

Fortune Saver Insurance Plan 3





Fortune Saver Insurance Plan 3

Do you want to enrich the achievements that you've made over the years? A Prudent-Progressive solution will help you to plan your future finance wisely. Fortune Saver Insurance Plan 3 ("the Plan") is a single premium savings insurance plan specially designed for those who seek for wealth benefits.

The "Progressive" - Earn potential returns and you can sit back and enjoy the benefits of long-term savings

The "Prudent" - With guaranteed breakeven period as short as 5 years[#], you can enjoy the guaranteed Cash Value and potential returns while passing on your wealth to the next generations infinitely

Product Features

- ✓ Guaranteed breakeven period as short as 5 years[#], your choice for stable wealth
- ✓ Provide guaranteed Cash Value for regular withdrawal, like "Creating your own pension"[^]
- ✓ Terminal Dividend Lock In Options¹ turn "expectation" into "guarantee" **First-in-market*: Automatic Lock In Option**
- ✓ Manage your wealth across generations, passing on legacy to next generations:
 - Unlimited changes of Insured and protection period will cover until new Insured reaches age 128², your wealth may pass on infinitely **First-in-market***
 - Policy Continuation Option (to the beneficiary)³, let the Policy continue to pass on
- ✓ Additional Accidental Death Benefit⁴ for the first 8 years, up to 100% of total premiums paid⁵
- ✓ Flexible settlement options for Death Benefits⁶ / Full Surrender⁷ for better planning
- ✓ Large size discount⁸ up to 8%

[#] "Guaranteed breakeven period as short as 5 years" and "guaranteed Cash Value as high as 88% of total premiums paid⁵ at Policy starts" is only applicable to Policy with single premium (before large size discount and any other premium discount (if any)) of USD 300,000 or above. Taking another example of USD 100,000 single premium (before large size discount and any other premium discount (if any)), the guaranteed breakeven period and guaranteed Cash Value at Policy starts are 8 years and 86% respectively. Guaranteed breakeven period refers to the Policy Year that the guaranteed Cash Value is equal to or greater than the total premiums paid⁵ for the first time by the end of that year.

[^] Please refer to Example on page 2.

* "First-in-market" item is the result comparing similar major life insurance savings products of major life insurance companies in Hong Kong, as of 23 August 2021.

An all-rounded tool to safeguard your wealth for passing on legacy to the next generations

Guaranteed breakeven period as short as 5 years[#], your choice for stable wealth

The guaranteed breakeven period of the Plan is as short as 5 years[#]. Even if the Policy value is withdrawn in early years, you can still enjoy the potential returns. The plan provides option for regular withdrawal, just like creating your own pension (please refer to Example below) or education fund, which suits those preparing for their retirement or planning for their children’s future. The term of the Policy is up to age 128 of the Insured, which provides ultra long-term wealth growth opportunities and truly achieves the Prudent-Progressive principle. The plan provides guaranteed Cash Value, non-guaranteed annual dividends⁹ and terminal dividends⁹, allowing your wealth to grow continuously.

Enjoy guaranteed Cash Value upon Policy starts

The Plan provides guaranteed Cash Value as high as 88%[#] of total premium paid⁵ at Policy starts. Apart from wealth growing potential, it gives you financial flexibility.

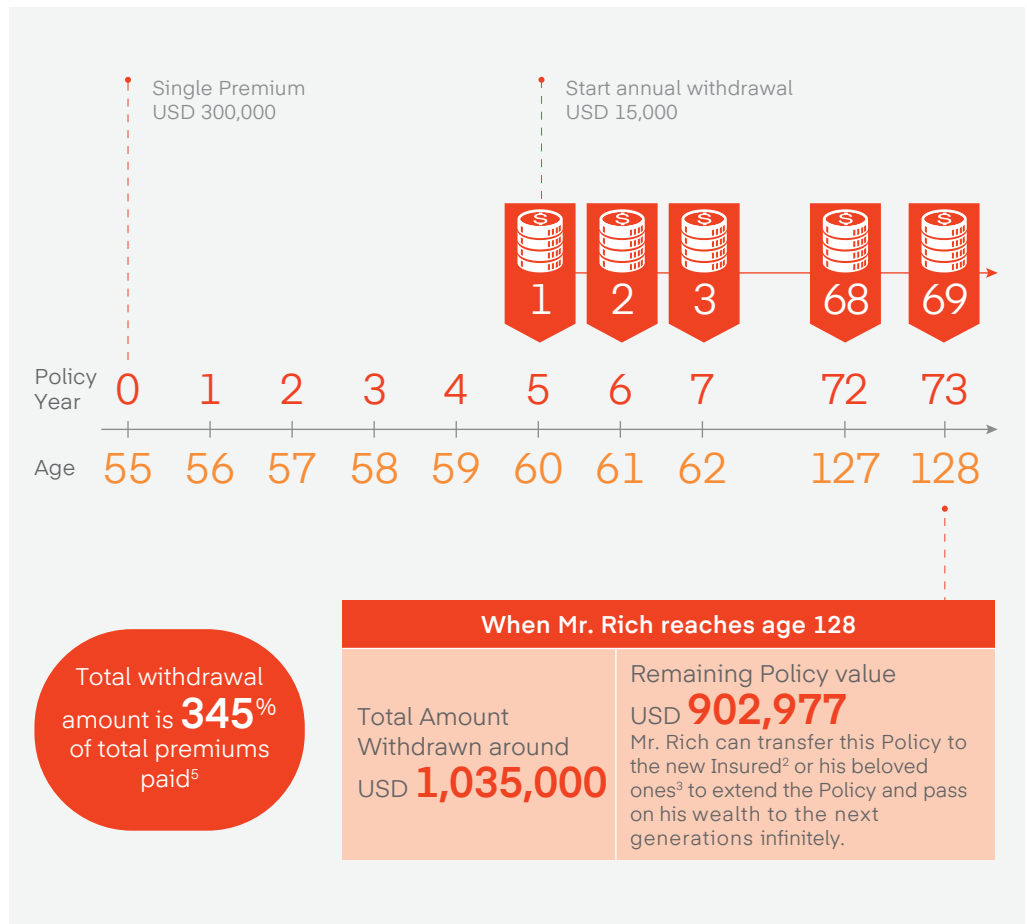
Example
Create your own pension for bright future

Issue Age: 55

Premium Payment Period: Single Premium

Single Premium: USD 300,000

Mr. Rich enrolled a single premium of USD 300,000 in Fortune Saver Insurance Plan 3 at the age of 55 for himself and retired at the age of 60 and began to **withdraw USD 15,000 every year (5% of the total premiums paid⁵) from his Policy** for retirement living purpose **until the age of 128**.



Remarks:

- USD 300,000 is the single premium paid after the large size discount (before any other premium discount (if any)).
- Based on the assumption that the customer will first withdraw from accumulated annual dividends and then through partial surrender to withdraw the partial guaranteed Cash Value and the corresponding terminal dividend (if any). Please refer to "At-a-Glance Table" section of "Withdrawal Arrangement". The above example (includes but not limited to withdrawal amounts) is an assumption and is for reference only. This will lead to the adjustment and reduction of subsequent guaranteed Cash Value, non-guaranteed annual dividend, non-guaranteed terminal dividend and total Death Benefit. Withdrawals are subject to the company’s minimum Unit requirements, and no withdrawal will be allowed which has the effect of reducing the Units of the Policy below the minimum Units required. The above value is based on the company’s current projected dividend and accumulated annual dividend interest rate⁹ and is not guaranteed. If there are any changes of the Policy dividend rate to be declared or accumulated annual dividend rate, the Units may reduce earlier or later in order to withdraw the stated amount above. The actual Policy value may differ from the above example. The above example assumes the customer only exercises the above options, and does not exercise any other option that could be exercised in this Policy (e.g. Policy loan, Terminal Dividend Lock in option, Change of Insured, Policy Continuation option (to the beneficiary) etc.).
- We will round off the figures listed in the above example to the nearest integer, which may result in a deviation after totaling.

Unlimited changes of the Insured and protection of the new Insured up to age 128²

After the 1st Policy Anniversary, you may change the Insured for unlimited times². The coverage period will be adjusted to age 128 of the new Insured. Policy value would have sufficient time for wealth accumulation and can pass on to the next generations infinitely.

Policy Continuation Option (to the beneficiary)³

Apart from unlimited changes of Insured², the plan specially provides "Policy Continuation Option³". While the Insured is alive and the Policy is in force, the Policy Owner can assign a Beneficiary and upon the death of the Insured, the Beneficiary will become the new Policy Owner (if applicable) and the new Insured. Even if the Insured accidentally passes away, the Policy can still be passed on to the next generations. The coverage period will be adjusted to age 128 of the new Insured.

Terminal Dividend Lock In Option¹

To protect your wealth against market volatility, you can choose to apply for one of the following Terminal Dividend Lock In Options¹ to convert and accumulate your terminal dividend⁹ in the form of annual dividends⁹ or withdraw it in times of need. The converted terminal dividend⁹ will become guaranteed and bring you a stable return. Terminal dividend⁹ which has been converted into annual dividends⁹ can also be accumulated to earn interest (if any).

1) Automatic Lock In Option¹

Starting from the 15th Policy Anniversary or the Policy Anniversary immediately follows the Insured reaches the retirement age selected by you (must be 55 years old or above) (whichever is later), we will automatically convert terminal dividend⁹ into annual dividend⁹ on each Policy Anniversary, such amount is determined by taking 8% of total premiums paid⁵, until the balance of terminal dividends⁹ falls to 30% of total premiums paid⁵ after conversion.

2) Manual Lock In Option¹

Starting from the 15th Policy Anniversary, you can apply to convert part of the terminal dividend⁹ on your choice into annual dividend⁹ on your designated Policy Anniversary(ies). 10% or above of terminal dividend⁹ can be converted each time, up to a total of 60%, while a 3-year or above interval between each conversion is required.

Additional Accidental Death Benefit⁴ with an Amount Up to 100% of Total Premiums Paid⁵

If an accident results in the death of the Insured within the first 8 years, in addition to the Death Benefit, 100% of total premiums paid⁵ will be paid to the beneficiary, with a minimum benefit of USD 15,000 per Insured and a maximum amount of USD 150,000. Additional Accidental Death Benefit is even applicable for Insured of issue age 80 or below. This benefit is subject to specific exclusions, please refer to the section of "Exclusion" and Policy Provisions for more details.

Flexible Settlement Options for Death Benefit⁶ or Full Surrender⁷

1) Settlement options for Death Benefit⁶

While the Insured is still alive and the Policy is in force, the Policy Owner can choose one of the following options regarding payment to the beneficiary of Death Benefit and Additional Accidental Death Benefit⁴ (if any) for their future in the unfortunate event of the Insured's death:

- i) A lump sum payment; or
- ii) Regular installment payments⁶ – monthly, semi-annually or annually over 10, 20 or 30 years; or
- iii) Increasing installment payments⁶ – the beneficiary can receive a specified amount of first installment of Death Benefit and Additional Accidental Death Benefit⁴ (if any) monthly, semi-annually or annually. Such installments will be increased by 3% each year beginning from the second year until all Death Benefit and Additional Accidental Death Benefit⁴ (if any) and / or accumulated interest¹⁰ (if any) are fully paid; or
- iv) A lump sum payment for a specified percentage of the Death Benefit and Additional Accidental Death Benefit⁴ (if any), such percentage must be equal to or more than 5% of the Death Benefit and Additional Accidental Death Benefit⁴ (if any), and the remaining will be paid by regular installment payments⁶.

For Death Benefit and Additional Accidental Death Benefit⁴ (if any) to be paid to the beneficiary(ies) at regular installment / increasing installment payments, the remaining amount of Death Benefit and Additional Accidental Death Benefit⁴ (if any) (after deduction of a lump sum payment of a certain percentage of the Death Benefit and Additional Accidental Death Benefit⁴ (if any), if applicable) must be at least USD 50,000. The amount of Death Benefit and Additional Accidental Death Benefit⁴ (if any) which is yet to be paid under the death benefit settlement option can also earn interest¹⁰ (if any).

2) Full surrender Settlement Options⁷

Once the Policy has been in force for 5 years, and if the Policy Owner fully surrenders the Policy, other than a lump sum payment, the Policy Owner can also choose one of the following options to receive the surrender payment if the surrender payment is at least USD 50,000:

- i) Payments at regular⁷ – monthly, semi-annually or annually over 10, 20 or 30 years; or
- ii) Increasing payments⁷ – you can specify the first installment of surrender amount to be received monthly, semi-annually or annually. Such installment will be increased by 3% each year beginning from the second year until all surrender value and / or accumulated interest¹⁰ (if any) are fully paid. The amount of the surrender payment which is yet to be paid can also enjoy an interest¹⁰ (if any).

Large size discount⁸ up to 8%

You can enjoy up to 8% large size discount upon reaching designated premium amount. It allows you to start your wealth and protection plan with ease.

Eligible Single Premium* (USD)	Large Size Discount Rate
≥300,000	8%
100,000 - <300,000	6%
50,000 - <100,000	4%

Example:

Eligible Single Premium* (USD)	Large Size Discount Rate	Large Size Discount Amount (USD)	Single Premium after Discount (USD)
300,000	8%	24,000	276,000
100,000	6%	6,000	94,000
50,000	4%	2,000	48,000

*Before the applicable of large size discount and any other premium discount (if any)

No medical underwriting - hassle-free application

The application process of the basic plan is simple, and no medical check-up is required, this allows you to accumulate wealth with ease.

Free worldwide emergency assistance service¹¹

Once enrolled in the Fortune Saver Insurance Plan 3, you will have access to free 24-hour worldwide emergency assistance for immediate support wherever you may be. The maximum benefit (per incident) reaches up to USD 1,000,000, including services of emergency evacuation or repatriation and delivery of mortal remains. For details, please refer to related documents.

For details of the Fortune Saver Insurance Plan 3, please contact your consultant or FTLife Customer Service Hotline at 2866 8898 / Partnership Concierge Hotline at 3192 8333 (Only applicable for enquiry by Partnership channel).

At-a-Glance Table

Basic Information		
Premium Payment Period	Single Premium	
Issue Age	From 15 days to age 80	
Policy Term	Up to age 128 of the Insured	
Policy Currency	US dollars	
Minimum Single Premium	USD 10,000 ¹² The premium and all benefits of your Policy are calculated based on the Units	
Death Benefit	Issue age of Initial Insured:	
	75 years old or below	76 years old or above
	The higher of the following: i) A percentage of total premiums paid ⁵ , where such percentage will be 105% during the first Policy Year with 1% increment on each subsequent Policy Anniversary starting from the 1 st Policy Anniversary to the 5 th Policy Anniversary, up to a maximum of 110%; or ii) The sum of the guaranteed Cash Value as at the date of death of the Insured and terminal dividend ⁹ (if any) plus accumulated annual dividends and interest ⁹ (if any) minus indebtedness (if any).	The higher of the following: i) 101% of total premiums paid ⁵ ; or ii) The sum of the guaranteed Cash Value as at the date of death of the Insured and terminal dividend ⁹ (if any) plus accumulated annual dividends and interest ⁹ (if any) minus indebtedness (if any).
Surrender Benefit / Maturity Benefit	The sum of the guaranteed Cash Value, accumulated annual dividends and interest ⁹ (if any) and terminal dividend ⁹ (if any) minus any indebtedness.	
Annual Dividend ⁹	While the Policy is in force, annual dividend (non-guaranteed) will be payable annually from the 11 th Policy Anniversary. The following options are available: i) Accumulation with interest (default option) ii) Payment in cash	
Terminal Dividend ⁹	While the Policy is in force, terminal dividend (non-guaranteed) will be declared annually from the 1 st Policy Anniversary. Payable in the following situation: i) Death of the Insured (except Policy Continuation Option being exercised); or ii) Surrender / Partial Surrender; or iii) Policy maturity, which is the Policy Anniversary after the Insured's 128 th birthday; or iv) Terminal dividend Lock In Option is being exercised	
Cash Withdrawal		
Withdrawal Arrangement	Withdrawal of annual dividends and interest ⁹ will not affect your guaranteed benefits. However, any withdrawal of guaranteed Cash Value and associated terminal dividends ⁹ (if any) through reduction of the Units will affect future benefits of your Policy. The minimum Unit of your plan after reduction is 200 units.	
Policy Loan	You may consider applying for a policy loan while keeping the Policy in force. The amount of the policy loan will be subject to our discretion. Any policy loan on this Policy will bear interest at a rate determined by us, which we reserve the right to change the interest rate from time to time. Please refer to the policy loan Form for the current interest rate. The Policy will automatically be terminated at any time if the loan balance with interest equals to or exceeds the sum of guaranteed Cash Value and accumulated annual dividends and interest ⁹ (if any) under the Policy, and you will lose your insurance protection under the Policy.	

Remarks:

1. You can apply changes between Automatic Lock In Option / Manual Lock In Option for unlimited times before exercising the "Terminal Dividend Lock In Options". Once the option has been exercised, no change can be made. The actual amount of converted terminal dividend through "Manual Lock In Option" will be determined after the application is approved. The amount may be lesser or higher than the amount shown at the time when you submit your application. After the conversion of terminal dividend, your future terminal dividend will be reduced accordingly. Any terminal dividend that has not yet been converted can be higher or lower or reduced to zero. While the "Automatic Lock In Option" is in force, the option will be immediately suspended upon partial surrender, and you have to submit a request to resume the option.
2. Changing the Insured is subject to the prevailing administrative rules and shall not affect the Units, total amount of Cash Value (including guaranteed and non-guaranteed), Policy Date and Policy Year. The maturity date will be changed to the Policy Anniversary on or following the 128th birthday of the new Insured. The new Insured must be aged 65 years of age (last birthday) or below and must not be older than the initial Insured by 10 years. The change of Insured must be endorsed by the Policy Owner, proposed new Insured and assignee (if any). Both the new Insured and the current Insured must be alive and the Policy is in force at the time the Insured is changed and with satisfactory proof of evidence of insurability for the proposed new Insured. We shall cease to provide any coverage for the Initial Insured or the prior Insured on our record (when applicable and as the case may be) as from the Insured-Change Effective Date. Please refer to the Policy Provisions for details of changing the Insured.
3. Upon the death of Insured, if the Policy Owner (still alive) and the Insured is different person, the Beneficiary will become the new Insured. And upon the death of Insured, if the Policy Owner dies at the same time or the Policy Owner and the Insured is the same person, the Beneficiary will become the new Policy Owner and new Insured of the Policy, subject to the prevailing administrative rules of the Company. After this option has been exercised, all Policy Units, total amount of Cash Value (including guaranteed and non-guaranteed), Policy Date and Policy Year will remain unchanged. Plan End Date of the basic plan of this Policy will be adjusted to the date of Policy Anniversary on or immediately following the 128th birthday of the new Insured (whichever is applicable). The surrender payment may be equal to or lower than Death Benefit before this option has been exercised. If the Death Benefit Settlement Option has already been selected, you shall cancel the Death Benefit Settlement Option arrangement before your submission of any written request for this Policy Continuation Option. Please refer to the Policy Provisions for details of Policy Continuation Option.
4. Additional Accidental Death Benefit only covers (i) death of the Insured due to accident occurs in the first 8 Policy Years and the death occurs within 180 calendar days from the date of the accident; and (ii) after we received comprehensive and adequate proof of the accidental death of the Insured. Additional Accidental Death Benefit up to 100% of total premiums paid (The minimum amount of Additional Accidental Death Benefit is equal to USD 15,000 per Insured and the maximum amount is equal to USD 150,000 per Insured.) This benefit is not available for the Policy with Policy Continuation Option being exercised. Please refer to the Policy Provisions for details of Additional Accidental Death Benefit.
5. Total premiums paid refers to the total amount of premium(s) due and paid for the basic plan (after large size discount (if applicable)) but before any other premium discount (if any). If you partially surrendered this Policy, the total premiums paid will be proportionately reduced.
6. If the Policy Owner opts for the beneficiary to receive "A lump sum payment for a specified percentage of the Death Benefit and Additional Accidental Death Benefit (if any), and the remaining will be paid on a regular installment basis", the lump sum amount should equal to or greater than 5% of the Death Benefit and Additional Accidental Death Benefit (if any). However, interest on unpaid Death Benefit and Additional Accidental Death Benefit (if any) is not guaranteed, therefore interest may be less than expected and the actual payout period may be shorter than the selected period. Only lump sum Death Benefit is applicable if an assignment is made. If the beneficiary(ies) die(s) while receiving the Death Benefit and Additional Accidental Death Benefit (if any) payments, the remaining amount will be paid to the beneficiary(ies)' estate. If no beneficiary(ies) survives upon the death of the Insured yet the Policy Owner is still alive, the Death Benefit and Additional Accidental Death Benefit (if any) will be paid to the Policy Owner in accordance with the Death Benefit settlement option. Policy Owner may also request to receive the Death Benefit in lump sum. If the Policy Owner dies while receiving the Death Benefit payment and Additional Accidental Death Benefit (if any), the remaining Death Benefit and Additional Accidental Death Benefit (if any) will be paid in a lump sum to the Policy Owner's estate. This benefit is not available for the Policy with Policy Continuation Option being exercised. Please refer to the Policy Provisions for details of Death Benefit Settlement Option.
7. Upon full surrender, the Policy Owner may choose to receive surrender payment in a fixed amount on payments at regular intervals or increasing payments. However, interest on unpaid surrender payment is not guaranteed, therefore interest may be less than expected and the actual payout period may be shorter than the selected or expected period. If the Policy Owner dies while receiving the surrender payments, the remaining surrender payments will be paid in lump sum to the Policy Owner's estate.
8. Large size discount is only applicable to basic premium of Fortune Saver Insurance Plan 3 ("Eligible Single Premium"). Other rider premium (if applicable) will not be entitled to the large size discount. The large size discount is on per Fortune Saver Insurance Plan 3 Policy basis. If customer has applied for more than one Fortune Saver Insurance Plan 3 Policy, all policies could enjoy large size discount. However, the Eligible Single Premiums of the policies will not be aggregated in calculating the large size discount rate.
9. Annual dividend, terminal dividend and interest from accumulated annual dividend are not guaranteed. However, once distributed, the amount of the annual dividend and the accumulated interest will become guaranteed. An annual dividend may be payable at the sole discretion of the company on each Policy Anniversary. The amount of terminal dividend in each declaration may be greater or less than the previous amount based on a number of factors, including but not limited to investment returns and general market volatility.
10. The current interest rate offered is 2% p.a., but it is not guaranteed.
11. Worldwide Emergency Assistance Services are provided by International SOS Assistance (HK) Ltd. We reserve the right to change the terms and conditions of "Worldwide Emergency Assistance Service" and assumes no responsibility of the services provided by the third party service provider.
12. The total premium paid of minimum single premium is after large size discount (if applicable) but before any other premium discount (if any).

Exclusions

With respect to Additional Accidental Death Benefit, we will not cover if the Insured's death is caused directly or indirectly, wholly or partly, voluntarily or involuntarily by or which result from any of the following occurrences:

1. self-inflicted injury, including suicide or any attempt to do so, while sane or insane; or
2. accident occurring while or because the Insured is under the influence of alcohol, poison or any medication, drugs or sedatives unless prescribed by a Medical Practitioner; or
3. inhalation of gas; or
4. violation or attempted violation of the law or participation in fight or affray or resistance to arrest; or
5. war (whether it is declared or not), invasion, act of foreign enemies, hostilities, strike, riot and / or civil commotion, civil war, rebellion, revolution, insurrection, terrorist acts, military or usurped power; or
6. while the Insured is engaging in naval, military or air force services, or any operation or combat duty with any armed force of any country, territory, or international organization; or
7. entering, exiting, operating, being transported, or in any way engaging in air travel except as a fare-paying passenger in any aircraft operated by a commercial passenger airline on a regular scheduled passenger trip over its established passenger route; or
8. bodily or mental infirmity; or
9. disease or infection (except infection which occurs through an accidental cut or wound); including but not limited to infection by whatsoever means with any Human Immunodeficiency Virus (HIV), any HIV-related illness, Acquired Immune Deficiency Syndrome (AIDS), and / or any mutations, derivations or variations of such virus, illness or syndrome; or
10. engaging in any professional sports, aerial sporting activities (such as hang-gliding, ballooning, bungee-jumping, parachuting, skydiving or such similar activities), motor sports, racing of any kind other than on foot, underwater activities involving the use of breathing apparatus, martial arts, boxing, mountaineering requiring the use of ropes or any other hazardous or dangerous activities or sports; or
11. engaging in any hazardous occupation including but not limited to mineral exploration, labourer at construction sites, oil and gas exploration, stuntman, jockey, commercial fishing, working with firearms, ammunition, explosives, fireworks or substantial quantities of toxic substances, or working at heights; or
12. any condition resulting from pregnancy, childbirth or miscarriage.

Disclosure of Important Information

1. Fortune Saver Insurance Plan 3 is designed for individuals who look for long-term savings; it is not suitable for people who look for short-term gains.
2. **Cooling-Off Right**

If you wish to exercise your cooling-off right, you can cancel the Policy and obtain a refund of premium and levy paid by giving a written notice to us. Such notice must be signed by you and submitted to our office at 7/F, NEO, 123 Hoi Bun Road, Kwun Tong, Kowloon within 21 calendar days immediately following the day of delivery of the Policy or the Cooling-off Notice to you or your nominated representative (whichever is the earlier). The Cooling-off Notice should inform you of the availability of the Policy and expiry date of the cooling-off period.
3. **Key Product Risks**
 - i. Non-guaranteed Benefits

Dividends are not guaranteed. We will review the dividends regularly, and the actual dividends can be different from those shown in the benefit illustration.
 - ii. Termination

We have the right to terminate the Policy before the Policy's maturity date under the following circumstance:
The debts with interest equal to or exceed the sum of guaranteed Cash Value and accumulated annual dividends and interest (if any).
Besides, the coverage of the Insured under the basic plan of this Policy shall be automatically terminated upon the earliest occurrence of the following circumstances:

 1. this Policy is fully surrendered; or
 2. the Net Cash Value is equal to or less than zero (0) while there is Indebtedness; or
 3. the death of the Insured unless Policy Continuation Option has been exercised; or
 4. any circumstance contemplated in Policy Continuation Option provision has occurred rendering this Policy unable to continue; or
 5. the basic plan of this Policy matures on the Plan End Date.

As this Policy is not eligible for reinstatement, this Policy is no longer in force once terminated.
Termination of Policy will result in loss of coverage. Upon early termination, you may also suffer a significant loss.
 - iii. Inflation Risk

When you review the values shown in the benefit illustrations, please note that the cost of living in the future is likely to be higher than it is today due to inflation. In that case, you will receive less in real terms even if we meet all of our contractual obligations under the Policy.
 - iv. Other Key Product Risks
 - Early surrender of your Policy could result in significant losses, in that case, you may get back considerably less than the total premiums paid.
 - Fortune Saver Insurance Plan 3 is issued in US dollar. The premiums received by us in a currency different from your Policy currency will be converted to the Policy currency at the prevailing exchange rate determined by us from time to time with reference to market rates. All monies payable under your Policy will be paid in Hong Kong dollars, or in the Policy currency upon your request. The amount payable by us in a currency different from your Policy will be converted at the prevailing exchange rate determined by us from time to time with reference to market rates. Therefore, it may be subject to foreign exchange risks in the process of currency conversion.
 - Fortune Saver Insurance Plan 3 is an insurance Policy issued by us. The insurance benefits are subject to the company's credit risks.
4. **Suicide Provisions**

If (i) the Insured commits suicide within one year from the Policy Effective Date or (ii) the new Insured commits suicide within one year from the effective date of the change of Insured (whichever is the later), our liability will be limited to the refunding of Total Premiums Paid less any Indebtedness, any type of dividend and interest withdrawal and any claim which have been paid by us under this Policy.
5. **Dividend Philosophy**
 - Premium income received from the Policy Owner is invested in an investment portfolio to support the product groups determined by us according to the investment Policy. The Policy Owners participate in the financial performance of the Product Group through the Policy dividend declaration. The Policy dividend declaration may be affected by both past experience and future outlook for all the factors including, but not limited to, the following:
 - a) Investment returns: include both interest earnings and any changes in the market value of the asset allocated to this product. Investment returns could be affected by fluctuations in interest income (both interest earnings and outlook of interest rate) and various market risks, including credit spread and default risk, fluctuations in equity price and currency price of the asset against the Policy currency.
 - b) Surrender: include Policy surrender, partial surrender and Policy lapse experience; and the corresponding impact on investments.
 - c) Claims: include the cost of providing the Death Benefit and other Insured benefits under the product.
 - d) Expenses: include both expenses directly related to the Policy (e.g. commission, underwriting, issue and premium collection expenses) and indirect expenses allocated to the product group (e.g. general administrative costs).
 - Future investment performances are unpredictable, and we aim to provide a more stable dividend payment. We may spread out the gains and losses in the financial performance in a particular year over a longer period of time aim to smooth out the short-term volatility of dividend rates over the course of the Policy term. When future investment performance is worse than expected, the company's shareholder may share less from the investment performance such that more may be allocated for dividend payment, and vice versa.
 - The Board, having regard to the advice of the Appointed Actuary and reviewed by Risk Committee which must include one independent non-executive director, will review and determine the dividend rate at least once a year. The declared dividend rate may be different from those illustrated in the relevant product information provided, e.g. benefit illustration. In case of any change in the actual dividend rate against the illustration or should there be a change in the projected future dividend rates, such change will be reflected in the Policy Anniversary statement and the benefit summary.

6. Investment philosophy, Policy and strategy

- Our investment Policy aims to achieve the targeted long-term investment results and minimizes volatility in investment returns over time. It also aims to control and diversity risk exposures, maintaining adequate liquidity and manage the assets with respect to the liabilities.
- Our current long-term target asset allocation attributed to this product is as follows:

Target Asset Mix	
Bonds and others fixed income assets	Equity-like assets
50% - 90%	10% - 50%

- Bonds and others fixed income instruments mainly include government bonds, corporate bonds and corporate loans. Equity-like assets include listed equities, exchange-traded funds, fund investments, direct / indirect investments in real estate, unlisted private investments and / or other structured products. Investment assets are predominantly denominated in U.S. dollars. Derivatives and other hedging instruments may be used to manage investment risk at the Company's decision based on its long-term market view and asset-liability positions. It should be noted that residual investment risk may still exist after hedging.
- The asset portfolio also targets to provide diversification across different geographic regions (focus on the U.S., Europe and Asia Pacific markets) and industries to the extent the size of portfolio can support. Currency exposure of the underlying policies is mitigated by closely matching either through direct investments in the same currency denomination or the use of currency hedging instruments. Furthermore, the asset portfolio is actively managed by investment professionals to closely monitor the investment performance.
- The investment strategy may be subject to change depending on the investment views and economic outlook. In case of any changes in the investment strategy, we will inform our Policy Owners for any material changes, rationale for the change and any impact to the Policy Owners.

You may browse <https://www.ftlife.com.hk/en/support/disclosures/fulfillment-ratios-dividends.html> to understand better the company's dividend history. Please note that dividend history is not indicative of future performance of our products.

The information in this document is intended as a general summary for your reference only and does not constitute financial, investment or taxation advice or advice of whatsoever kind. You are recommended to seek professional advice from your independent advisors if you find it necessary. Please refer to the Policy Provision for the full terms and conditions.

This document is intended to be distributed in Hong Kong only and shall not be construed as an offer to sell or a solicitation to buy or provision of any of our products outside Hong Kong. FTLife Insurance Company Limited hereby declares that it has no intention to offer to sell, to solicit to buy or to provide any of its products in any jurisdiction other than Hong Kong in which such offer to sell or solicitation to buy or provision of any product of FTLife Insurance Company Limited is illegal under the laws of that jurisdiction.

A person who is not a party to the Policy (including but not limited to the Insured and the beneficiary) has no right to enforce any terms of the Policy. The Contracts (Rights of Third Parties) Ordinance does not apply to the Policy nor any document issued pursuant to the Policy.

Insurance Policy Product Brochure Addendum -

I. Foreign Account Tax Compliance Act

Under the U.S. Foreign Account Tax Compliance Act ("FATCA"), a foreign financial institution ("FFI") is required to report to the U.S. Internal Revenue Service ("IRS") certain information on U.S. persons that hold accounts with that FFI outside the U.S. and to obtain their consent to the FFI passing that information to the IRS. An FFI which does not sign or agree to comply with the requirements of an agreement with the IRS ("FFI Agreement") in respect of FATCA and / or who is not otherwise exempt from doing so (referred to as a "nonparticipating FFI") will face a 30% withholding tax ("FATCA Withholding Tax") on all "withholdable payments" (as defined under FATCA) derived from U.S. sources (initially including dividends, interest and certain derivative payments).

The U.S. and Hong Kong have agreed an inter-governmental agreement ("IGA") to facilitate compliance by FFIs in Hong Kong with FATCA and which creates a framework for Hong Kong FFIs to rely on streamlined due diligence procedures to (i) identify U.S. indicia, (ii) seek consent for disclosure from its U.S. policyholders and (iii) report relevant tax information of those policyholders to the IRS.

FATCA applies to FTLife Insurance Company Limited (the "Company") and this Policy. The Company is a participating FFI. The Company is committed to complying with FATCA. To do so, the Company requires you to:

- (i) provide to the Company certain information including, as applicable, your U.S. identification details (e.g. name, address, the US federal taxpayer identifying numbers, etc.); and
- (ii) consent to the Company reporting this information and your account information (such as account balances, interest and dividend income and withdrawals) to the IRS.

If you fail to comply with these obligations (being a "Non-Compliant Accountholder"), the Company is required to report "aggregate information" of account balances, payment amounts and number of non-consenting US accounts to IRS.

The Company could, in certain circumstances, be required to impose FATCA Withholding Tax on payments made to, or which it makes from, your policy. Currently the only circumstances in which the Company may be required to do so are:

- (i) if the Inland Revenue Department of Hong Kong fails to exchange information with the IRS under IGA (and the relevant tax information exchange agreement between Hong Kong and the U.S.), in which case the Company may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your policy and remit this to the IRS; and
- (ii) if you are (or any other account holder is) a nonparticipating FFI, in which case the Company may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your policy and remit this to the IRS.

You should seek independent professional advice on the impact FATCA may have on you or your policy.

II. Common Reporting Standard

Hong Kong has put in place a framework implementing the Automatic Exchange of Financial Account Information ("AEOI") which allows for the exchange of financial information among tax authorities. The Company, as a reporting financial institution under the law, is required to collect and provide certain information of policyholders and beneficiaries to the Inland Revenue Department of the Hong Kong Special Administrative Region which exchanges such information with tax authorities of another jurisdiction or jurisdictions which has / have signed an AEOI agreement with Hong Kong and of which the policyholders and beneficiaries may be resident for tax purposes. Where a policyholder or beneficiary fails to provide any requested information, the Company reserves the right to take any action as it deems necessary in order for it to comply with the law.

FTLife scoops prestigious industry accolades

Bloomberg Businessweek/Chinese Edition "Financial Institution Awards 2020"



Outstanding Performance
Insurance - Medical Care

Medical Care –
Outstanding Award



Outstanding Performance
Insurance - Integrated Marketing (Product)

Integrated Marketing (Product) –
Outstanding Award



Outstanding Performance
Insurance - Training and Development Achievement (Agency Force)

Training and Development Achievement
(Agency Force) – Outstanding Award

2020 "Benchmark" Wealth Management Awards



INTERMEDIARY SUPPORT
BEST-IN-CLASS

Intermediary Support –
Best in Class



WHOLE-LIFE INSURANCE
BEST-IN-CLASS

Whole-Life Insurance –
Best in Class



VOLUNTARY HEALTH INSURANCE SCHEME
OUTSTANDING ACHIEVER

Voluntary Health Insurance Scheme (VHIS) –
Outstanding Achiever

Metro Finance "GBA Insurance Awards 2019 – Hong Kong Region"



Outstanding Savings Product Award



Outstanding Marketing Strategies Award –
Integrated Marketing (Life Insurance)



Outstanding Online Platform Award
(Life Insurance)

"Capital Weekly" PROchoice Life Insurance Award



"Hong Kong Business" Outstanding Enterprises Awards – Life Insurance

