



**中国太平**  
CHINA TAIPING

**ANNUITY INSURANCE**



# Diamond Infinite Deferred Annuity Plan

Underwritten by:

**中國太平人壽保險(香港)有限公司**  
CHINA TAIPING LIFE INSURANCE(HONG KONG)COMPANY LIMITED

FBRO0010218E

Insurance agent:

**CMBC**  **中国民生银行**  
HONGKONG BRANCH 香港分行



## Company Profile

China Taiping Insurance Group Ltd (abbreviated as “China Taiping”) is a Chinese state-owned financial and insurance group whose management headquarters is located in Hong Kong. China Taiping Life Insurance (Hong Kong) Company Limited (abbreviated as “TPLHK”) is a wholly-owned life insurance subsidiary of China Taiping Insurance Holdings Company Limited under the China Taiping (abbreviated as “China Taiping Holdings”, HK00966), which is responsible for life insurance business in Hong Kong.

### Diamond Infinite Deferred Annuity Plan

We all want to have adequate savings that enabling us to enjoy a comfortable and relaxing retirement life. Retirement life should be planned early. Start planning today and share joy with your cherished family.

TPLHK offers you “Diamond Infinite Deferred Annuity Plan” (the “Plan”) which providing long-term income and life insurance protection, enabling you to enjoy retirement life while achieving your dreams.

# Product Feature

## Peace of Mind with Life Protection

The Plan provides comprehensive life protection to help you and your family to cope with the unexpected. In the event of the unfortunate death of the Insured while the policy is in force, the Beneficiary will receive a **Death Benefit<sup>1</sup>** equals to:

- (i) The higher of the following:
  - a) 101% of the **Net Premiums Paid<sup>2</sup>**; or
  - b) 100% of the **Guaranteed Cash Value<sup>3</sup>**
- (ii) Plus Accumulated **Guaranteed Annuity Payments<sup>4</sup>** and interest accrued (if any);
- (iii) Plus Face Value of **Terminal Bonus<sup>5</sup>** (Non-guaranteed) (if any);
- (iv) Plus Prepaid Premium (excluding any interest on Prepaid Premium not yet paid; if any);
- (v) Plus accumulated interest of Prepaid Premium (if not yet withdrawn);
- (vi) Less any outstanding indebtedness under the Plan due from you to TPLHK.

## Guaranteed Annuity Payments for Stable Return

Guaranteed Annuity Payments will be paid to you in accordance with Guaranteed Annuity Payment Options selected by you, ensuring your wealth to increase steadily. You can choose to withdraw the Guaranteed Annuity Payments by cash, or accumulate them with TPLHK, potentially **earning interest<sup>6</sup>**.

## Maturity Benefit for Wealth Accumulation

Provided that the Insured is alive at the end of the coverage period, the Plan will mature and we will pay you a Maturity Benefit, enabling you to realise your dreams and achieve the goals with ease. Maturity Benefit is equal to sum of:

- (i) Guaranteed Cash Value;
- (ii) Plus Accumulated Guaranteed Annuity Payments and interest accrued (if any);
- (iii) Plus Face Value of Terminal Bonus (Non-guaranteed) (if any);
- (iv) Plus accumulated interest of Prepaid Premium (if not yet withdrawn);
- (v) Less any outstanding indebtedness under the plan due from you to TPLHK.

## Terminal Bonus to Nurture Your Fortune

The Plan also provides you with Terminal Bonus, further boosts your wealth and provides support for you and your loved ones. A Terminal Bonus may be payable:

- (i) Upon the death of the Insured or surrender of this Policy on or after the sixth (6<sup>th</sup>) Policy Anniversary; or
- (ii) When this Policy reaches the Maturity Date.

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1. Subject to the terms of this Basic Plan and while this Basic Plan is in force, TPLHK should upon receipt and approval of due proof of death of the Insured in the form specified by us, pay the Death Benefit to the Beneficiary. When the Death Benefit of this Policy becomes payable in full on the death of the Insured, we will deduct from those proceeds any unpaid balance of the Premiums outstanding or due for the full Policy Year in which that death, occurs.
  2. Net Premiums Paid means total premiums paid for the Basic Plan less all Guaranteed Annuity Payments received and / or left for Accumulation by the Owner up to the date of death of the Insured.
  3. Guaranteed Cash Value means the guaranteed cash value for this Policy determined under the policy contract.
  4. While this Policy is in force and during the lifetime of the Insured, TPLHK will pay Guaranteed Annuity Payments to the Owner in accordance with Guaranteed Annuity Payment Options selected by the Insured provided that all Premiums due for the relevant Policy Years have been duly paid. If the Guaranteed Annuity Payments are not withdraw by cash, the option of accumulating them with TPLHK will be applied automatically.
  5. The Terminal Bonus is a once-only entitlement to a further surplus of the Company (if any), which is to be determined by the Company in its absolute discretion. Therefore, the Terminal Bonus is not guaranteed and may even be zero.
  6. Kept with TPLHK to accumulate at such interest rate as may be declared by TPLHK from time to time.





## Flexible Payment Options to Meet Your Needs

The plan has a five-year premium payment period, which matches your personal financial budget. Premium amounts are guaranteed to remain level throughout the payment term. You can also choose to prepay premium at policy application subject to the “PREPAID PREMIUM” Provision. Prepaid Premium for the remaining premium years will enjoy a guaranteed Prepayment Interest Rate of 4% per annum, enabling you to achieve your saving goals more easily.

## Product Information

<b>Issue Age (Age Last Birthday)</b>	15 days - age 75
<b>Coverage Period</b>	10 years / 20years
<b>Policy Currency</b>	USD / HKD
<b>Minimum Notional Amount</b>	USD300,000 / HKD2,400,000
<b>Premium Payment Term</b>	5 years
<b>Premium Payment Method</b>	Annual (or to choose Annual and Prepayment Premium for the remaining policy years)



## Important Information

This brochure is for reference only. Please refer to the policy contract for the definitions of capitalized terms, and the exact and complete terms and conditions of the cover. We would like to remind you to review the relevant product materials provided to you and seek independent professional advice if necessary.

### Bonus concept

TPLHK's participating policies share the bonus from the Company's profits from the relevant group of products (as determined by the Company) by distributing different forms of bonuses, as follows:

Bonus come from the share of divisible surplus (if any) determined by the Company every year. There is a fixed shareholder ratio between the Insured and the shareholders. Once declared by the Company, the amount of bonus declared for the year in question is not subject to change. Bonus left with the Company will accumulate interest at a non-guaranteed rate as may be determined by the Company from time to time.

Since the stated policy bonus distribution is based on the divisible surplus of the Company and the divisible surplus is unpredictable, the corresponding bonus is not guaranteed.

The premiums paid by policyholders will be used to pay all guaranteed benefits for the product and expenses of the Company. Part of it will be invested in assets selected by the Company which suit the features of the product. Based on various long-term assumptions pertaining to that product group (including but not limited to investment yields, expenses, claims and surrender experience), the Company will project a set of bonuses in the proposal which is provided to each prospective policyholder before they apply for a life insurance policy. These bonuses are calculated with the prevailing bonus scale of the Company. When setting the long-term assumptions, the Company will take into account the past experience of similar policies and consider the likely future development. Thus the bonuses projected in the proposal reflect the Company's reasonable estimate at the time of application and are not guaranteed.

The Company will review the actual experience of the products of the relevant product group (including but not limited to investment yields, expenses, claims and surrender) against the long-term assumptions it made when projecting the bonus scale at least once a year (or more frequently upon change in economic and other related factors, if applicable). If the recent actual experience turns out to be different from the long-term assumptions, the Company will decide whether any bonuses payable need to be adjusted. The adjustment will also depend on the accumulated divisible surplus from previous years on the policies of the relevant product group.

Due to the different benefit and premium structure of different products, the change in bonus scale will vary for different products. Even for the same product, the change in bonus scale will vary among policies denominated in different currencies and policies of different policy classes (e.g. based on age, gender, underwriting class, in-force

duration etc.).

The final determination of the bonus scale of the participating policy account will first be recommended by the appointed actuary and subsequently approved and implemented by the professional committee of the board of directors of the Company.

You may browse TPLHK's website (<http://tplhk.cntaiping.com/>) to understand the company's bonus history, profit sharing ratio and bonus fulfillment ratio for reference purposes. Bonus history is not an indicator of future performance of the participating products.

### Investment Philosophy and Strategy

Our investment philosophy is to achieve sustainable and stable returns on investments whilst maintaining moderate investment risk levels in the long term. We strive to reward our policyholders with investment returns and protect their interests and reasonable expectations.

Through active portfolio management, we will invest in multiple asset classes to diversify investment risks and secure potential and stable returns under different economic conditions. In general, it is expected that we will, through this product, invest in a variety of asset classes, including but not limited to stocks, real estates, government bonds, corporate bonds, funds, alternative investments and cash. If needed, we may also utilize derivatives to manage our risk exposures, such as currency risk exposures.

In terms of our geographic allocation of investments, we are inclined towards allocating our assets in various geographic regions and our major investment areas are Asia, North America and Pan-European regions currently. Our present currency exposures are mainly in USD and HKD and if we invest in assets in other currencies, we will hedge the foreign exchange risk with the use of FX derivatives.

The asset allocation under our long-term investment strategy for this product is as follows:

Asset Category	Long-Term Target Allocation (%)
Fixed Income and Alternative Investment	60% to 100%
Equity and Fund	0% to 40%

Our investment strategy will be constantly adjusted according to changes in the investment market and economic conditions. We will review our long-term investment targets on a regular basis to ensure that they are in line with our business and financial goals. If there is material change in our investment strategy, we will inform the policyholder of the details of the change, the reasons for the change as well as the impact it may have on the relevant policy.

## Key Product Risks

"Diamond Infinite Deferred Annuity Plan" is issued and underwritten by TPLHK. Please note the following Key Product Risks.

### 1. Exchange Rate Risk

The application of this insurance product with the policy currency denominated in a foreign currency is subject to that foreign currency's exchange rate and currency risk. The foreign currency may be subject to the relevant regulatory bodies' control (for example, exchange restrictions). If your home currency is different from the policy currency, please note that any exchange rate fluctuation between your home currency and the policy currency of this insurance product will have a direct impact on the amount of premium required and the value of the benefit(s) to be received. For instance, if the policy currency of the insurance product depreciates substantially against your home currency, the potential loss arising from such exchange rate movement may have a negative impact on your benefits to be received from the product and your burden of the premium payment. You may browse our official website (<http://tplhk.cntaiping.com/>) to find out the latest prevailing exchange rate for reference.

### 2. Early Surrender Risk

The liquidity of an insurance policy is limited. You should hold the policy until the end of benefit term and reserve adequate liquid assets for emergency use. While the policy is in force, the policyholder may terminate the policy by sending a written surrender request. If the policy is terminated or surrendered before the end of benefit term of the policy, the Surrender Benefit received by the policyholder may be less than the total amounts of premium paid. For details of the Surrender Benefit, please refer to the section "Basic Plan Illustration".

### 3. Premium Term Risk

The minimum premium term of this policy is the Premium Term shown on the first page of this proposal. Non-payment of premium within the premium term may result in loss of coverage and financial loss.

### 4. Termination Conditions

This Policy shall terminate upon the first of the following events:

- (i) the death of Insured; or
- (ii) if any Premium remains unpaid at the end of the Grace Period; or
- (iii) the surrender of the Policy;
- (iv) If the total outstanding amount (including accrued interest) owing to us under this Policy exceeds 100% of the sum of:
  - a) Guaranteed Cash Value;
  - b) Prepaid Premium (if any);
  - c) less Prepaid Premium clawback charge (if any).

Termination of your Policy under the circumstances stated above will not affect any claim or benefit arising prior to such termination unless otherwise stated.

### 5. Credit Risk of Issuer

The Basic Plan is issued and underwritten by TPLHK. Your Policy is subject to the credit risk of TPLHK. In the worst case, you may lose all the premium paid and benefit amount.

### 6. Inflation Risk

If the future inflation rate is higher than the return rate, the expected protection may be offset by inflation.

### 7. Key Exclusion

No Death Benefit shall be paid if the Insured commits suicide, whether sane or insane, within one (1) year after whichever is the later of (i) the Issue Date; (ii) the Effective Date as indicated in the relevant Endorsement or Supplementary Contract and (iii) the Reinstatement Date, TPLHK's liability under the Policy will be limited to a refund of the Basic Plan Premiums paid, without interest and after deducting any indebtedness to TPLHK under the Plan. In the case of reinstatement, the refund of the Basic Plan Premiums will be calculated from the Reinstatement Date.

### 8. Further Assessment

If the "accumulated sum at risk of life coverage" # of immediately annuity product and 101/105 product (including Premier Saving Series / Wealth Growth Series / Wealth Power Series / EliteJoy Series/ Diamond Club Series) exceeds USD250,000 and proposed insured is of the age of 65 or above, full health declaration and full underwriting are required. If the "accumulated sum at risk of life coverage" # of 101/105 product exceeds USD500,000, full underwriting is required

and subject to individual consideration. Otherwise, simplified underwriting will be proceed.

#definition of "sum at risk of life coverage":

the maximum amount of death benefit during the coverage period. Calculate as below:

- For Annuity product (such as FlexiLife Series):  
annual premium x premium term x 1%
- For 101 product (such as Diamond Club Series):  
annual premium x premium term x 1%
- For 105 product (such as Premier Saving Series):  
annual premium x premium term x 5%
- For other life product: 100% of basic sum at risk
- For Critical Illness product which contain death benefit:  
100% of the basic sum at risk

### 9. Investment Risk

Our investments are based on policy details. Professional and licensed asset management company has been appointed to manage duration, currency exposure and the return according to the characteristics of the insurance products. We have long term strategic asset allocation (SAA) and short-mid term tactical asset allocation (TAA). Portfolio manager will follow the TAA range to optimize investment return. The portfolios are built up and aimed at attaining a balanced portfolio to deliver stable return by investing in mainly fixed return financial assets, include fixed income financial instruments, high quality alternative debt investments, bank deposit. Meanwhile, a minority allocation to public equity, private equity and fund investments will also be considered.

#### (i) Market Risk and Price Risk

Market risk is the possibility for an investor to experience losses due to factors that affect the overall performance of the financial markets in which he is involved. Market risk, also called "systematic risk", Sources of market risk include recessions, political turmoil, changes in interest rates, natural disasters and terrorist attacks.

Price risk is the risk of a decline in the value of a security or a portfolio.

#### (ii) Interest Rate Risk and Credit risk

The investments in debt and debt-related securities are subject to interest rate risk and credit risk. Interest rate fluctuations will affect the capital value of investments. Where long term interest rates rise, the capital value of shares is likely to fall and vice versa. Interest rate risk is the chance that such movements in interest rates will negatively affect the value of a security. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Credit risk reflects the ability of the borrower (bond issuer) to meet its obligations (pay the interest on a bond and return the capital on redemption date). Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values. The credit worthiness of each issuer will be considered carefully and certain level of diversification will be pursued by the portfolio manager.

#### (iii) Liquidity risk

This product is a long term insurance policy. This policy of long term insurance will be made for certain determined term of years starting from the policy effective date to the policy maturity date. The policy contains value and, if you surrender your policy in the early policy years or before its maturity date, the amount you get back may be considerably less than the total premium you have paid. Application of the Plan may constitute the liquidity risk to your financial condition. You need to bear the liquidity risk associated with the Plan. Our investment manager will close monitor the duration gap between investment and insurance liabilities and will ensure to prepare sufficient fund to meet each maturity of insurance contracts. Marketable fixed income instruments can be sold to provide cash flow for policy surrender when necessary.

### 10. Prepaid Premium Clawback Charge

Prepaid Premium clawback is permitted for the Prepaid Premium, subject to a clawback charge of USD 260, or 3.5% of clawback amount, whichever is higher. No interest would be accrued to the policyholders if the Prepaid Premium is clawed back. Partial clawback is not permitted. We reserve the right to review and adjust the clawback charge from time to time.



## Remarks

1. The Insured's age is calculated based on the age of his/her previous birthday.
2. Prepaid Premium

Any premium(s) paid to us but not yet due ("Prepaid Premium") shall, subject to any maximum amount as determined by us from time to time, accumulate interest at the Prepayment Interest Rate for any Prepaid Premium. The Prepayment Interest Rate is guaranteed at 4.0% per annum.

Where the Premium for remaining Premium Term are paid in full together with the Premium of the first year, interest will accumulate for the Prepaid Premium. The Prepaid Premium for the remaining years is equal to the Premium of the first year times the number of the remaining years. The Prepayment Interest Rate of this product is not applicable to any other products unless otherwise stated. You may withdraw the Prepaid Premium and / or any interest thereon in accordance with our procedures. Any interest earned but not withdrawn will be non-interest bearing for the remaining term of the Policy. The balance of any Prepaid Premium and / or interest thereon that is not withdrawn shall be automatically used to offset any premium due and payable which is not paid within the Grace Period.

## Cancellation Right

A customer who has purchased the life insurance plans has a right to cancel the policy within the cooling-off period and obtain a refund of any premium(s) paid less any withdrawals. Provided that no claim has been made, the customer may cancel the policy by giving written notice to TPLHK within 21 days after: (1) the delivery of the policy or (2) notification (informing the availability of the policy and expiry date of the cooling-off period) to the customer/his/her representative, whichever is earlier. The premium will be refunded in the currency of premium payment at the time of application for this policy. If the currency of premium payment is not the same as the plan currency, the refundable premium amount in plan currency under this policy will be converted to the currency of premium payment at the prevailing currency exchange rate as determined by TPLHK in its 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 may be substantially less than the total amount of premiums paid.

## Important Notes

- "Diamond Infinite Deferred Annuity Plan" ("the Plan" or "this Plan") is underwritten by China Taiping Life Insurance (Hong Kong) Company Limited ("TPLHK"). China Minsheng Banking Corp., LTD ("CMBC") is an insurance agent authorized by TPLHK.
- TPLHK is authorized and regulated by Insurance Authority ("IA") to carry on long-term business in the Hong Kong Special Administrative Region of the People's Republic of China ("HKSAR").
- TPLHK reserves the right to decide at its sole discretion whether to accept or decline any application for the Plan according to the information provided by the applicant and the proposed insured at the time of application.
- TPLHK reserves the right to amend, suspend, terminate or amend the relevant terms of the Plan at any time at its sole discretion without prior notice. In case of any dispute, the decision of TPLHK shall be final.
- The Plan is a product of TPLHK but not CMBC and it is intended only for sale in the HKSAR.
- This promotion material is for reference only. Details of the coverage of the Plan are subject to the terms and conditions stipulated in the Policy by TPLHK. Chinese version of this Policy is provided for reference only. In case of discrepancies between the Chinese and English versions of this Policy, the English version shall prevail.
- For any eligible disputes (as defined in the Terms of Reference for the Financial Dispute Resolution Centre in relation to the Financial Dispute Resolution Scheme) arising between CMBC and the customer out of the selling process or processing of the related transaction, CMBC will enter into a Financial Dispute Resolution Scheme process with the customer, but any disputes over the contractual terms of the Plan should be resolved between the customer and TPLHK directly.

# Need more details? Get in touch with us

Please contact your consultant or

☎ call our Customer Service Hotline at **(852) 800 961 589** or

🖱 visit our website at **<http://tplhk.cntaiping.com>** for more details

