

ALWAYS TERM

GENERAL PROVISIONS

The Contract

This Policy is issued in consideration of the Application and payment of premiums and in reliance of the statements in the Application.

This Policy, the Application and any endorsements, together with any medical evidence, written statements and declarations made or submitted to the Company by or on behalf of the Policy Owner or the Insured, copies of which are all attached hereto and made a part of this Policy, constitute the entire contract.

All statements made by or for the Policy Owner and/or the Insured shall be considered as representations and not warranties.

Modification

No condition, provision or term or the Policy Schedule of this Policy may be waived or modified except by written endorsement issued by the Company and signed by an officer so authorized by the Company.

No agent or anyone other than an officer duly authorized by the Company, has the power to change this Policy or waive any rights or requirements of the Company.

Policy Owner

The Policy Owner is the person specified in the Policy Schedule. Only the Policy Owner or his legal personal representatives may during the lifetime of the Insured and while this Policy is in force, exercise any rights, or enjoy any privilege and options contained in this Policy.

Beneficiary

The Beneficiary is the person or persons designated in the Application for this Policy, or as the case may be, re-designated in accordance with the provisions herein as recorded by the Company in accordance with the provisions herein contained and is entitled to the proceeds payable under this Policy upon the death of the Insured.

The proceeds payable under this Policy shall be paid to the designated Beneficiary or, if there is no designated Beneficiary, to the Policy Owner or, if the Policy Owner is deceased, to the appointed legal representatives of the Policy Owner's estate, as the case may be.

The interest hereunder of any Beneficiary who predeceases the Insured shall pass to any other surviving Beneficiary or Beneficiaries if more than one Beneficiary according to their respective interests, and in the event of a sole Beneficiary, shall pass to the Policy Owner.

If any Beneficiary or as the case may be, the Policy Owner, dies at the same time as the Insured, the proceeds payable of this Policy shall, unless otherwise provided in the Application, or in a written request, be paid if the person who is older by age had died before the person who is younger by age.

Changes of Policy Owner and Beneficiary

During the lifetime of the Insured and while this Policy is in force, the Policy Owner may change the Policy Owner or the Beneficiary of this Policy by filing a written notice satisfactory to the Company.

A change of the Policy Owner or the Beneficiary of this Policy shall take effect only upon recording by the Company. The change shall be effective as of the date the notice was signed; regardless of whether the Policy Owner or the Insured is living at the time the notice is received by the Company.

Assignment

The Policy Owner may assign this Policy as collateral for a loan. No assignment of this Policy shall be binding on the Company unless it is in writing and filed, together with this Policy, with the Company and particulars of the assignment are endorsed hereon. The Company shall not be responsible for the validity of any assignment or in respect of any proceeds paid pursuant to or under such assignment to the assignees. The rights of an assignee shall at all times be subject to any indebtedness to the Company.

Misstatement of Age and Sex

If the Age or Sex of the Insured is misstated in the Application for this Policy, any amount paid or payable by the Company or benefits accruing under this Policy shall be such as the premiums paid would have purchased at the time of the Application on the basis of the correct Age and Sex.

Freedom from Restriction

Unless herein stated to the contrary, this Policy contains no restrictions with respect to the residence, travel or occupation of the Insured.

Suicide

If the Insured commits suicide within the first two (2) years from the Policy Commencement Date or the Policy Reinstatement Date of this Policy, whichever is later, whether sane or insane, the Death Benefit payable under this Policy shall be limited to a refund of the premiums paid without interest.

Non-Participating

This Policy is non-participating and shall not share in the divisible surplus of the Company's life insurance fund.

Currency and Place of Payment

All amounts payable either to or by the Company shall be made in the currency shown in the Policy Schedule. The proceeds shall be payable at the Registered Office of the Company in the Hong Kong Special Administrative Region.

Protection Against Creditors

To the extent allowed by law and subject to this Policy, all proceeds payable under this Policy shall be exempted and free from any claims of the Policy Owner's creditors and from any judicial process to levy upon or attach the same.

Incontestability

Except for fraud or non-disclosure, or non-payment of premium, this Policy shall be incontestable after it has been in force during the lifetime of the Insured for two (2) years from the Policy Commencement Date or the Policy Reinstatement Date, whichever is the later.

Termination

This Policy shall terminate immediately subject to payment of any proceeds and any premium not already due shall cease to be payable on:

- a) The date on which this Policy has been discharged, surrendered, expired, lapsed, cancelled or terminated for whatever reason(s); or
- b) The date on the death of the Insured from any cause; or
- c) The date on which the Expiry Date of this Policy as specified in the Policy Schedule; or
- d) The date on which receipt of the Policy Owner's written request for cancellation of this Policy; or
- e) The date next to due date of the Grace Period if the Total Modal Premium is not fully paid.

On termination of the Policy, all benefits under all Supplementary Contracts (if any) will also terminate.

Interpretation

Throughout this Policy, where the context so admits, words embodying the masculine gender shall include the feminine gender, and words indicating the singular case shall include the plural and vice-versa.

Should any conflict arise in respect of the interpretation of any provisions in this Policy and any other material otherwise produced by the Company, then the provisions of this Policy shall prevail.

Governing Law

This Policy shall be construed and governed in all respects by the laws of the Hong Kong Special Administrative Region and the Courts of Hong Kong shall have exclusive jurisdiction over any dispute on this Policy.

Contracts (Rights of Third Parties) Ordinance Exclusion

Any person or entity who is not a party to this Policy shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) to enforce any terms of this Policy.

PREMIUMS AND REINSTATEMENT PROVISIONS

Payment of Premiums

All premiums after the first are payable to the Company's registered office on or before the due date.

The Company shall accept payment of each annual premium including all additional premiums (if any) by way of installments agreed to be due and payable at half-yearly, quarterly or monthly intervals (as the case may be) from the Policy Commencement Date in accordance with the conversion rates applied by the Company from time to time.

Due dates for which premiums shall become payable under this Policy, anniversaries of this Policy and years of this Policy shall be determined from the Policy Commencement Date as specified in the Policy Schedule. The first premium is due on the Policy Commencement Date.

After payment of the first premium, failure to pay a premium on or before its due date shall constitute a default in payment of premium and a breach of this Policy. Premiums once paid are fully earned.

Grace Period

A Grace Period of thirty (30) days from the premium due date shall be allowed for the payment of each premium after the first. All insurance coverage continues during this Grace Period without prejudice to any accrued rights of the Company. If any premium remains unpaid at the expiration of Grace Period, the Policy shall cease to be in force unless all due and unpaid premiums are recovered by the Company.

Deduction of Unpaid Premium at Death

Upon the death of the Insured, in the event of premiums being paid by installments other than annually, the Company shall deduct from the amount payable under this Policy the amount of unpaid premiums (if any) for the whole of the then current year of insurance, together with any other indebtedness which may be owing under the Policy.

Reinstatement

This Policy may be reinstated with the consent of the Company at any time within one (1) year from the date of a default in payment of premium pursuant to which this Policy was terminated provided that the Insured is still alive and insurable by the Company's standards.

Subject to the following rules and regulations of the Company which may be amended by the Company from time to time, the Policy Owner may apply for reinstatement of this Policy upon :

- (a) submission of a written Application for Reinstatement to the Company;
- (b) submission of evidence of good health and insurability of the Insured satisfactory to the Company;
- (c) payment of all unpaid premiums with interest, at a rate determined by the Company from time to time, from the date of the default in payment of premium; and
- (d) submission of any other information or documents reasonably required by the Company.

BENEFIT PROVISIONS

a. Death Benefit

Should the Insured die before the Expiry Date as shown in the Policy Schedule, the Company shall pay to the Beneficiary the basic sum insured subject to the Policy Settlement Provisions.

b. Terminal Illness Benefit

Should the Insured be diagnosed as suffering from the Terminal Illness after six (6) months from the Commencement Date or any subsequent date of reinstatement of this Policy, the Company shall pay to the Policy Owner the Terminal Illness Benefit, equivalent to fifty per cent (50%) of the basic sum insured as shown in the Policy Schedule.

The Death Benefit payable under this Policy shall be reduced by the amount of the Terminal Illness Benefit so paid but the amount of premium payable under this policy shall not be reduced.

Definition of Terminal Illness

When in the opinion of the registered medical practitioner involved the advent of death is highly probable within six (6) months and medical opinion has rejected active therapy in favor of the relief of symptoms. The decision must be concurred by the Company medical advisor.

c. Waiver of Premium Benefit

Should the Insured become Totally and Permanently Disabled while this policy is in force and before the policy anniversary preceding the sixtieth (60th) birthday of the Insured and continue to be disabled for a period of six (6) months, the company shall waive the payment of each premium payable of the basic policy falling due after the said six (6) months and during the period that the Total and Permanent Disability continues uninterrupted until the policy anniversary immediately preceding the sixtieth (60th) birthday of the Insured or the end of the current guaranteed level premium period, whichever is earlier. Each premium that is waived shall be deemed to have been paid under the policy.

Regardless of the Policy's modal premium, the waiver of premium shall be effected as if the Policy were on a monthly premium mode. There shall be, however, no waiver for any premium with a due date more than one year prior to the date of receipt by the Company of written notice of claim.

Definition of Total and Permanent Disability

The Insured shall be deemed to be Totally and Permanently Disabled when on the basis of medical evidence satisfactory to the Company, the Insured has, as a result of sickness or injury, become permanently, totally and irreversibly disabled to the extent of being unable to ever again engage in or work at any and every occupation or business for remuneration or profit.

The Insured shall also be deemed to be Totally and Permanently Disabled if he/she has suffered from any of the following conditions:

- Permanent total loss of sight of both eyes.
- Loss by severance of both upper limbs at or above the wrist or of both lower limbs at or above the ankle.
- Loss by severance of one upper limb at or above the wrist and of one lower limb at or above the ankle.
- Loss of sight of an eye and loss by severance of one upper limb at or above the wrist.
- Loss of sight of an eye and loss by severance of one lower limb at or above the ankle.

Waiver of Premium Exclusions

No benefit shall be granted if the Total and Permanent Disability occurs within six (6) months from the Commencement Date of the Basic Policy, or is directly or indirectly caused by:

1. Active, passive participation in war (whether declared or not) or war like activities, revolution, riot, civil commotion, strike, insurrection, terrorist or criminal activities;
2. An act or attempted act of self-inflicted injury or suicide, whether sane or insane or whilst under the influence of alcohol or drugs other than those prescribed by registered medical practitioners;
3. Engaging or taking part in professional sports or hazardous activities, including but not limited to martial arts, scuba diving, mountaineering or rock climbing, aviation of any kind other than as a fare-paying passenger on a regularly scheduled passenger flight on a commercial aircraft or any form of racing other than on foot.

POLICY SETTLEMENT PROVISIONS

Settlement

Any benefit payable under this Policy by the Company is subject to the following documents requirement being met to the satisfaction of the Company:

- (a) this Policy;
- (b) evidence of the legal entitlement of the person or persons claiming payment;
- (c) evidence of the death of the Insured upon which the benefit of the Policy becomes payable;
- (d) evidence of the date of birth of the Insured; and
- (e) completion of all relevant forms required by the Company.

The receipt of the Policy proceeds by the Beneficiary shall constitute full and final discharge of all the Company's obligation under this Policy and shall be conclusive evidence that all claims under this Policy have been duly satisfied.

Free Accidental Dismemberment Benefit Rider

The Benefit Rider

This Rider is part of the Basic Policy to which it is attached.

The terms, conditions and provisions of the Basic Policy shall apply to this Rider unless otherwise provided herein.

Definitions

Accident - an event or contiguous series of events of violent, accidental, external and visible nature which cause bodily injury while this Rider is in force.

Injury - Bodily damage caused directly and independently of any other causes by an Accident.

Loss of Hand - Complete severance of a hand at or above the wrist.

Loss of Foot - Complete severance of a foot at or above the ankle.

Loss of Sight - Total and irrecoverable loss of sight in one or more eyes, duly certified by an ophthalmologist.

Loss of Hearing - Total and irrecoverable loss of hearing in one or more ears, duly certified by an Ear-Nose-Throat specialist.

Loss of Speech - Total and irrecoverable loss of speech, duly certified by an Ear-Nose-Throat specialist and speech therapist.

Loss of Thumb or Index Finger - Complete severance at or above metacarpophalangeal joints.

Loss of Use - Total functional disablement which is equivalent to the loss of said hand or foot or organ.

Effective Date

The Policy Commencement Date specified in the Policy Schedule, or where this Rider has been attached after issuance of the Basic Policy, the date specified in the endorsement which incorporates this Rider into the Basic Policy, or the date of reinstatement, whichever is the later.

Expiry Date

The policy anniversary immediately preceding the sixty-fifth (65th) birthday of the Insured.

Benefits

If, while this Rider is in force, the Insured sustains an Injury resulting in any of the following losses, the Company shall, upon receipt of proof satisfactory to the Company, pay a percentage of the Sum Insured of this Rider, as shown in the Policy Schedule or the endorsement which incorporates this Rider into the Basic Policy, in accordance with the Schedule of Benefits hereunder, subject to the terms and conditions of this Rider. Such losses must occur within ninety (90) days of such Injury.

Schedule of Benefits

<u>Description of loss</u>	<u>Percentage of Initial Sum Insured of this Rider</u>
1. Loss of the sight of both eyes	100%
2. Loss by severance or loss of use of two limbs at or above the wrist or ankle	100%
3. Loss of the sight of one eye and loss by severance or loss of use of one limb at or above the wrist or ankle	100%
4. Loss of hearing in both ears	75%
5. Loss of hearing in one ear	15%
6. Loss of speech	50%
7. Loss of sight of one eye	50%
8. Loss by severance or loss of use of one limb at or above the wrist or ankle	50%
9. Loss of four fingers and thumb of one hand	50%
10. Loss of four fingers of one hand	40%
11. Loss of Thumb	
- both phalanges	25%
- one phalanx	10%
12. Loss of index finger	
- three phalanges	15%
- two phalanges	8%
- one phalanx	4%
13. Loss of middle finger	
- three phalanges	10%
- two phalanges	4%
- one phalanx	2%
14. Loss of ring finger	
- three phalanges	8%
- two phalanges	4%
- one phalanx	2%
15. Loss of little finger	
- three phalanges	7%
- two phalanges	3%
- one phalanx	2%
16. Loss of metacarpals	
- first or second (additional)	3%
- third, fourth and fifth (additional)	2%
17. Loss of Toe	
- all of one foot	10%
- great, both phalanges	5%
- great, one phalanx	2%

Only one claim is payable for each loss. Upon payment of any Accidental Dismemberment Benefit, the amount of benefit of this Rider shall be reduced accordingly. If the Insured sustains another Injury resulting in any of the other losses, the Company shall, upon receipt of proof satisfactory to the Company, pay the remaining benefit, according to the percentage of the Sum Insured of this Rider, as shown in the Policy Schedule or the endorsement which incorporates this Rider into the Basic Policy, in accordance with the Schedule of Benefits, subject to the terms and conditions of this Rider. Such losses must occur within ninety (90) days of such Injury.

If the Insured sustains more than one loss as a result of the same Accident, the total amount payable shall not exceed the Sum Insured of this Rider.

The total amount payable under this Rider in respect of all losses sustained by the Insured shall not in aggregate exceed the Sum Insured of this Rider during the total duration of the Policy, subject to the limitation that the aggregate of all payments paid or payable under the Free Accidental Dismemberment Benefit Riders attached to all policies issued by the Company, shall not exceed a per life maximum of HKD 1,500,000 or USD 187,500.

Exclusions

This Rider shall not cover any loss caused directly or indirectly from any of the following:

- (1) Disease or infection (except infections which occur through an accidental cut or wound).
- (2) Pregnancy, childbirth or miscarriage irrespective of whether such event is accelerated or induced by an Injury.
- (3) Intentional self-inflicted injury or attempted suicide, while sane or insane.
- (4) Being under the influence of alcohol or drugs other than those prescribed by a qualified and registered medical practitioner.
- (5) Poison, gas or fumes, voluntarily or otherwise taken, absorbed or inhaled, other than as a result of an accident arising from a hazardous incident in relation to the Insured's occupation.
- (6) Declared or undeclared war or war like activities, or service in the armed forces of any country at war or in a civilian force auxiliary thereto.
- (7) Riot, civil commotion, strike, insurrection or terrorist activities.
- (8) Travel on any aircraft, except as a fare paying passenger in a commercial aircraft operated by a recognized airline or chartered operator.
- (9) The commitment of or attempt to commit a criminal offence.
- (10) Engaging or taking part in professional sports or hazardous activities, including but not limited to martial arts, scuba diving, mountaineering or rock climbing.
- (11) Radioactive contamination, whether arising directly or indirectly.

Assignment

No assignee under the Basic Policy shall have a right to receive any benefit payable under this Rider.

Cancellation

The Company reserves the right to cancel this Rider at any time by giving thirty (30) days notice in writing to the Policy Owner at his/her last known address.

Cancellation shall be without prejudice to any claim arising prior to the date of cancellation.

Non-Participating

This Rider is non-participating and shall not share in the divisible surplus of the Company's life insurance fund.

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Claim

Notice of Claim

Written notice of a claim must be submitted to the Company within thirty (30) days after the first day of the incident giving rise to a claim.

Proof of Loss

The Company shall provide the Claimant with notice of claim forms as it requires for filing proof of loss.

Written proof of loss satisfactory to the Company must be given within ninety (90) days after the time the proof is required or as soon thereafter as is reasonably possible, and in no event, except in the absence of legal capacity, be later than six (6) months from the time the proof is required.

All certificates, information and evidence required by the Company shall be furnished at the expense of the Claimant.

Payment of Claim

The Benefits of this Rider shall be payable to the Policy Owner whose receipt shall constitute a full and final discharge of all the Company's obligations under this Rider and shall be conclusive evidence that all claims under this Rider have been duly satisfied.

Abandoned Claims

If the Company disclaims liability for any claim hereunder, and such claim is not referred to arbitration within twelve (12) calendar months from the date of such disclaimer, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable.

Legal Action

No suit or action against the Company, whether at law or in equity, shall be brought on a claim sooner than three (3) months after the date on which proof of loss satisfactory to the Company is given, nor later than three (3) years after the date on which proof of loss is required.

Termination

This Rider shall terminate on the earliest of the following:

- (1) The date the Basic Policy terminates.
- (2) The Expiry Date of this Rider.
- (3) When payment under this Rider, in aggregate or singly, is equal to 100% of the Sum Insured of this Rider.
- (4) When the aggregate of all payments paid or payable under the Free Accidental Dismemberment riders attached to all policies issued by the Company reaches a per life maximum of HKD 1,500,000 or USD 187,500.
- (5) The date on which receipt of the Policy Owner's written request for termination of this Rider.

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