



**CRITICAL
ILLNESS
PROTECTION**

PRIME CARE PRO 2 (PCP2)

Timely protection for the unexpected



AIA International Limited
(Incorporated in Bermuda with limited liability)



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**HEALTHIER, LONGER,
BETTER LIVES**

You strive every day to ensure the comfort of your family

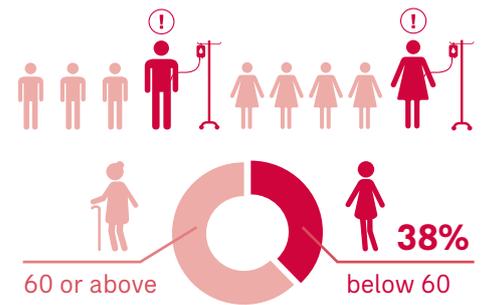
However, critical illness can happen without warning.

Even with an early stage diagnosis, you can become a burden to your family if you are unable to obtain

timely treatment. Prime Care Pro 2 is designed to give you early stage critical illness cover and life insurance protection, as well as the opportunity to accumulate wealth. That way, you can get help for a more secure future.

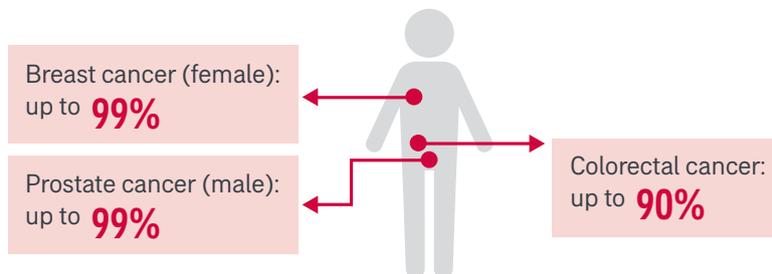
A balanced diet and proper rest are important for staying fit. However, a fast-paced working environment can make it hard to maintain a healthy lifestyle. According to recent studies, cancer is the leading killer in Hong Kong¹.

- In Hong Kong, **1 in 4** men and **1 in 5** women are at serious risk of contracting **cancer** before turning **75**².
- Over the last ten years, approximately **38%** of all cancer patients in Hong Kong were **below 60**³.



Luckily, health awareness and medical technology are improving. This means that many critical illnesses, such as Carcinoma-in-situ and heart complications, can be diagnosed in their early stages. If treatment is given as quickly as possible, patients may enjoy a good chance of full recovery.

- With advancement in diagnosis and treatment methods, early cancer diagnosis is known to improve the survival rate. The 5-year survival rates for specific cancers are as follows⁴:



- Common lifestyle illnesses, like heart complications, can now be treated with minimally invasive surgery, reducing risks and shortening recovery time. In addition, infection rates for minimally invasive surgery are lower than those of a traditional thoracotomy.

Sources:

1. Centre for Health Protection Statistics, 2001-2014.
2. Statistics for the year 2013, the Hong Kong Cancer Registry, Hospital Authority website.
3. Based on statistics of malignant tumors happening at all sites between 2004 and 2013, the Hong Kong Cancer Registry, Hospital Authority website.
4. American Cancer Society, Cancer Facts & Figures 2016, 2005 - 2011 statistics, 5-year relative survival rates for local cancers at diagnosis.

The above information was gathered from external sources on a general basis and is for reference only.

The information is extracted from AIA's Research of Critical Illness Trends and Medical Expenses by GfK Hong Kong, an independent market research company (data collected in February 2016).

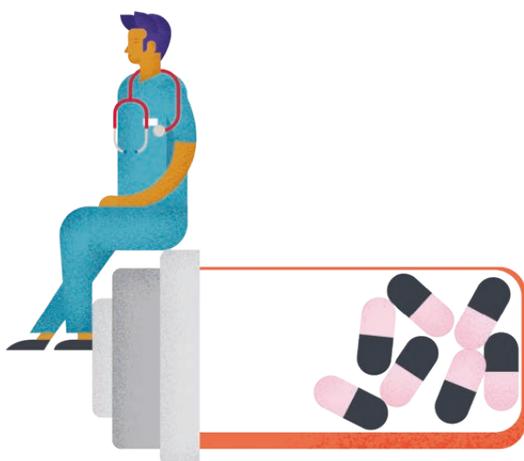


Critical illness protection · Life insurance · Savings

Prime Care Pro 2 is a **participating insurance plan** that provides you with life insurance, critical illness protection in lump sum payment and potential wealth accumulation. This plan can be purchased as a basic plan. You also enjoy broad cover for early stage critical illnesses, giving your family greater protection for the future.

Broad cover for 100 illnesses to ease your mind

Prime Care Pro 2 provides critical illness protection up to the age of 100. It covers 54 critical illnesses, 7 severe child diseases and 39 early stage critical illnesses, giving you support even for conditions like Carcinoma-in-situ. With treatment during the early stage of an illness, there will be higher chances of recovery.



Early Stage Critical Illness Benefit Cover

Diabetic complications

Diabetes is a chronic lifestyle disease. Without early treatment, serious cases can lead to diabetic eye disease and amputation when diabetes affects the foot. **Prime Care Pro 2** specially provides cover for diabetic complications such as Diabetic Retinopathy and Endovascular Treatment of Peripheral Arterial Disease.

Minimally invasive surgery and treatment

Minimally invasive surgery is the new trend in surgery today. A lot of common lifestyle diseases can be treated by this method of surgery, which causes minimal trauma and shortens recovery time. However, this method of surgery is expensive. **Prime Care Pro 2** covers a variety of minimally invasive surgeries and treatments.

Carcinoma-in-situ and early stage cancer

If a cancer patient receives appropriate treatment in the early stages, his / her medical condition can be prevented from worsening. **Prime Care Pro 2** provides cover for Carcinoma-in-situ and early stage cancer, including skin cancer cover. It also provides cover for Carcinoma-in-situ by up to 2 advance payments if it is diagnosed in 2 different organ groups.

Systemic Lupus Erythematosus

One common illness in Hong Kong is Systemic Lupus Erythematosus, which affects the skin and organs, and is covered as a critical illness under **Prime Care Pro 2**. This illness first begins as less severe Systemic Lupus Erythematosus, which is also covered under the plan as an early stage critical illness. Patients would benefit from obtaining treatment as early as possible.



If the worst should happen

If the insured, who is the person protected under the policy, passes away, we will pay the death benefit to the person whom you select in your policy as beneficiary. The death benefit will include:

- i. Current Sum Assured;
- ii. non-guaranteed cash amounts distributed on a yearly basis, called Annual Dividends, which have accumulated with interest under this policy; and
- iii. a one-off non-guaranteed cash amount, called a Terminal Dividend, provided that the policy has been in force for 10 years or more.

Current Sum Assured means the sum assured left after deduction of all advance payment(s) made for the benefits of a major illness, minor illness, early stage critical illness and / or severe child disease from the Initial Sum Assured. The Initial Sum Assured means the protection amount that you have purchased.

If the insured is diagnosed with any covered major illness, minor illness, early stage critical illness and / or severe child disease, we will pay:

- i. the benefit amount for the covered illness (see the Covered Illnesses Benefit Schedule); and
- ii. the corresponding non-guaranteed Terminal Dividend, provided that the policy has been in force for 10 years or more.

The claims payments made in total for benefits under the policy cannot exceed 100% of the Initial Sum Assured (excluding any Terminal Dividend). Any advance payment(s) made will reduce the Current Sum Assured of the basic policy. The premium, guaranteed cash value, any future Annual Dividends and any future Terminal Dividend will also be reduced accordingly.

We will pay any remaining Annual Dividends accumulated with interest upon the last payment for death or covered illnesses.

We will deduct all outstanding debt under your policy before making the above payment.



Wealth accumulation for life long benefits

Prime Care Pro 2 offers guaranteed cash value and any non-guaranteed Annual Dividends. Such Annual Dividends shall be credited to your policy at the end of each policy year to help you accumulate wealth, so you can enjoy your future. You may choose to receive the Annual Dividends in cash or use them to reduce any premium due under this policy. Otherwise, these sums shall accumulate in your policy, potentially earning interest.

Also, once the policy has been in force for 10 years or more, we will provide you with the non-guaranteed Terminal Dividend if:

- i. you surrender the policy;
- ii. the insured passes away; or
- iii. we pay out the benefits for major illness, minor illness, early stage critical illness and / or severe child disease (Terminal Dividend payable will be determined in accordance with the proportion of the benefits).



Continuous protection

In case any major illness claim is made, the subsequent premium of the basic policy will be waived. Add-on plans (if any) attached to the basic policy will remain in force and provide cover if their respective premiums continue to be paid.



Greater financial flexibility with 3 premium payment terms

With **Prime Care Pro 2**, you can choose among 3 premium payment terms in order to enjoy whole-of-life insurance and critical illness protection until the age of 100.

Premium Payment Term	Insured's Age at Policy Issue	Benefit Term for Critical Illnesses
10 years	15 days to age 65	Up to the age of 100 (Excluding Osteoporosis with Fractures, 7 severe child diseases and Loss of Independent Existence)
18 years	15 days to age 62	
25 years	15 days to age 55	

Different premium payment modes (annually, semi-annually, quarterly and monthly) are available for this plan.

At the time of application, we determine the amount of premium based on the age of the insured under the chosen premium payment term, and the premium is not expected to increase with age. The premium of the basic policy is not guaranteed, and we reserve our right to review and adjust the premium from time to time (please refer to the "Premium Adjustment" under Important Information).

For your convenience, we offer this policy in US dollars and HK dollars.

Example

(The following example is hypothetical and for illustrative purposes only. It does not include non-guaranteed dividends. Actual dividends are not guaranteed and are declared at AIA's sole discretion.)

Policy owner and insured: Billy (Age 25, non-smoker)
Occupation: Administration Manager
Family status: Single, parents about to retire



Billy has great ambitions for his life and career. He understands that youth is his greatest asset, and has purchased **Prime Care Pro 2** at an affordable premium, giving himself critical illness cover so he can focus on pursuing his goals. The plan also offers savings returns to help him grow wealth and achieve the goals.

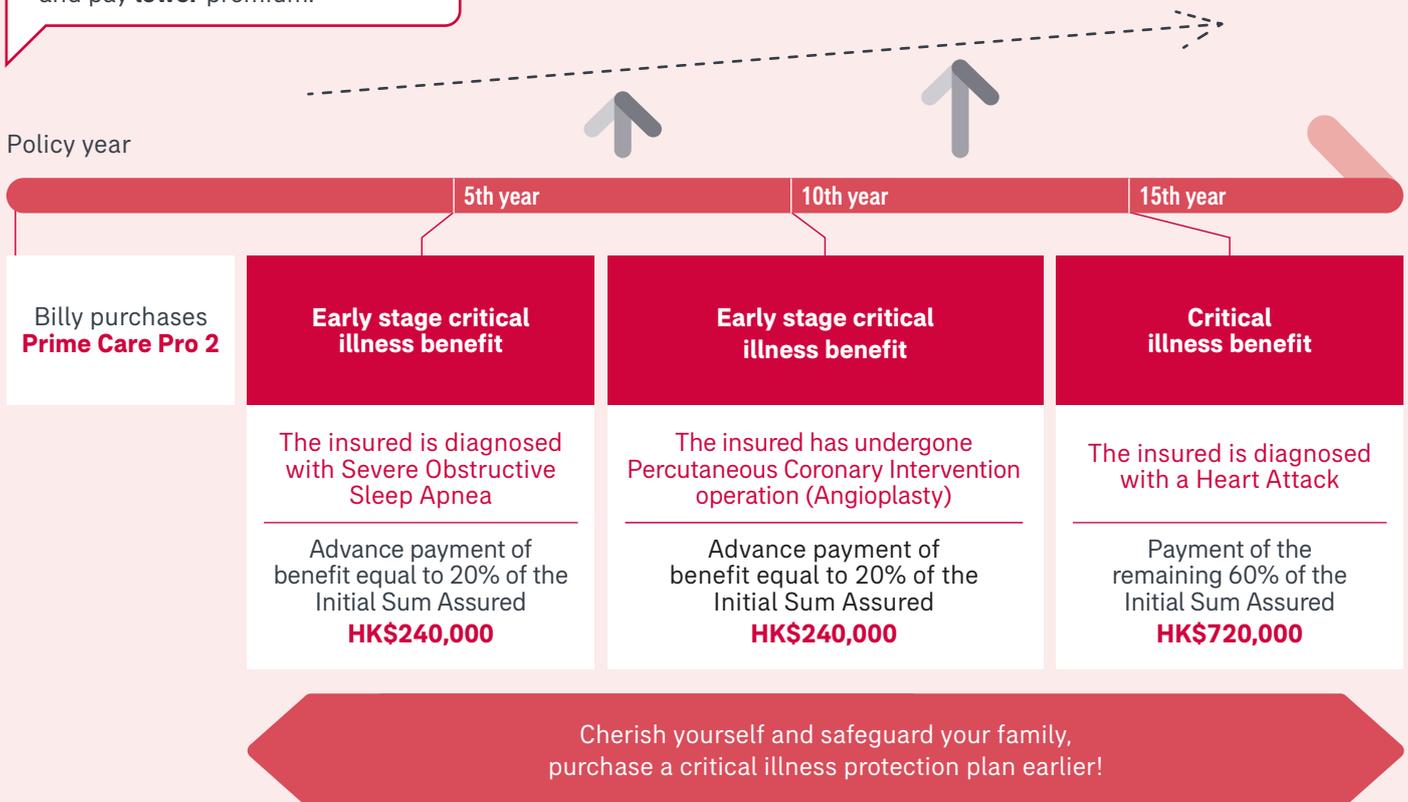
Initial Sum Assured: **HK\$1,200,000**

Monthly premium: **HK\$2,220** (18-year premium payment term)

Smart purchase tips:

Take the advantage by purchasing the plan at a **young age!** You can enjoy **longer** period of protection and pay **lower** premium.

Total surrender value will be accumulated in the policy. Billy may cash out any non-guaranteed Annual Dividends when necessary to help him flexibly manage his wealth.



Note:

- Total surrender value is a projected value and not guaranteed. Total surrender value includes the guaranteed cash value, non-guaranteed Annual Dividends and non-guaranteed Terminal Dividend.
- When the aggregated amount of any claim payments under the policy reaches 100% of the Initial Sum Assured, the benefits of major illness, minor illness, early stage critical illness and / or severe child disease will cease to apply.

Covered Illnesses Schedule

I. Critical Illness Benefit covering the following 54 Critical Illnesses

A. Major Illnesses	
Group 1 Cancer	
1	Cancer
Group 2 Illnesses related to the Heart	
2	Cardiomyopathy
3	Coronary Artery Surgery
4	Heart Attack
5	Heart Valve Replacement and Repair
6	Infective Endocarditis
7	Other Serious Coronary Artery Disease
8	Pulmonary Arterial Hypertension (Primary)
9	Surgery to Aorta
Group 3 Illnesses related to the Nervous System	
10	Alzheimer's Disease / Irreversible Organic Degenerative Brain Disorders
11	Apallic Syndrome
12	Bacterial Meningitis
13	Benign Brain Tumour
14	Coma
15	Encephalitis
16	Hemiplegia
17	Major Head Trauma
18	Motor Neurone Disease (including Spinal Muscular Atrophy, Progressive Bulbar Palsy, Amyotrophic Lateral Sclerosis and Primary Lateral Sclerosis)
19	Multiple Sclerosis
20	Muscular Dystrophy
21	Paralysis
22	Parkinson's Disease
23	Poliomyelitis
24	Progressive Supranuclear Palsy
25	Severe Myasthenia Gravis
26	Stroke
Group 4 Illnesses related to Major Organs and Functions	
27	Acute Necrohemorrhagic Pancreatitis
28	Aplastic Anaemia
29	Chronic Liver Disease
30	End-stage Lung Disease
31	Fulminant Viral Hepatitis
32	Kidney Failure
33	Major Organ Transplant
34	Medullary Cystic Disease
35	Systemic Lupus Erythematosus (SLE) with Lupus Nephritis
36	Systemic Scleroderma
Group 5 Other Major Illnesses	
37	AIDS due to Blood Transfusion
38	Blindness
39	Chronic Adrenal Insufficiency (Addison's Disease)
40	Creutzfeldt-Jakob Disease
41	Ebola
42	Elephantiasis
43	Loss of Hearing
44	Loss of One Limb and One Eye
45	Loss of Speech
46	Loss of Two Limbs
47	Major Burns
48	Necrotising Fasciitis
49	Occupationally Acquired HIV
50	Pheochromocytoma
51	Severe Rheumatoid Arthritis
52	Loss of Independent Existence
53	Terminal Illness
B. Minor Illnesses	
54	Cerebral Aneurysm Requiring Surgery

Remarks:

- Please refer to the policy contract for the definitions of covered illnesses.

Covered Illnesses Schedule (continued)

II. Early Stage Critical Illness Benefit covering the following 39 Early Stage Critical Illnesses

Early Stage Critical Illnesses / Treatment	Related Major Illnesses
Group 1 Cancer	
1 Carcinoma-in-situ	Cancer
2 Early Stage Malignancy	Cancer
Group 2 Illnesses related to the Heart	
3 Endovascular Treatments of Aortic Disease or Aortic Aneurysm	Surgery to Aorta
4 Less Invasive Treatments of Heart Valve Disease	Heart Valve Replacement and Repair
5 Less Severe Heart Disease (including cardiac pacemaker or defibrillator insertion)	Heart Attack
6 Minimally Invasive Direct Coronary Artery Bypass	Coronary Artery Surgery
7 Percutaneous Coronary Intervention	Other Serious Coronary Artery Disease
Group 3 Illnesses related to the Nervous System	
8 Angioplasty or Endarterectomy for Carotid Arteries	Stroke
9 Cerebral Shunt Insertion	Stroke
10 Early Stage Dementia including Early Stage Alzheimer's Disease	Alzheimer's Disease / Irreversible Organic Degenerative Brain Disorders
11 Endovascular Treatment for Cerebral Aneurysm	Stroke
12 Less Severe Bacterial Meningitis	Bacterial Meningitis
13 Less Severe Coma	Coma
14 Less Severe Encephalitis	Encephalitis
15 Moderately Severe Brain Damage	Major Head Trauma
16 Moderately Severe Paralysis	Paralysis
17 Severe Psychiatric Illness	–
18 Surgery for Subdural Haematoma	Major Head Trauma
19 Surgical Removal of Pituitary Tumour	Benign Brain Tumour
Group 4 Illnesses related to Major Organs and Functions	
20 Biliary Tract Reconstruction Surgery	–
21 Chronic Lung Disease	End-stage Lung Disease
22 Hepatitis with Cirrhosis	Fulminant Viral Hepatitis
23 Less Severe Aplastic Anaemia	Aplastic Anaemia
24 Less Severe Kidney Disease	Kidney Failure
25 Less Severe Systemic Lupus Erythematosus	Systemic Lupus Erythematosus (SLE) with Lupus Nephritis
26 Liver Surgery	Chronic Liver Disease
27 Major Organ Transplantation (on Waiting List)	Major Organ Transplant
28 Surgical Removal of One Lung	End-stage Lung Disease

Covered Illnesses Schedule (continued)

II. Early Stage Critical Illness Benefit covering the following 39 Early Stage Critical Illnesses (continued)

Early Stage Critical Illnesses / Treatment	Related Major Illnesses
Group 5 Other Illnesses	
29 Diabetic Retinopathy	Blindness
30 Endovascular Treatment of Peripheral Arterial Disease	Loss of Two Limbs
31 Facial Burns due to Accident	Major Burns
32 Facial Reconstructive Surgery for Injury due to Accident	–
33 Less Severe Burns to Body due to Accident	Major Burns
34 Loss of Hearing in One Ear	Loss of Hearing
35 Loss of One Limb	Loss of Two Limbs
36 Loss of Sight in One Eye	Blindness
37 Osteoporosis with Fractures	–
38 Severe Obstructive Sleep Apnea	–
39 Severe Central or Mixed Sleep Apnea	–

III. Severe Child Disease Benefit covering the following 7 Severe Child Diseases

Severe Child Disease
1 Autism
2 Intellectual Impairment due to Sickness or Injury
3 Insulin Dependent Diabetes Mellitus
4 Kawasaki Disease with Heart Complications
5 Osteogenesis Imperfecta - Type III
6 Severe Asthma
7 Still's Disease

Remarks:

- Cover of cancer under major illnesses does not include early thyroid cancer (at TNM Classification T1N0M0 or a lower stage); early prostate cancer (at TNM Classification T1a or T1b or a lower stage); early chronic lymphocytic leukemia classified as less than RAI Stage III; skin cancer (except malignant melanoma); any cancer where HIV infection is also present; and any pre-malignant or non-invasive cancer or Carcinoma-in-situ.
- Carcinoma-in-situ cover includes Carcinoma-in-situ in any one of the following covered organ groups: (a) breast; (b) uterus or cervix uteri; (c) ovary and / or fallopian tube; (d) vagina or vulva; (e) colon and rectum; (f) penis; (g) testis; (h) lung; (i) liver; (j) stomach and esophagus; (k) urinary tract or bladder; or (l) nasopharynx.
- Early Stage Malignancy shall mean the presence of one of the following early malignant conditions: (a) tumour of the thyroid classified as T1N0M0 according to the TNM classification; (b) tumour of the prostate classified as T1a or T1b according to the TNM classification system; (c) chronic lymphocytic leukemia classified as RAI Stage I or II; or (d) non melanoma skin cancer.
- The related major illnesses above are for reference only. Please refer to the policy contract for the definitions of covered illnesses.

Covered Illnesses Benefit Schedule

Type of Protection	Covered Illness	Benefit Term	Benefit (Percentage of Initial Sum Assured)
54 Critical Illnesses			
Major Illness	• 52 Major Illnesses	Up to age 100	100%
	• Loss of Independent Existence	Up to age 65	
Minor Illness	• Cerebral Aneurysm Requiring Surgery	Up to age 100	50% advance payment
39 Early Stage Critical Illnesses			
Early Stage Critical Illness	• Carcinoma-in-situ • Percutaneous Coronary Intervention	Up to age 100	20% advance payment subject to a maximum of HK\$360,000 / US\$45,000 per life for each early stage critical illness
	• Diabetic Retinopathy • Early Stage Malignancy • Endovascular Treatment of Peripheral Arterial Disease • Minimally Invasive Direct Coronary Artery Bypass • Severe Central or Mixed Sleep Apnea • Severe Obstructive Sleep Apnea • Severe Psychiatric Illness	Up to age 100	20% advance payment subject to a maximum of HK\$240,000 / US\$30,000 per life for each early stage critical illness
	• Osteoporosis with Fractures	Up to age 70	10% advance payment subject to a maximum of HK\$120,000 / US\$15,000 per life
	• 29 Early Stage Critical Illnesses (excluding the above)	Up to age 100	20% advance payment
7 Severe Child Diseases			
Severe Child Disease	• 7 Severe Child Diseases	Below age 18	20% advance payment subject to a maximum of HK\$240,000 / US\$30,000 per life for each severe child disease

Remarks:

- The benefits paid for major illnesses will be reduced by any advance payment for minor illness, early stage critical illness and / or severe child disease. The advance claims payments made in total for benefits under this policy cannot exceed the Initial Sum Assured (excluding any Terminal Dividend). When the aggregated amount of any advance claims payments for benefits under the policy reaches 100% of the Initial Sum Assured, the benefits of major illness, minor illness, early stage critical illness and severe child disease will cease to apply.
- An advance payment will be payable 1 time for each covered illness (except Carcinoma-in-situ). For Carcinoma-in-situ, the advance payment may be paid up to 2 times for different covered organ groups.

Important Information

This brochure does not contain the full terms and conditions of the policy. 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 this product. The precise terms and conditions of this plan are specified in the policy contract. Please refer to the policy contract for the definitions of capitalised terms, and the exact and complete terms and conditions of cover. In case you want to read policy contract sample before making an application, you can obtain a copy from AIA. This brochure should be read along with the illustrative document (if any) and other relevant marketing materials, which include additional information and important considerations about this product. We would like to remind you to review the relevant product materials provided to you and seek independent professional advice if necessary.

This brochure is for distribution in Hong Kong only.

Dividend Philosophy

This is a participating insurance plan in which we share a portion of the profits earned on it and related participating insurance plans with the policy owners. It is designed to be held long term. The premiums of a participating insurance plan will be invested in a variety of assets according to our investment strategy. The cost of policy benefits (including guaranteed and non-guaranteed benefits as specified in your plan that may be payable on death, surrender or the occurrence of certain events such as hospitalization or diagnosis of a critical illness, as well as charges we make to support policy guarantees (if applicable)) and expenses will be deducted as appropriate from premiums of the participating insurance plan or from the invested assets. We aim to ensure a fair sharing of profits between policy owners and shareholders, and among different groups of policy owners.

Divisible surplus refers to profits available for distribution back to policy owners as determined by us. The divisible surplus that will be shared with policy owners will be based on the profits earned from your plan and similar plans or similar groups of policies (as determined by us from time to time by considering factors such as benefit features, policy currencies and period of policy issuance). Divisible surplus may be shared with the policy owners in the form of annual dividends and terminal dividends as specified in your policy.

We review and determine the dividend amounts payable to policy owners at least once per year. Divisible surplus depends on the investment performance of the assets which we invest in and the amounts of benefits and expenses we need to pay for the plan. It is therefore inherently uncertain. Nevertheless, we aim to deliver relatively stable dividend payments over time through a smoothing process by spreading out the gains and losses over a period of time. The actual dividends declared may be different from those illustrated or projected in any insurance plan information provided (e.g. benefit illustrations) depending on whether the divisible surplus, past experience and/or outlook are different from what we expected. If dividends are different from our last communication, this will be reflected in the policy anniversary statement.

A committee has been set up to provide independent advice on the determination of the dividend amounts to the Board of the Company. The committee is comprised of members from different control functions or departments within the organisation both at the AIA Group level as well as Hong Kong local level, such as office of the Chief Executive of the Company, legal, compliance, finance, investment and risk management. Each member of the committee will endeavour to 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 in the discharge of its duty to make independent decisions and to manage the risk of conflict of interests, in order to ensure fair treatment between policy owners and shareholders, and among different groups of policy owners. The actual dividends, 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, and with written declaration by the Chairman of the Board, an Independent Non-Executive Director and the Appointed Actuary on the management of fair treatment between policy owners and shareholders.

To determine the dividends of a participating policy, we consider both past experience and the future outlook of all factors including, but not limited to, the following:

Investment returns: include interest earnings, dividends and any changes in the market value of the backing assets, i.e. the assets in which we invest your premiums (after deducting the cost of policy benefits and expenses). Depending on the asset allocation adopted for the insurance plan, investment returns could be affected by fluctuations in interest income (both interest earnings and the outlook for interest rates) and various market risks, including interest rate risk, credit spread and default risk, fluctuations in listed and private equity prices, real estate prices as well as foreign exchange rates if the currency of the backing assets is different from the policy currency, etc.

Claims: include claims for death benefits, critical illness benefits and any other insured benefits under the insurance plan.

Surrenders: include policy surrenders, partial surrenders and policy lapses; and their corresponding impact on the backing assets.

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

Some participating insurance plans allow the policy owners to place their annual dividends, guaranteed and non-guaranteed cash payments, guaranteed and non-guaranteed incomes, guaranteed and non-guaranteed annuity payments with us, earning interest at a non-guaranteed interest rate. To determine such non-guaranteed interest rate, we consider the returns on the pool of assets in which these amounts are invested with reference to the past experience and future outlook. This pool of assets is segregated from other investments of the Company and may include bonds and other fixed income instruments. You have the right to request for historical accumulation interest rates before committing the purchase.

For dividend philosophy and dividend history, please visit our website at <https://www.aia.com.hk/en/dividend-philosophy-history.html>



Investment Philosophy, Objective and Strategy

Our investment philosophy aims to deliver sustainable long-term returns in line with the insurance plan's investment objectives and the Company's business and financial objectives.

Our aforementioned objectives are to achieve the targeted long-term investment results while minimising volatility in investment returns to support the liabilities over time. They also aim to control and diversify risk exposures, maintain adequate liquidity and manage the assets with respect to the liabilities.

Our current long-term target strategy is to allocate assets attributed to this insurance plan as follows:

Asset Class	Target Asset Mix (%)
Bonds and other fixed income instruments	60% - 80%
Growth assets	20% - 40%

The bonds and other fixed income instruments predominantly include government and corporate bonds and are mainly invested in the United States and Asia-Pacific. Growth assets may include listed equity, equity mutual funds, physical real estate, real estate funds, private equity funds and private credit funds, and are mainly invested in the United States, Asia-Pacific and Europe. Growth assets generally have a higher long-term expected return than bonds and fixed income assets but may be more volatile in the short term. The range of target asset mix may be different for different participating insurance plans. Our investment strategy is to actively manage the investment portfolio i.e. adjust the asset mix dynamically over a range that can be wider than the target range in response to the external market conditions and the financial condition of the participating business. For example, there may be a smaller proportion of growth assets when interest rates are low and a larger proportion of growth assets when interest rates are high. When interest rates are low, the proportion of growth assets may be even smaller than the long-term target strategy, so as to allow us to minimise volatility in investment returns and to protect our ability to pay the guaranteed benefits under the insurance plans, whereas the proportion of the growth assets may be even larger than the long-term target strategy when interest rates are high to allow for the possibility that we may share more investment opportunities in growth assets with the policy owners.

Subject to our investment objectives, we may use a material amount of derivatives (such as through pre-investing partly or fully expected future premiums) to manage our investment risk exposure and for matching between assets and liabilities, for example, the effects of changes in interest rates may be moderated while allowing for more flexibility in asset allocation.

Our general currency strategy is to minimise currency mismatches for bonds and other fixed income instruments. For these investments, our current practice is to endeavour to currency-match asset purchases with the currency of the underlying policy (e.g. US Dollar assets will be used to back US Dollar insurance plans and HK Dollar assets will be used to back HK Dollar insurance plans). However, subject to market availability and opportunity, bonds or other fixed income instruments may be invested in a currency other than the currency of the underlying policy and currency swaps may be used to minimise the currency risks. Currently assets are mainly invested in US Dollar. Growth assets may be invested in a currency other than the currency of the underlying policy and the selection of the currency is made according to our investment philosophy, investment objectives and mandate.

We will pool similar participating insurance plans for investment to determine the return and we will then allocate the return to specific participating insurance plans with reference to their target asset mix. Actual investments (e.g. geographical mix, currency mix) would depend on market opportunities at the time of purchase, hence may be different from the target asset mix.

The investment strategy is subject to change depending on the market conditions and economic outlook. Should there be any material changes in the investment strategy, we will inform policy owners of the changes, with underlying reasons and expected impact to the dividends.

Key Product Risks

1. You should pay premium(s) on time and according to the selected premium payment schedule. If you stop paying the premium before completion of the premium payment term, you may elect one of the non-forfeiture options to surrender the policy or convert the policy to a non-participating insurance plan with life protection only. Compared with the original plan, such a plan will have less cover or a shorter term.

If no non-forfeiture option has been elected, the premium will be covered by a loan taken out on the policy automatically. When the loan balance exceeds the sum of guaranteed cash value and accumulated Annual Dividends with interest (if any) of the basic plan, the policy will terminate and you will lose the cover. The surrender value of the policy will be used to repay the loan balance, and we will refund any remaining value.

2. The plan may make certain portion of its investment in growth assets. Returns of growth assets are generally more volatile than bonds and other fixed income instruments, you should note the target asset mix of the product as disclosed in this product brochure, which will affect the dividend on the product. The savings component of the plan is subject to risks and possible loss. Should you surrender the policy early, you may receive an amount considerably less than the total amount of premiums paid.
3. You may request for the termination of your policy by notifying us in written notice. Also, we will terminate your policy and you / the insured will lose the cover when one of the following happens:
 - the insured passes away;
 - you do not pay the premium within 31 days of the due date and the policy has no cash value;
 - the end of the benefit term if basic policy has been continued as a non-participating insurance plan;
 - the outstanding debt exceeds the guaranteed cash value of the policy. Where the premium is covered by a loan taken out on the policy automatically, the outstanding debt exceeds the sum of guaranteed cash value and accumulated Annual Dividends with interest (if any) of your policy; or
 - when the claims payments made in total for benefits under the policy reach 100% of the Initial Sum Assured (where no add-on plan is selected).
4. We underwrite the plan and you are subject to our credit risk. If we are unable to satisfy the financial obligations of the policy, you may lose your premium paid and benefits.
5. You are subject to exchange rate risks for plans denominated in currencies other than the local currency. Exchange rates fluctuate from time to time. You may suffer a loss of your benefit values and the subsequent premium payments (if any) may be higher than your initial premium payment as a result of exchange rate fluctuations. You should consider the exchange rate risks and decide whether to take such risks.
6. 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.

Effective from 1 January 2018, all policy owners are required to pay a levy on each premium payment made for both new and in-force Hong Kong policies to the Insurance Authority (IA). For levy details, please visit our website at www.aia.com.hk/useful-information-ia-en or IA's website at www.ia.org.hk.

Key Exclusions

Except for the death benefit, under this plan, we will not cover any of the following events or conditions that result from any of the following events:

- any illnesses with signs / symptoms or surgeries triggered by the illnesses before the application of the policy or within 90 days after the policy is issued;
- other than Autism, any congenital defect or disease has been diagnosed before the insured reaches the age of 17;
- Fulminant viral hepatitis or cancer of the insured due to AIDS or HIV infection; and
- a self-inflicted injury.

The above list is for reference only. Please refer to the policy contract of this plan for the complete list and details of exclusions.

Premium Adjustment

In order to provide you with continuous protection, we will review the premium of your plan from time to time within the premium payment term and adjust accordingly at the end of policy year if necessary. During the review, we may consider factors including but not limited to the following:

- claim costs incurred from all policies under this plan and the expected claim outgo in the future which reflects the impact of change in the incidence rate of deaths, covered illnesses and covered surgeries
- historical investment returns and the future outlook of the product's backing asset
- policy surrenders and lapses
- expenses directly related to the policy and indirect expenses allocated to this product

We will give you a written notice of any revision 31 days before the end of policy year.

Claim Procedure

If you wish to make a claim, you must send us the appropriate forms and relevant proof. You can get the appropriate claim forms in www.aia.com.hk, from your financial planner, by calling the AIA Customer Hotline (852) 2232 8888 in Hong Kong, or by visiting any AIA Customer Service Centre. For details related to making a claim, please refer to the policy contract. If you wish to know more about claim related matter, you may visit "File A Claim" section under our company website www.aia.com.hk.

Suicide

If the insured commits suicide within one year from the date on which the policy takes effect, our liability will be limited to the refund of premiums paid (without interest) less any outstanding debt.

Incontestability

Except for fraud or non-payment of premiums, we will not contest the validity of this policy after it has been in force during the lifetime of the insured for a continuous period of two years from the date on which the policy takes effect. This provision does not apply to any add-on plan providing accident, hospitalisation or disability benefits.

Cancellation Right

You have the right to cancel and obtain a refund of any premiums and any levy paid by giving written notice to us. Such notice must be signed by you and submitted to the Customer Service Centre of AIA International Limited at 12/F, AIA Tower, 183 Electric Road, North Point, Hong Kong within 21 calendar days immediately following either the day of delivery of the policy or the Cooling-off Notice to you or your nominated representative, whichever is the earlier.

Please contact your financial planner or call AIA Customer Hotline for details

Hong Kong  (852) 2232 8888
 aia.com.hk



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