YOUR DREAMS OF TOMORROW START WITH SAVING TODAY

Bonus Power Plan 2 (Enhanced Protection) is a participating life insurance product underwritten by AIA International Limited (Incorporated in Bermuda with limited liability). Citibank (Hong Kong) Limited is an appointed insurance agent for AIA International Limited (Incorporated in Bermuda with limited liability). This product brochure is issued by AIA and is for distribution by Citibank (Hong Kong) Limited in Hong Kong only.

AIA International Limited
(Incorporated in Bermuda with limited liability)

HEALTHIER, LONGER, BETTER LIVES

You can't live on dreams alone

You need the financial resources and protection to make them a reality

That's why AIA created Bonus Power Plan 2 (Enhanced Protection), which combines the benefit of potentially greater returns with the thorough protection of life insurance. You will also find comfort in the flexibility of our payment options should misfortune come your way. So, you can reach for your dreams with confidence, knowing that we will be there for you if you should fall.

How does it work?

The **Bonus Power Plan 2 (Enhanced Protection)** is a **participating insurance plan**. We will distribute the profit generated from this product group by declaring a non-guaranteed Reversionary Bonus and a non-guaranteed Terminal Bonus to you at least once per year starting from the end of the 3rd policy year.

1. **Reversionary Bonus:** A non-guaranteed bonus, the face value of which forms a permanent addition to your policy once it is declared. It may be cashed out or left to accumulate in your policy throughout its duration, allowing the value of your policy to grow with time.

2. **Terminal Bonus:** A non-cumulative, non-guaranteed bonus, the amount of which is valid until the next declaration. The amount in each declaration may be greater or lesser than the previous amount based on a number of factors, including but not limited to investment returns and general market volatility.

Upon the death of the insured, we will pay to the beneficiary the face values of Reversionary Bonus accumulated (if any) and Terminal Bonus (if any) under the policy.

Otherwise, upon the surrender or termination of the policy (other than due to the death of the insured, or if the insured becomes totally and permanently disabled, suffers loss of limbs or irrecoverable loss of sight, or is diagnosed with Alzheimer's disease, Parkinson's disease or the loss of independent existence), we will pay any cash value that may have accumulated on Reversionary Bonus (if any) and the cash value of Terminal Bonus (if any) under the policy. These cash values are not guaranteed.

If the worst should happen

If the insured, who is the person protected under the policy, passes away, we will pay the death benefit to the person whom you select in your policy as beneficiary. The death benefit will include:

i. the sum assured of your basic plan;

ii. the face value of Reversionary Bonus (if any); plus

iii. the face value of Terminal Bonus (if any).

We will deduct all outstanding debt and any benefits paid under this policy before we make the payment to the beneficiary.

You can choose optional add-on plans for extra cover. Add-on plans are subject to additional premiums, underwriting and exclusions. All benefits under add-on plans will be terminated when your **Bonus Power Plan 2 (Enhanced Protection)** terminates.

Your choice of settlement option

Apart from a lump sum payment, if you wish your beneficiary to take the amount of death benefit in regular instalments, the plan provides a settlement option available to you.

You can select specific amounts of benefit to be paid to your beneficiary at regular intervals chosen by you, provided that the total annual payment is at least equal to 2% of the death benefit. Remaining amount of benefit will be left in our company to accumulate at the non-guaranteed interest rate determined by us, until the full amount of benefit has been paid to the beneficiary.

The death benefit settlement option is not available if the death benefit payable is less than US$50,000.

"AIA", "the Company", "We", "our" or "us" herein refers to **AIA International Limited** (Incorporated in Bermuda with limited liability).

Broad support during difficult times

Nowadays people are being diagnosed with debilitating conditions at a younger age. To give you extra leverage should misfortune strike, the **Bonus Power Plan 2 (Enhanced Protection)** will provide you with a series of advance payments, which will be advanced from the sum assured and the face values of Reversionary Bonus (if any) and Terminal Bonus (if any) in your policy. Two different benefits are payable under the following circumstances:

1. **Total and Permanent Disability Benefit:** If the insured is diagnosed with a total and permanent disability or suffer loss of limbs or irrecoverable loss of sight before the age of 65. The offer of the Total and Permanent Disability Benefit will be subject to our underwriting decision.

2. **Caring Benefit:** If the insured is diagnosed with Alzheimer's disease, Parkinson's disease or loss of independent existence, such as being permanently unable to perform daily activities, before the age of 85.

Payments for the Total and Permanent Disability Benefit and Caring Benefit

First 30 months following your diagnosis

For as long as the diagnosed condition persists, we will make monthly advance payments equal to 1% of the sum of the sum assured and the face value of Reversionary Bonus (if any) in your policy as at the date of commencement of the disability or the date of diagnosis, plus the corresponding face value of Terminal Bonus (if any).

30 months after your diagnosis

Provided that the diagnosed condition persists, we will pay you the remainder of the sum assured and the face values of Reversionary Bonus (if any) and Terminal Bonus (if any) in a lump sum. You will receive this at the end of the 30th month after the date of commencement of the disability or the date of diagnosis.

In addition, we will waive the future premiums for the basic plan if you are diagnosed with any of the above conditions, keeping the policy in force and setting your family at ease.

We will not pay the Total and Permanent Disability Benefit and Caring Benefit at the same time. The maximum aggregate amount of each benefit payable to the same insured under this policy and any other policies, and / or add-on plans is US$1.25 million. We will deduct all outstanding debt under your policy before making the advance payments.

Accumulate wealth to realise your dreams

The **Bonus Power Plan 2 (Enhanced Protection)** also offers the opportunity for long term capital growth in the form of:

i. guaranteed cash value;

ii. non-guaranteed cash value of the Reversionary Bonus (if any); plus

iii. non-guaranteed cash value of the Terminal Bonus (if any).

In addition, to enhance your financial flexibility, the **Bonus Power Plan 2 (Enhanced Protection)** offers you the option of cashing out all or part of the bonuses or withdrawing any cash value by reducing the sum assured of your policy. After withdrawal, the future value of the policy and death benefit will be reduced.

This plan also offers option for a policy loan. You can borrow up to 90% of the total guaranteed cash value of the policy plus the non-guaranteed cash value of Reversionary Bonus (if any). Interest on a policy loan will be charged at a rate solely determined by us.

Two premium payment terms

Denominated in US Dollars, the **Bonus Power Plan 2 (Enhanced Protection)** offers the choice of two premium payment terms, facilitating planning depending on your current outlook. Premium amounts are guaranteed to be fixed throughout the premium payment term.

Premium Payment Term	Insured's Age at Policy Issue	Benefit Term
5 years	Age 18 - 55	Whole life
12 years	Age 18 - 50	

Three different premium payment modes (annually, semi-annually and monthly) are available for the **Bonus Power Plan 2 (Enhanced Protection)** at the time of policy application. Once the policy is issued, you may apply for changing the premium payment mode as and when required, and additional quarterly premium payment mode will be available to you. Please refer to point 3 of the Additional Important Information for further details on the change of premium payment mode.

Example

(The following example is hypothetical and for illustrative purposes only. Actual bonuses are not guaranteed and are declared at AIA's sole discretion.)

Policy owner and insured:	Raymond Yeung (age 48, non-smoker)
Occupation:	Architect
Family status:	Married

Having reached a certain stage in his career, Raymond is starting to plan for the next chapter of his life. He wants to start preparing for a good retirement, as well as securing a good future for his family. He would like to grow his wealth over a relatively short period. That's why he has decided to purchase the **Bonus Power Plan 2 (Enhanced Protection)**, which gives him both capital growth and comprehensive protection.

This case assumes that Raymond does not withdraw cash at any point, choosing instead to let the total surrender value accumulate in his policy.

	Death Benefit	Surrender Value
Non-guaranteed		
Guaranteed		
Total		

Annual premium: **US$50,000**
Premium payment term:
5 years
Sum assured: **US$364,804**

Protection
At the age of 60, Raymond's projected total death benefit will be **US$548,763** (up to **2.1 times** the total premiums paid). He can rest assured knowing that his family will be financially sound even if he passes away.

Protection
At the age of 65, Raymond's projected total death benefit will be **US$707,849** (up to **2.8 times** the total premiums paid). This sum will help provide security for his family in case anything happens to him.

Insured's Age

Age 48

Age 60: US$183,959 / US$364,804 (Death Benefit); US$100,990 / US$194,441 (Surrender Value)

Age 65: US$343,045 / US$364,804 (Death Benefit); US$209,924 / US$223,260 (Surrender Value)

Savings
At the age of 60, the projected total surrender value of Raymond's policy will be **US$295,431**^. At this point, Raymond can surrender the policy to withdraw the total amount for use, or simply continue to save it.

Savings
At the age of 65, the projected total surrender value of Raymond's policy will be **US$433,184**^. At this point, Raymond can surrender the policy to withdraw the total amount for his retirement, or simply continue saving for future use.

Sadly, Raymond is diagnosed with Parkinson's disease at the age of 65. Under the **Caring Benefit**, Raymond receives a **Monthly Advance Payment** as well as a **Lump Sum Advance Payment**. This provides reasonable reserves for long-term treatment and care, reducing the financial burden on his family.

Projected Monthly Advance Payment

First month of the 18th policy year
US$7,078

Non-guaranteed amount: US$3,430
Guaranteed amount: US$3,648

Projected Lump Sum Advance Payment

US$553,008

Non-guaranteed amount: US$297,645
Guaranteed amount: US$255,363

Age 67

Age 68

Monthly Advance Payment (from diagnose at the age of 65)

Up to 30 monthly payments, each payment is equal to 1% of the sum of the sum assured and the non-guaranteed face value of Reversionary Bonus (if any) as at the date of diagnosis, plus the corresponding non-guaranteed face value of Terminal Bonus (if any).

Lump Sum Advance Payment (at the end of the 30th month after the date of diagnosis)

The remaining balance of the sum assured and the non-guaranteed face values of Reversionary Bonus (if any) and Terminal Bonus (if any) will be paid.

^ The total surrender value illustrated is the sum of the policy's guaranteed cash value plus the non-guaranteed cash values of Reversionary Bonus (if any) and Terminal Bonus (if any) and is based on the current projected surrender value and bonus scales. The current projected surrender value and bonus scales are neither indicative of future performance nor guaranteed. Past performance or current performance of our business should not be interpreted as a guide for future performance. The actual Reversionary Bonus (if any) and Terminal Bonus (if any) payable throughout the duration of the policy may vary at AIA's sole discretion, which may be less or more favourable than those illustrated. The above example assumes that no cash withdrawal or policy loans are taken throughout the term of the policy and that all premiums are paid in full when due. To receive the amounts illustrated, the policy owner must surrender his policy at the end of respective policy year. This policy will be terminated when the total surrender value has been withdrawn entirely.

Important Information

This brochure does not contain the full terms and conditions of the policy. It is not, and does not form part of, a contract of insurance and is designed to provide an overview of the key features of this product. The precise terms and conditions of this plan are specified in the policy contract. Please refer to the policy contract for the definitions of capitalised terms, and the exact and complete terms and conditions of cover. In case you want to read policy contract template before making an application, you can obtain a copy from AIA. This brochure should be read along with the illustrative document (if any) and other relevant marketing materials, which include additional information and important considerations about this product. We would like to remind you to review the relevant product materials provided to you and seek independent professional advice if necessary.

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Bonus Philosophy

This is a participating insurance plan in which we share a portion of the profits earned on it and related participating insurance plans with the policy owners. It is designed to be held long term. The premiums of a participating insurance plan will be invested in a variety of assets according to our investment strategy. The cost of policy benefits (including guaranteed and non-guaranteed benefits as specified in your plan that may be payable on death or surrender, as well as charges we make to support policy guarantees (if applicable)) and expenses will be deducted as appropriate from premiums of the participating insurance plan or from the invested assets. We aim to ensure a fair sharing of profits between policy owners and shareholders, and among different groups of policy owners.

Divisible surplus refers to profits available for distribution back to policy owners as determined by us. The divisible surplus that will be shared with policy owners will be based on the profits earned from your plan and related groups of similar plans or similar group of policies (as determined by us from time to time by considering factors such as benefit features, policy currencies and period of policy issuance), divisible surplus may be shared with the policy owners in the form of reversionary bonuses and terminal bonuses as specified in your policy.

We review and determine the bonus amounts payable to policy owners at least once per year. Divisible surplus depends on the investment performance of the assets which we invest in and the amounts of benefits and expenses we need to pay for the plan. It is therefore inherently uncertain. Nevertheless, we aim to deliver relatively stable bonus payments over time through a smoothing process by spreading out the gains and losses over a period of time. The actual bonuses declared may be different from those illustrated or projected in any insurance plan information provided (e.g. benefit illustrations) depending on whether the divisible surplus, past experience and / or outlook are different from what we expected. If bonuses are different, this will be reflected in the policy anniversary statement.

A committee has been set up to provide independent advice on the determination of the bonus amounts to the Board of the Company. The committee is comprised of members from different control functions or departments within the organisation both at the AIA Group level as well as Hong Kong local level, such as office of the Chief Executive of the Company, legal, compliance, finance, investment and risk management. Each member of the committee will endeavour to exercise due care, diligence and skill in the performance of his or her duties as a member. The committee will utilise the knowledge, experience, and perspectives of each individual member to assist the Board in the discharge of its duty to make independent decisions and to manage the risk of conflict of interests, in order to ensure fair treatment between policy owners and shareholders, and among different groups of policy owners. The actual 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, and with written declaration by the Chairman of the Board, an Independent Non-Executive Director and the Appointed Actuary on the management of fair treatment between policy owners and shareholders.

To determine the bonuses of a participating policy, we consider both past experience and the future outlook of all factors including, but not limited to, the following:

Investment returns: include interest earnings, dividends and any changes in the market value of the backing assets, i.e. the assets in which we invest your premiums (the cost of policy benefits and expenses will be deducted from the investment). Depending on the asset allocation adopted for the insurance plan, investment returns could be affected by fluctuations in interest income (both interest earnings and the outlook for interest rates) and various market risks, including interest rate risk, credit spread and default risk, fluctuations in listed and private equity prices, real estate prices as well as foreign exchange currency if the currency of the backing assets is different from the policy currency, etc.

Claims: include claims for death benefits and any other insured benefits under the insurance plan.

Surrenders: include policy surrenders, partial surrenders and policy lapses; and their corresponding impact on the backing assets.

Expenses: include both expenses directly related to the policy (e.g. commission, underwriting, issue and premium collection expenses) and indirect expenses allocated to the insurance plan (e.g. general administrative costs).

Some participating insurance plans (if applicable) allow the policy owners to place their annual dividends, guaranteed and non-guaranteed cash payments, guaranteed and non-guaranteed incomes, guaranteed and non-guaranteed annuity payments with us, potentially earning interest at a non-guaranteed interest rate. To determine such non-guaranteed interest rate, we consider the returns on the pool of assets in which these amounts are invested with reference to the past experience and future outlook. This pool of assets is segregated from other investments of the Company and may include bonds and other fixed income instruments.

For bonus philosophy and bonus history, please visit our website at https://www.aia.com.hk/en/dividend-philosophy-history.html

Investment Philosophy, Objective and Strategy

Our investment philosophy aims to deliver sustainable long-term returns in line with the insurance plan's investment objectives and the Company's business and financial objectives.

Our aforementioned objectives are to achieve the targeted long-term investment results while minimising volatility in investment returns to support the liabilities over time. They also aim to control and diversify risk exposures, maintain adequate liquidity and manage the assets with respect to the liabilities.

Our current long-term target strategy is to allocate assets attributed to this insurance plan as follows:

Asset Class	Target Asset Mix (%)
Bonds and other fixed income instruments	30% - 50%
Growth assets	50% - 70%

The bonds and other fixed income instruments predominantly include government and corporate bonds and are mainly invested in the United States and Asia-Pacific. Growth assets may include listed equity, equity mutual funds, physical real estate, real estate funds, private equity funds and private credit funds, and are mainly invested in the United States, Asia-Pacific and Europe. Growth assets generally have a higher long-term expected return than bonds and fixed income assets but may be more volatile in the short term. The range of target asset mix may be different for different participating insurance plans. Our investment strategy is to actively manage the investment portfolio i.e. adjust the asset mix in response to the external market conditions and the financial condition of the participating business. For example, there is a smaller proportion of growth assets when interest rates are low and a larger proportion of growth assets when interest rates are high. When interest rates are low, the proportion of growth assets may be even smaller than the long-term target strategy, so as to allow us to minimise volatility in investment returns and to protect our ability to pay the guaranteed benefits under the insurance plans, whereas the proportion of the growth assets may be even larger than the long-term target strategy when interest rates are high to allow for the possibility that we may share more investment opportunities in growth assets with the policy owners.

Subject to our investment objectives, we may use a material amount of derivatives to manage our investment risk exposure and for matching between assets and liabilities, for example, the effects of changes in interest rates may be moderated, while allowing for more flexibility in asset allocation.

Our currency strategy is to minimise currency mismatches. For bonds or other fixed income instruments, our current practice is to endeavour to currency-match bond purchases with the currency of the underlying policy (e.g. US Dollar assets will be used to back US Dollar insurance plans). Subject to market availability and opportunity, bonds may be invested in a currency other than the currency of the underlying policy and currency swaps may be used to minimise the currency risks. Currently assets are mainly invested in US Dollar. Growth assets may be invested in a currency other than the currency of the underlying policy and the selection is done according to our investment philosophy, investment objectives and mandate.

We will pool the investments from similar participating insurance plans to determine the return and we will allocate the return to specific participating insurance plans with reference to their target asset mix. Actual investments (e.g. geographical mix, currency mix) would depend on market opportunities at the time of purchase, hence may differ from the target asset mix.

The investment strategy is subject to change depending on the market conditions and economic outlook. Should there be any material changes in the investment strategy, we will inform policy owners of the changes, with underlying reasons and expected impact to the bonuses.

Key Product Risks

1. You should pay premium(s) on time and according to the selected premium payment schedule. If you stop paying the premium before completion of the premium payment term, you may elect one of the non-forfeiture options to surrender the policy or convert the policy to a non-participating insurance plan with life protection only. Compare with the original plan, such a plan will have less cover.

If no non-forfeiture option has been selected, the premium will be covered by a loan taken out on the policy automatically. When the loan balance exceeds the sum of guaranteed cash value and cash value of Reversionary Bonus (if any) of the basic plan, the policy will terminate and you will lose the cover. The surrender value of the policy will be used to repay the loan balance, and we will refund any remaining value.

2. The plan may make certain portion of its investment in growth assets. Returns of growth assets are generally more volatile than bonds and other fixed income instruments, you should note the target asset mix of the product as disclosed in this product brochure, which will affect the bonus on the product. The savings component of the plan is subject to risks and possible loss. Should you surrender the policy early, you may receive an amount considerably less than the total amount of premiums paid.

3. You may request for the termination of your policy by notifying us in written notice. Also, we will terminate your policy and you / the insured will lose the cover when one of the following happens:

   - the insured passes away;
   - you do not pay the premium within 31 days of the due date and the policy has no cash value; or
   - the outstanding debt exceeds the guaranteed cash value plus the cash value of the Reversionary Bonus (if any) of the policy.

4. We underwrite the plan and you are subject to our credit risk. If we are unable to satisfy the financial obligations of the policy, you may lose your premium paid and benefits.

5. You are subject to exchange rate risks for plans denominated in currencies other than the local currency. Exchange rates fluctuate from time to time. You may suffer a loss of your benefit values and the subsequent premium payments (if any) may be higher than your initial premium payment as a result of exchange rate fluctuations. You should consider the exchange rate risks and decide whether to take such risks.

6. Your current planned benefit may not be sufficient to meet your future needs since the future cost of living may become higher than they are today due to inflation. Where the actual rate of inflation is higher than expected, you may receive less in real terms even if we meet all of our contractual obligations.

Key Exclusions

We will not cover the insured for any of the following, except in the event of the death of the insured:

1. Any illness or disability that manifested before the policy became effective, or within the 90 days after the policy became effective;
2. Attempted self-destruction or self-inflicted injuries on the part of the insured;
3. Any congenital illness or disability that manifested prior to the date on which the insured attained 17 years of age;
4. Any disability caused by war, warlike operations or restoration of public order; and
5. Entering, exiting, operating, servicing, or being transported by any aerial device except when the insured is on a commercial passenger aircraft.

Claim Procedure

If you wish to make a claim, you must send us the appropriate forms and relevant proof. You can get the appropriate claim forms in www.aia.com.hk, from your financial planner, by calling the AIA Customer Hotline (852) 2232 8888 in Hong Kong, or by visiting any AIA Customer Service Centre. For details related to making a claim, please refer to the policy contract. If you wish to know more about claim related matter, you may visit “File A Claim” section under our company website www.aia.com.hk.

Suicide

If the insured commits suicide within one year from the date on which the policy takes effect, our liability will be limited to the refund of premiums paid (without interest) less any outstanding debt.

Incontestability

Except for fraud or non-payment of premiums, we will not contest the validity of this policy after it has been in force during the lifetime of the insured for a continuous period of two years from the date on which the policy takes effect. This provision does not apply to any add-on plan providing accident, hospitalisation or disability benefits.

Warning Statement

Bonus Power Plan 2 (Enhanced Protection) is an insurance plan with a savings element. Part of the premium pays for the insurance and related costs. If you are not happy with your policy, you have a right to cancel it within the cooling-off period and obtain a refund of any premiums and any levy paid. A written notice signed by you should be received by AIA’s Customer Service Centre at 12/F, AIA Tower, 183 Electric Road, North Point, Hong Kong within the cooling-off period (that is, 21 calendar days immediately following either the day of delivery of the policy or the Cooling-off Notice to you or your nominated representative, whichever is earlier). After the expiration of the cooling-off period, if you cancel the policy before the end of the term, the projected total cash value may be less than the total premium you have paid.

Additional Important Information

Effective from 1 January 2018, all policy owners are required to pay a levy on each premium payment made for both new and in-force Hong Kong policies to the Insurance Authority (IA). For levy details, please visit our website at www.aia.com.hk/useful-information-ia-en or IA's website at www.ia.org.hk.

The levy rates and the maximum amount of levy to be paid by policy owners from 2018 till 2021 onwards are listed as below:

Policy Anniversary Date	Levy Rate	Maximum Levy (HKD)
		Long Term Business
From 1 January 2018 to 31 March 2019 (both dates inclusive)	0.04%	$40
From 1 April 2019 to 31 March 2020 (both dates inclusive)	0.06%	$60
From 1 April 2020 to 31 March 2021 (both dates inclusive)	0.085%	$85
From 1 April 2021 onwards (inclusive of that date)	0.1%	$100

1. This product is a life insurance product issued by AIA. This is a participating policy. The underwriting risks, financial obligations and support functions associated with the policies issued by AIA are its responsibility.

2. The plan is an insurance plan with a savings element. Part of the premium(s) will be used to support the guaranteed benefit(s) such as guaranteed cash value and / or death benefit. Applicable fees and charges (including but not limited to cost of insurance and premium charge) will be deducted from the policy value, where appropriate.

   The plan is a long term insurance plan and is designed to be held until the end of the policy term. Should you terminate the policy before the end of the lock-in period (please refer to point 24 below), you may receive an amount considerably less than the total amount of premium paid and you may lose all the premiums paid. The premium of the plan should be paid in full for the whole payment term.

3. Three different premium payment modes (annually, semi-annually and monthly) are available for the plan at the time of policy application. Once the policy is issued, policy owner may apply for post sales service of changing premium payment mode with AIA directly and the premium payment mode may be changed to annually, semi-annually, quarterly or monthly. Please note the Guaranteed Death Benefit under quarterly premium payment mode may be lower than the Total Premiums Paid under certain circumstances. Policy owner should pay attention to the potential consequences before deciding whether to change the premium payment mode.

4. At AIA's discretion, AIA may distribute the surplus from AIA's profit from this product group to policy owners as bonuses. Reversionary Bonus (if any) is the share of any surplus that AIA determines each year starting from the end of the 3rd policy year. Terminal Bonus (if any) is a further share in any remaining surplus after Reversionary Bonus (if any) is distributed.

   We aim to ensure a fair sharing of profits between policy owners and AIA shareholders, and among different groups of policy owners:

   i. Policy owners and AIA shareholders – Any profits and losses will be allocated among policy owners and AIA shareholders according to the defined shareholders' profit basis. This is reflected in the benefit illustration for the policy.

   ii. Different groups of policy owners – Profits will vary among policies with different policy classes. For example, the investment experience would be different for policies started in different years, and therefore the bonus could be different.

5. Future investment performance is unpredictable. Through our smoothing process, we aim to deliver more stable bonuses payments, by spreading out the gains and losses over a longer period of time. If the experience of **Bonus Power Plan 2 (Enhanced Protection)** (on factors including, but not limited to, investment returns, claims, surrenders and expenses) continues to be unfavorable over an extended period, it would lead to a decrease in future bonuses.

6. AIA's investment objectives are to achieve the targeted long-term investment results while minimising volatility in investment returns to support the liabilities over time. They also aim to control and diversify risk exposures, maintain adequate liquidity and manage the assets with respect to the liabilities. AIA's current long-term target strategy has an allocation to growth assets that ranges between 50% to 70%. The investment strategy is to actively manage the investment portfolio i.e.: adjust the asset mix in response to the external market conditions and the financial condition of the participating business. For example, there is a smaller proportion of growth assets when interest rates are low and a larger proportion of growth assets when interest rates are high. When interest rates are low, the proportion of growth assets may be even smaller than the long-term target strategy, so as to allow us to minimise volatility in investment returns and to protect our ability to pay the guaranteed benefits under the insurance plans, whereas the proportion of the growth assets may be even larger than the long-term target strategy when interest rates are high to allow for the possibility that we may share more investment opportunities in growth assets with the policy owners. **You should understand the risk associated with purchasing a product with potentially significant proportion invested in growth assets (up to 70%), and consider whether it is suitable for your needs.**

7. AIA will send an anniversary statement to you upon every policy anniversary. The anniversary statement will include the guaranteed cash value, the face value and current cash value of Reversionary Bonus (if any), and the face value and current cash value of Terminal Bonus (if any) as of certain date. While the face value of the Reversionary Bonus (if any) is guaranteed once it is declared in respect of death benefit, the cash values of Reversionary Bonus (if any) and Terminal Bonus (if any) stated on the anniversary statement or payable on early surrender or termination of the Policy may be subject to AIA's adjustment at its sole discretion and may be greater or lesser than the amount projected in the illustrative document.

8. No Reversionary Bonus (if any) and Terminal Bonus (if any) will be declared before the end of the 3rd policy year. Once declared, the face value of Reversionary Bonus (if any) is guaranteed in respect of death benefit. However, the face value of Terminal Bonus (if any), cash value of Reversionary Bonus (if any) and cash value of Terminal Bonus (if any) may change during the life of the policy; they are determined at AIA's sole discretion and may be zero.

   The cash value of bonuses may be equal to or less than the face value of the bonuses and the amount will ultimately be at AIA's sole discretion. The cash value of bonuses may be influenced by various factors, for example abrupt change in market conditions, expectation of future investment return and the claims experience and hence may not always increase.

   Terminal bonus (if any) is only valid until the next bonus declaration and while this would typically be annual, however, AIA reserves the right to determine the frequency of bonus declarations.

   The need to be able to reflect changing market conditions in the face value of Terminal Bonus (if any), as well as the cash value of Reversionary Bonus (if any) and cash value of Terminal Bonus (if any) when a policy owner surrenders a policy is to protect the long-term interest of the remaining policy owners who may otherwise have their future bonus adversely impacted by the surrender. Interest accumulation is not applicable to Reversionary Bonus (if any) and Terminal Bonus (if any).

9. Cash withdrawals made will be deducted first from the cash values of encashable Reversionary Bonus (if any) and the associated Terminal Bonus (if any) (collectively, "Cash Value of Encashable Bonuses"). Any further withdrawal which exceeds the remaining balance of the Cash Value of Encashable Bonuses will be deemed as partial surrender of the policy and may lead to reduction of the sum assured of the policy. Such further withdrawal will be deducted from the guaranteed cash value and the associated cash value of Terminal Bonus (if any) (from and after the end of the 3rd policy year), given upon such surrender. Therefore, the subsequent guaranteed cash value, face values and cash values of the Reversionary Bonus (if any) and the Terminal Bonus (if any) will be adjusted accordingly based on the reduced sum assured.

10. Cash Value of Encashable Bonuses (if any) consists of the projected cash value of Reversionary Bonus (if any) and the projected cash value of the associated Terminal Bonus (if any) which are based on current projections of surrender values and bonus scales, which are not guaranteed and may be zero. The encashment of cash value of the Reversionary Bonus (if any) will reduce the future value of your policy. The reduction of the face values of Reversionary Bonus (if any) and Terminal Bonus (if any) will in turn reduce the total death benefit. When the cash value of the Reversionary Bonus (if any) is encashed (whether in whole or in part), its corresponding cash value of the Terminal Bonus (if any) will be encashed as well and the face value of the Reversionary Bonus (if any) will be reduced accordingly. The Terminal Bonus (if any) under the policy will be adjusted after the encashment of any cash values of Reversionary Bonus (if any) and its corresponding cash value of the Terminal Bonus (if any). AIA reserves the right to determine the cash values of the Reversionary Bonus (if any) and the Terminal Bonus (if any) at its sole discretion.

11. The policy is subject to AIA's minimum sum assured requirements as determined by AIA from time to time, and no withdrawal will be allowed which has the effect of reducing the sum assured of the policy below the minimum sum assured required.

12. All guaranteed and non-guaranteed elements (if any) and benefits of insurance policy are subject to the credit risk of AIA and the payments of such benefits and performance of the insurance policy are the obligations and liabilities of AIA. In the worst case, you may lose all the premium paid and benefit amount.

    Policy benefits are not the obligation of any insurance agency or distributor selling or distributing the policy, or by any of their affiliates, and none of them makes any representation or guarantees regarding the claims-paying ability of AIA. AIA is responsible for its own financial condition and contractual obligations. Policy owners bear the default risk in the event that AIA is unable to satisfy its financial obligations under the insurance policy(ies).

13. "Total and Permanent Disability" means complete and continuous inability of the insured due to injury or sickness to perform or engage in any gainful work, occupation or business for which he is reasonably qualified or fitted by knowledge, training or experience.

    In order for AIA to determine for claim purposes the total and permanent character of the insured's disability, it is mandatory that the disability must be uninterrupted for at least 6 months from its date of commencement except in cases of Presumptive Disability where AIA immediately recognizes the disability as being total and permanent in nature.

14. Presumptive Disability means the occurrence of any of the following: i) total and irrecoverable loss of sight of BOTH eyes; ii) severance of TWO limbs at or above wrist or ankle; or iii) total and irrecoverable loss of sight of ONE eye and loss by severance of ONE limb at or above the wrist or ankle.

15. The Total and Permanent Disability Benefit and the Caring Benefit will not be paid at the same time. The maximum aggregate amount for each benefit payable to the same insured under this policy and any other policies and / or add-on plans issued by AIA and / or AIA Company Limited is US$1.25 million.

16. No payment for Total and Permanent Disability Benefit and Caring Benefit with a due date more than 1-year prior to AIA's date of receipt of written notice of claim.

17. In the case of disability, AIA reserves the right to require from the person claiming the benefit, at reasonable intervals, proof of continuing disability. Once the disability has continued for 2 full years, AIA will not require such proof more frequently than once a year. If such proof is not submitted, or the insured becomes able to perform any work, or engage in any occupation or business to earn or obtain any income, compensation or profit, then in either event, the Monthly Advance Payment under the Total and Permanent Disability Benefit and the benefit of waiver of future premiums shall cease, and that all premiums falling due shall continue to be payable according to the terms of the basic plan. The premium due will be calculated according to the remainder of the sum assured of the Policy and will be based on the ratio of the original premium for the plan that such remainder bears to the original sum assured.

18. If the total advance payment(s) paid under the Total and Permanent Disability Benefit and / or Caring Benefit have reached 100% of the sum assured of the basic plan, the coverage and all benefits under the basic plan will cease.

19. Add-on plans / riders means supplementary contracts as stated in the policy contract.

20. The above product information should be used with the understanding that AIA is not rendering legal, accounting or tax advice. You are advised to check with your personal tax advisor for advice relevant to your circumstances.

21. AIA is the insurance underwriter of this insurance plan and is solely responsible for all approvals, coverage and compensations of their insurance plans. All insurance applications are subject to AIA's underwriting and acceptance. AIA reserves the final right to approve any policy application. In case the policy application is declined, AIA will make full refund of the actual amount of premium and any levy paid by the customer without interest. AIA shall assume full responsibility for the contracts of respective insurance plans.

22. If your application omits facts or contains materially incorrect or incomplete facts, AIA has the right to declare the policy void.

23. Whether to apply for insurance coverage is your own individual decision.

24. The reference to "lock-in period" (if any) is the guaranteed breakeven year in which guaranteed cash value equals to the total premium paid as illustrated in the illustrative document.

25. The guaranteed breakeven policy year varies according to the sum assured, premium payment term and the issue age, gender and smoking habits of the insured. Please refer to the illustrative document for the lock-in period applicable to your **Bonus Power Plan 2 (Enhanced Protection)** policy. **Early surrender or termination of your policy before the end of the lock-in period may result in losses in that you may get back considerably less than your premiums paid.**

26. If premium remains unpaid 31 days after the premium due date, you may elect one of the non-forfeiture options to surrender the policy or convert the policy to a non-participating paid-up insurance plan with life protection only. Compared with the original plan, such a plan will have less cover. If no non-forfeiture option has been elected, AIA will advance the premium due as an automatic loan so long as the sum of guaranteed cash value and the non-guaranteed cash value of Reversionary Bonus (if any) of the basic plan is sufficient to cover the premium in default and any outstanding debt.

27. You can also apply for a policy loan and borrow up to 90% of the total guaranteed cash value of the policy plus the non-guaranteed cash value of Reversionary Bonus (if any). Where a policy loan is available and taken out, interest on the policy loan will be charged at a rate solely determined by us from time to time. Interest on loan amounts accrue on a daily basis and are due on each policy anniversary. Any interest unpaid when due will be added to the outstanding loan amount. The unpaid loan or policy debt (if any) on the policy will be deducted from the payment or proceeds (if any) under the policy. If the total outstanding loan amounts (including interest) owing to AIA under this policy (if any) exceed the guaranteed cash value and the non-guaranteed cash value of Reversionary Bonus (if any) of the policy, the policy will be terminated.

28. Overloan occurs when the loan balance exceeds the sum of guaranteed cash value and non-guaranteed cash value of Reversionary Bonus (if any) of the basic plan.

29. As the cash value of Reversionary Bonus is non-guaranteed, there may be risk of overloan when there is adjustment on the cash value of Reversionary Bonus. Immediate loan repayment is required when there is an overloan, otherwise the policy will be terminated and policy owner or the insured may lose the cover.

    When overloan occurs, a letter will be sent to the policy owner, requesting payment of an amount not less than the amount specified in such letter within one month from the date of such letter in order to keep the policy in force.

30. Total surrender value / total cash value refer to the same value and these terms are used interchangeably.

31. Benefit illustration / illustrative document / proposal refer to the same document and these terms are used interchangeably.

32. The policy currency of this plan offers in US dollars (USD). For USD, any exchange rate fluctuation will have a direct impact on the amount of premium required and the value of your benefit(s) in Hong Kong dollar terms.

    Any transaction involving currencies involves risks including, but not limited to, the potential for changing political and / or economic conditions that may substantially affect the price or liquidity of a currency. Policy owner should pay heed to the presence of the potential currency risks and decide whether to take such risks.

33. Any post sales service request under the plan must be made by the policy owner to AIA directly. Policy owner can apply to exercise any post sale service by calling the AIA Customer Hotline (852) 2232 8808 in Hong Kong or by visiting any AIA Customer Service Centre.

34. Citibank (Hong Kong) Limited's role is limited to distributing the insurance product only and Citibank (Hong Kong) Limited shall not be responsible for any matters in relation to the products provided (including but not limited to account / policy maintenance matters).

Citibank (Hong Kong) Limited - Important Notes from the insurance agent

1. Citibank (Hong Kong) Limited, being registered with the Insurance Authority as a licensed insurance agency, acts as an appointed licensed insurance agent for AIA International Limited (the "Insurance Company").
2. Citibank (Hong Kong) Limited's role is limited to distributing insurance products of the Insurance Company only and Citibank (Hong Kong) Limited shall not be responsible for any matters in relation to the provision of the products.
3. Insurance products are products and obligations of the Insurance Company and not of Citibank (Hong Kong) Limited. Insurance products are not bank deposits or obligations of, or guaranteed or insured by Citibank (Hong Kong) Limited, Citibank, N.A., Citigroup Inc. or any of their affiliates or subsidiaries, or any local governmental agency.
4. In respect of an eligible dispute (as defined in the Terms of Reference for the Financial Dispute Resolution Centre in relation to the Financial Dispute Resolution Scheme) arising between you and Citibank (Hong Kong) Limited out of the selling process of any insurance product conducted by Citibank (Hong Kong) Limited as agent for Insurance Company or the processing of the related transaction, you may enter into a financial dispute resolution scheme process with Citibank (Hong Kong) Limited in accordance with the applicable rules in Hong Kong. However any dispute over the contractual terms of insurance products should be resolved directly between you and the Insurance Company.
5. All insurance applications are subject to Insurance Company's underwriting and acceptance.
6. The Insurance Company is solely responsible for all approvals, coverage, compensations and account maintenance in connection with its insurance products.
7. Citibank (Hong Kong) Limited will not render you any legal, accounting or tax advice. You are advised to check with your own professional advisor for advice relevant to your circumstances.
8. You are reminded to carefully review the relevant product materials provided to you and seek independent advice if necessary.
9. For any policy service enquiries, please contact the relevant licensed bank staff or the Insurance Company.

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