

PRULink Opal Investment Plan

Product Brochure

Investment-linked Insurance



PRUDENTIAL
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Listening. Understanding. Delivering.



This Product Brochure is issued and should be read in conjunction with the Summary Information for Investment Choices and the Product Key Facts Statement. Together, this Product Brochure, the Summary Information for Investment Choices and the Product Key Facts Statement constitute the Offering Document of **PRULink Opal Investment Plan**.

Unless defined otherwise, those capitalised terms shall have the same meanings ascribed to them in the section "Glossary".

Important Note

- 1. PRULink Opal Investment Plan (the "Plan" or your "Plan" or the "Policy" or your "Policy") is an investment-linked assurance scheme, which is an insurance policy issued by Prudential Hong Kong Limited ("Prudential" or "we" or "our" or "us"). Your investments and insurance protection are subject to our credit risks and other investment risks.**
- 2. The premiums received from you will be invested by us into the reference funds corresponding to the Investment Choices as selected by you for our asset liability management. However, the unit(s) allocated to your policy account is notional and is solely for the purpose of determining the account value and benefits under your Policy.**
- 3. The premiums paid by you towards the Policy, and any investments made by us in the reference funds corresponding to the Investment Choices you selected or any other investment we may consider appropriate or retained by us, will become and remain part of our assets. You do not have any rights or ownership over any of these assets. Your recourse is against Prudential only.**
- 4. Your potential return on investments is calculated by us with reference to the performance of the corresponding reference funds. Besides, your potential return shall be subject to ongoing fees and charges which will continue to be deducted from the Policy, hence, it may be lower than the return of the corresponding reference funds.**
- 5. Partial withdrawal, surrender or termination of the Policy in the early years may significantly reduce the value of your Policy while all fees and charges are still deductible. Poor performance of reference funds may further magnify your investment losses. Given that no additional premium will be accepted after policy issuance, if the value of your Policy becomes insufficient to cover all the ongoing fees and charges, your Policy will be terminated early and you could lose all your premiums paid and benefits.**
- 6. The Policy is subject to a redemption charge of up to 5% of (i) the partial withdrawal amount upon partial withdrawal; and (ii) the value of the policy account upon surrender, within the first 5 policy years. It is only suitable for investors who are prepared to hold the investment over the long term.**
- 7. Although the Plan is a life insurance policy, because your death benefit is linked to the performance of the reference funds of the Investment Choices you selected from time to time, your death benefit is subject to investment risks and market fluctuations. The death benefit payable may be significantly less than your premiums paid and may not be sufficient for your individual needs.**
- 8. If you are not prepared to hold your Policy for at least 5 years, this Policy is not suitable for you and it may be cheaper to purchase an insurance policy and make separate fund investments. You should seek independent professional advice.**
- 9. Investment involves risks. Past performance should not be taken as an indication of future performance. Each Investment Choice is subject to market fluctuations and to risks inherent in all investments. The prices of notional units of any Investment Choice as designated by you and the income accrued from investing in such Investment Choices may go down as well as up.**
- 10. You should not purchase this Policy unless you understand it and your consultant has explained to you how it is suitable for you. The final decision is yours.**
- 11. YOU ARE STRONGLY RECOMMENDED to read the Offering Document of PRULink Opal Investment Plan (including Product Brochures, Product Key Facts Statements and the Summary Information for Investment Choices) and the offering documents of the reference funds (including, without limitation, their investment objectives and policies, risk factors and charges) carefully, which will be made available by us upon request or downloaded from our website at www.prudential.com.hk.**

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What is **PRU**Link Opal Investment Plan?

The Plan is a single premium whole-life investment-linked insurance plan, specially designed for policyholder between the age of 19 and 70 (age next birthday, ANB) and life assured aged from 15 days to 70 (ANB).

The Plan is offered by us. Your investment under the Plan is subject to our credit risks. The Plan is classified under Class C linked long-term business, as defined in the Insurance Ordinance. It is not a fund authorised by the Securities and Futures Commission (“SFC”) pursuant to the Code on Unit Trusts and Mutual Funds (“UT Code”).

Please refer to the “Glossary” section on page 20 of this brochure for the definition of specific terms.



How does the Plan work?

Start your Plan with a single premium

The Plan is a single premium investment-linked insurance plan denominated in US Dollars that offers whole life protection. You can start the Plan by paying a minimum single premium of USD 15,000, whilst the maximum amount of single premium allowed will be subject to underwriting requirements. No additional premium will be accepted after policy issuance. All premiums and benefits are quoted for payment in US Dollars.

The single premium you paid will be used by us to allocate notional units of the Investment Choice(s) you selected at the unit issue price on the next valuation date immediately following the date of our receipt of single premium (and completion of the application process) according to your premium allocation instructions. The Policy will be subject to administration and assurance charges which will be deducted from the value of the policy account every month after the commencing date as long as the Policy is in force. Please refer to the "Summary of charges" section of this brochure for details of all the current charges for the Plan.

To find out the value of your policy account, you can sum up the value of units of each Investment Choice of your policy account and then deduct from this value any outstanding charges payable from your Policy. The value of the units in each Investment Choice is calculated by multiplying the number of notional units of the Investment Choice in your policy account by the relevant unit redemption price.



Please note that units allocated to the Policy are notional and are solely for the purpose of determining the value of your policy account. Your investment returns under the Policy are also subject to the charges of the Policy. Hence any returns you get under the Policy may be lower than the returns of reference funds of the Investment Choices you selected.



Life coverage for your loved ones



Death benefit

In the unfortunate event that the life assured passes away while the Policy is in force, we will pay a death benefit which is equivalent to 105% of the value of your policy account.

For the purpose of calculating the death benefit amount, the value of the policy account will be calculated at the unit redemption price of the Investment Choice(s) on the previous valuation date as at the date we receive the satisfactory Proof of Death Claim of the life assured.

The Proof of Death Claim shall be submitted as soon as practicable and to our satisfaction before any death benefit payment is made. We will normally pay the death benefit payment within 1 month after we have received the satisfactory Proof of Death Claim of the life assured. The whole payment of the death benefit may be deferred or suspended due to certain Exceptional Events. The death benefit payment will be made as soon as practicable after cessation of such Exceptional Events. No interest will be payable by us for any pending payment of death benefit.

An assurance charge for death benefit provided by your Plan will be deducted from the value of the policy account on a monthly basis while the Policy is in force. Amount of assurance charge is calculated according to the net amount at risk and determined by reference to the sex and age next birthday of the life assured as of the beginning of each policy year. Please refer to the "Summary of charges" section for further details.



Please note that the assurance charge will reduce the amount that may be applied towards investment in the Investment Choices you selected, and it may increase significantly during the term of your Plan due to age.

In case the life assured commits suicide within 1 year from the date of issuance of the Policy, the death benefit will be limited to the value of the policy account plus a refund of all charges we have deducted for this Policy.

Illustrative example for the calculation of the amount of death benefit proceeds in the case of suicide within one year from the date of issuance of the Policy:

The amount of death benefit proceeds payable = the account value + the total charges paid for this Policy

The Policy terminated at the end of the 7th policy month when the life assured committed suicide:

Single premium paid	= USD 125,000
Total charges paid for the first 7 policy months	= USD 1,031
Prevailing account value	= USD 100,000
The amount of death benefit proceeds payable	= USD 100,000 + USD 1,031 = USD 101,031

The above example is hypothetical and for illustrative purposes only.



Please note that your death benefit is subject to investment risks and market fluctuations as it is linked to the performance of the reference funds of the Investment Choices you selected from time to time. Poor performance of the reference funds may reduce the death benefit payable, which may be significantly less than the premium paid and may not be sufficient for your individual needs.



Investment bonus

An investment bonus will be credited to your policy account every year starting from the 6th policy anniversary within 30 calendar days following the relevant policy anniversary, provided that the Average Monthly Policy Account Value on the relevant policy anniversary is at least USD 15,000 and the Policy is in force when we credit the relevant amount into the policy account of your Policy.

The investment bonus is calculated as a percentage of the Average Monthly Policy Account Value of the relevant policy anniversary as follows:

Policy anniversary	Investment bonus (% of Average Monthly Policy Account Value)
6 th to 9 th	0.5% per annum
10 th and thereafter	1.0% per annum

The percentages listed above do not represent the rates of return or the performance of your investment.

The investment bonus will be payable in the form of additional notional units of your Investment Choice(s) at the unit issue price in accordance with each of the Investment Choice's proportion to the total value of the policy account at the relevant policy anniversary. **The bonus will then form part of the value of the policy account and will also be subject to the relevant charges applicable to the policy account.** For details of the charges, please refer to the "Summary of charges" section. You will continue to receive the investment bonus so long as

your policy remains in force at the time we credit the bonus to the policy account. Once the investment bonus is credited to your policy account, we will not claw back the bonus paid when you exercise your rights under the Policy.

To view your Average Monthly Policy Account Value, please log into myPrudential via our corporate website / myPrudential app, contact your financial consultant or call our customer service hotline at 2281 1333.

Illustrative example for the calculation of the amount of investment bonus payable at the 10th policy anniversary:

Assuming the Average Monthly Policy Account Value at the 10th policy anniversary is USD 150,000 (which is more than USD 15,000)

The amount of investment bonus payable at the 10th policy anniversary:

$$\begin{aligned}
 &= 1\% \times \text{Average Monthly Policy Account Value} \\
 &= 1\% \times \text{USD } 150,000 \\
 &= \text{USD } 1,500
 \end{aligned}$$

The above example is hypothetical and for illustrative purposes only.



Please note that making any partial withdrawal(s) will reduce the value of your policy account, and therefore the amount of investment bonus (if any) awarded to your Policy will be less or your entitlement to the investment bonus may even be affected.



Financial arrangement for your needs at different life stages



A range of Investment Choices

The Plan offers you a spectrum of Investment Choices with different investment objectives to meet your investment goals. For details of each Investment Choice, please refer to the Summary Information for Investment Choices.

Notional units of Investment Choice(s) will be allocated to the policy account at the unit issue price in respect of your selected Investment Choice(s) on the next valuation date immediately following the date of our receipt of single premium (and completion of the application process). You can select your own allocation portfolio, with up to a maximum of 10 Investment Choices concurrently, for the single premium payment at the time of your application. This is subject to a minimum allocation of 10% of your premium in each Investment Choice.

Prudential reserves the right to change the maximum number of Investment Choices and the minimum allocation percentage of your premium in each Investment Choice, as well as the right to terminate or temporarily close any Investment Choice in future by giving no less than 1 month's prior written notice or such shorter period of notice in compliance with the relevant regulatory requirement(s) to policyholders.



Please note that you are investing in an investment-linked insurance policy and NOT investing in the reference funds. The premium you pay towards this Plan will be invested by us. Any corresponding investments made by us in the reference funds of the Investment Choices you select will become and remain our assets. For this reason you do not have any rights or ownership over any of these assets. Your recourse is against Prudential only. Furthermore, notional units allocated to the Policy are purely notional and solely for the determination of the value of your Policy.

Investment Choices can have very different features and risk profiles. Some of them may even be of high risk. Your return on investment is calculated by us with reference to the performance of the reference funds of the Investment Choices you select.

In addition, your investment returns under the Policy are subject to the charges of the Policy. Hence, any returns you get may be lower than the returns of the reference funds of the Investment Choices. For details of each Investment Choice including the fees and risk factors involved, please refer to the Summary Information for Investment Choices and the offering documents of the reference funds, which are available from us upon request.





Unlimited switching of Investment Choices

You can switch among different Investment Choices at any time. The current minimum switching amount (which is calculated by multiplying the number of notional units of Investment Choice(s) by the relevant unit redemption price at the time of switching) is USD 100 per transaction. The percentage allocated to each Investment Choice you select must be at least 10% of the switching amount.

We will process your switching request within 2 business days after we have received the duly signed and completed appropriate application form, unless it is deferred under certain Exceptional Events.

Once your application is processed, notional units of the Investment Choice(s) you select to switch out will be redeemed at the unit redemption price on the next valuation date immediately following the date we process the switching request. Notional units of the Investment Choice(s) you select to switch in will be allocated at the unit issue price on the next valuation date immediately following the completion of the corresponding redemption of notional units of the Investment Choice(s) you select to switch out.

Currently there is no switching charge. The bid-offer spread may be levied by the reference fund of the Investment Choice. For details of bid-offer spread, please refer to the offering documents of the reference funds which are available from us upon request.

We reserve the right to adjust the minimum switching amount and the minimum allocation percentage with no less than 1 month's prior written notice or such shorter period of notice in compliance with the relevant regulatory requirement(s) to policyholders with regards to such changes.



Partial withdrawals

Partial withdrawals are subject to a minimum amount and a minimum account balance requirement as determined by us from time to time in accordance with our latest administrative rules. Currently, the minimum withdrawal amount is USD 100 per partial withdrawal and the minimum balance of USD 5,000 must remain in the policy account immediately after the partial withdrawal. Otherwise, we reserve the right to decline the withdrawal request.

We reserve the right to adjust the minimum withdrawal amount and the minimum account balance with no less than 1 month's prior written notice or such shorter period of notice in compliance with the relevant regulatory requirement(s) to policyholders with regards to such changes.



The Plan is designed to be held for a long-term period. A redemption charge (up to 5% of the partial withdrawal amount) will be applied if the partial withdrawal is made within the first 5 policy years. The earlier a partial withdrawal is made, the higher the applicable redemption charge rate will be imposed. Please refer to the section of "Summary of charges" for details.

You are reminded that making any partial withdrawals will reduce the value of the policy account and death benefit. The value of the policy account might not be enough to cover your Policy's ongoing charges after your withdrawal. Given that no additional premium will be accepted after policy issuance, the Policy will be terminated if the value of the policy account becomes zero or negative. Reduction in the value of the policy account will also lead to a reduction in the amount of investment bonus (if any) awarded to your Policy or may even affect your entitlement to the investment bonus. You cannot repay any amounts you withdraw from your Policy.

You can withdraw cash from the policy account by submitting the appropriate application form to us. This form is available upon request. You have to specify in the form the number of notional units to be withdrawn and the Investment Choice(s) to which such notional units belong. The notional units will be redeemed according to your instructions.

We will process your partial withdrawal request within 2 business days after we have received the duly signed and completed appropriate application form, unless it is deferred under certain Exceptional Events.

Once your application is processed, notional units of the Investment Choice(s) to be withdrawn will be redeemed at the unit redemption price in respect of your selected Investment Choice(s) on the next valuation date immediately following the date we process the partial withdrawal request. Applicable redemption charge will be deducted from the partial withdrawal amount.

We will pay out the balance of the partial withdrawal after deduction of any redemption charge within 1 month after we have received the duly signed and completed appropriate application form. The whole payment of the partial withdrawal may be deferred or suspended due to certain Exceptional Events. The partial withdrawal payment will be made as soon as practicable after cessation of such Exceptional Events. No interest will be payable by us for any pending payment of partial withdrawal amount.

Illustrative example for the calculation of redemption charge and the partial withdrawal amount payable upon partial withdrawal:

Partial withdrawal amount requested	USD 50,000
Policy year of the partial withdrawal	Year 3
Applicable redemption charge rate*	3%
Redemption charge amount	USD 50,000 x 3% = USD 1,500
Partial withdrawal amount payable	Partial withdrawal amount requested – redemption charge amount = USD 50,000 – USD 1,500 = USD 48,500

* Please refer to the “Summary of charges” section on page 13 of this brochure for details of the redemption charge rate.

The above example is hypothetical and for illustrative purposes only.





Surrender

You can surrender the Policy at any time by submitting an application to us using our designated form which is available upon request. We will process your surrender request within 2 business days after we have received the duly signed and completed appropriate application form, unless it is deferred under certain Exceptional Events.

Once your application is processed, all notional units of your Investment Choice(s) in your policy account will be redeemed at the unit redemption price in respect of the Investment Choice(s) on the next valuation date immediately following the date we process your surrender request as well as the completion of any pending transaction relating to switching of Investment Choice(s). Your Policy will terminate once we complete the redemption of all notional units of all Investment Choices under your Policy.

We will pay out the surrender proceeds (after deduction of any redemption charge and any applicable charges) within 1 month after we have received the duly signed and completed appropriate application form. The whole payment of the surrender value may be deferred or suspended due to certain Exceptional Events. The surrender proceeds payment will be made as soon as practicable after cessation of such Exceptional Events. No interest will be payable by us for any pending surrender value payment.



A redemption charge (up to 5% of the value of the policy account) will be applied if you surrender your Policy within the first 5 policy years. In addition to the redemption charge, any outstanding charges at the time of surrender will be deducted from the surrender proceeds payable. The earlier you surrender your Policy, the higher the applicable redemption charge rate will be imposed. Please refer to the “Summary of charges” section for details of these applicable charges.

The Plan is designed to be held for a long-term period. It is important to note that surrender made within the first 5 policy years may bring you a significant loss of principal and bonuses awarded.

Illustrative example for the calculation of redemption charge and the surrender value payable upon surrender:

Value of the policy account after we have redeemed all units of your investment choices in the policy account	USD 150,000
Policy year of surrender	Year 3
Applicable redemption charge rate*	3%
Redemption charge amount	USD 150,000 x 3% = USD 4,500
Surrender value payable	Value of the policy account – redemption charge amount = USD 150,000 – USD 4,500 = USD 145,500

* Please refer to the “Summary of charges” section on page 13 of this brochure for details of the redemption charge rate.

The above example is hypothetical and for illustrative purposes only.



Termination

The Policy will automatically be terminated on the occurrence of the earliest of the following:

- (1) upon death of the life assured; or
- (2) when the value of the policy account becomes zero or negative; or
- (3) upon full surrender of the Policy.

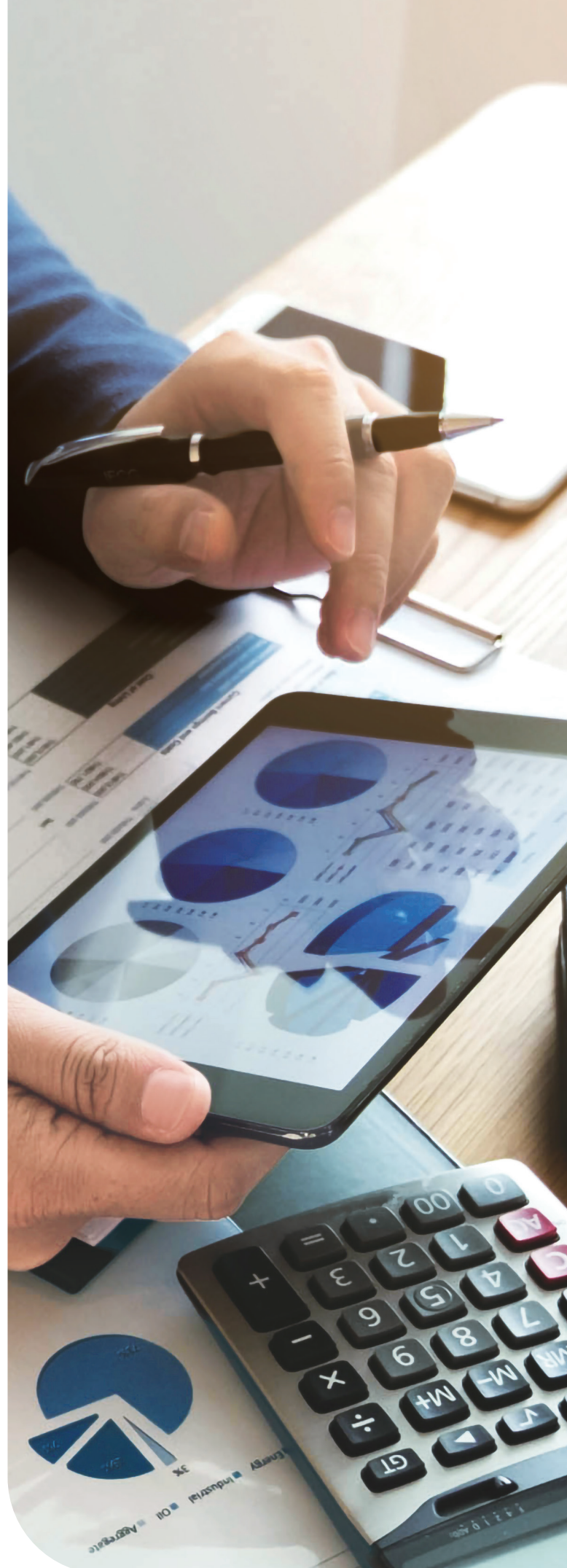
For policy termination due to the above condition (1), all notional units of Investment Choice(s) will be redeemed at the unit redemption price in respect of the Investment Choice(s) on the previous valuation date as at the date we receive the satisfactory Proof of Death Claim of the life assured. For policy termination due to the above condition (2), any shortfall in deductions and/or charges will not be collected upon termination. For policy termination due to the above condition (3), all notional units of Investment Choice(s) will be redeemed at the unit redemption price in respect of the Investment Choice(s) on the next valuation date immediately following the date we process your surrender request as well as the completion of any pending transaction relating to switching of Investment Choice(s).

Redemption charge will be applied to condition (3) if the Policy is terminated within the first 5 policy years. No redemption charge will be applied to conditions (1) and (2). Please refer to the "Summary of charges" section for details.

Once your Policy is terminated, you cannot reinstate the Policy.



The Plan is designed to be held for a long-term period. You are reminded that termination of your Policy within the first 5 policy years may result in a significant loss of your premium paid due to the deduction of redemption charge. That means the amount you will receive will be lower than the value of the policy account at the time you submit the request. Poor performance of the reference funds may further magnify your investment losses, while all charges are still deductible.



Summary of charges

Current policy charges under the Plan																																					
	Rate	Deducted from																																			
Administration charge	0.117% per month (i.e. 1.40% per annum) of the value of the policy account on the Charge Deduction Day until the termination of the Policy. The annualised rate is rounded to 2 decimal places.	The value of the policy account on the Charge Deduction Day on a monthly basis by redeeming notional units of Investment Choices in proportion to the respective values of notional units of the relevant Investment Choices allocated.																																			
Assurance charge (equivalent to Cost of insurance)	<p>The assurance charge is an amount payable for the death benefit provided by the Plan. Amount of assurance charge is calculated according to the net amount at risk and determined by reference to the sex and ANB of the life assured as of the beginning of each policy year.</p> <ul style="list-style-type: none"> Monthly assurance charge = (Annual assurance charge rate per USD 1,000 net amount at risk applicable to the life assured ÷ 12) x (Net amount at risk ÷ 1,000) Where, <ul style="list-style-type: none"> - Net amount at risk = 5% of the value of the policy account on the Charge Deduction Day. - The assurance charge rate is determined by reference to the sex and ANB of the life assured as of the beginning of each policy year. The table below sets out some indicative annual assurance charge rates. These are for illustration purposes only and may vary according to the ANB of the life assured. Please ask your intermediaries and/or refer to the customised illustration document for the details of the personalised assurance charge rates applicable to your Policy. <table border="1"> <thead> <tr> <th rowspan="2">ANB of the life assured at the beginning of each policy year</th> <th colspan="2">Current annual assurance charge rate per USD 1,000 net amount at risk</th> </tr> <tr> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>10</td> <td>0.08</td> <td>0.10</td> </tr> <tr> <td>20</td> <td>0.41</td> <td>0.19</td> </tr> <tr> <td>30</td> <td>0.41</td> <td>0.30</td> </tr> <tr> <td>40</td> <td>0.87</td> <td>0.67</td> </tr> <tr> <td>50</td> <td>2.19</td> <td>1.60</td> </tr> <tr> <td>60</td> <td>6.09</td> <td>3.64</td> </tr> <tr> <td>70+</td> <td>16.61</td> <td>11.80</td> </tr> <tr> <td>80+</td> <td>60.62</td> <td>39.55</td> </tr> <tr> <td>90+</td> <td>198.99</td> <td>119.23</td> </tr> <tr> <td>100+</td> <td>357.44</td> <td>242.95</td> </tr> </tbody> </table> <p>* Please note that the assurance charge may become significant as the age of the life assured increases. The applicable assurance charge rates will be made available to you upon your request.</p>	ANB of the life assured at the beginning of each policy year	Current annual assurance charge rate per USD 1,000 net amount at risk		Male	Female	10	0.08	0.10	20	0.41	0.19	30	0.41	0.30	40	0.87	0.67	50	2.19	1.60	60	6.09	3.64	70+	16.61	11.80	80+	60.62	39.55	90+	198.99	119.23	100+	357.44	242.95	The value of the policy account on the Charge Deduction Day on a monthly basis by redeeming notional units of Investment Choices in proportion to the respective values of notional units of the relevant Investment Choices allocated while the Policy is in force.
ANB of the life assured at the beginning of each policy year	Current annual assurance charge rate per USD 1,000 net amount at risk																																				
	Male	Female																																			
10	0.08	0.10																																			
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80+	60.62	39.55																																			
90+	198.99	119.23																																			
100+	357.44	242.95																																			

Current policy charges under the Plan (Con't)

	Rate	Deducted from
<p>Assurance charge (equivalent to Cost of insurance)</p>	<p>Illustrative example for the calculation of the monthly assurance charge of a male life assured at his age 50 (ANB)</p> <p>Assuming the value of the policy account on the Charge Deduction Day is USD 100,000</p> <p>The monthly assurance charge calculating at the beginning of the policy year when he is at his age 50 (ANB)</p> <p>= (Annual assurance charge rate per USD 1,000 net amount at risk ÷ 12) x (Net amount at risk ÷ 1,000)</p> <p>= (2.19 ÷ 12) x (5% of the value of the policy account on the Charge Deduction Day ÷ 1,000)</p> <p>= (2.19 ÷ 12) x (5% x USD 100,000 ÷ 1,000)</p> <p>= USD 0.91</p> <p>The above example is hypothetical and for illustrative purposes only.</p>	

Current policy charges under the Plan (Con't)

	Rate	Deducted from														
Redemption charge	<ul style="list-style-type: none"> The redemption charge is applicable upon partial withdrawal and surrender within the first 5 policy years. Upon partial withdrawal, redemption charge as calculated below will be deducted from the partial withdrawal amount before the partial withdrawal amount is paid to you: <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> $\text{Redemption charge} = \text{Partial withdrawal amount} \times \text{Applicable rate as shown in the schedule below}$ </div> Upon surrender, redemption charge as calculated below will be deducted from the value of the policy account before the surrender value is paid to you: <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> $\text{Redemption charge} = \text{The value of the policy account} \times \text{Applicable rate as shown in the schedule below}$ </div> The redemption charge rate will be determined by reference to the policy year during which the Policy is surrendered or the partial withdrawal takes place: <table border="1" style="margin: 10px 0; width: 100%; text-align: center;"> <thead> <tr> <th style="text-align: center;">Policy year (before next policy anniversary)</th> <th style="text-align: center;">Redemption charge rate</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">1</td><td style="text-align: center;">5%</td></tr> <tr><td style="text-align: center;">2</td><td style="text-align: center;">4%</td></tr> <tr><td style="text-align: center;">3</td><td style="text-align: center;">3%</td></tr> <tr><td style="text-align: center;">4</td><td style="text-align: center;">2%</td></tr> <tr><td style="text-align: center;">5</td><td style="text-align: center;">1%</td></tr> <tr><td style="text-align: center;">6 and thereafter</td><td style="text-align: center;">0%</td></tr> </tbody> </table> 	Policy year (before next policy anniversary)	Redemption charge rate	1	5%	2	4%	3	3%	4	2%	5	1%	6 and thereafter	0%	The amount of partial withdrawal upon an early partial withdrawal or, in the case of an early surrender, from the value of the policy account before the surrender value is paid to you.
Policy year (before next policy anniversary)	Redemption charge rate															
1	5%															
2	4%															
3	3%															
4	2%															
5	1%															
6 and thereafter	0%															
Switching charge	Currently nil															

Current charges for reference funds

You should note that the reference funds of the Investment Choices you selected may have separate charges on management fee[^], performance fee, bid-offer spread, switching fee and/or other recurring fees. You do not pay these fees directly: the fees will be deducted and such reduction will be reflected in the unit price of the reference fund.

For details, please refer to the Summary Information for Investment Choices and the offering documents of the reference funds, which are available from us upon request.

[^] The managers of the reference funds may pay up to 75% of their annual management fees as a rebate to Prudential subject to various terms and conditions.

You can refer to the “Deduction of Charges” sub-section under the “General Information” section for details as to how the above charges are to be deducted. Charges are subject to change from time to time by us. We reserve the right to vary the policy charges or to impose new charges with no less than 1 month’s prior written notice or such shorter period of notice in compliance with the relevant regulatory requirements.

General information

Dividend

If there is any dividend received from the reference funds of the Investment Choices, we will:

- pay out the dividend amount in cash [applicable to Investment Choices (Cash Distribution)]; or
- reinvest the dividend amount in the form of additional notional units of the relevant Investment Choice and allocate such notional units into the policy account while the policy is in force [applicable to Investment Choices other than Investment Choices (Cash Distribution)].

For details, please refer to the Summary Information for Investment Choices.

Deduction of charges

Relevant notional units of your Investment Choices will be deducted from your policy account to pay for the applicable fees and charges as specified in the “Summary of charges” section on a monthly basis. The notional units of your Investment Choices will be redeemed at the unit issue price and such redemption will be in proportion to the value of the notional units in each Investment Choice on the Charge Deduction Day within the policy account. We reserve the right to change the above process for deduction of charges by giving you no less than 1 month’s prior written notice or such shorter period of notice in compliance with the relevant regulatory requirements.

Important documents

Our consultant will provide and explain to you the following documents before your enrolment in the Plan. It is important for you to understand the Plan before making any application. The documents are:

- (1) the Offering Document which consists of this Product Brochure, the Summary Information for Investment Choices and the Product Key Facts Statement; and
- (2) an illustration document which is based on your specific case showing the projected total surrender values and the projected total death benefits of the Plan; and
- (3) the policy provisions for the Plan which consists of a general provision, a benefit provision and an Investment Choices provision. Specimens of the above documents are available free of charge upon request.

Application

To apply for the Plan, you should complete the appropriate application form and return it to us together with the required premium. The approval of your application is subject to our latest internal underwriting guidelines.

You should not purchase investment-linked insurance policy unless you understand it and it has been explained to you how it is suitable for you. The final decision is yours.

Cooling-off period

Cooling-off period is a period during which life insurance policyholders have a right to cancel their Policies and obtain a refund of any premium(s) and insurance levy(ies) paid by you, less any market value adjustment (“MVA”), and any partial withdrawal amounts paid to you after deduction of redemption charges, within the earlier of 21 calendar days immediately following the day of delivery of the Policy or the notice to you or to your nominated representative, provided that no claim has been made. Such notice should inform you of, among other things, the availability of the Policy and expiry date of the cooling-off period.

If you decide to cancel your Policy, you have to give us written notice within the cooling-off period. Such notice must be signed by you 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.

You may get back the amount you paid, or less if the value of the Investment Choices chosen has gone down.

The MVA is calculated solely with reference to the loss in realising the value of any assets acquired through investment of the premium made under the Policy. It shall not include any allowance for expenses or commissions in connection with the issuance of the Policy.

Third party right

The Plan is excluded from the application of The Contracts (Rights of Third Parties) Ordinance, which means that a person who is not a party to the policy of the Plan (including but not limited to the Life Assured or the Beneficiary) has no right to enforce any of the terms of the policy of the Plan.

Borrowing power

The Plan has no borrowing powers. For details of the borrowing powers of the reference funds, please refer to the offering documents of the respective reference funds which are available from us upon request.

Report for investment performance

You will receive periodic statements that summarise the value of the policy account, the surrender value and the transactions during a specific period and holdings of each Investment Choice under your Policy. Through our online platform (www.prudential.com.hk), you can also obtain daily performance information of Investment Choices and review your investments. You are always welcome to call our customer service hotline at 2281 1333 to make enquiries about your investments.

Responsibility

We accept full responsibility for the accuracy of the information contained in the Offering Document as of the date of publication and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement misleading.

Foreign Account Tax Compliance Act

Under the U.S. Foreign Account Tax Compliance Act ("FATCA"), a foreign financial institution ("FFI") is required to report to the U.S. Internal Revenue Service ("IRS") certain information on U.S. persons that hold accounts with that FFI outside the U.S. and to obtain their consent to the FFI passing that information to the IRS. An FFI which does not sign or agree to comply with the requirements of an agreement with the IRS ("FFI Agreement") in respect of FATCA and/or who is not otherwise exempt from doing so (referred to as a "nonparticipating FFI") will face a 30% withholding tax ("FATCA Withholding Tax") on all "withholdable payments" (as defined under FATCA) derived from U.S. sources (initially including dividends, interest and certain derivative payments).

The U.S. and Hong Kong has signed an inter-governmental agreement ("IGA") to facilitate compliance by FFIs in Hong Kong with FATCA and which creates a framework for Hong Kong FFIs to rely on streamlined due diligence procedures to

- (i) identify U.S. indicia,
- (ii) seek consent for disclosure from its U.S. policyowners and
- (iii) report relevant tax information of those policyowners to the IRS.

FATCA applies to us and your Policy. We are a participating FFI. We are committed to complying with FATCA. To do so, we require you to:

- (i) provide to us certain information including, as applicable, your U.S. identification details (e.g. name, address, the US federal taxpayer identifying numbers, etc.); and
- (ii) consent to us reporting this information and your account information (such as account balances, interest and dividend income and withdrawals) to the IRS.

If you fail to comply with these obligations (being a "Non-Compliant Accountholder"), we are required to report "aggregate information" of account balances, payment amounts and number of non-consenting US accounts to IRS.

We could, in certain circumstances, be required to impose FATCA Withholding Tax on payments made to, or which it makes from, your Policy. Currently the only circumstances in which we may be required to do so are:

- (i) if the Inland Revenue Department of Hong Kong fails to exchange information with the IRS under IGA (and the relevant tax information exchange agreement between Hong Kong and the U.S.), in which case we may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your Policy and remit this to the IRS; and
- (ii) if you are (or any other account holder is) a nonparticipating FFI, in which case we may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your Policy and remit this to the IRS.

You should seek independent professional advice on the impact FATCA may have on you or your policy.

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 us. Under these rules, certain policyholders of us are considered as "account holders". Financial institutions in Hong Kong including us 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, we 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 our 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.

We 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.

Taxation

Please seek independent professional advice on tax matters with respect to your own situation.

Financial Institutions (Resolution) Ordinance disclosure

The Financial Institutions (Resolution) Ordinance (Cap. 628) (the “FIRO”) was enacted by the Legislative Council of Hong Kong in June 2016. In July 2017, the FIRO (except for Part 8, section 192 and Division 10 of Part 15 thereof) came into operation. The FIRO provides, amongst other things, a regime for the resolution of financial institutions with a view to avoiding or mitigating the risks otherwise posed by their non-viability to the stability and effective working of the financial system of Hong Kong, including the continued performance of critical financial functions. “Critical financial functions” is defined under the FIRO to mean activities or operations carried on, or services provided, by a financial institution:

- a) on which an entity (other than a group company of the financial institution) relies; and
- b) that, if discontinued, would be likely to
 - (i) lead to the disruption of services that are essential to the economy of Hong Kong;
 - (ii) undermine the general confidence of participants in the financial market in Hong Kong; or
 - (iii) give rise to contagion within the financial system of Hong Kong,for any reason including the size, interconnectedness, complexity or cross-border activities of, or the market share held by, the financial institution or the group of companies of which the financial institution is a member.

The FIRO seeks to provide the relevant resolution authorities (the Hong Kong Monetary Authority, the Insurance Authority and the Securities and Futures Commission) with a range of administrative powers to bring about timely and orderly resolution in order to stabilise and secure continuity for a failing banking sector entity, insurance sector entity and securities and futures sector entity in Hong Kong. In addition, the relevant resolution authority is provided with powers to affect contractual and property rights as well as payments (including in respect of any priority of payment) that creditors would receive in resolution.

As an insurance sector entity, we are subject to and bound by the FIRO. The exercise of any resolution power by the relevant resolution authority under the FIRO in respect of us could potentially affect the Plan. The relevant resolution authority may exercise powers including but not limited to cancel, write off, modify, convert or replace all or part of the monies payable under the Plan, and to amend or alter the contractual provisions of the Plan, all of which may adversely affect payments or any other entitlements under the Plan, and as a result, you or your beneficiary may not receive all or any amount due under the Plan. In the worst case scenario, you and your beneficiary could lose all investment under the Plan.

The implementation of FIRO remains untested and certain detail relating to FIRO will be set out through secondary legislation and supporting rules. Therefore, we are unable to assess the full impact of FIRO on the Plan.

You should seek independent professional advice on the impact of FIRO on you or your policy.

Governing law

The policy terms of the Plan are governed by and will be construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"). Any matters of dispute will be subject to the determination by and the rulings of the courts of Hong Kong.

Authorisation

The Plan has been authorised by the Securities and Futures Commission ("SFC"). However, such authorisation does not imply an official recommendation. The SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. The SFC does not take any responsibility for the contents of the Offering Document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Offering Document.

Enquiries and complaints

Should you have any enquiries and complaints regarding the Plan, please contact us by calling our customer service hotline 2281 1333 or by email at service@prudential.com.hk.

Glossary

- **Average Monthly Policy Account Value** – is equal to the sum of the values of the policy account as at each Charge Deduction Day over the past 60 months immediately prior to the relevant policy anniversary divided by 60. The value of the policy account is calculated based on the unit redemption price of the Investment Choice(s) on the previous valuation date as at the relevant Charge Deduction Day.
- **Charge Deduction Day** – means the 3rd day of each calendar month or, if (i) that day falls on a public holiday or Sunday; (ii) there is any inevitable interruption of normal business on that day; or (iii) there is any circumstances, situations or events beyond our reasonable control that make it impracticable to carry out a charge deduction on that day, then it will fall on the next practicable business day.
- **Exceptional Events** – means (i) when the dealings and/or the valuation of an Investment Choice under your policy account have been deferred or suspended in circumstances of the deferment, closure, restriction or suspension of trading of underlying investments of such Investment Choice has invested; and/or (ii) in any exceptional circumstances which are beyond our control, including but not limited to any inevitable interruption of our normal business, typhoon, breakdown of means of communication and military events, that such suspension or deferment is necessary. For details of the deferment and/or suspension conditions of the reference funds, please refer to the relevant offering documents of the reference funds.
- **Investment Choice(s)** – means the investment choice(s) available for your selection under the Plan and are set out in the Summary Information for Investment Choices.
- **Investment Choice (Cash Distribution)** – means the Investment Choice designated with “(Dis)” in its name and is the Investment Choice that may distribute regular cash dividends.
- **Offering Document** – the combination of the Product Key Facts Statement, the Product Brochure and the Summary Information for Investment Choices.
- **Proof of Death Claim** – means a written notification of the insured’s death using our prescribed claim form and other documents/evidences as listed in the policy provisions.

Note

PRULink Opal Investment 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. This brochure is not a contract of insurance. For further details and the full terms and conditions of this plan, please refer to the policy provisions that are available free of charge upon request.

All cheques for premium payments should be crossed and made payable to “Prudential Hong Kong Limited”.

This document is intended to be distributed in Hong Kong only and shall not be construed as an offer to sell, or a solicitation to buy, or a provision of any insurance product outside Hong Kong. Prudential Hong Kong Limited does not offer or sell any insurance product in any jurisdictions outside Hong Kong in which such offering or sale of the insurance product is illegal under the laws of such jurisdictions.



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