



Retirement Insurance

***PRUmyretirement***  
***RMB annuity income plan***

**Important notes**

This product is a life insurance plan and is not a bank deposit. It is underwritten by Prudential Hong Kong Limited (A member of Prudential plc group) ("Prudential") and distributed by Standard Chartered Bank (Hong Kong) Limited ("Standard Chartered").

Standard Chartered is an insurance agent of Prudential.

**Credit risk**

The guaranteed cash value (if applicable) and insurance benefit are subject to the credit risk of Prudential and not guaranteed by Standard Chartered Bank (Hong Kong) Limited, Standard Chartered Bank or any of their subsidiaries or affiliates. **The worst case such as insolvency of the insurer will result in total loss.**

**Surrender/early withdrawal/liquidity risk**

The liquidity of an insurance policy is limited. You are strongly advised to hold the policy until the end of benefit term and reserve adequate liquid assets for emergency use. For any surrender/withdrawal especially at the early stage upon policy inception, you may suffer from significant losses or even lose the entire premium(s) paid to the policy.

**Non-guaranteed benefits**

The product consists of non-guaranteed benefits and/or returns and its values presented in the marketing materials are not guaranteed and for illustrative purposes only. The actual future

amounts of benefits and/or returns may be lower than or higher than the currently illustrated benefits and/or returns.

**Exchange rate and currency risk**

Foreign currency exchange rate may fall as well as rise. There can be a substantial exchange rate loss when converting the benefit value in plan currency back to local currency. In addition, you should note that the currency exchange arrangement that needs to be made for converting the benefits into other currencies is also subject to the relevant currency exchange restrictions applicable at the time when the benefits are paid. Converting foreign currency denominated benefits to another currency is the customer's sole decision and responsibility. Prudential takes no responsibility for such arrangement.

Any fluctuations in the RMB/HKD exchange rate will have a direct impact on the value of your benefits if any currency conversion between HKD and RMB is required. There is a risk that you could lose a substantial portion of your benefit value after currency conversion from RMB to HKD, if the RMB depreciates substantially against the HKD when a benefit becomes payable under the policy. RMB is currently not freely convertible and conversion of RMB through banks in Hong Kong is subject to restrictions specified by the bank and regulatory requirements applicable from time to time. The actual conversion arrangement will depend on the restrictions prevailing at the relevant time.



## Dance Your Way into a 20-Year Income for a Single Premium Payment

As you approach retirement, you will no doubt be taking a serious look at planning ahead for a relaxing lifestyle. To realise your dreams, you need a plan that provides a stable and continuous income in addition to your savings and other retirement funds. With **PRUmyretirement RMB annuity income plan**, you will receive a Monthly Income<sup>1</sup> from the 2<sup>nd</sup> policy year onwards for 20 years. As the plan is denominated in Renminbi (RMB), you may also seize the potential appreciation<sup>2</sup> of RMB if the RMB appreciates against the Hong Kong dollar (HKD) during the Annuity Income Period. What's more, with the 3% annual increase on the Guaranteed Monthly Income<sup>1</sup>, the plan not only helps to counter inflation, but also provides financial protection to your family in case you're not around.

Start your worry-free retirement life with **PRUmyretirement RMB annuity income plan!**

### **PRUmyretirement RMB annuity income plan's benefits at a glance:**

- One-off premium payment for a continuous 20 years of Monthly Income<sup>1</sup> payable in RMB
- A 3% annual increase of the Guaranteed Monthly Income<sup>1</sup> which may help to counter inflation
- Financial protection for your loved ones to secure their future with the benefit
- Hassle-free application as medical underwriting<sup>3</sup> is not required
- Other flexibility to meet your needs

### **Single premium payment for 20 years of Monthly Income<sup>1</sup>**

**PRUmyretirement RMB annuity income plan** may provide you with the security of a stream of Monthly Income<sup>1</sup> during your retirement years. All you have to do is to pay a single premium in RMB, and you will receive both a Guaranteed and Non-guaranteed Monthly Income<sup>1</sup> from the 2<sup>nd</sup> policy year onwards for 20 years. This way, you will have sufficient time to plan ahead the ways in which you can fully utilise the Monthly Income<sup>1</sup> for a fruitful and enjoyable retirement.

Your Monthly Income<sup>1</sup> will be paid in RMB each month<sup>4</sup>, allowing you to enjoy the potential appreciation<sup>2</sup> of RMB if the RMB appreciates against the HKD during the Annuity Income Period.

### **Annual increase of the Guaranteed Monthly Income<sup>1</sup> to counter inflation**

You may hope that your purchasing power during your retirement years will not be affected. With **PRUmyretirement RMB annuity income plan**, you will worry less about this as the plan provides a 3% annual increase of the Guaranteed Monthly Income<sup>1</sup>, which may help counter inflation.

### **Financial protection for your loved ones to secure their future with the benefit**

We understand your concerns about maintaining a stable living for your loved ones even when you're not around. So we have included a special option for you to allow your beneficiary<sup>5</sup> to

receive the remaining Monthly Income<sup>1</sup>, instead of a lump sum Death Benefit, in case you pass away during the Annuity Income Period. This way, you may rest assured that they will always be well looked after.

In case a lump sum amount is preferable, you may stick to the original default option that the Death Benefit<sup>6</sup> in which the amount is equivalent to (1) 101% of the amount which is equal to the total single premium paid less the total Monthly Income<sup>1</sup> distributed (if any); or (2) 101% of the Total Cash Value<sup>7</sup> as at the date of death of the life assured, whichever is higher, will be paid to your beneficiary to protect them against unexpected financial burdens.

### **Hassle-free application as medical underwriting<sup>3</sup> is not required**

You are not required to go through any medical underwriting<sup>3</sup> or answer any health questions upon application, allowing you to have more time to plan ahead for retirement.

### **Other flexibility to meet your needs**

In the event you wish to terminate your policy, you will receive a Surrender Benefit<sup>6</sup>, which is equal to the Total Cash Value<sup>7</sup>.

## Plan Summary

<b>Eligibility</b>	1 – 75 (Age Next Birthday)				
<b>Policy Currency</b>	Renminbi (RMB)				
<b>Premium Payment Term</b>	Single premium				
<b>Currency of Premium Payment</b>	RMB Only				
<b>Issue Limit</b>	Minimum Single Premium: RMB200,000 Maximum Single Premium: individual consideration				
<b>Annuity Income Period</b>	20 years (that is 2 <sup>nd</sup> – 21 <sup>st</sup> policy year)				
<b>Benefits:</b>					
<b>Monthly Income<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Payable monthly in RMB throughout the Annuity Income Period</li> <li>Guaranteed and Non-guaranteed Monthly Income<sup>1</sup> are provided<sup>^</sup></li> <li>Via customer's RMB bank account in Hong Kong or by RMB cheque<sup>4</sup></li> </ul> <p><sup>^</sup> 3% annual increase of Guaranteed Monthly Income<sup>1</sup> starting from the 2<sup>nd</sup> policy anniversary. Non-guaranteed Monthly Income<sup>1</sup> is not guaranteed and may change during the Annuity Income Period, subject to actual experience and projection of the Plan<sup>1</sup></p>				
<b>Surrender Benefit</b>	<ul style="list-style-type: none"> <li>Payable in RMB</li> <li>Equal to the Total Cash Value<sup>7</sup></li> </ul>				
<b>Death Benefit</b>	<ul style="list-style-type: none"> <li>Payable in RMB</li> <li>Payment arrangement of Death Benefit for the beneficiary:</li> </ul> <table border="1"> <tr> <td>Death before the commencement of the Annuity Income Period</td> <td>Lump sum Death Benefit which is the higher of: (1) 101% of the amount which is equal to the total single premium; or (2) 101% of the Total Cash Value<sup>7</sup> as at the date of death of the life assured</td> </tr> <tr> <td>Death on or after the commencement of the Annuity Income Period</td> <td>Lump sum Death Benefit which is the higher of: (1) 101% of the amount which is equal to the total single premium paid less the total Monthly Income<sup>1</sup> distributed (if any); or (2) 101% of the Total Cash Value<sup>7</sup> as at the date of death of the life assured OR Receive the remaining Monthly Income<sup>1</sup> on monthly basis provided that (i) policyowner's written request must be received and accepted by Prudential while the life assured is alive; (ii) the death of the life assured should be on or after the commencement of the Annuity Income Period; and (iii) death claim has been approved</td> </tr> </table> <ul style="list-style-type: none"> <li>The payment arrangement of the Death Benefit is determined by the policyowner. The beneficiary is not allowed to make any alteration on the payment arrangement, or to surrender the policy at any time.</li> </ul>	Death before the commencement of the Annuity Income Period	Lump sum Death Benefit which is the higher of: (1) 101% of the amount which is equal to the total single premium; or (2) 101% of the Total Cash Value <sup>7</sup> as at the date of death of the life assured	Death on or after the commencement of the Annuity Income Period	Lump sum Death Benefit which is the higher of: (1) 101% of the amount which is equal to the total single premium paid less the total Monthly Income <sup>1</sup> distributed (if any); or (2) 101% of the Total Cash Value <sup>7</sup> as at the date of death of the life assured OR Receive the remaining Monthly Income <sup>1</sup> on monthly basis provided that (i) policyowner's written request must be received and accepted by Prudential while the life assured is alive; (ii) the death of the life assured should be on or after the commencement of the Annuity Income Period; and (iii) death claim has been approved
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## Illustrative Example (the example is for illustrative purpose only)

Mr. Chan is passionate about travel and retired at 60. He has enrolled in **PRUmyretirement RMB annuity income plan** following his retirement, then he started his 12 months around-the-world trip. After the completion of his travelling, he is now receiving a stable stream of Monthly Income<sup>1</sup> during the Annuity Income Period and has started planning for his post-retirement life.

<b>Commencing Date</b>	1 May 2013
<b>Single Premium</b>	RMB1,000,000
<b>Annuity Income Period</b>	20 years (commencing from 1 May 2014 <sup>8</sup> )
<b>In the first year of the Annuity Income Period</b>	
<b>Monthly Income<sup>1</sup></b>	RMB4,170 <sup>4</sup> (Guaranteed Monthly Income <sup>1</sup> RMB3,500 + Non-guaranteed Monthly Income <sup>1</sup> RMB670)
The Guaranteed Monthly Income <sup>1</sup> will be increased by 3% each year starting from the 2 <sup>nd</sup> policy anniversary until the end of the Annuity Income Period.	
<b>If the policy is surrendered during the Annuity Income Period:</b>	
The earliest policy anniversary where the sum of Guaranteed Monthly Income <sup>1</sup> received & Guaranteed Cash Value <sup>9</sup> payable upon surrender exceed the single premium paid	At the 15 <sup>th</sup> policy anniversary, the amount is RMB1,021,768, which is greater than the single premium paid (sum of Guaranteed Monthly Income <sup>1</sup> received RMB717,626 + Guaranteed Cash Value <sup>9</sup> RMB304,142)
The earliest policy anniversary where the sum of total Monthly Income <sup>1</sup> received & Total Cash Value <sup>7</sup> payable upon surrender is projected to exceed the single premium paid	At the 7 <sup>th</sup> policy anniversary, the projected amount is RMB1,001,735, which is greater than the single premium paid (sum of Guaranteed Monthly Income <sup>1</sup> received RMB271,673 + sum of Non-guaranteed Monthly Income <sup>1</sup> received RMB56,526 + Guaranteed Cash Value <sup>9</sup> RMB393,381 + Non-guaranteed Cash Value <sup>9</sup> RMB280,155)
<b>If the policy continues until the end of the Annuity Income Period:</b>	
<b>Monthly Income<sup>1</sup> in the final year of the Annuity Income Period</b>	RMB8,414 <sup>4</sup> (Guaranteed Monthly Income <sup>1</sup> RMB6,137 + Non-guaranteed Monthly Income <sup>1</sup> RMB2,277)
<b>Total Monthly Income<sup>1</sup> throughout the entire Annuity Income Period</b>	<b>RMB1,448,463<sup>4</sup></b> (sum of Guaranteed Monthly Income <sup>1</sup> RMB1,128,555 + sum of Non-guaranteed Monthly Income <sup>1</sup> RMB319,908)
<b>% of the total premiums paid<sup>10</sup></b>	<b>145%</b>

For more information on your Shareholder-backed Participating Plan and the operation of a Shareholder-backed Participating Fund, please refer to our Shareholder-backed Participating Plan brochure available at [www.prudential.com.hk/shareholderpar](http://www.prudential.com.hk/shareholderpar).

- <sup>1</sup> Monthly Income comprises of Guaranteed and Non-guaranteed Monthly Income. The amount of Guaranteed Monthly Income for the first year of the Annuity Income Period is stated on the policy document. The Guaranteed Monthly Income will be increased by 3% per annum on each policy anniversary starting from the 2<sup>nd</sup> policy anniversary until the end of the Annuity Income Period. The amount of Non-guaranteed Monthly Income is not guaranteed and may be adjusted on each policy anniversary while the policy is in force based on the actual experience and projection of the plan (including but not limited to investment returns, claims and persistency experience). The actual values of Non-guaranteed Monthly Income may change with the values being higher or lower than those illustrated. In particular, the Non-guaranteed Monthly Income may increase or decrease during the Annuity Income Period.
- <sup>2</sup> Please refer to the "Exchange rate and currency risk exposure" stated below for information about the relevant risks you may encounter.
- <sup>3</sup> No medical underwriting is applicable if the aggregate of total single premium of all designated single premium insurance plans, including PRU*myretirement RMB annuity income plan*, does not exceed the maximum limit which is equivalent to HK\$12,000,000 per life assured.
- <sup>4</sup> Subject to the requirement for making payment of the Monthly Income as determined by Prudential from time to time. We will pay the Monthly Income through our designated payment method (including but not limited to through direct credit to your Renminbi bank account in Hong Kong and cheque payment) during the Annuity Income Period.
- <sup>5</sup> The beneficiary will receive the remaining Monthly Income provided that (1) we have received and accepted the policyowner's relevant written request while the life assured is alive; and (2) the life assured dies on or after the commencement of the Annuity Income Period; and (3) upon our approval of the death claim. In case the beneficiary dies while receiving the Monthly Income, the portion of the Total Cash Value<sup>7</sup> (as at the date of death of the beneficiary) attributable to the deceased beneficiary will be paid in a lump sum to his / her estate.  
Selection of payment arrangement of the Death Benefit is determined by the policyowner and the beneficiary is not allowed to make any alternation on the payment arrangement, or to surrender the policy at any time.
- <sup>6</sup> Both the Death Benefit and the Surrender Benefit will be settled in RMB only.
- <sup>7</sup> The Total Cash Value is the sum of Guaranteed Cash Value and Non-guaranteed Cash Value<sup>9</sup>.
- <sup>8</sup> The Monthly Income shall be payable upon completion of each month after the commencement of the Annuity Income Period.
- <sup>9</sup> The Guaranteed Cash Value will be subject to adjustment on a pro-rata basis if the policy is surrendered prior to its policy anniversary, which is conclusively determined by Prudential. The Non-guaranteed Cash Value is only payable upon policy surrender from the end of the 1<sup>st</sup> policy year onwards. The amount of Non-guaranteed Cash Value is not guaranteed and can be adjusted while the policy is in force based on the actual experience and projection of the plan (including but not limited to investment returns, claims and persistency experience). Prudential has the sole discretion on the determination of the Non-guaranteed Cash Values. Both Guaranteed and Non-guaranteed Cash Values are payable together from the end of 1<sup>st</sup> policy year onwards upon surrender.
- <sup>10</sup> The percentage of total premiums paid is the ratio of sum of Monthly Income received to total premiums paid. Such percentage is not guaranteed.

#### Remarks

- You are not allowed to withdraw any amount other than the Monthly Income payment nor apply for a policy loan from your policy.
- The plan is offered for a limited period only. Prudential reserves the right to withdraw the plan from the market at any time at its sole discretion without prior notice, regardless of whether or not your policy application has already been received. Prudential will, however, pledge to return the premium already paid by you in original currency tendered without interest if it decides to withdraw the plan after its receipt of your policy application.
- Prudential reserves the absolute right to accept or decline any application based on the information provided by the proposer and / or life proposed during the application.

#### Note

Some life insurance plans may have a savings element, in which case, part of the premium will be used to pay for the insurance and related costs.

A customer who has bought the life insurance plans has a right to cancel the policy within the cooling-off period and obtain a refund of any premium(s) paid less any withdrawals. Provided that no claim has been made, the customer may cancel the policy by giving written notice to Prudential within 21 days after: (1) the delivery of the policy or (2) the issuance of a notice (informing the availability of the policy and expiry date of the cooling-off period) to the customer/his/her representative, whichever is earlier. After the cooling-off period expires, if a customer cancels the policy before the end of benefit term, the actual cash value may be substantially less than the total amount of premiums paid. For PRU*myretirement RMB annuity income plan*, Prudential will refund the premium paid by you in original currency tendered without interest.

As the issuer of the life insurance plans, Prudential will be responsible for all protection and claims issues. Prudential is not an associate or subsidiary company of Standard Chartered. This leaflet is not a contract of insurance and is intended to be a general summary for reference purpose only. Please refer to the policy for full terms and conditions. Standard Chartered does not accept any responsibilities regarding any statements provided by Prudential or any discrepancies or omissions in the contract of insurance nor shall Standard Chartered be held liable in any manner whatsoever in relation to your contract of insurance.

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Whether to apply for insurance coverage is your own individual decision. For Prudential's life insurance plan policy provisions, details and risk disclosure please refer to relevant plan's product leaflet/offering document and specimen policy.

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