

Prime Vantage Protector



Listening. Understanding. Delivering.



Flexible whole life protection; a way to build and secure your wealth and pass it on to your loved ones – all from a single premium

Life & Savings Insurance

Macau Edition

Prime Vantage Protector

When you have worked hard to build a future for you and your family, knowing they will be looked after no matter what brings real peace of mind. With **Prime Vantage Protector**, just a single premium secures flexible lifelong protection and long-term savings. The plan safeguards your loved ones against the financial impact of mishap and automatically adjusts your life cover as your life evolves. We give you a guaranteed cash value as well as a non-guaranteed terminal bonus to help secure and grow your wealth. Finally, you can pass on your wealth to your loved ones to leave a lasting legacy.

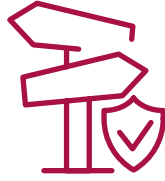


Plan highlights

Lifelong protection



Lifelong, premier protection with just a single premium payment



Your protection adapts as your life evolves

Opportunities to grow and pass on your wealth



Grow and preserve your wealth

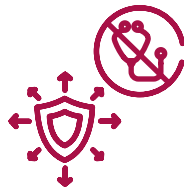


Distribute your wealth flexibly as your family grows

Safeguard your family and your business no matter what the future holds



Ensure the continuity of your business



Easily enhance your cover in the future without a medical examination



Lifelong protection



Lifelong, premier protection with just a single premium payment

With just **one, single premium payment**, you can secure **whole life cover** to protect your family's financial future should anything happen.

We will pay a Death Benefit to the beneficiary you choose if the person covered by the policy (the "life assured") passes away while the policy is in force.



Your protection adapts as your life evolves

As your life evolves, so does your financial focus. We have designed your plan so that it automatically adjusts your life protection to suit your needs as your life and responsibilities change.

In your younger years, the financial demands of starting a family and the responsibilities this brings may require more protection. To safeguard your loved ones' financial security, we will pay **up to 100% of the sum assured as a guaranteed Death Benefit**, less any outstanding loans and interest, if the life assured unfortunately passes away.

As the years go by, children become independent and family financial commitments decrease, so the plan **automatically adjusts its guaranteed life protection downward** to match, **shifting the focus to growing wealth**.

We may also **pay the non-guaranteed one-off Terminal Bonus** when we pay the Death Benefit on or after the 15th policy anniversary.

You can find more information in the "Death Benefit and its settlement option" in the "More about the plan" section below.



Opportunities to grow and pass on your wealth

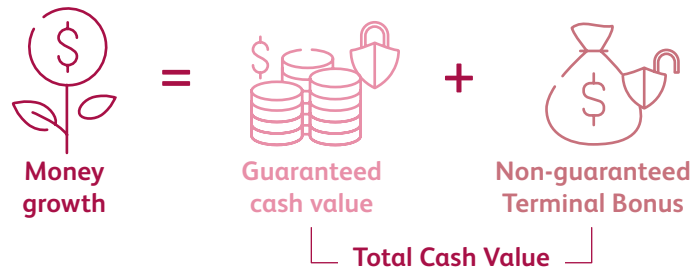


Grow and preserve your wealth

Prime Vantage Protector enables you to **preserve** your **assets** and potentially watch your **wealth grow** to form a solid financial foundation for your children or grandchildren. This could help them pursue a top-flight education or even help them start their first business.

As soon as your policy starts, its **guaranteed cash value** is around **85%* of your single premium**. As time goes on, you can see your **money growing through the policy years**. We pay the guaranteed cash value when your policy is terminated (other than when the life assured passes away).

We may also **pay the non-guaranteed one-off Terminal Bonus** when your policy is terminated on or after the 15th policy anniversary.



To give you more financial flexibility, if you need your money for any reason, you can access the Total Cash Value of your plan or borrow up to 80% of its guaranteed cash value while keeping it in force.

* The figure may differ slightly from the actual amount because of rounding differences.



Good to know

Understanding your Shareholder-backed Participating Plan

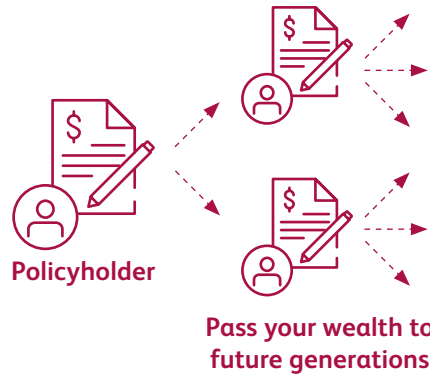
This is a Shareholder-backed Participating Plan. The current long-term target asset allocation of your plan is 55% in fixed-income securities and 45% in equity-type securities. Click [here](#) or scan the QR code for more information on our Shareholder-backed Participating Plans, including our investment and bonus philosophies and the operation of the Shareholder-backed Participating Fund.





Distribute your wealth flexibly as your family grows

As your family grows, you may want to include more loved ones in your legacy planning and distribute your wealth in the way you choose. Starting from the 5th policy anniversary, you can **separate your policy into several policies** by exercising the **Policy-Split Option**. This means you can pass your accumulated wealth to your loved ones as meaningful gifts.



Safeguard your family and your business no matter what the future holds



Different death benefit settlement options to safeguard your family

You can choose how you would like us to pay the Death Benefit while the life assured is still alive; as a **lump sum**, in **monthly instalments** or **a mix of both**. These options allow you to protect your family flexibly as you wish.



Ensure the continuity of your business

The impact of a key employee's death can be huge. Even if you are able to recruit a replacement, this takes time – and could potentially affect profitability.

If you own a business, you can use the plan to provide **keyman insurance** to give you and your firm **more security**, using the Death Benefit, if a key employee unfortunately passes away.



Easily enhance your cover in the future without a medical examination

To make it easier for you to enhance your life cover in the future – perhaps if you have more children or other commitments – you can apply for our **Pre-Underwriting Option**. This means we can **pre-approve** you for an **overall level of cover** within a certain period of time, based on your **existing medical condition**. When **applying for a new policy** under the same plan, you will not need to undergo a medical examination again – all you will need to do is answer a **few health questions**, as long as the total sum assured of all your policies is not more than the overall level of cover we have approved, subject to other underwriting rules.



Good to know

Some benefits or options will be affected once you exercise the Policy-Split Option or change the policyholder. You can find more details in the “More about the plan” section below.

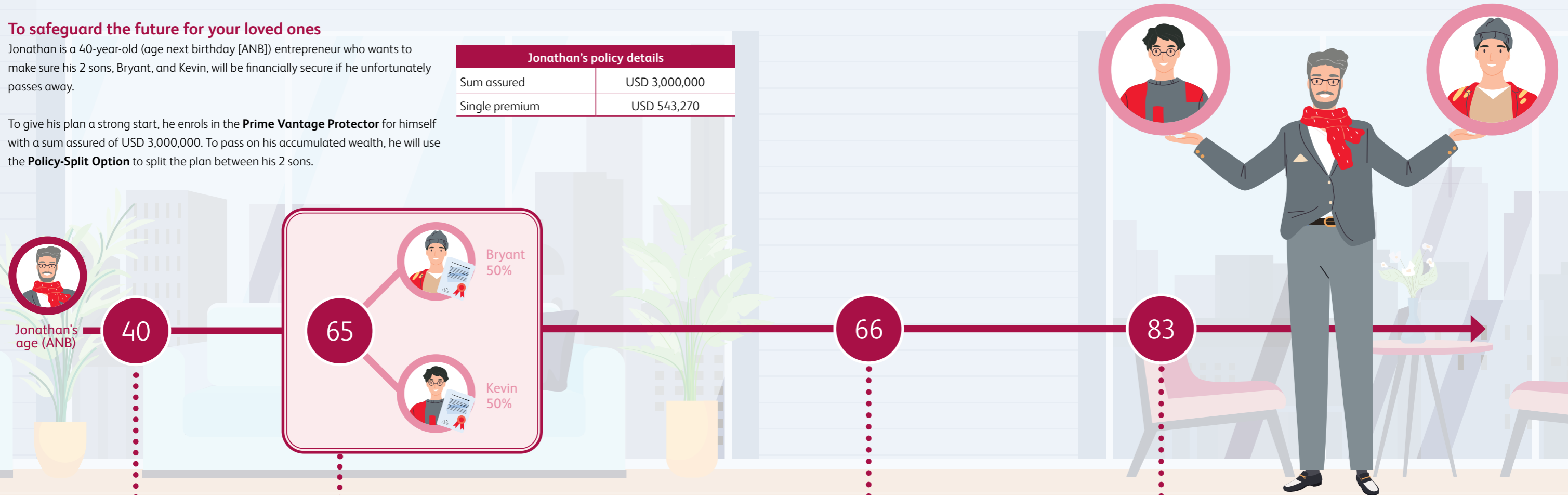
How does the plan work?

To safeguard the future for your loved ones

Jonathan is a 40-year-old (age next birthday [ANB]) entrepreneur who wants to make sure his 2 sons, Bryant, and Kevin, will be financially secure if he unfortunately passes away.

To give his plan a strong start, he enrolls in the **Prime Vantage Protector** for himself with a sum assured of USD 3,000,000. To pass on his accumulated wealth, he will use the **Policy-Split Option** to split the plan between his 2 sons.

Jonathan's policy details	
Sum assured	USD 3,000,000
Single premium	USD 543,270



Policy starts

Protection
The Death Benefit of Jonathan's policy = **USD 3,000,000¹**; around **5.5 times** of the single premium. Jonathan can rest assured knowing that his family will be financially sound even if he passes away.

Savings
The Total Cash Value of his policy = **USD 461,790²**; around **85%** of the single premium.

2nd generation

To pass his wealth on, Jonathan separates his policy evenly into 2 and **transfers the ownership** of each policy to Bryant and Kevin respectively.

As the new policyholders, they can choose to i) separate their policies; ii) let the savings grow continually; or iii) withdraw part of their policy values when they need to.

Protection
The sum of the projected (non-guaranteed) Death Benefit of their 2 policies = **USD 4,558,680³**; around **8.4 times** of the single premium.

Savings
The sum of the projected (non-guaranteed) Total Cash Value of their 2 policies = **USD 1,284,672⁴**; around **2.4 times** of the single premium.

As Jonathan's family financial commitments decrease, the plan **automatically reduces its guaranteed Death Benefit by 3.3% of the sum assured on each of the 15 policy anniversaries** starting from the policy anniversary that follows immediately after Jonathan (as the life assured) reaches age 66 (ANB)⁵ for the 2 split policies.

2nd generation

Given Bryant and Kevin **didn't withdraw any policy value**.

Protection
Despite the life protection adjustment, Bryant and Kevin can still receive the projected (non-guaranteed) Death Benefit of their 2 policies; a sum of **USD 6,346,950⁶**; around **11.7 times** of the single premium.

Savings
The sum of the projected (non-guaranteed) Total Cash Value of their 2 policies = **USD 4,114,081⁷**; around **7.6 times** of the single premium.

¹ Consists of 100% of the sum assured.
² Consists of the guaranteed cash value.
³ Consists of USD 3,000,000, 100% of the sum assured and USD 1,558,680, the face value of the non-guaranteed Terminal Bonus.
⁴ Consists of USD 483,510 guaranteed cash value and USD 801,162, the cash value of the non-guaranteed Terminal Bonus.
⁵ Means the policy anniversary that follows immediately after the life assured's 65th birthday.
⁶ Consists of USD 1,515,000, 50.5% of the sum assured (100% sum assured - 3.3% sum assured * 15 policy anniversaries) and USD 4,831,950, the face value of the non-guaranteed Terminal Bonus.
⁷ Consists of USD 543,270 guaranteed cash value and USD 3,570,811, the cash value of the non-guaranteed Terminal Bonus.

About Jonathan's policy:

- We assume in the above example that Jonathan is a non-smoker and residing in Macau.
- You cannot change the life assured under this policy.
- The figures are only for illustration, and we have calculated them with reference to the sum assured. The example is not an indicator of future performance, and the actual return may be higher or lower subject to investment performance.
- The estimated non-guaranteed benefit is based on our bonus scale considering current assumed investment returns. This is not an indicator of the future non-guaranteed benefits.
- The above calculation assumes no cash value withdrawal and no policy loan while the policy is in effect. The figures in the above case may differ slightly from the actual amounts because of rounding differences.
- Applications for exercising the above-mentioned Policy-Split Option or feature are subject to our approval and you can find more details in the "More about the plan" section below.

More about the plan

Plan type

Basic plan

Benefit term

Whole life

Premium term/Issue age/Currency/ Minimum sum assured

Premium term	Issue age (ANB)	Currency	Minimum sum assured
Single	19 – 75 [#]	USD	USD 500,000

[#]subject to our prevailing underwriting rules.

Premium structure

- We will determine the premium based on the risk class (including but not limited to issue age, gender, smoking status and country of residence) of the life assured.

Terminal Bonus

- This is a one-off non-guaranteed bonus.
- We normally declare bonus annually and may change the bonus from time to time.
- We have the right to determine and declare the bonus more frequently than annually at our sole discretion.
- The declared bonus may rise and fall and does not accumulate within the policy or form a permanent addition to the policy's value.
- From the 15th policy anniversary, we will declare the bonus for your plan.
- The declared bonus has a face value which we may pay if the life assured passes away.
- The bonus also has a non-guaranteed cash value which we determine by a variable cash value discount factor. When your policy is terminated (other than when the life assured passes away), we will pay the bonus's non-guaranteed cash value – not its face value.
- We have the right to determine bonus rates, cash values and frequency of declaration at our sole discretion.

Factors affecting the Terminal Bonus

- The Terminal Bonus we pay is not guaranteed and is subject to review and adjustment at our discretion. Factors that may affect it include (but not limited to):
 - i. Investment performance factors – Your plan's performance will be affected by the return on its underlying investment portfolio. This could be driven by:
 - interest earnings from fixed-income securities and dividend from equity-type securities (if any);
 - capital gains and losses from investment assets;
 - counterparty default risk of fixed-income securities (such as bonds);
 - investment outlook; and

- ii. Claims factors – Our historical claims experience on Death Benefit and/or other covered benefits, and projected future costs of providing Death Benefit and/or other covered benefits.
 - iii. Expense factors – These include direct expenses associated with issuing and maintaining your policy, such as commissions, overrides, underwriting and policy administration expenses. They may also include indirect expenses (such as general overheads) allocated to your policy.
 - iv. Persistency factors – Policy persistency and any partial surrenders of a group of policies may impact the bonus we pay to the continuing policies.
- The actual future amounts of benefits and/or returns may be higher or lower than the values currently presented in the marketing materials. Our website at <https://pruhk.co/bonushistory-SHPAR-mo-en> explains the bonus history.

Surrender value

When you surrender your policy, we will pay a surrender value equal to:

- the guaranteed cash value;
- **plus** the cash value of the Terminal Bonus (if any);
- **less** any outstanding loans and interest.

Death Benefit and its settlement option

- If the life assured unfortunately passes away while the policy is still in force, we will pay the beneficiary a Death Benefit as follows:

<p>If the life assured passes away before the 15th policy anniversary or the policy anniversary that follows immediately after the life assured reaches age 66 (ANB)[^], whichever is later</p>	<ul style="list-style-type: none"> 100% of the sum assured; plus the face value of the Terminal Bonus (if any); less any outstanding loans and interest.
<p>If the life assured passes away on or after the 15th policy anniversary or the policy anniversary that follows immediately after the life assured reaches age 66 (ANB)[^], whichever is later</p>	<ul style="list-style-type: none"> the higher of: <ul style="list-style-type: none"> 100% of the sum assured minus 3.3% of the sum assured on each of the 15 policy anniversaries starting from (i) the 15th policy anniversary and (ii) the policy anniversary that follows immediately after the life assured reaches age 66 (ANB)[^], whichever is later; and 100% of the single premium you paid; plus the face value of the Terminal Bonus (if any); less any outstanding loans and interest.

[^] Means the policy anniversary that follows immediately after the life assured's 65th birthday.

- Death Benefit Settlement Option:**
 - You can decide, while the life assured is still alive, whether we pay your beneficiary the Death Benefit in a lump sum or as a series of monthly instalments or a mix of the 2. If the Death Benefit amount you opt to settle by monthly instalments is less than a certain amount we determine, we will only pay the Death Benefit in a lump sum.
 - You can choose to settle the monthly instalment in a certain number of year options we provide.

- If you choose the monthly instalment option, your beneficiary will receive the Death Benefit of a fixed amount monthly and earn interest on the remaining Death Benefit amount. We will pay the accumulated interest in the last instalment. We will determine the interest rate from time to time. This means the rate is not guaranteed and it depends on several factors including investment performance and the yields available in the market.
- The beneficiary cannot make any changes to the way we pay the benefits at any time.
- The remaining balance of the Death Benefit, which we pay by monthly instalments, will not participate in the Shareholder-backed Participating Fund or benefit from its profits.
- We will cancel any Death Benefit Settlement Option and will pay the Death Benefit in a lump sum when you:
 - change the policy ownership; or
 - assign the policy ownership; or
 - have not nominated a beneficiary; or
 - exercise the Policy-Split Option.

You can refer to our website at <https://pruhk.co/dbso-mo-en> for more details on the Death Benefit Settlement Option.

Policy-Split Option

- You can request to separate your policy into several policies once per policy year and within 30 days before the end of each policy year, starting from the 5th policy anniversary. This will not affect how we calculate the number of your policy years.
- You cannot change the life assured under this policy.
- We will split the sum assured and policy values (including the guaranteed cash value and Terminal Bonus) on pro-rata basis according to the policyholder's instructions.
- You cannot reverse or withdraw an application once we approve it.
- You will need to repay any money you owe us under the plan before we approve your application.
- The sum assured of your policies after you have exercised this option must not be less than the minimum amount we set.
- When we approve your application, we will cancel any
 - Death Benefit Settlement Option; and
 - nomination of the beneficiary.
- There is **no cooling-off period** for the separated policies.
- We may change the administrative rules for this option from time to time.

Cash value withdrawal

- You can withdraw the Total Cash Value from the policy by reducing the sum assured.
- If the sum assured reduces, the subsequent guaranteed cash value and any Terminal Bonus will also reduce. Therefore, any cash value withdrawal will reduce the Death Benefit and surrender value payable.

Policy loan

- You can borrow up to 80% of your plan's guaranteed cash value, while keeping the policy in force.
- We will charge interest on policy loans from the date you take them out until they are fully repaid.
- We calculate interest at a rate we determine.
- If you have taken out a loan on your policy, we will use any payouts from it to settle any loans and interest before we pass the remaining money to you.
- If the total outstanding amount (including interest) owed to us under the policy exceeds 90% of the guaranteed cash value of the policy, we will terminate the policy immediately.

Termination of this plan

- We will terminate this plan when the first of these happens:
 - the death of the life assured; or
 - you surrender the policy; or
 - once the total outstanding loans and interest are more than 90% of the guaranteed cash value.
- We will also terminate the original plan when you exercise the Policy-Split Option as your policy value of the original plan will be transferred to your separated policies.

Investment philosophy

Investment strategy

We aim to protect the rights and manage the reasonable expectations of all Shareholder-backed Participating policyholders. Our investment objective is to maximise policyholders' returns with an acceptable level of risk. We do this through a broad mix of investments.

The Shareholder-backed Participating Fund invests in various types of assets, such as equity-type securities and fixed-income securities to diversify investment risks. The equity-type securities aim to provide policyholders with the potential for a higher long-term return.

We adopt an actively managed investment strategy, which we adjust in response to changing market conditions. Under normal circumstances, our experts allocate a smaller proportion of higher-risk assets, such as equities, to insurance plans with a higher guarantee and a larger proportion of higher-risk assets to insurance plans with lower guarantees. In doing so, we aim to match the level of risk to the risk profiles of our products. We may utilise derivatives to manage risks or improve returns. We may also make use of securities-lending to enhance returns.

The following paragraphs explain the current investment mix according to our investment strategy. Should there be any material changes in the investment strategy, we will inform you of the changes and explain the reasons behind and their implications.

The investment mix of your plan

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

Asset type	Allocation (%) USD-denominated policies
Fixed-income securities	55%
Equity-type securities	45%

Our guaranteed liabilities to the policyholders are mainly supported by fixed-income securities.

We primarily invest in fixed-income securities rated at least investment-grade. A small portion of high-yield and emerging-market bonds may be included to improve yield and diversification.

For equity-type securities, most of the investments are in stocks listed on major international exchanges.

The long-term currency strategy is to broadly match the fixed-income securities to the underlying policy denomination, while we allow more flexibility for equity-type securities for diversification. Subject to market availability and opportunity, we may invest fixed-income securities in a currency other than the underlying policy denomination and currency hedging may be used to reduce the currency risk.

We invest globally to achieve diversification benefits and target to have a higher relative allocation in the US and Asia which will be reviewed regularly.

We aim to actively manage and adjust actual exposure in response to changing market conditions and opportunities. Given asset values may vary due to changes in the economic environment and investment performance, the actual allocation may vary from the target allocation above. On a regular basis, we review the investment mix to be in line with our investment objectives and risk appetite. For more information on the investment mix, please refer to <https://pruhk.co/investmentmix-mo-en>.

Key risks

How may our credit risk affect your policy?

The guaranteed cash value (if applicable) and insurance benefit of your plan are subject to our credit risk. If we become insolvent, you may lose the value of your policy and its coverage.

How may currency exchange rate risk affect your return?

Foreign currency exchange rates may fluctuate. As a result, you may incur a substantial loss when you choose to convert your benefits to other currencies. Additionally, the conversion of your benefits to other currencies is subject to exchange restrictions applicable at the time when the benefits are paid. You have the sole responsibility to decide if you want to convert your benefits to other currencies.

What are the risks of surrendering your plan or withdrawing money from your plan?

The liquidity of an insurance policy is limited. You are strongly advised to reserve adequate liquid assets for emergencies. For any surrender/withdrawal especially at the early stage upon policy inception, you may receive an amount considerably less than the premiums you paid.

How may inflation affect the value of your plan?

We expect the cost of living to rise in the future because of inflation. That means the insurance you take out today will not have the same buying power in the future, even if the plan offers increasing benefit intended to offset inflation.

Important information

Suicide clause

If the life assured commits suicide regardless of sane or insane within 1 year from the effective date of the policy or from the date of any reinstatement, whichever is later, we will limit the death benefit to a refund of the premiums paid without interest. We will deduct any amounts we have already paid and any amounts you owe us under the policy.

Cancellation right

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 completing the form designated by us within 21 calendar days immediately following either the day of delivery of (1) the policy or (2) the notice (informing the availability of the policy and expiry date of the cooling-off period) to the customer or his/her nominated representative, whichever is earlier. Such form must be signed by the customer and received directly by Prudential Hong Kong Limited (Macau Branch) at 12 Andar A, FIT Center of Macau, Avenida Doutor Mario Soares, Macau within the cooling-off period.

The premium will be refunded in the policy currency, or the original currency paid by you, or a currency at an exchange rate agreed by you. After the cooling-off period expires, if a customer cancels the policy before the end of benefit term, the actual cash value (if applicable) may be substantially less than the total amount of premiums paid.

Automatic Exchange of Financial Account Information

Over 100 countries and jurisdictions around the world have committed to adopt new rules for automatic exchange of financial account information ("AEOI"). Under the new rules, financial institutions are required to identify account holders who are foreign tax residents and report certain information regarding their investment income and account balance to the local tax authority where the financial institution operates. When countries or jurisdictions start exchanging information on an automatic basis, the relevant local tax authority where the financial account is maintained will then provide this information to the tax authority of the account holder's country of tax residence. This information exchange will be conducted on a regular, annual basis.

Macau has adopted the new rules into its legislation (please see the Macau Special Administrative Region Chief Executive Resolution No. 211/2017 and Law no. 5/2017 ("the Resolution") which entered into force on 1 July 2017 and 13 June 2017 respectively). Therefore, the above requirements will be applicable to financial institutions in Macau including Prudential. Under these rules, certain policyholders of Prudential are considered as "account holders". Financial institutions in Macau including Prudential are required to implement due diligence procedures to identify account holders (i.e. policyholders in case where the financial institution is an insurance company) and in the case where the account holder is an entity, its "controlling persons", who are foreign tax residents, and report this information to the Financial Services Bureau ("FSB") in Macau if required. The FSB in Macau may transfer this information to the country of tax residence of such account holders.

In order to comply with the law, Prudential may require you, the account holder, to:

- (1) complete and provide us with a self-certification form with information regarding your tax residence status, your tax identification number in your country or countries of tax residence, your date of birth, and in the case where the policyholder is an entity (for example, a trust or a company), the classification of the entity that holds the policy and information regarding "controlling persons" of such entities;
- (2) provide us all required information and documentation for complying with Prudential's due diligence procedures; and
- (3) advise us of any change in circumstances which affect your tax residence status and provide us with a suitably updated self-certification form within 30 days of such change in circumstances.

According to the due diligence procedures set out in the Resolution, self-certifications are required from account holders for all new accounts. As for pre-existing accounts, if a reporting financial institution has doubts about the tax residence of an account holder, it may require a self-certification from the account holder to verify its tax residence.

Prudential cannot provide you with any tax or legal advice. If you have doubts about your tax residence you should seek professional advice. You should seek independent professional advice on the impact that AEOI may have on you or your policy.

For further information on the implementation of the Common Reporting Standard and AEOI in Macau, please refer to the Macau FSB website: www.dsf.gov.mo/AEOI/CRS.

Need more details? Get in touch

Please contact your consultant or call our Customer Service Hotline at (853) 8293 0833 for more details.

Notes

Prime Vantage Protector is underwritten by Prudential Hong Kong Limited (Macau Branch) (“Prudential”). You can always choose to take out this plan as a standalone plan without enrolling with other type(s) of insurance product at the same time, unless such plan is only available as a supplementary benefit which needs to be attached to a basic plan. This brochure does not contain the full terms and conditions of this plan and is for reference only. It does not represent a contract between Prudential and anyone else. You should read carefully the risk disclosures and key exclusions (if any) contained in this brochure. For further details and the full terms and conditions of this plan, please ask Prudential for a sample of the policy document. For further details, including procedures for making claims and terminating policies and the full terms and conditions of this plan, please ask Prudential for a sample of the policy document.

Prudential has 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”.

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