安盛

Life protection & savings

IncomeEnrich Deferred Annuity Plan

QDAP

合資格延期年金保單
Qualifying Deferred Annuity Policy

Enrich your income enjoy your retirement life

Product brochure

IncomeEnrich Deferred Annuity Plan

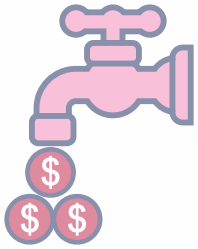
After devoting your prime years to your career, your golden years should be yours to enjoy as you wish. But staying financially secure means having a dependable monthly income as well as a safety net so you can lead your life comfortably without any financial worries.

Scan to watch the product video

IncomeEnrich Deferred Annuity Plan ("**IncomeEnrich**"), a participating deferred annuity insurance plan, is certified by the Insurance Authority as a Qualifying Deferred Annuity Policy ("QDAP"). In addition to tax incentive and its 10 / 20-years steady stream of monthly annuity payment, whether you want to fund your lifestyle, reach your savings goals, or create a financial buffer against life's misfortunes, **IncomeEnrich** can give you a head start.

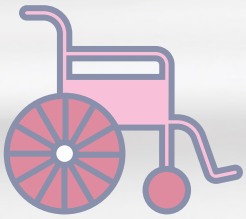
Highlights

Flexibility to craft your retirement solution



Steady stream of income and potential wealth growth

Save on tax today while planning for tomorrow



Waiver or extended grace period for premium payments during difficult times

Peace of mind with life and dementia protection

Relish a hassle-free application experience

Qualifying Deferred Annuity Policy ("QDAP")

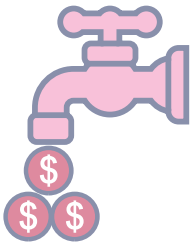
Smart tip

The "annuitant" in this product brochure shall carry the same meaning as the "Insured" as defined in the policy contract.

Flexibility to craft your retirement solution

IncomeEnrich gives you the flexibility to craft your retirement solution depending on your current and future needs. You can choose:

- Premium payment term of 5 / 10 years; and
- Annuity period of 10 / 20 years; and
- Annuity start age can be as early as age 50[1]; and
- Annuity payment option allows you to have the monthly annuity payment paid out in cash to the annuitant or you can choose to leave with us to accumulate for interest[2]. Any change of your annuity payment option will be free of charge.



Steady stream of income and potential wealth growth

IncomeEnrich provides a steady stream of monthly annuity payments which consists of two components: monthly guaranteed annuity payments which is fixed throughout your selected annuity period, and monthly non-guaranteed annuity payments[3] which you can benefit from the upside potential returns. The table below illustrates the minimum and maximum of the Internal Rate of Return of **IncomeEnrich**.

Internal Rate of Return ("IRR")[4,5,6,7]

The following IRR table is based on a 45-years-old, non-smoking male. The IRR will vary by different factors, including but not limited to annuity start age, premium payment mode and benefit period.

		Premium payment mode							
		Annual				Non-annual			
		Guaranteed IRR		Total IRR		Guaranteed IRR		Total IRR	
Premium payment term	Annuity period	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
5 years	10 years	1.3%	1.6%	3.2%	3.7%	0.7%	1.5%	2.7%	3.6%
5 years	20 years	1.4%	1.5%	3.6%	4.1%	0.9%	1.4%	3.2%	4.0%
10 years	10 years	1.1%	1.4%	3.3%	3.8%	0.3%	1.3%	2.7%	3.7%
10 years	20 years	1.1%	1.4%	3.7%	4.3%	0.6%	1.2%	3.3%	4.1%

Smart tip

QDAP is designed to be held for long term. Should you terminate this policy early or cease paying premiums early, you may suffer a significant loss.

For details of early surrender, please refer to the section **IncomeEnrich at a glance**.

Save on tax today while planning for tomorrow

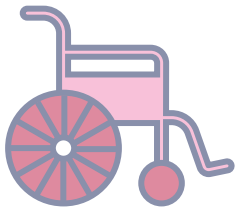
IncomeEnrich is certified by the Insurance Authority as a Qualifying Deferred Annuity Policy ("QDAP").

Individual applicants can enjoy a maximum tax deductible limit up to HKD60,000[8] annually for qualifying annuity premiums paid while married couples can enjoy a maximum tax deductible limit up to HKD120,000[8] amongst themselves, provided that the deduction claimed by each taxpayer does not exceed the individual limit of HKD60,000[8]. With tax savings, you may consider to add extra protection to protect yourself and your loved ones in your golden years.

For eligibility of tax deductions, please refer to **Tax deduction** under the section **Important information** and the website of the Inland Revenue Department ("IRD") or to contact the IRD directly for any tax related enquiries.

Smart tip

Please note that the above-mentioned tax incentive would not be relevant to people who do not have taxable income, such as retirees aged 65 or above.



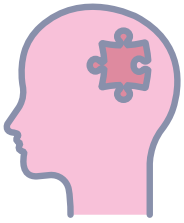
Waiver or extended grace period for premium payments during difficult times

Accident premium waiver benefit[9]

If the annuitant suffers from total disability caused solely and directly by an accident before age 65 for a continuous period of not less than 6 months, all premiums under **IncomeEnrich** attributable to the period of total disability will be waived.

Complimentary extended grace period benefit[10]

Allows you to enjoy an extended grace period for premium payments up to 365 days if you are laid off or made redundant, thereby providing support to you and your family during difficult times.



Peace of mind with life and dementia protection

Life protection and flexible death benefit settlement option

Should the worst ever happen to the annuitant, **IncomeEnrich** provides a death benefit to the designated beneficiary. You can choose to have the death benefit paid out in a lump sum or by regular instalments.

If you select the payment by instalments option, the death benefit will be paid by instalments over a specified period of time to be agreed by the Company, with interest accrued on the balance of death benefit yet to be paid at an interest rate to be determined by us from time to time at our sole discretion, until the full amount of death benefit has been paid out.

Dementia advance benefit[11]

If the annuitant is first diagnosed with Severe Dementias after the end of the premium payment term, a lump sum death benefit will be paid to the policy owner in advance as dementia advance benefit[11], after which the policy will automatically terminate.

Optional protection including Accident Protector First 3 Years Free Supplement[12]

Optional supplements including accident protection up to USD62,500 with the first three years' premiums waived. Other than this, you can also combine **IncomeEnrich** with a wide range of optional supplements such as critical illness, medical, accident and disability protection, to meet your personal needs.

Please note any premiums paid for any supplements attached to **IncomeEnrich** will not be qualified for tax deduction of QDAP.

Relish a hassle-free application experience

Reap the benefits of a simple application experience: with no medical underwriting required[13], **IncomeEnrich** takes the hassle out of the application process so you can start your saving journey earlier than expected!

Illustrative example – the joy of financial security[4,5,6,7]

(The example below is solely for illustrative purposes. The graph below is not drawn to scale.)

Policy owner and annuitant : Kim (aged 45, non-smoker)
Occupation : IT
Family status : Married

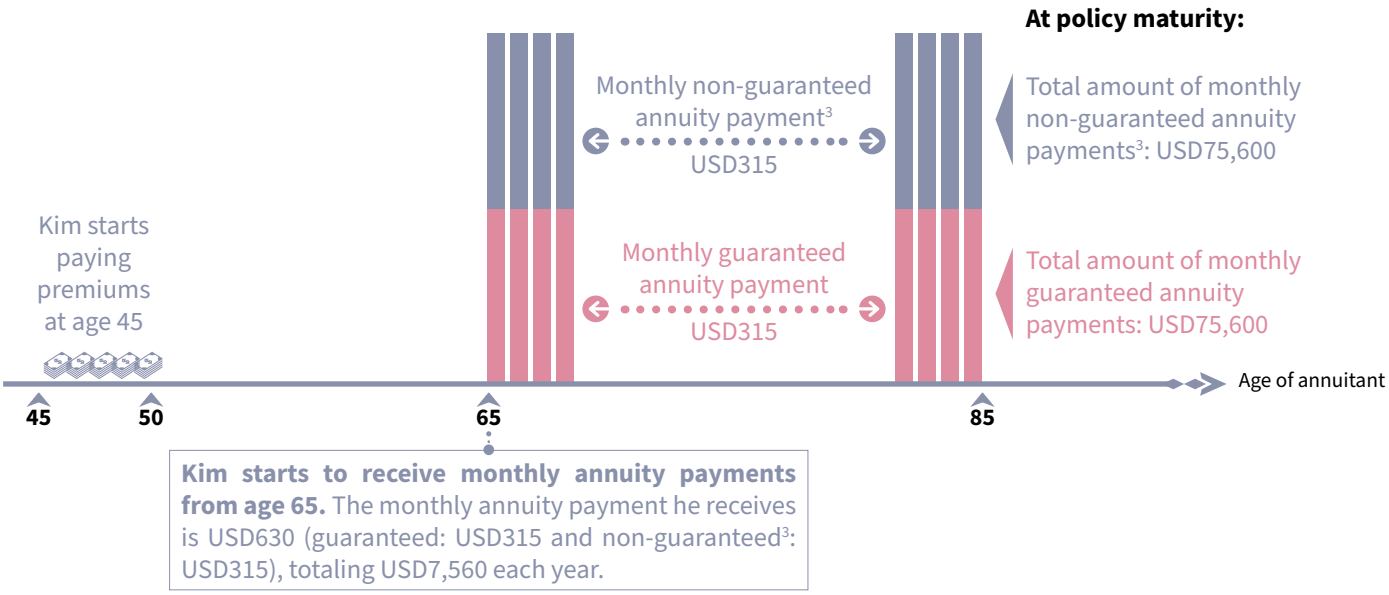
Expecting his retirement at age 65, Kim decides to take out an **IncomeEnrich** policy that can provide a secure, additional income after his retirement. He chooses a premium payment term of 5 years and an annuity period of 20 years.

Scenario 1

Let's see how much Kim can get with a different payment mode for the same notional amount[14] of USD50,000

Premium payment term : 5 years
Annuity start age : 65
Annuity period : 20 years

Premium payment mode	Annual	Monthly
Premium paid	USD10,000 / year	USD900 / month
Total premiums paid (A)	USD10,000 x 5 = USD50,000	USD900 x 12 x 5 = USD54,000
At policy maturity		
Cumulative amount of monthly annuity payments received (B)	USD151,200	USD151,200
% of total premiums paid (B)/(A)	302%	280%
Guaranteed IRR	**1.5%**	**1.2%**
Total IRR	**4.1%**	**3.9%**



Note: For the IRR under other premium payment terms and annuity periods, please refer to the IRR table on P.3.

With **IncomeEnrich**, Kim is able to manage his money in a way that not only helps him and his wife achieve financial security, but also increases their happiness during their golden years with the assurance of steady income.

Scenario 2

What if Kim unfortunately passes away at the end of the 25th policy year (aged 70)?

From age 65 to 70, he receives a monthly annuity payment of USD630 (guaranteed: USD315 and non-guaranteed[3]: USD315) for 5 years, totaling **USD37,800**.

When Kim passes away, his designated beneficiary will receive a death benefit of **USD75,100** which is calculated as follows:

Premium payment mode	Annual	Monthly
Premium paid	USD10,000 / year	USD900 / month
Total premiums paid	USD10,000 x 5 = USD50,000	USD900 x 12 x 5 = USD54,000
At the time of death of the annuitant		
i 101% of an amount equal to the total premiums paid[15] less any monthly guaranteed annuity payments paid[15] under the basic plan	101% × [USD50,000 – (USD315 x 12 x 5)] = USD31,411	101% × [USD54,000 – (USD315 x 12 x 5)] = USD35,451
ii Guaranteed cash value[16]	USD40,100	USD40,100
Death benefit		
The higher of i and ii	USD40,100	USD40,100
	⊕	⊕
Terminal dividend[3]	USD35,000	USD35,000
Death benefit amount	USD75,100	USD75,100

The policy will end after the death benefit is paid.

IncomeEnrich at a glance

Premium payment term	5 years / 10 years		
Benefit period	From policy inception to end of annuity period		
Issue age	Annuity start age	Annuity period	
		10 years	20 years
	50	18 - 40	18 - 40
	55	18 - 45	18 - 45
	60	18 - 50	18 - 50
	65	18 - 55	18 - 55
	70	18 - 60	
	75	18 - 65	
Premium	Fixed and guaranteed		
Minimum annual premium	Premium payment term	Minimum annual premium	
	5 years	USD4,800	
	10 years	USD2,400	
Minimum notional amount[14]	USD24,000		
Annuity start age	Annuity period	Annuity start age	
	10 years	Age 50 / 55 / 60 / 65 / 70 / 75	
	20 years	Age 50 / 55 / 60 / 65	
Annuity period	10 years / 20 years		
Guaranteed cash value[16]	Available upon policy surrender		
Monthly annuity payment	Monthly **guaranteed** annuity payment	Level and steady monthly income during your selected annuity period	
	Monthly non-guaranteed annuity payment[3]	Potential monthly income during your selected annuity period	
	Any indebtedness will be deducted from the monthly annuity payment when payable		
Annuity payment option	Annuity payment option allows you to have the monthly annuity payment paid out in cash to the annuitant or you can choose to leave the monthly annuity payment with us to accumulate for interest[2]		
Other non-guaranteed benefits	Terminal dividend[3] may be payable ▪ upon policy surrender; or ▪ at policy maturity; or ▪ on the death of the annuitant; or ▪ when dementia advance benefit[11] becomes payable		

<table>
<tr><td>Surrender value</td><td>Guaranteed cash value[16]
⊕ any amount left with us to accumulate for interest*
⊕ any terminal dividend[3] payable at the time
⊖ any indebtedness and outstanding premiums (if applicable)
If you surrender the policy at the end of the 1st policy year, you will receive surrender value of the amount as set out below:
<table>
<tr><th>Premium payment term</th><th>Surrender value per each USD10,000 of premium paid^</th><th>Surrender value as % of premium paid^</th></tr>
<tr><td>5 years</td><td>USD2,000</td><td>20%</td></tr>
<tr><td>10 years</td><td>USD1,500</td><td>15%</td></tr>
</table>
^ Assuming annual premium payment mode</td></tr>
<tr><td>Maturity benefit</td><td>Any amount left with us to accumulate for interest*
⊕ any terminal dividend[3] payable at the time
⊖ any indebtedness and outstanding premiums (if applicable)</td></tr>
<tr><td>Life protection</td><td>Death benefit is equal to the higher of:
(i) 101% of an amount equal to the total premiums paid[15] less any monthly guaranteed annuity payments paid[15] under the basic plan; and
(ii) guaranteed cash value[16]
as at the time of death of the annuitant
⊕ any terminal dividend[3] payable as at the time of death of the annuitant
⊕ any amount left with us to accumulate for interest*
⊖ any indebtedness and outstanding premiums (if applicable)</td></tr>
<tr><td>Death benefit settlement option</td><td>Under the death benefit settlement option, there are two options for the payment of the death proceeds for you to choose during the annuitant's lifetime. Details are as follows:
(i) <u>Lump sum payment</u>
The death proceeds will be paid in a lump sum
(ii) <u>Payment by instalments</u>
The death proceeds will be paid by instalments at such regular intervals over a specified period of time to be agreed by the Company. The options on settlement term and mode of settlement available for selection may be changed by the Company from time to time at its sole discretion
Interest will accrue on the balance of the death proceeds which is yet to be paid at an interest rate to be determined by the Company from time to time at its sole discretion</td></tr>
<tr><td>Accident premium waiver benefit[9]</td><td>All premiums under IncomeEnrich attributable to the period of total disability will be waived if the annuitant suffers from total disability caused solely and directly by an accident before age 65 for a continuous period of not less than 6 months</td></tr>
<tr><td>Extended grace period benefit[10]</td><td>Starting from the 2nd policy year, extension of grace period for premium payments up to 365 days if you are made redundant or laid off during the premium payment term</td></tr>
<tr><td>Dementia advance benefit[11]</td><td>Death benefit payable in advance if the annuitant is first diagnosed with Severe Dementias after the end of the premium payment term</td></tr>
</table>

* This is applicable if you choose or have ever chosen to leave the monthly annuity payments with us to accumulate for interest[2]:
- Any monthly guaranteed annuity payment accumulated with us and interest accrued on such annuity payments[2].
- Any monthly non-guaranteed annuity payment[3] accumulated with us and interest accrued on such annuity payments[2].

For details of non-guaranteed benefits, please refer to **Dividend philosophy** under the section **Important information**.

Important information

Cooling-off period

If you are not completely satisfied with the policy, you have the right to cancel the policy and obtain a refund of any premium(s) paid provided that there is no claim payment made under the policy prior to your request for cancellation. To exercise this right, please return the policy (if applicable) and send your signed written notice of cancellation directly to our Customer Service at Suite 2001, 20/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong within **21 calendar days** immediately following either the day of delivery of the policy or the notice of policy issuance (notifying you of the cooling-off period) to you or your nominated representative (whichever is earlier). The policy will then be cancelled and a refund of any premium(s) paid and any levy paid will be returned to you.

Certification by the Insurance Authority

Such certification is not a recommendation or endorsement of **IncomeEnrich**, nor does it guarantee the commercial merits of **IncomeEnrich** or its performance. It does not mean the policy is suitable for all policyholders nor is it an endorsement of its suitability for any particular policyholder or class of policyholders. **IncomeEnrich** has been certified by the Insurance Authority but such certification does not imply official recommendation. The Insurance Authority does not take any responsibility for the contents of the product brochure of **IncomeEnrich**, makes no representation as to its accuracy or completeness, expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the product brochure of **IncomeEnrich**.

Tax deduction

Please note that the QDAP status of this product does not necessarily mean you are eligible for tax deduction available for QDAP premiums paid. This product's QDAP status is based on the features of the product as well as certification by the Insurance Authority and not the facts of your own situation. You must also meet all the eligibility requirements set out under the Inland Revenue Ordinance and any guidance issued by the Inland Revenue Department of HKSAR before you can claim these tax deductions.

Any general tax information provided is for your reference only, and you should not make any tax-related decisions based on such information alone. You should always consult with a professional tax advisor if you have any doubts. Please note that the tax law, regulations or interpretations are subject to change and may affect related tax benefits including the eligibility criteria for tax deduction. We do not take any responsibility to inform you about any changes in the laws and regulations or interpretations, and how they may affect you. Further information on tax concessions applicable to QDAP may be found at www.ia.org.hk/en.

Non-guaranteed benefits

Dividend philosophy

The plan is designed to provide both life insurance protection and growth potential for savings through a combination of:

(a) guaranteed benefits, such as cash value, monthly guaranteed annuity payment, dementia advance benefit and death benefit; and

(b) monthly non-guaranteed annuity payment and terminal dividend (collectively "dividends").

How do we determine your dividends?

The premiums from you and the owners of other policies pooled together will form a participating fund and will be invested. We will make deductions for expenses, surrenders, claims, charges and profit sharing from this participating fund, while it earns investment returns. The value of this participating fund is called the "asset share". It is an important reference to help us determine your dividends.

When we determine the amount of the dividends of your policy, we will take into account the following:

(a) the asset share;

(b) both the current and the expected future amount of guarantees; and

(c) the returns we expect the participating fund to earn in the future.

In the plan, profit and loss arising from investment, claims, expenses and policy persistency will impact your asset share. To align our interest with yours, we aim to ensure a fair sharing of the profit and loss of the participating fund between policy owners and shareholders.

Your participating policy is designed to be held for long term. When we determine your dividends, we also take into account the policy duration, and they are adjusted downward in the early policy years to reflect this.

What will affect your dividends?

We consider the past performance and future outlook of the following factors when determining your dividends and they may significantly affect your dividends.

Investment return

This includes changes in interest rates that will cause changes in interest earnings, as well as changes in market value of the assets in the participating fund due to changes in financial markets and economic conditions. These may result from risks or changes in factors, such as interest rates, currency risk, liquidity risk, credit / default risk, volatility risk and also general investment conditions.

Claims

These include the cost of providing death benefit and other insurance benefits. If the amount of benefit claims turns out to be higher, your dividends will be lower.

Policy persistency

If policies lapse or are surrendered (whether in full or partially), profits or losses arise when the benefits paid out differ from the asset share of the terminated policies. Such profits or losses will be added to the asset share of the remaining policies.

Expenses

These include both expenses directly related to the policy (e.g. distribution costs and taxes) and indirect expenses allocated to the product group (e.g. office rent). If the actual expenses become higher, there will be less money available to pay you as dividends.

We may also apply smoothing when determining the dividends. The value of the participating fund may go up and down sharply within days. Instead of sharing with you the gains or losses immediately, we may even out some short-term fluctuations.

As your policy will be grouped together with other similar policies, the dividends of your policy may also vary if the characteristics of policies in your group change.

Based on these, we conduct a detailed analysis of the participating business and determine the dividends to be declared at least annually.

Interest on accumulated monthly guaranteed annuity payment and monthly non-guaranteed annuity payment

You can choose to leave the monthly guaranteed annuity payment and monthly non-guaranteed annuity payment with us to earn interest. The amount accumulated with interest will form a separate fund. This fund does not form part of the asset share and is separately managed. We will make deductions for the management of the fund.

The interest rate is not guaranteed. We determine the interest rate from time to time based on the past investment performance, as well as future investment outlook of the assets of this fund. We may also make reference to the interest rates in the market.

Investment objective and strategy

Investment objective

The overall objective of investing the participating fund is to ensure that the guarantees we committed to the policies are met, while seeking competitive and stable returns over a medium to long term.

Investment strategy

We employ a rigorous and disciplined approach in determining strategic asset allocations which defines the nature of assets and how much we invest in. We monitor market positions carefully and frequently, and update our allocations when appropriate. In addition, we may complement our investment strategies with the use of derivatives and other financial agreements to manage liquidity, achieve an efficient portfolio management and effective risk management or pre-invest partially or fully expected future premiums to reduce the uncertainty of future investment earnings.

From time to time we will review the investment strategies and asset allocations, and will modify them if necessary. We aim to ensure all guarantees are met while maintaining non-guaranteed return potential for the dividends. We also assess factors such as risk tolerance, changes in market conditions and economic outlook in order to maintain an optimal portfolio.

Selection of assets

We maintain a robust asset portfolio for the participating funds by investing in a wide range of investments, primarily with exposure to the U.S. and Asia (including Hong Kong and Mainland China). We may also consider using reinsurance assets as alternatives for fixed income assets. Generally, we aim to match the currency of fixed income investments and the underlying policy currency denomination to the extent appropriate investments are available and acceptable. However, taking into consideration the aforementioned market constraints, we also invest in assets that are not denominated in the same currency

as the underlying policies ("currency mismatch"). In such case, we may consider using derivatives to hedge the currency risk, and more broadly to ensure a proper matching between the assets and the policies. Some specific strategies may embed a currency mismatch as it may bring additional returns or be a source of diversification. We also aim at maintaining adequate liquidity with respect to the policies and an appropriate level of risk diversification.

Asset allocations

You can find the current target asset allocations below:

Asset Class^	Allocation*	
	Participating fund within the first 10 policy years	Participating fund after the first 10 policy years
Government bonds, corporate bonds, reinsurance asset and other similar instruments	75% - 100%#	100%
Growth assets	0% - 25%#	0%

^ The bond allocation includes sub-asset classes like (i) developed market investment-grade corporate bonds, (ii) emerging market investment-grade bonds, (iii) high yield bonds, and may include (iv) reinsurance assets and (v) developed market government bonds. The growth assets allocation includes sub-asset classes like (a) listed equities and (b) private equities, and may include (c) real estate and (d) hedge funds.

* The total actual allocation will be equal to 100%, and there may be some holdings in cash. In addition, we may accept certain degree of deviation from the above targets across asset classes in order to manage the portfolio efficiently or to optimise the portfolio based on the prevailing market condition and views.

The target asset allocation varies across policy years: the target allocation to bond assets (i.e. government bonds, corporate bonds, reinsurance asset and other similar instruments) will generally be on the lower end of this range in the early policy years and towards the higher end of this range thereafter; conversely, the target allocation to growth assets will generally be on the higher end of this range in the early policy years and towards the lower end of this range thereafter.

For more details, please refer to the relevant participating policy fact sheet which can be found at our website https://www.axa.com.hk/participating-policy-fact-sheets.

For the fulfilment ratios and total value ratios of our participating life insurance plans, please refer to our website at https://www.axa.com.hk/fulfilment-ratios-and-total-value-ratios.

Product risk

Policy currency

If your policy is denominated in a currency other than your local currency, you may face an exchange rate risk. Upon currency conversion, the amounts you receive and the premiums you pay may vary as a result of changes in exchange rate.

Non-payment of premium

You should pay premiums for the whole of your premium payment term. Any premiums remaining outstanding at the end of the grace period (or extended grace period, if applicable) under the basic plan may lead to termination of your policy. You may lose the insurance protection offered by the policy and the policy value (if any) to be received may be considerably less than your premiums paid.

Only qualifying annuity premiums paid will be eligible for tax deduction. Any outstanding premiums during the grace period (or extended grace period, if applicable) are not qualified for tax deduction. Please also note that you may or may not enjoy tax deduction on all or part of the premiums paid as required for policy reinstatement or overdue premiums paid during or after the grace period (or extended grace period, if applicable). Please refer to the website of the IRD or to contact the IRD directly for any tax related enquiries. And you should always consult with a professional tax advisor if you have any doubts.

Early surrender

The policy is designed to be held for long term. Policy owners have the right to surrender the policy; however, surrender of the policy may result in a significant loss where you may get back considerably less than your premiums paid. Please refer to the section **IncomeEnrich at a glance** for the calculation of the surrender value.

Inflation

The cost of living in the future is likely to be higher than it is today due to inflation. In case the actual rate of inflation is higher than expected, the purchasing power of the amounts you receive under the policy may be lower than expected.

Termination

The policy will automatically terminate upon the earliest occurrence of any of the following:

(a) when the policy lapses, or is cancelled or surrendered; or

(b) on the death of the annuitant; or

(c) on the maturity date; or

(d) when the indebtedness equals to or exceeds the total of the guaranteed cash value and the value of any monthly guaranteed annuity payment and monthly non-guaranteed annuity payment accumulated with us and interest accrued on such annuity payments; or

(e) when the right of policy termination is exercised pursuant to the cross-border provision of the policy; or

(f) when surrender value is equal to zero; or

(g) when the dementia advance benefit becomes payable under the basic plan.

Key exclusions

We will not pay any benefit under the dementia advance benefit upon any of the following:

(a) for Severe Dementias resulting directly or indirectly from, or caused or contributed by (in whole or in part) any pre-existing conditions of the annuitant; or

(b) if the annuitant (i) experiences symptoms or signs for (even if the annuitant has not consulted a medical practitioner); or (ii) receives treatment, medication or investigation for; or (iii) is diagnosed with Severe Dementias within the period of 5 years (for **IncomeEnrich** with a premium payment term of 5 years) or 10 years (for **IncomeEnrich** with a premium payment term of 10 years), following the policy date or any date of reinstatement of the policy, whichever is later.

We will not waive premiums under accident premium waiver benefit for total disability resulting directly or indirectly from, or caused or contributed by (in whole or in part), any of the following:

(a) any pre-existing conditions; or

(b) any congenital defect or disease which has manifested or was diagnosed before the annuitant attains age 18 (except Eisenmenger's Syndrome); or

(c) Human Immunodeficiency Virus (HIV) and / or any HIV-related illness including Acquired Immune Deficiency Syndrome (AIDS) and / or any mutations, derivations or variations thereof (except AIDS / HIV due to Blood Transfusion and Occupationally Acquired AIDS / HIV); or

(d) any self-inflicted injury or suicide, whether sane or insane; or

(e) intoxication by alcohol or drugs not prescribed by a medical practitioner; or

(f) any criminal act; or

(g) travel in any aircraft, except as a fare paying passenger in a commercial aircraft or aircrew working on an aircraft; or

(h) any act due to war, declared or not; or

(i) military, naval or air service for any country at war, declared or not.

Pre-existing conditions shall mean any condition, disability, illness or accidental bodily injury:

(a) which existed or continued to exist; or

(b) for which the annuitant experienced symptoms or signs (even if the annuitant has not consulted a medical practitioner); or

(c) for which the annuitant received or continued to receive treatment, medication or any investigation; or

(d) where diagnostic tests showed the pathological existence;

prior to the policy date or any date of reinstatement of this policy, whichever is later.

Suicide exclusion

If the annuitant commits suicide within 1 year from (a) the policy date; (b) any date of reinstatement of the policy, whichever is later, whether sane or insane, the death proceeds will be limited to a refund of the premiums paid without interest. The amount of premiums to be refunded will be calculated from (a) the policy date; or (b) any date of reinstatement of the policy, whichever is later.

If the annuitant commits suicide within 1 year from the date of any increase in the notional amount and / or supplement amount(s), whether sane or insane, such increase shall be deemed not to have taken effect in determining the death proceeds payable. The additional premium paid for the increase in the notional amount and / or supplement amount(s) will be refunded without interest.

Any indebtedness and any benefits previously withdrawn from the policy, and benefits paid or payable by us under the policy will be deducted from the death proceeds.

Levy on insurance premium

Levy collected by the Insurance Authority through the Company will be imposed on the policy at the applicable rate. Policyholders must pay the levy in order to avoid any legal consequences.

Rights of third parties

The policy is excluded from the application of the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) ("TP Ordinance"). Any person or entity which is not a party to the policy shall have no rights under the TP Ordinance to enforce any terms of the policy.

U.S. Foreign Account Tax Compliance Act

Under the U.S. Foreign Account Tax Compliance Act ("FATCA"), a foreign financial institution ("FFI") is required to report to the U.S. Internal Revenue Service ("IRS") certain information on U.S. persons that hold accounts with that FFI outside the U.S. and to obtain their consent to the FFI passing that information to the IRS. An FFI which does not sign or agree to comply with the requirements of an agreement with the IRS ("FFI Agreement") in respect of FATCA and / or who is not otherwise exempt from doing so (referred to as a "nonparticipating FFI") will face a 30% withholding tax ("FATCA Withholding Tax") on all "withholdable payments" (as defined under FATCA) derived from U.S. sources (initially including dividends, interest and certain derivative payments).

The U.S. and Hong Kong have signed an inter-governmental agreement ("IGA") to facilitate compliance by FFIs in Hong Kong with FATCA and which creates a framework for Hong Kong FFIs to rely on streamlined due diligence procedures to (i) identify U.S. indicia, (ii) seek consent for disclosure from its U.S. policyholders and (iii) report relevant tax information of those policyholders to the IRS.

FATCA applies to the Company and this policy. The Company is a participating FFI. The Company is committed to complying with FATCA. To do so, the Company requires you to:

(i) provide to the Company certain information including, as applicable, your U.S. identification details (e.g. name, address, the US federal taxpayer identifying numbers, etc); and

(ii) consent to the Company reporting this information and your account information (such as account balances, interest and dividend income and withdrawals) to the IRS.

If you fail to comply with these obligations (being a "Non-Compliant Accountholder"), the Company is required to report "aggregate information" of account balances, payment amounts and number of non-consenting US accounts to IRS.

The Company could, in certain circumstances, be required to impose FATCA Withholding Tax on payments made to, or which it makes from, your policy. Currently the only circumstances in which the Company may be required to do so are:

(i) if the Inland Revenue Department of Hong Kong Government fails to exchange information with the IRS under IGA (and the relevant tax information exchange agreement between Hong Kong and the U.S.), in which case the Company may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your policy and remit this to the IRS; and

(ii) if you are (or any other account holder is) a nonparticipating FFI, in which case the Company may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your policy and remit this to the IRS.

You should seek independent professional advice on the impact FATCA may have on you or your policy.

Remarks

1. Only applicable to policies with issue age of 18 - 40.
2. The monthly annuity payment will be left with us to accumulate for interest. The interest rate is not guaranteed and shall be determined by the Company from time to time.
3. We may review and adjust the monthly non-guaranteed annuity payment and terminal dividend from time to time at our absolute discretion. Under some circumstances, the monthly non-guaranteed annuity payment and terminal dividend can be zero.

   The actual amount of monthly non-guaranteed annuity payment may increase or decrease during the annuity period.
4. The projected values of benefits are rounded to the nearest whole number, while the IRRs are rounded to the nearest one decimal place.
5. The projected values of benefits and total IRRs are based on the Company's bonus scales as of April 2020. The projected values, total IRRs and bonus scales are not guaranteed and may be changed by the Company from time to time at our absolute discretion. The actual amounts payable and actual total IRRs may be higher or lower than those illustrated.
6. The IRRs and Scenario 1 of illustrative example assume that (i) the monthly annuity payments (which comprises of monthly guaranteed annuity payments and monthly non-guaranteed annuity payments) are paid to you in cash at each policy monthiversary during the annuity term; (ii) all premiums are paid in full when due and as planned; (iii) total premiums paid excludes the levy collected by the Insurance Authority; (iv) no death benefit, surrender value or dementia advance benefit has been paid before or becomes payable; (v) no withdrawal has been made before, except for the amount of monthly annuity payment paid at each policy monthiversary during the annuity term; (vi) there is no indebtedness under the policy; and (vii) the notional amount (as defined in remark 14) of the policy remain(s) unchanged throughout the contract term of the policy. The above assumptions (except (iv)) apply to Scenario 2 of the illustrative example, which illustrates the payment of death benefit at the end of the 25th policy year.
7. The calculation of guaranteed IRRs takes into account:
   (i) the premiums paid for the basic plan; and
   (ii) the monthly guaranteed annuity payment paid to you at each policy monthiversary during the annuity term.

   While the total IRRs take into account:
   (i) the premiums paid for the basic plan; and
   (ii) the monthly annuity payment paid to you at each policy monthiversary during the annuity term.
8. This maximum tax deduction limit is the aggregate limit for Mandatory Provident Fund Tax Deductible Voluntary Contribution and deferred annuity premiums. It is also based on the information on allowance published by the Inland Revenue Department as of the print date of this brochure and is subject to change from time to time. Only qualified annuity premiums paid in relation to the annuity payments can be tax deductible. Please note any premiums paid for any supplements attached to **IncomeEnrich** will not be qualified for tax deduction.
9. Eligibility for the accident premium waiver benefit is subject to certain criteria and exceptions. The Company will waive all premiums under **IncomeEnrich** attributable to the period of total disability if the annuitant suffers from total disability for a continuous period of not less than 6 months and the accidental bodily injury which causes such total disability occurs on or after the annuitant's 18th birthday and before the policy anniversary on or immediately following the annuitant's 65th birthday. This accident premium wavier benefit can be claimed once only among all policies of **IncomeEnrich** on the annuitant. Once this accident premium waiver benefit is claimed under any one of the policies of **IncomeEnrich** issued by the Company on the annuitant, this benefit under all of such **IncomeEnrich** policies will automatically cease and no longer be available. Please refer to the policy contract for further details.
10. Eligibility for the extended grace period benefit is subject to certain criteria and exceptions. The policy owner must provide the relevant evidence to the Company. The extended grace period benefit can be claimed once only under this policy. Please refer to the policy contract for further details.
11. Eligibility for the dementia advance benefit is subject to certain criteria and exceptions. The benefit payable under this dementia advance benefit is equivalent to the amount of death benefit payable under **IncomeEnrich** as if the annuitant died on the date of first diagnosis of Severe Dementias. Once this dementia advance benefit becomes payable, this policy shall be automatically terminated. Please refer to the policy contract for further details.
12. Annuitant of **IncomeEnrich** is entitled to Accident Protector First 3 Years Free Supplement provided that the annuitant is not covered by the same supplement or Accident Protector First Year Free Supplement prior to the application of **IncomeEnrich**. Each annuitant is entitled to the supplement only once in a lifetime. And the application for the supplement is subject to the relevant terms and conditions of the supplement, and the administrative rules and underwriting requirements of AXA. For details of the supplement, please refer to the relevant product brochure and policy contract.
13. Other than Accident Protector First 3 Years Free Supplement, the exemption from medical underwriting is not applicable to the optional supplement(s) (if any) attached to **IncomeEnrich**.
14. The notional amount, equivalent to the total premiums paid for the basic plan under annual premium payment mode, is used for the calculation of premium and relevant policy values of **IncomeEnrich**. It is not equivalent to the death benefit of the annuitant and is one of the factors in determining the death benefit payable.

    The minimum notional amount is subject to change and may be specified by the Company from time to time.
15. If you have changed the notional amount or the premium payment mode of this policy, the total premiums paid and the monthly guaranteed annuity payments applied in the calculation of the death benefit will be adjusted. These will not be equivalent to the actual total premiums paid and the actual monthly guaranteed annuity payments that you have received from the policy.
16. The underlying cash value rate used to calculate the cash value is guaranteed by the Company. If there is any change in the notional amount, the corresponding cash value will be adjusted accordingly.

Notes:
- AXA reserves the final right to approve any application.
- Unless otherwise specified, all ages mentioned in this product brochure refer to the age of the annuitant on his or her last birthday.

IncomeEnrich Deferred Annuity Plan is underwritten by AXA China Region Insurance Company (Bermuda) Limited (Incorporated in Bermuda with limited liability) (“AXA”, the “Company”, or “we”).

The plan is subject to the terms, conditions and exclusions of the relevant policy contract. AXA reserves the final right to approve any application. This product brochure contains general information only and does not constitute any contract between any parties and AXA. It is not a policy. For detailed terms, conditions and exclusions of the plan, please refer to the relevant policy contract, which will be made available by the Company upon request.

ABOUT AXA HONG KONG AND MACAU

AXA Hong Kong and Macau is a member of the AXA Group, a leading global insurer with presence in 50 markets and serving 95 million customers worldwide. Our purpose is to act for human progress by protecting what matters.

As one of the most diversified insurers offering integrated solutions across Life, Health and General Insurance, our goal is to be the insurance and holistic wellness partner to the individuals, businesses and community we serve.

At the core of our service commitment is continuous product innovation and customer experience enrichment, which is achieved through actively listening to our customers and leveraging technology and digital transformation.

We embrace our responsibility to be a force for good to create shared value for our community. We are proud to be the first insurer in Hong Kong and Macau to address the importance of mental health through different products and services such as offering free mindfulness practice resources through Mind Charger which is fully accessible to our customers and the public via our holistic wellness platform AXA BetterMe.

AXA also takes part in a wide range of ESG initiatives and programmes both globally and locally. AXA Group established AXA Climate School and Net-Zero Insurance Alliance in 2021 and set out various global green targets such as reaching €26 billion in green investments by 2023 and achieving carbon neutrality by 2025. In Hong Kong, AXA pledges to reduce paper usage via digitisation and is the first insurer to join the 'Green Monday ESG Coalition'. As of Feb 2022, AXA Hong Kong's green investments have exceeded HKD4 billion. We strive to contribute to a sustainable future as an investor, insurer and an exemplary company.

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IncomeEnrich Deferred Annuity Plan

Product brochure

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Find out more about **IncomeEnrich**

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