

Life Insurance

Lifelong Promise    Lifelong Partner



## Pleasure Life Savings Insurance Plan

Starting financial planning early can help shape a happy life and enjoy a continuous stream of returns! Pleasure Life Savings Insurance Plan (the “Plan”) only requires a one-time premium payment and offers multiple potential returns, offering long-term growth potential to your wealth.

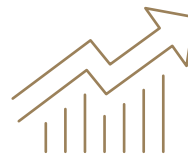
Furthermore, it provides the flexibility to pass on your wealth and allocate your assets according to your financial needs. You can split the policy and change the insured for unlimited times.



### Plan Features



**Multiple potential returns**



**Maturity benefit helps boost your capital**



**Policy split**



**Unlimited change of insured**



**Setting up contingent insured**



**Life protection and settlement option**



## Multiple potential returns to accelerate wealth building

The Plan is a participating insurance plan that offers you potential capital growth. Its policy value consists of three components:

**Non-guaranteed dividends**<sup>1</sup> will be payable starting from the 2<sup>nd</sup> policy anniversary and every policy anniversary thereafter, until age 138 of the insured or latest insured, providing you with a stream of potential returns.

You may leave the non-guaranteed dividends (if any) in the policy to accumulate interest<sup>1</sup> or withdraw<sup>2</sup> that to achieve different financial goals.

**Terminal dividend**<sup>3</sup> is a one-off non-guaranteed dividend, which is payable from the 3<sup>rd</sup> policy anniversary upon certain events.

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



## Maturity benefit helps boost your capital

The Plan will provide a maturity benefit upon policy maturity, which is equivalent to the guaranteed cash value plus accumulated non-guaranteed dividends (if any) and interest<sup>1</sup> (if any) and non-guaranteed terminal dividend<sup>3</sup> (if any), less all indebtedness (if any). The policy will be terminated thereafter.



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

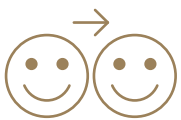
You can distribute your wealth in the way you choose by exercising the hassle-free “policy split option”<sup>4</sup>, which allows you to divide your policy into multiple policies as you wish, whether you desire to pass your wealth to your next generation or prepare funds for your retirement.

Starting from the 5<sup>th</sup> policy anniversary, you may exercise the policy split option<sup>4</sup> 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>5</sup> to allocate your legacy and enjoy greater flexibility on wealth allocation.



## 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>5</sup>, allowing you to change the insured 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 age 138 of the new insured upon each change, giving your wealth more time to grow and pass on through generations.



## Contingent insured to sustain insurance coverage

You can appoint and prioritize a maximum of 2 contingent insureds<sup>6</sup> 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.



### Life protection and settlement option

In case the insured unfortunately passes away while 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:

- (i) 101% of accumulated premium due and paid of the basic plan at the date of death of the insured; or
  - (ii) sum of guaranteed cash value and non-guaranteed terminal dividend<sup>3</sup> (if any) of the basic plan at the date of death of the insured
- + accumulated non-guaranteed dividends (if any) and interest<sup>1</sup> (if any);  
 – all indebtedness (if any).

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

While the insured is alive, you can choose to settle the death benefit<sup>7</sup> in a lump sum or by annual installments with a fixed amount over a fixed payment term of 10, 20 or 30 years, helping to safeguard your family’s financial future.



### 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>8</sup>.



### Simplified underwriting No medical examination

To enable you to achieve your goals with ease, the Plan offers simplified underwriting procedures of which no medical examination is required.

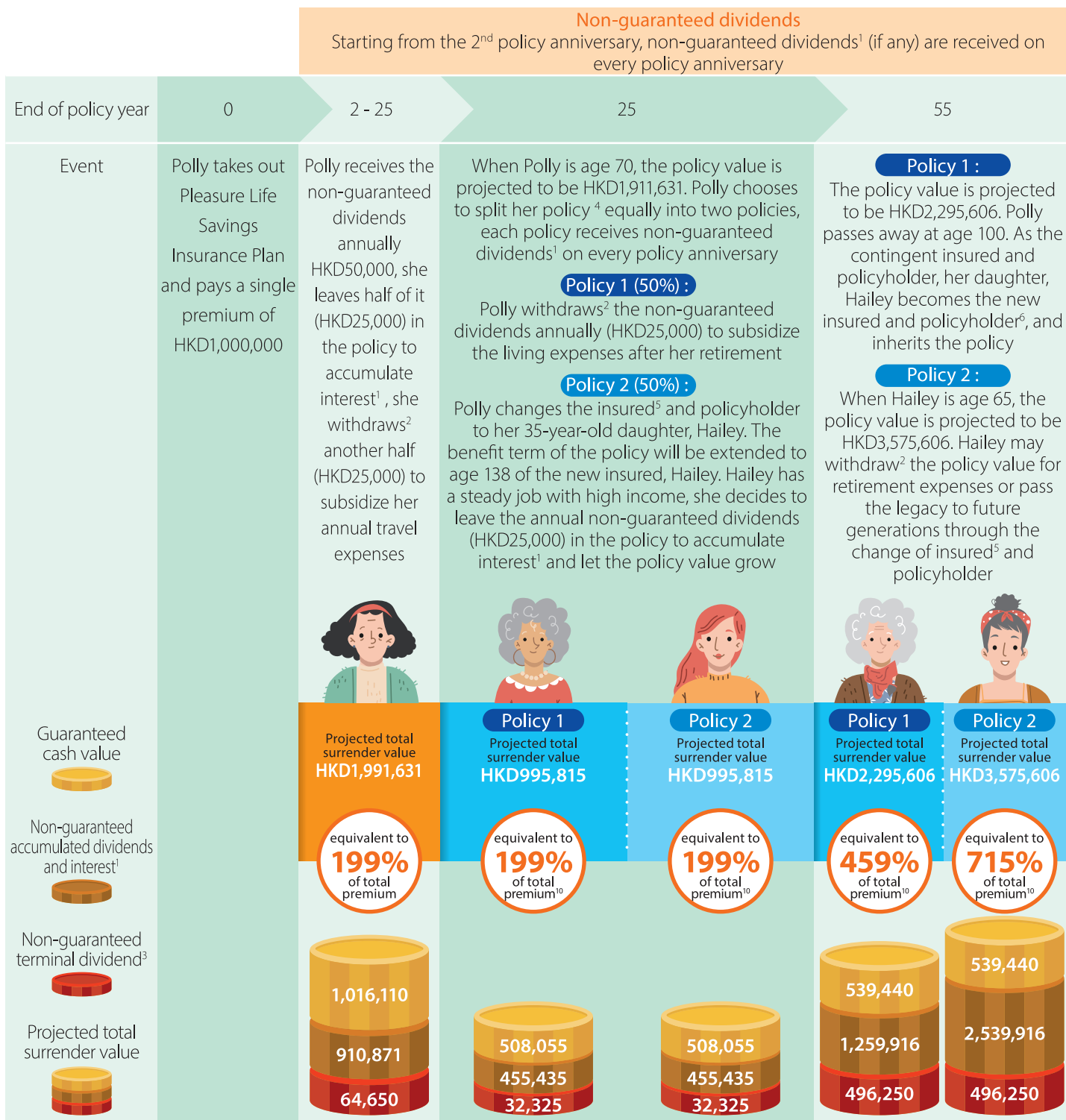
## Enrollment Terms

<b>Issue age:</b>	15 days to age 80		
<b>Benefit term:</b>	To age 138 of the latest insured		
<b>Premium payment mode:</b>	Single payment		
<b>Policy currency:</b>	HKD / USD		
	Issue age		
	15 days to age 60	Age 61 to 75	Age 76 to 80
<b>Minimum basic amount<sup>9</sup>:</b>	HKD80,000 / USD10,000		
<b>Maximum basic amount<sup>9</sup>:</b>	HKD80,000,000 / USD10,000,000	HKD40,000,000 / USD5,000,000	HKD3,000,000 / USD375,000

## Case : Accumulate wealth, enriching future generation

Polly is a registered nurse with many years of work experience and substantial savings. She hopes to increase her wealth steadily over the long term and receive potential returns annually, while also withdrawing part of the amount to cover travel expenses. She can pass on her wealth to her heirs in the future. Thus, she takes out Pleasure Life Savings Insurance Plan.

Policyholder : Polly  
 Issue age : 45  
 Premium payment mode : Single payment  
 Smoking status : Non-smoking  
 Policy currency : HKD  
 Basic amount<sup>9</sup> : HKD1,000,000



The figures in the above case are rounded to the nearest whole number and are for illustrative purposes only. The above case is based on the following assumptions:

- premium excludes levy;
- total surrender value is equal to the sum of the guaranteed cash value, non-guaranteed accumulated dividends and interest (if any) and non-guaranteed terminal dividend (if any), less all indebtedness (if any);
- 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;
- the current accumulated interest rate of non-guaranteed dividends is 3.45% p.a. at China Life (Overseas). The interest rate is not guaranteed; and
- there is no other withdrawal, no policy loan and no indebtedness throughout the benefit term.

#### Notes:

1. Dividends (if any) will be payable while the policy is in force and the insured still survives. The dividends and interest are not guaranteed. The actual benefits and/or returns may be lower or higher than 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.
2. You may withdraw the dividends at any time without any charge, however, the policy value and death benefit will be affected in case of withdrawal of dividends.
3. 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 4 and clause 5 under "Important information" and "Non-guaranteed benefit" risk.

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

- (i) when the Company pays the death benefit (only applicable if the sum of guaranteed cash value and terminal dividend (if any) of the basic plan at the date of death of the insured is higher than 101% of accumulated premium due and paid of the basic plan);
  - (ii) when the policy is surrendered by the policyholder; or
  - (iii) when the policy reaches the policy maturity date.
4. 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:
    - (i) 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;
    - (ii) the sum of split percentage of all split policies equals to 100%;
    - (iii) there is no indebtedness (if applicable) under the policy;
    - (iv) there is no claim pending for approval under the policy; and
    - (v) 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 of the application for exercising the policy split option, the following will apply:

- (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 records);
  - (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 latest date of reinstatement (if any) of each split policy will be the same as the policy year, policy date, policy effective date and the latest date of 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 designated percentage) of the policy as of the policy split option effective date;
  - (v) 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;
  - (vi) cooling-off period will not be applicable to the split policies;
  - (vii) all rider(s) under the policy (if any) will be terminated immediately on the policy split option effective date;
  - (viii) the basic amount, guaranteed cash value, accumulated dividends (if any) with interest (if any) and terminal dividend (if any) of the basic plan as of the policy split option effective date will be allocated to each split policy according to the corresponding split percentage;
  - (ix) the dividend (if any) of the policy as of the policy split option effective date will be calculated according to the basic amount of each split policy;
  - (x) 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;
  - (xi) similar 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
  - (xii) unless otherwise specified above, all benefits, terms and conditions of each split policy will be the same as those of the policy.
5. When the Company receives the written request for the "change of insured", the age of the new insured cannot be above (i) age 80 or (ii) the attained age of the current insured, whichever is lower. 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, dividend (if any), accumulated dividends (if any) with interest (if any), terminal dividend (if any), policy split option (if any) and indebtedness (if any) will not be changed due to the change of insured.
  6. When the Company receives the written request for "designating the contingent insured", the age of the contingent insured(s) cannot be above (i) age 80 or (ii) the attained age of the current insured, whichever is lower. 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, dividend (if any), accumulated dividends (if any) with interest (if any), terminal dividend (if any), policy split option (if any) and indebtedness (if any) of the basic plan will not change after the contingent insured becomes the insured.
  7. For the installment option, the remaining balance of death benefit will be deposited in the policy to accumulate interest (if any) 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. 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 personal representative for the estate of the deceased beneficiary(ies). The policy will be terminated thereafter.

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.
  8. 24-hour worldwide emergency assistance service is provided by third party service provider and is not part of the policy. 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 and to terminate the service from time to time without prior notice.
  9. "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.
  10. Total premium of each policy is HKD500,000 after policy split, it is calculated by the policy split percentage of 50%.

## 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 - 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. 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 premium 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.

5. 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 (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).

6. Cooling-off right (not applicable to split policies under policy split 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.

## 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 shall terminate upon the occurrence of any of the following events (whichever is the earliest): (i) the policy is surrendered by the policyholder; or (ii) the Company has paid the maturity benefit in full; or (iii) the Company has paid the death benefit in full; or (iv) the indebtedness of the policy is equal to or exceeds the guaranteed cash value of the policy; or (v) the application of policy split 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).

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 policy provisions, please contact China Life (Overseas) for enquiry.

## China Life Insurance (Overseas) Company Limited



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