

For Immediate Release

BEA Launches Secure Retirement Insurance Plan

Guaranteed Returns Help People Establish Financial Security in Retirement

Hong Kong, 12th May, 2005 — The Bank of East Asia (“BEA”) has recently launched its Secure Retirement Insurance plan offering guaranteed returns. With a level income stream after retirement, people today can plan more effectively to ensure their financial comfort later in life.

BEA’s Head of Bancassurance Department, Ms. Connie Chan, said: “Those who desire greater financial flexibility and protection after retirement should start planning early, as an individual’s investment decision today will have great impact in one’s twilight years. Secure Retirement Insurance is a sound plan that offers guaranteed income, and it is one of the best ways to meet personal retirement goals.”

Unlike ordinary insurance plans which typically only pay proceeds to beneficiaries upon death, Secure Retirement Insurance provides money while insured persons are still alive and in retirement. The plan requires insured persons to make periodical payments up to a chosen retirement age, at which point the retirees can choose their income format - either as one lump sum at retirement, a composite lump sum and annuity payout, or as an annuity up to the age of 90. In the event that an insured person passes away before retirement age, 101% of the total equivalent annualised premium or 101% of the guaranteed cash value (whichever is higher) will be paid to the beneficiaries.

While complimentary cash bonuses – similar to hefty “Lai-see” amounting to HKD10,000 – are payable on the retiree’s 70th and 80th birthdays, the Secure Retirement Insurance plan offers a premium payment grace period of up to 365 days as a result of involuntary unemployment, alleviating financial burdens during a time of personal adversity. Monthly premiums can also be waived if insured persons are unable to work due to disablement for a continuous period of 183 days or longer. Policy holders are also entitled to annual dividends up until retirement age, either in cash, or rolled-over in the plan.

Secure Retirement Insurance is suitable for those who wish to establish financial security for later in life. Ms. Connie Chan recommends that individuals review their financial position every year, adjusting various aspects according to inflation or deflation considerations. Secure Retirement Insurance is underwritten by Blue Cross (Asia-Pacific) Insurance Limited, a member of the BEA Group.

For further information, please call the BEA Insurance Service Hotline on 2163 1818, visit any BEA branch, or logon to the Bank’s website at www.hkbea.com.

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