

Life

Universal Life Insurance (Non-Linked) Product

FLEXI-ULife Prime Saver Jr.

FPJR

- ▼ **Monthly Interest, Retrospective Additional Interest and Extra Bonus**
- ▼ **Financial Flexibilities**
- ▼ **Peace-of-mind Protections**
- ▼ **Comprehensive Supplementary Benefits**

Monthly Interest, Retrospective Additional Interest and Extra Bonus

FLEXI-ULife Prime Saver Jr. gives you a relatively higher rate of return than most bank deposits. Your premium will be credited to the Account Value after deduction of any applicable charges. The plan credits interest monthly at a compound rate. Moreover, you will be offered a "retrospective additional crediting interest" and an "Extra Bonus", making the savings for your child's education grow even faster.

In addition, when a Policy has been in force for 15 years or more, the total interest and Extra Bonus credited to the Policy will be such that the Account Value is guaranteed to have accumulated to at least an amount as if the interest rate credited had been 2.5% p.a., regardless of the economic situation.

Financial Flexibilities

Flexible Increase of Premium

To achieve better interest and returns towards your financial goals to support your children's education, you can increase regular or unscheduled premiums at any time to accumulate wealth.

When your Policy has accumulated a Cash Value sufficient to cover the monthly charges, you can enjoy the following flexibilities without the need to reduce the Basic Sum Insured:

Greater Liquidity

You can exercise the automatic periodic withdrawal option¹ to withdraw a specified amount of Cash Value monthly/annually at preset time intervals, so that you can easily map out your financial needs, e.g. children's university education funds and retirement expenses. In addition, you can withdraw a portion of the Cash Value² at any time to cope with emergencies.

Skip Premium Payments

**Cash Value =
Account Value – applicable surrender charge**

Cash withdrawal, reducing the premium amount, or skipping premium payments will affect the accumulation of the Cash Value, while the monthly charges are still deductible. If the Cash Value is not sufficient to cover the monthly charges, the Policy will lapse with zero value.

Peace-of-mind Protections

Payor's Benefit

In the event of the Policy Owner's death, or total disability for over 6 consecutive months before age 65, YF Life will pay the premiums for you until the insured child reaches age 25³.

The plan also offers you a full spectrum of supplementary benefits at an additional premium, including Update Jr. Health Benefit, Smart Kids Accident Protector, and Hospital Benefits etc.

Guaranteed Future Insurability Option

The plan is designed to cater to your child's future insurance needs. At the policy anniversary following your child's 21st birthday, the initial Basic Sum Insured may be increased up to five times, up to a maximum of US\$300,000/HK\$2,400,000/MOP2,400,000. The premium rate will remain unchanged and no health declaration is required⁴.

Terminal Illness Protection

In the event of the Insured being first diagnosed with Terminal Illness⁵, a sum of Terminal Illness Benefit will be paid, which is the Death Benefit of the basic plan and supplementary benefit(s) (if any), to help relieve the financial burden.

Comprehensive Supplementary Benefits

Update Jr. Health Benefit

If the insured child suffers from any of the following pediatric illnesses, a lump-sum benefit will be paid.

- Severe Asthma[#]
- Autism
- Intellectual Impairment^{*}
- Haemophilia
- Cancer
- Bacterial Meningitis
- Kawasaki Disease
- Insulin – Dependent Diabetes Mellitus, Juvenile Onset
- Fractures of Femur, Pelvis, Spine or Skull (due to accident)[^]
- Juvenile Chronic Arthritis – Still's Disease
- AIDS caused by Blood Transfusion
- Total and Permanent Disability^{*}
- Aplastic Anaemia
- Infantile Spinal Muscular Atrophy
- Osteogenesis Imperfecta

[#] Benefit amount equal to 20% of the Sum Insured.

[^] Benefit amount equal to 10% of the Sum Insured.

^{*} Only applicable to Insured aged 4 or above and caused by sickness or accident.

Smart Kids Accident Protector

Comprehensive coverage provides the insured child with lump-sum benefits and reimbursement of medical costs for injury due to accident.

Type of Benefit	% of the Sum Insured
Death	
Caused by accident when traveling as a fare-paying passenger on a public conveyance over an established land route	200
Caused by accidents	100
Disability	
Benefit amount will be doubled if the disability is caused by accident when traveling as a fare-paying passenger on a public conveyance over an established land route.	
Loss of one or more limbs	100
Major burns	100
Loss of sight in one or both eyes	100
Loss of sight (except perception of light)	50
Loss of hearing	
• Both ears	80
• One ear	20
Loss of speech	50
Loss of four fingers & thumb of one hand	75
Loss of four fingers	40
Loss of one thumb	
• Both joints	30
• One joint	15
Loss of fingers: Index / Middle / Ring / Little	
• Three joints	10 / 7 / 5 / 4
• Two joints	8 / 6 / 4 / 3
• One joint	5 / 3 / 2 / 2
Loss of Toes	
• All - One foot	15
• Great - Both joints	5
• Great - One joint	2
• Other than great (each)	2
Medical Benefits	
Weekly hospitalization allowance (Maximum 52 weeks per disability)	1
Medical expenses (Reimbursement of actual expenses)	2

FLEXI-ULife Prime Saver Jr – At a Glance

Benefits							
Base crediting interest rate	Credited monthly to the Account Value at a compound rate						
Retrospective additional interest	Credited to the Account Value at the end of the 20 th policy year and for every 5 years thereafter. The current assumed retrospective additional interest rate is 0.25% p.a.*						
Extra Bonus	<p>Credited to the Policy at the end of the 15th policy year and every 5 years thereafter</p> <table> <tr> <th>The current assumed Extra Bonus rate</th><th>Policy Year</th></tr> <tr> <td>2.75%</td><td>15th / 20th / 25th</td></tr> <tr> <td>5.5%</td><td>The 30th year and every 5 years thereafter</td></tr> </table>	The current assumed Extra Bonus rate	Policy Year	2.75%	15 th / 20 th / 25 th	5.5%	The 30 th year and every 5 years thereafter
The current assumed Extra Bonus rate	Policy Year						
2.75%	15 th / 20 th / 25 th						
5.5%	The 30 th year and every 5 years thereafter						
Guaranteed interest	Account Value (including the total interest and Extra Bonus credited to the Policy) is guaranteed to have accumulated to at least an amount as if the interest rate credited had been 2.5% p.a. (Applicable to a Policy that has been in force for 15 years or more)						
Death Benefit Options	Level Benefit / Increasing Benefit / Increasing Benefit Plus / Incremental Benefit						
Guaranteed Future Insurability Option ⁴	At the policy anniversary following the Insured's 21 st birthday, the Basic Sum Insured may be increased up to five times, up to a maximum of US\$300,000 / HK\$2,400,000 / MOP2,400,000.						
Terminal Illness Benefit ⁵	The Death Benefit of the basic plan and supplementary benefit(s)						
Supplementary Benefit	Payor's Benefit, Update Jr. Benefit, Smart Kids Accident Protector, Critical Illness Benefit and Hospital Benefit etc.						
Policy Information							
Plan Type	Basic Plan						
Currency	Policy Issued in Hong Kong: US\$ / HK\$ Policy Issued in Macau: US\$ / MOP / HK\$						
Payment Mode	Annual / Semi-annual / Quarterly / Monthly Payment						
Minimum Sum Insured	US\$5,000 / HK\$40,000 / MOP40,000						
Maximum Sum Insured	Individual Consideration						
Increase/ Decrease Sum Insured	The minimum amount of increase / decrease is US\$5,000 / HK\$40,000 / MOP40,000						
Premium Expense Charge ⁶	Charged based on each scheduled or unscheduled premium payment: This charge is 10% of premium payments made in policy years 1 to 3 inclusive, 7% of premium payments made in policy years 4 to 9 inclusive and 5% of premium payments made thereafter						
Cost of Insurance ⁶	<p>Charged monthly, determined by multiplying the Net Amount At Risk by the Cost of Insurance Rate.</p> <p>Net Amount At Risk is defined as follows: For Level Benefit: Net Amount At Risk = Basic Sum Insured – Account Value For Incremental Benefit: Net Amount At Risk = Basic Sum Insured – 50% of Account Value For Increasing Benefit / Increasing Benefit Plus: Net Amount At Risk = Basic Sum Insured</p> <p>Under all circumstances, the Net Amount At Risk will not be less than zero.</p> <p>Cost of Insurance Rate depends on the gender, issue age (for Increasing Benefit Plus option only), attained age, smoking habit and risk class of the Insured and Life Protection Option chosen.</p>						

Policy Information

Administrative Charge⁶	<p>Charged monthly, determined based on each layer of Basic Sum Insured and the Administrative Charge Rate, plus US\$4 / HK\$32 / MOP32 per month.</p> <p>The Administrative Charge Rate depends on the gender, issue age, smoking habit, risk class of the Insured and years in effect.</p>
Surrender Charge⁶	<p>Determined based on each layer of Basic Sum Insured and the Surrender Charge Rate and applicable in the first 14 years from Policy Date / effective date of each increase in Basic Sum Insured upon:</p> <ul style="list-style-type: none"> - Policy lapse or surrender - Decrease in Basic Sum Insured <p>Surrender Charge Rate depends on gender, issue age, smoking habit, risk class of the Insured and years in effect.</p>
Cash Value Withdrawal	<p>Unlimited frequency. Currently, each cash withdrawal is subject to a withdrawal charge⁶ of US\$25 / HK\$200 / MOP200. Withdrawal charge is waived for automatic periodic withdrawal option.</p>

Basic Information

Issue Age (At Last Birthday)	Age 0 - 17
Benefit Term	To Age 100
Premium Payment Term	To Age 100

* The current assumed crediting interest rate (including a current assumed base crediting interest rate and a current assumed retrospective additional interest rate) is quoted as of the print date of this pamphlet in June 2021, and is not guaranteed. It is subject to change.

Remarks:

- Automatic periodic withdrawal option is only applicable if the Policy has been in force for at least 10 years, the withdrawal charge will be waived. Current requirement on minimum monthly withdrawal amount is US\$500 / HK\$4,000 / MOP4,000, with minimum withdrawal period of one year; and the minimum annual withdrawal amount is US\$6,000 / HK\$48,000 / MOP48,000, with minimum withdrawal period of three years. For any change after the application has been confirmed, a nominal fee will be levied.
- The current charge for each withdrawal is US\$25 or HK\$200 / MOP200.
- The "Payor's Benefit" is valid until the insured child has reached age 25 or the Policy Owner has reached age 65, whichever is sooner.
- When increasing the Basic Sum Insured, the insured child may be required to prove that he or she is free from HIV infection and/or related conditions, including AIDS, at the same time.
- Terminal Illness means a disease of the Insured, which in the opinion of our appointed medical consultant is likely to lead to death of the Insured within twelve months. Upon payment of the Terminal Illness Benefit, the related policies and all the supplementary benefit(s) attached will automatically be terminated. Please refer to the policy document for the relevant terms and conditions.
- The current scale of fees and charges is not guaranteed and is subject to the Company's sole discretion to change with one-month prior written notice.

Important Information

Crediting Interest Rate Philosophy

The crediting interest rate and/or non-guaranteed bonuses will be reviewed and determined by us from time to time. The crediting interest rate and/or non-guaranteed bonuses will be determined based on the current earned rate, the best estimate long term earned rate and our target interest spread of 0% - 1.5% p.a. depends on the policy duration. Policy Owners will receive a portion of the investment returns, net of interest spread, in the form of crediting interest rate and/or bonuses.

A committee has been set up to provide independent advice on the determination of the crediting interest rates and/or non-guaranteed bonuses to the Board of the Company. The actual crediting interest rates and/or non-guaranteed bonuses, which are recommended by the Appointed Actuary, will be decided upon the deliberation of the committee and finally approved by the Board of Directors of the Company, including one or more Independent Non-Executive Directors.

In determining the crediting interest rate and/or non-guaranteed bonuses, we will take into account both past experience and expected future outlooks for factors including, but not limited to, the following.

Investment performance: This includes interest / dividend income and changes in the market value of the invested assets. Investment performance could be affected by fluctuations in interest / dividend income and various market risk factors, such as credit spread, default risk, fluctuations in equity prices, property prices, commodity prices, exchange rates, etc.

Surrenders: These may include policy lapses, surrenders, partial surrenders and other deductions and benefit payments; and the corresponding impact on investments.

To provide more stable crediting interest rate and/or non-guaranteed bonuses, we may retain returns during periods of strong investment performance to support or maintain stronger crediting interest rate and/or non-guaranteed bonuses during periods of less favorable investment performance.

Investment Policy, Objective and Strategy

YF Life Insurance International Ltd.'s investment objective is to optimize Policy Owners' returns over the long-term with an acceptable level of risk. Assets are invested in a broad range of investment vehicles, which may include global equities, bonds and other fixed-income instruments, properties and commodities. This diversified investment portfolio aims to achieve attractive and stable long-term returns.

Past and expected future performance, volatility, and the associated risks of investment assets are considered in selecting investment assets and managing our investment portfolio.

To achieve the long-term target returns, YF Life Insurance International Ltd. implements a strategy utilizing a mix of fixed income and equity-like investments. The current long-term target strategy is to allocate assets as follows:

Asset Class	Target Asset Mix (%)
Bonds and other fixed-income instruments	80%-100%
Equity-like assets	0%-20%

Bonds and other fixed-income investments mainly include high credit rating government bonds and corporate bonds (which are mainly invested in the geographical region of the United States) across a variety of industries, making up a diversified bond portfolio with high asset quality.

Equity-like assets may include global equities (public and/or private), mutual funds, exchange-traded funds, high yield debts, properties and commodities. Investments are diversified across various geographical areas and industries. Derivatives may also be used for risk-management purposes.

This investment strategy may be subject to change, depending on the prevailing market conditions and economic outlook.

For relevant details and historical crediting interest rate, please visit our website:



Hong Kong:

<https://www.yflife.com/en/Hong-Kong/Individual/Services/Useful-Information/Investment-Strategy>



Macau:

<https://www.yflife.com/en/Macau/Individual/Services/Useful-Information/Investment-Strategy>

Key Product Disclosures

Premium Payment Term and Benefit Term

The premium payment term and the benefit term are up to age 100 of the Insured. Cash withdrawals, reducing the premium amount, or skipping premium payments (if applicable) will reduce the accumulation of the Cash Value, while the monthly charges are still deductible. Non-guaranteed charges will be reviewed at least annually and may be adjusted if necessary. You will be notified the related changes with prior written notice 1 month before effective. In determining any changes in charges, we will take reference to both past experience and expected future outlooks for factors including, but not limited to, claims, expenses, investment performance and surrenders. If the Cash Value is not sufficient to cover the monthly charges and no premiums are paid before the end of the 31-day Grace Period from such premium due date, the Policy will lapse with zero value.

Deferred Payment Periods

We may defer payment of any Surrender Value for a period up to six months from the date we receive the surrender request.

Termination

The Policy will be terminated when one of the following events occurs:

- On the Benefit Expiry Date
- The Grace Period ends
- The Policy Owner submits a written request to terminate the Policy
- The Insured is diagnosed with terminal illness giving rise to the payment of Terminal Illness Benefit
- The Insured dies

Early Surrender

The product is intended to be held in the long-term. Should you terminate the Policy early, you may receive a Surrender Value considerably less than the total premiums paid.

Inflation Risk

Where the actual rate of inflation is higher than expected, the Policy Owner might receive less in real terms even if YF Life Insurance International Ltd. meets all of its contractual obligations.

Credit Risk

This plan is underwritten by YF Life Insurance International Ltd. The insurance benefits are held solely responsible by the company and subject to its credit risk.

Key Exclusions

If the Insured commits suicide, whether sane or insane, within one year from the Policy Date, our total liability shall be limited to the aggregate of the Account Value on the date of death of the Insured and the Cost of Insurance deducted (without any interest).

If the Insured commits suicide, whether sane or insane, within one year from the effective date of any term life supplementary benefit(s) or any addition in term life supplementary benefit(s) or Basic Sum Insured, the term life supplementary benefit(s) Sum Insured or the increased term life supplementary benefit(s) Sum Insured or the increased Basic Sum Insured will not be payable. Our total liability with respect to the benefit(s) shall be limited to the respective Cost of Insurance and/or the Cost of Supplementary Benefit of the benefit deducted (without any interest).

For Terminal Illness Benefit

The Terminal Illness Benefit will not be paid for Terminal Illness caused, directly or indirectly, by or resulted from one or more of the following:

- Any diseases or illnesses which occurred within 60 days after the Effective Date of Coverage or the approval date of reinstatement, whichever is later;
- All pre-existing conditions in respect of the Insured existed before the Effective Date of Coverage or the approval date of reinstatement, whichever is later, and presented signs and symptoms of which the Insured has been aware or should reasonably have been aware;
- Suicide, attempted suicide or injuries due to insanity, self-infliction or functional disorder of mind;
- Drug addiction, alcoholism or intoxication by alcohol or drugs not prescribed by a Doctor;
- Any Human Immunodeficiency Virus (HIV) and/or any HIV-related illnesses including Acquired Immune Deficiency Syndrome (AIDS) and/or any mutations, derivation or variations thereof; or
- Any diseases or illnesses which are due to congenital defect or condition and occurred before the Insured reaches 18 years of age.

Duty of Disclosure and the Consequences of Not Making

Full Disclosure

You are required to disclose in the application all information you know or could reasonably be expected to know because YF Life will rely on what you have disclosed in this application to accept the risk and the terms of insurance. Your duty of disclosure ends on the signing date of application or the supplementary form(s), whichever is later. If you are in doubt as to whether a fact is material, please disclose it in the application. Failure to comply with this requirement may render the Policy issued voidable.

Claims Procedures

For details of the procedures for making claims, please refer to our website at:

Hong Kong:

<https://www.yflife.com/en/Hong-Kong/Individual/Services/Claims-Corner>

Macau:

<https://www.yflife.com/en/Macau/Individual/Services/Claims-Corner>

Premium Levy (Applicable to Hong Kong only)

The Insurance Authority (IA) collects levy on insurance premiums from policyholders through the Company for insurance policies issued in Hong Kong. For details about the levy, please visit the dedicated IA webpage at www.ia.org.hk/en/levy.

Cooling-off Period and Right of Cancellation

If you are not satisfied with the Policy, you may return it under a signed covering letter to us (Hong Kong: 27/F, YF Life Tower, 33 Lockhart Road, Wanchai, Hong Kong / Macau: Avenida Doutor Mario Soares No. 320, Finance and IT Center of Macau, 8 Andar A, Macau) within 21 calendar days after the delivery of the Policy or delivery of the Notice (which states that the Policy is available for collection and the expiry date of the cooling-off period) to you or your representative, whichever is earlier. We will cancel the Policy upon receipt of your written request and refund all premiums and the levy you paid (applicable to Hong Kong only), without any interest. No refund can be made if a benefit payment has been made, is to be made or impending.

Maturity and Surrender

You may surrender the Policy by submitting a written request on the forms prepared for such purposes. We will arrange the policy surrender.

Upon policy maturity, we will send a notification letter to you and will arrange policy termination accordingly.

The above contains general information and is for reference only. It does not form part of the Policy and does not contain the full terms of the Policy. Please refer to the policy document for benefit coverage, exact terms and conditions and exclusions. For enquiries or to obtain a sample policy document, please contact our consultants, franchised agents or brokers. For other enquiries, please call our Customer Service Hotline: Hong Kong (852) 2533 5555 / Macau (853) 2832 2622.



Customer Service

Suite 1211, 12/F, Tower 6, The Gateway, 9 Canton Road, Tsimshatsui, Hong Kong
Avenida Doutor Mario Soares No. 320, Finance and IT Center of Macau, 8 Andar A, Macau