80, and must not be older than the attained age of the current insured, whichever is lower. The new insured is also subject to the applicable terms and conditions determined by us from time to time. Both current insured and new insured should be alive during the application for change of insured, which is subject to the prevailing administrative rules of China Life (Overseas). The policy's basic amount, guaranteed cash value, policy date, policy year, premium expiry date, accumulated premium due and paid, death benefit, accidental death benefit (if any), accumulated guaranteed cash coupons and interest (if any), terminal dividend management option, total amount of terminal dividend management account (if any), annuity conversion option and indebtedness (if any) will not be changed as a result of the change of insured.
8. The contingent insured must have insurable interest which is satisfactory to the Company with the policyholder. At the point of application, the contingent insured must be aged between 15 days and 80, and must not be older than the attained age of the current insured, whichever is lower. The contingent insured is also subject to the applicable terms and conditions determined by us from time to time. Application for contingent insured is subject to the prevailing administrative rules of China Life (Overseas). The policy's basic amount, guaranteed cash value, policy date, policy year, premium expiry date, accumulated premium due and paid, death benefit, accidental death benefit (if any), accumulated guaranteed cash coupons and interest (if any), terminal dividend management option, total amount of terminal dividend management account (if any), annuity conversion option and indebtedness (if any) will not be changed as a result of the contingent insured becoming the insured.
9. For the installment option, the remaining balance of death benefit and accidental death benefit (if any) will be deposited in the policy to accumulate interest until the end of the payment term. The interest will be calculated on an annual basis and it is non-guaranteed which will be determined by us from time to time. The accumulated interest (if any) will be paid together with the last installment of death benefit and accidental death benefit (if any). If the beneficiary dies during the settlement period of the death benefit and accidental death benefit (if any), we will pay the remaining balance of the death benefit and accidental death benefit (if any) with interest (if any) in a lump sum payment to the estate of the deceased beneficiary. The policy will be terminated thereafter.

10. For the lump sum option, the policy will be terminated after the surrender value is paid in full.
11. For the installment option (i.e. exercising "annuity conversion option"), once the application for annuity conversion option is approved by the Company, the relevant amount will be transferred to the annuity conversion account as soon as practicable and will become total annuity amount, while the remaining policy deposit (if any) will be paid as a lump sum cash payment to the policyholder. There may be a delay when exercising annuity conversion option especially at the time of market volatility. The actual amount to be converted will only be determined after the application has been processed successfully by the Company. No change, cancellation, withdrawal or termination will be allowed once policyholder submits the application for exercising the option. For the avoidance of doubt, total annuity amount cannot be restored or reversed to policy value.
- After exercising annuity conversion option, the guaranteed cash value, accumulated guaranteed cash coupons and interest (if any), terminal dividend (if any), maturity benefit, death benefit, accidental death benefit (if any), terminal dividend management option, total amount of terminal dividend management account (if any), change of insured, contingent insured and 24-hour worldwide emergency assistance service will become inapplicable immediately. The remaining balance of annuity will be deposited in the policy to accumulate interest until the end of the payment term. The interest will be calculated on an annual basis and it is non-guaranteed which will be determined by us from time to time. The accumulated interest (if any) will be paid together with the last installment of annuity and the policy will then terminate. The policyholder can withdraw the value of annuity conversion account in full as a lump sum cash payment during the annuity period. The policyholder can only withdraw the value of annuity conversion account once and the policy shall then terminate. If the policyholder (as the annuitant) dies during the annuity income period, we will pay the remaining balance of the annuity with interest (if any) in a lump sum payment to the estate of the deceased policyholder. The policy will be terminated thereafter.
12. The amount you will receive for policy surrender may be less than the total amount of premiums paid regardless of the settlement option selected.
13. The total amount of premiums waived under "premium waiver benefit for death of parents" and "premium waiver benefit for death of spouse" of all policies underwritten by China Life (Overseas) shall not exceed HKD2,500,000 / USD312,500, or equivalent amount in other currencies for the same insured.
- The premium waiver benefit for death of parents shall terminate upon the occurrence of any of the following events (whichever is the earliest): (a) the policy anniversary which the insured attains age 18; or (b) the premium expiry date of the basic plan.
14. 24-hour worldwide emergency assistance service is provided by third party service provider. We will not guarantee the service quality and shall not be liable for any matter in connection with the services. China Life (Overseas) reserves the right to amend the terms and conditions thereof from time to time without prior notice.
15. 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 premiums paid.
16. 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 premiums once only. The interest rate of prepaid premium is 1% p.a. and this interest rate is not guaranteed.

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 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 premium levy (if any) paid without interest for declined cases.
3. Exclusions and limitations - applicable to "accidental death benefit"
The Plan shall not cover any claims if the insured is involved in any of the following activities or the consequences directly or indirectly caused by wholly or partly any of the following events occur in respect of the insured:
 - a) congenital illnesses or intrinsic illnesses existed before applying for the Plan;
 - b) engage or in any way involved in any acts or activities that violate any laws or regulations of Hong Kong or the laws of the place where the insured stays;
 - c) war, act of hostility (whether war declared or not), civil war, revolution, rebellion, civil commotion, riot, strike, activities of terrorism or any military actions;
 - d) the insured is serving in the military services, including but not limited to where the insured is engaging in or taking part in military service during the time of war, act of hostility (whether war declared or not), any military actions or repression of rebellion;
 - e) contamination resulting from nuclear weapons, ionizing radiation, nuclear fuel or waste produced from the combustion of nuclear fuel (the said nuclear combustion shall include any self-sustaining process of nuclear fission);
 - f) directly or indirectly caused by the insured engaging in aviation, except as a passenger on an aircraft of a commercial airline on a scheduled route;
 - g) self-inflicted injuries or suicide (whether sane or not) by or attempted by the insured (whether felony or not) or deliberate exposure to exceptional danger (except in an attempt to save human life);
 - h) childbirth, pregnancy, miscarriage or abortion, even if it is accelerated or induced by an accident;
 - i) treatment operated on the insured and induced by disease, infected disease or incident that is not caused by an accident;
 - j) taking of poison or inhaling poisonous gas or poisonous mist (whether voluntary or not); except accidental inhaling by the insured in a fire;
 - k) the insured as a professional athlete participating in sports or earning income or remuneration through the sports;
 - l) participating in hunting, mountaineering, motor racing, horse racing, ice-skiing, skiing, scuba-diving, parachuting, hang-gliding, boxing or any other competitions or performances;
 - m) while the insured is on duty as a professional driver and is entering, driving, operating, servicing, riding in or departing from any land vehicle or conveyance outside the territorial limits of Hong Kong and Macau;
 - n) the insured is assaulted or murdered during rebellion, civil commotion, strikes or when making an arrest while the insured:
 - (i) is employed as a full-time or part-time police officer/cadet officer, or an officer or a member of the Correctional Services Department; or
 - (ii) is on duty with the above mentioned occupation;
 - o) the insured is assaulted or murdered during rebellion, civil commotion or strikes while the insured:
 - (i) is employed as a fireman; or
 - (ii) is on duty as a fireman and is engaging in firefighting or activities for protecting people and property in a fire; or
 - p) disappearance of the insured, except including but not limited to the situation when the ship which the insured is taking or the aircraft which the insured is taking as passenger has totally disappeared.

In addition, the information stated in this product brochure is for reference only. Please refer to the "general provisions" and "benefit provisions" for the detailed terms and conditions of exclusions and limitations such as incontestability, suicide and fraud etc.

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(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. All premium loans are interest-bearing and calculated at a rate (as stated on China Life (Overseas)'s 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 benefits 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 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.

6. 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 utilize derivatives to manage risks 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 for dividend history, dividend philosophy, investment 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.

The policy currency of the Plan offers HKD and USD. Currency exchange rate can go up and down. If the policy currency is USD 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.

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 prior to the policy maturity date, 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.

Policy termination:

The policy will be terminated on the earliest of the following event: (a) the policy is lapsed; or (b) the policy is surrendered (not applicable to the policy with the "annuity conversion option" already exercised); or (c) the Company has paid the maturity benefit; or (d) the Company has paid the death benefit in full; or (e) the Company has paid the total annuity amount in full during annuity period according to the "annuity conversion option" (only applicable to the policy with the "annuity conversion option" already exercised); or (f) 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 (g) 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 premium 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 policy provisions, please contact China Life (Overseas) for enquiry.



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