

# Prime Vantage Prestige Protector Insurance Plan

Tailored lifelong protection  
to match your financial needs  
in safeguarding your loved ones.

Take full control over how to pass on  
your wealth to build a lasting legacy.  
All from a single premium.




## What is the Prime Vantage Prestige Protector Insurance Plan?

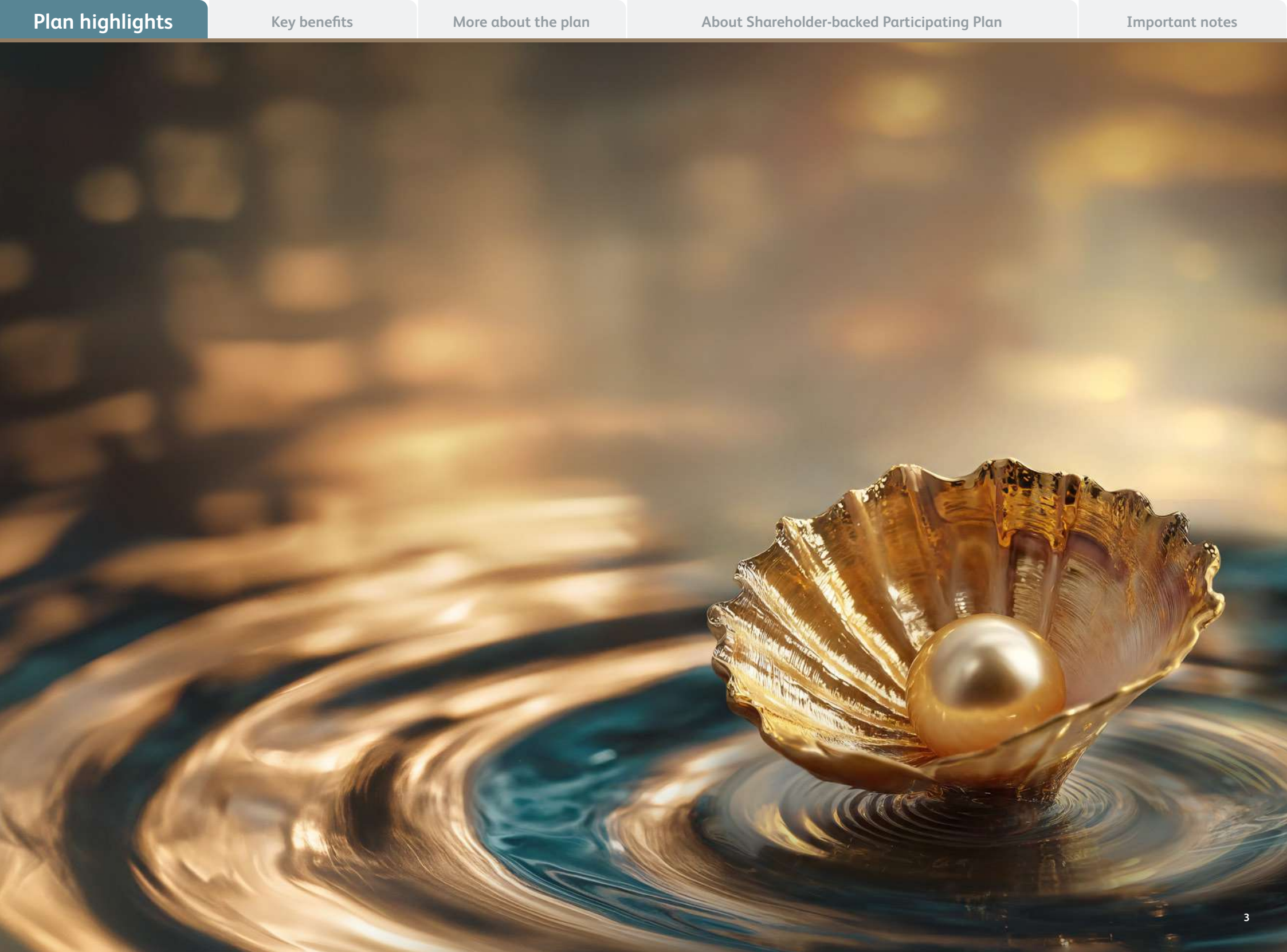
A dynasty starts with a vision and one person bold enough to act. That vision – and the years of building wealth that follow – can transform a family's future.

**Prime Vantage Prestige Protector Insurance Plan** empowers you with lifelong protection and enables you to use your wealth to safeguard that dynasty.

As your life unfolds, your **personal** and **financial aspirations evolve**. The plan offers life protection and steadily building wealth through a **high guaranteed cash value (85% of your single premium as the policy starts)** and a **non-guaranteed bonus**.

The plan also hands you **a suite of legacy planning tools to divide and pass on your wealth just as you choose**. These include **policy splitting, setting up a backup policyholder** and **customising exactly how you want to pass on your death benefit to your loved ones** through our  **New-to-market FlexLegacy** – all empowering you to leave a legacy that ensures your vision lives on.





## Plan highlights

Life protection and wealth growth from just one premium payment



**Lifelong protection** together with a **non-guaranteed terminal bonus**



**Amplify your wealth capacity** with a high **guaranteed cash value** and **non-guaranteed special bonus**



**6 underwriting classes** to **reward** you for your healthy living with a **lower premium**

Pass on your legacy flexibly to protect your loved ones and all you've built



**Customise how you settle the plan's death benefit** to **pass on your wealth**, to meet your beneficiary's needs at **different ages** and **key life milestones**



**Put a backup plan in place** by appointing a family member to receive a lump sum for immediate financial relief or take over your policy, in case you are incapacitated and unable to manage it yourself



## Plan highlights

## Master your legacy with tailored solutions that ensure continuity



**Keep** your policy **growing** and **protect** your **legacy** by **choosing** a **backup policyholder** to **take over your policy** if the worst happens



**Share** your **wealth flexibly** by **splitting your policy** as your family grows with **a personalised legacy plan** for each split policy



Ensure the **continuity** of your **business** by **covering a key employee** to manage the financial impact if they pass away





What benefits can you get from this plan?

Life protection and  
wealth growth from  
just one premium  
payment



## What benefits can you get from this plan?



### Lifelong protection that evolves through different life stages

Your **life** and **financial priorities evolve** along your journey. With a **single premium payment**, the plan safeguards your loved ones' financial security with a **Guaranteed Death Benefit of up to 100% of the sum assured**, less any outstanding loans and interest, if the life assured (the person the policy covers) unfortunately passes away while it is in force.

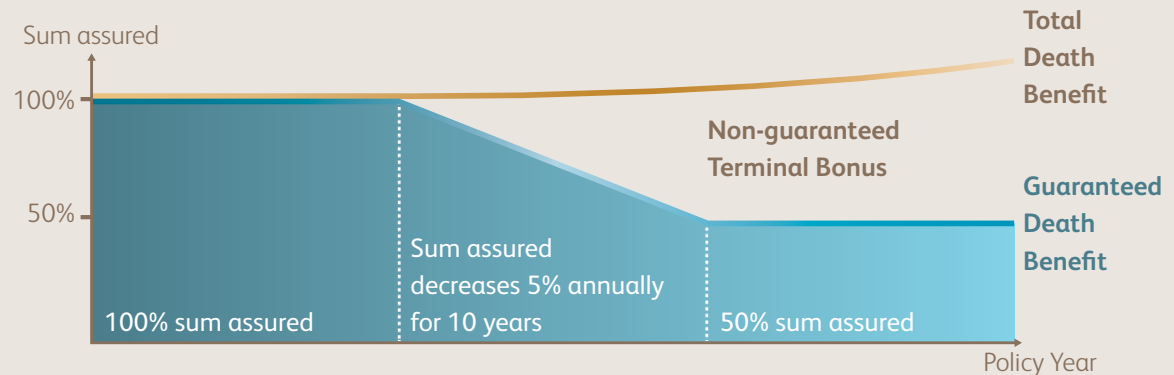
At a certain point in time, we will gradually reduce **the level of guaranteed life cover**. We may also **pay the non-guaranteed Terminal Bonus** when we pay the Death Benefit on or after the 1<sup>st</sup> policy anniversary.

You can find more about the Death Benefit in the "More about the plan" section below.

- **Total Death Benefit = Guaranteed Death Benefit + Non-guaranteed Terminal Bonus**

- **Guaranteed Death Benefit**

- The guaranteed Death Benefit is 100% of the sum assured **before** the 11<sup>th</sup> policy anniversary **or** the policy anniversary immediately following the life assured reaching age 51 (ANB), **whichever is later**.
- It will then **decrease by 5% annually** until it reaches 50% of the sum assured.
- It **will not be lower** than the single premium paid.



This graph is for illustration only. There is a chance that the Total Death Benefit may be lower than 100% of the sum assured.

# What benefits can you get from this plan?

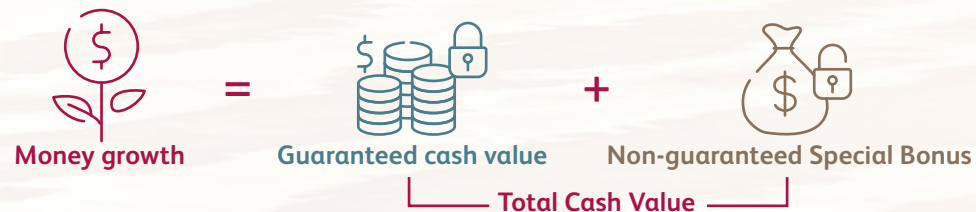


Amplify your wealth capacity with a plan that helps your assets grow

**Prime Vantage Prestige Protector Insurance Plan** is a Shareholder-backed Participating Plan that gives you lifelong protection and long-term growth potential to strategically shape your legacy.

As soon as your policy starts, its **guaranteed cash value** will be **equal to 85% of your single premium** (excluding any extra premiums we need to charge because of health conditions) and it will **grow through the policy years**. We will pay it in full or in part when your policy is **terminated** (other than when the life assured passes away), when you **withdraw some of the cash value** (a “partial surrender”), or when we pay the amount under the **Incapacity Option – Benefit Payout**.

We may also pay the **non-guaranteed Special Bonus** in full or in part when your policy is **terminated**, when you **withdraw some of the cash value** starting from the 1<sup>st</sup> policy anniversary, or when we pay the amount under the **Incapacity Option – Benefit Payout**.



To maximise your **financial flexibility**, if you need your money for any reason – perhaps to expand a business – you can **take your plan’s Total Cash Value** through **cash value withdrawal** or **borrow up to 80% of its guaranteed cash value** while **keeping the policy in force**.

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

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





## What benefits can you get from this plan?

### Good to know – Backing your policy values

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

The plan offers 2 types of non-guaranteed bonus – the Special Bonus and Terminal Bonus, we may pay them at different times according to the conditions specified in the “Bonuses – More about the plan” section below. The amounts of the bonuses are subject to the performance of our investments alongside other factors (refer to the “Bonus philosophy” section below for details) and may move up or down over time. For this plan, the current long-term target asset allocation of our investments to equity-type securities is 45% (refer to “The investment mix of your plan” section below for details). Returns from equity-type securities are generally more volatile than fixed-income securities and therefore the movement of the amounts of the non-guaranteed bonuses can be large. While smoothing may be applied to produce more stable policy values year on year, we will mostly pass the investment returns to policyholders via adjustments in the bonuses over the long-term.

We may determine and declare the bonuses more frequently than on an annual basis at our sole discretion. After each bonus declaration, the value may be adjusted and could be reduced compared to previous declarations. As a result, the Total Cash Value and Total Death Benefit may be lower than in previous years or may vary in different directions as well. The Total Death Benefit may also be lower than your sum assured, but it will not be lower than the single premium paid.

You should note the investment mix of this plan and more details in the “Investment philosophy” and “Key risks” sections below.



### 6 underwriting classes designed for your lifestyle

We recognise that each individual's lifestyle and priorities are unique. That's why the plan has **6 distinct underwriting classes**, to align with your way of life. You can pay a **lower premium** by maintaining a healthy lifestyle and confirming everything is in good order through a medical check-up, as we reward your wellbeing efforts.



## What benefits can you get from this plan?


# Pass on your legacy flexibly to protect your loved ones and all you've built



Pass on your wealth  
as you want with a  
customisable Death  
Benefit payout


When you're planning how to best pass on your wealth, you can tailor your legacy to suit your loved one's circumstances and needs.

**Decide how you would like us to pay the Death Benefit**, while the life assured is still alive, in one of the following ways:

- 1) One **lump sum** payment
- 2) **Monthly instalments** over 10, 20, 30 or 40 years
- 3) A **mix** of both – pay the percentage of the Death Benefit you decide in a lump sum then the remaining balance in monthly instalments
- 4)  **New-to-market** FlexLegacy



## What benefits can you get from this plan?

 **New-to-market FlexLegacy** – no matter what the future holds, you can tailor the payments in different ways to suit you and your family, by choosing the following:

### Step 1

Choose payment option

Monthly instalments

Lump sum(s)

You can **tailor** the **Death Benefit payment** as a **lump sum**, in **monthly instalments**, or a **mix of both**, giving you the **greatest flexibility**.

### Step 2

Choose when we pay

When the **life assured** passes away

When the **beneficiary's life event(s)** that you choose **happens**

#### Examples of life events



Reaches a designated age



Graduates from university



Gets married



Gives birth



Relocates to a different city

For the beneficiary who may be too young, inexperienced, or unable to manage money, this option helps.

Our **FlexLegacy** gives you total control over how and when your wealth is passed on in line with your family's values, ensuring your care for those you love continues decades into the future.

When we approve the Death Benefit claim, any Death Benefit unpaid will earn a non-guaranteed interest.

You can find more about our "Death Benefit Settlement Option" including the full list of our specified life events in the "More about the plan" section below.

Click [here](#) or scan the QR code to explore application examples of the Death Benefit Settlement Option:



### Step 3

Choose how we pay

over 10, 20, 30 or 40 years  
— or —  
the **instalment amount** of your choice  
— or —  
the instalment amount equals the **percentage** of the Death Benefit of your choice

the **lump sum amount** of your choice  
— or —  
the lump sum amount equals the **percentage** of the Death Benefit of your choice



# What benefits can you get from this plan?



## Put a backup plan in place with the Incapacity Option

If you unfortunately become **mentally** or **physically incapacitated** because of **any of the plan's Covered Diseases** while the policy is in force, and **you are unable to manage your policy**, our **Incapacity Option** can help you maintain your loved ones' financial wellbeing. Create a **safety net** by **choosing one of two options** in advance:

### Incapacity Option – Benefit Payout

While the policy is in force, if **you are both the policyholder and the life assured, you can choose this option**. We will **pay your designated family member the percentage you choose of your policy's surrender value** (before we deduct any outstanding loans and interest) **as the claim under this option** to help you through such difficult times. With a **simple application**, your family can **get money quickly** to meet your needs; **no need for any legal processes**.

You can **switch between** the **Benefit Payout** or **Ownership Transfer** options, or **change the designated family member** under your selected option **as many times as you wish**. That is as long as you only choose 1 option at a time, and you have not yet exercised the Incapacity Option.

You can find more about our "Incapacity Option" including the full list of our Covered Diseases and how we calculate the Benefit Payout amount in the "More about the plan" section below.

### Incapacity Option – Ownership Transfer

Starting from the 1<sup>st</sup> policy anniversary and **regardless of whether you are the life assured, you can choose this option**. We will **transfer your policy's ownership to your designated family member**. With a **simple application**, they can **take over the policy and become the new policyholder**, so your **policy can continue seamlessly**.

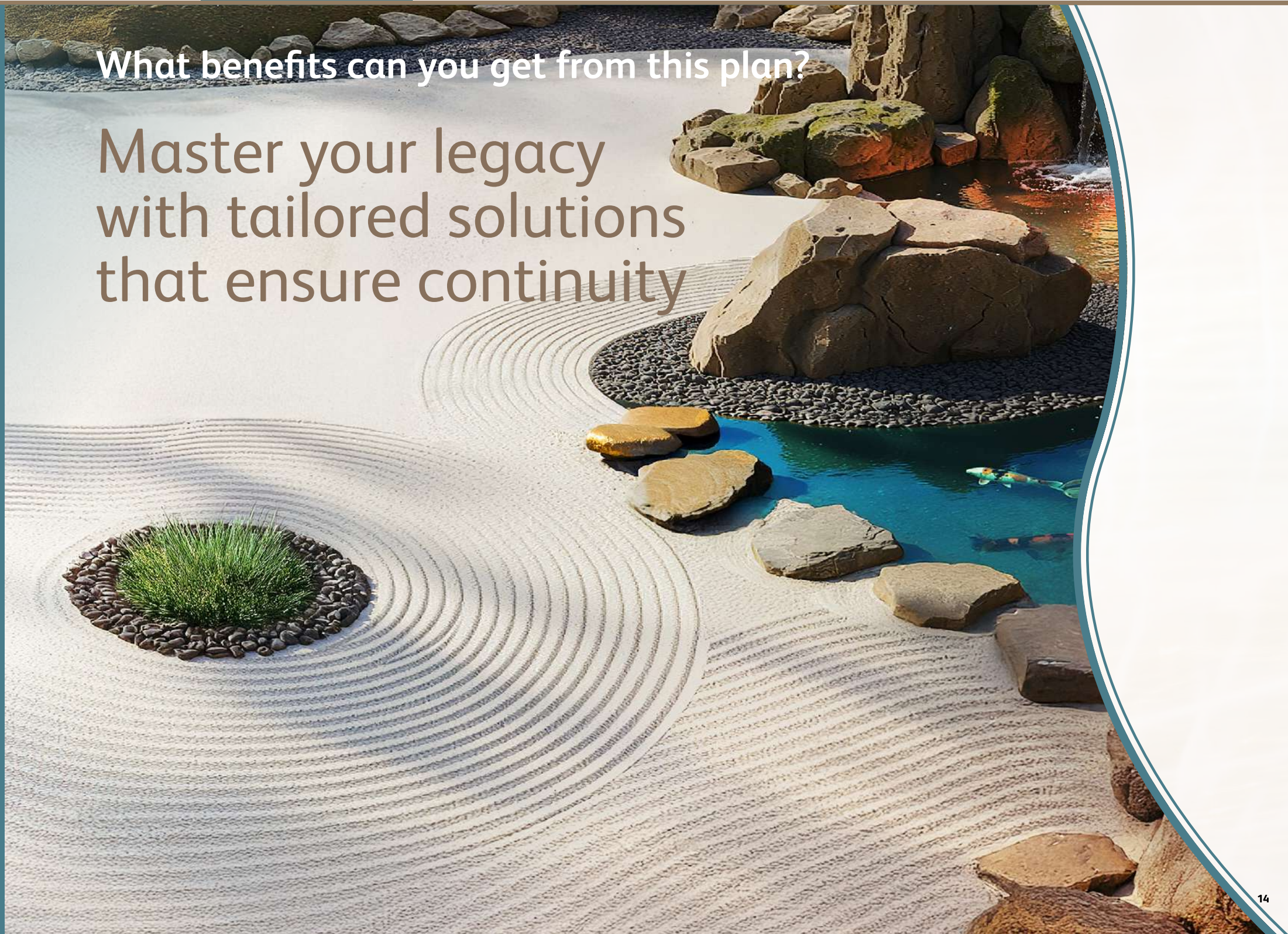






What benefits can you get from this plan?

Master your legacy  
with tailored solutions  
that ensure continuity





## What benefits can you get from this plan?



### The continuity you need by choosing a backup policyholder if the worst happens

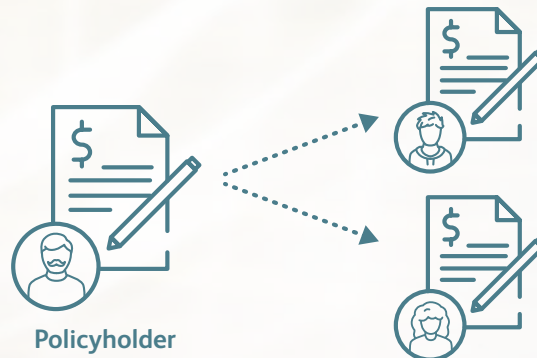
Starting from the 1<sup>st</sup> policy anniversary, you, as the policyholder can **choose a family member** to be your policy's **succeeding owner**, if you are not the life assured. This **allows them to take over the policy** and **become the new policyholder** if the worst happens. This ensures your policy continues uninterrupted and your wealth remains in the hands of someone you choose.

The plan lets you **appoint, change or remove** the **succeeding owner** as many times as you wish during the lifetime of the current policyholder and the life assured. However, there can only be 1 succeeding owner at a time.



### A single plan for a whole family – no matter how it grows

As your family grows, you may want to include more loved ones in your legacy planning and be able to distribute your wealth in the way you choose. Starting from the 2<sup>nd</sup> policy anniversary, you can use the **Policy-Split Option** to **split your policy**. This lets you **set up different legacy arrangements** for **each split policy** and **pass on your wealth flexibly to your loved ones** as meaningful gifts.



Pass your wealth to your loved ones, with tailored legacy plan



### Ensure the continuity of your business

As a **business owner**, protecting your company's most valuable people is just as important as growing the business itself. This plan can be used as **keyman insurance**, by naming a key employee as the life assured, helping you manage the financial impact if they pass away – from the cost of recruitment to the potential hit on profitability.

## What benefits can you get from this plan?

# Hassle-free enrolment – and a special reward for a centenary birthday



### Celebrating a centenary with us

Turning 100 is a remarkable milestone – a celebration of life and love. When the life assured reaches their 100<sup>th</sup> birthday, we will honour this special occasion with our complimentary **Centennial Reward** – by paying you an additional 5% of the sum assured, without affecting the policy value. This reward can serve as a celebration of reaching this milestone or as a charitable gift that leaves a lasting impact on the world. We will pay this reward once per policy.



### No medical checks to enrol

You **do not need** to undergo any **medical examination** to take out **Prime Vantage Prestige Protector Insurance Plan**, unless the total sum assured of all your policies is more than the amount set out in our administrative rules, or you would like to apply for an underwriting class with a lower premium, as mentioned above.

#### Good to know

Exercising the plan's benefits or options, especially the Policy-Split Option and changing the policyholder, may affect its other benefits or options. You can find more details in the relevant areas under "More about the plan" section below.

#### Remark:

Our statement about the plan's FlexLegacy being 'new-to-market' refers specifically to its feature allowing the commencement of death benefit payments upon designated life events rather than solely upon a designated age. We base the statement on our understanding and interpretation of current market information regarding other publicly available savings and life insurance plans issued by major Hong Kong life insurance companies for individual customers, as at 30 November 2025.







# More about the plan

## Plan type

Basic plan

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

## Benefit term

Whole life

## Premium term/Issue age/Currency/Minimum sum assured

Premium term	Issue age (age next birthday (ANB))	Currency	Minimum sum assured
Single	1 <sup>*</sup> - 75 <sup>#</sup>	USD	USD 1,000,000

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

# Subject to our current underwriting rules.

## Premium structure

- We will determine the premium based on the risk class (including but not limited to issue age, gender, country of residence and underwriting class) of the life assured.

## Bonuses

- The plan offers 2 types of non-guaranteed bonuses: a Special Bonus and a Terminal Bonus:
  - Special Bonus
    - We may pay it in full or in part when you terminate your policy (other than when we pay the Death Benefit), when you withdraw some of the cash value, or when we pay the amount under the Incapacity Option – Benefit Payout.
  - Terminal Bonus
    - We may pay it when we pay the Death Benefit.
- We will declare the bonuses for your plan from the 1<sup>st</sup> policy anniversary.
- We normally declare the bonuses annually and may change them from time to time.
- We have the right to determine and declare the bonuses more frequently than annually at our sole discretion.
- The declared bonuses may rise and fall and do not accumulate within the policy or form a permanent addition to the policy's value.
- The declared bonuses will vary by issue age of the life assured.
- After each declaration of the bonuses, we may adjust the value and could be reduced compared to previous declarations. As a result, the Total Cash Value and Total Death Benefit may be lower than in previous years or may vary in different directions as well. The Total Death Benefit may also be lower than your sum assured, but it will not be lower than the single premium paid.
- We have the right to determine bonus rates, cash values and frequency of declaration at our sole discretion.

## Surrender value

When you surrender your policy, we will pay a surrender value equal to:

- the guaranteed cash value;
- plus** any Special Bonus;
- less** any outstanding loans and interest.



## Death Benefit and its settlement option

- If the life assured unfortunately passes away while the policy is still in force, we will pay the beneficiary a Death Benefit as follows:

The life assured passes away before:	Death Benefit	
i) the 11 <sup>th</sup> policy anniversary; or ii) the policy anniversary immediately following the life assured reaching age 51 (ANB) <sup>^</sup> , whichever is later ("Designated Anniversary")	<ul style="list-style-type: none"> <li>100% of the sum assured;</li> <li><b>plus</b> any Terminal Bonus;</li> <li><b>less</b> any outstanding loans and interest.</li> </ul>	
The life assured passes away on or after the Designated Anniversary and within the following policy year from the Designated Anniversary:	% of sum assured	Death Benefit
1 <sup>st</sup> policy year	95%	<ul style="list-style-type: none"> <li>the <b>higher</b> of: <ul style="list-style-type: none"> <li>the corresponding percentage of the sum assured in the column on the left; and</li> <li>100% of your single premium;</li> </ul> </li> <li><b>plus</b> any Terminal Bonus;</li> <li><b>less</b> any outstanding loans and interest.</li> </ul>
2 <sup>nd</sup> policy year	90%	
3 <sup>rd</sup> policy year	85%	
4 <sup>th</sup> policy year	80%	
5 <sup>th</sup> policy year	75%	
6 <sup>th</sup> policy year	70%	
7 <sup>th</sup> policy year	65%	
8 <sup>th</sup> policy year	60%	
9 <sup>th</sup> policy year	55%	
10 <sup>th</sup> policy year onwards	50%	

<sup>^</sup> Means the policy anniversary immediately following the life assured's 50<sup>th</sup> birthday.

## Death Benefit Settlement Option

- You can decide, while the life assured is still alive, how we pay your beneficiary(ies) the Death Benefit in one of these ways:
  - one lump sum; or
  - monthly instalments over 10, 20, 30 or 40 years; or
  - a mix of both – pay the percentage of the Death Benefit you decide in a lump sum then the remaining balance in monthly instalments; or
  - FlexLegacy – we will pay your sole beneficiary the Death Benefit when the life assured passes away and/or when the sole beneficiary experiences any of the life events listed below. You can customise the settlement option in monthly instalments, lump sum(s) or a mix of the two.

Payment option	Monthly instalments	and/or	Lump sum(s)
When we pay	When the life assured passes away; or		When the life assured passes away; and/or
	When the <b>beneficiary's life event(s)</b> that you choose <b>happens</b> :		
	reaches/has reached <b>a</b> designated age; or		reaches/has reached <b>up to 3</b> designated ages; or
	graduates from university; or		
	gets married; or		
	gets divorced; or		
	gives birth (either your beneficiary or their spouse); or adopts ( <b>up to 1 child</b> ); or		gives birth (either your beneficiary or their spouse); or adopts ( <b>up to 2 children</b> ); or
	buys a new home; or		
	relocates to a different city; or		
	is an eligible employee and becomes involuntarily unemployed; or receives a cancer, heart attack or stroke diagnosis		
How we pay	over 10, 20, 30 or 40 years; or		the lump sum amount of your choice, subject to the remaining Death Benefit; or
	the instalment amount of your choice, until the remaining Death Benefit is used up; or		
	the instalment amount equals the percentage of the Death Benefit of your choice (0-100%), until the remaining Death Benefit is used up.		the lump sum amount equals the percentage of the Death Benefit of your choice (0-100%), subject to the remaining Death Benefit.

- The beneficiary must submit the request for paying the monthly instalments or lump sum amount, along with the proof of the life event, to us for approval.
- The beneficiary can submit the request for us to pay any unpaid Death Benefit and any accumulated interest in one go when they reach an age you choose, or 86 (ANB) as set by us.
- You may choose the FlexLegacy when your policy only has 1 designated beneficiary.
- The FlexLegacy is an additional option to the Death Benefit Settlement Option as set out in the respective policy provision.

#### General rules for the Death Benefit Settlement Option

- Any remaining Death Benefit will earn a non-guaranteed interest. We will determine the interest rate from time to time. We will pay the accumulated interest during the final payout, together with the last monthly instalment or the last lump sum payment.
- The remaining Death Benefit will not participate in the Shareholder-backed Participating Fund or benefit from its profits.
- The beneficiary cannot make any changes to the way we pay the Death Benefit at any time.
- We will cancel any Death Benefit Settlement Option and pay the Death Benefit in a lump sum when you:
  - transfer the policy ownership (for the case of transferring the policy ownership to the succeeding owner or designated owner under the Incapacity Option, please refer to the “Succeeding owner” and “Incapacity Option” sections below for details); or
  - assign the policy; or
  - have all your beneficiary designations revoked or cancelled; or
  - exercise the Policy-Split Option; or
  - change, cancel or revoke the sole beneficiary, or add a beneficiary, under the FlexLegacy; or
  - choose to settle the Death Benefit in monthly instalments or through the FlexLegacy, but the total amount payable under monthly instalments or the FlexLegacy is less than USD 50,000 (or other amount we determine from time to time).

#### Please also note

The Death Benefit Settlement Option is not a trust, and we do not owe any trust-related responsibilities to the beneficiary(ies). There are more details related to the Death Benefit Settlement Option on the application form and any relevant documents. We may change the administrative rules and/or introduce more options from time to time.

#### Policy-Split Option

- Starting from the 2<sup>nd</sup> policy anniversary, you can request to separate your policy into several policies once per policy year and within 30 days before each policy anniversary without affecting the calculation of your policy years.
- You cannot reverse or withdraw an application once we approve it.
- You will need to repay any money you owe us under the plan before we approve your application.
- We will split the sum assured and policy values (including the guaranteed cash value, any Special Bonus and any Terminal Bonus) on pro-rata basis according to the policyholder's instructions.
- The sum assured of each split policy after you have exercised this option must not be less than the minimum amount we set.
- When we approve your application, for each split policy, we will cancel any
  - Death Benefit Settlement Option;
  - nomination of the beneficiary;
  - appointment of the succeeding owner; and
  - appointment of the designated person or designated owner under the Incapacity Option.
- There is **no cooling-off period** for the split policies.
- We may change the administrative rules for this option from time to time.



## Succeeding owner

### When you appoint a succeeding owner

- Starting from the 1<sup>st</sup> policy anniversary and if you are not the life assured, you can appoint, change or remove the succeeding owner as many times as you wish during the lifetime of the current policyholder and the life assured while the policy is in force (subject to our approval).
- At any time, you can only appoint 1 succeeding owner under the policy and the succeeding owner must be aged 18 (19 ANB) or above.
- If you have appointed a designated owner under the Incapacity Option, the succeeding owner must be the same person as the designated owner.
- According to the existing administrative rules and other conditions, the succeeding owner can only be the current policyholder's a) spouse (including same-sex spouse), b) parent, c) child, d) sibling, e) grandparent or f) grandchild.
- You should inform the succeeding owner, in advance, to submit the prescribed form and required documents to us within 180 days of your death.
- This does not apply to:
  - assigned policies; or
  - business insurance; or
  - trust-owned policies, unless we approve it.

### Grounds for cancelling this appointment

- We will cancel the succeeding owner you have appointed earlier when the first of these happens:
  - you transfer the policy ownership (for the case of transferring the policy ownership to the designated owner under the Incapacity Option, please refer to the "Incapacity Option" section below for details); or
  - you assign the policy; or
  - you change or cancel the appointment of the succeeding owner; or
  - the succeeding owner dies; or
  - you exercise the Policy-Split Option.

- In addition, we may cancel the appointment of the succeeding owner if:
  - such appointment will/may, constitute a breach of, or conflict with, any law, order, judgment, award, injunction or decree; or
  - such appointment will render us incurring or potentially incurring any liability; or
  - any court decides, or a guardian/committee decides pursuant to a court order, against the appointment of the succeeding owner.

### Succeeding owner becomes the new policyholder

- If the current policyholder unfortunately dies, the succeeding owner will automatically and immediately become the new policyholder provided that we reserve the right to revoke the transfer of policy ownership to the succeeding owner if any of following conditions is/are not satisfied:
  - the succeeding owner submits the prescribed form to us within 180 days from the death of the current policyholder together with the required documents; and
  - there is no unreasonable delay on the part of the succeeding owner in order that we are satisfied with the submission within 30 days thereof; and
  - other conditions that we may impose from time to time.
- If we exercise our right of revocation, the revocation will take retrospective effect from the date of death of the deceased policyholder.
- The arrangement with respect to succeeding owner is also subject to our administrative rules and other conditions at the relevant time.
- Before we decide whether to exercise the right of revocation, all rights and benefit entitlement of the succeeding owner as a policyholder under the policy will be suspended.
- The rights and benefit entitlement of the succeeding owner as the new policyholder shall be subject to other terms as set out in the policy provisions.
- We will cancel the appointment of the designated person or designated owner under the Incapacity Option once we receive notice of the policyholder's death. Other than these, there is no impact to the policy nor previous designations until we decide not to exercise the right of revocation, after which we will cancel any Death Benefit Settlement Option and nomination of the beneficiary.

**Please also note**

- If there is a dispute or we have reasonable belief that there may be a dispute between the succeeding owner and anyone else (including the designated person or designated owner under the Incapacity Option, the policyholder's guardian or committee, attorney or beneficiary(ies)), or if we may incur liability as a result of processing the transfer of policy ownership to the succeeding owner, we reserve the right to revoke such change.
- We may change the administrative rules and other conditions for appointing, changing and removing the succeeding owner as well as transferring the policy ownership from the deceased policyholder to the succeeding owner from time to time.

**Incapacity Option****When you choose to set up the Incapacity Option**

- You can set up one of the following options while your policy is in force:
  - **Incapacity Option – Benefit Payout**
    - > While the policy is in force, if you are both the policyholder and the life assured, you can designate a percentage (between 10% – 100%) of the plan's surrender value (before we deduct any outstanding loans and interest) as the amount we will pay under this option and appoint a designated person in advance to receive this amount.
    - > The designated person may receive this amount if you are unfortunately diagnosed with mental incapacity, terminal illness, coma, loss of independent existence, apallic syndrome, major head trauma or paralysis (the "Covered Diseases").
    - > We will deduct any outstanding loans and interest from the amount we pay.
  - **Incapacity Option – Ownership Transfer**
    - > Starting from the 1<sup>st</sup> policy anniversary and regardless of whether you are the life assured, you can appoint a designated owner in advance while the policy is still in force.
    - > The designated owner will become the new policyholder if you are unfortunately diagnosed with any of the Covered Diseases.
    - > If you have appointed a succeeding owner, the designated owner must be the same person as the succeeding owner.
- We will only process either the Benefit Payout or Ownership Transfer under the Incapacity Option once per policy.
- You can switch between the Benefit Payout or Ownership Transfer options, as well as appoint, change or remove the designated person (Benefit Payout) or designated owner (Ownership Transfer) as many times as you wish while the policy is in force and before the exercise of the Incapacity Option by completing and submitting an application form to us. However, you must meet our eligibility requirements, the applicable administrative rules and conditions and you will need our approval.
- At any time, you can only appoint 1 designated person or 1 designated owner under the policy, and the designated person or designated owner must be:
  - your a) spouse (including same-sex spouse), b) parent, c) child, d) sibling, e) grandparent, f) grandchild or g) any other relationship as mentioned on the application form; and
  - aged 18 (19 ANB) or above.
- You must declare the following on the application form:
  - you have not created any will or an enduring power of attorney ("EPA") over the policy;
  - no guardian or committee has been appointed in respect of the policyholder under the Mental Health Ordinance (Cap. 136 of the laws of Hong Kong) ("MHO") (or under similar laws in another jurisdiction); and
  - you are not insolvent and no bankruptcy proceeding has been (or will likely be) commenced against you.
- You should inform the designated person in advance of the application process for making the claim, or inform the designated owner in advance to apply for the transfer of policy ownership.
- This does not apply to:
  - assigned policies; or
  - business insurance; or
  - trust-owned policies, unless we approve it.



### Grounds for cancelling an appointment under the Incapacity Option

- We will cancel the designated person or designated owner you have appointed earlier when the first of these happens:
  - your policy is terminated; or
  - you transfer the policy ownership; or
  - you assign the policy; or
  - you exercise the Policy-Split Option; or
  - you inform us or we become aware that the policyholder has created an EPA or a will over the policy, and in the case of an EPA, the attorney does not provide their consent to our benefit payment to the designated person or our transfer of policy ownership to the designated owner; or
  - we are notified or become aware of a committee or guardian being appointed in respect of the policyholder under the MHO (or under similar laws in another jurisdiction), and such committee or guardian (as the case may be) does not provide their consent to our benefit payment to the designated person or our transfer of policy ownership to the designated owner; or
  - you have been adjudged bankrupt by any court of competent jurisdiction in or outside Hong Kong, or bankruptcy proceedings have been initiated against you; or
  - you change or cancel the appointment of the designated person or designated owner; or
  - we receive notice of the policyholder's death.
- We will also cancel the current appointment of the designated person if you appoint a designated owner, and vice versa.
- You must inform us if you have created an EPA or a will over the policy. If you do not inform us, we will make the benefit payment to the designated person or transfer the policy ownership to the designated owner assuming there is no such EPA or will and we will have no responsibility to you, the succeeding owner, your attorney or any other person.

- In addition, we may cancel the appointment of the designated person or designated owner if:
  - such appointment will/may, constitute a breach of, or conflict with, any law, order, judgment, award, injunction or decree; or
  - such appointment will render us incurring or potentially incurring any liability; or
  - any court decides, or a guardian/committee decides pursuant to a court order, against the appointment of the designated person or designated owner, the benefit payment to the designated person or the transfer of policy ownership to the designated owner.

### Designated person files the claim

- For us to pay the amount under this option:
  - you must be diagnosed with any of the Covered Diseases while the policy is in force. There is more information on the claims requirements in the policy provisions; and
  - by the time we approve this claim, you must have appointed a designated person to file and receive the claim for this option and not have cancelled the appointment; both you and the designated person must be alive; and none of the grounds for cancellation of the appointment under Incapacity Option mentioned above can apply.
- We will pay the amount equal to the designated percentage of the surrender value (before we deduct any outstanding loans and interest) calculated on the date we approve the claim.
- If the designated percentage is less than 100%, we will take the amount from any non-guaranteed Special Bonus and the guaranteed cash value of the policy (a "partial surrender").
- If the designated percentage is 100%, we will terminate the policy once we approve this claim.
- We will only pay the amount under this option once in a lump sum per policy.
- When submitting a claim, the designated person needs to complete and submit the application form, along with any other documents or evidence we may require from time to time, including the medical proof of your suffering from the Covered Diseases.

**Designated owner becomes the new policyholder**

- For us to transfer the policy ownership under this option:
  - you must be diagnosed with any of the Covered Diseases while the policy is in force. There is more information on the ownership transfer requirements in the policy provisions; and
  - by the time we approve the transfer of policy ownership, you must have appointed a designated owner and not have cancelled the appointment; both you and the designated owner must be alive; and none of the grounds for cancellation of the appointment under Incapacity Option mentioned above can apply.
- After transferring the policy ownership, we will cancel any Death Benefit Settlement Option, nomination of the beneficiary, appointment of the designated owner and succeeding owner.
- When applying for the transfer of policy ownership, the designated owner needs to complete and submit the application form, along with any other documents or evidence we may require from time to time, including the medical proof of your suffering from the Covered Diseases.

**Please also note**

- If the life assured dies and the death claim is submitted before the date of approval for the Incapacity Option, we will pay the Death Benefit instead of processing the Incapacity Option.
- The appointment of a designated person or designated owner is an advanced policy instruction, and not an EPA or a guardianship/committee order under the MHO. The policy instruction does not appoint the designated person or designated owner as your attorney or guardian/committee. If you have an EPA over the policy or a guardian/committee appointed, you must not appoint a designated person or designated owner.
- If there is a dispute or we have reasonable belief that there may be a dispute between the designated person or designated owner and anyone else (including the policyholder, succeeding owner, the policyholder's guardian or committee, attorney or beneficiary(ies)), or if we may incur liability as a result of us making the benefit payment or transferring the policy ownership under this option, we reserve the right to withhold the benefit payment or the transfer of policy ownership until we are satisfied that the dispute or matter is resolved.
- We may change the administrative rules and other conditions for appointing, changing, and removing the designated person or designated owner from time to time.



### Cash value withdrawal

- You can choose to withdraw the Total Cash Value from the policy by reducing the sum assured.
- If the sum assured reduces, the subsequent guaranteed cash value, any non-guaranteed bonuses and the amount of single premium used to calculate the Death Benefit will also be reduced. Therefore, any cash value you withdraw will reduce the Death Benefit, Centennial Reward and surrender value payable.

### Policy loan

- To offer you extra financial flexibility in times of need, you can borrow up to 80% of your policy's guaranteed cash value, while keeping the policy in force, as a policy loan.
- We will charge interest on policy loans from the dates you take them out until they are fully repaid.
- We calculate interest at a rate we determine, which we may change from time to time, and it is compounded annually (in other words, generating "interest on interest").
- If you have taken out a loan on your policy, we will deduct any outstanding loans and interest from all applicable insurance benefits before we pass the remaining money to you. This means your insurance benefits may be lower than the amounts available without taking out a policy loan.
- If at any time the total outstanding amount (including interest) you owe us under the policy equals to or exceeds 100% of the guaranteed cash value of the policy, we will terminate the policy immediately and pay you the surrender value less any outstanding loans and interest, and you may receive an amount considerably less than the premiums you paid, as well as losing the policy's coverage.
- There is more information on the policy loan and the interest rate we charge at <https://pruhk.co/cs-policy-payment-en>.

### Termination of this plan

- We will terminate this plan when the first of these happens:
  - we pay the Death Benefit; or
  - you surrender the policy; or
  - the designated percentage under the Incapacity Option – Benefit Payout is 100% and once we approve the claim; or
  - once the total outstanding loans and interest are equal to or more than 100% of the guaranteed cash value of this policy.
- We will also terminate the original plan when you exercise the Policy-Split Option as your policy value of the original plan will be transferred to your split policies.

## Bonus philosophy

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

### Factors affecting the bonuses

- The plan offers 2 types of non-guaranteed bonus – the Special Bonus and Terminal Bonus, we may pay them at different times according to the conditions specified in the “Bonuses – More about the plan” section above. The bonuses we pay are not guaranteed and we may review and adjust them at our discretion. Factors that may affect them 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:
    - capital gains and losses from investment assets, including but not limited to realised gains or losses, and changes in the market value of the underlying assets (such as bonds and equities);
    - interest earnings from fixed-income securities and dividend from equity-type securities (if any);
    - counterparty default risk of fixed-income securities (such as bonds);
    - investment outlook; and
    - external market risk factors such as recessions and changes in monetary policies and foreign exchange rates.
  - ii. Claims factors – Our historical claims experience on Death Benefit and/or other covered benefits, and projected future costs of providing Death Benefit and/or other covered benefits.
  - iii. Expense factors – These include direct expenses associated with issuing and maintaining your policy, such as commissions, overrides, underwriting and policy administration expenses. They may also include indirect expenses (such as general overheads) allocated to your policy.
  - iv. Persistency factors – Policy persistency (a measure of how long policyholders keep their policies) and any partial surrenders of a group of policies may impact the 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 <https://pruhk.co/bonushistory-SHPAR-en> explains the bonus history.



# Investment philosophy

## 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 (%) USD-denominated policies
Fixed-income securities	55%
Equity-type securities	45%

Our guaranteed liabilities to the 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 <https://pruhk.co/investmentmix-en>.**

# Key risks

- **How may our credit risk affect your policy?**

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

- **How may currency exchange rate risk affect your return?**

Foreign currency exchange rates may fluctuate. As a result, you may incur a substantial loss when you choose to convert your 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 (i.e., the benefit payouts might not be able to cover your future needs), even if the plan offers increasing benefit intended to offset inflation.



# Important information

## Suicide clause

If the life assured commits suicide, whether sane or insane, within 1 year from the effective date of the policy, we will limit the death benefit to a refund of the premiums paid without interest. We will deduct any amounts we have already paid and any amounts 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.

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:

[http://www.ird.gov.hk/eng/tax/dta\\_aei.htm](http://www.ird.gov.hk/eng/tax/dta_aei.htm).



### Need more details? Get in touch

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

### Notes

**Prime Vantage Prestige Protector Insurance Plan is underwritten by Prudential Hong Kong Limited (“Prudential”). You can always choose to take out this plan as a standalone plan without enrolling with other type(s) of insurance product at the same time, unless such plan is only available as a supplementary benefit which needs to be attached to a basic plan. This brochure does not contain the full terms and conditions of this plan and is for reference only. It does not represent a contract between Prudential and anyone else. You should read carefully the risk disclosures and key exclusions (if any) contained in this brochure. For further details and the full terms and conditions of this plan, please ask Prudential for a sample of the policy document.**

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

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

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