

# SmartRetire Annuity Insurance Plan

Choreographed art of retirement life

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BOC Group Life Assurance Company Limited (“BOC Life”) offers SmartRetire Annuity Insurance Plan (“the Plan”) which is a life insurance plan that provides you with flexibility in financial planning and life protection, enabling you to manage your future flexibly and enjoy retirement life with your beloved ones.



### Guaranteed Monthly Income

Starting from the first Monthiversary after the Policy Anniversary on or immediately following the Insured’s age of 65 and on each Monthiversary afterwards while the policy is in force and during the lifetime of the insured, Guaranteed Monthly Income will be payable until the Insured’s age of 100. The Policy Owner may choose to cash out the Guaranteed Monthly Income or accumulate the same in the policy for interest<sup>1</sup>.



### Potential Returns

Apart from the Guaranteed Cash Value and Guaranteed Monthly Income, Terminal Dividend<sup>1</sup> (if any) may be payable on or after the 5<sup>th</sup> Policy Anniversary upon the death of the Insured<sup>2</sup> (if applicable) or surrender of the policy; or upon policy maturity. In addition, Annual Dividends<sup>1</sup> (if any) may also be payable annually commencing from the Policy Anniversary on or immediately following the Insured’s age of 65 while the policy is in force. The Policy Owner may choose to cash out the Annual Dividends<sup>1</sup> (if any) or leave them with BOC Life for interest accumulation<sup>1</sup>.



### Premium Special Arrangement for Flexible Financial Arrangement

The Plan provides Premium Special Arrangement in view of your various expectations on retirement timing and goals in different life stages. Depending on the premium payment term of the Plan which is 10 years or more, the Policy Owner may apply for the Premium Special Arrangement starting from the 5<sup>th</sup> Policy Anniversary counting backwards from the end of the final premium payment term at the earliest<sup>3</sup>. No premium payment is allowed and the arrangement cannot be cancelled during the Premium Special Arrangement period, and the values and benefits (including but not limited to the Guaranteed Monthly Income receivable) of the policy will be reduced after the exercise of Premium Special Arrangement<sup>4</sup>. The Premium Special Arrangement period will expire automatically at the end of the premium payment term of the Plan<sup>4</sup>. Premium Special Arrangement can be exercised once only for each policy.



### Retirement Fund Payout Option<sup>5</sup>

As retirement approaches, your retirement lifestyle and plans may change and require a lump sum to achieve different goals in addition to the regular income stream supporting the daily expenses. To meet your changing retirement needs, the Plan provides Retirement Fund Payout Option. Upon the exercise of such option, on the Policy Anniversary on or immediately following the Insured’s age of 65, BOC Life will pay the Policy Owner up to one-third of the surrender value of the policy at that time as specified by the Policy Owner as retirement fund.



### Multiple Options of Premium Payment Term

The Plan offers premium payment term of 5 years, 10 years, 20 years or to age 60 for your selection. Once the premium amount is determined, it will remain unchanged throughout the premium payment term.



### No Medical Examination<sup>6</sup>

No medical examination<sup>6</sup> is required, which is convenient and time saving.



### Life Protection

The Plan provides life protection until the Insured reaches the age of 100. In the event of death of the Insured while the policy is in force, the Plan will pay the Death Benefit<sup>2</sup> to the policy Beneficiary.



### Supplementary Riders<sup>6</sup> for Comprehensive Planning

You may enhance your coverage by attaching supplementary riders<sup>6</sup> to the policy. For details, please contact your Financial Consultants.

**Grasp this opportunity!  
Enrol Now!**

Please contact your  
Financial Consultants for details of the Plan.

Enquiry Hotline: (852) 2860 0688

Website: [www.boclif.com.hk](http://www.boclif.com.hk)

#### Basic Eligibility Requirements

Premium Payment Term and Issue Age

**Premium Payment Term\***

5 years  
10 years  
20 years  
To age 60

**Issue Age**

From 15 days after birth to age 55  
From 15 days after birth to age 50  
From 15 days after birth to age 40  
From 15 days after birth to age 55

Policy Currencies

HKD / USD

Coverage Period

Up to age 100 of the Insured

Minimum Annual Premium

**Premium Payment Term**

5 – 9 years  
10 – 19 years  
20 years or above

**Minimum Annual Premium**

HKD16,000 / USD2,000  
HKD 8,800 / USD1,100  
HKD 4,800 / USD600

Premium Payment Mode

Annual / Semi-annual / Quarterly / Monthly

\* Premium Deposit Account<sup>7</sup> is applicable to the Plan. For details, please refer to the illustration summaries of the proposal.



## Investment Strategy, Philosophy in Deciding Dividends and Fulfilment Ratio of Dividends:

BOC Life invests globally in various types of assets, in order to achieve the advantages of diversification in investment portfolio. The assets supporting the policies under the Plan mainly consist of the following:

	Mix
Fixed income instruments or interest-bearing securities	40%-60%
Growth assets	40%-60%

Fixed income instruments or interest-bearing securities include but not limited to government and corporate bonds, etc.

- BOC Life primarily invests in investment-grade bonds, together with a small portion of high-yield bonds and emerging-market bonds to further improve yield.
- Under normal circumstances, the major markets invested by BOC Life are North America, the Chinese mainland, Hong Kong China and other Asian developed countries.

Growth assets include but not limited to listed equity, private equity, mutual funds, properties investment, etc. BOC Life invests in diversified growth assets, which aims to achieve a higher long term return over fixed income investments.

With the aim of achieving our long term investment target, BOC Life, at our sole discretion, reserves the right to adjust the aforementioned asset allocation when there are material changes in market outlook and condition, or engage in other financial arrangements including but not limited to reinsurance arrangement. BOC Life aims at investing in assets denominated in policy's currency. If the currency by which the assets are denominated is not the same as policy currency, BOC Life may use derivatives to manage the impact of currency risk.

## Philosophy in Deciding Dividends:

Participating insurance plans provide policy owners an opportunity to receive a share of profits attributable to the participating life insurance business of BOC Life by means of dividends, with the potential prospect of long-term rates of return. To accomplish the purpose, we invest in a wide range of asset portfolios that are prudently chosen by BOC Life to balance the risk. In general, the asset portfolios mainly consist of fixed income securities and equity investments.

The actual amount of dividends is determined by the stipulated surplus sharing approach in BOC Life's policy, which is based on the past experience of BOC Life and the long-term expectation of the participating life insurance business in the future. Dividends amount mainly depends on the overall performance of the participating life insurance business of BOC Life, taking into account factors including investment returns, claim experience, persistency and operating expense. The actual amount of dividends payable is recommended by our Appointed Actuary according to the aforementioned company's policy and approved by the Board of Directors of BOC Life.

Annual dividends paid can be left with BOC Life and accumulate with interest. The interest rate (Dividends Accumulation Rate) is determined based on market conditions and expected investment return of BOC Life.

In light of the above factors, dividends and Dividend Accumulation Rate are not guaranteed and may be higher or lower than the values illustrated in the benefit illustration provided at point of sale.

You may browse the following website, <http://www.boclife.com.hk/ps>, to understand the BOC Life's philosophy in deciding dividends as well as dividend history for reference purposes. Please note that past performance of dividend is not an indicator for its future performance.

## Risk Disclosure of USD Insurance:

USD policies are subject to exchange rate risk. The exchange rate between USD and HKD may rise as well as fall. Therefore, if calculated in HKD, premiums, fees and charges (where applicable), account value /surrender value and other benefits payable under USD policy will vary with the exchange rate. The exchange rate between USD and HKD will be the market-based prevailing exchange rate determined by BOC Life from time to time, which may not be the same as the spot rate of banks. The fluctuation in exchange rate may result in losses if a customer chooses to pay premiums in HKD, or requests the insurer to pay the account value / surrender value or other benefits payable in HKD, for USD policy.

## Other Key Risks:

- The Policy Owner should pay premium on time during the premium payment term. It may result in lapse or termination of the policy if the required amount (such as premium) is not made before expiry of the grace period (if applicable) as prescribed by BOC Life. Nevertheless, it is subject to the automatic premium loan (if applicable) (BOC Life will advance the premium due from the non-forfeiture value as an automatic premium loan) and non-forfeiture provisions (if applicable). If the policy is terminated or lapsed due to non-payment of premium, the surrender value received by the Policy Owner may be less than the total premiums paid and the Policy Owner will lose the insurance protection provided by the policy.
- BOC Life may terminate the policy before the maturity date if any one of the following events occurs:
  - (i) the death of the Insured; or
  - (ii) BOC Life approves the Policy Owner's written request for surrender; or
  - (iii) the policy lapses after the end of the grace period; or
  - (iv) the non-forfeiture value is less than zero (if applicable); or
  - (v) the aggregate amount paid or payable by BOC Life has reached the maximum benefit amount of all coverage of the policy(if applicable).
- The actual rate of inflation may be higher than expected, therefore the amount you receive may be less in real terms.

## Remarks:

1. The Plan is a participating policy. Nevertheless, Annual Dividend (if any) and the annual interest rate for the accumulation of Guaranteed Monthly Income and dividend accumulation, and Terminal Dividend (if any) are not guaranteed and may be changed from time to time. Past performance is not indicative of future performance. The actual amount received may be higher or lower than the estimated amount. BOC Life reserves the right to change them from time to time. Guaranteed Monthly Income shall be first applied to offset any indebtedness. If the Policy Owner chooses to withdraw the accumulated Guaranteed Monthly Income and/ or interest accrued thereon (if any) and/or Annual Dividend (if any) and/or interest accumulated (if any), the accumulated Guaranteed Monthly Income and /or interest accrued thereon (if any) and / or Annual Dividend (if any) and/or interest accumulated (if any) withdrawn will no longer be accumulated as part of the total cash value and the total Death Benefit of the policy. The total cash value, the surrender value and the total Death Benefit of the policy will be reduced accordingly. Annual Dividends (if any) may be payable annually commencing from the Policy Anniversary on or immediately following the Insured's age of 65 while the policy is in force and provided that all premiums are paid in full when due. Terminal Dividend (if any) may be payable on or after the 5<sup>th</sup> Policy Anniversary upon the death of the Insured (if applicable) or surrender of the policy, or upon policy maturity. For details, please refer to the illustration summaries of the proposal and contact your Financial Consultants.
2. The Death Benefit of the Plan is equivalent to 100% of Guaranteed Cash Value plus Terminal Dividend (if any) as at the date of the Insured's death or 120% of Net Premiums Paid as at the date of Insured's death (subject to the maximum amount of 100% of the Net Premiums Paid plus HKD100,000 / USD12,500) (whichever is higher); plus the accumulated Guaranteed Monthly Income and interest accrued thereon (if any) at the relevant time; plus the accumulated Annual Dividend and interest accrued thereon (if any) at the relevant time; plus the amount payable under the Retirement Fund Payout Option which is left with BOC Life and interest accrued thereon (if any) at the relevant time; less indebtedness (if any) and outstanding premiums (if any). "Net Premiums Paid" means total premiums paid for the Plan less all Guaranteed Monthly Income received and/or left for accumulation at BOC Life (calculation of Net Premiums Paid does not include any interest accrued thereon) by the Policy Owner up to the date of death of the Insured. Any Premium Deposit Account balance or rider premiums (if applicable) shall be excluded. Premium discount (if any) will not be taken into account when calculating the Death Benefit. Regarding the maximum amount of the Death Benefit payable if the Insured is covered by more than one policy under the Plan issued by BOC Life, please refer to the policy documents and provisions issued by BOC Life for details. Indebtedness shall mean any policy loan that has been taken by the Policy Owner and its interest (if any). Whilst the policy is in force, the Policy Owner can apply for a policy loan against Guaranteed Cash Value of the policy subject to the policy loan provision. Upon the termination of policy, if policy loan and its interest (if any) have not been settled in full, they will be deducted from the total cash value thereupon. Once the Policy Owner is unable to repay the policy loan and interest, where the total amount of indebtedness is equal to or higher than Guaranteed Cash Value, the policy will lapse, and the life protection and supplementary riders (if any) will be terminated without providing any surrender value, and the Policy Owner may sustain a substantial loss. For details, please refer to the policy provisions issued by BOC Life.
3. If the premium payment term of the Plan is 10 years or more and less than 20 years, the Policy Owner may apply for the Premium Special Arrangement starting from the 3<sup>rd</sup> Policy Anniversary counting backwards from the end of the final premium payment term. The Policy Owner can apply for Premium Special Arrangement starting from the 5<sup>th</sup> Policy Anniversary counting backwards from the end of the final premium payment term if the premium payment term of the Plan is 20 years or more. For details, please refer to proposal and provisions issued by BOC Life.
4. After the exercise of Premium Special Arrangement, Guaranteed Monthly Income will be reduced and the Guaranteed Cash Value, Annual Dividend (if any), Terminal Dividend (if any) and Net Premiums Paid will be reduced in proportion with the decrease of the Guaranteed Monthly Income (which are components for calculation of Death Benefit). If the surrender value of the policy is reduced to zero or below, the Premium Special Arrangement period will be terminated earlier automatically and the policy will then be terminated. Thus, the sustainability of Premium Special Arrangement up to the conclusion of the premium payment term of the Plan is not guaranteed. The Policy Owner will have to resume payment of premium payable of the rider(s) (if any) after the expiry of Premium Special Arrangement period. For details, please refer to proposal and provisions issued by BOC Life.
5. The Policy Owner may make a written request to BOC Life for the Retirement Fund Payout Option within 1 month before the Policy Anniversary on or immediately following the Insured's age of 65. The Policy Owner may also elect to leave such payment with BOC Life to accumulate at such interest rate as may be declared by BOC Life from time to time. After exercising this option, the Guaranteed Monthly Income will be reduced and the Guaranteed Cash Value, Annual Dividend (if any), Terminal Dividend (if any) and Net Premiums Paid will be reduced in the proportion with the decrease of the Guaranteed Monthly Income (which are components for calculation of Death Benefit). For details, please refer to proposal and provisions issued by BOC Life.
6. Supplementary riders are subject to underwriting and corresponding issue age eligibilities. Premiums of such may be changed from time to time. For details, please contact your Financial Consultants. Normal underwriting is required if the policy is attached with "Payor's Death Or Disability Rider" or "Waiver Of Premium Rider".
7. i) Premium Deposit Account is only applicable to policy with designated premium payment term and payment method. Also, the premium payable has to be made in annual mode and pre-payment must be made in lump sum upon application whereas further pre-payment will not be accepted thereafter. ii) If "Waiver Of Premium Rider" or "Payor's Death Or Disability Rider" is attached to the policy, Premium Deposit Account is not applicable. iii) Annual premiums will be deducted automatically from the Premium Deposit Account on each Policy Anniversary when due. The Premium Deposit Account balance (if any) should be sufficient to pay the entire amount of annual premiums of the policy, and cannot be used for partial settlement of annual premiums. iv) The Premium Deposit Account balance (if any) is accumulated with BOC Life at a non-guaranteed special accumulation interest rate. Special accumulation interest rates of the prepaid premium for HKD and USD policies are not the same. Since BOC Life may change the special accumulation interest rate and the premiums for some supplementary riders (if applicable) from time to time, the Premium Deposit Account balance (if any) is not guaranteed to be sufficient to cover all premiums for the whole premium payment term. When the balance of the Premium Deposit Account is insufficient to pay the annual premium payable, BOC Life will issue a premium notice to customer, and interest will not be accrued on the residual value. v) In the event of partial or full withdrawal of Premium Deposit Account balance or surrender of the policy, a premium deposit withdrawal fee will be deducted from the amount withdrawn from the Premium Deposit Account balance (if any). There is a minimum charge for the premium deposit withdrawal fee. The calculation of premium deposit withdrawal fee and minimum requirement of the premium deposit withdrawal amount may be changed from time to time. vi) If the Insured passes away, the Premium Deposit Account balance (if any) together with the Death Benefit will be payable to the policy Beneficiary. vii) For details, please refer to proposal and provisions issued by BOC Life.

## Levy collection arrangement:

Insurance companies collect levies from policy owners on behalf of the Insurance Authority according to relevant requirement. For your convenience, levy will be collected together with the premium via the same manner (including automatic premium loan (if applicable)) whenever BOC Life collects premium from you.

## Important Notes:

- The Plan and the supplementary riders (if any) are underwritten by BOC Life.
- BOC Life is authorised and regulated by Insurance Authority to carry on long term business in the Hong Kong Special Administrative Region of the People's Republic of China.
- BOC Life reserves the right to decide at its sole discretion to accept or decline any application for the Plan and the supplementary rider(s) (if any) according to the information provided by the proposed Insured and the applicant at the time of application.
- The Plan and the supplementary rider(s) (if any) are subject to the formal policy documents and provisions issued by BOC Life. Please refer to the relevant policy documents and provisions for details of the insured items and coverage, provisions and exclusions.
- BOC Life reserves the right to amend, suspend or terminate the Plan at any time and to amend the relevant terms and conditions. In case of dispute(s), the decision of BOC Life shall be final.

Should there be any discrepancy between the Chinese and English versions of this promotion material, the English version shall prevail.

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