

# PRUHealth Critical Illness First Protect II

Affordable, in-depth critical illness cover for your  
everyday life with protection against 74 disease conditions

Critical Illness Protection



**PRUDENTIAL**  
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# PRUHealth Critical Illness First Protect II

Having the peace of mind from knowing that you and your family's finances are protected from critical illness is invaluable. **PRUHealth Critical Illness First Protect II** provides whole-life, lump-sum cover against the financial impact of 74 disease conditions. With affordable premiums over a limited period, the plan gives you in-depth cover. It also pays a benefit if you have to stay in an intensive care unit (ICU) for health issues beyond critical illnesses, including infectious diseases and injuries.

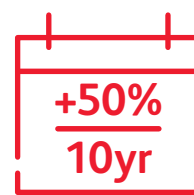
## Plan highlights



Protects your finances against 74 disease conditions



Intensive Care Benefit – up to 20% cover for 3 or more consecutive days' stay in an ICU because of health issues beyond critical illnesses, including infectious diseases and injuries



50% extra protection for a major disease claim or death claim within the first 10 years



Covers early stage major disease conditions, including pre-cancerous conditions



Premium waiver of 12 months after an early stage major disease claim



Combat inflation with our Benefit Protector Option



Protection and long-term savings in one plan



Value-added service to enhance your protection



Get back to the road to health with personalised medical advice from over 50,000 global medical experts in 450+ specialties

# The benefits

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## Protects your finances against 74 disease conditions

We offer essential protection against **74 disease conditions**, including **56 Major Disease Conditions** and **18 Early Stage Major Disease Conditions**. The plan covers most common disease conditions, including Cancer, Heart Attack or Stroke.

If the person covered by the policy (the “life assured”) is diagnosed with one of the covered **Major Disease Conditions**, we will pay a lump sum of up to **100%** of the current sum assured as a **Major Disease Benefit**. Or, if the life assured unfortunately passes away, we will pay this as a **Death Benefit** to help their beneficiary.

You can find the full list of covered disease conditions in the “Covered disease conditions” section below.



## Extended protection beyond critical illnesses – Intensive Care Benefit

You never know what’s around the next corner. Whether it is a **global pandemic or a health issue beyond critical illnesses**, you could need the 24-hour intensive care programme that an ICU offers. That is why this plan also covers the life assured for ICU treatment if needed.

If the life assured needs to stay in the ICU for 3 or more consecutive days, we will pay up to **20%** of the current sum assured of your **PRUHealth Critical Illness First Protect II** as an **Intensive Care Benefit**. We will only pay the **Intensive Care Benefit** once.

If the life assured is admitted to an ICU outside of Hong Kong, we will adjust the benefit amount to up to 10% of the current sum assured of **PRUHealth Critical Illness First Protect II**.

We will deduct the amount you have claimed for this benefit when we pay any subsequent **Major Disease Benefit, Death Benefit** or **Surrender Value**.

You can find more about this benefit in the “Benefit schedule” and in the “More about the plan” sections below.



## 50% extra protection for a major disease claim or death claim within the first 10 years

For added protection, we offer a **Critical Illness First Enhancer II** that gives you an **extra 50%** of the current sum assured of **PRUHealth Critical Illness First Protect II**, excluding any extra sum assured from the plan’s **Benefit Protector Option** (we will explain this in a later section).

When the life assured is covered by this **Critical Illness First Enhancer II**, we will pay this one-off, **extra** protection for a **Major Disease Benefit** claim or **death** claim you make within the **first 10 years** of your plan.

If you do not make any claims under the plan, you may choose to convert your **Critical Illness First Enhancer II** to a new life insurance plan with a cash value (that we will specify at the time of conversion) for the life assured, within 1 month before or after your **Critical Illness First Enhancer II** ends **without** the need to give us any health information.



### Lump-sum cover and a 12-month premium waiver for early stage major disease conditions



#### Covers early stage major disease conditions, including pre-cancerous conditions

We will pay a percentage of the current sum assured of your **PRUHealth Critical Illness First Protect II** for Early Stage Major Disease Conditions, the amount of which depends on the diagnosed condition. You can claim the **Early Stage Major Disease Benefit a total of 3 times** as follows:

- **Carcinoma-in-situ (a pre-cancerous condition)** and **Coronary Angioplasty** can **each** be claimed up to **2 times**, each claim for up to **25%** of the current sum assured; or
- **Early Thyroid** or **Prostate Cancer** can **each** be claimed **1 time**, each claim for up to **25%** of the current sum assured; or
- The **remaining 15 covered Early Stage Major Disease Conditions** can **each** be claimed **1 time**, each claim for up to **20%** of the current sum assured.

We will deduct the total amount you have claimed for Early Stage Major Disease Benefit when we pay any subsequent Major Disease Benefit, Death Benefit or Surrender Value.



#### Premium waiver of 12 months after an early stage major disease claim

To ease the burden on your finances, once we have paid the Early Stage Major Disease Benefit, we **wave** your **PRUHealth Critical Illness First Protect II premium payments** falling due in the **next 12 months** as an **Early Stage Critical Illness Premium Waiver Benefit**.



### Protection and long-term savings in one plan

Besides offering in-depth critical illness protection, **PRUHealth Critical Illness First Protect II** is a Shareholder-backed Participating Plan providing long-term savings value.

We will pay a guaranteed cash value when you surrender the policy on or after the 3<sup>rd</sup> policy anniversary. We may also pay a non-guaranteed one-off bonus – the Terminal Bonus – when you surrender your policy, or make a claim for the Major Disease Benefit or Death Benefit on or after the 5<sup>th</sup> policy anniversary.

Please also refer to our brochure on Shareholder-backed Participating Plan available at [www.prudential.com.hk/shareholderpar](http://www.prudential.com.hk/shareholderpar) for more information (such as investment philosophy and bonus philosophy) on your Shareholder-backed Participating Plan and the operation of the Shareholder-backed Participating Fund.



### Supplementary benefits to strengthen your coverage



#### Combat inflation with Benefit Protector Option

Over time, inflation reduces your cover's value. To help offset this, we offer a **Benefit Protector Option**. By paying extra premiums, you can **automatically increase** your **protection** by **5%** of the initial sum assured **every year**, up to **200%** of the initial sum assured.

This Benefit Protector Option does not apply to the **Critical Illness First Enhancer II** of this plan or other attached supplementary benefits, or if you choose the 10-year premium term option.



### Other supplementary benefits to broaden your coverage

You can choose from a range of supplementary benefits to help tailor your plan. By paying additional premiums, you can cover the life assured against extra medical expenses and accidents.



## Value-added service to enhance your protection



### Get back to the road to health with personalised medical advice from over 50,000 global medical experts in 450+ specialties

When the life assured is not well, they need medical experts' guidance to help make the right decisions about treatment.

PRUHealth Critical Illness First Protect II offers the **Treatment Sure** service; a one-stop professional medical advisory service (including **Global Expert Medical Opinion** and **Medical Concierge**) from our designated third-party service provider.

Whether or not the condition is one of the 74 disease conditions we cover, **Treatment Sure** can help. As long as it is a non-emergency medical condition that needs a **second opinion**, it can give independent medical opinions and facilitates **overseas treatment** if needed.

A **dedicated physician case manager**, who **speaks the life assured's language**, will be alongside acting as a guide through each step of the way on the journey to recovery.



### Global Expert Medical Opinion

Whenever there is a need for a second medical advice, we give unlimited access to a network of over **50,000** global medical experts in **450+ specialties** from our designated service provider. They can validate the diagnosis as well as providing **personalised second medical opinions** and **treatment options**. The dedicated **Treatment Sure** physician case manager will provide and explain the medical report and answer any questions, making sure the medical options are clear.



### Medical Concierge

If the life assured wants to seek treatment overseas, the dedicated **Treatment Sure** physician case manager will provide options for specialists based on the medical condition. Once a specialist is chosen, the dedicated **Treatment Sure** physician case manager will **arrange the appointment** and a **translation service** as well as **offer guidance on the road to recovery**.

There is more information in the "**Treatment Sure** service" section under "More about the plan". For service and enrolment details, please visit [www.prudential.com.hk/treatmentsure-e](http://www.prudential.com.hk/treatmentsure-e).

## Benefit schedule

Benefits		Coverage	Maximum number of claims	When you make a claim:
Early Stage Major Disease Benefit <sup>1</sup>	Carcinoma-in-situ	<b>25%</b> of current sum assured of <b>PRUHealth Critical Illness First Protect II</b>	2	A USD 50,000/HKD 400,000 per life limit applies to <b>each</b> of the Early Stage Major Disease Conditions under all <b>PRUHealth Critical Illness First Protect II</b> for the same life assured.
	Coronary Angioplasty		2	
	Early Thyroid or Prostate Cancer		1	
	The other 15 Early Stage Major Disease Conditions	<b>20%</b> of current sum assured of <b>PRUHealth Critical Illness First Protect II</b>	<b>All disease conditions: 1</b>	
<b>Overall maximum number of claims: 3</b>				
Intensive Care Benefit <sup>1</sup>		<b>20%</b> of current sum assured of <b>PRUHealth Critical Illness First Protect II</b>	1	<p>We offer this benefit for Qualified ICU Stay for 3 or more consecutive days.</p> <p>We will adjust the benefit amount to 10% of the current sum assured of <b>PRUHealth Critical Illness First Protect II</b> for a Qualified ICU Stay outside of Hong Kong.</p> <p>There is a USD 50,000/HKD 400,000 per life limit for this benefit under all policies for the same life assured.</p> <p>We will not pay any Intensive Care Benefit if we have paid the Major Disease Benefit.</p> <p>You should also refer to the “Requirements of a Qualified ICU Stay” outlined in the “More about the plan” section below.</p>

Benefits	Coverage	Maximum number of claims	When you make a claim:
<b>Major Disease Benefit</b>	PRUHealth Critical Illness First Protect II	1	We will deduct the total claimed amount of Early Stage Major Disease Benefit and Intensive Care Benefit under PRUHealth Critical Illness First Protect II.
	<b>100%</b> of current sum assured of PRUHealth Critical Illness First Protect II + <b>Face value of Terminal Bonus<sup>2</sup></b> (if any)		
	+ <b>Critical Illness First Enhancer II</b>  <b>100%</b> of current sum assured of <b>Critical Illness First Enhancer II</b> (if applicable)		
<b>Death Benefit</b>	PRUHealth Critical Illness First Protect II	-	We will deduct the total claimed amount of Early Stage Major Disease Benefit and Intensive Care Benefit under PRUHealth Critical Illness First Protect II.  We will not pay any Death Benefit if we have paid the Major Disease Benefit.
	<b>100%</b> of current sum assured of PRUHealth Critical Illness First Protect II + <b>Face value of Terminal Bonus<sup>2</sup></b> (if any)		
	+ <b>Critical Illness First Enhancer II</b>  <b>100%</b> of current sum assured of <b>Critical Illness First Enhancer II</b> (if applicable)		
<b>Surrender Value</b>	<b>Guaranteed Cash Value<sup>3</sup></b> + <b>Cash value of Terminal Bonus<sup>2</sup></b> (if any)	-	We will deduct the total claimed amount of Early Stage Major Disease Benefit and Intensive Care Benefit under PRUHealth Critical Illness First Protect II.

## Remarks

We will deduct any outstanding loans and interest from all benefits payable under PRUHealth Critical Illness First Protect II.

- In case the life assured is diagnosed of Early Stage Major Disease Condition(s) and fulfils the requirements of Intensive Care Benefit in the same hospital confinement or same Event, we will only pay the higher of Early Stage Major Disease Benefit and Intensive Care Benefit (or we will only pay Early Stage Major Disease Benefit if the benefit amounts are equal) under all PRUHealth Critical Illness First Protect II plans covering the same life assured. Event shall mean (i) an accident causing bodily injury that results in more than one claimable disease condition or claimable Qualified ICU Stay; or (ii) an illness, treatment or complications that results in more than one claimable disease condition or claimable Qualified ICU Stay, whether or not it occurs in the same hospital confinement.
- The Terminal Bonus is a one-off non-guaranteed bonus. Please refer to "Terminal Bonus" in the "More about the plan" section for details.
- Please refer to "Surrender Value" in the "More about the plan" section for details.

## Covered disease conditions

Disease Groups	Early Stage Major Disease Conditions	Major Disease Conditions
	<b>Coverage for whole life unless specified</b>	
<b>Cancer</b>	<ol style="list-style-type: none"> <li>1. Carcinoma-in-situ<sup>1</sup></li> <li>2. Early Thyroid or Prostate Cancer<sup>2</sup></li> </ol>	<ol style="list-style-type: none"> <li>1. Cancer<sup>3</sup></li> </ol>
<b>Illnesses related to the Heart</b>	<ol style="list-style-type: none"> <li>3. Coronary Angioplasty</li> <li>4. Insulin Dependent Diabetes Mellitus (cover from age 1 – 18 [ANB])</li> <li>5. Kawasaki Disease (cover from age 1 – 18 [ANB])</li> <li>6. Rheumatic Fever with Valvular Impairment (cover from age 1 – 18 [ANB])</li> <li>7. Transmyocardial Laser Revascularisation</li> </ol>	<ol style="list-style-type: none"> <li>2. Cardiomyopathy</li> <li>3. Coronary Artery Disease Requiring Surgery</li> <li>4. Heart Attack</li> <li>5. Heart Valve and Structural Surgery</li> <li>6. Infective Endocarditis</li> <li>7. Primary Pulmonary Arterial Hypertension</li> <li>8. Surgery to the Aorta</li> </ol>
<b>Illnesses related to the Nervous System</b>	<ol style="list-style-type: none"> <li>8. Severe Autism Spectrum Disorder (cover from age 1 – 18 [ANB])</li> <li>9. Severe Psychiatric Illness</li> <li>10. Type I Juvenile Spinal Amyotrophy (cover from age 1 – 18 [ANB])</li> </ol>	<ol style="list-style-type: none"> <li>9. Alzheimer's Disease</li> <li>10. Amyotrophic Lateral Sclerosis</li> <li>11. Apallic Syndrome</li> <li>12. Bacterial Meningitis</li> <li>13. Benign Brain Tumour</li> <li>14. Brain Surgery</li> <li>15. Coma</li> <li>16. Creutzfeldt-Jacob Disease (CJD)</li> <li>17. Encephalitis</li> <li>18. Major Head Trauma</li> <li>19. Meningeal Tuberculosis</li> <li>20. Motor Neurone Disease</li> <li>21. Multiple Sclerosis</li> <li>22. Muscular Dystrophy</li> <li>23. Paralysis</li> <li>24. Parkinson's Disease</li> <li>25. Poliomyelitis</li> <li>26. Progressive Bulbar Palsy</li> <li>27. Progressive Supranuclear Palsy</li> <li>28. Severe Myasthenia Gravis</li> <li>29. Spinal Muscular Atrophy</li> <li>30. Stroke</li> </ol>
<b>Illnesses related to the Major Organs and Functions</b>	<ol style="list-style-type: none"> <li>11. Dengue Haemorrhagic Fever (cover from age 1 – 18 [ANB])</li> </ol>	<ol style="list-style-type: none"> <li>31. Chronic Liver Disease</li> <li>32. Chronic Relapsing Pancreatitis</li> <li>33. End Stage Lung Disease</li> <li>34. Kidney Failure</li> <li>35. Major Organ Transplantation</li> <li>36. Necrotising Fasciitis</li> <li>37. Severance of Limbs</li> <li>38. Systemic Lupus Erythematosus (SLE) with Lupus Nephritis</li> </ol>
<b>Terminal Illness and Disabilities</b>		<ol style="list-style-type: none"> <li>39. Loss of Independent Existence (cover from age 1 – 65 [ANB])</li> <li>40. Terminal Illness</li> <li>41. Total and Permanent Disability (cover from age 1 – 65 [ANB])</li> </ol>



Disease Groups	Early Stage Major Disease Conditions	Major Disease Conditions
	<b>Coverage for whole life unless specified</b>	
<b>Other Illnesses</b>	12. Osteogenesis Imperfecta (cover from age 1 – 18 [ANB]) 13. Severe Asthma (cover from age 1 – 18 [ANB]) 14. Severe Central or Mixed Sleep Apnoea 15. Severe Epilepsy 16. Severe Haemophilia (cover from age 1 – 18 [ANB]) 17. Severe Obstructive Sleep Apnoea 18. Systemic Juvenile Rheumatoid Arthritis (cover from age 1 – 18 [ANB])	42. AIDS due to Blood Transfusion 43. Aplastic Anaemia 44. Blindness 45. Crohn's Disease 46. Deafness 47. Ebola 48. Elephantiasis 49. Fulminant Viral Hepatitis 50. Loss of Speech 51. Major Burns 52. Medullary Cystic Disease 53. Occupationally Acquired HIV 54. Severe Rheumatoid Arthritis 55. Severe Ulcerative Colitis 56. Systemic Scleroderma

1. Carcinoma-in-situ covers all organs except for Carcinoma-in-situ of the skin (including melanoma-in-situ).
2. Early Thyroid or Prostate Cancer refers to the presence of one of the following malignant conditions: (a) thyroid tumour classified as T1N0M0 according to the TNM classification system; or (b) prostate tumour classified as T1a or T1b according to the TNM classification system.
3. Cancer does not include (a) thyroid tumour classified as T1N0M0 or a lower stage according to the TNM classification system; (b) prostate tumour classified as T1a or T1b or a lower stage according to the TNM classification system; (c) chronic lymphocytic leukaemia less than RAI stage III; (d) skin cancer other than malignant melanoma; (e) tumour in the presence of any HIV; (f) Cervical Intra-epithelial Neoplasia (CIN I, CIN II, or CIN III) or Cervical Squamous Intra-epithelial Lesion; and (g) tumour classified as pre-malignant, non-invasive, or Carcinoma-in-situ, or as having either borderline malignancy or low malignant potential.

# How does the plan work?<sup>a</sup>

At age 30 (ANB), Ms. Chow enrolled in a 20-year payment term **PRUHealth Critical Illness First Protect II** as the life assured with a current sum assured of **USD 100,000**. In her first 10 policy years, she is entitled to **Critical Illness First Enhancer II**, which gives her **extra protection** of **USD 50,000**, i.e. 50% of her USD 100,000 current sum assured. In other words, with an annual premium of USD 2,197, she is able to get a total cover of USD 150,000 in the first 10 policy years.



<sup>a</sup> We assume in the above example that Ms. Chow is a non-smoker and the premium for each year is USD 2,197. She has paid her premium between ages 30 to 39 (ANB). Except age 34 (ANB) where we waived her premium, she has paid a total of USD 19,773 through the 10 years of her policy. We also assume that the definitions and claims requirements of the benefits are fulfilled, no policy loans or policy changes have been made and no Benefit Protector Option has been exercised. Levy is excluded from the annual premium mentioned in above example.

## Key exclusions

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We will not pay any Major Disease Benefit, Early Stage Major Disease Benefit or Intensive Care Benefit of **PRUHealth Critical Illness First Protect II** and any Major Disease Benefit of **Critical Illness First Enhancer II** if:

- i. the disease condition (including Major Disease Condition or Early Stage Major Disease Condition), or injury or illness resulting in a Qualified ICU Stay, existed before the effective date of this plan, or before the effective date of reinstatement, whichever is later; or
- ii. the life assured suffers from any pre-existing condition, or shows any signs or symptoms, which may be the cause or triggering condition of a disease condition, or a Qualified ICU Stay before the effective date of this plan, or before the effective date of reinstatement, whichever is later; or
- iii. the life assured is diagnosed by a registered specialist with a disease condition, or fulfils the requirements of a Qualified ICU Stay, or has shown signs or symptoms of any illness, disease or physical condition which may be the cause or triggering condition of a disease condition, or a Qualified ICU Stay within 90 days from the effective date of this plan or from the effective date of reinstatement, whichever is later. This exclusion does not apply if the disease condition or Qualified ICU Stay is caused by an accident and the life assured is diagnosed as having the disease condition, or requiring a Qualified ICU Stay within 90 days of the accident; or
- iv. the disease condition or a Qualified ICU Stay is a direct or indirect result of:
  - a. the life assured's attempted suicide or self-inflicted injuries while sane or insane; or
  - b. Acquired Immune Deficiency Syndrome (AIDS), AIDS-related complex or infection by Human Immunodeficiency Virus (HIV) except for AIDS due to Blood Transfusion or Occupationally Acquired HIV; or
  - c. narcotics used by the life assured unless taken as prescribed by a registered doctor, or the life assured's abuse of drugs and/or alcohol.

In addition, we will not pay the Major Disease Benefit of **PRUHealth Critical Illness First Protect II** and **Critical Illness First Enhancer II** for the life assured's Total and Permanent Disability as a direct or indirect result of:

- i. war, hostilities (whether war is declared or not), rebellion, insurrection, riot, or civil commotion; or
- ii. travelling or flights in any vehicle or device for aerial navigation other than as a fare-paying passenger on a scheduled public air service.

For more details on exclusions, please refer to relevant policy provisions as well as the "More about the plan" section below.

# More about the plan

## Plan type

Basic plan

## Benefit term

Whole life

## Premium term/Issue age/Currency option

Premium term	Issue age (ANB)	Currency option
10-year	1 – 65	HKD/USD
15-year	1 – 60	
20-year	1 – 55	
25-year	1 – 50	
30-year	1 – 45	

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

## Premium structure

We will determine the premium based on the risk class (including but not limited to age, gender, smoking status and nationality) of the life assured as well as the premium term and policy currency selected. We have the right to review and adjust the premium rates for particular risk classes on each policy anniversary. The premium will not be adjusted unless we notify you prior to the anniversary of your policy.

## Current sum assured

- The current sum assured of **PRUHealth Critical Illness First Protect II** (excluding **Critical Illness First Enhancer II**) reflects:
  - any increments of the sum assured from the Benefit Protector Option; and/or
  - any reductions of the sum assured you make to your plan.
- The current sum assured of **Critical Illness First Enhancer II** reflects any reductions of the sum assured you make to your plan.

## Critical Illness First Enhancer II

- If you choose the Benefit Protector Option, the current sum assured of **Critical Illness First Enhancer II** will not include the increased coverage this benefit offers.
- If you reduce your sum assured of **PRUHealth Critical Illness First Protect II**, we will also reduce your **Critical Illness First Enhancer II**'s coverage in proportion.
- Early Stage Major Disease Benefit, Intensive Care Benefit, Terminal Bonus and guaranteed cash value are not applicable to **Critical Illness First Enhancer II**.
- We will stop your **Critical Illness First Enhancer II** when you terminate your **PRUHealth Critical Illness First Protect II**, or when the benefit term of your **Critical Illness First Enhancer II** has ended or once we have paid the Major Disease Benefit or Death Benefit.
- You can convert **Critical Illness First Enhancer II** to a new life insurance plan with a cash value (as specified by us at the time of conversion) for the life assured at a premium rate determined by us, provided that:
  - no claims have been made under any **PRUHealth Critical Illness First Protect II** and no Intensive Care Benefit claim has been made under any policy issued by us for the life assured since the effective date of **PRUHealth Critical Illness First Protect II**;
  - the new sum assured (i) is the same or less than the current sum assured of **Critical Illness First Enhancer II**; and (ii) fulfils the minimum sum assured requirement as set out by us at the time of conversion;
  - the new policy will be issued with the same special terms and conditions as your existing **PRUHealth Critical Illness First Protect II**;
  - you apply for the conversion before the life assured reaches age 65;
  - you apply for the conversion within 1 month before or after **Critical Illness First Enhancer II** ends;
  - you have an insurable interest in the life of the life assured (if you are not the life assured) named under the new policy and meet other specified conditions including the minimum sum assured and issue age requirement of the new policy; and
  - your **PRUHealth Critical Illness First Protect II** is not being converted from another plan.

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## Terminal Bonus

- The Terminal Bonus is a one-off non-guaranteed bonus.
- We normally declare bonus annually according to our declared bonus rates. We may change the bonus rates from time to time. The bonus is not guaranteed. We will declare bonus for your plan from its 5<sup>th</sup> anniversary.
- The declared bonus may rise and fall and does not accumulate within the policy or form a permanent addition to the policy's value.
- The declared bonus has a face value which we will pay out in the event of death of the life assured or if you make a Major Disease Benefit claim.
- The bonus also has a non-guaranteed cash value which we determine by a variable cash value discount factor. In the event of policy surrender, the non-guaranteed cash value – not the face value – of the bonus shall be paid out.

## Factors affecting the Terminal Bonus

- The bonus we pay is not guaranteed and is subject to review and adjustment 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 its underlying investment portfolio. This could be driven by:
    - interest earnings from fixed-income securities and dividend from equity-type investments (if any);
    - capital gains and losses from investment assets;
    - 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.
  - 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 and any partial surrenders of a group of policies may impact the bonus 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 [www.prudential.com.hk/bonushistory\\_SHPAR\\_en](http://www.prudential.com.hk/bonushistory_SHPAR_en) explains the bonus history.

## Surrender Value

When you surrender your policy, we will pay a Surrender Value under **PRUHealth Critical Illness First Protect II** equal to:

- guaranteed cash value (from the 3<sup>rd</sup> policy anniversary);
- **plus** cash value of Terminal Bonus (from the 5<sup>th</sup> policy anniversary, if any);
- **less** total claimed amount for Early Stage Major Disease Benefit and Intensive Care Benefit made under **PRUHealth Critical Illness First Protect II** (if applicable);
- **less** any outstanding loans and interest.

## Death Benefit

If the life assured passes away, we will pay a Death Benefit equal to:

- 100% of current sum assured of **PRUHealth Critical Illness First Protect II**;
- **plus** face value of Terminal Bonus of **PRUHealth Critical Illness First Protect II** (from the 5<sup>th</sup> policy anniversary, if any);
- **plus** 100% of current sum assured of **Critical Illness First Enhancer II** (if applicable);
- **less** total claimed amount for Early Stage Major Disease Benefit and Intensive Care Benefit made under **PRUHealth Critical Illness First Protect II** (if applicable);
- **less** any outstanding loans and interest.

## Second claim conditions for Carcinoma-in-situ and Coronary Angioplasty

- To make a second claim for Carcinoma-in-situ, the second claim must be for a Carcinoma-in-situ in a different organ from the first successful claim.
- Paired organs (breast, fallopian tube, lung, ovary and testicle) are considered to be the same organ for this Carcinoma-in-situ claim.
- To make a second claim for Coronary Angioplasty, the treatment must be performed on a location of stenosis or obstruction in a major coronary artery where no stenosis greater than 60% was identified in the coronary angiogram relating to the first claim.

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## Requirements of a Qualified ICU Stay

- A Qualified ICU Stay means a stay in the ICU which is medically necessary. If the stay is in an ICU outside of Hong Kong, only a stay in an ICU of a tertiary care hospital that is medically necessary will be considered as a Qualified ICU Stay.
- Any stay in the ICU as a direct or indirect result of the below circumstances will not be considered as a Qualified ICU Stay:
  - i. the life assured's pregnancy, surrogacy, childbirth or termination of pregnancy, birth control, infertility or human assisted reproduction, or sterilisation of either sexes; or
  - ii. war, hostilities (whether war is declared or not), rebellion, insurrection, riot, civil commotion, terrorist act, nuclear contamination, biological contamination or chemical contamination; or
  - iii. the life assured's participation in any criminal offence; or
  - iv. a cosmetic treatment performed on the life assured unless it is necessitated by injury caused by an accident; or
  - v. dental treatment or surgery performed on the life assured; or
  - vi. scuba diving or engaging in or taking part in any kind of race other than on foot, mountaineering involving the use of ropes or guides by the life assured; or
  - vii. mental disorder, psychological or psychiatric conditions, behavioural problems or personality disorder of the life assured; or
  - viii. confinement primarily for physiotherapy or for the investigation of signs and/or symptoms with diagnostic imaging, laboratory investigation or other diagnostic procedures; or
  - ix. experimental and/or unconventional medical technology/procedure/therapy performed on the life assured; or novel drugs/medicines/stem cell therapy not yet approved by the government, relevant authorities and recognised medical association in the locality; or
  - x. treatment of obesity (including morbid obesity), weight control programmes or bariatric surgery (except when bariatric surgery is necessary as confirmed by a registered specialist after failure of conventional treatments); or
  - xi. all kinds of transplantations (such as organ or bone marrow transplantations) performed on the life assured as a donor; or

- xii. treatment of sexually transmitted diseases; or sexual problems, such as impotence, whatever the cause, gender issues or sex changes or gender re-assignments.

## Treatment Sure service

- The **Treatment Sure** service is provided by a third-party service provider we have designated and this service offers Global Expert Medical Opinion and Medical Concierge services for the life assured of **PRUHealth Critical Illness First Protect II**.
- Whether or not the condition is one of the 74 disease conditions we cover, the **Treatment Sure** service is suitable for any non-emergency medical conditions (e.g. cancer, gastroenteric diseases and orthopaedic issues) that needs a second opinion, **but excludes**:
  - Accidents and medical emergencies
  - Urgent or life-threatening conditions
  - Daily or common medical issues (such as colds, fever, flu and occasional rashes)
  - Chronic disease management (such as chronic hepatitis, diabetes and high blood pressure), except for any complications of chronic diseases
- The Global Expert Medical Opinion report is intended to supplement the information the life assured has already received from their attending doctor. The report should not be used to replace their attending doctor's recommendations. The final decision on the medical treatment arrangement must be made solely by the life assured.
- The Medical Concierge is only available after the life assured has completed the Global Expert Medical Opinion. If the life assured chooses to receive treatment abroad, they will be responsible for all fees and charges required for travel and accommodation and related items.
- We may change both the scope of **Treatment Sure** service and the service provider from time to time at our sole discretion without prior notice. We may cease and/or suspend the **Treatment Sure** service at our sole discretion.
- We are not the service provider or the agent of the service provider. We make no representation, warranty or undertaking as to the quality and availability of the service and shall not accept any responsibility or liability for the services provided by the service provider(s). Under no circumstance shall we be responsible or liable for the acts or omissions or services of the service provider.

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## Benefit Protector Option

- You can only take out the Benefit Protector Option for standard rate policies of **PRUHealth Critical Illness First Protect II** with a premium term of 15, 20, 25 or 30 years upon the plan application. It is also subject to our administration guidelines.
- By paying extra premiums, you can automatically increase your protection by 5% of the initial sum assured every year, up to 200% of the initial sum assured.
- We will calculate the additional premiums you need to pay for increasing your sum assured of **PRUHealth Critical Illness First Protect II** each year based on the attained age, gender and latest smoking status of the life assured and the remaining premium term.
- Any additional sum assured derived from the Benefit Protector Option will not apply when we calculate the current sum assured of **Critical Illness First Enhancer II**.
- You cannot take out this Benefit Protector Option if your **PRUHealth Critical Illness First Protect II** is being converted from another plan.

We will stop increasing your sum assured when the first of these happens:

- you decline 2 consecutive increases in your sum assured; or
- on the policy anniversary immediately following the life assured's age 61 (ANB); or
- your **PRUHealth Critical Illness First Protect II**'s premium term has less than 10 years to run; or
- the current sum assured has reached the maximum limit we set; or
- you reduce your sum assured; or
- there is a premium waiver benefit claim, total and permanent disability claim or a claim for any kind of major disease benefit (including but not limited to Early Stage Major Disease Benefit and Major Disease Benefit) or Intensive Care Benefit under all policies the life assured has with us; or
- your **PRUHealth Critical Illness First Protect II** terminates.

## Termination of this plan

We will terminate this plan when the first of these happens:

- death of the life assured; or
- once you surrender the policy; or
- if you fail to pay your premium within the grace period of 1 calendar month from its due date and the net cash value of the policy is insufficient to exercise the automatic premium loan; or
- once we pay (or once it is confirmed that we will pay) the Major Disease Benefit; or
- once outstanding loans and interest are more than 90% of the guaranteed cash value of your plan minus the total claimed amount for Early Stage Major Disease Benefit and Intensive Care Benefit.

# Investment philosophy

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## Investment strategy

We aim to protect the rights and manage the reasonable expectations of all Shareholder-backed Participating policyholders. Our investment objective is to maximise policyholders' returns with an acceptable level of risk. We do this through a broad mix of investments.

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 a higher long-term return.

We adopt an actively managed investment strategy, which we adjust in response to changing market conditions. Under normal circumstances, our experts allocate a smaller proportion of higher-risk assets, such as equities, to insurance plans with a higher guarantee and a larger proportion of higher-risk assets to insurance plans with lower guarantees. In doing so, we aim to match the level of risk to the risk profiles of our products. We may utilise derivatives to manage risks or improve returns. We may also make use of securities-lending to enhance returns.

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 and their implications.

## The investment mix of your plan

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

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

Our guaranteed liabilities to policyholders are mainly supported by fixed-income securities.

We primarily invest in fixed-income securities rated at least investment-grade. A small portion of high-yield and emerging-market bonds may be included to improve yield and diversification.

For equity-type securities, most of the investments are in stocks listed on major international exchanges.

Our currency strategy is to broadly match the fixed-income securities to the underlying policy denomination, while we allow more flexibility for equity-type securities for diversification. Subject to market availability and opportunity, we may invest fixed-income securities in a currency other than the underlying policy denomination and currency hedging will be used to reduce the currency risk.

We invest globally to achieve diversification benefits and we currently have a higher relative allocation in the US and Asia which will be reviewed regularly.

**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 [www.prudential.com.hk/investmentmix\\_en](http://www.prudential.com.hk/investmentmix_en).**



## Key risks

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### 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 exchange rate risk affect your benefits?

Foreign currency exchange rates may fluctuate. As a result, you may incur a substantial loss when you choose to convert your benefits to other currencies. Additionally, the conversion of your benefits to other currencies is subject to 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.

### 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, even if the plan offers increasing benefits intended to offset inflation.

### What happens if you do not pay your premiums?

You should only apply for this product if you intend to pay all 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 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.

### Why may we adjust your premiums?

We have the right to review and adjust the plan's premium rates for particular risk classes on each policy anniversary, but not for any individual customer.

We may adjust premium rates because of several factors, such as our claims, investment and persistency experience.

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## 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.

### 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.

### 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.

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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](http://www.ird.gov.hk/eng/tax/dta_aeoi.htm).

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## Need more details? Get in touch

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

## Notes

**PRUHealth Critical Illness First Protect II 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”.

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