SAVINGS & RETIREMENT INCOME

FORTUNE PROMISE 2 (FP2)

Fulfilling dreams during your lifetime and beyond

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AIA International Limited
(Incorporated in Bermuda with limited liability)

HEALTHIER, LONGER, BETTER LIVES

Plan ahead so you can look forward to the retirement of your dreams

Fortune Promise 2 helps you plan for a secure future

It can support your retirement lifestyle through long-term capital growth. Life protection is also included, giving you peace of mind knowing your loved ones will be cared for beyond your lifetime. With Fortune Promise 2 by your side, you can look forward to your comfortable retirement with confidence.

Plan Highlights

Stable returns
to enrich your dream retirement

Terminal Dividend Lock-in Option
to realise potential returns

Death Benefit with Death Benefit Settlement Option
for flexible legacy planning

Simple application
with no medical examination required

“AIA”, “the Company”, “We”, “our” or “us” herein refers to **AIA International Limited** (Incorporated in Bermuda with limited liability).

Enjoy stable returns for retirement

Plan for your tomorrow with stable returns to enjoy a fulfilling retirement

The following example is hypothetical and presented for illustrative purpose only. Actual dividends are not guaranteed and are declared at AIA's sole discretion. This example assumes that the Terminal Dividend Lock-in Option is not exercised.

One-time premium paid
US$80,000

Projected break-even point
at the end of the 5th policy year

From the 21st to 40th policy year,
withdraw **US$7,200** per year

21st year 22th year … 40th year

Withdraw
US$144,000 in total
for **retirement planning**

After cash withdrawal
at the end of the 40th policy year

The remaining projected
total surrender value will be
US$242,024
for **legacy planning**

Important notes:

1. The cash withdrawal amounts under Fortune Promise 2 are non-guaranteed and the length of the withdrawal period is also non-guaranteed. The actual amounts and periods of cash withdrawal may vary according to the actual non-guaranteed benefit payable. Cash withdrawals made will be deducted first from the accumulated Annual Dividends with any interest, after which any withdrawal which exceeds the remaining balance of the accumulated Annual Dividends with any interest will be deducted from the guaranteed cash value and any Terminal Dividend entitlement accrued (from and after the end of the 2nd policy year), which in turn will reduce the principal amount of the policy. Therefore, the subsequent guaranteed cash value, any Annual Dividends, any Terminal Dividend and the one-time premium paid as used in the calculation of the Death Benefit will be adjusted accordingly based on the reduced principal amount and the amounts will be less than the projected amounts without any cash withdrawals. Please contact your financial planner or our Company to obtain illustrative documents with details on cash withdrawals in such cases.
2. The projected total surrender value illustrated is the sum of the policy's guaranteed cash value plus the accumulated non-guaranteed Annual Dividends with interest, and the non-guaranteed Terminal Dividend. As of the end of 40th policy year, the projected total surrender value is US$242,024 (the non-guaranteed surrender value is US$171,244 and the guaranteed cash value is US$70,780. The guaranteed cash value is calculated based on the projected principal amount at the end of each policy year. The actual principal amount after each partial surrender may be more or less than the projected figures for each policy year; therefore, the actual guaranteed cash value will be based on the actual principal amount at the end of each policy year.). The value is based on the current dividend scales and the accumulation interest rate of 3.5% p.a. on Annual Dividends. The current dividend scales and interest rates are neither indicative of future performance nor are they guaranteed. Past performance or current performance of our business should not be interpreted as a guide to future performance. The actual Annual Dividends, accumulation interest rates and Terminal Dividend payable throughout the duration of the policy may vary at AIA's sole discretion, and may be less or more favourable than those illustrated. The actual break-even point is not guaranteed and may be shorter or longer than the illustrated. The above example assumes that no policy loans are taken throughout the term of the policy, the Terminal Dividend Lock-In Option is not exercised and the required one-time premium has been paid in full. To receive the amounts illustrated, the policy owner must surrender his policy at the end of respective policy year. This policy will be terminated when the total surrender value has been withdrawn entirely.

Plan for your dream retirement with stable returns

Fortune Promise 2 is a participating whole-life insurance plan that only requires a one-time premium payable in a lump sum, avoiding the obligation of long-term premium payments while covering the entire lifespan of the insured, who is the person protected under the policy. The plan provides you with guaranteed cash value, non-guaranteed Annual Dividends and a non-guaranteed Terminal Dividend, all of which form your policy values.

The plan's guaranteed cash value enables you to accumulate wealth for future prosperity that you can enjoy with your family. It also helps you prepare for your retirement years and beyond.

Once the policy has been in force for 2 years, we will provide you with a non-guaranteed cash amount, called an Annual Dividend on a yearly basis. You may choose to receive the Annual Dividends in cash, or leave them to accumulate in your policy, potentially earning interest.

Once the policy has been in force for 2 years, we will also provide you with a one-off non-guaranteed cash amount, called a Terminal Dividend if:

i. you surrender the policy; or

ii. the insured passes away.

Realise potential returns with the Terminal Dividend Lock-in Option

Through the Terminal Dividend Lock-in Option, **Fortune Promise 2** helps you realise potential returns by transferring the Terminal Dividend into a Terminal Dividend Lock-in Account to earn interest at a non-guaranteed rate. This is available once per policy year, starting from the end of the 15th policy year.

To provide further flexibility for your financial needs throughout various life stages, you can also withdraw cash from the Terminal Dividend Lock-in Account anytime without reducing the principal amount of your policy.

Flexible withdrawal throughout your retirement

When you step into your retirement years, with **Fortune Promise 2**, you can choose to withdraw your policy values in one go, to realise your dreams, or make withdrawals flexibly according to your changing needs in the future.

Upon request, you can withdraw part of the guaranteed cash value, the non-guaranteed accumulated Annual Dividends with interest and the non-guaranteed Terminal Dividend from **Fortune Promise 2**. However, this will reduce the future values of your policy. After withdrawal, the principal amount of the policy and the one-time premium paid for the basic plan under the death benefit may be reduced.

To meet your changing needs in the future, you may choose to withdraw all cash values in the policy. Upon such withdrawal, you will receive the sum of the guaranteed cash value, any non-guaranteed Annual Dividends that have accumulated with interest under the policy, any non-guaranteed Terminal Dividend, and any remaining balance of the Terminal Dividend Lock-in Account (if applicable) and your policy will be terminated.

We will deduct all outstanding debt under the policy before we make any payments for your withdrawal.

Your choice of settlement option if the worst should happen

If the insured 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. guaranteed cash value or a percentage of the one-time premium paid for your basic plan, whichever is higher;

ii. any non-guaranteed Annual Dividends that have accumulated with interest under the policy;

iii. any non-guaranteed Terminal Dividend; and

iv. any remaining balance of the Terminal Dividend Lock-in Account (if applicable).

The percentage of your one-time premium paid that may be payable under your death benefit will differ by policy year and could reach up to 125% for the 4th policy year and beyond. Please see Cover at a glance for details.

We will deduct all outstanding debt under your policy before we make the payment to the beneficiary.

To ease your financial burden during unforeseen challenges, **Fortune Promise 2** offers extra protection through an accidental death benefit, which is equal to 15% of the one-time premium paid for your basic plan. This is paid in addition to the above death benefit if the insured passes away due to a covered accident within the first 36 months of the policy.

Apart from a lump sum payment, the death benefit and accidental death benefit can alternatively be paid to your beneficiary in regular instalments by applying the death benefit settlement option during the lifetime of the insured, according to the specific amounts of benefits to be paid at regular intervals chosen by you.

Easy to join

No medical examination is required for a new application as long as the one-time premium payment does not exceed the aggregate limit set for each insured, subject to our prevailing rules and regulations. Simply apply and gain a lifetime of protection.

Cover at a glance

Premium Payment Term	One-time
Insured's Age at Application	15 days – age 70
Benefit Term	Whole life
Policy Currency	US$
Principal Amount	For the calculation of the premium and relevant policy values only, and will not be payable as the death benefit
Minimum One-time Premium	US$50,000
Premium Payment Mode	Single Premium
Non-Guaranteed Dividends (Annual Dividends and Terminal Dividend)	The following non-guaranteed dividends will be declared to your policy at least once per year starting from the end of the 2nd policy year: **Annual Dividends** • Non-guaranteed cash amount that may be cashed out or left to accumulate in the policy to earn interest at a non-guaranteed rate as determined by us **Terminal Dividend** • One-off non-guaranteed Terminal Dividend will be provided upon policy surrender or death of the insured
Terminal Dividend Lock-in Option	Within 30 days after the end of each policy year, starting from the end of the 15th policy year, you may apply to exercise the Terminal Dividend Lock-in Option once per policy year. **Transfer of Lock-in Amount** You can decide on what percentage of the Terminal Dividend to transfer, with the condition that the percentages cannot be less than 10% or more than 70% (minimum and maximum percentages are subject to our prevailing rules and regulations) and the Lock-in Amount is subject to a minimum amount that is determined by us from time to time. • The calculation of the Lock-in Amount is based on the latest value of the Terminal Dividend. All outstanding debt under your policy will be deducted from the Lock-in Amount (up to a maximum deduction amount equal to the Lock-in Amount) before it is transferred into your Terminal Dividend Lock-in Account. • Once the Lock-in Amount is transferred into the Terminal Dividend Lock-in Account, the Terminal Dividend as at the relevant policy year and the Terminal Dividend to be declared for all subsequent policy years will be reduced accordingly. • The transfer of the Lock-in Amount cannot be reversed once the Terminal Dividend Lock-in Option is exercised. **Value of the Terminal Dividend Lock-in Account** • Any balance in your Terminal Dividend Lock-in Account may accumulate interest at a non-guaranteed rate as determined by us. • Subject to rules and regulations prevailing at the time, you may withdraw cash from the Terminal Dividend Lock-in Account anytime.

Cover at a glance (continued)

Surrender Benefit	The surrender benefit will include: • guaranteed cash value; plus • any non-guaranteed Annual Dividends that have accumulated with any interest under the policy; plus • any non-guaranteed Terminal Dividend; plus • any remaining balance of the Terminal Dividend Lock-in Account (if applicable). We will deduct all outstanding debt under the policy before we make the payment.
Death Benefit	The death benefit will include: i. guaranteed cash value or a percentage of the one-time premium paid for your basic plan, whichever is higher; ii. any non-guaranteed Annual Dividends that have accumulated with any interest under the policy; iii. any non-guaranteed Terminal Dividend; and iv. any remaining balance of the Terminal Dividend Lock-in Account (if applicable). The percentage of your one-time premium paid that may be payable under your death benefit will differ by policy year, as shown in the table below:

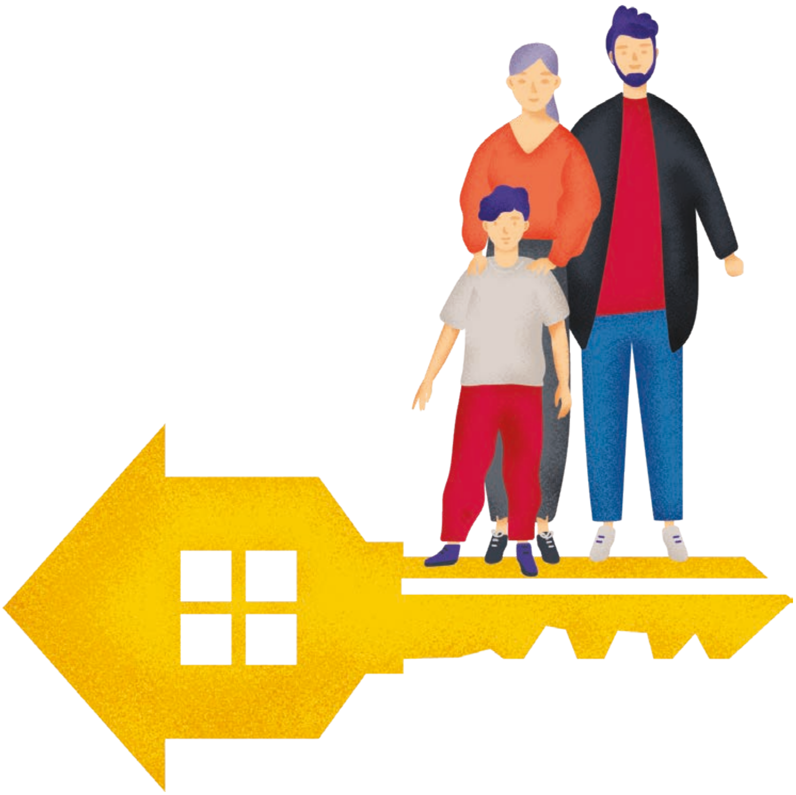
Policy Year	Payable percentage of your one-time premium paid (%)
1st	110
2nd	115
3rd	120
4th or more	125

We will deduct all outstanding debt under your policy before we make the payment to the beneficiary.

Accidental Death Benefit	In addition to the death benefit, if the insured passes away due to a covered accident within the first 36 months of the policy, the accidental death benefit will be equal to 15% of the one-time premium paid for the basic plan. The maximum aggregate amount of this additional benefit under all **Fortune Promise 2** policies for the same insured will be US$150,000 and the benefit payable under each policy will be prorated according to its one-time premium paid for your basic plan.

Cover at a glance (continued)

Death Benefit Settlement Option	• During the lifetime of the insured, you can select specific benefit amounts to be paid to your beneficiary at regular intervals chosen by you, provided that the total annual payment is at least equal to 2% of the sum of the death benefit and accidental death benefit. • The remaining amount of the benefits will be left with our company to accumulate interest at a non-guaranteed interest rate determined by us, until the full amount of the benefits had been paid to the beneficiary. • The Death Benefit Settlement Option is not available if the sum of the death benefit and accidental death benefit payable is less than US$50,000.
Underwriting	No medical examination is required for your application as long as the one-time premium payment does not exceed the aggregate limit set for each insured, subject to our prevailing rules and regulations.



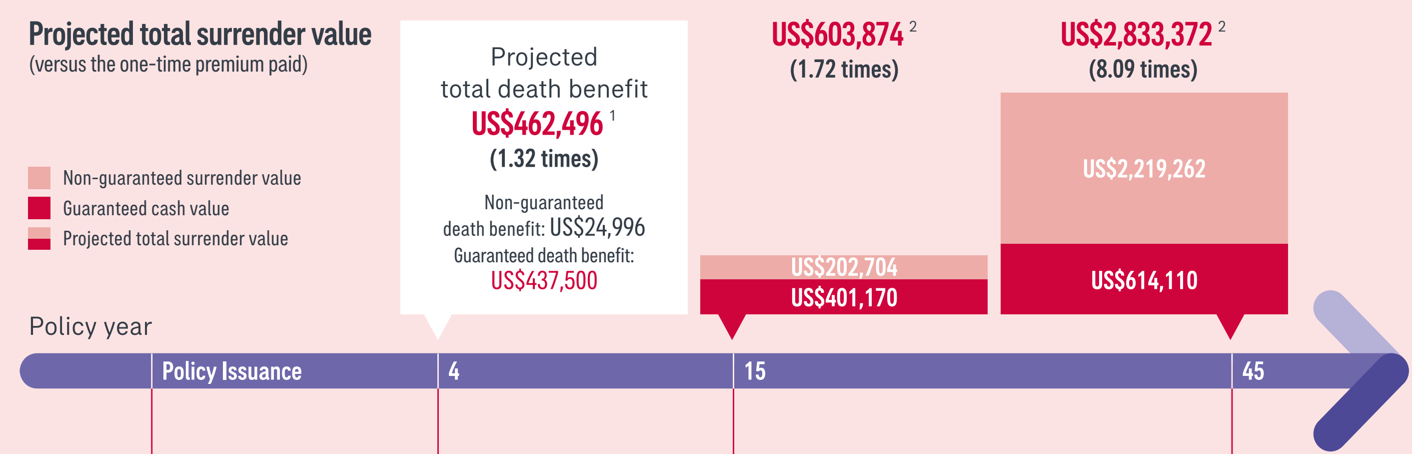
Examples

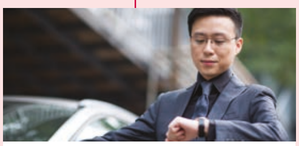
(The following examples are hypothetical and presented for illustrative purpose only. Actual dividends are not guaranteed and are declared at AIA's sole discretion.)

Policy owner and insured:	Johnathan (age 45)
Occupation:	Entrepreneur
Family status:	Married with one son, Julian

As an entrepreneur, Jonathan is always looking for capital growth opportunities. He wants a direct arrangement to help him accumulate wealth wisely and lay the groundwork for a secure future for his son Julian. That is why Jonathan purchases **Fortune Promise 2** with a one-time premium payment of US$350,000. This will create both long-term wealth accumulation for legacy planning and life protection which will provide sufficient funds for his family if the worst should happen.

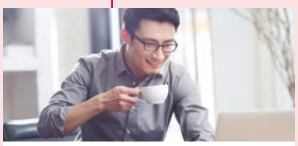
This case assumes that Jonathan does not withdraw cash at any point throughout the entire policy term, choosing instead to let the total surrender value accumulate within the policy. This case also assumes that the Terminal Dividend Lock-in Option is not exercised.



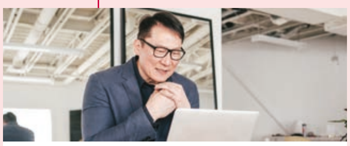


At age 45, Johnathan purchases **Fortune Promise 2** with a one-time premium of US$350,000.

No medical examination is required



At the end of the 4th policy year, the projected total death benefit can reach 132%[1] of the one-time premium paid.



Upon his retirement at age 60, Jonathan may choose to surrender the policy and withdraw the projected total surrender value, or let the policy value continue accumulating to potentially gain a higher return.

At the age of 90, Jonathan may choose the Death Benefit Settlement Option[3], allowing Julian to receive the death benefit amount in regular instalments. Alternatively, Jonathan may also choose to surrender the policy, withdraw the projected total surrender value and pass the full amount to Julian.

1. If the insured passes away, we will pay the death benefit to the person whom the owner selects in the policy as the beneficiary. The death benefit will include: i. guaranteed cash value, or up to 125% of the one-time premium paid, depending on the policy year at which death occurs, whichever is higher; ii. any non-guaranteed Annual Dividends that have accumulated with interest under the policy; iii. any non-guaranteed Terminal Dividend; and iv. any remaining balance of the Terminal Dividend Lock-in Account (if applicable). We will deduct all outstanding debt under the policy before we make the payment to the beneficiary.
2. The projected total surrender value illustrated is the sum of the policy's guaranteed cash value plus the accumulated non-guaranteed Annual Dividends with any interest, and the non-guaranteed Terminal Dividend. The value is based on the current dividend scales and the accumulation interest rate of 3.5% p.a. on Annual Dividends. The current dividend scales and interest rates are neither indicative of future performance nor are they guaranteed. Past performance or current performance of our business should not be interpreted as a guide to future performance. The actual Annual Dividends, accumulation interest rates and Terminal Dividend payable throughout the duration of the policy may vary at AIA's sole discretion, and may be less or more favourable than those illustrated. The above example assumes that no cash withdrawal or no policy loans are taken throughout the term of the policy, the Terminal Dividend Lock-in Option is not exercised and the required one-time premium has been paid in full. To receive the amounts illustrated, the policy owner must surrender his policy at the end of respective policy year. The policy will be terminated when the total surrender value has been withdrawn entirely.
3. The Death Benefit Settlement Option is subject to our approval. For details of the rules and regulations, please refer to Cover at a glance in this brochure.

Policy owner and insured:	Marcus (age 30)
Occupation:	Senior Accountant
Family status:	Married, new father to a son, Moses

As the family breadwinner, Marcus hopes to ensure that his family will be provided for in the future. In particular, he wants to give his son Moses every opportunity for a bright future. Marcus therefore purchases **Fortune Promise 2** with a one-time premium payment of US$80,000 to accumulate wealth and obtain life protection to support his loved ones.

This case assumes that Marcus does not withdraw cash at any point prior to age 51, choosing instead to let the total surrender value accumulate in his policy. This case also assumes that the Terminal Dividend Lock-in Option is not exercised.

One-time premium paid **US$80,000**

Total cash withdrawn (non-guaranteed) over 20 years between ages 51 and 70: **US$144,000**[2] (up to 1.8 times the one-time premium paid)

Policy year 21 22 23

Annual withdrawal amount[2] (non-guaranteed): **US$7,200**
Monthly average withdrawal amount[2] (non-guaranteed): **US$600**

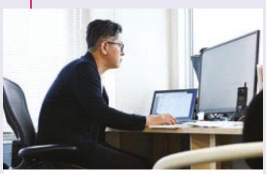
Policy year 38 39 40

Policy year

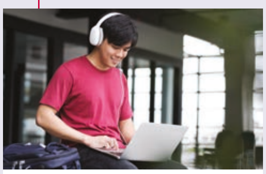
Policy Issuance | **10** | **21** | **40**

At age 30, Marcus purchases **Fortune Promise 2** with a one-time premium of US$80,000.

No medical examination is required



Projected total surrender value is **US$110,138**[1] (the non-guaranteed surrender value is US$25,754 and the guaranteed cash value is US$84,384), up to 1.37 times the one-time premium paid.



At age 51, Marcus can start withdrawing **US$7,200**[2] each year, to partly fund Moses' overseas education and his own retirement income streams.

- When Marcus reaches the age of 70, the balance of the projected total surrender value is **US$242,024**[1] (the non-guaranteed surrender value is US$171,244 and the guaranteed cash value is US$70,780[3]).
- Subject to the balance of total surrender value, Marcus may continue to withdraw cash for his personal use or surrender the policy to pass the projected total surrender value to Moses.

1. The projected total surrender value illustrated is the sum of the policy's guaranteed cash value plus the accumulated non-guaranteed Annual Dividends with any interest, and the non-guaranteed Terminal Dividend. The value is based on the current dividend scales and the accumulation interest rate of 3.5% p.a. on Annual Dividends. The current dividend scales and interest rates are neither indicative of future performance nor are they guaranteed. Past performance or current performance of our business should not be interpreted as a guide to future performance. The actual Annual Dividends, accumulation interest rates and Terminal Dividend payable throughout the duration of the policy may vary at AIA's sole discretion, and may be less or more favourable than those illustrated. The above example assumes that no policy loans are taken throughout the term of the policy, the Terminal Dividend Lock-In Option is not exercised and the required one-time premium has been paid in full. To receive the amounts illustrated, the policy owner must surrender his policy at the end of respective policy year. This policy will be terminated when the total surrender value has been withdrawn entirely.
2. The cash withdrawal amounts under Fortune Promise 2 are non-guaranteed and the length of the withdrawal period is also non-guaranteed. The actual amounts and periods of cash withdrawal may vary according to the actual non-guaranteed benefit payable, such that the withdrawal period may terminate before the Insured reaches the age of 70. Cash withdrawals made will be deducted first from the accumulated Annual Dividends with any interest, after which any withdrawal which exceeds the remaining balance of the accumulated Annual Dividends with any interest will be deducted from the guaranteed cash value and any Terminal Dividend entitlement accrued (from and after the end of the 2nd policy year), which in turn will reduce the principal amount of the policy. Therefore, the subsequent guaranteed cash value, any Annual Dividends, any Terminal Dividend and the one-time premium paid as used in the calculation of the Death Benefit will be adjusted accordingly based on the reduced principal amount and the amounts will be less than the projected amounts without any cash withdrawals. Please contact your financial planner or our Company to obtain illustrative documents with details on cash withdrawals in such cases.
3. The guaranteed cash value is calculated based on the projected principal amount at the end of each policy year. The actual principal amount after each partial surrender may be more or less than the projected figures for each policy year; therefore, the actual guaranteed cash value will be based on the actual principal amount at the end of each policy year.

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 / Macau 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 or surrender, 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. For this plan's target profit sharing ratio between policy owners and shareholders, please visit our website at https://www.aia.com.hk/en/our-products/further-product-information/profit-sharing-ratio.html.

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. A very significant proportion of such divisible surplus arising from the experience from your plan and similar plans or similar groups of policies will be shared with policy owners.

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 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, and/or bonus and terminal dividend lock-in accounts 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	50% - 100%
Growth assets	0% - 50%

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). 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. 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.

2. 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; or
   - the outstanding debt exceeds the guaranteed cash value of your policy.

3. 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.

4. 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.

5. 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 to Accidental Death Benefit

Accidental Death Benefit will not cover any conditions that result from any of the following:

- self-destruction while sane or insane, participation in a fight or affray, being under the influence of alcohol or a non-prescribed drug
- war, service in armed forces in time of war or restoration of public order, riot, industrial action, terrorist activity, violation or attempted violation of the law or resistance to arrest
- racing on wheels or horse, scuba diving
- ptomaines or bacterial infection (except pyogenic infection occurring through an accidental cut or wound)
- air travel, including entering, exiting, operating, servicing or being transported by any aerial device or conveyance (except as a passenger of a commercial passenger airline on a regular scheduled passenger trip over its established passenger route)

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

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 (853) 8988 1822 in Macau, 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.

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 or the Customer Service Centre of AIA International Limited at Unit 201, 2F, AIA Tower, 251A-301 Avenida Comercial de Macau, Macau 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.