



[For Immediate Release]

## **AXA Launches RetireConfident IncomeLife Plan**

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### **Guarantees Life-long Predictable Income for Better Retirement Planning**

(Hong Kong, 24 August 2007) – AXA China Region Insurance Company (Bermuda) Limited (“AXA”) launched today the **RetireConfident IncomeLife Plan** (the “Plan”), one of the pioneering products in Hong Kong particularly designed to serve dual purposes – provide customers with guaranteed<sup>1</sup> life-long income after retirement, and the opportunity to capture market upside potential for maximising wealth growth - apart from protection for families.

**Mrs. Francine Fu, Chief Marketing Officer of AXA**, said, “Hong Kong people are among those who enjoy the longest lifespan in the world. If one is 65 now, he has a good chance of living to 85 or even longer. That is why it is essential for one to start planning early to make sure he would not be outliving his assets. To address this concern, RetireConfident IncomeLife Plan provides lifelong retirement income which is predictable from day 1 when subscribing to the Plan<sup>2</sup>. Hence one can live worry-free after retirement.”

#### **“How does the guarantee work”**

RetireConfident IncomeLife Plan is one of the earliest annuity products in Hong Kong to guarantee<sup>1</sup> customers a minimum<sup>3</sup> retirement income for as long as they live regardless of market conditions. After paying a lump sum premium, customers can choose to start receiving the guaranteed income after 10 policy years.

“Nowadays there is a great change in the time horizon for kicking off work life and retirement. Back in the 1960s, people usually started to work for their living before their 20s and up to over 60 years of age. Today, many people begin their work life only after they have graduated from university at the age between 22 and 23 or even at late 20s for Master Degree holders, with a hope that they could retire as early as age 50. This phenomenon together with longer lifespan means that people have a shorter period for earning an income from work and accumulating wealth to sustain life after retirement which can be as long as 40 to 50 years. Our guarantee platform thus can be a very good safety net for them,” added Mrs. Fu.

### **“Not forgoing market upsides potential”**

RetireConfident IncomeLife Plan also allows customers to build an initial investment base for maximising income after retirement. The Plan offers full access to a variety of equity and bond funds, including selected funds under AXA's innovative ipac Multi-Manager Investment Fund Series. Instead of parking a large portion of personal wealth in passive investment vehicles, the Plan offers better financial flexibility and liquidity, as well as the opportunities to capture the potential for market upside. Instead of choosing to receive the guaranteed income, customers can also choose to receive the account value as a lump sum<sup>4</sup> to purchase another annuity plan offered by AXA or other providers at the prevailing rate.

### **“Protect your loved ones”**

In addition to enhancing customers' wealth, the Plan also protects the beneficiaries by offering guaranteed death benefits which is equal to the policy's lump sum premium rolled up by 5% p.a. in compound<sup>5</sup>. This product is especially helpful in unfavourable market conditions when the customer has most of his wealth invested in the capital markets. Customers of this product, if they pass away on or before age 75<sup>6</sup>, their beneficiaries will receive the guaranteed death benefit or 101% of the account value, whichever is higher. If the insured passes away after 75, the death benefit will be 101% of the account value.

RetireConfident IncomeLife Plan, a single premium investment-linked insurance plan, is available for customers aged between 30 and 65. To join the Plan, customers only have to pay a lump sum premium of between USD37,500 and USD3,000,000<sup>7</sup> per policy, and the policy will cover the insured for life.

AXA Group has been one of the pioneers in offering retirement products similar to the RetireConfident IncomeLife Plan in the world. We are a forerunner with extensive experience in retirement planning in the US, Germany, the UK, Belgium, Spain, France, Japan, Australia, etc. Our retirement products are renowned and well-received in various markets where people are highly aware of the importance of retirement planning.

### **About AXA**

AXA China Region is a part of AXA Asia Pacific Holdings, a member of the global AXA Group, a worldwide leader in financial protection and wealth management. AXA has a history dating back to the early 19th century and commenced business in Hong Kong in 1986. For the year 2006, AXA's revenues were US\$104.1 billion\* and, as of 31 December 2006, its assets under management were US\$1,732.5 billion\*.

*\* Calculated based on an exchange rate of 1 Euro = US\$1.3175.*

<sup>1</sup> The guarantee will be available if customers choose to start the guaranteed income, ie. Guaranteed Minimum Income Benefit (GMIB) at the 10th policy anniversary or any subsequent policy anniversary until the end of the 30-day period from the policy anniversary immediately before the insured's 76th birthday. Withdrawal from the account value will affect the amount of the guarantee.

<sup>2</sup> Any partial withdrawal from the account value will reduce the benefit base (which is equal to initial lump sum premium being rolled up at 5% p.a. in compound) in the same proportion as that of the reduction in the account value.

<sup>3</sup> With good fund performance and/or favourable prevailing annuity rates, customers may be able to generate a lifetime income greater than the Guaranteed Minimum Income Benefit (GMIB) by purchasing another annuity plan from AXA or other providers with the account value. Please refer to the section "Not forgoing market upsides potential" for details.

<sup>4</sup> The actual amount payable will be the account value less Early Encashment Charge (if any) and/or any outstanding policy charges. Customers cannot surrender a policy after they have chosen to take the guaranteed income.

<sup>5</sup> This feature only applies prior to the expiry of the 30-day period from the policy anniversary immediately before the insured's 76<sup>th</sup> birthday and will cease to apply after customers have chosen to take the guaranteed income.

This feature will automatically terminate at the end of the 30-day period from the policy anniversary immediately before the insured's 76th birthday. Any partial withdrawal from the account value will reduce the benefit base in the same proportion as that of the reduction in the account value.

<sup>6</sup> Age 75 is defined as up to end of the 30-day period from the policy anniversary immediately before the insured's 76<sup>th</sup> birthday.

<sup>7</sup> The maximum lump sum premium per life is currently USD5,000,000.

Investment involves risks. Each of the investment funds is subject to market and exchange rate fluctuations and to the risks inherent in all investments. The prices of units of any investment fund and the income from them may go down as well as up. Please refer to the Principal Brochure (Including Investment Fund Choice Leaflet) for RetireConfident IncomeLife Plan for further details and charges.

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