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“Value Plus” Insurance Plan

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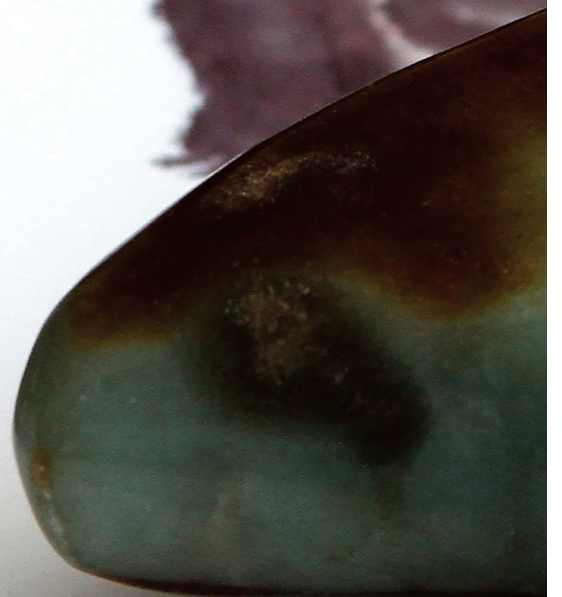


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## “Value Plus” Insurance Plan

Adding value and passing on wealth could be complementary. “Value Plus” Insurance Plan (“Value Plus”) and “Value Plus” attached with Value Enhance Option Rider<sup>1</sup> (“Value Plus” (attached with Value Enhance Option<sup>1</sup>)) (collectively, the “Plan” or “This Plan”) speeds up your chance for wealth accumulation and passing on your abundant achievements. The Plan provides **diversified options for inheritance planning**, making it **flexible to plan your assets or pass your wealth to your next generations**. Light up a bright future for you and your beloved ones with a valued insurance plan.





**Value Enhance Option Rider<sup>1</sup>**

Enjoy a higher policy value if you choose to prepay the total premiums<sup>2</sup> when you enroll “Value Plus” attached with Value Enhance Option Rider<sup>1</sup>. By comparing same amount of Unit, the guaranteed value<sup>3</sup> of “Value Plus” (attached with Value Enhance Option<sup>1</sup>) will be higher than that of “Value Plus” throughout the whole coverage period, and which the **guaranteed breakeven period** will even be **10 years\* earlier** than that of “Value Plus”. “Value Plus” (attached with Value Enhance Option<sup>1</sup>) could reach **guarantee breakeven efficiency<sup>3</sup> as short as 5 years**.



**Policy Split Option<sup>4</sup>**

Starting from the end of the 5<sup>th</sup> policy year, you may opt to exercise Policy Split Option to allocate a portion of Unit from the basic plan to a **separate “Split Policy”** for flexibly planning your assets.



**Unlimited changes of Insured<sup>5</sup> and Policy Continuation Option (to the Beneficiary)<sup>6</sup>**

Wealth can be passed on infinitely to honor your commitments to the next generations.

- **Unlimited changes of Insured<sup>5</sup>** and protection period will cover until new Insured reaches age 128, your wealth may pass on infinitely.
- **Policy Continuation Option (to the Beneficiary)<sup>6</sup>**, let the policy continue to pass on.



**Terminal Dividend Lock In Options<sup>7</sup>**

Turns “expectation” into “guarantee”



**Flexible settlement option for Death Benefit<sup>8</sup> / Full Surrender<sup>9</sup>**

Customise your needs for better planning



**Additional Accidental Death Benefit<sup>10</sup> for the first 8 years**

Amount will be the lower of 100% of Total Premiums Paid<sup>11</sup> or USD 150,000 per Insured.



**Large size discount<sup>12</sup> throughout the whole payment term up to 8%**

Realise your dream with a favorable premium at ease.

\* Assume the comparison is based on premium paid in annual payment mode.



**The guaranteed returns and breakeven period of “Value Plus” (attached with Value Enhance Option<sup>1</sup>) are more superior to those of “Value Plus”; with guaranteed breakeven period as short as 5 years<sup>3</sup>**

If you enroll in “Value Plus” (attached with Value Enhance Option<sup>1</sup>) and prepay the total premium<sup>2</sup> upon policy issuance, by comparing same amount of Unit, the guaranteed value of policy for the whole coverage period will be higher than that of “Value Plus”; while the guaranteed breakeven period will even be 10 years\* earlier than that of “Value Plus”. “Value Plus” (attached with Value Enhance Option<sup>1</sup>) could reach guarantee breakeven efficiency<sup>3</sup> as short as 5 years.

The coverage period of this Plan will be up to age 128 of the new Insured, allowing your wealth rolling on infinitely. The Plan also provides guaranteed cash value, non-guaranteed annual dividend<sup>13</sup> and non-guaranteed terminal dividend<sup>13</sup>, accumulating your wealth in multi-aspects for a long term.

**Example:**

**Unit: 326,087**



Mr. Chan enrolled in “Value Plus” (attached with Value Enhance Option<sup>1</sup>) at the age of 30 and prepaid the total premium<sup>2</sup> upon policy issuance. By comparing the same amount of Unit, the guaranteed value of the policy throughout the **whole coverage period will be higher than that of “Value Plus”**.

Premium	BEFORE deducting 8% large size discount (USD)	AFTER deducting 8% large size discount (USD)
Annual Premium	163,044	150,000
Total Premiums	326,087	300,000

End of the Policy Year	Guaranteed Value of “Value Plus” <sup>^</sup>	“Value Plus” (attached with Value Enhance Option <sup>1</sup> ) <sup>^</sup>
0**	90,000	264,000 <sup>^</sup>
1	90,000	264,000 <sup>^</sup>
2	180,000	264,000
3	189,333	264,000
4	198,665	277,999
5	208,001	<b>300,000</b>
6	217,334	301,001
7	226,666	303,163
8	235,999	308,012
9	245,335	309,861
10	254,667	312,000
11	264,000	313,673
12	264,000	315,437
13	264,000	317,292
14	277,999	319,242
15	<b>300,000</b>	321,287
16	301,001	323,429
17	303,163	325,670
18	308,012	328,011
19	309,861	330,453
20	312,000	333,000

Guaranteed value of the policy with “Value Plus” (attached with Value Enhance Option<sup>1</sup>) is higher throughout the whole coverage period than that of “Value Plus”.

Under “Value Plus” (attached with Value Enhance Option<sup>1</sup>), the **guaranteed breakeven period<sup>3</sup> will be 10 years earlier.**

\* Assume the comparison is based on premium paid in annual payment mode.

\*\* At policy issuance

<sup>^</sup> Guaranteed value refers to the aggregate of guaranteed cash value and balance of prepaid premiums (if any). In the above example of “Value Plus” (attached with Value Enhance Option<sup>1</sup>), the guaranteed cash value and balance of prepaid premiums of the policy upon policy issuance and at the end of first policy year are USD 114,000 and USD 150,000 respectively. Example on “Value Plus” is calculated based on annual premium payment mode.

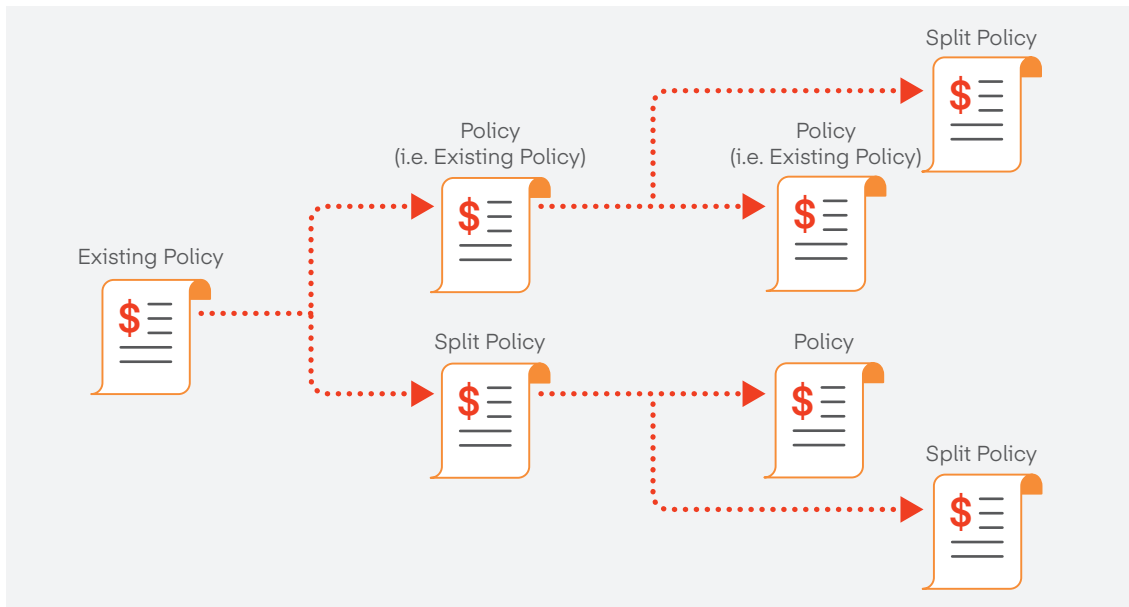
The above example is an assumption and for reference only. It assumes all premiums payable (after deducting 8% of large size discount throughout the whole payment term and excluding any other premium discount (if any)) have been fully paid as scheduled, the policy was not early terminated, no policy option was exercised (including but not limited to Policy Split Option) and there is no claims and indebtedness. The above example does not include premium levy. We will round off the figures listed in the above example to the nearest integer, which may result in a deviation from the values shown in the benefit illustration table.



## Policy Split Option<sup>4</sup> planning assets with flexibility

At the end of the 5<sup>th</sup> policy year and while the policy is in effect, you may split the existing policy into two, which means the units of the basic plan under the existing policy will be partially allocated to a separate policy (the "Split Policy"). After the Policy Split Option has been exercised, the basic plan of the existing policy will remain in force and the policy effective date will remain unchanged. Upon the date of split, other policy information and instructions under the Split Policy will be the same as the basic plan of the existing policy except unit, Total Premiums Paid<sup>14</sup> and the policy's surrender value / Death Benefit<sup>8</sup>.

After Split, you can change other policy options / instructions at anytime. You can exercise Policy Split Option<sup>4</sup> once per policy year. Policy Split Option<sup>4</sup> is also applicable to the Split Policy, maximizing the power of assets allocation.



## Unlimited changes of Insured<sup>5</sup> and cover until new Insured up to age 128, pass on wealth to your next generations infinitely

After the 1<sup>st</sup> Policy Anniversary and while the policy is in force, you may change the Insured for unlimited times<sup>5</sup>. The coverage period will be adjusted to age 128 of the new Insured ("Changed New Insured"). Value Enhance Option Rider<sup>1</sup> will not be terminated with change of Insured (if applicable). Policy value would have sufficient time for wealth accumulation and can be passed on to the next generations.



## Policy Continuation Option (to the Beneficiary)<sup>6</sup> allows your wealth to be passed on

Apart from unlimited changes of Insured<sup>5</sup>, the Plan specially provides Policy Continuation Option<sup>6</sup>. While the Insured is alive and the policy is in force, the Owner can assign a Beneficiary. Upon the death of the Insured, the Beneficiary will become the new Owner (if applicable) and new Insured ("Continued New Insured"). Even if the Insured accidentally passes away, the policy can still be passed on to the next generations. The coverage period will also be adjusted to age 128 of the Continued New Insured. Value Enhance Option Rider<sup>1</sup> will not be terminated after exercising the Policy Continuation Option (if applicable).



## Terminal Dividend Lock In Options<sup>7</sup> turns "expectation" into "guarantee"

To protect your wealth against market volatility, you can choose to apply for one of the following Terminal Dividend Lock In Options<sup>7</sup> to convert and accumulate your terminal dividend<sup>13</sup> in the form of annual dividends<sup>13</sup> or withdraw it in times of need. The converted terminal dividend<sup>13</sup> will become guaranteed and bring you a stable return. Terminal dividend<sup>13</sup> which has been converted and accumulated into annual dividends<sup>13</sup> can also earn interest (if applicable).

### 1) Automatic Lock In Option<sup>7</sup>

Starting from the 15<sup>th</sup> 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 dividend<sup>13</sup> into annual dividend<sup>13</sup> on each Policy Anniversary which is equivalent to 8% of Total Premiums Paid<sup>14</sup>, until the balance of terminal dividends<sup>13</sup> falls to 30% of Total Premiums Paid<sup>14</sup> at certain policy year after conversion.

### 2) Manual Lock In Option<sup>7</sup>





Starting from the 15<sup>th</sup> Policy Anniversary, you can apply to convert part of the terminal dividend<sup>13</sup> on your choice into annual dividend<sup>13</sup> on your designated Policy Anniversary (ies). 10% or above of terminal dividend<sup>13</sup> can be converted each time, up to a total of 60%, while a 3-year or above interval between each conversion is required.



## Flexible settlement options for Death Benefit<sup>8</sup> or full surrender<sup>9</sup> for your peace of mind

### 1) Death Benefits Settlement Options<sup>8</sup>



While the Insured is still alive and the Policy is in force, the Policy Owner can choose from the following Death Benefit Settlement Options flexibly regarding payment of Death Benefit and Additional Accidental Death Benefit<sup>10</sup> (if any) to different Beneficiary(ies) in the unfortunate event of the Insured's death. It allows each Beneficiary to have the most appropriate arrangement:

i) A lump sum payment; or	
ii) Regular installment payment <sup>8</sup> – Monthly, semi-annually or annually over 10, 20 or 30 years; or	
iii) Increasing installment payments <sup>8</sup> – The beneficiary can receive a specified amount of first installment of Death Benefit and Additional Accidental Death Benefit <sup>10</sup> (if any) monthly, semi-annually or annually. Such installments will be increased by 3% each year beginning from the 2 <sup>nd</sup> year until all Death Benefit and Additional Accidental Death Benefit <sup>10</sup> (if any) and / or accumulated interest <sup>15</sup> (if any) are fully paid; or	<p style="text-align: center;"><b>increased by 3% each year</b></p> 
iv) A lump sum payment for a specified percentage of the Death Benefit and Additional Accidental Death Benefit <sup>10</sup> (if any), such percentage must be equal to or more than 5% of the Death Benefit and Additional Accidental Death Benefit <sup>10</sup> (if any), and the remaining will be paid by regular installment payments <sup>8</sup> .	<p style="text-align: center;"><b>specified percentage      the remaining will be paid by regular installment payments</b></p> 

For Death Benefit and Additional Accidental Death Benefit<sup>10</sup> (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 Benefit<sup>10</sup> (if any) (after deduction of a lump sum payment of a certain percentage of the Death Benefit and Additional Accidental Death Benefit<sup>10</sup> (if any), if applicable) must be at least USD 50,000. The amount of Death Benefit and Additional Accidental Death Benefit<sup>10</sup> (if any) which is yet to be paid under the Death Benefit Settlement Option can also earn an interest<sup>15</sup> (if any).

### 2) Full Surrender Settlement Options<sup>9</sup>

Once the policy has been in force for 5 years, and if the policy owner fully surrenders<sup>9</sup> 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 regular <sup>9</sup> – Monthly, semi-annually or annually over 10, 20 or 30 years; or	
ii) Increasing payments <sup>9</sup> – 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 2 <sup>nd</sup> year until all surrender value and / or accumulated interest <sup>15</sup> (if any) are fully paid. The amount of the surrender payment which is yet to be paid can also enjoy an interest <sup>15</sup> (if any).	<p style="text-align: center;"><b>increased by 3% each year</b></p> 



### Additional Accidental Death Benefit<sup>10</sup> for the first 8 years with an amount up to 100% of Total Premiums Paid<sup>11</sup> or USD 150,000 per Insured (whichever is lower)

In the unfortunate event of the Insured's death due to accident within the first 8 policy years, in addition to the Death Benefit, 100% of Total Premiums Paid<sup>11</sup> will be paid to the beneficiary, with a minimum benefit of USD 15,000 and maximum amount of USD 150,000 per Insured. This protection is subject to specific exclusions, please refer to the section of "Exclusion" and Policy Provisions for more details.



## Large size discount<sup>12</sup> throughout the whole payment term (“Large Size Discount”) up to 8% realize your dream at ease

You can enjoy up to 8% Large Size Discount throughout the whole payment term upon reaching designated premium amount<sup>12</sup>. This allows you to start your wealth and protection plan easily at lower cost.

Eligible Annual Mode Premium* (USD)	Large Size Discount <sup>12</sup> Rate Throughout The Whole Payment Term
≥150,000	8%
50,000 - <150,000	6%
25,000 - <50,000	4%

### Example:

Eligible Annual Mode Premium* (USD)	Large Size Discount <sup>12</sup> Rate Throughout The Whole Payment Term	Large Size Discount <sup>12</sup> Amount Throughout The Whole Payment Term (USD)	Annual Premium After Discount (USD)
150,000	8%	12,000	138,000
50,000	6%	3,000	47,000
25,000	4%	1,000	24,000

\* Before the applicable Large Size Discount<sup>12</sup> and any other premium discount (if any). Large size discount is applicable to monthly, semi-annual and annual payment mode. If you chose monthly or semi-annual payment mode for premium payment, the Large Size Discount rate throughout the whole payment term will be based on the relative premium amount under annual premium payment mode.



## Enjoy guaranteed Cash Value upon policy starts

Once you purchase “Value Plus” (attached with Value Enhance Option<sup>1</sup>), you can enjoy up to 88%<sup>3</sup> of the total premiums for the entire payment period (the sum of guaranteed cash value and balance of prepaid premiums (if any)) as guaranteed value upon policy issuance.



## Flexible payment mode to fit your personal target

This Plan provides flexible payment mode. Depending on your own financial plan, you may opt to enroll “Value Plus” and pay the premiums annually, semi-annually or monthly. You may also choose to enrol “Value Plus” (attached with Value Enhance Option<sup>1</sup>), boost up the guaranteed cash value and rate of return of the policy through a lump sum prepayment of premiums<sup>2</sup>.



## No medical underwriting – hassle-free application

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



## Free worldwide emergency assistance service<sup>16</sup>

Once enrolled in this Plan, 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, please contact your financial consultant / call Customer Service Hotline at 2866 8898, Partnership Concierge Hotline at 3192 8333 or Premier Business Hotline at 3192 8388, or browse the company website at [www.ftlife.com.hk](http://www.ftlife.com.hk).



## At-a-Glance Table

Basic Information			
Protection Category	"Value Plus" Insurance Plan - Basic Plan "Value Enhance Option" - Rider		
Premium Payment Period	2 years		
Premium mode	Annual / semi-annual / monthly payment (Applicable to "Value Plus")		
Issue age	From 15 days to 80 years old		
Policy term	Up to 128 years old of the Insured		
Policy Currency	USD		
Minimum Premium <sup>17</sup>	Premium Payment Period	Minimum Premium <sup>17</sup> (USD)	
	2 years	Annual payment	Semi-annual payment
		5,000	2,600
Units equal to premium payment period multiplied by original annual premium (annual premium before deducting large size discount).			
Annual Dividend <sup>13</sup>	While the policy is in force, annual dividend <sup>13</sup> (non-guaranteed) will be payable annually from the 11 <sup>th</sup> policy anniversary.  The following options are available for annual dividend <sup>13</sup> : i) Accumulation with interest (default option); or ii) Payment in cash.		
Terminal Dividend <sup>13</sup>	While the policy is in force, terminal dividend <sup>13</sup> (non-guaranteed) will be declared annually from the 1 <sup>st</sup> Policy Anniversary.  Payable in the following situation: i) Death of the Insured (except Policy Continuation Option <sup>6</sup> being exercised); or ii) Surrender / Partial Surrender; or iii) Policy maturity, which is Policy Anniversary following the 128 <sup>th</sup> birthday of the Insured; or iv) Terminal Dividend Lock In Option <sup>7</sup> is being exercised		
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 <sup>11</sup> , where such percentage will be 105% during the first policy year with 1% increment on each subsequent Policy Anniversary (starting from the 1 <sup>st</sup> Policy Anniversary to the 5 <sup>th</sup> Policy Anniversary), up to a maximum of 110%; or ii) the sum of the guaranteed cash values as at the date of death of the Insured and terminal dividend <sup>13</sup> (if any)  plus accumulated annual dividends and interest <sup>13</sup> (if any) minus indebtedness (if any).	The higher of the following: i) 101% of Total Premiums Paid <sup>11</sup> ; or ii) The sum of the guaranteed cash values as at the date of death of the Insured and terminal dividend <sup>13</sup> (if any)  plus accumulated annual dividends and interest <sup>13</sup> (if any) minus indebtedness (if any)	
Surrender benefit / maturity benefit	The sum of the guaranteed cash value, accumulated annual dividends and interest <sup>13</sup> (if any) and terminal dividend <sup>13</sup> (if any) minus any indebtedness.		
Cash Withdrawn			
Withdrawal arrangement	Withdrawal of annual dividends and interest <sup>13</sup> (if any) will not affect your guaranteed benefits. However, any withdrawal of guaranteed cash value and associated terminal dividends <sup>13</sup> (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.		
Loans			
Policy loan / automatic premium 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. The policy may also be subject to an automatic premium loan if there is any non-payment of premiums. Whenever an automatic premium loan is applicable, we will advance the premium due as a loan.		
	Any policy loan and automatic premium 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. Unpaid interest at any Policy Anniversary will be added to the principal of such loan and will bear interest at the same rate. Please refer to the Policy Loan Form or Automatic Premium Loan Notice 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 <sup>13</sup> (if any) under the policy, and you will lose your insurance protection under the policy.		

## Supplemental Information to “Value Plus” (attached with Value Enhance Option<sup>1</sup>)

Unless otherwise stated, basic information included in the above At-a-Glance Table also applies to “Value Plus” (attached with Value Enhance Option<sup>1</sup>). In the event of discrepancies, the following supplemental information to Value Enhance Option Rider<sup>1</sup> shall prevail. Value Enhance Option Rider constitute part of the policy that they complement to.

Supplemental Information to “Value Plus” (attached with Value Enhance Option <sup>1</sup> )	
Premium Payment Period	2 years (premium prepayment for the 2 <sup>nd</sup> year is required <sup>2*</sup> ) * Value Enhance Option Rider must be enrolled together
Premium mode	Annual payment (Applicable to “Value Plus” (attached with Value Enhance Option <sup>1</sup> ))
Premiums on Value Enhance Option Rider <sup>1</sup>	No additional premiums required
Enhancement on Cash Value	<p>“Value Plus” (attached with Value Enhance Option<sup>1</sup>) has no cash value. If enrolled in “Value Plus” (attached with Value Enhance Option<sup>1</sup>), by comparing same amount of Unit, the guaranteed value of policy for the whole coverage period will be higher than that of “Value Plus”.</p> <p>If the Policy Owner opts to prepay all premium and premium levy of the basic plan of this policy when it is in force, we will enhance the cash value of the basic plan of this policy and present it in the policy proposal and the lists in related endorsement. All prepaid premium and premium levy will be credited to your premium deposit account<sup>19</sup>.</p>
Surrender Arrangement	<p>When you fully surrender or partially surrender the policy according to the terms of surrender, the following will be returned to the Policy Owner with respect to premium deposit account.</p> <p>(i) in the case of full surrender, balance in the premium deposit account in lump sum; or</p> <p>(ii) In the case of partial surrender, amount in the premium deposit account pro-rata to the units reduced.</p>
Termination Clause	You are not allowed to terminate Value Enhance Option Rider <sup>1</sup> unless you fully surrender the basic plan of the policy. The basic plan of the policy according to the termination clause will be terminated automatically upon the termination date, Value Enhance Option Rider <sup>1</sup> will automatically be terminated too. Any balance in the premium deposit account (if any) will be paid in lump sum to the Policy Owner or estate of the Policy Owner (as applicable).

### Remarks:

- Value Enhance Option Rider constitutes part of the policy that they complement to. Unless otherwise stated, terms of the basic plan also apply to Value Enhance Option Rider. In the event of discrepancies, terms of Value Enhance Option Rider shall prevail. If the Policy Owner opts to prepay all premium and premium levy of the basic plan of this policy when it is in force, we will enhance the cash value of the basic plan of the policy and demonstrate in the policy specification or relevant endorsement. All prepaid premium and premium levy will be credited to your premium deposit account. Please refer to Supplemental Information to “Value Plus” (attached with Value Enhance Option) from this product brochure and the Policy Provisions for more details regarding the Value Enhance Option Rider.
- Premium prepayment only applies to “Value Plus” (attached with Value Enhance Option). Prepaid premium and premium levy of the basic plan refer to all premiums payable and premium levy of the basic plan throughout the entire premium payment period which fully prepaid upon policy issuance and will be credited to premium deposit account. Annual premium and premium levy of the basic plan which are due and payable will be deducted from the premium deposit account at the beginning of the relevant policy year. Under “Value Plus” (attached with Value Enhance Option), withdrawal from the premium deposit account is not allowed unless the policy termination or being rescinded. If you fully or partially surrender the policy, we will return the remaining balance in the premium deposit account in proportional to the reduced Unit.
- Guaranteed value refers to the sum of guaranteed cash value and prepaid premium (if any). Guaranteed breakeven period as short as 5 years and guaranteed value up to 88% of the total premiums for the entire payment period upon policy issuance only applicable to policy of “Value Plus” (attached with Value Enhance Option) with annual premium (before large size discount throughout the whole payment term and any other premium discount (if any)) to USD150,000 or above. Taking another example of “Value Plus” (attached with Value Enhance Option) with an annual premium (before large size discount throughout the whole payment term and any other premium discount (if any)) of USD50,000, guaranteed breakeven period and the guaranteed value upon policy issuance will be 8 years and 87.19% respectively. Guaranteed breakeven period refers to the policy year when the guaranteed value is equal to or greater than the total premiums for the entire payment period for the first time by the end of such policy year.
- While the policy is in effect and at the end of the 5<sup>th</sup> policy year, you may exercise Policy Split Option to create a separate policy (the “Split Policy”), allocating a portion of Unit from the basic plan of the Policy to the Split Policy but subject to the following conditions without providing any evidence of insurability but subject to the following conditions: (i) after the Policy Split Option has been exercised (the “Split”), the respective Unit of the basic plan of the Policy and Split Policy must not be less than the minimum Unit amount we permit at the time of your request; (ii) the insured of the Split Policy must be the same as the Insured of the basic plan of the Policy; (iii) no claim is in progress under the basic plan of the Policy upon request exercising this option; (iv) your request for the Policy Split Option cannot be changed or withdrawn once it is submitted; (v) any Indebtedness under the basic plan of the Policy must be fully repaid before we approve your request ; and (vi) Policy Split Option can only be exercised once during a Policy Year. After the Split is approved, (i) the provisions of the Split Policy will be the same as the basic plan of the Policy unless otherwise specified; (ii) the Unit, guaranteed cash value, accumulated annual dividends and interest (if any) and terminal dividends (if any) of the basic plan of the Policy will be reduced and transferred to the Split Policy according to the ratio of the Unit allocated to the basic plan of the Policy and the Split Policy. We will determine the existing and future amounts of Cash Value, annual dividend (if any) and terminal dividend (if any) respectively for both the basic plan of the Policy and the Split Policy according to your allocation of the Units; (iii) the Total Premiums Paid for both the basic plan of the Policy and Split Policy will be adjusted according to your allocation of Units and will be used to calculate Death Benefit and Additional Accidental Death Benefit; (iv) the Beneficiary(ies), Owner, Contingent Owner (if designated), Initial Insured, Insured, Policy Date, Policy Effective Date and Policy Years of the basic plan of the Policy will remain unchanged and the Split Policy will have the same Beneficiary(ies), Owner, Contingent Owner (if designated), Initial Insured, Insured, Policy Date, Policy Effective Date and Policy Years of the basic plan of this Policy; (v) previous instruction(s) made under the basic plan of the Policy including but not limited to Terminal Dividend Lock In Option, Death Benefit Settlement Option and Policy Continuation Option will also apply to the Split Policy unless otherwise specified. Please refers to the Policy Provision for more details of Policy Split Option.

5. 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 128<sup>th</sup> birthday of the Changed New Insured (whichever is applicable). The Changed 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. Value Enhance Option Rider will not be terminated after Change of Insured Option has been exercised. Please refer to the Policy Provisions for details of Changing of Insured Option.
6. Upon the death of Insured, if the Policy Owner (still alive) and the Insured is different person, the Beneficiary will become the Continued 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 Continued New Insured of the Policy, subject to the prevailing administrative rules of the Company. After this option has been exercised, all 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 128<sup>th</sup> birthday of the Continued 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. Value Enhance Option Rider will not be terminated after Policy Continuation Option has been exercised. Please refer to the Policy Provisions for details of Policy Continuation Option.
7. 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. All terminal dividend not yet 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 "Automatic Lock-in Option". Please refer to the Policy Provisions for details of Terminal Dividend Lock In Options.
8. If the Policy Owner opts for by payment of a specified percentage of the Death Benefit and Additional Accidental Death Benefit (if any) in a lump sum and the remaining balance by regular installments, 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 and Additional Accidental Death Benefit (if any) 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 and Additional Accidental Death Benefit (if any) 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.
9. 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 and expected period. If the Policy Owner dies while receiving the surrender payments and/or accumulated interest (if any), the remaining surrender payment and/or accumulated interest (if any) will be paid in lump sum to the Policy Owner's estate. Please refer to the Policy Provisions for details of Full Surrender.
10. 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 is 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.
11. Total Premiums Paid is defined as the total amount of premium(s) due and paid for the basic plan of the Policy or Split Policy (if created pursuant to Policy Split Option provision) up to the date of death of the Insured (pro-rated by the ratio of Units at the time of death of the Insured to the Units at policy issuance, any amount in the Premium Deposit Account (if applicable) does not form part of the Total Premiums Paid).
12. Large Size Discount throughout the whole payment term is only applicable to basic premium of this Plan. Other rider premium (if applicable) will not be entitled to the Large Size Discount throughout the whole payment term. The Large Size Discount throughout the whole payment term is on per Policy basis of this Plan. If customer has applied for more than one Policy of this Plan, all policies could enjoy Large Size Discount throughout the whole payment term. However, the Eligible Annual Mode Premium of the policies will not be aggregated in calculating the Large Size Discount rate throughout the whole payment term.
13. 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 after the Policy has been in force for a minimum number of Policy Years to be determined by the Company and provided that all premiums due have been paid up to each relevant Policy Anniversary. The amount of annual dividend will be determined by the Company at its sole discretion. 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. We will pay out the annual dividend and terminal dividend after deduction of any Indebtedness owing under the Policy or the Split Policy.
14. Total Premiums Paid is defined as the total amount of premium(s) due and paid for the basic plan of the Policy or Split Policy (if established under the terms of policy split option) (pro-rated by the ratio of remaining Units after Partial Surrender to the Units at policy issuance; any amount in the Premium Deposit Account (if applicable) does not form part of the Total Premiums Paid).
15. The current interest rate offered is 2% p.a., but it is not guaranteed.
16. Free Worldwide Emergency Assistance Services are provided by the third party service provider. We reserve the right to change the terms and conditions of "Free Worldwide Emergency Assistance Service" and assumes no responsibility of the services provided by the third party service provider.
17. The minimum annual premium is the annual premiums after Large Size Discount throughout the whole payment term (if applicable) but before any other premium discount (if any).
18. Premium deposit account is a non-interest-bearing account where the premiums and premium levy of the basic plan are deposited in advance when the policy is in force. Any amount in the premium deposit account is for premium and premium levy payment of the basic plan of the policy.
19. Prepayment of the premium and Premium Levy of the basic plan means all premium and Premium Levy of the basic plan payable during the Premium Payment Period which are paid in full in advance at policy issuance and will be deposited into the Premium Deposit Account. The annual premium and Premium Levy of the basic plan due will be deducted from the Premium Deposit Account at the beginning of the respective policy year. Under "Value Plus" (attached with Value Enhance Option), withdrawal from the Premium Deposit Account is not allowed except policy termination or being rescinded. When you surrender in full or Partially Surrender this policy, we will refund the remaining balance in the Premium Deposit Account to you proportionately based on the corresponding reduced Unit. No interest will be credited to the amount kept in the Premium Deposit Account. If there is any remaining balance in the Premium Deposit Account, it will be refunded to you upon policy termination or being rescinded. The value in the Premium Deposit Account will not be paid as a part of benefit to the Beneficiary on the death of the insured, but will be treated as the property or the estate of the Owner.

## Key Exclusions

With respect to Additional Accidental Death Benefit, we will not pay any Additional Accidental Death Benefit under this Policy 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. "Value Plus" Insurance Plan, "Value Plus" Insurance Plan (attached with Value Enhance Option) and Value Enhance Option Rider are 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

The coverage of the Insured under the basic plan of the Policy shall be automatically terminated upon the earliest occurrence of the following circumstances:

1. any premium under the Policy remains in default at the end of the grace period unless the automatic non-forfeiture provisions become applicable; or
2. the Policy is fully surrendered; or
3. the Net Cash Value is equal to or less than zero (0) while there is Indebtedness; or
4. the death of the Insured unless Policy Continuation Option has been exercised; or
5. any circumstance contemplated in Policy Continuation Option provision has occurred rendering the Policy unable to continue; or
6. the basic plan of the Policy matures on the plan end date.

Termination of Policy will result in loss of coverage. Upon early termination, you may also suffer a significant loss.

#### iii) Policy Reinstatement

If the Policy terminates due to non-payment of any premium, it may be reinstated subject to the application for reinstatement made by you within 2 years from the due date of the premium in default and meeting our administrative regulations at that time. Please refer to the Policy Provisions for more details of policy reinstatement

#### iv) 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.

#### v) 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.
- "Value Plus" Insurance Plan and "Value Plus" Insurance Plan (attached with Value Enhance Option) are 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.
- "Value Plus" Insurance Plan and "Value Plus" Insurance Plan (attached with Value Enhance Option) are insurance policies issued by us. The insurance benefits are subject to the Company's credit risks.

### 4. Suicide Clause

If the Initial Insured commits suicide, within 1 year from (i) the Policy Effective Date; or (ii) the last reinstatement date, whichever is later, our liability under this Policy shall be limited to the refund of the aggregate of the Total Premiums Paid and the balance in the Premium Deposit Account (if any and if applicable) since the Policy Date; or the last reinstatement date (if applicable), whichever is later; and less any type of dividend and interest withdrawal and any claim which have been paid by us under the Policy since the Policy Date or the last reinstatement date, as the case may be, and any Indebtedness. If the Initial Insured commits suicide, while sane or insane, within 1 year from the effective date of any increase in Unit (if applicable), our liability in respect of that increase of Unit shall be limited to refunding the corresponding increment of premium paid and Premium Levy (if any) under the Policy and less any type of dividend and interest withdrawal and any claim which have been paid by us in respect of the relevant increase of Unit under the Policy and any Indebtedness.

After changing the insured, if the Changed New Insured commits suicide while sane or insane, within 1 year from (i) the Insured-change effective date; or (ii) the last reinstatement date (if applicable), whichever is later, and whilst this Policy is in force, we may cancel the Policy and refund the aggregate of the Total Premiums Paid and the balance in the Premium Deposit Account (if any and if applicable) less any Indebtedness, any type of dividend and interest withdrawal and any claim which have been paid by us under the 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 groups 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:
  - i) 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.
  - ii) Surrender: include policy surrender, partial surrender and policy lapse experience; and the corresponding impact on investments.
  - iii) Claims: include the cost of providing the Death Benefit and other Insured benefits under the product.
  - iv) 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 groups (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 financial gains and losses in a particular year over a longer period of time 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 independent non-executive director(s), 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 difference 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 reduce volatility in investment returns over time. It also aims to control and diversify risk exposures, maintaining adequate liquidity and manage the assets with respect to the product features.
- Our current long-term target asset allocation attributed to this product is as follows:

Target Asset Mix	
Fixed income type assets (Investment grade and non-investment grade)	Equity-like assets
50%-90%	10%-50%

- Investment instruments include cash, deposits, sovereign bonds, corporate bonds, listed equities, funds, private investments and/or other investment products. 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. For fixed income investment, 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, who will also 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 Owners for any material changes, rationale for the change and any impact to the Owners.

You may browse [www.ftlife.com.hk/en/support/disclosures/fulfillment-ratios-dividends.html](http://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 Plan 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 2023"



傑出大獎

保險公司獎項 - 年度培訓學院

Training Academy of the Year – Outstanding Performance



傑出大獎

保險公司獎項 - 儲蓄計劃

Saving Plan – Outstanding Performance



傑出大獎

保險公司獎項 - 康健護理及保障

Health & Protection – Outstanding Performance



傑出大獎

保險公司獎項 - 數碼營銷策略

Digital Marketing – Outstanding Performance

## "Benchmark" Wealth Management Awards 2022



Insurance Company of the Year 2022



Broker Support – Best-in-Class



Health Care Product – Best-in-Class



Academy of the Year 2022



Social Media Engagement – Outstanding Achiever



ESG Integration – Merit

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