CTF Life
周大福人壽

"Gorgeous"

Universal Life Insurance Protection Plan

Wealth+ Series

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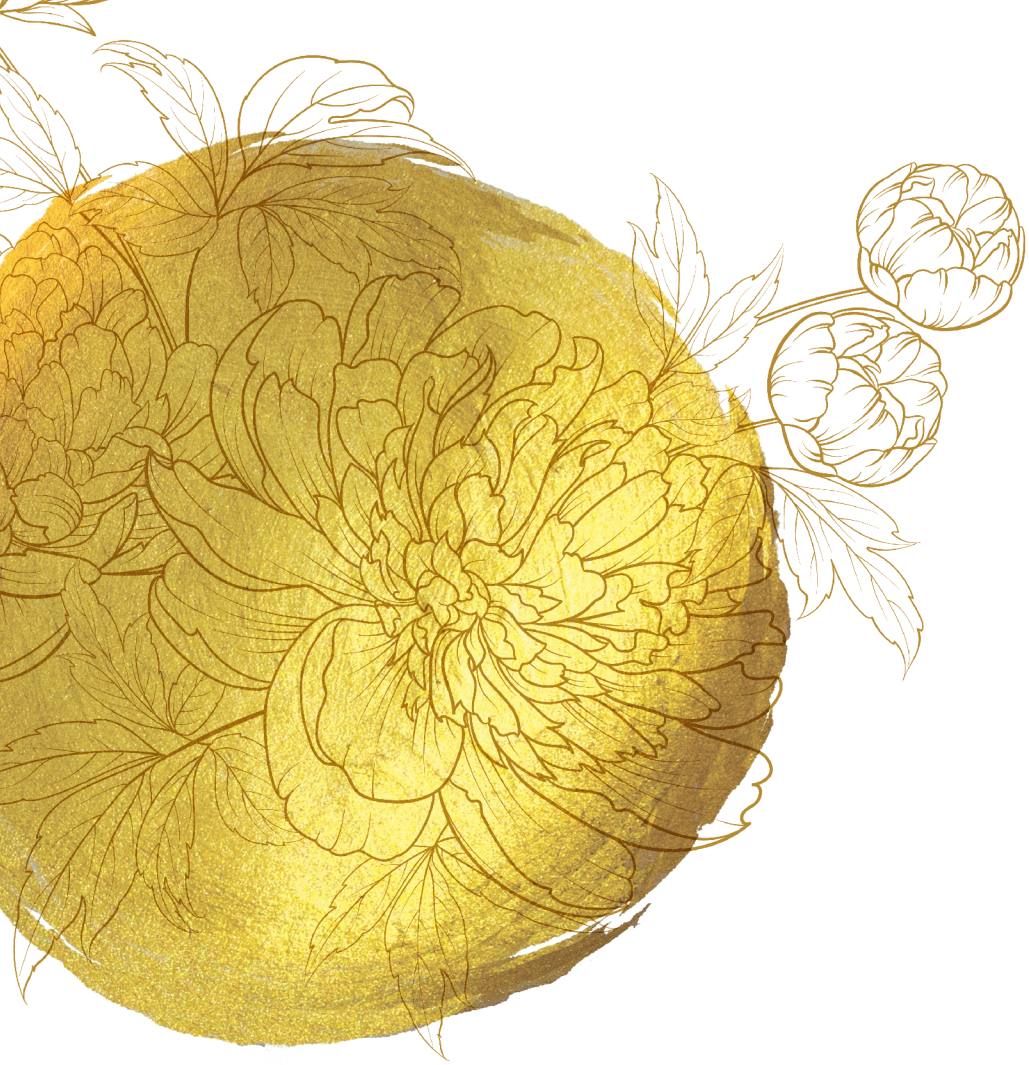
“Peony blossom brings wealth and happiness”

Throughout the ages, peony is often seen as “The flower of wealth”, symbolizing nobility and prosperity. Wealth planning is just like peony planting that requires forethought and care to enjoy the full bloom, leading to a GORGEOUS Life.



“Gorgeous” Universal Life Insurance Protection Plan

Plan with your foresight today and reap a bumper harvest tomorrow!

Your prominent wealth and accomplishments are the fruits of years of hard work. A top-of-the-line protection plan is what you need to create a better future through accumulating and passing on your wealth.

CTF Life proudly presents the “Gorgeous” Universal Life Insurance Protection Plan which provides comprehensive life protection along with annual interest returns, and all the flexibility you need to meet your financial needs. It is your first choice in life protection, wealth appreciation and inheritance.

Plan features

Comprehensive life protection

- Self-determined sum insured
- Advanced Death Benefit[1]

Wealth accumulation

- Annual interest returns, guaranteed crediting interest rate[2,3] of no less than 2% p.a.

Flexible allocation

- Payment of either single premium or regular premium
- Inject a lump sum of Top-up premium[4]
- Free-of-charge withdrawal arrangement[5,6]
- Up to 2 years of Premium Holiday[7] for regular premium plan

Cost transparency for total peace of mind

Comprehensive life protection

"Gorgeous" Universal Life Insurance Protection Plan combines the benefit of life protection and wealth management. Apart from risk diversification for better wealth planning, it also gives you life protection once you have successfully enrolled, thereby offering peace of mind for you and your family.

✓ Self-determined sum insured

You can choose a sum insured amount based on your needs upon application, subject to the relevant rules. In the unfortunate event of the insured's death, we will pay a death benefit to the specified beneficiary for total peace of mind for your beloved one.

✓ Advanced Death Benefit[1]

Advanced Death Benefit[1] will be paid if the insured has been diagnosed and certified as having no more than 12 months to live, subject to a benefit limit of USD 2,000,000 per insured.

Please refer to the "At a glance table" for the details of Death benefit & Advanced Death Benefit.

Wealth accumulation

✓ Annual interest returns, guaranteed crediting interest rate[2,3] of no less than 2% p.a.

In addition to providing you a life protection, the plan also helps you to capture the growth potential of your wealth by offering an annual interest return. After deducting all applicable charges[8], your premiums will accumulate in the policy to earn interest[3] according to the crediting interest rate[2] as announced by us. The minimum guaranteed crediting interest rate is 2%[2] p.a. for the basic account, allowing you to enjoy a steady stream of income from the volatile investment markets.

Flexible allocation

✓ Payment of either single premium or regular premium

"Gorgeous" Universal Life Insurance Protection Plan is highly flexible as it provides various premium payment options, apart from single premium, the plan also provides regular premium payment periods of 6, 9, or 12 years. Those who opt for single premium plan, the planned premiums can be paid in installments within the first policy year, with the first installment as low as 10% of the planned premiums to kick start the policy and the remaining balance[9] of the planned premium plan shall be paid within the first policy year.

✓ Inject a lump sum of Top-up premium[4]

Apart from paying the premium of this plan, you can boost wealth growth by paying additional lump-sum top-up premium[4] when you are financially vibrant.

✓ Free-of-charge withdrawal arrangement[5,6]

Starting from the second policy year, you can enjoy even greater financial flexibility with the free-of-charge withdrawal limit[5,6] every year which will not affect the sum insured, subject to the requirements on minimum withdrawal amount, withdrawal sequence and the minimum account balance and sum insured. If the withdrawal amount exceeds the free-of-charge withdrawal limit, a surrender charge[10] will be imposed on such excess amount and/ or the sum insured will be adjusted accordingly.

You may also obtain a policy loan[11] from us to further increase your financial agility.

✓ Up to 2 years of Premium Holiday[7] for regular premium plan

Regular premium plan is eligible for an aggregate total Premium Holiday period of up to 2 years, so that you can tackle unexpected incidents and flexibly meet your short-term financial needs. After the third policy anniversary, you may request a temporary suspension of premium payment without worrying about the immediate policy termination. The Premium Holiday will start on the next policy anniversary. During the Premium Holiday period, the interests will be credited to the account, and the benefits will remain unchanged. All applicable policy charges will be deducted from the account value during the Premium Holiday. Please refer to the "At a glance table" for details of the Premium Holiday.

Cost transparency for your total peace of mind

The fees and charges of the "Gorgeous" Universal Life Insurance Protection Plan are highly transparent. The premium charge, insurance charge, administration fee and surrender charge determined at policy issuance will remain unchanged.

Please refer to the "Fees and charges" section in the "At a glance table".

Medical check-up waived[12]

If the sum insured is less than the designated amount[12], no medical check-up is required, ensuring a hassle-free application.

Free Worldwide Emergency Assistance Services[13]

Once enrolled in the "Gorgeous" Universal Life Insurance Protection Plan, you will enjoy 24-hour Worldwide Emergency Assistance Services no matter where you are. The maximum claim amount is up to USD 1,000,000 (per incident), which includes emergency medical evacuation / repatriation and repatriation of mortal remains etc.

For details, please contact your financial consultant or call our Customer Service Hotline at 2866 8898 or browse the company website at www.ctflife.com.hk.

At a glance table

Basic information		
Issue age	Single premium or 6 years premium payment period: Age 18 to 75 years; 9 or 12 years premium payment period: Age 18 to 70 years	
Coverage period	Whole life	
Policy currency	USD	
Premium type	Single premium or 6, 9 or 12 years premium payment period	
Minimum sum insured	USD 500,000	
Death benefit	Death before age 120 (the higher of the following (i) & (ii)): i) The sum insured minus total withdrawal in top-up account within 12 months prior to death (if any) and minus free withdrawal in basic account within 12 months prior to death (if any); or ii) Total account value, less any indebtedness (if any) Death at age 120 or after: Total account value less any indebtedness (if any)	
Advanced death benefit[1]	Death benefit will be paid in advance if the insured is diagnosed as having no more than 12 months to live, subject to a benefit limit of USD 2,000,000 per insured. If the aggregate sum at risk[14] of all "Gorgeous" Universal Life Insurance Protection Plans you have with us as of the claim notification date equals to or less than USD 2,000,000, we will pay the death benefit as Advanced Death Benefit, and then the policies will terminate. If the aggregate sum at risk[14] of all "Gorgeous" Universal Life Insurance Protection Plans you have with us as of the claim notification date is over USD 2,000,000, we will pay USD 2,000,000 less any indebtedness as Advanced Death Benefit. Then, the aggregate sum insured of all policies will be decreased by USD 2,000,000.	
Surrender value	Total account value less surrender charge and any indebtedness (if any)	
Premium holiday[7]	Premium payment period	Maximum length of premium holiday
	Single premium	Not applicable
	6 / 9 / 12 years	2 years
Top-up premium		
Top-up premium[4]	Top-up premium refers to all premium contributions other than the planned premiums	
Requirements	For single premium plan, all planned premium must be paid in full before requesting to pay the top-up premium in the first policy year. Starting from the second policy year, you may pay top-up premiums at any time. For regular premium plan, top-up premium can be paid at any time. Minimum amount: USD 10,000 Maximum amount: Regular premium plan within the premium payment period: The total account value plus the top-up premium paid less premium charge must not exceed 50% of the sum insured. Single premium plan and regular premium plan after the premium payment period: The total account value plus the top-up premium paid less premium charge must not exceed 85% of the sum insured.	
Crediting interest[2,3]		
Crediting term	Your account value will earn interest according to the crediting interest rate announced by us from time to time until the insured reaches 120 years of age.	
Minimum guaranteed crediting interest	The rate is 2% p.a. for the basic account. The current minimum guaranteed crediting interest rate for top-up account layers is 0% p.a. For subsequent top-up account layers, the rate will be determined at the time of premium payment. Please always check with your financial consultant or visit our official website from time to time for the latest applicable rates.	

Cash withdrawal[5,6]	
Withdrawal sequence[5]	Withdrawal will reduce the account value by the amount withdrawn. The withdrawal sequence is first-in-first-out from the top-up account layers (if any) and then first-in-first-out from the basic account.
Free-of-charge withdrawal arrangement[15]	Starting from the second policy year, the free-of-charge withdrawal limit for each year is equal to 10% of the total account value at the beginning of each policy year before deduction of policy charges (if any) and after crediting interest on each policy anniversary. The withdrawal sequence of free-of-charge withdrawal limit is first-in-first-out from the top-up account layers (if any) and then first-in-first-out from the basic account. If the applicable surrender charge for the top-up account layers is zero, no free-of-charge withdrawal limit will be deducted. Withdrawing an amount less than the free-of-charge withdrawal limit, the charges will be waived, and the sum insured will remain unchanged. If the withdrawal amount from the basic value exceeds the free-of-charge withdrawal limit, the sum insured will be decreased accordingly. Any unused free-of-charge withdrawal limit for any given policy year will not be carried forward to the next policy year.
Withdrawal arrangement[5]	Starting from the second policy year, you may partially withdraw from your basic account. If the requested partial withdrawal amount from the basic account exceeds the free-of-charge withdrawal limit[15], a surrender charge will be imposed on the excess amount, and the sum insured will be decreased by such excess amount. Withdrawal from the top-up account layers will not affect the sum insured. We will deduct the surrender charge from the requested amount and pay the balance to you. You may make withdrawal from the top-up account layers at any time and enjoy the free-of-charge withdrawal limit[15] from the second policy year onwards.
Withdrawal amount	The minimum amount for each withdrawal is USD 1,000. After withdrawal, the minimum account balance must equal the aggregate amount of monthly policy charges for the next 3 policy months, and the remaining sum insured must not be less than USD 250,000.

Fees and charges	
Premium charge	Basic account: 6% of each planned premium paid; Top-up account: 7% of each top-up premium paid.
Insurance charge[16]	The insurance charge is calculated based on the sum at risk[14], according to such factors as the insured's attained age, sex, place of residence, expected mortality and smoking habit. The insurance charge will be waived for the first policy year and will be deducted monthly in advance from your account from the second policy year until the insured reaches 120 years of age.
Administration fee[16]	The administration fee is determined by the sum insured, according to such factors as the insured's issue age, sex, policy year, place of residence, expected mortality and smoking habit. The administration fee applicable to the first policy year will be deducted upfront from the first payment of the planned premium. From the second policy year to the tenth policy year, the administration fee will be deducted monthly in advance from the policy account value. For single premium plan, if the initial premium paid is lower than planned premium amount, the account value may not be enough to pay for the administration fee, any outstanding administration fees will then be deducted from any benefits, claims and premium paid afterwards.

Surrender charge[10]

Basic Account					Top-up Account	
Policy Year	Surrender charge rate for single premium plan	Surrender charge rate for 6 years premium payment period	Surrender charge rate for 9 years premium payment period	Surrender charge rate for 12 years premium payment period	Year[17]	Surrender charge rate for Top-up account layers
1	5%	25%	65%	65%	1	5%
2	5%	25%	65%	65%	2	5%
3	4.5%	8%	15%	15%	3	4.5%
4	4%	5%	8%	8%	4	4%
5	3%	3%	6%	6%	5	3%
6	2%	2%	4%	4%	6	2%
7	1%	1%	2%	2%	7	1%
8	0%	1%	1%	1%	8	0%
9	0%	0%	1%	1%	9	0%
10	0%	0%	0%	1%	10	0%
11 and thereafter	0%	0%	0%	0%	11 and thereafter	0%

The product information in this document does not contain the full terms of the plan and the full terms can be found in the policy document.

This plan may be purchased as a standalone plan without bundling with other type(s) of insurance product. You are required to read the relevant product brochure, the policy provisions and the illustrations presented by your licensed insurance intermediary in order to fully understand the details of the definitions, charges, product features, exclusions, and conditions of payment of claims, etc. plus complete terms and conditions.

Remarks:

1. Advanced Death Benefit is payable only when the insured provides proof that has been certified by 2 medical practitioners acknowledged by Chow Tai Fook Life Insurance Company Limited ("CTF Life" / "We") that the insured has no more than 12 months left to live from the date of such diagnosis. For details, please refer to the policy provisions.
2. We determine and announce the crediting interest rates at our sole discretion. Therefore, the crediting interests are not guaranteed, and the account value can be lower or higher than expected. The minimum guaranteed crediting interest rate of no less than 2% p.a. is only applicable to the basic account. Please contact your financial consultant or visit our company website from time to time for the latest applicable rates.
3. The full year crediting interest on the planned premium of the first policy year will be credited to the basic account in one lump sum upon the payment of the planned premium. Interests for the top-up account and the basic account (from the second policy year onwards) will be calculated on a daily accrual basis and credited to the relevant accounts on each policy anniversary until the insured reaches 120 years of age. Under exceptional circumstances, including but not limited to, any financial crisis or suspension of dealings on a major stock exchange, where we are not reasonably practicable to determine the crediting interest rate, we may defer the announcement of the crediting interest rate for a period not exceeding 6 months.
4. You may request to pay top-up premium, subject to the terms and conditions in the policy provisions. We reserve the right to reject such requests and shall not be liable for any loss arising from such rejections. For single premium plan, the planned premium must be fully settled before a request to pay top-up premium in the first policy year can be made.
5. The withdrawal sequence is first-in-first-out from the top-up account layers and then first-in-first-out from the basic account. Withdrawal from the basic account value may trigger a decrease of the sum insured, but withdrawal from the top-up account will not affect the sum insured. We have the right to postpone the payment of withdrawal or surrender value up to six months from the date of your request. We shall not be liable for any loss incurred as a result of such postponement. We reserve the right to change the terms and conditions for withdrawal sequence and decrement of the sum insured from time to time by giving you one month's prior written notice.
6. You may make withdrawal at any time, subject to the prevailing administrative requirements for minimum withdrawal amount at the time of each withdrawal. The immediate account value after the withdrawal should meet the minimum account balance requirement and the minimum sum insured should also be maintained.
7. The length of a Premium Holiday of each application must be either 1 year or 2 years, and the maximum of the total length of Premium Holiday per policy must not exceed 2 years. The Premium Holiday shall take effect from the following policy anniversary after the approval of your request. During the Premium Holiday, you do not need to pay the premium of this plan and the sum insured will remain unchanged. We will continue to deduct the policy charges from and credit crediting interests to the account value. The premium end date and premium due date will be deferred according to the Premium Holiday period. After the Premium Holiday, you should resume paying the planned premium otherwise the policy may be terminated. Premium Holiday is only applicable to any policy with a premium payment term of 6, 9 or 12 years on condition that all planned premium of the first 3 years or above are fully paid. Premium Holiday is not applicable to any policy with a single premium payment or a policy loan. Please refer to the policy provisions for details about the Premium Holiday.
8. The applicable charges include premium charge, insurance charge and administration fee.
9. You may choose to pay an initial premium (which is less than the planned premium) to make the policy effective. However, such initial premium must be not less than the minimum premium (i.e. 10% of the planned premium), and after that, you shall pay the balance of the planned premium within the first policy year. Each instalment must be at least equal to either (i) 10% of the planned premium or (ii) the remaining balance of the planned premium, whichever is lower. If the outstanding balance of the planned premium is not settled in the first policy year, the policy will be terminated when the net account value reaches or falls below zero. No payment of the planned premium will be accepted by us after the first policy year.
10. The surrender charge of the basic account is equal to the withdrawal amount you request or the basic account value (depends on the situation) less the applicable free-of-charge withdrawal limit, multiplied by the designated percentage of the given policy year of the basic account, and will be deducted from the withdrawal amount. The surrender charge of the top-up account is equal to the withdrawal amount you request less the applicable free-of-charge withdrawal limit, multiplied by the designated percentage of the given year of the respective top-up account layer, and will be deducted from the withdrawal amount.
11. After the first policy year, you may apply a loan from us. The current minimum loan amount is USD 1,000, and the maximum amount is 80% of the surrender value. The amount of the loan will be determined by us at our sole discretion. We have the right to postpone approving your loan for up to 6 months from the date of your request unless such loan is used to pay a premium for any of your policy with us. Any policy loan will bear interest at a rate determined by us. We have 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.
12. Applicable to any insured between 18 to 55 years of age and with a total sum insured of no greater than USD 2,000,000, subject to the relevant underwriting requirements.
13. Worldwide Emergency Assistance Services are provided by the third party service provider. We reserve the right to change the terms and conditions of "Worldwide Emergency Assistance Service" and assumes no responsibility of the services provided by the third party service provider.
14. Sum at risk equals sum insured less total account value, and its minimum value is zero.
15. We reserve the right to change the free-of-charge withdrawal limit at our sole discretion from time to time by giving you one month's prior written notice.
16. If there is insufficient amount in the basic account for deduction of insurance charge and/ or administration fee, we will deduct the outstanding fees and charges from the balance of the top-up account.
17. Year counting from the respective layer effective date of the top-up account layer from which the relevant withdrawal or surrender takes place.

Disclosure of Important Information

1. 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.

2. Key Product Risks

   i. Non-guaranteed Benefits

   The crediting interest rate of this policy is non-guaranteed. The actual benefit you get can be different from those shown in the benefit illustration but the actual crediting interest rate will not be lower than the applicable minimum guaranteed crediting interest of each account layer. We will review the crediting interest rate regularly.

   ii. Product Features Revision

   We reserve the right to revise the benefit structure, terms and conditions and / or product features. We will issue a written notice to inform you if there is any revision in advance upon policy renewal or before end of a policy year.

   iii. Termination

   We will terminate the policy under the following circumstances:

   - the death of the insured; or
   - the amount of Advanced Death Benefit paid or payable equals to the amount of death benefit payable under the Policy; or
   - any planned premium under regular premium plan remains in default at the end of the Grace Period unless the Automatic Non-forfeiture Provisions become applicable or payment of Planned premium is suspended pursuant to the Premium Holiday provision; or
   - the net account value of single premium plan falls to zero or below on or after the first policy anniversary; or
   - the net account value of regular premium plan falls to zero or below.

   The key items of policy termination are listed above. Please refer to the policy provisions for the full list of policy termination.

   iv. Inflation Risk

   When you review the living benefits 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 not enough to cover in real terms even if we meet all of our contractual obligations under the policy.

   v. Surrender Provisions

   You may surrender this policy with a written notice to us, subject to the prevailing administrative rules of the Company. Please refer to the policy provisions for details of policy surrender.

   vi. Other Key Product Risks

   - Total account value may fall to zero due to factors like withdrawals, fees and charges and you may lose the protection under this policy. You can pay top-up premiums to maintain this life protection.
   - Early surrender of your policy could result in significant losses, in that case you may get back considerably less than the total premiums paid.
   - “Gorgeous” Universal Life Insurance Protection Plan is an insurance policy issued by us. The insurance benefits are subject to our credit risks.
   - “Gorgeous” Universal Life Insurance Protection 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 currency 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.

3. Factors affecting crediting interest rate

   i. Crediting Interest Rate Philosophy
   (Please refer to CTF Life's website for latest information:
   www.ctflife.com.hk/en/support/important-information/dividends)

   ii. Premium income received from the policyowner is invested in an investment portfolio to support the product groups determined by us according to the investment policy. Through the crediting interest rate declaration that allows for the profit target of the Company and minimum guaranteed crediting interest rate, the policyowner participates in the investment performance of the portfolio. The crediting interest rate 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) Expense: include both expenses directly related to the policy (e.g. commission, underwriting, issue and premium collection expense) and indirect expenses allocated to the product group (e.g. general administrative costs).

   - To stabilize the crediting interest rate, we may distribute a proportion of the investment income in a particular year attributable to the policyowner, with an aim to smooth out the short-term volatility of crediting interest rate over the course of policy term.
   - The Board, having regard to the advice of the Appointed Actuary and reviewed by Risk & Investment Committee which must include one independent non-executive director, will review and determine the crediting interest rate at least once per year. The declared crediting interest rate may be different from those illustrated in the relevant product information provided, e.g. benefit illustrations. In case of any change in the actual crediting interest rate against the illustration or should there be a change in the projected future crediting interest rates, such change will be reflected in the policy anniversary statement and an updated Basic Plan Benefit Summary.
   - The actual crediting interest rate will vary from time to time but will be subject to the minimum guaranteed crediting interest rate of each account layer.

   iii. Investment Policy, Objective 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 investment objective is to obtain adequate investment return through authorized investment instruments. The Company will also consider the safety and liquidity of the investments given the business requirements and policyowner obligations.
   - Our current long-term target asset allocation attributed to this product is as follows:

Target Asset Mix	
Fixed income type assets (investment grade)	Fixed income type assets (non-investment grade) / Equity-like assets
80-100%	0-20%

   - Investment instruments include cash, deposits, sovereign bonds, corporate bonds, listed equities, funds 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 policyowner for any material changes, rationale for the change and any impact to the policyowners.

You may browse www.ctflife.com.hk to understand the company’s crediting interest rate history and measures for potential conflicts for reference purposes. However, please note that crediting interest rate history is not indicative of future performance of the products.

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

This document is intended to be distributed in Hong Kong only and shall not be construed as an offer to sell or a solicitation to buy or provision of any of our products outside Hong Kong. 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/0346/GEN/2608