

GLORIOUS FORTUNE – LONGEVITY

Legacy · Participating Life

Bestow a glorious future upon your cherished few



FWD Life Insurance Company (Bermuda) Limited
(Incorporated in Bermuda with limited liability)

YOUR FAMILY WILL ACCOMPLISH MORE THAN YOU, BECAUSE OF YOU

We know that you aren't just building wealth for today, but for generation ahead. Your wealth can build a strong foundation for your loved ones, to achieve even greater heights. With effective wealth management planning, no unexpected events will affect the foundation you've put in place.

A PROMISE FOR YOUR NEXT GENERATION

At FWD, we understand that despite already accomplishing a lot in life, your dream is for your family to accomplish even more, no matter what the future brings. To achieve this, you need a plan that provides an opportunity to multiply your hard-earned prosperity for your loved ones. Which is why we designed Glorious Fortune – Longevity (the "Plan"), a plan designed to set in stone the future achievements of your family, by providing a guaranteed death benefit with potential appreciation from non-guaranteed annual dividends and special bonus.

A choice of three ultimate guaranteed death benefit options - 50%, 70% or 100% of the sum insured - is complemented by three premium payment options - single premium, 5 years and 10 years. Together, these two sets of options will give you great flexibility to tailor your wealth management strategy to different life protection needs.

The Plan not only provides life protection and potential appreciation to empower you to implement your strategic foresight, it also ensures added legacy and financial planning flexibility through a pre-underwriting option and numerous personalised death benefit settlement arrangements.





BENEFITS AT A GLANCE



Lifetime protection offering certainty and flexibility

The Plan is designed to maximize wealth management flexibility by combining:

- Guaranteed lifetime protection with three ultimate guaranteed death benefit options - 50%, 70% and 100% of the sum insured - offering you different levels of protection to help meet your evolving needs through different life stages.
- A trio of premium payment options ranging from single premium to 5 or 10 years - helping you plan more easily to suit your financial goals.



Enjoy potential wealth growth opportunities and secure your wealth

Enjoy potential return from the long-term growth potential offered by the Plan, and secure it against market volatility by exercising the special bonus lock-in option.



Options to support thoughtful legacy planning

Tailor your legacy plan to your needs with a choice of five death benefit settlement options – full payment in a lump sum, by regular instalments or increasing instalments, or partial payment followed by regular or increasing instalments. What's more, for instalment options, you could also specify the start date of the first instalment.



Advance preparations for added security

- An incapacity benefit provides thoughtful support if you ever become mentally and/or physically incapacitated and are unable to withdraw the policy values.
- An advanced death benefit provides financial relief in the event that the insured is highly likely to pass away due to a terminal illness within 12 months.



Enhanced flexibility to meet evolving needs

A pre-underwriting option allows you to apply for a new policy of the designated products with a sum insured up to the amount that has been approved previously by simplified medical underwriting within a designated period of time.



The key to ensuring business continuity

Keyman insurance for corporate customers to diversify operational risks.

LIFETIME PROTECTION OFFERING CERTAINTY AND FLEXIBILITY

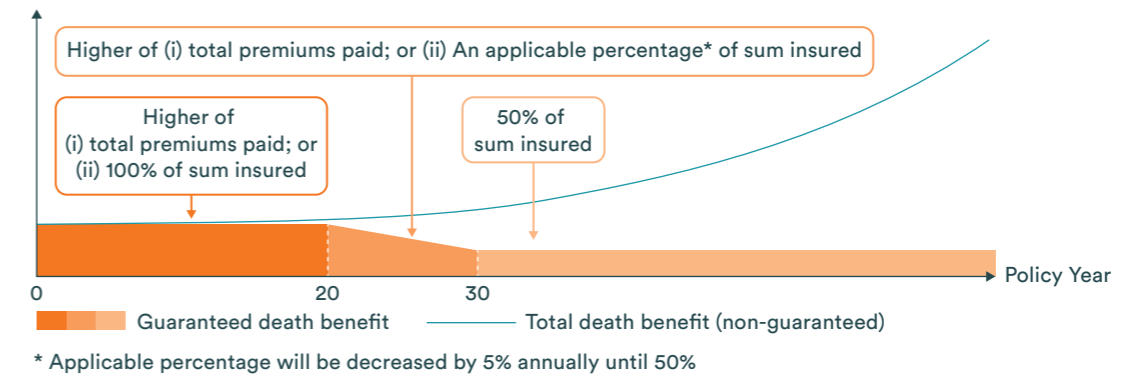
We understand you want to maintain protection that is comprehensive and can keep up with your family's evolving needs. The Plan offers multiple premium payment terms for enhanced financial planning flexibility – you can choose to pay with a single premium or over 5 or 10 years.

You also have a choice of 3 different ultimate guaranteed death benefit options – 50%, 70% and 100% of the sum insured - to match your protection needs as they evolve through the earlier stages and into the later years.



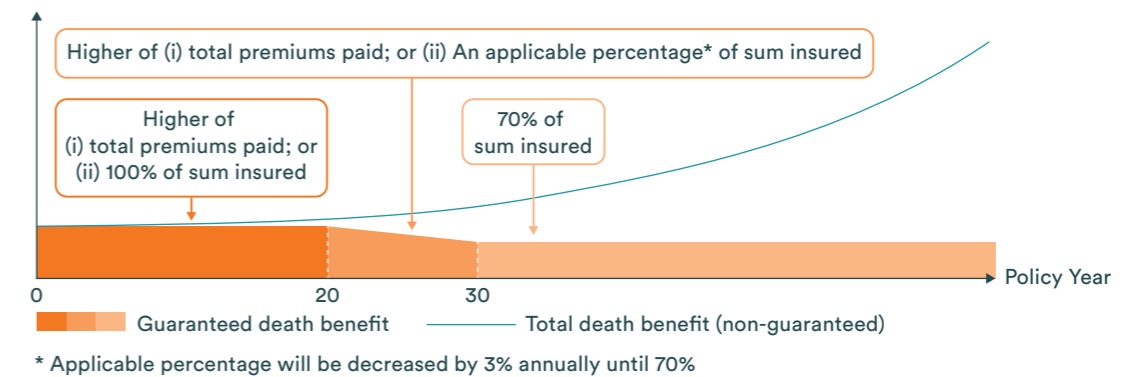
(1) Ultimate guaranteed death benefit option – 50% of sum insured

- The guaranteed death benefit is level at 100% of sum insured within the first 20 policy years.
- Starting from the 20th policy anniversary, the guaranteed death benefit will be reduced by 5% annually until it reaches 50% of sum insured.



(2) Ultimate guaranteed death benefit option – 70% of sum insured

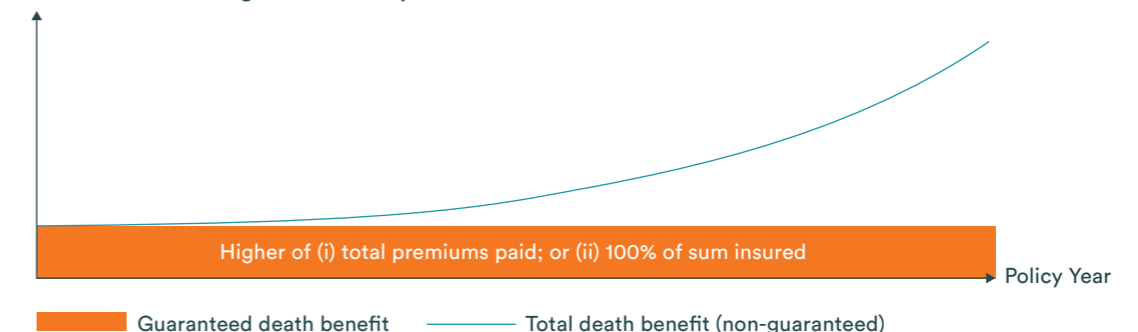
- The guaranteed death benefit is level at 100% of sum insured within the first 20 policy years.
- Starting from the 20th policy anniversary, the guaranteed death benefit will be reduced by 3% annually until it reaches 70% of sum insured.



Ultimate guaranteed death benefit option – 50% & 70% of sum insured - caters to those who want to put greater focus on the guaranteed death benefit in the earlier stages at relatively lower premiums.

(3) Ultimate guaranteed death benefit option – 100% of sum insured

- The guaranteed death benefit will always stay at 100% of sum insured, which is suitable for customers looking for certainty on death benefit.



Nonetheless, the death benefit under all ultimate guaranteed death benefit option would not be less than the total premiums paid.

Remarks: The above diagrams showing the guaranteed and projected total death benefit (non-guaranteed) are for illustrative purposes only. The above diagrams assume: (i) the insured's age 51 (age next birthday), male, non-smoker standard, Hong Kong resident (region A), sum insured of USD10m, single premium, no extra loading, (ii) all premiums and applicable insurance levies are paid in full when due, (iii) no withdrawal from the accumulation of annual dividends and interest (if any) has been made, (iv) no claims have been paid, (v) there is no indebtedness under the policy, (vi) sum insured of the basic plan of the policy remains unchanged throughout the benefit term, (vii) no change has been made in the policy throughout the benefit term. The projected total death benefit stated in the above diagrams is based on FWD's dividend / bonus scales determined under current assumed investment return and are not guaranteed. The actual amount payable may change from time to time with the values being higher or lower than those illustrated. Under certain circumstances, the non-guaranteed benefits may be zero. You should refer to your licensed insurance intermediary or the Company for detail proposal that suits your needs.

ENJOY POTENTIAL WEALTH GROWTH OPPORTUNITIES AND SECURE YOUR WEALTH



The best way to preserve your legacy is by enhancing its value over the long term. Glorious Fortune - Longevity is designed to enrich your wealth with long-term growth potential via non-guaranteed annual dividends and special bonus.

Secure your wealth with special bonus lock-in option

The Plan gives you the flexibility to secure part of your policy value in response to evolving priorities or changing market outlooks. Starting from the 15th policy year and while the policy is in force, you can apply for special bonus lock-in option to convert a certain amount of the special bonus into annual dividend and leave it in the policy to accumulate interest (if any) by exercising one of the following options. The amount of special bonus which you apply for special bonus lock-in option is lock-in value.

1) Automatic lock-in option:

This option allows you to convert a certain amount of the special bonus, equivalent to 10% of total premiums paid, into annual dividends. Once your request has been approved, the lock-in value of special bonus will be converted automatically on each subsequent policy anniversary.

2) Flexi lock-in option:

You can apply to convert a specified percentage of the special bonus ("lock-in percentage") into annual dividends, subject to the annual minimum and maximum lock-in percentages, which are 10% and 70% respectively. This option can only be exercised once every policy year and on the policy anniversary.






Once automatic lock-in option or flexi lock-in option has been exercised, the lock-in value will not be allowed to be reversed back to special bonus. The special bonus as at the relevant policy year and any special bonus which we may declare on subsequent policy years will be lowered due to conversion of special bonus to annual dividends.

OPTIONS TO SUPPORT THOUGHTFUL LEGACY PLANNING

We understand that passing on your wealth to the next generation can be a complex undertaking. You may require a highly flexible solution to help you balance multiple considerations and objectives. Glorious Fortune – Longevity offers a range of death benefit settlement options to help you adopt a wealth allocation strategy that best reflects your family's needs.

If a lump sum payment is not the best fit for your legacy plan, you also have the flexibility to set the instalment term and amount in advance so that your beneficiary will receive the death benefit over a period of time. The remaining amount will be left with us to accumulate interest (non-guaranteed) until the full amount has been paid to the beneficiary.

5 types of death benefit settlement options:

	Full payment in a lump-sum (default payment option)
	Full payment by regular instalments
	Partial payment by regular instalments: You can set a partial amount that will be paid in a lump sum, and have the remaining amount paid by regular instalments
	Full payment in increasing instalments
	Partial payment followed by instalments of increasing amounts



For more legacy planning possibilities, you can select not only the instalment amounts to be paid, but the date of the first instalment.

ADVANCE PREPARATIONS FOR ADDED SECURITY

Our life story doesn't always unfold in the way we want it to. That's why the Plan includes additional benefits designed to help reduce the financial impact of adverse life events.



Incapacity benefit – prepare for unexpected events

FWD understands life is full of uncertainty even if you are already well-prepared for the next generation ahead. To help you prepare in advance and provide extra security to you and your family, Glorious Fortune - Longevity offers incapacity benefit, which allows you to designate a family member in advance to receive the incapacity benefit on behalf of you if you become mentally and/or physically incapacitated and are unable to withdraw the policy values.



Advanced Death Benefit – supporting you during the most challenging times

In the unfortunate event that the insured is highly likely to pass away due to a terminal illness within 12 months, an advanced death benefit will be payable to help alleviate the financial impact on the loved ones.












ENHANCED FLEXIBILITY TO MEET EVOLVING NEEDS




We understand that you do not want to leave anything to chance, and even if you have adequate protection for your present needs, you may foresee the need for additional coverage in the future. When purchasing the Plan, you can apply for the pre-underwriting option and undergo medical underwriting based on the total sum insured determined by you in advance. Within a designated period of time after the application has been approved, you can also apply for a new policy of the designated products for the same insured with a sum insured up to the amount that has been approved in the previous medical underwriting process by simplified medical underwriting. It gives you plentiful flexibility on your future planning if circumstances change.




THE KEY TO ENSURING BUSINESS CONTINUITY




Protecting your key personnel is a vital step in safeguarding the long-term prospects of your business. The Plan's keyman insurance can be a good solution in that regard. As a corporate policy owner, you can keep your most valued employee protected while enjoying the flexibility to change the insured keyman at any time after 3 months from the policy date, which gives you added capability to manage risks and reprioritise objectives if the need ever arises.

SUMMARY OF PLAN FEATURES

 Premium payment term	Single premium / 5 years / 10 years									
 Issue age (age next birthday)	<table border="1"> <thead> <tr> <th>Premium payment term</th> <th>Issue age (age next birthday)</th> </tr> </thead> <tbody> <tr> <td>Single premium</td> <td>Age 1 (15 days) - 75</td> </tr> <tr> <td>5 years</td> <td>Age 1 (15 days) - 70</td> </tr> <tr> <td>10 years</td> <td>Age 1 (15 days) - 70</td> </tr> </tbody> </table>	Premium payment term	Issue age (age next birthday)	Single premium	Age 1 (15 days) - 75	5 years	Age 1 (15 days) - 70	10 years	Age 1 (15 days) - 70	
Premium payment term	Issue age (age next birthday)									
Single premium	Age 1 (15 days) - 75									
5 years	Age 1 (15 days) - 70									
10 years	Age 1 (15 days) - 70									
 Benefit term	Whole life of the insured									
 Premium structure	Premium rate varies by issue age, gender, risk class, usual residency, smoking status, underwriting loading and payment term.									
 Currency	US\$									
 Minimum sum insured	US\$ 500,000									
 Maximum sum insured	<table border="1"> <thead> <tr> <th>Issue age (age next birthday)</th> <th>Maximum sum insured</th> </tr> </thead> <tbody> <tr> <td>Age 1 (15 days) - 18</td> <td>US\$5,000,000 (per life)</td> </tr> <tr> <td>Age 19 or above</td> <td>Subject to underwriting requirements</td> </tr> </tbody> </table>	Issue age (age next birthday)	Maximum sum insured	Age 1 (15 days) - 18	US\$5,000,000 (per life)	Age 19 or above	Subject to underwriting requirements			
Issue age (age next birthday)	Maximum sum insured									
Age 1 (15 days) - 18	US\$5,000,000 (per life)									
Age 19 or above	Subject to underwriting requirements									
 Premium payment mode	lump sum / monthly / annually									
 Death benefit	<p>The death benefit will be payable as follows based on the ultimate guaranteed death benefit option chosen:</p> <ul style="list-style-type: none"> • Ultimate guaranteed death benefit option – 50% and 70% of sum insured <table border="1"> <thead> <tr> <th></th> <th>50% of sum insured</th> <th>70% of sum insured</th> </tr> </thead> <tbody> <tr> <td>If the insured passes away before 20th policy anniversary</td> <td> a. The higher of: (i) 100% of the sum insured or (ii) total premiums paid; b. plus accumulated annual dividends and interest (if any); c. plus special bonus (if any); and d. less total indebtedness (if any) and any outstanding insurance levy(ies) </td> <td></td> </tr> </tbody> </table>			50% of sum insured	70% of sum insured	If the insured passes away before 20 th policy anniversary	a. The higher of: (i) 100% of the sum insured or (ii) total premiums paid; b. plus accumulated annual dividends and interest (if any); c. plus special bonus (if any); and d. less total indebtedness (if any) and any outstanding insurance levy(ies)			
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 Death benefit (Con't)		50% of sum insured	70% of sum insured
	If the insured passes away on or after 20 th policy anniversary	a. The higher of: (i) 100% of the sum insured minus 5% of sum insured annually starting from 20 th policy anniversary until it reaches 50% of sum insured; or (ii) total premiums paid; b. plus accumulated annual dividends and interest (if any); c. plus special bonus (if any); and d. less total indebtedness (if any) and any outstanding insurance levy(ies)	a. The higher of: (i) 100% of the sum insured minus 3% of sum insured annually starting from 20 th policy anniversary until it reaches 70% of sum insured; or (ii) total premiums paid; b. plus accumulated annual dividends and interest (if any); c. plus special bonus (if any); and d. less total indebtedness (if any) and any outstanding insurance levy(ies)
	<ul style="list-style-type: none"> • Ultimate guaranteed death benefit option – 100% of sum insured a. The higher of: (i) 100% of sum insured or (ii) total premiums paid; b. plus accumulated annual dividends and interest (if any); c. plus special bonus (if any); and d. less total indebtedness (if any) and any outstanding insurance levy(ies)		
	<p>In determining the death benefit, the latest sum insured and the total premiums paid based on the latest sum insured will be used. Please refer to policy provision for the details of death benefit.</p>		
 Surrender benefit	Surrender benefit equals to: (a) Guaranteed cash value; (b) Plus accumulated annual dividends and interest (if any); (c) Plus special bonus (if any); and (d) Less total indebtedness (if any) (e.g. policy loan with interest) and any outstanding insurance levy(ies)		
 Partial surrender benefit	Partial surrender benefit is calculated on proportional basis according to sum insured reduced and equals to: (a) Partial guaranteed cash value; (b) Plus partial special bonus (if any); and (c) Less total indebtedness (if any) (e.g. policy loan with interest) and any outstanding insurance levy(ies)		
	<p>Any partial surrender will reduce the sum insured. The total premiums paid, subsequent guaranteed cash value, annual dividend (if any), special bonus (if any), advanced death benefit and death benefit will then be reduced accordingly from the effective date of partial surrender, according to the reduction in the sum insured. You will not be able to request a partial surrender if, after the partial surrender, the sum insured would be less than the minimum amount determined by us according to our policies and procedures.</p>		

 Annual dividend (non-guaranteed)	<p>Annual dividend (if any) may be paid as long as the policy is in effect.</p> <ul style="list-style-type: none"> The following options for receiving the annual dividend (if any) are available: <ol style="list-style-type: none"> To be paid in cash on an annual basis; or Leave any annual dividends with us to accumulate with interest (if any) (default option). The interest rate is not guaranteed and is determined by FWD from time to time at its absolute discretion. Policy owner can withdraw the accumulated annual dividends and interest (if any) at anytime. <p>Accumulated annual dividends and interest (if any) will be payable upon surrender of the policy, the death of the insured or when the advanced death benefit becomes payable.</p>
 Special bonus (non-guaranteed)	<p>Special bonus / partial special bonus (if any and as appropriate) may be payable from the 3rd policy anniversary when:</p> <ol style="list-style-type: none"> the death benefit is paid ; or the advanced death benefit is paid; or the partial surrender benefit is paid; or the surrender benefit is paid; or The policy is lapsed due to the outstanding policy loan amounts (including interest) being equal to or greater than the total cash value* excluding special bonus (if any) of the policy and provided that the policy will not be reinstated within one year reinstatement period. <p>A certain amount of special bonus will be converted as part of annual dividends upon exercising special bonus lock-in option.</p> <p>* Total cash value is guaranteed cash value, plus accumulated annual dividends and interest (if any) plus special bonus (if any).</p>
 Advanced death benefit	<p>While the policy is in effect and the insured is highly likely to pass away due to a terminal illness within 12 months, subject to our applicable rules and procedures, policy owner may apply for the advanced death benefit. If we approve the advanced death benefit, advanced death benefit will be payable to the policy owner.</p> <p>The amount of advanced death benefit payable depends on the following factors (1) the amount of death benefit under the policy excluding any accumulated annual dividends and interests and special bonus and (2) total amount of all similar or other coverage and benefits relating to advanced death benefit paid and/or payable under all other policies covering the same Insured which are issued by us and as may be determined by us from time to time.</p> <ol style="list-style-type: none"> If the sum of (1) and (2) above does not exceed US\$3,000,000 per life, the advanced death benefit equals to the death benefit. The policy will automatically terminate on the approval date of the advanced death benefit. If the sum of (1) and (2) exceeds US\$3,000,000 per life, the advanced death benefit equals to a sum of: <ol style="list-style-type: none"> US\$3,000,000 less total amount of all similar or other coverage and benefits relating to advanced death benefit paid and/or payable under all other policies covering the same Insured which are issued by us and as may be determined by us from time to time; plus accumulated annual dividends and interest (if any); plus partial special bonus (if any); and less total indebtedness (if any) and any outstanding insurance levy(ies).

 Advanced death benefit (Con't)	<p>Upon payment of the advanced death benefit, the policy will remain in effect. The sum insured will be reduced on a proportional basis. The total premiums paid, subsequent guaranteed cash value, annual dividend (if any), special bonus (if any) and death benefit will then be reduced on a proportional basis according to the reduction in the sum insured.</p> <p>Advanced death benefit is not applicable under specific circumstances. For the details of definition and exclusions of advanced death benefit, please refer to policy provision.</p>
 Incapacity benefit	<p>While the policy is in effect, policy owner may submit a written request in FWD's prescribed form to designate a family member ("Designated Person") to receive the incapacity benefit and designate the percentage for the incapacity benefit ("Incapacity Benefit Percentage") if the policy owner is diagnosed with the covered illness.</p> <p>Covered illness refers to mental incapacity, terminal illness, coma, loss of independent existence, apallic syndrome, major head trauma and paralysis. For the definition of covered illnesses, please refer to the policy provisions.</p> <p>If the Incapacity Benefit Percentage is 100%, surrender will be triggered automatically and the incapacity benefit will be paid in the amount of total cash value after deducting any total indebtedness and outstanding levies. The policy will automatically terminate on the approval date of the incapacity benefit request.</p> <p>If the Incapacity Benefit Percentage is less than 100%, the amount of incapacity benefit is equal to:</p> <ol style="list-style-type: none"> Total cash value* x Incapacity Benefit Percentage; and less total indebtedness (if any) (e.g. policy loan with interest) and any outstanding insurance levy(ies) <p>The incapacity benefit will be paid by withdrawing the accumulated annual dividends and interests (if any) first. If there is not enough value in the accumulated annual dividends and interests (if any) to pay the incapacity benefit, partial surrender will be triggered automatically and the remaining portion of incapacity benefit will be paid by withdrawing guaranteed cash value and special bonus (if any).</p> <p>Any partial surrender triggered as a result of paying the incapacity benefit will reduce the sum insured. The total premiums paid, subsequent guaranteed cash value, annual dividend (if any), special bonus (if any), death benefit and advanced death benefit will then be reduced accordingly from the effective date of partial surrender, according to the reduction in the sum insured.</p> <p>The incapacity benefit is payable once under the policy only. Any application, change or request for the incapacity benefit is subject to FWD's applicable rules and procedures, and applicable laws and regulations.</p> <p>* Total cash value is guaranteed cash value, plus accumulated annual dividends and interest (if any) plus special bonus (if any).</p>
 Death benefit settlement option	<p>Policy owner can choose the death benefit settlement option for the payment of death benefit (in the form of a lump sum payment, regular / increasing installment*, or a mix of both) and make subsequent changes while the insured is alive and the policy is in effect, subject to FWD's relevant policies and procedures as determined in FWD's sole discretion from time to time.</p>

 <p>Death benefit settlement option (con't)</p>	<p>The default payment option is lump-sum payment. For death benefit payment by instalments, policy owner can designate the amount and/or the start date of first instalment[^]. The unpaid amount of death benefit will be deposited with FWD to accumulate non-guaranteed interest (if any) until the full amount of death benefit is paid to the beneficiary. Interest (if any) on unpaid balance of the death benefit will be accumulated and paid to the beneficiary in the last installment in lump sum. Such balance does not participate in the participating fund or benefit from its profit.</p> <p>Selection of available death benefit settlement option and designation of the amount and/or start date of instalment is subject to FWD's current applicable rules and procedures and may change from time to time.</p> <p>* The instalment amount will be increased annually by the annual increase percentage as specified by the policy owner regardless of the payout frequency is either by monthly or annually.</p> <p>[^] If no start date is specified or the insured passes away after the specified start date, the first instalment payment of death benefit will be paid immediately after the claim is approved.</p>
 <p>Pre-underwriting option</p>	<p>Subject to our prevailing rules and regulations, you can apply for the pre-underwriting option and undergo medical underwriting in advance, based on the total sum insured determined by you (up to US\$20,000,000 per insured's life), provided that the insured is aged 19 – 61 (age next birthday).</p> <p>Once the pre-underwriting option is approved, within 36 months, you can apply a new policy of the designated products (subject to availability at the time of application of new policy as determined by FWD) for the same insured with sum insured up to the amount that has been approved in the previous medical underwriting process by simplified medical underwriting. You can apply and exercise the pre-underwriting option once per insured.</p>
 <p>Keyman insurance (for corporate customers only)</p>	<p>Keyman insurance is applicable to company for business continuity planning. Corporate policy owner can change the insured keyman at anytime after 3 months from the policy date while the insured keyman is alive and is subject to the approval of FWD. Any change to the insured keyman must fulfill FWD's prevailing policies and procedures.</p> <p>After the change of the insured keyman, the total premiums paid, sum insured, guaranteed cash value, any subsequent annual dividends (if any) and special bonus (if any) may be adjusted. The age of new proposed insured keyman and sum insured after adjustment should fulfill the issue age and sum insured requirement above.</p>

This product material is for reference only and is indicative of the key features of the product. For the full and exact terms and conditions and the full list of exclusions of the product, please refer to the policy provisions of this product materials. In the event of any ambiguity or inconsistency between the terms of this leaflet and the policy provisions, the policy provisions shall prevail. In case you want to read the terms and conditions of the policy provisions before making an application, you can obtain a copy from FWD. The policy provisions of the product are governed by the laws of the Hong Kong.

DIVIDEND / BONUS INFORMATION & INVESTMENT STRATEGY

<p>Dividend / bonus information</p> 	<p>The non-guaranteed annual dividend, non-guaranteed special bonus and non-guaranteed interest for accumulated annual dividends are determined based on the latest dividend / bonus declaration philosophy and investment strategy of FWD Life Insurance Company (Bermuda) Limited (incorporated in Bermuda with limited liability) ("FWD", "We" or "us") that shown below (Please refer to FWD's website for latest information: https://www.fwd.com.hk/en/regulatory-disclosures/dividend-bonus-declaration-philosophy/)</p> <p>You may also refer to below FWD's website for dividend / bonus history: https://www.fwd.com.hk/en/regulatory-disclosures/fulfillment-ratios/</p>
<p>Dividend / bonus declaration philosophy</p> 	<p>FWD issues participating policies, which offer the policyholders ("You") with dividend/bonus benefits that are not guaranteed. Dividend/bonus includes annual dividend (including interest on accumulated dividends), terminal dividend, reversionary bonus and special bonus.</p> <p>Through the dividend/bonus declaration, you participate in the financial performance of the participating products. The financial performance covers the experience and future outlook of a number of factors, including but not limited to:</p> <ol style="list-style-type: none"> 1. Investment return; 2. Expenses; 3. Persistency; 4. Claims experience. <p>FWD reviews the dividend/bonus at least annually based on our dividend policy. The dividend/bonus could be adjusted if the financial performance is different from the expectation, and as a result the actual declared dividend/bonus may be different from the benefit illustrations. FWD may also deduct as appropriate any cost and expense to support the policy benefits (such as charges to support guarantee) which will be reflected in the actual declared dividend/bonus.</p> <p>The dividend/bonus recommendation is reviewed and approved by our Board of Directors (the "Board"), with written declaration by the Chairman of the Board, an Independent Non-Executive Director and the Appointed Actuary on due regard to our dividend policy as well as the principle of fair treatment of customers.</p> <p>The current year and projected dividend/bonus would be communicated to you at least annually. Any changes in the current year and projected dividend/bonus will be reflected in the policy annual statement.</p>
<p>Smoothing</p> 	<p>Financial performance is unforeseeable. To facilitate your financial planning, we have a smoothing process aiming to deliver a more stable dividend/bonus payouts during the policy term.</p> <p>When the financial performance is better (worse) than expected, we may hold back a portion of the gains (losses), which will be passed back to you over the future years to ensure more stable dividend/bonus payouts. Due to the variation of features and benefits of different products, different levels of smoothing may also be applied.</p>
<p>Pooling</p> 	<p>Consistent with the nature of insurance contracts, we also group similar policies together to pool the risks amongst a larger number of policyholders to provide diversification benefits, which help to stabilize the financial performance (and hence the dividend/bonus payouts).</p> <p>To maintain the fairness between policyholders, we may also separate different generations of policies of the same product into different buckets with different dividend/bonus scales, with an aim to more closely reflect the underlying financial performance. As a result, the frequency and magnitude of the dividend/bonus adjustments may vary among different products and buckets. In general, the adjustments on dividend/bonus are more frequent and significant for products with higher risk profile.</p>

DIVIDEND / BONUS INFORMATION & INVESTMENT STRATEGY

Investment strategy



FWD's investment strategies are customized for different products to optimize the return. In particular, these asset portfolios employ a balanced asset allocation investment strategy, which consists of

- Investment-grade fixed income-type securities
- Equity-type investments to enhance the investment performance in the long run. This may include listed equity, hedge funds, mutual funds, private equity and property

The current long-term target asset allocation of this product is as follows:

Asset type	Target asset allocation (%)
Fixed income-type securities	50% - 100%
Equity-type investments	0% - 50%

The asset portfolios also target to provide diversification across different geographic regions and industries to the extent the size of portfolio can support. We may also utilize derivatives to manage our investment risk profile and for hedging purposes.

Currency exposure of the underlying policies is partly mitigated through direct investments in the same currency denomination and the use of currency hedging instruments. For policies in US\$, the majority of the assets are invested in the United States and Asia Pacific and denominated in US\$.

Furthermore, the asset portfolio is actively managed by investment professionals to closely monitor the investment performance and investment outlook. In addition to conducting regular review, FWD also reserves the right to change the investment strategy and shall notify policyholders for any material changes.

Investment vehicle



The dividend/bonus rate will be influenced by the performance of the underlying investment portfolio, which consists of both fixed income-type securities and equity-type investments. The performance is not static and will be highly affected by the change in market conditions:

Fixed income-type securities

- The return of fixed income-type securities arise from the interest income ("the yield") attained at the purchase of the securities. Under a higher (lower) market interest rates environment, the company is more likely to attain higher (lower) interest income with the new money (e.g. proceeds from coupons, maturities, new contributions);
- The defaults or downgrades of the fixed income-type securities will result in unfavorable investment performance.

Equity-type investments

- The movement of the market price of the equity-type investments will result in change in the market value of the portfolio. Rise (fall) in the market price will increase (decrease) the market value of the portfolio.
- The change in dividend-type income from the equity-type investments will impact the investment results. Higher (lower) dividend-type income from the underlying investment will improve (worsen) the investment results.

KEY PRODUCT RISKS

Credit risk

This product is an insurance policy issued by FWD. The application of this insurance product and all benefits payable under your policy are subject to the credit risk of FWD. You will bear the default risk in the event that FWD is unable to satisfy its financial obligations under this insurance contract.

Liquidity risk

This product is a long term insurance policy. This policy of long term insurance will be made for whole of insured's life starting from the policy effective date. The policy contains value and, if you surrender your policy in the early policy years, the amount you get back may be considerably less than the total amount of the premiums you have paid. Application of the product may constitute the liquidity risk to your financial condition. You need to bear the liquidity risk associated with the Plan.

Exchange rate and currency risk

The application of this insurance product with the policy currency denominated in a foreign currency is subject to that foreign currency's exchange rate and currency risk. The foreign currency may be subject to the relevant regulatory bodies' control (for example, exchange restrictions). If your home currency is different from the policy currency, please note that any exchange rate fluctuation between your home currency and the policy currency of this insurance product will have a direct impact on the amount of premium required and the value of benefit(s) to be received. For instance, if the policy currency of the insurance product depreciates substantially against your home currency, there is a negative impact on the benefits you receive from the product. If the policy currency of the insurance product appreciates substantially against your home currency, your burden of the premium payment is increased.

Inflation risk

The cost of living in the future may be higher than now due to the effects of inflation. Therefore, the benefits under this policy may not be sufficient for the increasing protection needs in the future even if FWD fulfills all of its contractual obligations.

Early surrender risk

If you surrender your policy in the early policy years, the amount of the benefit you will get back may be considerably less than the total amount of the premiums you paid.

Non-guaranteed benefits

Non-guaranteed benefits (including but not limited to annual dividend/special bonus) are not guaranteed and are determined at FWD's discretion based on its Dividend/Bonus declaration philosophy. Under certain circumstances, the non-guaranteed benefits may be **zero**.

Premium term

The premium payment term of the policy is single premium, 5 years or 10 years.

Non-payment of premium (not applicable to single premium policy)

FWD allows a grace period of 30 days after the premium due date for payment of each premium. If a premium is still unpaid at the expiration of the grace period and the policy has no cash value, the policy will be terminated from the date the first unpaid premium was due. If the policy has total cash value (excluding special bonus), FWD shall automatically advance the amount of premium due and any outstanding insurance levy(ies) as a policy loan against the total cash value (excluding special bonus). Once the total amount of outstanding loan and interest accrued thereon is equal to or exceeds the total cash value (excluding special bonus) of the policy, the policy will be terminated and you may lose all of your benefits.

Termination conditions

The policy shall terminate on the earliest of the following:

- 1) On the date you surrender your policy (which will be determined by us based on our policies and procedures at that time);
- 2) On the date of the insured's death;
- 3) When the policy is terminated pursuant to the advanced death benefit provision under the policy;
- 4) When the policy is terminated pursuant to the incapacity benefit provision under the policy;
- 5) On the expiration date of the 30-day premium grace period and we have not yet received the due premium payment (unless automatic premium loan applies);
- 6) On the date your outstanding policy loan amounts (including interest) are equal to or greater than the total cash value* excluding special bonus (if any) of the policy.

* Total cash value is guaranteed cash value, plus accumulated annual dividends and interest (if any) plus special bonus (if any).

KEY PRODUCT RISKS

Exclusion from suicide

If the insured commits suicide within thirteen (13) calendar months from the policy date (or the reinstatement date, whichever is later), our legal responsibility will be limited to the total premium amount paid to us without interest, after deducting any policy benefits that we have paid, any outstanding amounts owed to us and any outstanding insurance levy(ies). This applies regardless of whether the insured was sane or insane when committing suicide.

Exclusions for advanced death benefit

No advanced death benefit will be paid if the insured's terminal illness is caused directly or indirectly from any of the following:

1. intentional self-inflicted injury, or attempted suicide, while sane or insane and while intoxicated or not; or
2. Human Immunodeficiency Virus (HIV) related illness, including Acquired Immunization Deficiency Syndrome (AIDS) and/or any mutations, derivations or variations thereof, which is derived from an HIV infection; or
3. any condition arising out of consumption of poisoning drugs, psychiatric drug, drug abuse, alcohol abuse, abuse of solvents and other substances unless prescribed by a Registered Medical Practitioner for treatment.

IMPORTANT NOTES

Your right under cooling-off period



If you are not fully satisfied with this policy, you have the right to change your mind.

We trust that this policy will satisfy your financial needs. However, if you are not completely satisfied, you have the right to cancel and obtain a full refund of the insurance premium paid by you and levy paid by you without interest by giving us written notice. Such notice must be signed by you and received directly by the office of FWD within 21 calendar days immediately following either the day of delivery of the policy or a Cooling-off Notice to you or your nominated representative, whichever is the earlier. The notice is the one sent to you or your nominated representative (separate from the policy) notifying you of your right to cancel within the stated 21 calendar day period. No refund can be made if a claim payment under the policy has been made prior to your request for cancellation. Should you have any further queries, you may (1) call our Customer Service Hotline on 3123 3123; (2) visit our FWD Insurance Solutions Centres; (3) email to cs.hk@fwd.com and we will be happy to explain your cancellation rights further.

While the policy or rider (if applicable) is in force, the policy owner may surrender or terminate the policy or rider (if applicable) by sending a written request to FWD.

IMPORTANT NOTES

Obligation to provide information



FWD is obliged to comply with the following legal and/or regulatory requirements in various jurisdictions as promulgated and amended from time to time, such as the United States Foreign Account Tax Compliance Act, and the automatic exchange of information regime ("AEOI") followed by the Inland Revenue Department (the "Applicable Requirements"). These obligations include providing information of clients and related parties (including personal information) to relevant local and international authorities and/or to verify the identity of the clients and related parties. In addition, our obligations under the AEOI are to:

- i. identify accounts as non-excluded "financial accounts" ("NEFAs");
- ii. identify the jurisdiction(s) in which NEFA-holding individuals and NEFA-holding entities reside for tax purposes;
- iii. determine the status of NEFA-holding entities as "passive non-financial entities (NFEs)" and identify the jurisdiction(s) in which their controlling persons reside for tax purposes;
- iv. collect information on NEFAs ("Required Information") which is required by various authorities; and
- v. furnish Required Information to the Inland Revenue Department.

The policy owner must comply with requests made by FWD to comply with the above Applicable Requirements.

Note for pre-underwriting option



Pre-underwriting option does not represent any additional life protection amount recommended by licensed insurance intermediaries nor FWD, customers are reminded to select and purchase suitable life protection amount based on own financial needs.

The pre-underwriting option is subject to FWD's applicable rules and procedures. Once the pre-underwriting option is approved, within 36 months, the policy owner may submit a written request in FWD's prescribed form to apply for a new policy of designated products (subject to availability at the time of application of new policy as determined by FWD), by simplified medical underwriting process for the insured and with sum insured up to the approved amount applied under pre-underwriting option.

The policy owner and the insured shall complete the pre-set health questionnaire in the simplified medical underwriting process required by FWD accurately and truthfully. All other requirements during the policy application set by the FWD shall remain unchanged. FWD has the right to decline the policy application of the new policy if any requirements for the policy issuance in the sole opinion of FWD are not satisfied.

Notes for incapacity benefit



The incapacity benefit enables the Designated Person to withdraw part or all of the total cash value for one time. Any withdrawal, partial surrender or policy surrender due to the payment of incapacity benefit cannot be reversed or cancelled upon approval. You are reminded to consider carefully before applying this benefit and shall assess and understand any potential financial impact to you.

Subject to our applicable rules and procedures, and applicable laws and regulations, while the policy is in effect, if policy owner is diagnosed with the Covered Illness, the Designated Person may submit a written request in our prescribed form and documentary proof in our satisfaction to request for the incapacity benefit.

If (i) a committee or guardian is appointed under the Mental Health Ordinance (Cap. 136 of the Laws of Hong Kong) or a committee or guardian is appointed under similar laws in another jurisdiction; (ii) we are notified of a committee or guardianship order taking effect; (iii) there is an enduring power of attorney covering the policy; (iv) we are notified of an enduring power of attorney covering the policy; or (v) the policy has been assigned, we will only make payment to the Designated Person under the incapacity benefit with the prior written consent of the committee or guardian, attorney or the assignee, as the case may be.

If there is a dispute between the Designated Person and any other person, including but not limited to policy owner's committee or guardian, attorney, beneficiary and/or assignee, we reserve the right to withhold payment in our sole and absolute discretion until such dispute is legally resolved to our satisfaction.

IMPORTANT NOTES

Notes for incapacity benefit (Con't)



If the insured dies before we approve the Designated Person's request for the incapacity benefit, we will not pay the incapacity benefit, the death benefit shall supersede the incapacity benefit and becomes payable.

If the insured is diagnosed with terminal illness before we approve the Designated Person's request for the incapacity benefit, the advanced death benefit shall become payable first before any incapacity benefit payment can be made.

The nomination of Designated Person shall be automatically revoked and we will not pay the incapacity benefit when:

- (a) there is a change of the policy owner;
- (b) the policy owner dies; or
- (c) the Designated Person dies.

We reserve the right to revoke the Designated Person or withhold the payment of incapacity benefit at any time without prior notice if the nomination or change of the Designated Person or the payment of incapacity benefit in our belief appears to be in conflict with any applicable laws, regulations, court orders or its equivalent.

Misstatement or Non-disclosure



We have used the information, including but not limited to age, gender and other material facts, provided by you and the insured (if they are different people) during the application process to determine whether to issue the policy.

If the insured's age or gender is incorrect, we will calculate any amount paid or payable or benefit accruing according to how much the premiums paid would have purchased at the time of the application on the basis of the correct age and/or gender. However, any recalculated amount will not be more than the original benefit.

We have the absolute right to cancel the policy and treat it as having never existed if (i) any information provided by you and / or the insured during the application process is incorrect and if, based on the correct information, we would not have offered the policy; or (ii) any material facts were not disclosed during the application process which may affect our risk assessment. In this situation, we will refund any premium(s) and insurance levy(ies) paid without interest after deducting any benefits that we have paid. If the amount of the benefits paid by us is higher than that of the premiums received under the policy, and we shall have the right to demand refund of any difference. We will send written notification of the cancellation to your latest correspondence address in our records.

Notice of claim



We will pay benefits from the policy to you, the beneficiary (in accordance with the beneficiary provision and the change of policy owner and beneficiary provision) or other person who is entitled to make a claim after we receive sufficient evidence and proof of the claim to our satisfaction and we approve the claim. Our obligations for that benefit are fulfilled once you, the beneficiary or other person confirms they have received the benefit payment.

You should tell us if you need to make a claim under the policy by submitting claim form and the following:

1. the original of the policy;
2. evidence of the legal entitlement of the person or persons claiming payment;
3. evidence of the certified date of the death of the insured (if the death benefit is being claimed); and
4. all necessary medical records, certificates and completion of all relevant forms required by us; and any other document or information that we may reasonably request.

We are not responsible for any of the costs of filling-in any form or getting any documents, such as death or other certificates.

DECLARATIONS

- 1) This product is underwritten by FWD. FWD is solely responsible for all features, policy approval, coverage and benefit payment under the product. FWD recommends that you carefully consider whether the product is suitable for you in view of your financial needs and that you fully understand the risks involved in the product before submitting your application. You should not apply for or purchase the product unless you fully understand it and you agree it is suitable for you. Please read through the risks before making any application of the product.
- 2) This product material is issued by FWD. FWD accepts full responsibility for the accuracy of the information contained in this product material. This product material is intended to be distributed in the Hong Kong Special Administrative Region ("Hong Kong") only and shall not be construed as an offer to sell, a solicitation to buy or the provision of any insurance products of FWD outside the Hong Kong. All selling and application procedures of the product must be conducted and completed in the Hong Kong.
- 3) This product is an insurance product. The premium paid is not a bank savings deposit or time deposit. The product is not protected under the Deposit Protection Scheme in the Hong Kong.
- 4) This product is a participating life product with a savings element and advanced death benefit. The costs of insurance and the related costs of the policy are included in the premium paid under this Plan despite the product brochure / leaflet and / or the illustration documents of this Plan having no schedule / section of fees and charges or no additional charge noted other than the premium.
- 5) The product is a participating life product. If you surrender your policy in the early policy years, the amount you get back may be less than the total amount of the premiums you paid.
- 6) This product is designed for individuals who are looking for a long-term savings plan and it is not suitable for people who seek short-term gains.
- 7) All underwriting and claims decisions are made by FWD. FWD relies upon the information provided by the applicant and the insured in the insurance application to decide to accept or decline the application with a full refund of any premium paid and any insurance levy paid without interest. FWD reserves the right to accept / reject any insurance application and can decline your insurance application without giving any reason.
- 8) All the above benefits and payment are paid after deducting policy debts (if any, e.g. unpaid premiums, insurance levy(ies) or policy loan with interest).
- 9) To surrender the policy, you need to send FWD a completed surrender form or by any other means acceptable by FWD.



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