

Life Insurance

Lifelong Promise • Lifelong Partner



5-Year Pay Endowment 65 (Annuity Version) (Special Edition)

To build an adequate retirement reserve and ensure a steady income stream for the future, you should invest in a suitable retirement plan. The 5-Year Pay Endowment 65 (Annuity Version) (Special Edition) ("the Plan") establishes a retirement reserve, delivers guaranteed retirement income and provides life protection, allowing you to enjoy a carefree retirement without the need to undergo medical underwriting.



Plan Features

Guaranteed Annuity Payments for a Maximum of 20 Years

On the 1st Policy Anniversary after the Insured reaches the age of 65 and until Policy matures or the Insured's death, the Plan offers up to 20 years of guaranteed annuity payments at an amount of 6.6% of the Basic Amount every year. The Plan will be terminated thereafter.

"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, guaranteed Cash Value, guaranteed annuity payments and dividends, but it is not applicable to the calculation of the death benefit. If the Basic Amount has been amended while this Policy is in force, the said Premium, guaranteed Cash Value, guaranteed annuity payments and dividends will be adjusted accordingly.

Flexible Use of Annual Dividends

Throughout the Policy term, you will receive a non-guaranteed Policy dividend each year. You can accumulate these in the Policy account¹, withdraw or for Premium payment.

Ease Your Worries with Life Protection

If the Insured passes away prior to the first Policy Anniversary of age 65, an amount equivalent to 102% of the total Premiums or the guaranteed Cash Value at the date of death of the Insured, whichever is higher, will be payable. If the Insured's death occurs after the first Policy Anniversary of age 65, an amount equivalent to the guaranteed Cash Value during the year will be payable to the Beneficiary. Any accumulated dividends with interest, accumulated guaranteed annuity payments with interest will also be paid to the Beneficiary, less all Indebtedness (if any).

No medical examination required

To simplify the application procedure, no medical examination is required, enabling you to put your retirement plans immediately into action.

Enrolment Terms

Issue Age	From 15 days after birth to 55 years old
Policy Currency	HKD or USD
Premium Payment Term²	5 years
Benefit Term	To age 84 of the Insured
Premium Payment Method	Annual, Semi-Annual, Quarterly, Monthly or Annual & Prepayment of Premium ³
Minimum Basic Amount	HKD50,000 or USD6,250

Illustrative Example

A male customer enrolled at age 35 with the Basic Amount of HKD500,000.

Annual Premium is HKD36,590.

(Policy currency: HKD)

Policy year	Total Premiums Paid	Accumulated Dividends with Interest ¹	Guaranteed Cash Value	Accumulated Guaranteed Annuity Payments with Interest ¹	Surrender Value ⁴	Death Benefit
1	36,590	210	7,000	0	7,210	37,532
2	73,180	487	25,500	0	25,987	75,130
3	109,770	848	49,000	0	49,848	112,814
4	146,360	1,340	76,500	0	77,840	150,627
5	182,950	1,979	109,000	0	110,979	188,588
At age 65	182,950	59,783	467,000	33,000	559,783	559,783
At age 84 (Mature)	182,950	389,907	0	1,150,653	1,540,560	1,540,560

Based on the above example, the guaranteed annuity payment of HKD33,000 will be payable up to 20 years starting from the 1st Policy Anniversary after the Insured reaches the age of 65.

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:

- the dividends (non-guaranteed) and the guaranteed annuity payments are deposited and accumulated in the Policy; and
- the current accumulated interest rates of the annual dividends (non-guaranteed) and guaranteed annuity payments are 5.5% p.a. at China Life Insurance (Overseas) Company Limited ("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.

Please refer to the proposal document for further details.

Notes:

- 1 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, operational expenses and claims, etc.
- 2 Policy fee of HKD200/USD25 (depends on Policy currency) will be charged during the Premium payment term. The fee will be charged together with the Premium.
- 3 If customers opt for the Annual & Prepayment of Premium option, they can withdraw the unused prepaid Premium (including interest, if any) at one time and China Life (Overseas) will charge 2% of the withdrawal amount as withdrawal fee, and the minimum charge is HKD100 or USD12.5. Customers can withdraw the unused prepaid Premium once only. The interest rate of Prepayment of Premium is not guaranteed.
- 4 The surrender value includes guaranteed Cash Value, accumulated dividends with interest (if any), and accumulated annuity payments with Interest (if any).

Important Information:

This product brochure is for reference only. Please refer to the Policy documents for the complete definitions of the capitalised terms, as well as all the terms and conditions of this product. You are reminded to review all of the relevant product materials provided to you and to seek independent professional advice if necessary.

1. The Policy is underwritten by China Life Insurance (Overseas) Company Limited ("China Life (Overseas)" or "us/we/our"). China Life (Overseas) is responsible for the features, underwriting and benefit payments under the Policy. You should fully understand all of the risks involved in this product and consider whether this product 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 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 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 schedule. 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 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 provision. China Life (Overseas) will ensure a fair sharing of profits 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 investment returns, operating expense, claims experience, commission, persistency, past experience and future prospect. In addition, China Life (Overseas) will consider both past and future outlooks of all factors including but not limited to:
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, outlook of interest rates and any changes in the market value of the product's backing asset.
Expenses – including both direct expenses (e.g. commissions, underwriting, issue and premium collection expenses) and indirect expenses (e.g. general overhead expenses) related to the product.
Persistency – including policy lapse and partial surrender experience.
Note: The dividend or interest rate history is not an indicator of the future performance of this product.
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 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) company's website www.chinalife.com.hk/products/dividendandinvestment 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 paid by giving written notice to us provided that you have not made any claims under the Policy. Such notice must be signed by you and submitted to China Life (Overseas) at 22/F, CLI Building, 313 Hennessy Road, Wan Chai, Hong Kong within 21 days after the delivery of the Policy or issue of a Notice to you or your representative informing you that the Policy is available, whichever is earlier.

What are the key product risks?

Credit risk:

This product 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 this product is 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 consider the potential currency and exchange rate risks before deciding which Policy currency you should take.

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 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 account value, death benefit and other Policy values will be reduced, and you may need to pay the relevant handling fee or charges (if any).

Non-guaranteed Benefit:

This 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 Insured passes away, (b) you do not pay the Premium within 31 days of the due date and the Policy has no Cash Value, or (c) the outstanding loan amount is equal to or exceeds the guaranteed Cash Value of the Policy.

This product brochure is for reference only and contains descriptions of the key features of this product. For all the terms and conditions and exclusions of this product, please refer to the policy documents of this product. In the event of any ambiguity or inconsistency between the terms of this brochure and the policy documents, the Chinese version of the policy documents shall prevail.

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 Insurance (Overseas) Company Limited ("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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