

PRUTERM PIECE OF CAKE INSURANCE PLAN

1 OUR AGREEMENT

Definitions

- 1.1 Throughout this policy (which shall consist of **PRU**Term Piece of Cake Insurance Plan (“Plan”)), “we” or “us” refers to Prudential Hong Kong Limited whereas “you” refers to the Policyowner shown on the Certificate of Life Assurance of this policy.

The effective date of the benefit shown on the Certificate of Life Assurance shall be the date of issue of this policy as shown on the Certificate of Life Assurance (“Date of Policy”). The effective date of any subsequently added benefit or any alteration to the benefit shall be the Date of Endorsement (as determined by us) or the Effective Date of Alteration (as determined by us), whichever is later shown on the endorsement.

The contract

- 1.2 This policy is a legal contract between you and us in which we agree to pay you the benefits set out in your Certificate of Life Assurance as specified in this policy.

Your entire contract with us shall be made up of all pages of this policy including the Certificate of Life Assurance, the proposal form, the supplementary proposal form (if any) and endorsements (if any).

You shall be responsible for giving us complete and correct information.

We rely on the information you gave us in your proposal form, supplementary proposal form and any correspondence for this policy to decide whether to accept your insurance application or not. If any such information is incomplete or inaccurate or you do not comply with the terms and conditions of this policy, we may, even after the issuance of this policy, determine that this policy shall be void from inception unless you are able to rely on the ground of incontestability under the terms of Clause 3.7 below. Save as otherwise provided, we reserve the right not to refund the Premium paid and the right to recover any claims or amount paid and any outstanding indebtedness including interest you owe under this policy in case of voided policy or policy rescission due to material misrepresentation.

This policy only covers the benefits for the period from the Date of Policy to the Benefit Expiry Date as shown on your Certificate of Life Assurance, subject to the terms and conditions contained in this policy. This policy shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”). You and we agree to be subject to the exclusive jurisdiction of the Hong Kong courts.

If this policy ever requires a change to its terms and condition, we shall issue you an endorsement to reflect such change and you should attach it to this policy for safe-keeping.

Cooling-off Period

- 1.3 We want you to be completely satisfied with this policy. If not, you have the right to change your mind. You would be entitled to a refund of the Premium(s) and levy(ies) you have already paid without interest, provided no claim has been made under this policy, by sending us a written request together with this policy. This request must be signed by you and received directly by our Office in Hong Kong within the Cooling-off Period. The Cooling-off Period is the period of 21 calendar days immediately following either the day of delivery of (a) this policy or (b) the notice (informing the availability of this policy and the expiry date of the Cooling-off Period) to you or your nominated representative, whichever is earlier.

The term "Premium" shall mean all sums of premiums in respect of all benefits under this policy, regardless of its payment mode and/or payment frequency.

The Premium and levy will be refunded in the currency of premium and levy payment at the time of application for this policy. If the currency of premium and levy payment is not the same as the plan currency, the refundable premium and levy amount in plan currency under this policy will be converted to the currency of premium and levy payment at the prevailing currency exchange rate as determined by us in our absolute discretion from time to time upon payment.

Third Party Right

- 1.4 A person who is not a party to this policy (including but not limited to the Life Assured or the Beneficiary) has no right to enforce any of the terms of this policy.

2 TYPE OF PLAN

Type of Plan

This Plan does not share in the profits or surplus arising from our life insurance business.

3 GENERAL CONDITIONS

Assignment

- 3.1 Benefits in this policy are not assignable as a security or collateral for any financial dealing.

Beneficiary

- 3.2 Subject to all the terms of this policy, the beneficiary(ies) named in the proposal form or any new beneficiary(ies) named subsequently ("Beneficiary") shall receive the death benefit proceeds payable under this policy upon the death of the Life Assured, and a trust will be created in favour of the Beneficiary(ies).

During the lifetime of the Life Assured and while the policy is in force, you may change the Beneficiary by completing and submitting to us our prescribed appointment form. Your request shall not be effective until it is recorded by us and endorsed on this policy. Once we have endorsed your request for change of Beneficiary, such change will be effective from the date you signed the appointment form, whether or not the Life Assured is alive at the time when we endorse such change. However, we shall not be responsible for the validity or legality of any designation of Beneficiary. We shall pay the death benefit proceeds to the Beneficiary(ies) named on our latest record, subject to the terms of this policy.

Unless otherwise provided in this policy or in a written request submitted to us by you, if any Beneficiary dies before the Life Assured dies, or if any Beneficiary is revoked by you for any reasons, such Beneficiary's share of the death benefit proceeds will be paid in equal shares to other surviving Beneficiaries in the same Beneficiary classification, subject to all the terms of this policy. We shall pay the death benefit proceeds to the secondary Beneficiary(ies) if both of the following conditions are met:

- you have designated both primary and secondary Beneficiaries on our prescribed appointment form; and
- no primary Beneficiary survives the Life Assured.

If any Beneficiary dies simultaneously with the Life Assured, we shall pay the death benefit proceeds as if the person who is older by age had died before the person who is younger by age, subject to the terms of this policy.

Minor beneficiary and trustee for minor beneficiary 3.3

Notwithstanding the Clause 3.2 above, in case the Beneficiary you appoint is a minor (i.e. below the age of majority as defined under the Age of Majority (Related Provisions) Ordinance as then in force) and such Beneficiary is still a minor by the time when the death benefit proceeds are paid, the death benefit proceeds will be paid to:

- (i) the appointed trustee for minor Beneficiary if trustee has been appointed for the purposes of receiving the death benefit proceeds on behalf of the minor Beneficiary; or
- (ii) the legal guardian of the minor Beneficiary in case no trustee has been appointed or the appointment of trustee for minor Beneficiary has been revoked.

However, if the Beneficiary attains the age of majority by the time when the death benefit proceeds are paid, the death benefit proceeds will be paid according to Clause 3.2 above.

During the lifetime of the Life Assured and while the policy is in force, if you wish to appoint an individual as the trustee for a minor Beneficiary, you may make such appointment by naming the trustee in our prescribed appointment form.

Your request shall not be effective until it is recorded by us and endorsed on this policy. Once we have endorsed your request for the appointment of individual trustee of a minor Beneficiary, such appointment will be effective from the date when you signed the prescribed appointment form, whether or not the Life Assured is alive at the time when we endorse such appointment. However, we shall not be responsible for the validity or legality of any designation of trustee.

The appointment of trustee(s) for minor Beneficiary(ies) will be revoked automatically when:

- the age of Beneficiary(ies) attain(s) the age of majority by the time the death benefit proceeds are paid; or
- there is a subsequent change of Beneficiary(ies) such that the appointment of such minor Beneficiary is no longer valid (as described in Clause 3.2 above); or
- the trustee(s) for minor Beneficiary(ies) do(es) not submit a claim for the death benefit proceeds within 180 calendar days from the date of death of the Life Assured; or
- the trustee(s) is(are) not living at the date of death of the Life Assured.

Declaration of age, sex, nationality, and smoking habit etc. 3.4

If you have incorrectly stated the age, sex, nationality, smoking habit or country of residence of the Life Assured and / or any other information which may affect the level of premium we charge in the proposal form, we shall have the right to:

- adjust the amount of any benefit by applying the premium rate for the correct age, sex, nationality, smoking habit, country of residence and / or any other information to the Premiums paid if the Premiums paid are less than the premiums that should have been paid for the correct age, sex, nationality, smoking habit, country of residence and / or any other information; or
- refund the excess premium without interest if the Premiums paid are more than the premiums that should have been paid for the correct age, sex, nationality, smoking habit, country of residence and / or any other information.

If the actual age, smoking habit, nationality and / or country of residence of the Life Assured is outside the scope within which we issue policies, this policy shall be deemed void from inception and we shall refund the Premiums you have already paid without interest and less any outstanding loan and interest you owe us under this policy.

- Deduction of debts* 3.5 We shall deduct all amounts that you owe us from the benefits we pay you under this policy.
- Suicide* 3.6 If the Life Assured commits suicide while sane or insane within one year from the Date of Policy or from the date of any reinstatement, whichever is later, the death benefit proceeds will be limited to a refund of your Premiums paid without interest subject to the deduction of any benefit we paid and outstanding loan and interest you owe us under this policy.
- Incontestability* 3.7 Except where this policy has been obtained by fraud, we shall not contest the insurability of the Life Assured after this policy has continuously been in force during the lifetime of the Life Assured for 2 years from the Date of Policy or the date of any reinstatement, whichever is later.
- This above provision for incontestability shall not, however, apply to any misstatement of age, sex, nationality, country of residence and/or smoking habit of the Life Assured.
- Premium Deposit Account* 3.8 From time to time, regardless of whether your Premium is due, you may apply to deposit money into a notional account called the "Premium Deposit Account" under this policy subject to our approval. We shall have the right to deduct any outstanding Premiums and/or levy on insurance premiums for this policy from the Premium Deposit Account. In case there is insufficient money in the Premium Deposit Account for both outstanding Premium and levy, we shall deduct the outstanding Premium first.
- Upon termination of this policy, we shall refund any balance in the Premium Deposit Account. We shall determine the interest to be credited to this account at our absolute discretion.
- Cessation of liability* 3.9 If the Life Assured survives the Benefit Expiry Date shown on the Certificate of Life Assurance, we shall not be liable to make any payment under this policy.
- Settlement for policies* 3.10 All amounts payable under this policy either to or by us will be made in plan currency, subject to all the terms of this policy and the applicable laws, regulations and guidelines issued by the relevant regulatory authorities from time to time, provided always that we shall have the absolute discretion to accept and make payment under this policy in Hong Kong Dollars. If conversion between currencies is required, it shall be calculated at the prevailing currency exchange rate as determined by us in our absolute discretion from time to time upon payment. The rounding difference, if any, shall be accrued to us. We will make payment(s) under this policy as soon as reasonably practicable taking into account of the regulatory and business conditions and relevant operational procedures at the relevant time.

4 PAYMENT OF PREMIUM

- Obligations* 4.1 Your Certificate of Life Assurance will show this policy's Commencing Date, the Premium Expiry Date of the Plan, the Total Modal Premium and the Frequency of Payment.
- You must pay us the first Total Modal Premium (shown on the Certificate of Life Assurance) before the Date of Policy. Thereafter, you must pay each Total Modal Premium within one calendar month of the due date of such Total Modal Premium.
- In respect of policy with annual Frequency of Payment (as determined by our latest internal record), we will send you a notice as to when your Total Modal Premium is due. However, you must still pay your Total Modal Premium on time even if you do not receive the notice.

What happens if you fail to pay a premium? 4.2 If you fail to pay the Total Modal Premium within one calendar month from the date it is due, this policy shall be deemed to have automatically terminated as at the relevant premium due date.

5 WHAT CAN YOU DO ON THIS POLICY?

Reinstating this policy

- 5.1 If this policy terminates due to non-payment of Premium, you may apply to reinstate the policy provided that:
- you apply within 24 months from the termination of this policy; and
 - you give us satisfactory evidence of insurability (including but not limited to evidence of the health of the Life Assured at your own expense); and
 - you pay all the required Premiums and interest as we may require.

We will determine the interest rate at our sole absolute discretion.

To apply for reinstatement, you must complete and submit to us our prescribed application form and meet all our specified conditions and prevailing administrative rules. We may accept or refuse your application for reinstatement at our sole discretion. We shall notify you if we accept your application.

6 HOW TO MAKE A DEATH CLAIM ON THIS POLICY?

Making a death claim

- 6.1 You or, in the case you are the Life Assured, the claimant must send us as soon as possible all of the following:
- a completed claim form; and
 - a medical report, at your or the claimant's expense, issued by the attending Registered Doctor; and
 - your Certificate of Life Assurance with attached endorsement (if any); and
 - evidence that the claimant is entitled to receive the payment of death benefit proceeds (e.g. birth certificate, identity card, letter of administration or probate); and
 - evidence of the age of the Life Assured (e.g. birth certificate or identity card); and
 - the death certificate of the Life Assured.

We reserve the right to ask you or the claimant to provide, at your or the claimant's expense, more documents or satisfactory evidence to help us assess the claim.

"Registered Doctor" means a person qualified by degree in Western medicine and legally authorised in the geographical area of his / her practice to render medical or surgical services but excludes any such person who is the Life Assured, the Policyowner, or the Beneficiary(ies) of this policy, or the business partner(s), insurance agent or employer / employee of the Policyowner or the Life Assured, or a member of either the Life Assured's or Policyowner's immediate family unless such person is first approved by us in writing.

Who do we pay the death benefit proceeds to? 6.2

- We shall pay the death benefit proceeds in the following manner:
- the Beneficiary(ies) named on our latest record. If the Beneficiary is a minor by the time when the death benefit proceeds are paid, such death benefit proceeds shall be paid to the appointed trustee or legal guardian of the minor Beneficiary in accordance with Clause 3.3 above; or

- the trustee of such Beneficiary(ies) if we have been notified of a trust. Your notification shall not be effective against us until it is recorded by us and endorsed on this policy. We shall not be responsible for the validity of the trust.

If you have not designated any Beneficiary or the last surviving Beneficiary has died before the Life Assured dies, we shall pay the benefits as follows:

- if you are not the Life Assured, we shall pay the benefits to you, the Policyowner; or
- if you are the Life Assured, we shall pay the benefits to:
 - your executor if you have a will; or
 - your administrator if you have no will.

Subject to the terms of this policy, we shall pay out the death benefit proceeds within one calendar month after we have received all required documents and satisfactory evidence (as described in Clause 6.1 above and conditions as mentioned in this Clause) of entitlement to the benefits under this policy. We will not pay interest on the death benefit proceeds in respect of the period between the notification of the death claim and the date of claim payment.

A receipt for the death benefit proceeds, signed by any of the above person(s) shall constitute a good, valid and absolute discharge of all of our obligations and liabilities whatsoever in respect of this policy. Such receipt shall be final and conclusive evidence that the person(s) have received such proceeds and that we have fully satisfied all claims and demands against us with respect to such proceeds in respect of this policy.

<i>Where do we pay?</i>	6.3	Subject to all terms of this policy, we shall make payment in Hong Kong.
<i>What happens after the death of Life Assured?</i>	6.4	Your whole policy shall automatically terminate immediately once the Life Assured dies.
	7	TERMINATION
<i>Termination of this policy</i>	7.1	<p>We shall immediately terminate this policy if:</p> <ul style="list-style-type: none"> • the Life Assured dies; or • this policy is surrendered; or • on the Benefit Expiry Date (as shown on your Certificate of Life Assurance) of this Plan; or • you fail to pay the Total Modal Premium as specified in the above Clause 4.2, <p>whichever is the earliest.</p>

PRUTERM PIECE OF CAKE INSURANCE PLAN – BENEFITS

- What is the benefit plan?* 1. This section describes the benefit of **PRU**Term Piece of Cake Insurance Plan (“Plan”).
- What do we pay for Death Benefit?* 2. Subject to all the terms of this policy, if the Life Assured, shown on your Certificate of Life Assurance, dies while this Plan is in force, we shall pay the Death Benefit which is equal to 100% of the Sum Assured.
- Following the payment of the Death Benefit under this clause, this Plan will thereafter terminate.
- “**Sum Assured**” means the Sum Assured of this Plan as stated on your Certificate of Life Assurance for your policy. Change of Sum Assured is not allowed for this Plan.
- Premium adjustment* 3. We reserve the right to review the Plan’s premium rates from time to time and adjust them for particular risk classes at the end of each renewable period if necessary, but not for any individual customer.
- Converting this Plan* 4. Converting this Plan into any new whole life insurance policy is not allowed in any circumstances.
- Renewing this Plan* 5. Subject to the condition of premium adjustment specified in Clause 3, we shall automatically renew this Plan and adjust the premium based on the premium rate and age of the Life Assured at the end of each renewable period before reaching the Benefit Expiry Date (as shown on your Certificate of Life Assurance) of this Plan.