

## **1. Effective Period**

- 1.1. From 1 January - 31 December 2025 and subject to quota
- 1.2. The Company reserves the rights to modify the scheme rules and/or stop offering this Scheme at any time at its sole discretion

## **2. Nature of Payment**

Any and all financing payments including but not limited to Kick-off Bonus, Monthly Finance and Performance Bonus are essentially loan payments. All such financing payments or loan payments may be granted to the Agent, subject to all the terms and conditions:

- a) in this Financing Scheme;
- b) in the Financing Agreement;
- c) Agency Agreement; and
- d) other applicable terms of service determined by the Company from time to time

Any and all such financing payments or loan payments are further subject to the sole and absolute discretion of Prudential Hong Kong Limited and its assignee (the "Company")

## **3. Endorsement/Approval**

All applications must be endorsed by relevant upline managers and subject to the Company's approval

## **4. Eligibility**

- 4.1. Sales professional from IFAs, Broker firms, Financial Institutions ("FIs"), Asset Management Companies, other insurers or banks with at least latest 2 year's valid registration records with the HKIA and / or MPFA and / or SFC.
- 4.2. The candidate shall also meet the following criteria:
  - 4.2.1. Not less than 1 year service period with the immediate past employer; and
  - 4.2.2. Not more than 1 employer on every 1 service year in the immediate past 3 years
  - 4.2.3. Average annual income ("AAI") is not less than HK\$500,000, with the immediate past 24 months' income supporting documents verified
- 4.3. Ex-agents rejoin the Company within 7 years are NOT eligible
- 4.4. Applicant aged 18-55

## **5. Commissions withheld**

- 5.1. No commission withheld. 100% of commission earnings will be released, subject to terms and conditions issued by the Company from time to time
- 5.2. Other Compensation Benefits follow Agency Terms and Conditions issued by the Company from time to time

## **6. Kick-off Bonus ("KOB")**

- 6.1. The Agent with AAI not less than HK\$500,000 will be entitled to the KOB (AAI capped at HK\$1.92m)
- 6.2. Subject to clause 6.1 and the rating in the Transunion Report ("TU Rating") provided by the Agent to the Company's satisfaction (i.e. TU rating A-F), the Company may grant a loan (as described herein as "KOB") to the Agent which equalvelant to 25% of total MF (Total MF Amount = Initial MF x 24, please refer to clause 7 below)
- 6.3. Validation quota (Net Sales Credit / Production Credit) at **325%** of total MF in the first 24 months
  - 6.3.1. Net Sales Credit = 100% of individual new business
  - 6.3.2. Production credit = 100% of personal Net Sales Credit from individual life new business + respective overriding rates x Net Sales Credit from production of downline(s)

6.4. The KOB will be paid with below arrangement:

KOB payment month	KOB payment amount
Upon agent contracted with the Company	100%

The KOB is subject to clawback as stated below:

% of KOB validation requirement achieved by end of 24 <sup>th</sup> contract months	% of KOB to be clawback
< 60%	100%
= 60% and < 100%	In Pro-rate scale: 1 – [Actual Production] ÷ [KOB validation requirement]
= 100%	Nil

6.5. Subject to all the terms herein, the Company may pay the KOB in accordance to this Clause 6 to the Agent, provided that the Agent has obtained his/her upline leaders' written guarantee regarding such KOB

## 7. Monthly Finance ("MF")

### 7.1. General Validation Rules

For Senior Unit Manager or higher title (SUM or up), group validation may apply subject to the Company's approval

### 7.2. Monthly Finance ("MF")

7.2.1. MF amount: HK\$10,000 – HK\$80,000 (i.e. AAI capped at HK\$1.92m)

7.2.2. The MF will be payable for a period of not more than 24 months

7.2.3. The MF amount shall be calculated based on the Agent's AAI in the immediate past 24 months, with supporting documents verified

#### Example

The Agent's total income in the immediate past 24 months was HK\$960,000 (AAI = HK\$480,000). The amount of MF offered should be HK\$480,000 ÷ 24 (i.e. MF HK\$20,000 is justified and shall be payable for not more than 24 months)

### 7.3. MF Validation

7.3.1. Validation quota (net sales credit) at **325%** of total MF in the first 24 months

Validation Points	Net Sales Credit (HK\$)	Persistency
End of Q1	Initial MF x 3 x 3.25	>=85%
End of Q2	Initial MF x 6 x 3.25	
End of Q3	Initial MF x 9 x 3.25	
End of Q4	Initial MF x 12 x 3.25	
End of Q5	Initial MF x 15 x 3.25	
End of Q6	Initial MF x 18 x 3.25	
End of Q7	Initial MF x 21 x 3.25	
End of Q8	Initial MF x 24 x 3.25	

7.3.2. Without prejudice to the Company's discretion to pay any financing payments, the Company will adjust the MF amount if the Agent fails to meet any of the Validation Requirements as follows:

% of validation requirement achieved	% of MF payment
=100%	100%
=80%	75%
=60%	50%
<60%	0%

- 7.3.3. The Company will suspend the MF payment to any Agent at its discretion, including but not limited to the following circumstances:
- 7.3.3.1. no Life Business (in terms of case count) is produced by the Agent for two consecutive months; and/or
  - 7.3.3.2. the Agent fails to meet the above mentioned Validation Requirement; and/or
  - 7.3.3.3. the Agent fails to meet the persistency requirement; and/or
  - 7.3.3.4. the Agent breaches any of the terms of the Agency Agreement, or the Company's regulations or terms of services; and/or
  - 7.3.3.5. the agent fail to complete New Agent Onboarding and New agent D1-D4 training within the first 30 contract days; and / or
  - 7.3.3.6. the agent fail to achieve mandatory training requirements
- 7.3.4. Subject to the Company's final approval, catch-up of production applies at the end of 24<sup>th</sup> contract month if the Agent meets 100% validation requirements
- 7.3.5. The Company reserve the right to cease the scheme if the agent fail to fulfill 60% of the MF validation requirement by the end of 24<sup>th</sup> contract month

## 8. Performance Bonus ("PB")

- 8.1. The Agent will be eligible for the **PB1 and PB2** according to the validation tables below
- 8.2. For Unit Manager (UM) or below title (UM or below), validation of PB shall be based on personal production and achieve personal contract maintenance requirement
- 8.3. For Senior Unit Manager or higher title (SUM or up), validation for PB shall be based on production credit, personal H&P and net case count production, achieve personal contract maintenance and position maintenance requirements
- 8.4. Performance Bonus 1 (PB1)

### 8.4.1. Validation period: 1<sup>st</sup> to 24<sup>th</sup> Contract months

		Validation period: 1 <sup>st</sup> -24 <sup>th</sup> contract months			Validation period: 13 <sup>th</sup> - 24 <sup>th</sup> contract months
PB Level	PB Amount (HK\$)	Net Sales Credit (HK\$)	H&P (HK\$)	Net Case Count	*UM or below: Achieve 2025 Personal Contract Maintenance  *SUM or up: Achieve 2025 Personal Contract Maintenance & Position Maintenance  *Please refer to PIL >Agency Operations> Agency Rules & Regulations
1 <sup>st</sup> tier	25% of Total MF Amount	500% of Total MF Amount	15% of Net Sales Credit	>=24	
<b>OR</b>					
2 <sup>nd</sup> tier	50% of Total MF Amount	600% of Total MF Amount	15% of Net Sales Credit	>=24	

#### 8.5. Performance Bonus 2 (PB2)

8.5.1. Validation period: 1<sup>st</sup> to 36<sup>th</sup> Contract months

		Validation period: 1 <sup>st</sup> -36 <sup>th</sup> contract months			Validation period: 25 <sup>th</sup> - 36 <sup>th</sup> contract months	
PB Level	PB Amount (HK\$)	Net Sales Credit (HK\$)	H&P (HK\$)	Net Case Count	*UM or below: Achieve 2025 Personal Contract Maintenance  *SUM or up: Achieve 2025 Personal Contract Maintenance & Position Maintenance  *Please refer to PIL >Agency Operations> Agency Rules & Regulations	
1 <sup>st</sup> tier	25% of Total MF Amount	700% of Total MF Amount	15% of Net Sales Credit	>=36		
<b>OR</b>						
2 <sup>nd</sup> tier	50% of Total MF Amount	800% of Total MF Amount	15% of Net Sales Credit	>=36		
<b>OR</b>						
3 <sup>rd</sup> tier	75% of Total MF Amount	900% of Total MF Amount	15% of Net Sales Credit	>=36		

8.6. The PB1 and PB2 (if any) will be released at the below percentage based on the H&P and net case count achievement:

H&P validation	Net Case Count validation	Payment percentage of relevant PB
Achieved	Achieved	100%
<b>Not</b> achieved	Achieved	80%
Achieved	<b>Not</b> achieved	50%
<b>Not</b> achieved	<b>Not</b> achieved	40%

- 8.7. PB1 (if any) will be validate by the end of 24<sup>th</sup> contract month, and released in the 27<sup>th</sup> contract month
- 8.8. PB2 (if any) will be validate by the end of 36<sup>th</sup> contract month, and released in the 39<sup>th</sup> contract month
- 8.9. At point of release of the PB1 and/or PB2 (where applicable), the personal and group (if applicable) persistency rate must be greater than 85% and 80% respectively

#### 9. Financial Responsibility

The Agent's liability provisions herein shall apply to all agents applying for this financing scheme

##### 9.1. Agent's liability

- 9.1.1. The Agent applied for this scheme is not eligible to join the "PRUelite Scheme" and/or any other MDRT related Bonus and any future incentive scheme as determined by the Company at its sole discretion from time to time
- 9.1.2. The Agent shall forthwith repay the MF payment on pro-rata basis to the Company if he/she has failed to meet the overall validation requirement at the end of the 24-month development period
- 9.1.3. The Agent shall forthwith repay all KOB, MF and/or PB payments (as the case may be) in full to the Company if the Agency Agreement is terminated by the Company due to misconduct of the Agent and/or any breach of code of practice by the Agent
- 9.1.4. The Agent shall be responsible to forthwith repay the KOB, MF and/or PB payments (as the case may be) to the Company if the Agency Agreement is terminated, for whatever reason, within 60 calendar months from the effective date. The repayment amount is subject to the servicing contract month as listed below:

Serviced month (counting from the Effective Date)	Repayment Percentage (%)
Within 1 to 36 calendar months	100%
Within 37 to 48 calendar months	60%
Within 49 to 60 calendar months	40%
Over 60 calendar months	0%

#### 9.2. Leader's liability and guarantee

9.2.1. If an Agent's contract is terminated for whatever reason within 60 calendar months from the effective date, the Manager shall be responsible to forthwith repay subject to the Agent's servicing contract month as listed below:

Serviced month (counting from the Effective Date)	Overriding clawback percentage (Unit manager and up)	Repayment KOB & MF Percentage (%)
Within 1 to 12 calendar months	100%	40%
Within 12 to 24 calendar months	0%	40%
Within 25 to 36 calendar months	0%	30%
Within 37 to 60 calendar months	0%	20%
Over 60 calendar months	0%	0%

9.2.2. Managers are not entitled to Development Allowance as stipulated in the prevailing Agency Terms and Conditions

#### 10. Others

Agent's production will NOT count all upline managers' Long Service Incentive (LSI) validation.

\* Note: The above is intended only as a summary of the Kick-off Bonus Financing Scheme as currently in force. The Kick-off Bonus Financing Scheme may be amended by the Company from time to time at its sole and absolute discretion, and further subject to the detailed terms as contained in the Financing Agreement