

Dec 2020



Important Document
重要函件

Dear Valued Customer,

Re: Suspension of Franklin Global Convertible Securities Fund (Code: TGS) (the "PRU-Investment Choice") available under the Policies (as defined below)

IMPORTANT: This notice contains important information and requires your immediate attention. Please read this notice carefully and seek independent professional advice if you have any questions about this notice. Prudential Hong Kong Limited ("Prudential") accepts responsibility for the accuracy of the contents of this notice.

Thank you for choosing Prudential.

The **PRU-Investment Choice** is available under PRULink portfolio investment plan, PRULink single premium investment plan, PRULink investment plan, PRULink smart wealth builder, PRUKid extra (previously known as PRUKid edulink), PRULink assurance (previously known as PRULink Diamond, PRULink Gold and PRULink Silver), PRULink assurance plus, PRULink Investlife, PRULink optimiser plus (previously known as PRULink optimizer), PRUretirement extra (previously known as PRUretirement plus and PRUretirement plan), Investment Plus, PRUflexilife, PRULink maxisavings, PRULink Protector, and PRULink wealth builder (collectively, the "**Policies**").

Background

We have been informed by Franklin Templeton Investments (Asia) Limited ("Franklin Templeton") on 4 December 2020, Franklin Templeton Investment Funds – Franklin Global Convertible Securities Fund (the "**Reference Fund**") (i.e. the reference fund of the PRU-Investment Choice) will be closing to all new and additional subscriptions, switches in with effective from **9 December 2020**. The option to redeem or switch out of the Fund of the PRU-Investment Choice are unaffected.

The Reference Fund is a diversified investment vehicle which invests primarily in convertible bonds and convertible preferred securities. The Reference Fund has posted strong relative and absolute performance over all standard time periods as of 4 December 2020 and has been attracting strong inflows, particularly over the last few months.

The portfolio management team of the Reference Fund has historically believed that depending on the issuance environment and pace of flows, the Reference Fund's capacity is constrained given the limited size of both the overall convertible securities universe and each individual issue size relative to their overall asset under management. Although convertibles issuance trends have been strong; having evaluated a number of factors, Franklin Templeton believes it is in the best interest of existing investors that the current restriction on subscriptions from new investors into the Reference Fund be extended to existing investors.

The closure to future subscriptions will not impact the process, philosophy or management of the Reference Fund's investment objective. The management company of Franklin Templeton continues to monitor relevant metrics such as valuations and liquidity ahead of any future decision to reopen the Reference Fund to subscriptions.

Suspension of the PRU-Investment Choice

As a result, the PRU-Investment Choice was closed for selection of premium / dividend allocation and switch-in relating to existing and newly submitted investment linked policies / the top-up of existing policies (including any incomplete instruction) until further notice, with effect from **8 December 2020 ("the Effective Date")**.

Action may be required from you as a policyholder

➤ **If you have any unit balance of the PRU-Investment Choice in your policy account on or after the Effective Date:**

You will not be allowed to make any contributions to the PRU-Investment Choice, or use the PRU-Investment Choice for dividend allocation or switch-ins. Redemption or switch out of the PRU-Investment Choice will not be affected.

➤ **If you do not have any unit balance of the PRU-Investment Choice in your policy account on or after the Effective Date:**

You will not be allowed to make any contributions to the PRU-Investment Choice, or use the PRU-Investment Choice for dividend allocation or switch-ins.

➤ **If you have allocation towards the PRU-Investment Choice for new premium / dividend allocation on or after the Effective Date:**

The future premiums and dividend allocations towards the PRU-Investment Choice will be **AUTOMATICALLY** allocated to money market fund namely, **Schroder U.S. Dollar Money Fund (Code: SUD)** (the “**Default Investment Choice**”) as shown in **Table 1**. **You can choose to change your premium and dividend allocation anytime to other investment choice(s) by submitting a request to Prudential.**

You can either make your request online, using the myPrudential service at www.prudential.com.hk, or by completing a paper request form which is available from your consultant or our Customer Service Centre.

Currently, you can opt for an unlimited number of switches of investment choices and changes of premium allocations or dividend allocations for future contributions under your policy without incurring switching charges.

Table 1

	Default Investment Choice
Name of investment choice	Schroder U.S. Dollar Money Fund
Code of investment choice	SUD
Currency of investment choice	USD
Asset class of investment choice	Money Market
Name of corresponding reference fund	Schroder U.S. Dollar Money Fund
Manager of reference fund	Schroder Investment Management (Hong Kong) Limited
Currency of reference fund	USD
Share class of reference fund	Acc

For further information on the **Default Investment Choice** and other investment choices available under the Policies and their corresponding reference funds, including fees and charges, investment objectives and risk factors, please refer to the offering documents of the Policies and the corresponding reference funds, which can be downloaded from our website at www.prudential.com.hk.

Should you have any inquiries, please do not hesitate to contact your consultant or our Customer Service Hotline at 2281 1333.

Thank you once again for your continued support.

Yours sincerely,

Prudential Hong Kong Limited
(A member of Prudential plc group)

(This is a computer print out and no signature is required)

2020年12月



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親愛的保單持有人：

有關：暫停富蘭克林環球可換股證券基金（編號：TGS）（「保誠投資選項」）（適用於以下所訂之保單）

重要提示：本通告乃重要文件，務請您即時處理。煩請詳閱本通告，如對本通告的內容有任何疑問，應徵詢獨立的專業意見。保誠保險有限公司（「保誠」）對本通告的內容的準確性承擔責任。

感謝您選擇保誠。

保誠投資選項適用於「雋景」組合投資計劃、「雋景」整付保費投資計劃、「運籌」晉景投資計劃、「運籌智賞」投資計劃、俊傑尚盛計劃〔早前名稱為俊傑智選計劃〕、「運籌」智選保障計劃〔早前名稱為保誠運籌鑽石計劃、保誠運籌金計劃及保誠運籌銀計劃〕、「運籌」財智保障計劃、「投資創富」保障計劃、「運籌」優越投資計劃〔早前名稱為「運籌」盈豐投資計劃〕、尊尚退休寶計劃〔早前名稱為豐裕退休寶計劃及「退休寶」計劃〕、「投資寶」、「卓越人生」保障計劃、「極蓄」智選計劃、「運籌」萬全保障計劃及「運籌智富」投資計劃〔統稱「保單」〕。

背景

我們在2020年12月4日接獲富蘭克林鄧普頓投資（亞洲）有限公司〔「富蘭克林鄧普頓」〕通知，由2020年12月9日起，富蘭克林鄧普頓投資基金 - 富蘭克林環球可換股證券基金（「參考基金」）（即保誠投資選項之參考基金）將停止接受所有新認購、額外認購及轉入。贖回或轉出本基金的權利不受影響。

參考基金是一項多元化投資工具，其主要投資於可換股債券及可換股優先證券。截至2020年12月4日，參考基金於所有標準時間內均錄得強勁的相對及絕對表現，並一直吸引著大量資金流入，尤其是過去數月。

根據歷史，參考基金的投資組合管理團隊認為，鑑於整體可換股證券領域的規模及各個別可換股證券的發行規模相對於參考基金整體的資產管理規模均有限，視乎發行環境及資金流入速度，參考基金的容量受到限制。儘管可換股債券的發行趨勢一直強勁，經評估多個因素後，富蘭克林鄧普頓認為將現行新投資者的認購限制擴大到現有投資者，符合現有投資者的最佳利益。

未來認購的終止不會影響參考基金投資目標的程序，理念或管理。富蘭克林鄧普頓的管理公司將於未來作出任何重新開放參考基金認購的決定之前，繼續監察相關指標，例如估值及流動性。

暫停保誠投資選項

因此，由2020年12月8日（「生效日期」）起，保誠投資選項已不接受現有及新遞交之投資相連壽險計劃 / 現有保單之額外投資保費的保費分配 / 紅利分配選擇及調配買入申請（包括未完成處理之指示），直至另行通知。

保單持有人可能須採取的行動

- **由生效日期或之後起，倘若您的保單戶口內有任何保誠投資選項的單位結餘：**
您將不可以對保誠投資選項作任何供款，或將其用作紅利分配或調配買入。贖回或調配賣出保誠投資選項將不受影響。
- **由生效日期或之後起，倘若您的保單戶口內沒有任何保誠投資選項的單位結餘：**
您將不可以對保誠投資選項作任何供款，或將其用作紅利分配或調配買入。

- 由生效日期或之後起，倘若您已選擇將新保費 / 紅利分配至保誠投資選項：
有關日後對保誠投資選項的保費及紅利分配將會自動被分配至貨幣市場基金，即如表一所示之施羅德美元金融基金（編號：SUD）（「預設投資選項」）。您可以任何時間向保誠遞交申請，選擇更改保費及日後紅利分配至其他投資選項。

您可透過本公司網站www.prudential.com.hk 之 myPrudential 安排相關指示，或透過您的顧問或向我們的客戶服務中心索取表格並填妥交回本公司。

現時，您可於您的保單內選擇作出投資選項調配、轉換日後的保費分配或紅利分配，次數不限及毋需繳付調配費用。

表一

	預設投資選項
投資選項名稱	施羅德美元金融基金
投資選項編號	SUD
投資選項貨幣	美元
投資選項資產類別	貨幣市場
相關參考基金名稱	施羅德美元金融基金
參考基金經理人	施羅德投資管理〔香港〕有限公司
參考基金貨幣	美元
參考基金股份類別	累積

如欲查閱更多有關預設投資選項及保單下其他投資選擇資料，包括費用及收費、投資目標及風險因素，請參閱相關保單及個別參考基金的銷售文件，該銷售文件可於公司網頁www.prudential.com.hk下載。

如有任何查詢，請聯絡您的顧問或致電客戶服務熱線 2281 1333。

感謝您一直以來的支持！

保誠保險有限公司 謹啟
(英國保誠集團成員)

(此信件為電腦列印文件，毋需簽署)