

CTF Life  
周大福人壽

# Ever Shine

Savings Insurance Plan

Wealth+ Series



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## Ever Shine Savings Insurance Plan

We understand the wealth you have built carries your dedication to create a brighter future for yourself and your beloved family. Chow Tai Fook Life Insurance Company Limited ("CTF Life") sincerely presents the **Ever Shine Savings Insurance Plan** ("this Plan" or "the Plan"), empowering your wealth grows steadily while striving to accelerate both guaranteed and projected breakeven period through **a lump sum single premium**. The **Dual Succession Scheme** and the **Policy Split Option**<sup>1</sup> of the Plan also allow you to pass on your wealth worry-free, letting your wealth and honor pass across generations and ever shine for your family.



**Guaranteed breakeven period  
as short as 7 years<sup>2</sup>**

**Projected breakeven period even  
as short as 4 years<sup>2</sup>**

Your choice for steady wealth accumulation



**Policy Split Option<sup>1</sup>**

Allocates a portion of Unit from the Plan  
to a **separate "Split Policy"** for assets  
planning flexibility



**Dual Succession Scheme allows  
wealth to be passed on from  
generation to generation**

- **Unlimited changes of the Insured** and protection of new Insured up to age 128<sup>3</sup>, to pass on wealth to your next generations infinitely
- **Policy Continuation Option** (to the Beneficiary)<sup>4</sup> allows the Policy to be passed on



**Terminal Dividend Lock In Options<sup>5</sup>**

Turns "expectation" into "guarantee"



**Allows regular withdrawal**

like "Creating your own pension"



**Flexible settlement options for  
Death Benefit<sup>6</sup> / Full Surrender<sup>7</sup>**

Customize your needs



## Striving to accelerate guaranteed / projected breakeven period<sup>2</sup>, your choice for steady wealth accumulation

The guaranteed breakeven period of this Plan is as short as 7 years<sup>2</sup>, and projected breakeven period even as short as 4 years<sup>2</sup>. At the same time, this Plan allows regular withdrawals, just like creating your own pension 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, providing ultra long-term wealth growth opportunities. The plan also provides Guaranteed Cash Value, non-guaranteed annual dividends<sup>9</sup> and non-guaranteed terminal dividends<sup>9</sup>, allowing your wealth to grow continuously.



## Enjoy Guaranteed Cash Value upon Policy starts

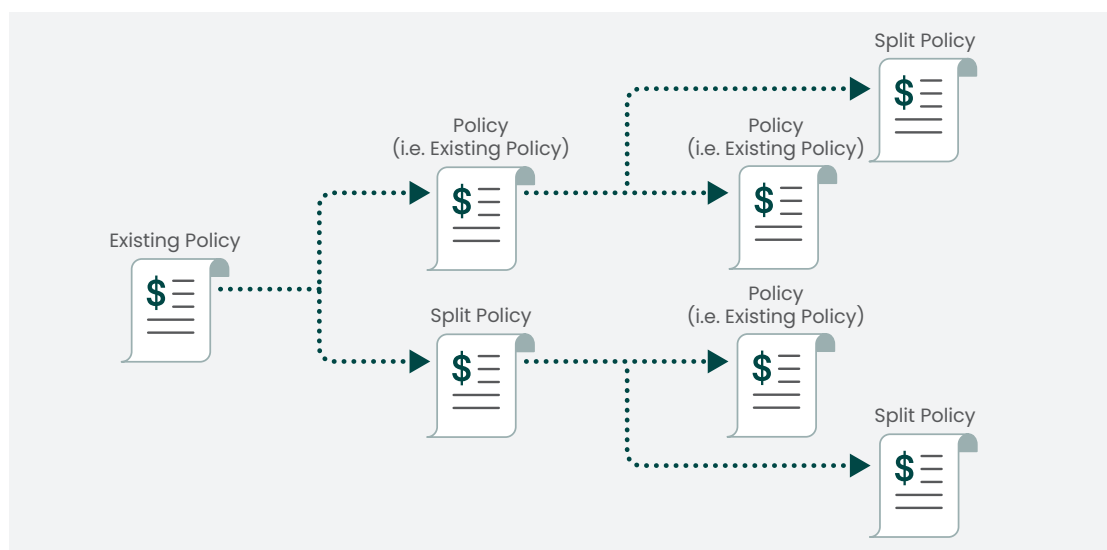
The Plan provides Guaranteed Cash Value as high as 83%<sup>2</sup> of Total Premiums Paid<sup>10</sup> upon Policy issuance. Apart from wealth growing potential, it gives you financial flexibility.



## Policy Split Option<sup>1</sup> allows flexible assets planning

After the end of the 5<sup>th</sup> Policy Year and while the Policy is in force, 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<sup>1</sup> has been exercised, the basic plan of the existing Policy will remain in force and the Policy Effective Date will remain unchanged. Other policy information and instructions under the Split Policy will be the same as the basic plan of the existing Policy except the Unit, Total Premiums Paid<sup>10</sup>, Guaranteed Cash Value, accumulated annual dividends and interest<sup>9</sup> (if any) and terminal dividend<sup>9</sup> (if any).

After Split, you can change other policy options / instructions at anytime. You can exercise Policy Split Option<sup>1</sup> once per Policy Year. Policy Split Option<sup>1</sup> is also applicable to the Split Policy, maximizing the power of assets allocation.



## Dual Succession Scheme allows wealth to be passed on from generation to generation

### Unlimited changes of the Insured and protection of new Insured up to age 128<sup>3</sup>, to pass on wealth to your next generations infinitely

After the 6<sup>th</sup> Policy Monthly Anniversary, you may change the Insured<sup>3</sup> for unlimited times. The coverage period will be adjusted to age 128 of the new Insured ("Changed New Insured"), allowing the Policy to have sufficient time for wealth accumulation and can be passed to the next generations.

### Policy Continuation Option (to the Beneficiary)<sup>4</sup> allows the Policy to be passed on

Apart from unlimited changes of the Insured<sup>3</sup>, the Plan also specially provides the "Policy Continuation Option"<sup>4</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 the new Insured (the "Continued New Insured"). Even if the Insured unexpectedly 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.



## Terminal Dividend Lock In Options<sup>5</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>5</sup> to convert and accumulate your terminal dividend<sup>9</sup> in the form of annual dividends<sup>9</sup> or withdraw it in times of need as early as the 10<sup>th</sup> Policy Anniversary. The converted terminal dividend<sup>9</sup> will become guaranteed and bring you a stable return. Terminal dividend<sup>9</sup> which has been converted and accumulated into annual dividends<sup>9</sup> can also earn interest (if any).

### 1) Automatic Lock In Option<sup>5</sup>

Starting from the 10<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>9</sup> into annual dividend<sup>9</sup> on each Policy Anniversary, which is equivalent to 8% of Total Premiums Paid<sup>10</sup>, until the balance of terminal dividends<sup>9</sup> falls to 30% of Total Premiums Paid<sup>10</sup> at certain Policy Year after conversion.

### 2) Manual Lock In Option<sup>5</sup>

Starting from the 10<sup>th</sup> Policy Anniversary, you can apply to convert part of the terminal dividend<sup>9</sup> on your choice into annual dividend<sup>9</sup> on your designated Policy Anniversary(ies). 10% or above of terminal dividend<sup>9</sup> can be converted each time, up to a total of 60%, while a 3 years or above interval between each conversion is required.



## Flexible settlement options for Death Benefit<sup>6</sup> or Full Surrender<sup>7</sup> for your peace of mind

### 1) Death Benefit Settlement Options<sup>6</sup>



While the Insured is still alive and the Policy is in force, the Owner can choose from the following Death Benefit Settlement Options flexibly regarding payment of Death Benefit 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>6</sup> – Monthly, semi-annually or annually over 10, 20 or 30 years; or	
iii) Increasing installment payments <sup>6</sup> – The Beneficiary can receive a specified amount of first installment of Death Benefit 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 / or accumulated interest <sup>11</sup> (if any) are fully paid; or	<p>increased by 3% each year</p>
iv) A lump sum payment for a specified percentage of the Death Benefit, such percentage must be equal to or more than 5% of the Death Benefit, and the remaining will be paid by regular installment payments <sup>6</sup> .	<p>specified percentage      the remaining will be paid by regular installment payments</p>

For Death Benefit to be paid to the Beneficiary(ies) at regular installment / increasing installment payments, the remaining amount of Death Benefit (after deduction of a lump sum payment of a certain percentage of the Death Benefit, if applicable) must be at least USD 50,000. The amount of Death Benefit which is yet to be paid under the Death Benefit Settlement Option can also earn interest<sup>11</sup> (if any).

## 2) Full Surrender Settlement Options<sup>7</sup>

Once the Policy has been in force for 5 years, and if the Owner fully surrenders<sup>7</sup> the Policy. Other than a lump sum payment, the Owner can also choose one of the following options to receive the surrender payment if the surrender payment is at least USD 50,000:

<b>i) Payments at regular<sup>7</sup> – Monthly, semi-annually or annually over 10, 20 or 30 years; or</b>	
<b>ii) Increasing payments<sup>7</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>11</sup> (if any) are fully paid. The amount of the surrender payment which is yet to be paid can also enjoy an interest<sup>11</sup> (if any).</b>	<p><b>increased by 3% each year</b></p> 



### **No medical underwriting – hassle-free application**

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



### **Free worldwide emergency assistance service<sup>12</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 contact your financial consultant / call CTF Life Customer Service Hotline at 2866 8898, Partnership Concierge Hotline at 3192 8333, Premier Business Hotline at 3192 8388, or browse the company website at [www.ctflife.com.hk](http://www.ctflife.com.hk).



## At-a-Glance Table

Basic Information	
<b>Policy Category</b>	Basic Plan
<b>Premium Payment Period</b>	Single Premium
<b>Issue Age</b>	From 15 days to 80 years old
<b>Policy Term</b>	Up to 128 years old of the Insured
<b>Policy Currency</b>	US dollars
<b>Minimum Single Premium<sup>13</sup></b>	USD 50,000 The premium and all benefits of your Policy are calculated based on the Units
<b>Death Benefit</b>	The higher of the following: i) 101% of Total Premiums Paid <sup>9</sup> ; or ii) The sum of the Guaranteed Cash Value as at the date of death of the Insured and terminal dividend <sup>9</sup> (if any). Plus accumulated annual dividends and interest <sup>9</sup> (if any), minus indebtedness (if any).
<b>Surrender Benefit / Maturity Benefit</b>	The sum of the Guaranteed Cash Value, accumulated annual dividends and interest <sup>9</sup> (if any) and terminal dividend <sup>9</sup> (if any) minus any indebtedness.
<b>Annual Dividend<sup>9</sup></b>	While the Policy is in force, annual dividend <sup>9</sup> (non-guaranteed) will be payable annually from the 15 <sup>th</sup> Policy Anniversary. The following options are available for annual dividend <sup>9</sup> : i) Accumulation with interest (default option), or ii) Payment in cash
<b>Terminal Dividend<sup>9</sup></b>	While the Policy is in force, terminal dividend <sup>9</sup> (non-guaranteed) will be declared annually from the 1 <sup>st</sup> Policy Anniversary. Payable in the following situation for terminal dividend <sup>9</sup> : i) Death of the Insured (except "Policy Continuation Option" <sup>4</sup> being exercised); or ii) Surrender / Partial Surrender; or iii) Policy maturity, which is the Policy Anniversary following the 128 <sup>th</sup> birthday of the Insured; or iv) Terminal dividend Lock In Option <sup>5</sup> is being exercised
Cash Withdrawal	
<b>Withdrawal Arrangement</b>	Withdrawal of annual dividends and interest <sup>9</sup> will not affect your guaranteed benefits. However, any withdrawal of Guaranteed Cash Value and associated terminal dividends <sup>9</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.
<b>Policy Loan</b>	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 the 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 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>9</sup> (if any) under the Policy, and you will lose your insurance protection under the Policy.

**Remarks:**

1. While the Policy is in effect and from 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: (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 Guaranteed 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; (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 the 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. The Split Policy will be effective only after its Policy provisions and Policy specifications are issued. Please refer to the Policy Provision for more details of Policy Split Option.
2. Guaranteed breakeven period as short as 7 years / projected breakeven period even as short as 4 years and Guaranteed Cash Value reaching 83% of Total Premiums Paid upon Policy issuance is applicable to all Policy(ies) that meet the minimum premium requirement of this product. The guaranteed breakeven period / projected breakeven period refers to the Policy Year which the Guaranteed Cash Value / Projected Total Cash Value is equal to or greater than the Total Premiums Paid for the first time by the end of such Policy Year.
3. Changing the Insured is subject to the prevailing administrative rules and designated requirements. The Unit, total amount of Cash Value (including guaranteed and non-guaranteed), Policy Date and Policy Year will remain unchanged on the Insured-Change Effective Date while the Plan End Date of the basic plan of the Policy will be adjusted to the date of Policy Anniversary on the 128<sup>th</sup> birthday of the Changed New Insured 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 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 provided 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 of Insured Option.
4. Upon the death of the Insured, if the Owner (still alive) and the Insured are different persons, the Beneficiary will become the Continued New Insured. Upon the death of the Insured, if the Owner died at the same time or the Owner and the Insured are the same person, the Beneficiary will become the new 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 Premiums Paid, Guaranteed Cash Value, accumulated annual dividends and interest (if any), terminal dividend (if any), Policy Date and Policy Years will remain unchanged on the Policy Continuation Effective Date. Plan End Date of the basic plan of the Policy will be adjusted to the date of Policy Anniversary on the 128<sup>th</sup> birthday of the Continued New Insured or 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 the Policy Continuation Option. Please refer to the Policy Provisions for details of Policy Continuation Option.
5. 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 be 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.
6. If the Owner opts for by payment of a specified percentage of the Death Benefit 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. However, interest on unpaid Death Benefit 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 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 Owner is still alive, the Death Benefit will be paid to the Owner in accordance with the Death Benefit settlement option. Owner may also request to receive the Death Benefit in lump sum. If the Owner dies while receiving the Death Benefit payment, the remaining Death Benefit will be paid in a lump sum to the 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 Owner may choose to receive surrender payment in a fixed amount on payments at regular intervals or by 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 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 Owner's estate. Please refer to the Policy Provisions for details of Full Surrender.
8. 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 but before any other premium discount (if any); pro-rated by the ratio of remaining Units at the time of death of the Insured to the Units at Policy issuance.
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 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.
10. 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 the Policy Split Option provision) but before any other premium discount (if any); pro-rated by the ratio of remaining Units after partial surrender to the Units at Policy issuance; if the Policy is partially surrendered, the Total Premiums Paid will be proportionately reduced.



11. The current interest rate offered is 2% p.a., but it is not guaranteed.
12. 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.
13. The minimum single premium does not include any other premium discount (if any).

## Disclosure of Important Information

1. Ever Shine Savings Insurance Plan 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 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. the Policy is fully surrendered; or
  2. the Net Cash Value is equal to or less than zero 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 the Policy unable to continue; or
  5. 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. 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.
  - Ever Shine Savings Insurance Plan 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.
  - Ever Shine Savings Insurance Plan is 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, while sane or insane, within one year from the Policy Effective Date, and whilst this Policy is in force, our liability under Policy shall be limited to the refund of the aggregate of the Total Premiums Paid since the Policy Date; and less any type of dividend and interest withdrawal and any claim which have been paid by us under the Policy since such Policy Date and any Indebtedness. If the Initial Insured commits suicide, while sane or insane, within one year from the effective date of any increase in Unit (if applicable), and whilst this Policy is in force, our liability in respect of that increase of Unit shall be limited to refunding the aggregate of the corresponding increment of premium paid 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 or exercising Policy Continuation Option, if the new Insured commits suicide, while sane or insane, within one year from (i) the Insured-Change Effective Date; or (ii) Policy Continuation Effective Date, we may cancel the Policy and refund the Total Premiums Paid 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 Owner is invested in an investment portfolio to support the product groups determined by us according to the investment Policy. The Owners participate in the financial performance of the product groups through the dividend declaration. The 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 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 diversity 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
40% – 80%	20% – 60%

- 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, 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 Owners for any material changes, rationale for the change and any impact to the Owners.

You may browse [www.ctflife.com.hk/en/support/important-information/fulfillment-ratios-dividends](http://www.ctflife.com.hk/en/support/important-information/fulfillment-ratios-dividends) 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. Chow Tai Fook Life 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 Chow Tai Fook Life 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 Chow Tai Fook Life 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.





# CTF Life

## 周大福人壽

Chow Tai Fook Life Insurance Company Limited  
(Incorporated in Bermuda with limited liability)

MKT/PM/0611/GEN/2508