



**中国太平**  
CHINA TAIPING

**Savings & Life Insurance**



## **Taiping Elite Delight Whole Life Coupon Plan**

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

You strive to accumulate wealth and hope your wealth can be further enhanced to achieve different dreams and enjoy prosperous life with your loved family. China Taiping Life Insurance (Hong Kong) Company Limited (the "Company") offers **Taiping Elite Delight Whole Life Coupon Plan** (the "Plan"), which combines the benefits of stable returns and comprehensive life insurance, enabling you to achieve different targets at different life stages and live a better life.

### Wealth Accumulation for a Prosperous Future

The Plan provides you with guaranteed cash value, guaranteed cash coupon<sup>1</sup>, non-guaranteed cash dividends<sup>2</sup>, as well as non-guaranteed terminal bonus<sup>3</sup>, giving you and your loved ones the assurance of a stable and long-term income.

#### Guaranteed Cash Coupon<sup>1</sup> for Stable Return

While the policy is in force and during the lifetime of the insured, the Company will pay you guaranteed cash coupon<sup>1</sup> on each policy anniversary date commencing from 2<sup>nd</sup> policy anniversary date in an amount equal to 6% of the notional amount annually. You may choose to cash out the guaranteed cash coupons<sup>1</sup> according to your personal financial needs. You can also leave them with the Company for interest accumulation<sup>4</sup> and further boost your wealth.

#### Cash Dividends<sup>2</sup> to Boost Your Wealth

You will receive non-guaranteed cash dividends<sup>2</sup> commencing from the 2<sup>nd</sup> policy anniversary date provided that the policy is in force and all premiums due have been paid on or before such policy anniversary date, which help you to accumulate wealth for a better future. You may either accumulate the non-guaranteed cash dividends<sup>2</sup> with the Company to accumulate interest<sup>5</sup>, or withdraw it from the policy for immediate use, giving you flexibility of access to meet your needs.

#### Competitive Return with Terminal Bonus<sup>3</sup>

In addition, the Plan offers you terminal bonus<sup>3</sup> which further enhances the financial support for you and your family. Terminal bonus<sup>3</sup> is a one-off non-guaranteed bonus payable upon occurrence of the earliest of the following events:

- (i) payment of death benefit<sup>6</sup>; or
- (ii) maturity of the policy; or
- (iii) surrender of the policy.

For the case of (i) and (ii) as stated above, the face value of terminal bonus<sup>7</sup> will be paid while for the case of (iii) as stated above, the cash value of terminal bonus<sup>7</sup> will be paid.

### Life Protection for Peace of Mind

The Plan provides life protection until the insured reaches the age of 100. To protect you and your loved ones against any unfortunate event of death of the insured, the Plan will provide a death benefit<sup>6</sup> to the beneficiary which equals to:

- (i) Higher of
  - 105% net premium paid<sup>8</sup>;
  - Guaranteed cash value;
- (ii) plus accumulated guaranteed cash coupon<sup>1</sup> and interest<sup>4</sup> (non-guaranteed, if any);
- (iii) plus accumulated cash dividends<sup>2</sup> (non-guaranteed, if any) and interest<sup>5</sup> (non-guaranteed, if any);
- (iv) plus face value of terminal bonus<sup>7</sup> (non-guaranteed, if any);
- (v) plus prepaid premium<sup>9</sup> (if any);
- (vi) plus accumulated interest on the prepaid premium<sup>9</sup> (non-guaranteed, if any);
- (vii) less any outstanding indebtedness due by you to us under the policy.



## Plan Features

### Maturity Benefit

If the insured is alive when the policy matures, the Company will pay you a maturity benefit. The maturity benefit is equivalent to sum of:

- (i) Higher of
  - 105% net premium paid<sup>8</sup>;
  - Guaranteed cash value;
- (ii) plus accumulated guaranteed cash coupon<sup>1</sup> and interest<sup>4</sup> (non-guaranteed, if any);
- (iii) plus accumulated cash dividend<sup>2</sup> (non-guaranteed, if any) and interest<sup>5</sup> (non-guaranteed, if any);
- (iv) plus face value of terminal bonus<sup>7</sup> (non-guaranteed, if any);
- (v) plus accumulated interest on the prepaid premium<sup>9</sup> (non-guaranteed, if any);
- (vi) less any outstanding indebtedness due by you to us under the policy.

### Various Premium Terms for Financial Flexibility

The Plan offers premium term of 5 years, 10 years and 20 years for your selection. The premiums remain level throughout the premium term, which allows you to meet your financial goals and better plan for your future. Besides, you may choose to prepay premium<sup>9</sup> at the time of policy application, which is prepaying premiums for the remaining premium terms for enjoying a non-guaranteed prepayment interest rate.

## Product Information

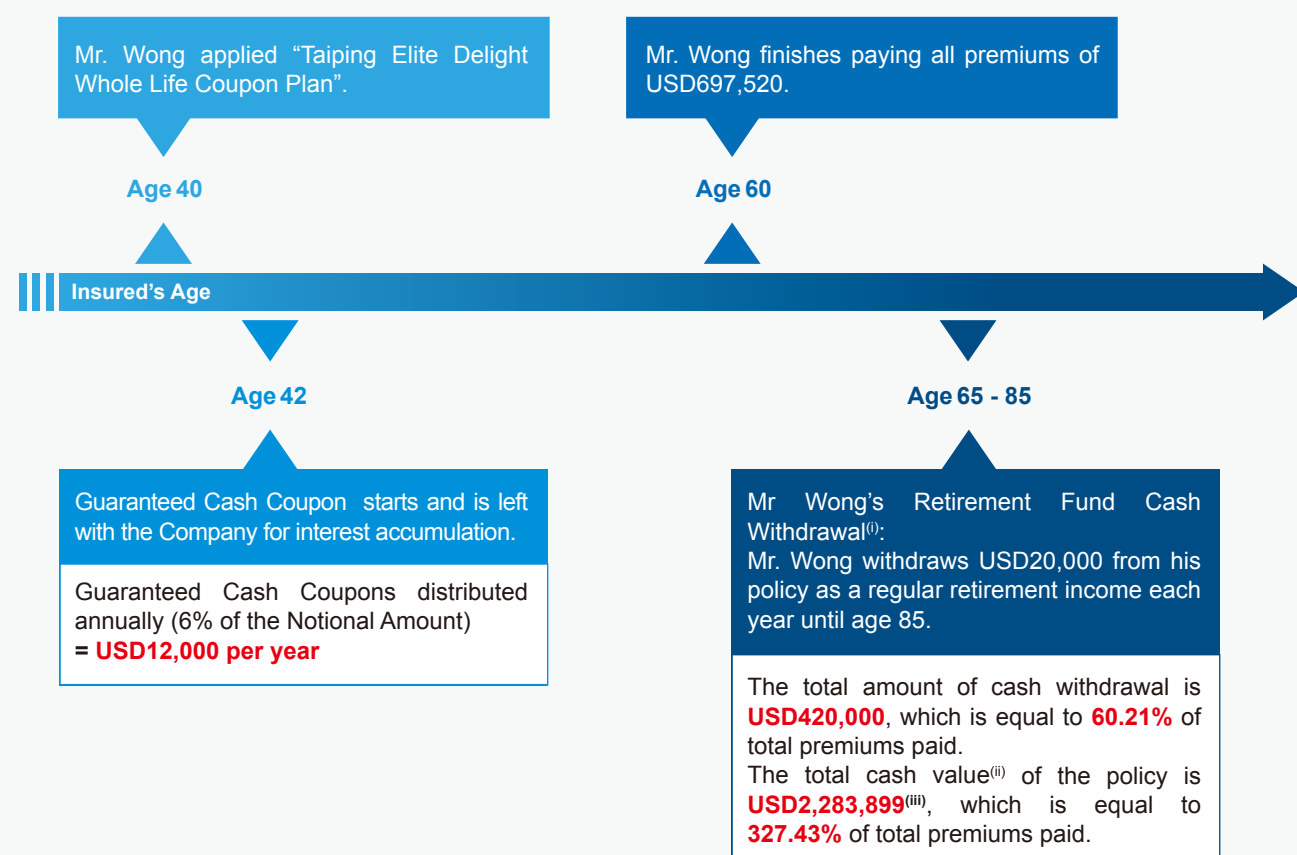
<b>Product Type</b>	Savings & Life Insurance		
<b>Plan Type</b>	Basic Plan		
<b>Premium Term</b>	5 years	10 years	20 years
<b>Issue Age (Age Last Birthday)</b>	15 days - age 70	15 days - age 65	15 days - age 55
<b>Benefit Term</b>	To age 100		
<b>Policy Currency</b>	USD / HKD		
<b>Minimum Notional Amount</b>	USD6,000 / HKD48,000		
<b>Premium Mode</b>	Annually / Semi-annually / Quarterly / Monthly		



## Case 1: Retirement Plan

Mr. Wong is now 40 and plans to retire at 65. He would like to obtain a steady income for enjoying a relaxing retirement life through a financial planning.

<b>The Insured</b>	Mr. Wong (Age 40, non-smoker)
<b>Insured Plan</b>	Taiping Elite Delight Whole Life Coupon Plan
<b>Notional Amount</b>	USD200,000
<b>Annual Premium</b>	USD34,876
<b>Premium Term</b>	20 years



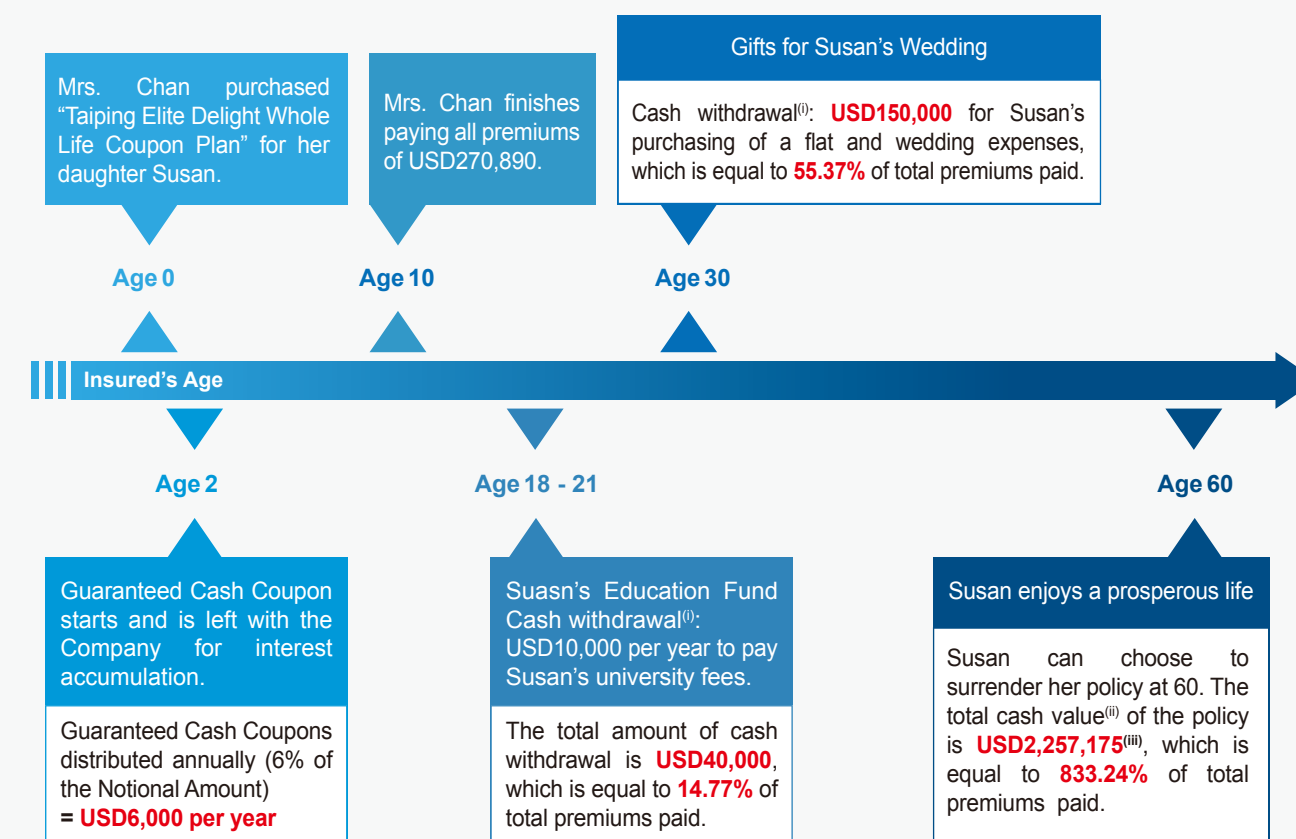
If Mr. Wong chooses to surrender his policy at the age of 65, the total cash value<sup>(ii)</sup> of the policy is **USD1,211,377<sup>(iii)</sup>**, which is equal to **173.67%** of total premiums he paid.

The above example and all figures above are hypothetical and for illustrative purposes only.

## Case 2: Plan for children's better future

Mrs. Chan hopes to give the best to her new born daughter Susan. She wants to apply a financial plan which provides her daughter with adequate wealth for a prosperous future.

<b>Policyowner</b>	Mrs. Chan (age 30)
<b>The Insured</b>	Daughter, Susan (age 0)
<b>Insured Plan</b>	Taiping Elite Delight Whole Life Coupon Plan
<b>Notional Amount</b>	USD100,000
<b>Annual Premium</b>	USD27,089
<b>Premium Term</b>	10 years



The above example and all figures above are hypothetical and for illustrative purposes only.

- (i) Cash withdrawals will be deducted first from accumulated guaranteed cash coupon, accumulated cash dividend (non-guaranteed, if any) and any interest accrued from guaranteed cash coupon and cash dividend of the policy (non-guaranteed, if any). Any withdrawal which exceeds the remaining balance of accumulated guaranteed cash coupon, accumulated cash dividend (non-guaranteed, if any) and any interest accrued from guaranteed cash coupon and cash dividend of the policy (non-guaranteed, if any) will be deducted from the guaranteed cash value, which in turn will reduce the notional amount of the policy.
- (ii) The "total cash value" illustrated in those cases is hypothetical and not guaranteed. The "total cash value" means the sum of the guaranteed cash value, accumulated guaranteed cash coupon, non-guaranteed accumulated cash dividend and accumulated interest and non-guaranteed terminal bonus<sup>3</sup>. The projected non-guaranteed benefits are based on the Company's dividend/bonus scales determined under current assumed investment return and are not guaranteed and are subject to review and adjustment at the Company's absolute discretion from time to time. The actual amount payable may change anytime with the values being higher or lower than those illustrated. Under some circumstances, the non-guaranteed benefits may be zero.
- (iii) The value is hypothetically based on the current dividend scales and accumulation interest rate of 4.5% p.a. on guaranteed cash coupons and cash dividend.
- (iv) The two cases assume that no advanced claim has been paid, no loans and partial withdrawals are taken out on the policy, there is no indebtedness due by you to the Company under the policy and all premiums are paid in full when due.

## Remarks

1. Guaranteed cash coupon shall be paid after deduction of any outstanding indebtedness due by you to us at the time of payment. If no option is elected when guaranteed cash coupon becomes payable, the option of guaranteed cash coupon accumulation shall apply automatically.
2. Cash dividend will be determined annually by the Company and it is not guaranteed and may be changed from time to time. The actual amount of cash dividend is subject to the overall performance of the Company's participating business, including investment returns, operational expenses and claims, etc. Past performance is not indicative of future performance.
3. Terminal bonus is determined and calculated based on the Company's experiences and current projections of surrender values and bonus scales in relation to a number of factors including, but not limited to claims, persistency and investment experience and/or assumptions. These values are not guaranteed and are subject to review and adjustment at the Company's absolute discretion from time to time.
4. Guaranteed cash coupon left with the Company will accumulate interest at an annual interest rate which is not guaranteed and may be changed from time to time. On each policy anniversary, the Company shall credit interest at the rate it determines each year.
5. Cash dividend left with the Company will accumulate interest at an annual interest rate which is not guaranteed and may be changed from time to time. On each policy anniversary date, the Company shall credit interest at the rate it determines each year.
6. Subject to the term of the policy, if the insured dies before maturity date while the policy is in force, we shall, 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(ies). When the death benefit of the 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.
7. Face value and cash value of terminal bonus are determined and calculated based on our experiences and current projections of surrender values and bonus scales in relation to a number of factors including, but not limited to claims, persistency and investment experience and/or assumptions. It is not guaranteed and is subject to review and adjustment at our absolute discretion from time to time.
8. Net premium paid means total premiums paid for the basic plan less all guaranteed cash coupons received and/or left for accumulation (calculation of net premium paid does not include any interest accrued thereon) by the policyowner up to the date of death of the insured.
9. Any withdrawal of the prepaid premium are subject to the following: (i) on the basis that only full withdrawal shall be allowed; and (ii) subject to a claw back charge of USD260 (or its equivalent in the policy currency), or 3.5% of the claw back amount of prepaid premium, whichever is higher. We reserve the right to review and adjust the claw back charge from time to time at our sole discretion.

## Bonus Concept

This is a participating insurance plan designed to be held long term. Your premiums will be invested in a variety of assets according to our investment strategy, with the cost of policy benefits (such as charges to support guarantees (if applicable)) and expenses deducted as appropriate from premiums or assets. Your policy can share the divisible surplus (if any) from related policy groups determined by us. We aim to ensure a fair sharing of profits between policyowners and shareholders, and among different groups of policyowners.

Future investment performance is unpredictable. Through our smoothing process, we aim to deliver more stable cash dividend and terminal bonus payments by spreading out the gains and losses over a longer period of time.

We will review and determine the cash dividend and terminal bonus amount to be payable to policyowners at least once per year. The actual cash dividend and terminal bonus declared may be different from those illustrated in any product information provided (e.g. benefit illustrations). If there are any changes in the actual cash dividend and terminal bonus against the illustration or in the projected future cash dividend and terminal bonus, such changes will be reflected in the policy anniversary statement.

A committee has been set up to provide independent advice on the determination of the cash dividend and terminal bonus amount to the Board of Directors of the Company. The committee is comprised of members from different departments within the organisation. Each member of the committee will exercise due care, diligence and skill in the performance of his or her duties as a member. The committee will utilise the knowledge, experience, and perspectives of each individual member to assist the Board of Directors in the discharge of its duty to make independent decision and to manage the risk of conflict of interests, in order to ensure fair treatment between policyowners and shareholders, and among different groups of policyowners. The actual cash dividend and terminal bonus, which are recommended by the Appointed Actuary, will be decided upon the deliberation of the committee and finally approved by the Board of Directors of the Company, including one or more Independent Non-Executive Directors.

To determine the cash dividend and terminal bonus of the policy, we consider both past experiences and the future outlook of all the factors including, but not limited to, the following:

**Investment returns:** include interest earnings, dividends and any changes in the market value of the product's backing assets. Depending on the asset combination adopted for the product, investment returns could be affected by fluctuations in interest income (both interest earnings and the outlook for interest rates) and various market risks, including credit spread and default risk, fluctuations in equity prices, property prices and foreign exchange currency fluctuation of the backing asset against the policy currency.

**Claims:** include the cost of providing death benefits and other insured benefits under the product(s).

**Surrenders:** include policy surrenders, partial surrenders and policy lapses; and the corresponding impact on the investments backing the product(s).

**Expenses:** include both expenses directly related to the policy (e.g. commission, underwriting, issue and premium collection expenses) and indirect expenses allocated to the policy group (e.g. general administrative costs).

You may browse the Company's website ([http://tplhk.cntaiping.com/en/info/fulfillment\\_ratio](http://tplhk.cntaiping.com/en/info/fulfillment_ratio)) to understand the Company's historical bonus fulfillment ratio for reference purposes. Fulfillment ratio 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 policyowners with investment returns and protect their interests and reasonable expectations.

Through active portfolio management, we will invest in multiple asset classes to control and 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. Derivatives may be utilized mainly for hedging purposes.

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 currently Asia, North America and Pan-European regions. 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 ("FX") risk with the use of FX derivatives.

The asset allocation under our long-term investment strategy for the Plan is as follows:

Asset Category	Long-Term Target Allocation (%)
Fixed Income and Alternative Investment	50% to 100%
Equity and Fund	0% to 50%

Depending on the asset allocation of the product, investment returns could be subject to fluctuations in interest income and a number of market risks including but not limited to credit spread and default risk, volatility in equity and property prices. These factors will have a significant impact on the determination of bonus.

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 policyowner 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

### 1. Exchange Rate Risk

The application of the Plan with the policy currency denominated in a foreign 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 your policy will have a direct impact on the amount of premiums required and the value of the benefit(s) to be received. For instance, if the policy currency of your policy 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 policy and your burden of the premium payment. You may browse our website (<http://tplhk.cntaiping.com/service-jfbf>) to find out the latest prevailing exchange rate for reference.

### 2. Early Surrender Risk

The liquidity of the Plan 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, you 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 you may be less than the total amount of premiums paid.

### 3. Premium Term and Result of Non-premium Payment

You should pay the premiums on time for the whole premium term. Any delay or missing of the payment of premiums due may lead to policy lapse and result in loss of coverage and financial loss.

### 4. Automatic Premium Loan Risk

Any premium remaining unpaid at the end of the grace period will be paid by way of an automatic premium loan ("Automatic Premium Loan") provided that the total sum of guaranteed cash value, accumulated guaranteed cash coupon, accumulated cash dividend (non-guaranteed, if any) and any interest accrued from guaranteed cash coupon and cash dividend of the policy (non-guaranteed, if any) is then equal to or greater than the amount of that unpaid premium and any outstanding indebtedness owed to us by you under the policy. If the total sum of guaranteed cash value, accumulated guaranteed cash coupon, accumulated cash dividend (non-guaranteed, if any) and any interest accrued from guaranteed cash coupon and cash dividend of the policy (non-guaranteed, if any) is insufficient to cover the full amount of the premium in default plus any money due from you to us, no Automatic Premium Loan will be extended and the policy will lapse and you will lose the related insurance coverage and suffer a financial loss, and we will refund to you the balance of any remaining guaranteed cash value, accumulated guaranteed cash coupon, accumulated cash dividend (non-guaranteed, if any) and any interest accrued from guaranteed cash coupon and cash dividend of the policy (non-guaranteed, if any). We may at any time modify or alter, in part or in whole, this Automatic Premium Loan provision by giving written notice to you.

### 5. Credit Risk of Issuer

The Plan is issued and underwritten by the Company. Your policy is subject to the credit risk of the Company. All premiums paid become part of our assets and you do not have any rights or ownership over any of our assets. In the worst case, you may lose all the premiums paid and insurance coverage.

### 6. Inflation Risk

Your current planned benefit may not be sufficient to meet your future needs since the future cost of living may become higher than they are today due to inflation. Where the actual rate of inflation is higher than expected, you may receive less in real terms even if we meet all of our contractual obligations.

## 7. Investment Risks

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 fixed return financial assets, high quality alternative debt investments, public equity, private equity and fund investments.

### (i) Market Risk and Price Risk

Market risk, which is also called "systematic 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. 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

The Plan is a long term insurance policy. The 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 premiums 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 closely 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.

## Cancellation Right

You have the right to cancel the policy and obtain a refund of any premiums and any levy paid less any market value adjustment, if applicable, by giving written notice to us within the cooling-off period, i.e. 21 calendar days immediately following the day of the delivery of (i) the policy; or (ii) the cooling-off notice to you or your nominated representative, whichever is earlier. However, no refund can be made if a claim under the policy has been made prior to your request for cancellation. After the cooling-off period expires, if you cancel the policy before the end of benefit term, the actual cash value may be substantially less than the total amount of premiums paid.

## Grace Period

Other than the first premium, we allow you a period (Grace Period) of 31 days after the date the premium is due during which the policy will continue to be in force even if that premium is not paid. If any premium remains unpaid at the end of the grace period, this policy will cease to be in force subject to the "Automatic Premium Loan" provision, if any.

## Exclusion for Suicide

No death benefit shall be paid if the Insured commits suicide, whether sane or insane, within 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, the Company's liability under the policy will be limited to a refund of the basic plan premiums paid, without interest and after deducting any indebtedness due by you to the Company under the policy. In the case of reinstatement, the refund of the basic plan premiums will be calculated from the reinstatement date.

## Termination

The policy will automatically terminate upon the following whichever is the earliest:

- (i) upon the surrender of the policy; or
- (ii) upon the death of the insured; or
- (iii) upon the maturity date of the policy; or
- (iv) if any premium remains unpaid at the end of the grace period (subject to "Automatic Premium Loan" provision); or
- (v) if the amount of the outstanding indebtedness under the policy exceeds the sum of the guaranteed cash value, accumulated guaranteed cash coupon, accumulated cash dividend (non-guaranteed, if any) and any interest accrued from guaranteed cash coupon and cash dividend of the policy (non-guaranteed, if any).

Termination of your policy will not affect any claim or benefit arising prior to such termination unless otherwise stated.

## Important Notes

- From January 1, 2018, the Insurance Authority starts collecting levy on insurance premiums from policyowners for policies issued in Hong Kong Special Administrative Region of the People's Republic of China (the "HKSAR"). For details of the levy and its collection arrangement, please visit our website (<http://tplhk.cntaiping.com>).
- This product brochure is for reference only. It is not, and does not form part of, a contract of insurance and is designed to provide an overview of the key features of the Plan. The precise terms and conditions of the Plan are specified in the policy documents. Please refer to the policy document for the exact and complete terms and conditions of the cover. This product brochure should be read along with the benefit illustrations (if any) and other relevant marketing materials (if any), which include additional information and important considerations about the Plan. The Company would like to remind you to review the relevant product materials (if any) provided to you and seek independent professional advice if necessary.
- The Plan is an insurance product. All premiums are paid for the insurance and related costs of the policy. The premiums paid are not the savings deposit or time deposit of the bank. It is not protected deposit under the Deposit Protection Scheme in the HKSAR. The Plan is intended only for sale in the HKSAR.
- The Plan is underwritten by China Taiping Life Insurance (Hong Kong) Company Limited.
- The Company is authorized and regulated by Insurance Authority to carry on long-term business in the HKSAR.
- The offer of the Plan is limited and subject to availability. The Company 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.
- This product brochure is issued by the Company and is intended to be distributed in the HKSAR only. It shall not be construed as any offer to sell or a solicitation of an offer or recommendation to purchase or sale or provision of any products of the Company outside the HKSAR.

## Company Profile

China Taiping Life Insurance (Hong Kong) Company Limited (the "Company") is a life insurance subsidiary of China Taiping Insurance Group Ltd. ("China Taiping"). Founded in Shanghai in 1929, China Taiping is not only a time-honored national insurance brand with the longest history in the country, but also the only Chinese state-owned financial and insurance group whose management headquarters is located in Hong Kong.

Established in 2015, the Company has been dedicated to business developments both in Hong Kong and Macau while having a resolutely global outlook. It has developed rapidly by leaps and bounds despite fierce competition, as evidenced by its rapidly growing business scale and value.



China Taiping  
Official Wechat Account





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

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## Customer Enquiry

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**Customer Service Hotline** : (852) 800 961 589 ; (86) 95589    **Website** : <http://tplhk.cntaiping.com>

**Customer Service Centre** : 7/F, China Taiping Tower Phase I, 8 Sunning Road, Causeway Bay, Hong Kong