

Evergreen Wealth Multi-Currency Plan

Build your wealth and perpetuate it across the generations
with our flexible multi-currency plan

Life & Savings Insurance



Listening. Understanding. Delivering.



Hong Kong Edition

Evergreen Wealth Multi-Currency Plan

Although we can never fully plan for all the future holds, **Evergreen Wealth Multi-Currency Plan** is a flexible, all-in-one, whole life savings and insurance plan that allows you to change your financial plans when you need to at different stages of your life. Build your wealth, lock-in gains and pass the rewards flexibly and infinitely to those you love.

You can accumulate wealth using the plan with its potential high returns, and change the policy currency flexibly as your financial needs evolve, perhaps to fund your children's education abroad or if you are thinking about starting life afresh overseas when you retire. You can also send your wealth on down the generations to leave a lasting mark with our range of seamless legacy planning tools.



Plan highlights

**Grow your fund steadily and flexibly
wherever life takes you**



Long-term savings with
potential high returns



Hassle-free currency
changes to fit
your future plans



Lock-in and protect
your gains

**Ensure a lasting legacy with seamless allocation
and settlement options**



Pass down your wealth
and keep your
wealth growing



Protect your legacy
so it lasts through
the generations



Distribute your wealth
flexibly as your
family grows



Different death benefit
settlement options to
safeguard your family

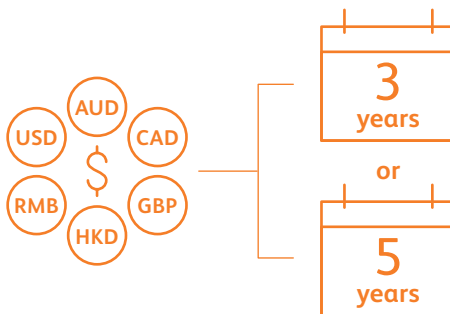


Grow your fund steadily and flexibly wherever life takes you



Long-term savings with potential high returns

Evergreen Wealth Multi-Currency Plan is a whole life Shareholder-backed Participating Plan offering **potential high returns** as well as **life** and **accidental death cover**. To start your plan, simply **pay 3 or 5 years of premiums** in **Australian Dollars (AUD)**, **British Pounds Sterling (GBP)**, **Canadian Dollars (CAD)**, **Hong Kong Dollars (HKD)**, **Renminbi (RMB)** or **United States Dollars (USD)** – whichever fits your financial situation best.



Your savings growth comes from a guaranteed cash value and a non-guaranteed Terminal Dividend, which are equal to the “Total Cash Value”.



The guaranteed cash value of your plan grows while your money is in the plan. We will pay the guaranteed cash value when you surrender or terminate the policy.

We may also pay a non-guaranteed one-off Terminal Dividend when you surrender or terminate your policy or make a death claim from the 3rd policy anniversary.

To give you more financial flexibility, if you need your money for any reason, you can access the cash value of your plan or borrow up to 80% of its guaranteed cash value while keeping it in force.

You can find more about our “Cash value withdrawal” and “Policy loan” in the “More about the plan” section below.

Click [here](#) or scan the QR code for more information on our Shareholder-backed Participating Plans, including our investment and bonus philosophies and the operation of the Shareholder-backed Participating Fund.





Good to know

Backing your policy returns

We invest in various types of assets to back your policy returns. For equity-type securities, we invest globally with an aim to achieve diversification, and your policy values are subject to foreign exchange movements between the currency denominations of the equity-type securities and your policy currency. For fixed-income securities, we primarily invest in those denominated in USD, and currency hedging may be used if the currency of the fixed-income securities is different from the underlying policy denomination.

The amount of the non-guaranteed Terminal Dividend is subject to the performance of our investments which include equity-type securities and fixed-income securities — and may move up or down over time. Returns from equity-type securities are generally more volatile than fixed-income securities and foreign exchange movements can be large. For this plan, we will allocate a considerable portion of our investments to equity-type securities (up to 70%; refer to “The investment mix of your plan” section below for details) and therefore the movement of the amount of the non-guaranteed Terminal Dividend can be large. We may determine and declare the dividend more frequently than on an annual basis at our sole discretion. You should note the investment mix of this plan and more details in the “Investment philosophy” and “Key risks” sections below.



Hassle-free currency changes to fit your future plans

You can never predict the future, so it is vital to have financial plans that can change and adapt. For example, your children may want to study abroad, or you may want to start a new chapter overseas.

For your added convenience, you can exercise the **Currency Change Option** to change your policy currency when you plan to use in the future. You can directly withdraw your money in the denominated policy currency whenever you need to use it. What's more, there will be no change to the effective date of your policy after you exercise the Currency Change Option, so your wealth accumulation can remain on track.

With our hassle-free Currency Change Option, starting from your 3rd policy anniversary, you can choose to change the policy currency from **6 options** – Australian Dollars (AUD), British Pounds Sterling (GBP), Canadian Dollars (CAD), Hong Kong Dollars (HKD), Renminbi (RMB) or United States Dollars (USD), for maximum flexibility.





Good to know

Quick tip for Currency Change Option

You can change the currency of your policy by exercising the **Currency Change Option**. When you exercise this option, we will keep your Total Cash Value unchanged and convert it using the prevailing market-based exchange rate we determine. This will affect the mix of your guaranteed cash value and non-guaranteed Terminal Dividend. After changing your policy currency, the future guaranteed cash value, the non-guaranteed Terminal Dividend and any future premiums will be determined in the same way as the other **Evergreen Wealth Multi-Currency Plan** policies denominated in the new currency.

Based on our investment strategy mentioned in the “Good to Know - Backing your policy returns” section above, your policy values are subject to foreign exchange movements between the currency denominations of the equity-type securities and your policy currency after exercising the Currency Change Option.

You can find more details in the “Investment philosophy” and “Key risks” sections below.



Lock-in and protect your gains

Opportunities in the financial markets can be fleeting, which is why you need the flexibility to capture them at the right time. To lock-in the gains your policy makes, we designed the **Dividend Lock-in Option** to **safeguard your terminal dividend** for your peace of mind. Starting from your plan's 10th policy anniversary, you can **lock-in** part of your non-guaranteed Terminal Dividend to a Dividend Lock-in Account at an interest rate we determine from time to time. You can also **withdraw** the money from the account **anytime** to cater your financial needs.

Once you have locked-in some of your gains to the Dividend Lock-in Account, we will reduce the Terminal Dividend during that policy year and all subsequent policy years accordingly.

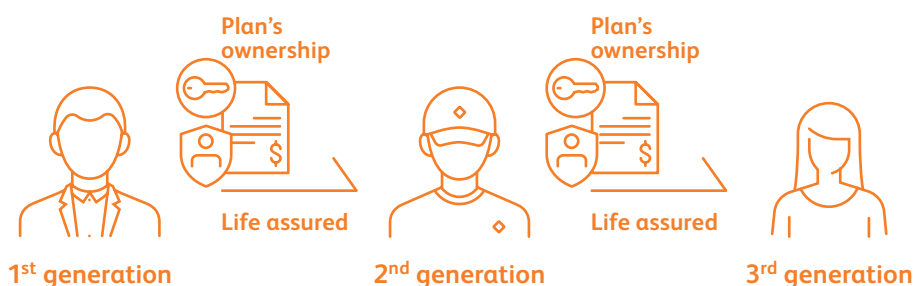
Ensure a lasting legacy with seamless allocation and settlement options



Pass down your wealth and keep your wealth growing

To protect and provide for the people you love, you can keep your wealth flowing down the generations with our **Evergreen Wealth Multi-Currency Plan**. Once you **change** the person covered under the plan (the “life assured”), we **cover the new life assured for life**. You can do this after the end of the 1st policy year and during the lifetime of the current life assured **as many times as you wish**.

For example, you could make your son and then, later, your granddaughter the life assured under your policy. Together with the transfer of the plan’s ownership, you can pass the policy down through the generations and use the wealth to help secure their financial future for life.



As a business owner, you can also change the life assured of the plan to cover a new employee as part of the employment benefits when the employee who was the original life assured leaves the firm, and let the policy value grow continually.



Protect your legacy so it lasts through the generations

Life can be full of uncertainty, which is why it is so important to plan for contingencies. During the lifetime of the current life assured, you can choose a loved one as the **contingent life assured** under your policy to **ensure your legacy lasts**. Under this plan, you can **appoint, change** or **remove** the contingent life assured **as many times as you wish** as long as there is only 1 contingent life insured at a time.

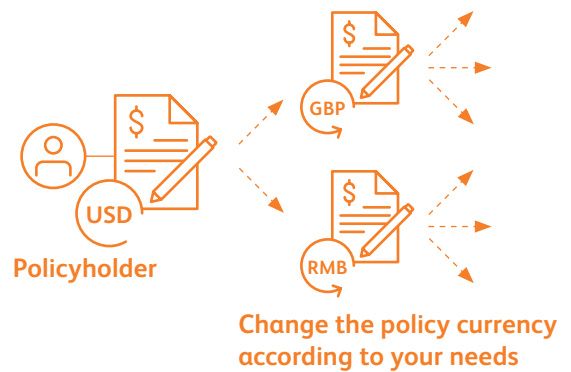
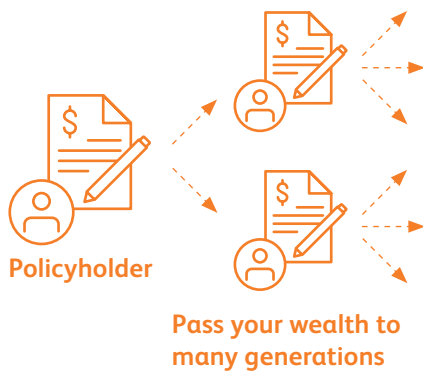
When the current life assured passes away, the contingent life assured may become the new life assured, letting you pass on your legacy seamlessly.



Distribute your wealth flexibly as your family grows

As your family tree grows, you may want to include more loved ones in your legacy and distribute your wealth in the way you choose. Starting from the 5th policy anniversary, you can **separate** your policy into **several policies** by exercising the **Wealth-Split Option**. This means you can pass those policies to your loved ones as meaningful gifts that can last for many generations to come.

Or, even if you have no legacy needs, you can still enjoy the flexibility of this plan wherever life takes you. Today, because travel is so much cheaper than in the past, you can easily explore opportunities globally. Should you plan to spend time in a new place at some point in the future, you can simply separate your policy into several policies and change the policy currency according to your needs.



Different death benefit settlement options to safeguard your family

We will pay a **Death Benefit** to the beneficiary you choose if the life assured passes away and there is no contingent life assured taking up the role of the life assured, while the plan is in force. If the life assured unfortunately passes away, we will pay a Death Benefit with a minimum **guaranteed amount of 105% of the total premiums you paid**, less any outstanding loans and interest.

You can choose how you would like us to pay the Death Benefit while the life assured is still alive; as a **lump sum**, in **monthly instalments** or **a mix of both**. These options allow you to protect your family flexibly.



Other benefits



Protection against accidental death and unemployment



Extended Accidental Death Cover

If you have not changed your plan's life assured, and the life assured sadly has a fatal accident before the 5th policy anniversary, we will pay an **extra** accidental death benefit **together with** the Death Benefit.

The benefit amount of this **Extended Accidental Death Cover** will be equal to **100% of the total premiums you paid**, capped at USD 125,000 for all the in-force insurance policies under the same life assured regardless of where such policy(ies) were issued.



Payor Accidental Death Cover

If you have not changed the ownership of your plan, and the policyholder passes away in an accident before the end of the premium term, we will pay a **lump sum** equal to the **remaining premiums** of your **Evergreen Wealth Multi-Currency Plan**. Their families can use the benefit amount as they choose; perhaps to cover future premiums to keep the policy in force.

We cap this benefit amount under all in-force insurance policies at USD 125,000 for the same policyholder regardless of where such policy(ies) were issued. If the policyholder who dies in the accident is also the life assured, we will only pay the Extended Accidental Death Cover but not the Payor Accidental Death Cover.



Take up to a year's premium break in the event of job loss

We are here to support and help you through the different challenges you meet in life. That is why we are offering you an **Unemployment Benefit** within the plan's premium term that lets you **defer your premiums** for a maximum of **365 days** if you become involuntarily unemployed in Hong Kong for at least 30 consecutive days and are aged between 19 and 65 (age next birthday ["ANB"]).








Reward your child's academic success

If you take out this plan for your child, we will celebrate their educational achievements with our **complimentary Academic Success Award**. Your child can get 1 of the following award amounts once per life under all in-force **Evergreen Wealth Multi-Currency Plan** policies regardless of where such policy(ies) were issued. We may change the terms and conditions of the award from time to time.

We will pay this award if you have not changed your plan's life assured or exercised the "Wealth-Split Option".

Academic Success Award

Academic achievements 	Criteria 	Award amount 
1. Hong Kong Diploma of Secondary Education (HKDSE)	At least 3 "5*" grades or above from an attempt of 6 subjects or more in 1 HKDSE sitting	USD 250 for every subject that has met the criteria
2. Test of English as a Foreign Language (TOEFL)	Total score of 110 or above	USD 625
3. International English Language Test System (IELTS)	Overall band score of 8 or above	USD 625
4. International Baccalaureate Diploma Programme (IBDP)	Total score of 41 or above	USD 625
5. Admission to any of the world's top 10 universities	<ul style="list-style-type: none"> Admitted to any of the world's top 10 universities The ranking is based on the source as determined by us from time to time 	USD 2,500



Easy application – no medical checks

You **do not need** to provide any **medical information** to take out an **Evergreen Wealth Multi-Currency Plan**, up to a certain total annualised premium subject to our administrative rules.



Good to know

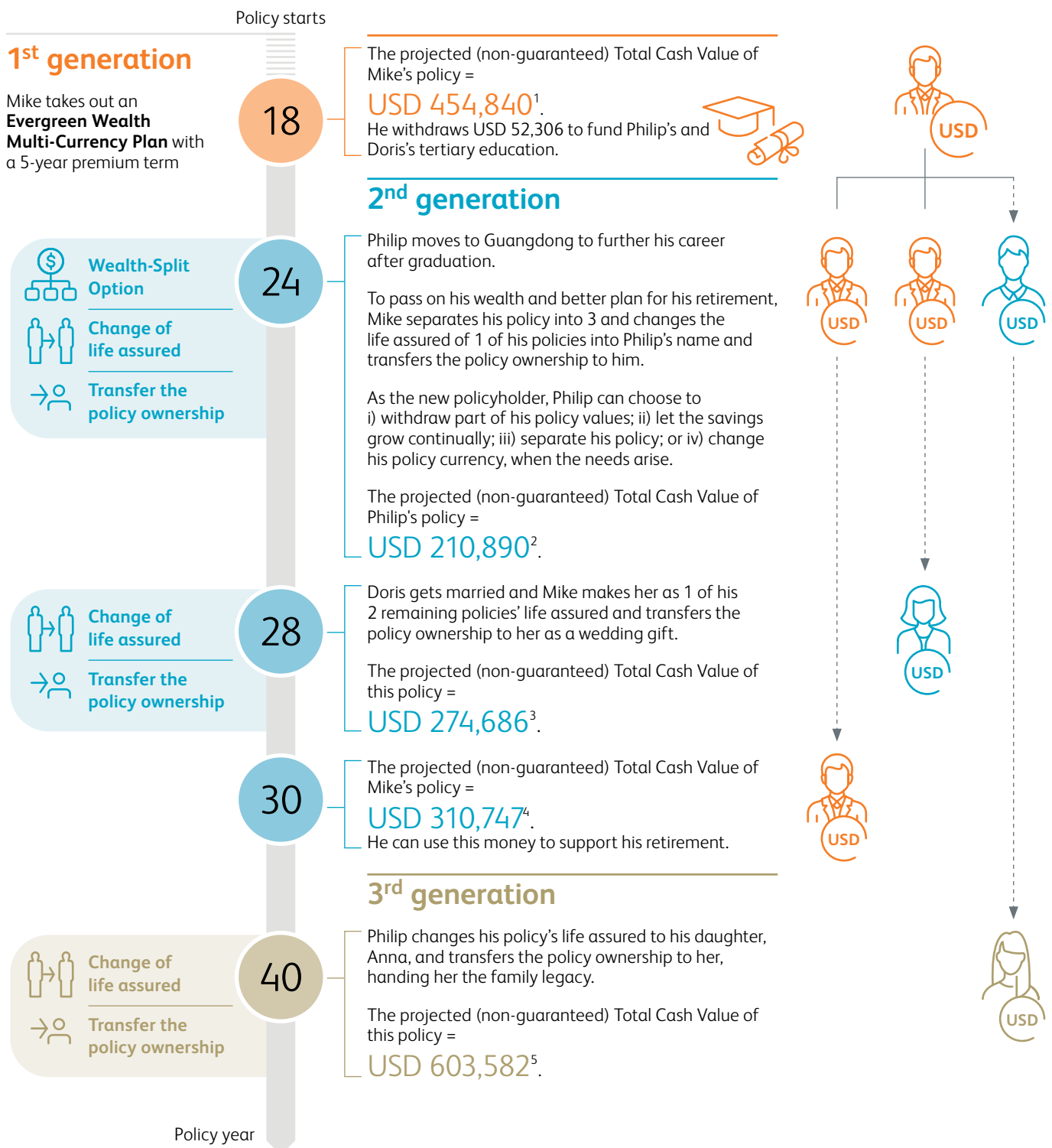
Some benefits or options will be affected once you exercise the Currency Change Option or Wealth-Split Option, change the life assured or policyholder. You can find more details in the "More about the plan" section below.

How does the plan work?

An infinite family wealth plan that caters for life's changing circumstances

Mike is a 35-year-old online shop owner who wants to give his wife, Ada, and his new-born twins, Philip and Doris, a better and more secure financial future. He takes out an **Evergreen Wealth Multi-Currency Plan** with a 5-year premium term to help meet his financial goals: fund his children's education, plan for his retirement as well as his family's legacy. To do this, he will exercise the plan's features – **Wealth-Split Option** and **change of life assured**, when the need arises.

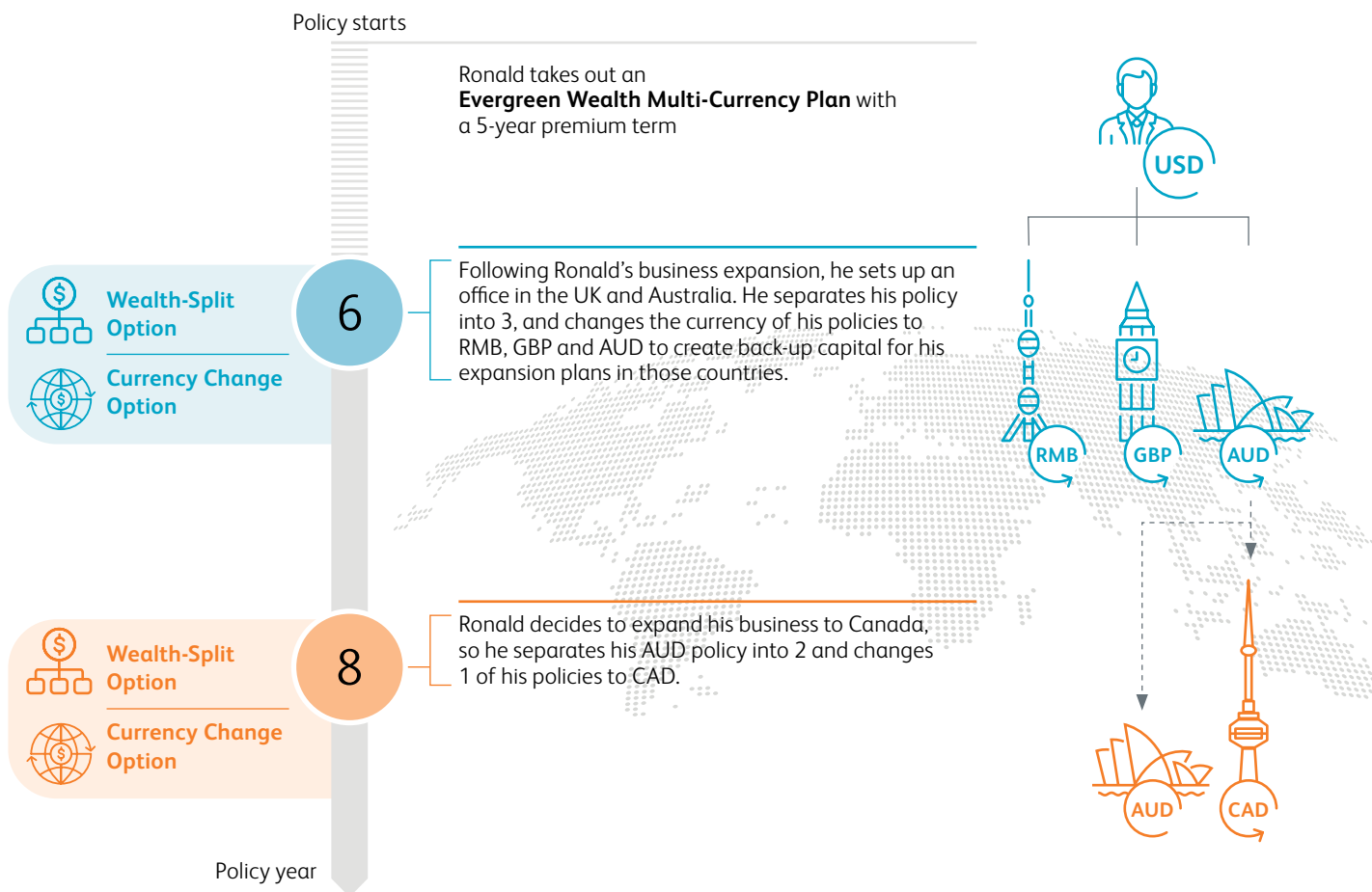
Mike's policy details	
Initial life assured	Mike
Premium term	5 years
Annual premium	USD 40,000
Total premium	USD 200,000



A multi-currency plan that helps you thrive in an ever-changing world

Ronald is a 40-year-old entrepreneur who has started a business in China. He plans to expand his business to different countries in the near future and expects to travel to these places for work a few times a year. He decides to take out an **Evergreen Wealth Multi-Currency Plan** with a 5-year premium term to support his business expansion plans in the future, with the help of the **Wealth-Split Option** and **Currency Change Option**.

Ronald's policy details	
Initial life assured	Ronald
Premium term	5 years
Annual premium	USD 60,000
Total premium	USD 300,000



¹ Consists of USD 195,000 guaranteed cash value and USD 259,840 non-guaranteed Terminal Dividend.

² Consists of USD 62,127 guaranteed cash value and USD 148,763 non-guaranteed Terminal Dividend.

³ Consists of USD 63,779 guaranteed cash value and USD 210,907 non-guaranteed Terminal Dividend.

⁴ Consists of USD 64,723 guaranteed cash value and USD 246,024 non-guaranteed Terminal Dividend.

⁵ Consists of USD 68,499 guaranteed cash value and USD 535,083 non-guaranteed Terminal Dividend.

- The figures are only for illustration and we have calculated them with reference to the notional amount – an amount we use to calculate the plan's premiums, guaranteed cash value, non-guaranteed Terminal Dividend and other policy values.
- **For the 2nd example above, in which the Currency Change Option is exercised, there is an exposure to currency risk. Please refer to the "More about the plan" section below to find out how exercising this option could affect your policy.**
- The examples are not an indicator of future performance and actual returns may be higher or lower subject to investment performance.
- The projected (non-guaranteed) Total Cash Values above are composed of guaranteed cash value and non-guaranteed Terminal Dividend.
- The non-guaranteed benefit is estimated based on our current dividend scale in light of the current assumed investment return. This is not an indicator of the future non-guaranteed benefit.
- The above calculations assume all premiums have been paid, no policy loan is made, and all the other options not stated in the above cases are not exercised while the policy is in effect. All figures are rounded to the nearest whole number of dollars and will vary depending upon selected payment terms.
- Applications for exercising the above-mentioned options or features are subject to our approval and you can find more details in the "More about the plan" section below.

More about the plan

Plan type

Basic plan

(When this plan is a basic plan, it means you can choose to take out this plan as a standalone plan without enrolling with other type(s) of insurance product at the same time.)

Benefit term

Whole life

Premium term/Issue age/Currency option

Premium term	Issue age (ANB)	Currency option
3-year	1 – 75	AUD/CAD/GBP/ HKD/RMB/USD
5-year		

- The life assured must be at least 15 days old when the proposal document is signed.

Premium structure

Designated premium rate for each premium term. The same premium rate applies across all ages (regardless of gender and smoking class) within each premium term.

Notional amount

Your policy will have a “notional amount”. We use the notional amount to calculate your policy’s premiums, guaranteed cash value, non-guaranteed Terminal Dividend and other policy values. It does not represent the amount of Death Benefit we pay. Any change to this notional amount will lead to a corresponding change in the future premiums, Death Benefit, Extended Accidental Death Cover and Payor Accidental Death Cover, guaranteed cash value, non-guaranteed Terminal Dividend and other policy values of the plan.

Terminal Dividend

- This is a one-off non-guaranteed dividend.
- We normally declare the dividend annually and may change the dividend from time to time.
- We have the right to determine and declare the dividend more frequently than on an annual basis at our sole discretion.
- After each declaration of Terminal Dividend, the value may be adjusted and could be reduced comparing to previous declarations. As a result, the Total Cash Value and Death Benefit may be lower than in previous years as well.
- Apart from the amount in the Dividend Lock-in Account (if applicable), the declared dividend may rise and fall and does not accumulate within the policy or form a permanent addition to the policy’s value.
- From the 3rd policy anniversary, we will declare the dividend for your plan, and we may pay this dividend when you surrender or terminate your policy or claim the Death Benefit.

Surrender value

Upon policy surrender or termination (other than due to death of the life assured), we will pay a surrender value for your policy equal to:

- the guaranteed cash value;
- **plus** the Terminal Dividend (if any);
- **plus** any amount in the Dividend Lock-in Account (if applicable);
- **less** any outstanding loans and interest.

Death Benefit and its settlement option

- If the life assured dies and there is no contingent life assured taking up the role of the life assured, we will pay a Death Benefit equal to:
 - the **higher** of:
 - > the guaranteed cash value plus the Terminal Dividend (if any); and
 - > 105% of the total premiums you paid;
 - **plus** any amount in the Dividend Lock-in Account (if applicable);
 - **less** any outstanding loans and interest.
- If there is a death claim during the extended grace period (applicable to the Unemployment Benefit), we will deduct the outstanding premiums from the claims amount.
- Death Benefit Settlement Option:
 - You can decide, while the life assured is still alive, whether we pay your beneficiary the Death Benefit in a lump sum or as a series of monthly instalments or a mix of the 2. If the Death Benefit amount you opt to settle by monthly instalments is less than a certain amount, as determined by us, we will only pay the Death Benefit in a lump sum.
 - You can choose to settle the monthly instalment in a certain number of year options provided by us.
 - If you choose the monthly instalment option, your beneficiary will receive the Death Benefit of a fixed amount on a monthly basis and earn an interest on the remaining Death Benefit amount. We will pay the accumulated interest in the last instalment. We will determine the interest rate from time to time. This means the rate is not guaranteed and it depends on several factors including investment performance and the yields available in the market.
 - The beneficiary cannot make any changes to the way we pay the benefits at any time.
 - The remaining balance of the Death Benefit, which we pay by monthly instalments, will not participate in the Shareholder-backed Participating Fund or benefit from its profits.

- We will cancel any Death Benefit Settlement Option and pay the Death Benefit in a lump sum when you:
 - > change the policy ownership; or
 - > assign the policy; or
 - > change the life assured; or
 - > exercise the Wealth-Split Option.

Extended Accidental Death Cover

- We will only pay this benefit together with the Death Benefit if the life assured passes away within 90 days from the date of an accident. The accident must have happened before the 5th policy anniversary.
- We will pay the Extended Accidental Death Cover but not the Payor Accidental Death Cover if:
 - the life assured who dies in the accident is also the policyholder; or
 - the life assured and the policyholder are different, but die in the same accident.
- We will pay the benefit to your beneficiary equal to 100% of the total premiums you paid.
- If there is a claim on the Extended Accidental Death Cover during the extended grace period (applicable to the Unemployment Benefit), we will deduct the outstanding premiums from the claims amount.
- We cap the total Extended Accidental Death Cover amount at USD 125,000 for all the in-force insurance policies under the same life assured regardless of where such policy(ies) were issued. When calculating the cap, we will add all policies in different currencies together based on the exchange rate we determine.
- We will terminate this benefit once you change the life assured.

Payor Accidental Death Cover

- We will pay this if the policyholder passes away within 90 days from the date of an accident. The accident must have happened before the end of the premium term.
- We will pay the Extended Accidental Death Cover but not the Payor Accidental Death Cover if:
 - the life assured who dies in the accident is also the policyholder; or
 - the life assured and the policyholder are different, but die in the same accident.
- The protection amount is equal to the sum of the remaining premiums due of your **Evergreen Wealth Multi-Currency Plan** after the accidental death of the policyholder and the premiums due within the extended grace period after the approval of the Unemployment Benefit (if applicable).

- We cap the total protection amount under all in-force insurance policies at USD 125,000 for the same policyholder regardless of where such policy(ies) were issued. When calculating the cap, we will add all policies in different currencies together based on the exchange rate we determine.
- We will deposit the protection amount in the Premium Deposit Account (“PDA”) of the policy for paying the future premiums. Such amount can also be withdrawn from the PDA if needed.
- We will terminate this benefit when the first of these happens:
 - you change the policy ownership; or
 - you assign the policy.

Unemployment Benefit (applicable to policyholders employed in Hong Kong)

- The policyholder will enjoy an extended premium payment grace period of up to 365 days while still enjoying the full protection of this plan if the policyholder becomes involuntarily unemployed for at least 30 consecutive days. The details of the extended grace period will be stated in the relevant notice which we will send to you after our approval.
- We will only offer this benefit once under the policy during the premium term and only after the policy has been in force for at least 180 days (this 180 days will be recounted on the effective date of the change of ownership) and the policyholder is aged between 19 and 65 (ANB). The unemployment must be eligible to receive severance payment in Hong Kong in accordance with the Employment Ordinance.
- We will end the Unemployment Benefit when the first of these happens:
 - if the policy is transferred to a new policyholder during the extended grace period; or
 - if the policy is terminated; or
 - if all premiums of the **Evergreen Wealth Multi-Currency Plan** have been paid; or
 - if we have approved the policyholder’s notification (in writing) to resume paying their premiums; or
 - the 365-day extended grace period of this benefit ends.

- The Unemployment Benefit will not be applicable if:
 - you are employed outside Hong Kong; or
 - you become involuntarily unemployed within 180 days of the effective date of the plan or of the date of any reinstatement or of the effective date of any change of ownership, whichever is the latest; or
 - the involuntary unemployment is resulting from an occupation not eligible to receive severance payment in Hong Kong under the Employment Ordinance under the laws of Hong Kong, including but not limited to self employment; or
 - the involuntary unemployment is resulting from any of the following:
 - > employment provided by spouse; or
 - > employment as domestic servant in, or in connection with, a private household, where the employer is your father, mother, grandfather, grandmother, stepfather, stepmother, son, daughter, grandson, granddaughter, stepson, stepdaughter, brother, sister, half-brother or half-sister; or
 - you have been informed of the effective date of involuntary unemployment in writing before the effective date of the plan or the date of any reinstatement or the effective date of change of ownership, whichever is the latest.

Academic Success Award

- You can get this award if the life assured is:
 - aged 18 (ANB) or below when you take out this policy; and
 - before the policy anniversary immediately following the life assured reaches age 25 with the policy having been in force for a year when they meet any of the specified criteria of the respective academic achievements.
- You can claim this award amount only once even if the life assured meets more than 1 of the specified criteria of the respective academic achievements.
- You can claim this award amount only once even if you have more than 1 **Evergreen Wealth Multi-Currency Plan** policy taken out under the same life assured regardless of where such policy(ies) were issued.
- We will terminate this benefit once you change the life assured or exercise the Wealth-Split Option.

Change of life assured

- You can change the life assured under the following conditions: (1) after the end of the 1st policy year and during the lifetime of the current life assured while the policy is in force; or (2) after the death of the current life assured when there is a contingent life assured in place.
- You can change the life assured as many times as you wish.
- The approval of change of life assured is subject to our underwriting requirements.
- When you apply to change the life assured, the new life assured must fulfil the issue age requirements of this plan at the time of application.
- Changing the life assured will not affect the policy value under the plan, including the notional amount, guaranteed cash value, any Terminal Dividend and any amount in the Dividend Lock-in Account.
- Change of life assured is also applicable to business insurance (as part of the employment benefits) subject to our underwriting requirements and administrative rules.
- According to the existing administrative rules, the new life assured can only be a) the current policyholder, b) the policyholder's spouse, c) the policyholder's child, grandchild or great-grandchild and d) the policyholder's employee.
- You cannot change the life assured if the life assured is below age 18 when we issued the policy or at the time you made them the life assured, unless you have assigned the legal ownership of your policy to them when they reach age 18 or above.
- Once you change the life assured, we will:
 - alter the basic plan's benefit term to the whole life of the new life assured;
 - cancel any Death Benefit Settlement Option and nomination of the beneficiary and contingent life assured you have appointed earlier; and
 - terminate the plan's Extended Accidental Death Cover and Academic Success Award.
- We may change the underwriting requirements and administrative rules for changing the life assured from time to time.

Contingent life assured

- You can appoint, change or remove the contingent life assured as many times as you wish during the lifetime of the current life assured while the policy is in force.
- This is not applicable to business insurance.
- At any time during the benefit term, there can be only 1 contingent life assured under the policy.
- According to the existing administrative rules, the new contingent life assured can only be a) the current policyholder, b) the policyholder's spouse and c) the policyholder's child, grandchild or great-grandchild.
- You cannot appoint a contingent life assured if the life assured is below age 18 when we issued the policy or at the time you made them the life assured, unless you have assigned the legal ownership of your policy to them when they reach age 18 or above.
- We will cancel the contingent life assured you have appointed earlier when you:
 - nominate a beneficiary; or
 - exercise the Wealth-Split Option.
- You can either nominate a beneficiary or appoint a contingent life assured under the same policy, and can change your decision anytime.
- If the current life assured unfortunately dies, to change the life assured under this policy from the deceased life assured to the contingent life assured, you must request this change by submitting the application form to us within 1 year from the death of the deceased life assured. Subject to the conditions applicable to the change of life assured and given the contingent life assured is alive at the time of application, the contingent life assured will become the new life assured of the policy.
- After the contingent life assured becomes the life assured of the policy,
 - we will not pay the Death Benefit for the death of the deceased life assured; and
 - the coverage of the contingent life assured starts on the deceased life assured's date of death, and the coverage of the deceased life assured ends on the same date.
- We may change the administrative rules for appointing, changing and removing the contingent life assured from time to time.

Dividend Lock-in Option

- You can request to exercise the Dividend Lock-in Option once per policy year and within 30 days before the end of each policy year starting from the 10th policy anniversary.
- You can lock-in a certain percentage of your Terminal Dividend to a Dividend Lock-in Account. The lock-in amount is equal to the lock-in percentage times the Terminal Dividend applicable when the lock-in takes effect at the policy anniversary after your request. The percentage you lock-in each time cannot be less than 10% or USD 100 (minimum amount) or more than 50%. The sum of the lock-in percentages of all the Dividend Lock-in Options ever exercised for each policy cannot be over 50%. We may change the percentage limits and the minimum amount for each application as well as the sum of the lock-in percentages limit from time to time.
- We may pay a **non-guaranteed interest rate** we determine on the amount in the Dividend Lock-in Account.
- If you request to exercise this Dividend Lock-in Option and Currency Change Option for the same policy anniversary, we will exercise the Dividend Lock-in Option first.
- Exercising the Dividend Lock-in Option will not reduce the notional amount of the policy.
- We will transfer the lock-in amount to your Dividend Lock-in Account once we have deducted anything you owe us.
- Once we have transferred the lock-in amount into your Dividend Lock-in Account, we will reduce your Terminal Dividend during that policy year and future Terminal Dividends accordingly.
- You cannot reverse the transfer of any lock-in amount once you have exercised the Dividend Lock-in Option.
- You can withdraw cash from the Dividend Lock-in Account anytime.
- We may change the administrative rules for this option from time to time.

Currency Change Option

- You can request to exercise the Currency Change Option once per policy year and within 30 days before the end of each policy year starting from the 3rd policy anniversary, without affecting the calculation of your policy years.
- This option will take effect at the policy anniversary after your request.
- You cannot reverse or withdraw an application once we approve your application.
- You will need to repay us any money you owe under the plan before we approve your application.
- The notional amount of your policy after you have exercised the Currency Change Option must not be less than the minimum amount we set.
- We may reject your application if the currency to which you wish to change is unavailable or the change is against any applicable laws and regulations.
- When you exercise this option, we will
 - keep your Total Cash Value unchanged and convert it using the prevailing market-based exchange rate we determine. This will affect the mix of your guaranteed cash value and non-guaranteed Terminal Dividend. After changing your policy currency, the future guaranteed cash value, non-guaranteed Terminal Dividend and any future premiums will be determined in the same way as the other **Evergreen Wealth Multi-Currency Plan** policies denominated in the new currency.
 - convert the amount in your Dividend Lock-in Account using the prevailing market-based exchange rate we determine, and that amount will get interest at the **non-guaranteed interest rate** of your new policy currency.

Wealth-Split Option

- You can request to separate your policy into several policies once per policy year and within 30 days before the end of each policy year starting from the 5th policy anniversary, without affecting the calculation of your policy years.
- You cannot reverse or withdraw an application once we approve your application.
- You will need to repay any money you owe us under the plan before we approve your application.
- The notional amount of your policies after you have exercised this option must not be less than the minimum amount we set.
- When we approve your application, we will
 - cancel any Death Benefit Settlement Option and nomination of the beneficiary and contingent life assured you have appointed earlier; and
 - terminate the plan's Academic Success Award.
- There is **no cooling-off period** for the separated policies.
- We may change the administrative rules for this option from time to time.

Cash value withdrawal

- You can choose to withdraw the Total Cash Value from the policy by reducing the notional amount.
- If the notional amount reduces, the subsequent guaranteed cash value, Terminal Dividend (if any) and your total premiums paid used for calculating the benefits will also be reduced. Therefore, any cash value you withdraw will reduce the Death Benefit, Extended Accidental Death Cover, Payor Accidental Death Cover and surrender value payable.

Policy loan

- To offer you extra financial flexibility in times of need, you can borrow up to 80% of your policy's guaranteed cash value, while keeping the policy in force, as a policy loan.
- We will charge interest on policy loans from the dates you take them out until they are fully repaid.
- We calculate interest at a rate we determine, which we may change from time to time, and it is compounded annually (in other words, generating "interest on interest").
- If you have taken out a loan on your policy, we will deduct any outstanding loans and interest from all applicable insurance benefits before we pass the remaining money to you. This means your insurance benefits may be lower than the amounts available without taking out a policy loan.
- If at any time the total outstanding amount (including interest) you owe us under the policy exceeds 90% of the guaranteed cash value of the policy, we will terminate the policy immediately and pay you the surrender value less any outstanding loans and interest, you may receive an amount considerably less than the premiums you paid, as well as losing the policy's coverage.
- There is more information on the policy loan and the interest rate we charge at <https://pruhk.co/cs-policy-payment-en>.

Automatic premium loan

- If you fail to pay the "total modal premium" within 1 calendar month from the date it is due or within the extended grace period after the approval of the Unemployment Benefit (if applicable), this policy will automatically:
 - continue to be in-force if the "net cash value" of this policy is sufficient to pay the premium due and unpaid; and the amount of such premium or premium and levy will be automatically deemed to be paid by the premium loan you owe us ("automatic premium loan") to keep enjoying the coverage under your policy; or
 - terminate if the "net cash value" of this policy is insufficient to pay the premium due and unpaid. In this case, we may only pay you the surrender value less any outstanding loans and interest, and you may receive an amount considerably less than the premiums you paid, as well as losing the policy's coverage.
- We will charge you interest on the automatic premium loan(s) starting from the date when the relevant automatic premium loan(s) is incurred and it is compounded annually (in other words, generating "interest on interest"). We will determine the interest rate charged on the automatic premium loan(s) and may change it from time to time.
- If you have taken out an automatic premium loan on your policy, we will deduct any outstanding loans and interest from all applicable insurance benefits before we pass the remaining money to you. This means your insurance benefits may be lower than the amounts available without taking out an automatic premium loan.
- "Net cash value" is the guaranteed cash value of this policy **less** any outstanding loans and interest that you owe us.
- There is more information on the automatic premium loan and the interest rate we charge at <https://pruhk.co/cs-policy-payment-en>.

Total annualised premium

The calculation of the total annualised premium is equal to 100% of the annualised regular premium. When calculating the total annualised premium for the life assured, all policies in different currencies will be added together based on the exchange rate we determine from time to time.

Termination of this plan

- We will terminate this plan when the first of these happens:
 - we pay the Death Benefit; or
 - you fail to pay the premium within the grace period of 1 calendar month from its due date or within the extended grace period after the approval of the Unemployment Benefit (if applicable) and the net cash value of the policy is insufficient to exercise the automatic premium loan; or
 - you surrender the policy; or
 - once the total outstanding loans and interest are more than 90% of the guaranteed cash value of this policy.
- We will also terminate the original plan when you exercise the Wealth-Split Option as your policy value of the original plan will be transferred to your separated policies.

Bonus philosophy

Policyholders of the Shareholder-backed Participating Plans shall enjoy a fair share of the relevant experience of the Shareholder-backed Participating Fund (the “Fund”) through the addition of non-guaranteed bonus. We aim to protect all policyholders’ respective rights and reasonable expectations by providing payments that are fair across different groups of policyholders. While the value of the plan is mostly affected by the overall performance of the Fund, smoothing may be applied to produce more stable returns over the long-term.

Factors affecting the bonus

- The non-guaranteed bonus of the plan includes a Terminal Dividend. The dividend we pay is not guaranteed and we may review and adjust it at our discretion. Factors that may affect it include (but not limited to):
 - i. Investment performance factors – Your plan’s performance will be affected by the return on the underlying investment portfolio of the plan and the Dividend Lock-in Account. This could be driven by:
 - capital gains and losses from investment assets;
 - interest earnings from fixed-income securities and dividend from equity-type securities (if any);
 - counterparty default risk of fixed-income securities (such as bonds);
 - investment outlook; and
 - external market risk factors such as recessions and changes in monetary policies and foreign exchange rates.For this plan, we will allocate a considerable portion of our investment to equity-type securities. Returns from equity-type securities are generally more volatile than fixed-income securities and foreign exchange movements can be large. Therefore, the movement of the amount of the non-guaranteed Terminal Dividend can be large and may move up or down over time.
 - ii. Claims factors – Our historical claims experience on death and/or other covered benefits, and projected future costs of providing Death Benefit and/or other covered benefits.
 - iii. Expense factors – These include direct expenses associated with issuing and maintaining your policy, such as commissions, overrides, underwriting and policy administration expenses. They may also include indirect expenses (such as general overheads) allocated to your policy.
 - iv. Persistency factors – Policy persistency (a measure of how long policyholders keep their policies) and any partial surrenders of a group of policies may impact the dividend we pay to the continuing policies.
- The actual future amounts of benefits and/or returns may be higher or lower than the values currently presented in the marketing materials. Our website at <https://pruhk.co/bonushistory-SHPAR-en> explains the bonus history.

Investment philosophy

Investment strategy

Our overarching investment objective across all products is to maximise policyholders' returns with an acceptable level of risk. We do this through a broad mix of investments, which is tailored to each product. We aim to match the level of risk to the risk profiles of each product. We may utilise derivatives to manage risks or improve returns. We may also make use of securities-lending to enhance returns.

We aim to protect the rights and manage the reasonable expectations of all Shareholder-backed Participating policyholders. The Shareholder-backed Participating Fund invests in various types of assets, such as equity-type securities and fixed-income securities to diversify investment risks. The equity-type securities aim to provide policyholders with the potential for higher long-term returns. We adopt an actively managed investment strategy, which we adjust in response to changing market conditions.

Under this plan, we will allocate a considerable portion of our investments to equity-type securities. Returns from equity-type securities are generally more volatile than fixed-income securities. The following paragraphs explain the current investment mix according to our investment strategy. Should there be any material changes in the investment strategy, we will inform you of the changes and explain the reasons behind them and their implications.

The investment mix of your plan

The current long-term target asset allocation is as follows:

Asset type	Allocation (%) AUD- /CAD- /GBP- / HKD- /RMB- /USD- denominated policies
Fixed-income securities	30%
Equity-type securities	70%

Our guaranteed liabilities to the policyholders are mainly supported by fixed-income securities. The proportion of equity-type securities is also adjusted with reference to the market environment. For example, the proportion of equities is generally lower when the interest rate level is low, and higher when interest rates rise (subject to the long-term target equity allocation).

For equity-type securities, most of the investments are in stocks listed on major international exchanges. We invest globally with an aim to achieve diversification and we currently have a relatively higher allocation in the US and Asia, which will be reviewed regularly. The geographic location of the investment is independent of the underlying policy denomination and may carry a currency exposure different from the underlying policy, to allow for more flexibility for diversification. Your policy values are subject to foreign exchange movements between the currency denominations of the equity-type securities and your policy currency.

A small portion of properties and other equity-like investments may be included to further improve long-term returns and diversification.

For fixed-income securities, we primarily invest in those rated at least investment-grade, and denominated in USD. We may also invest in non-USD denominated fixed-income securities subject to market availability and opportunity. Our currency strategy is to broadly match the fixed-income securities to the underlying policy denomination. If the currency of the fixed-income securities is different from the underlying policy denomination, currency hedging will be used to reduce the currency risk.

A small portion of high-yield and emerging-market bonds may be included to improve yield and diversification.

We invest the amount in the Dividend Lock-in Account mainly in fixed-income securities.

We actively manage and adjust actual exposure in response to changing market conditions and opportunities. Given asset values may vary due to changes in the economic environment and investment performance, the actual allocation may vary from the target allocation above. On a regular basis, we review the investment mix to be in line with our investment objectives and risk appetite. For more information on the investment mix, please refer to <https://pruhk.co/investmentmix-en>.

Key risks

How may our credit risk affect your policy?

The guaranteed cash value (if applicable) and insurance benefit of your plan are subject to our credit risk. If we become insolvent, you may lose the value of your policy and its coverage.

How may Currency Change Option affect your policy?

The mix of your guaranteed cash value and non-guaranteed Terminal Dividend will be affected when you exercise the Currency Change Option – in particular, your guaranteed cash value may be lower. After changing your policy currency, the future guaranteed cash value, the non-guaranteed Terminal Dividend and any future premiums may be higher or lower than the corresponding values before exercising this option. The approval of this Currency Change Option is subject to the availability of the currency at the time of exercising this option as well as prevailing laws and regulations.

How may currency risk affect your return?

Foreign currency exchange rates may fluctuate. As a result, you may incur a substantial loss when you choose to convert your payout benefits to other currencies. Additionally, the conversion of your benefits to other currencies is subject to currency exchange restrictions applicable at the time when the benefits are paid. You have the sole responsibility to decide if you want to convert your benefits to other currencies. Please also note that the RMB is not freely convertible at present, and its conversion through banks in Hong Kong is subject to applicable banking and regulatory requirements.

Investing in a foreign currency introduces additional risk. If your policy currency is not your local currency, your policy value may appreciate or depreciate when viewed against your local currency. We may illustrate a different future policy value for policies denominated in different currencies, with the expected foreign exchange movements reflected. When you view the policy values in your local currency over the long term, those illustrated differences may not be realised and may change depending on the actual foreign exchange movement. In the short term, foreign exchange movements can be large and difficult to predict.

How may long-term target asset allocations affect the value of your plan?

You should note that the current long-term target asset allocation of this plan as disclosed in “The investment mix of your plan” section above will affect the non-guaranteed Terminal Dividend of your plan. The amount of the non-guaranteed Terminal Dividend is subject to the performance of our investments including equity-type securities and fixed-income securities and may move up or down over time. Returns from equity-type securities are generally more volatile than fixed-income securities and foreign exchange movements can be large. For this plan, we will allocate a considerable portion of our investments to equity-type securities and therefore the movement of the amount of the non-guaranteed Terminal Dividend can be large.

What are the risks of surrendering your plan or withdrawing money from your plan?

The liquidity of an insurance policy is limited. You are strongly advised to reserve adequate liquid assets for emergencies. For any surrender/withdrawal especially at the early stage upon policy inception, you may receive an amount considerably less than the premiums you paid.

How may inflation affect the value of your plan?

We expect the cost of living to rise in the future because of inflation. That means the insurance you take out today will not have the same buying power in the future (i.e., the benefit payouts might not be able to cover your future needs), even if the plan offers increasing benefit intended to offset inflation.

How may overseas taxation affect your return?

The impact of taxation (and any tax reliefs) depends on individual circumstances. You are recommended to seek taxation advice.

What happens if you do not pay your premiums?

You should only apply for this product if you intend to pay all of its premiums. If you miss any of your premium payments, we will automatically settle your outstanding premiums or premiums and levy(ies) by an automatic premium loan, with interest charged at a rate as determined by us. In the case the loan amount (plus accrued interest) exceeds the amount we allow for loan under the policy, we may terminate your policy and you may receive an amount considerably less than the premiums you paid, as well as losing the policy's coverage.

Important information

Suicide clause

If the life assured commits suicide regardless of sane or insane within 1 year from the effective date of the policy or from the date of any reinstatement, whichever is later, the death benefit will be limited to a refund of the premiums paid without interest subject to the deduction of any amounts we have already paid and any indebtedness you owe us under the policy.

After the change of life assured is made, if the new life assured commits suicide while sane or insane within 1 year from the effective date of the change of life assured or from the date of any reinstatement, whichever is later, the death benefit will be limited to a refund of the premiums paid without interest less any amounts we have already paid and any indebtedness you owe us under the policy or surrender value, whichever is higher.

Cancellation right

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) and levy(ies) paid less any withdrawals. Provided that no claim has been made, the customer may cancel the policy by giving written notice to us within 21 calendar days immediately following either the day of delivery of (1) the policy or (2) the notice (informing the availability of the policy and expiry date of the cooling-off period) to the customer or his/her nominated representative, whichever is earlier. Such notice must be signed by the customer and received directly by Prudential Hong Kong Limited at 8/F, Prudential Tower, The Gateway, Harbour City, 21 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong within the cooling-off period.

The premium and levy will be refunded in the currency of premium and levy payment at the time of application for this policy. If the currency of premium and levy payment is not the same as the plan currency, the refundable premium and levy amount in plan currency under this policy will be converted to the currency of premium and levy payment at the prevailing currency exchange rate as determined by us in our absolute discretion from time to time upon payment. After the cooling-off period expires, if a customer cancels the policy before the end of benefit term, the actual cash value (if applicable) may be substantially less than the total amount of premiums paid.

Potential fees and charges ("Fees")

If the premium refund or the payout benefits is NOT in Hong Kong Dollars, Renminbi or United States Dollars, the refund or the payout may only be made in the form of a telegraphic transfer and relevant Fees may apply. Such Fees will be deducted from the premium refund or the payout benefits by the receiving bank. The amount of Fees will vary depending on the bank designated by the customer. For details of the Fees, the customer should refer to their designated receiving bank.

Automatic Exchange of Financial Account Information

Over 100 countries and jurisdictions around the world have committed to adopt new rules for automatic exchange of financial account information ("AEOI"). Under the new rules, financial institutions are required to identify account holders who are foreign tax residents and report certain information regarding their investment income and account balance to the local tax authority where the financial institution operates. When countries or jurisdictions start exchanging information on an automatic basis, the relevant local tax authority where the financial account is maintained will then provide this information to the tax authority of the account holder's country of tax residence. This information exchange will be conducted on a regular, annual basis.

Hong Kong has adopted the new rules into its legislation (please see the Inland Revenue (Amendment) (No. 3) Ordinance 2016 ("the Amendment Ordinance") which came into effect on 30 June 2016). Therefore, the above requirements will be applicable to financial institutions in Hong Kong including Prudential. Under these rules, certain policyholders of Prudential are considered as "account holders". Financial institutions in Hong Kong including Prudential are required to implement due diligence procedures to identify account holders (i.e. policyholders in case where the financial institution is an insurance company) and in the case where the account holder is an entity, its "controlling persons", who are foreign tax residents, and report this information to the Inland Revenue Department ("IRD") if required. The IRD may transfer this information to the country of tax residence of such account holders.

In order to comply with the law, Prudential may require you, the account holder, to:

- (1) complete and provide us with a self-certification form with information regarding your tax residence status, your tax identification number in your country or countries of tax residence, your date of birth, and in the case where the policyholder is an entity (for example, a trust or a company), the classification of the entity that holds the policy and information regarding “controlling persons” of such entities;
- (2) provide us all required information and documentation for complying with Prudential’s due diligence procedures; and
- (3) advise us of any change in circumstances which affect your tax residence status and provide us with a suitably updated self-certification form within 30 days of such change in circumstances.

According to the due diligence procedures set out in the Amendment Ordinance, self-certifications are required from account holders for all new accounts. As for pre-existing accounts, if a reporting financial institution has doubts about the tax residence of an account holder, it may require a self-certification from the account holder to verify its tax residence.

Prudential cannot provide you with any tax or legal advice. If you have doubts about your tax residence you should seek professional advice. You should seek independent professional advice on the impact that AEOI may have on you or your policy.

An account holder who knowingly or recklessly provides a statement that is misleading, false or incorrect in a material particular in making a self-certification to a reporting financial institution is liable on conviction to a fine at level 3 (HKD 10,000).

For further information on the implementation of the Common Reporting Standard and AEOI in Hong Kong, please refer to the IRD website: www.ird.gov.hk/eng/tax/dta_aeoi.htm.

Need more details? Get in touch

Please contact your consultant or call our Customer Service Hotline at 2281 1333 for more details.

Notes

Evergreen Wealth Multi-Currency Plan is underwritten by Prudential Hong Kong Limited (“Prudential”). You can always choose to take out this plan as a standalone plan without enrolling with other type(s) of insurance product at the same time, unless such plan is only available as a supplementary benefit which needs to be attached to a basic plan.

This brochure does not contain the full terms and conditions of this plan and is for reference only. It does not represent a contract between Prudential and anyone else. You should read carefully the risk disclosures and key exclusions (if any) contained in this brochure. For further details and the full terms and conditions of this plan, please ask Prudential for a sample of the policy document.

Prudential has the right to accept or decline any application based on the information provided by the policyholder and/or life assured in the application.

Please cross your cheque and make it payable to “Prudential Hong Kong Limited”.

This brochure is for distribution in Hong Kong only. It is not an offer to sell or solicitation to buy or provide any insurance product outside Hong Kong. Prudential does not offer or sell any insurance product in any jurisdictions outside Hong Kong where such offering or sale of the insurance product is illegal under the laws of such jurisdictions.



Prudential Hong Kong Limited

(Part of Prudential plc (United Kingdom))

8/F, Prudential Tower

The Gateway, Harbour City, 21 Canton Road

Tsim Sha Tsui, Kowloon, Hong Kong

Customer Service Hotline: 2281 1333

Corporate Website

www.prudential.com.hk