

Evergreen Growth Saver

Long-term savings with growth potential



Life & Savings Insurance

PRUDENTIAL
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Evergreen Growth Saver

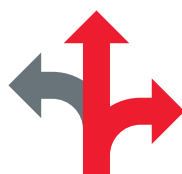


Evergreen Growth Saver is a whole life insurance plan designed for long-term savings – for when you need money to support different financial goals. The plan offers both guaranteed and non-guaranteed benefits to allow you to accumulate savings.

Plan highlights



Long-term savings with potential bonuses



Financial flexibility meets your needs at different life stages



Sign and go – no medical tests or information required



Choice of single or 5/10-year premium terms in HKD, RMB or USD



A range of supplementary benefits

The benefits



Long-term savings with potential bonuses

Savings growth with **Evergreen Growth Saver** can come from three sources: a guaranteed cash value; a non-guaranteed reversionary bonus; and a non-guaranteed special bonus.

The guaranteed cash value builds over time during your policy years. The guaranteed cash value will only be paid upon policy surrender or termination.

Evergreen Growth Saver is a With-Profits plan that gives you the opportunity to earn potential returns through two non-guaranteed bonuses: a reversionary bonus and a special bonus. By participating in our With-Profits Fund through the plan, you can receive your share of distributable profits, if any, from our With-Profits Fund in the form of non-guaranteed bonuses. No less than 90% of the distributable profit from our With-Profits Fund will be allocated to With-Profits policyholders. The calculation of the distributable profit of With-Profits Fund is performed separately and is not the same as that of the total profits of Prudential Hong Kong Limited.

For details on bonuses, please refer to the "More about **Evergreen Growth Saver**" section below.

Please also refer to our brochure on With-Profits plans available at www.prudential.com.hk/withprofits for information on your With-Profits plan and the operation of a With-Profits Fund.



Financial flexibility meets your needs at different life stages

You can access the cash value of the plan to support your financial needs at different life stages. Additionally, you may encash the cash value of the reversionary bonus and the corresponding special bonus – although this will reduce the long-term value of the policy.

We also offer a policy loan facility. This allows you to borrow up to 80% of the total of the guaranteed cash value and the cash value of the reversionary bonus, while keeping the policy in effect.

We will pay a death benefit to your selected beneficiary if you die while the plan is in effect. We guarantee that the death benefit will be no less than the total premium paid plus HKD 20,000 / RMB 15,000 / USD 2,500, depending on the policy currency, less any outstanding loans, interest and cash value of bonuses encashed during the policy term.

For details on cash value withdrawal, policy loan and death benefit, please refer to the "More about **Evergreen Growth Saver**" section below.



Sign and go – no medical tests or information required

There is no need to provide any medical information with an **Evergreen Growth Saver**. The only exceptions are if you take out more than **five Evergreen Growth Saver** policies within 24 months, or if the total annualised premium per life **exceeds HKD 10 million**, in which case medical information is required.

For details of how the total annualised premium is calculated, please refer to the "More about **Evergreen Growth Saver**" section below.



Choice of premium terms and currencies

You may choose to pay up your regular-premium policy in 5 or 10 years. Your premiums are fixed for the policy term. Alternatively, you may choose to make a single, lump-sum premium payment so that you don't have to worry about making any subsequent payments. The plan offers a number of different currency options, including HKD, RMB and USD.

Your policy will have a "notional amount", which is an amount used to calculate the premium, bonuses and other policy values of the plan. We offer a premium discount if the notional amount of your policy is equal to or greater than HKD 320,000 / RMB 240,000 / USD 40,000. This notional amount does not represent the amount of death benefit payable. Any change in this notional amount will lead to a corresponding change in the premiums, bonuses and other policy values of the plan. Please refer to the "More about **Evergreen Growth Saver**" section below for details.



A range of supplementary benefits

We offer a suite of supplementary benefits, including accident, disability, critical illness and medical coverage. Some supplementary benefits require you to undergo medical tests before the policy can be issued, and age restrictions may also apply. These supplementary benefits are only available for regular-premium plans in HKD or USD.

How the plan could work for you

Long-term savings with growth potential (applicable to all issue age, sex and smoking status)

Policy currency	USD	HKD	RMB
Premium term	5-year	5-year	5-year
Total basic premium paid	30,010	240,083	180,062
Projected (non-guaranteed) breakeven year ^{(a),(b)}	9 years	9 years	9 years
Returns	At year 25	At year 25	At year 25
Guaranteed cash value ^(c)	32,780	233,901	175,426
Guaranteed rate of return (p.a.) ^(c)	0.38%	-0.11%	-0.11%
Guaranteed cash value as a percentage of total basic premium paid ^(c)	109%	97%	97%
Projected (non-guaranteed) total cash value ^(b)	92,034	736,287	497,353
Projected (non-guaranteed) rate of return (p.a.) ^(b)	4.98%	4.98%	4.51%
Projected (non-guaranteed) total cash value as a percentage of total basic premium paid ^(b)	307%	307%	276%

The figures above are for illustrative purpose only and are rounded to the nearest whole number and percentage. The figures are calculated with reference to the notional amount. The notional amount of 5-year premium term is USD 64,400 / HKD 515,200 / RMB 386,400.

- (a) Projected (non-guaranteed) breakeven year means the projected year that projected (non-guaranteed) total cash value is higher than the total basic premium paid.
- (b) Assuming that there is no policy loan, change of notional amount or encashment of any cash value of bonuses while the policy is in effect. Projected breakeven year, projected total cash value and projected rate of return are not guaranteed.
- (c) Assuming that there is no policy loan or change of notional amount while the policy is in effect.

More about Evergreen Growth Saver

Plan type

Basic plan

Benefit term

Whole life

Premium term/ issue age*/currency option

Premium term	Issue age*	Currency option
Single	1–75	HKD / RMB / USD
5-year	1–70	HKD / RMB / USD
10-year	1–65	HKD / RMB / USD

* Age is determined as age next birthday throughout this brochure

Minimum notional amount

HKD 160,000 / RMB 120,000 / USD 20,000

Premium structure

Designated premium rate for each premium term. Same premium rate applies across all ages (regardless of gender and smoking class) within each premium term.

Bonuses

The potential returns of **Evergreen Growth Saver** are provided by the two types of non-guaranteed bonuses: a reversionary bonus and a special bonus. These may be considered as an annual bonus and a one-off bonus respectively.

The reversionary bonus and special bonus are normally declared annually according to the declared bonus rates. The rates of these bonuses can be changed from time to time, may vary for different currency options, and are not guaranteed. They are declared from the third policy anniversary for regular-premium plans or the first policy anniversary in the case of single-premium plans. The declared bonuses have a face value which will be paid out in the event of death.

The reversionary bonus can accumulate within the policy, allowing your savings to grow with time. Once declared, the face value of the reversionary bonus is guaranteed.

The special bonus is an additional one-off bonus; the declared bonus may rise and fall and does not accumulate within the policy. In simple terms, the special bonus does not form a permanent addition to the policy value.

Bonuses also have a non-guaranteed cash value. The cash values of the bonuses are not guaranteed and are determined by a cash value discount factor, which may vary. In the event of policy surrender or termination (other than due to death), the non-guaranteed cash value – not the face value – of the bonuses shall be paid out.

You may encash the cash value of the accumulated reversionary bonus and its corresponding special bonus from the policy on request, although this will reduce the long-term value of the policy.

We have the right to determine bonus rates, cash values and frequency of declaration at our sole discretion.

The illustrative figures of the bonuses can be found in the illustration proposal. We calculate these figures based on our current bonus projections and declaration principles, and assume that none of the bonuses have previously been encashed. They are shown for illustration only and cannot be regarded as guarantees or estimates of future bonuses. The actual values paid may be higher or lower than those illustrated.

Surrender value

Upon policy surrender, we will pay a surrender value for your policy equal to:

- the guaranteed cash value; **plus**
- the non-guaranteed cash value of the reversionary bonus (if any) and the non-guaranteed cash value of the special bonus (if any); **less**
- any loans and interest.

Cash value withdrawal

You can choose to withdraw the guaranteed and non-guaranteed cash value from the policy by reducing the notional amount. As a result of a reduction in the notional amount, the subsequent guaranteed cash value, bonuses (if any) and total premium paid for the death benefit will also be reduced. Therefore, any cash value withdrawal will reduce both the death benefit and surrender value payable.

Policy loan

You can borrow up to 80% of the guaranteed cash value and the cash value of the reversionary bonus, while keeping the policy in effect. We will charge interest on policy loans from the dates when the loans are incurred until they are fully repaid. Interest is calculated at an interest rate as determined by us from time to time. If the total outstanding amount (including interest) owing to us under the policy exceeds 90% of the total of guaranteed cash value and cash value of the reversionary bonus of the policy, we will terminate the policy immediately.

Death benefit

In the event of your death, we will pay a death benefit equal to:

- the guaranteed cash value; **plus**
- the face value of the reversionary bonus (if any) and the face value of the special bonus (if any); **less**
- any loans and interest.

Furthermore, we guarantee that the death benefit amount of the plan will be no less than the total premium paid (unless you have reduced your notional amount) plus HKD 20,000 / RMB 15,000 / USD 2,500, depending on your policy currency, less any outstanding loans, interest and cash value of bonuses encashed during the policy term.

Total annualised premium

The calculation of the total annualised premium is equal to 10% of the single premium and 100% of the annualised regular premium. When calculating the total annualised premium for the person covered in the policy (the "life assured"), all policies in different currencies will be added together based on an exchange rate of USD 1 to HKD 8 and an exchange rate for RMB and HKD that is subject to our discretion.

Premium discount

Premium discount per HKD / RMB / USD 1,000 notional amount.

Notional amount	≥ HKD 320,000 / RMB 240,000 / USD 40,000	≥ HKD 800,000 / RMB 600,000 / USD 100,000
Single premium term	4.3	6.0
5/10-year premium term	0.8	1.2

Notional amount	≥ HKD 1,600,000 / RMB 1,200,000 / USD 200,000	≥ HKD 2,400,000 / RMB 1,800,000 / USD 300,000
Single premium term	6.7	7.0
5/10-year premium term	1.5	1.8

E.g. If the notional amount is HKD 800,000, the premium discount for single premium term would be HKD 4,800 (HKD 800,000 / 1,000 X 6.0).

Termination of this plan

We will terminate this plan automatically upon any of the following events, whichever occurs first:

- the life assured dies;
- the policy is surrendered;
- you fail to pay the premium;
- the total outstanding amount (including interest) owed to us under the policy exceeds 90% of the sum of the guaranteed cash value and the cash value of the reversionary bonus of this policy.

Need more details? Get in touch

Please contact your consultant or call our Customer Service Hotline at 2281 1333 for more details.

Notes

Evergreen Growth Saver is underwritten by Prudential Hong Kong Limited ("Prudential"). This brochure is for reference only. It does not represent a contract between Prudential and anyone else. If you need more information about the plan, please ask us for a sample of the policy document.

We reserve the right to accept or decline any application based on the information provided by the policyholder and/or life assured in the application.

Please cross your cheque and make it payable to "Prudential Hong Kong Limited".

A customer who has bought the life insurance plans has a right to cancel the policy within the cooling-off period and obtain a refund of any premium(s) paid less any withdrawals. Provided that no claim has been made, the customer may cancel the policy by giving written notice to Prudential within 21 days after: (1) the delivery of the policy or (2) the issuance of a notice (informing the availability of the policy and expiry date of the cooling-off period) to the customer/his/her representative, whichever is earlier. The premium will be refunded in the currency of premium payment at the time of application for this policy. If the currency of premium payment is not the same as the plan currency, the refundable premium amount in plan currency under this policy will be converted to the currency of premium payment at the prevailing currency exchange rate as determined by Prudential in our absolute discretion from time to time upon payment. After the cooling-off period expires, if a customer cancels the policy before the end of benefit term, the actual cash value may be substantially less than the total amount of premiums paid.

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Surrender/early withdrawal/liquidity risk

The liquidity of an insurance policy is limited. You are strongly advised to hold the policy until the end of benefit term and reserve adequate liquid assets for emergency use. For any surrender/withdrawal especially at the early stage upon policy inception, you may suffer from significant losses or even lose the entire premium(s) paid to the policy.

Exchange rate and currency risk

Foreign currency (including Renminbi ["RMB"]) exchange rate may fall as well as rise. There can be a substantial exchange rate loss when converting the benefit value in plan currency back to another currency. In addition, you should note that the currency exchange arrangement that needs to be made for converting the benefits into other currencies is also subject to the relevant currency exchange restrictions applicable at the time when the benefits are paid. RMB is currently not freely convertible and conversion of RMB through banks in Hong Kong is subject to restrictions specified by the bank and regulatory requirements applicable from time to time. The actual conversion arrangement will depend on the restrictions prevailing at the relevant time. Converting foreign currency (including RMB) denominated benefits to another currency is the customer's sole decision and responsibility. Prudential takes no responsibility for such arrangement.

All benefit amounts will be made in plan currency. For RMB policy, this is subject to the applicable laws, regulations and guidelines issued by the relevant regulatory authorities from time to time, provided always that Prudential shall have the absolute discretion to make payment under this policy in HKD. If conversion between currencies is required, it shall be calculated at the prevailing currency exchange rate as determined by Prudential in its absolute discretion from time to time upon payment.

Non-guaranteed benefits

The product consists of non-guaranteed benefits and/or returns and its values presented in the marketing materials are not guaranteed and for illustrative purposes only. The actual future amounts of benefits and/or returns may be lower than or higher than the currently illustrated benefits and/or returns.

Non-guaranteed bonuses

The face value of the reversionary bonus and special bonus will be paid when Prudential is paying the death benefit, but only the cash value of these bonuses will be paid when the policy is surrendered in whole or in part. The face value of reversionary bonus

is guaranteed once declared while the cash value of the bonuses is not guaranteed. These values are illustrative only and are calculated based on the Prudential's current projections of surrender values and bonus scales, both of which are not guaranteed and will be subject to change at the Prudential's sole discretion. The actual values paid may change with the values being higher or lower than those illustrated.

Investment risk relating to equities and bonds

The plan involves investing in a basket of assets including exposure to global equities and bonds. The investment returns of the plan will be affected by the investment performance of global equities and bonds. Interest rate fluctuations and equity fluctuations may adversely affect the non-guaranteed benefits, return and performance of the plan. The non-guaranteed benefits, return and performance of the plan are subject to the credit risk of the issuer(s) of the bonds (in which the plan invests) which is not guaranteed by the insurer, agents or distributors. Foreign exchange rates risk applies as most of the equity assets include exposure to the global equity markets and will be denominated in currency which is different from the currency of the plan. Whilst foreign exchange rate risk is currently managed with currency hedge for bond, residual risk remains.

Investment risk relating to RMB-denominated assets

For RMB policy, the investment strategy of the With-Profits Fund associated with the plan includes investing in RMB-denominated assets. The investment yield experience of the With-Profits Fund associated with the plan will be affected by the investment performance of RMB-denominated assets. However, investing in RMB-denominated assets is subject to applicable laws, regulations and guidelines issued by relevant regulatory authorities from time to time. Any change of the applicable laws, regulations and guidelines may lead to an update to the investment strategy and the associated investment performance may be affected.

Limited offer period for RMB currency option

The RMB currency option of this plan is offered for a limited period only and is subject to a quota limit. Prudential reserves the right to withdraw this currency option from the market at any time at its sole discretion without prior notice, regardless of whether or not your policy application has already been received. Prudential will, however, return the original premium already paid by you in the original amount and in the premium payment currency without interest, if it decided to withdraw the currency option after its receipt of your application.

Investment strategy

Prudential's investment objective is to balance policyholders' returns with an acceptable level of risk, in a broad mix of suitable investments aimed at protecting the respective rights and reasonable expectations of all groups and generations of With-Profits policyholders.

The With-Profits Fund invests in various types of assets, such as equities, property, corporate bonds and cash, helping to diversify investment risk. This multi-asset approach seeks to ensure more stable returns over the longer term.

Prudential adopts an actively managed investment strategy and the asset mix will be adjusted in response to changing market conditions. In normal circumstances, Prudential's risk management and investment experts allocate a lower proportion of higher risk assets, such as equities to insurance plan with higher guarantees, and vice versa. In doing so, we aim to match the level of risk to the risk profile of the products we manufacture.

The following paragraphs explain the current asset mix according to the current investment strategy. Should there be any material changes to the investment strategy, Prudential will inform policyholders on the changes made, the underlying reasons for the changes and the implications for policyholders.

i. Security diversification

Policies are supported by a wide range of assets, such as government bonds, corporate bonds and equities-type assets. The choice of assets is adjusted to cater for a number of factors including, but not limited to, differences in policy denomination and the availability of assets in various countries.

The current target long-term equity-type exposure is set at 60% for USD-denominated and HKD-denominated policies, respectively, and 45% for RMB-denominated policies, with the actual exposure adjusted in response to changing market conditions. In addition, long-term targets are also reviewed regularly in line with our investment objective.

ii. Currency diversification

Prudential's current practice is to currency-match its bond purchases with the underlying policy denomination. Where bonds are not denominated in the same currency as the underlying policies, currency hedges are purchased to offset any impact from currency fluctuations. In contrast, we give more flexibility to equity-type assets where those assets can be invested in other currencies in order to benefit from diversification.

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