

Whole of Life Insurance



WholeLife Protection Plan

HSBC Life (International) Limited

HSBC 
Insurance

WholeLife Protection Plan



No one can predict the future and what it holds for us. But whatever lies ahead, it's natural that you want to provide the very best for yourself and security for your loved ones. With its combination of life insurance and savings opportunity, WholeLife Protection Plan could help you achieve both.

WholeLife Protection Plan* is a long term insurance plan with savings element designed to help you in two very important ways. First, it ensures your dependants are well provided for should anything unfortunate happen to you. And secondly, it acts as a secure long-term savings plan that delivers a guaranteed sum that you can take any time when you think your protection needs are reduced. This means you can plan for your future with confidence.

We appreciate that everyone is different and that we all have our own unique circumstances and goals. With options for the level of protection and the choice of additional covers such as major illnesses, disability and hospital cash, you can tailor WholeLife Protection Plan to suit your precise requirements.

* WholeLife Protection Plan is not equivalent or similar to any kind of deposit.

WholeLife Protection Plan

The benefits

If you're looking for a flexible and comprehensive way to protect your family and build up a cash sum to enjoy in the future, you'll find that WholeLife Protection Plan comes with a host of attractive benefits.

Comprehensive protection and complete peace of mind

- WholeLife Protection Plan gives you whole life cover so your family can be financially secured. Were you to die, the proceeds could be paid without probate, which could save your family unnecessary delay at difficult time.
- You can choose additional cover against other life uncertainties such as accidents, major illnesses and disability, which could result in financial hardship for your dependants.

Savings with a guaranteed return... and more

- You are certain how much you will get back as the plan builds guaranteed savings.
- On top of guaranteed savings, the plan may also pay non-guaranteed annual dividends, which you can select with great flexibility to cash out or reinvest to boost your savings.
- By the time you retire, you will have built up a cash sum, and according to your needs you could choose either to cash in the plan to pay off your mortgage, or supplement your pension during retirement.

Flexible payment options

- WholeLife Protection Plan offers flexible payment options tailored to your individual lifestyle and budget. You can choose to pay for 5 years, 10 years, 25 years, or until you reach the age¹ of 65 or 99, or make a single payment.

How does WholeLife Protection Plan work?

WholeLife Protection Plan is a whole-life insurance plan which is designed to deliver comprehensive protection throughout your life, plus guaranteed savings. Here are some of the features:

Your protection

Life cover⁺

- The plan will pay out the sum insured as well as any dividends accrued should you pass away before the age¹ of 99.
- With the Enhanced Protection Option², you can choose to increase your sum insured by 5% each year for the first 10 years or until the age³ of 50 or 55 (whichever is earlier), without the need for further underwriting after such option takes effect. Premium and policy value of the increased sum insured are determined according to your age⁴ at the time of the increase.

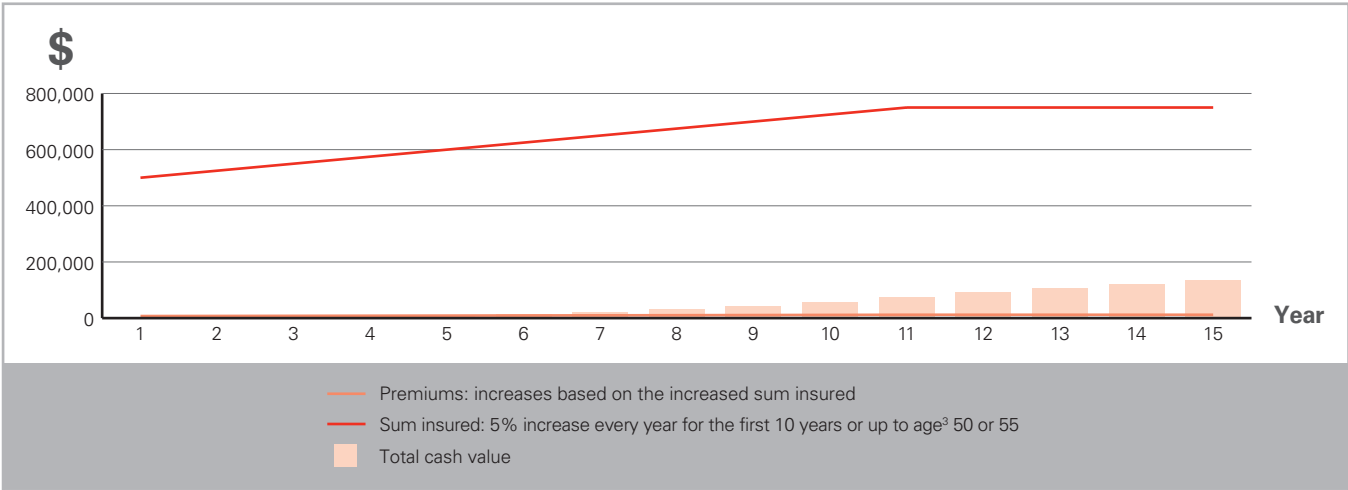
+ If the life insured commits suicide within one year of policy issuance, whether sane or insane, our liability will be limited to the amount of premiums paid to us less any amount paid by us to you. Please refer to policy provisions for detailed terms and conditions.

1 The policy anniversary at which you reach the specified age based on age at next birthday.

2 The option is applicable for standard policies with payment terms "to age 65" and "to age 99" only.

3 For payment terms "to age 65" and "to age 99", the Enhanced Protection Option will expire on the policy anniversary at which you reach the age of 55 and 50 respectively, based on age at next birthday.

4 Age means your age at your next birthday.



Note:
The figures as shown above are subject to rounding adjustment and are for illustrative purposes only. The actual future amount may be lower than or higher than that illustrated above.

Death benefit options for single payment policies

If you pay a single payment⁵, you can select from the following two death benefit options and choose the one which best suits your circumstances:

Option A

Level of protection	Maximise the protection cover
Total death benefit amount	Sum insured + accumulated dividends + balance of single payment ⁵
Suitable for	Those who are looking for both protection and savings and want to ensure the family is well taken care of in case of premature death

Option B

Level of protection	Pay out at least the sum insured
Total death benefit amount	Sum insured + accumulated dividends
Suitable for	Those whose family protection needs have been taken care of and who are looking for extra guaranteed returns

The amount of single payment of Option A is higher than that of single payment of Option B for the same sum insured.

3 For payment terms “to age 65” and “to age 99”, the Enhanced Protection Option will expire on the policy anniversary at which you reach the age of 55 and 50 respectively, based on age at next birthday.
5 The single payment option allows you to pay all the required premiums at a discounted value. The money will be locked into an investment to ensure the premiums paid and the projected investment return will be sufficient for future payments. Therefore you cannot withdraw the balance of a single payment unless you surrender the policy; a surrender charge will be imposed before the refund.

WholeLife Protection Plan

Extra protection

With WholeLife Protection Plan, you are afforded further peace of mind as you are covered for other misfortunes.

- **Unemployment Benefit** – were you to become unemployed for at least 30 consecutive days before the age¹ of 65, you can defer payment of your premiums for up to 365 days and you could still enjoy the full protection of your policy during that period.
- **Terminal Illness Benefit** – this benefit will pay your plan's death benefit in advance were you to be diagnosed with a disease which is likely to result in death within one year.
- **Waiver of Premium on Disability Benefit** – we will pay future premiums on your behalf until your full recovery or until the end of the premium payment term (whichever comes earlier) if you become temporarily disabled for at least six months.
- **Payor's Benefit (for a child's policy)** – you can take out a policy that covers the life of your child provided that he or she is aged⁴ 18 or below.

If you become temporarily disabled for at least six months, your future premiums will be waived until your child reaches the age¹ of 25 or until you recover, whichever is earlier. If you were to die, the premiums will be waived until your child reaches the age¹ of 25.

Optional benefits

To ensure you have the plan that suits your requirements, WholeLife Protection Plan gives you the choice of additional optional benefits, including cover for total and permanent disability, major illnesses, accidental death and dismemberment, hospital cash and female diseases. Further information can be found in the *Additional protection leaflets*.

¹ The policy anniversary at which you reach the specified age based on age at next birthday.

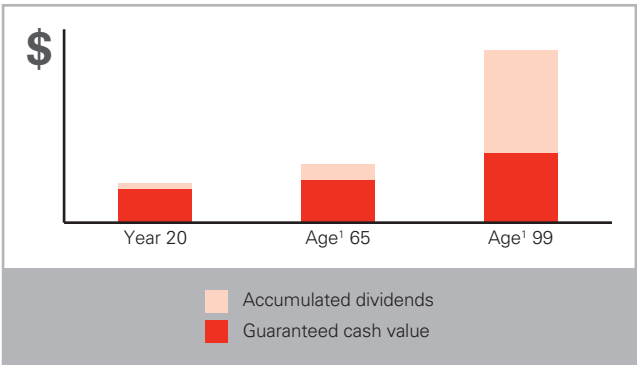
⁴ Age means your age at your next birthday.

Your savings

An integral part of WholeLife Protection Plan is its long-term savings element, which is made up of the following key parts:

- **Guaranteed cash value** – your policy is designed to generate a guaranteed cash value which increases gradually throughout the policy term and will be equal to the sum insured when you reach the age¹ of 99.
- **Dividends** – the policy pays non-guaranteed annual dividends which can be taken as cash whenever you like, accumulated according to the plan to boost your savings, or used to purchase paid-up addition insurance to enhance your protection.

When you reach retirement, you can choose to reduce the sum insured, which enables you to take out some cash from the policy to provide an extra source of funds for your retirement.



Note:
The above diagram is for illustrative purpose only. The actual future amount may be lower than or higher than that illustrated above.

Your premium options

At the outset you will know exactly how much you have to pay into your WholeLife Protection Plan policy. You either pay a one-off premium or pay a fixed premium monthly* (or annually) that is guaranteed not to change over the payment term.

For the regular payment option, you can pay your premium over 5 years, 10 years or 25 years, or until you reach the age¹ of 65 or 99.

* Please note that if you choose to pay premium in monthly payment mode for a policy year, total premiums payable for that policy year will be greater than that in annual payment mode.

1 The policy anniversary at which you reach the specified age based on age at next birthday.

Product Summary

Premium payment period	5/10/25 years/up to age ¹ 65 or 99
Policy currency	Hong Kong dollars (HKD); or US dollars (USD)
Policy term	Up to age ¹ 99
Issue age	15 days to age ⁴ 65 subject to payment term selected
Minimum sum insured	HKD200,000/USD25,000
Premium payment method	Single payment ⁵ , monthly or annual, through: <ul style="list-style-type: none">• HSBC bank account, or• Cheque/cashier order, or• HSBC credit card (not applicable to single payment)
Dividend	Dividends are payable on each policy anniversary throughout the policy term at our absolute discretion, provided that all premiums are paid when due during the premium payment period.
Surrender benefit	Guaranteed cash value + Accumulated non-guaranteed dividend and interests (if any) + Balance of single payment after deduction of surrender charge (if single payment option ⁵ is chosen) + Cash value of paid up additions (if any) – Indebtedness (if any)
Death benefit	Sum insured + Accumulated non-guaranteed dividend and interests (if any) + Balance of single payment (if Option A is selected for single payment policy) + Paid-up additions (if any) – Indebtedness (if any)

1 The policy anniversary at which you reach the specified age based on age at next birthday.

4 Age means your age at your next birthday.

5 The single payment option allows you to pay all the required premiums at a discounted value. The money will be locked into an investment to ensure the premiums paid and the projected investment return will be sufficient for future payments. Therefore you cannot withdraw the balance of a single payment unless you surrender the policy; a surrender charge will be imposed before the refund.

Maturity benefit	<p>Sum insured</p> <p>+ Accumulated non-guaranteed dividend and interests (if any)</p> <p>+ Paid-up additions (if any)</p> <p>– Indebtedness (if any)</p>
Optional benefits	<p>Accidental Death and Dismemberment Benefit, Female Benefit, Hospital Cash Benefit, Major Illness Benefit (Acceleration/Additional Type), Total and Permanent Disability Benefit</p> <ul style="list-style-type: none"> • All of the above optional benefits require additional premiums • These optional benefits are not applicable to policy with single payment option⁵ • Issuance and benefit term of each benefit are subject to relevant terms and conditions <p>Please refer to the relevant leaflets and policy provisions for details.</p>
Extra protection	<p>Embedded benefits with no extra premiums: Payor's Benefit (for a child's policy), Waiver of Premium on Disability Benefit, Terminal Illness Benefit, Unemployment Benefit</p> <ul style="list-style-type: none"> • Enhanced Protection Option is embedded but additional premium is required if this option is exercised. It is applicable to the payment term of "to age¹ 65" and "to age¹ 99" • The above embedded benefits are not applicable to policy with single payment option⁵ • Issuance and benefit term of each benefit are subject to specific terms and conditions
What if you change your mind?	<p>You may apply for cancellation of the policy within 21 days after the delivery of the policy or issue of a Notice informing the availability of the policy to you or your representative, whichever is the earlier. Please refer to section "Important Notes" for details.</p>

1 The policy anniversary at which you reach the specified age based on age at next birthday.

5 The single payment option allows you to pay all the required premiums at a discounted value. The money will be locked into an investment to ensure the premiums paid and the projected investment return will be sufficient for future payments. Therefore you cannot withdraw the balance of a single payment unless you surrender the policy; a surrender charge will be imposed before the refund.

WholeLife Protection Plan



How do I find out more?

Planning for your financial future is important. We will be happy to help review your current and future needs and help you decide if WholeLife Protection Plan is the right product to help you fulfil your personal goals.

You can visit any HSBC branch and arrange for a financial planning review with us.

Call 2233 3131

Go to www.hsbc.com.hk

Visit any HSBC branch

Frequently Asked Questions

Is WholeLife Protection Plan a saving plan with free insurance cover?

No. WholeLife Protection Plan is a life insurance plan that gives you protection for your whole life. In addition, it has a savings element that provides you with a guaranteed cash return so you can achieve your long-term target savings.

When do I get my return and what happens if I need to access some cash?

You can access the policy's cash value when it matures. However, you are able to withdraw any accumulated dividends whenever you want. In addition you can borrow from the plan before it reaches maturity, provided that the amount does not exceed 90% of the total value of the plan, less any previous unpaid borrowed amount. The interest rate will be advised at the time of borrowing.

How much can I get back if I surrender the policy?

You can get back the guaranteed cash value plus any dividends accrued (plus the balance of a single payment subject to a surrender charge to be determined at the Company's discretion from time to time for single payment policies). Please note that if you cash in the entire sum or surrender your policy before the maturity date, the amount you get back may be less than the premiums you have paid.

How is the insurance charge for the policy determined?

The insurance charge is determined by factors such as your age⁴, gender and whether you smoke or not.

How is the dividend determined? Is it guaranteed?

The dividend is declared by us annually, based on the Company's overall business performance and investment return. Therefore it is not guaranteed.

What documents should I take note of?

Your Premier Relationship Manager will go through the following documents before you apply for the plan. It is important to read these documents and understand the product before making your purchase:

- A *product brochure* (this booklet) which describes the key benefits and features of the plan.
- A *proposal illustration* which shows both the guaranteed and non-guaranteed cash value and the required premiums of the plan.
- A *Financial Planning Report* with suggested plan and rationale for the recommendation.
- The *Terms and Conditions of the policy*.

What if I change my mind after purchasing the plan?

As with all life insurance plans, you can review your policy and decide whether the plan is suitable for your needs within the Cooling-off Period. If you decide not to take out the plan within the Cooling-off Period, we will refund all premiums you have paid. In the case of a single payment policy, the refund will be adjusted by the amount that the value of the investment for this single payment has fallen by the time your cancellation letter is received by us.

If I choose to make a single payment, can I withdraw the balance of the single payment during the term?

The single payment option allows you to pay all the required premiums at a discounted value. The money will be locked into an investment to ensure the premiums paid and the projected investment return will be sufficient for future payments, thus you cannot withdraw the balance of a single payment unless you surrender the policy. If you surrender the policy, the balance of single payment will be paid subject to a surrender charge to be determined at the Company's discretion from time to time. You are therefore advised to choose at the time of application the payment term that best fits your financial circumstances.

⁴ Age means your age at your next birthday.

Frequently Asked Questions

What happens if I miss a premium payment?

There is a 30-day grace period for premiums that are due. If you cannot make the payment by the end of the grace period, your policy will lapse with effect from the due date of the first unpaid premium unless the net cash value calculated as at the date immediately preceding the due date of the relevant unpaid premium is greater than zero and you have elected a non-forfeiture option which will then take effect; or if no non-forfeiture option is elected and the amount of net cash value is sufficient to pay the relevant unpaid premium, an automatic premium loan equivalent to the amount of the unpaid premium will be granted and applied to pay such due premium. Interest will apply on the principal of all policy loans (including automatic premium loan) made under the policy and you will be advised of such rate of interest at that time, which may be adjusted by the Company at its discretion from time to time. When the net cash value is not enough to cover the relevant unpaid premium, your policy may be continued as a term insurance for a certain period depending on the size of net cash value and the insurance age of the life insured at that time, and all embedded benefits and optional benefits (if any) will terminate automatically. Your policy will terminate at the end of such certain period.

How can I keep track of my plan?

You will receive an annual statement showing the updated policy values. You can also access the details of your policy and submit policy service requests online at www.hsbc.com.hk if you are a HSBC internet banking customer, or call 2583 8000.

Can I change the frequency of payment after the policy becomes effective, eg monthly to annually or vice versa?

Yes. You can change your payment frequency at the time of the regular payment due.

Important Notes

Cooling-off period

WholeLife Protection Plan is an insurance plan with a savings element. Part of the premium pays for the insurance and related costs including but not limited to policy acquisition, maintenance and claims costs.

If you are not satisfied with the policy, you have a right to cancel it and obtain a refund of any premium(s) paid, subject to any market value adjustment (applicable to single payment policies), by giving written notice. To cancel, you must sign on such notice, return the policy (if received) and ensure that such notice and the policy must be received directly by the office of HSBC Life (International) Limited at 18/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Kowloon, Hong Kong within the Cooling-off Period (that is, 21 days after the delivery of the policy or issue of a Notice informing the availability of the policy to you or your representative, whichever is the earlier).

After the expiration of the Cooling-off Period, if you cancel the policy before the end of the term, the projected total cash value may be less than the total premium you have paid.

Eligibility

WholeLife Protection Plan is generally available to anyone aged⁴ 65 or below. The plan is subject to the relevant requirements on nationality and/or addresses of the policyholder and/or life insured as determined by the Company from time to time.

Policy currency

WholeLife Protection Plan is available in Hong Kong dollars and US dollars and both premiums and benefits will be paid in the selected currency.

If the premium payments are paid in currencies other than the policy currency(ies), the premium payments would be subject to change according to the prevailing exchange rate of policy currency(ies) to payment currency(ies) to be determined by the Company from time to time; likewise any payments settled in currencies other than the policy currency(ies) would be subject to change according to the prevailing exchange rate of policy currency(ies) to payment currency(ies) to be determined by the Company from time to time. The fluctuation in exchange rates may have impact on

the amount of payments including but not limited to premium payments and benefit payments.

Policy loan

If you need access to ready cash, you might consider borrowing from the plan provided that the amount borrowed (including any previous unpaid borrowed amount) does not exceed 90% of the total cash value of your policy. You will be advised of the rate of interest at the time. Any partial surrender, policy loan and accrued loan interest may reduce the cash value and death benefit of the policy. Such transactions may cause the policy to lapse or be terminated, subject to the terms and conditions of the policy document.

Tax reporting and financial crime

The Company and other members of the HSBC Group have certain obligations to Hong Kong and foreign legal or regulatory bodies and government or tax authorities regarding you and your policy and the Company may from time to time request information from you in relation to these obligations.

There are consequences, which will be set out in your policy terms, if you fail to provide to the Company information that is requested from you or if you present a financial crime risk to a member of the HSBC Group. Such consequences include that the Company may:

- take such actions as are necessary to enable it or a member of the HSBC Group to meet its obligations;
- be unable to provide new, or continue to provide all of the services to you;
- be required to withhold payments or benefits that would otherwise be due to you or your policy and permanently pay those over to tax authorities; and
- terminate your policy.

The amount you get back in the event of benefits or payments withholding and/or policy termination by the Company as mentioned above plus the total amount that you have received from the policy (if any) before policy termination may be less than the amount of the premium(s) you have paid. The Company recommends that you seek your own independent professional advice on your tax liabilities.

⁴ Age means your age at your next birthday.

Important Notes

Applicable law

The laws governing the policy are the laws of Bermuda. However, in the event of any dispute arising in the Hong Kong SAR, the non-exclusive jurisdiction of the Hong Kong SAR courts will apply.

Key risks

Credit and insolvency risks

The product is an insurance policy issued by the Company. Your benefit is subject to the credit risk of the Company. Your premiums paid will form part of the Company's assets. You do not have any rights or ownership over any of those assets. Your recourse is against the Company only.

Non-guaranteed benefit

The scales for calculating dividends are not guaranteed and is determined by the Company from time to time. Whether dividends are payable and the size of the dividends to be paid depend on how well the Company has performed with regard to investment returns on the assets supporting the policies under this Plan, as well as other factors including but not limited to claims, lapse experience, expenses, and the long term future performance outlook.

The interests earned on the accumulated dividends are determined based on an interest rate which is not guaranteed and may be adjusted by the Company at its discretion from time to time.

Risks from the delay or missing the payment of premiums due

Any delay or missing of the payment of premiums due may lead to policy lapse and the amount, if any, you get back may be significantly less than what you have paid.

Risks from surrender

For a policy being surrendered in early years, the surrender proceeds to be received under the policy may be significantly less than the premiums paid. For single payment policy, if you surrender the policy in full or partially through reduction of sum insured, a surrender charge which is subject to change by us from time to time will be imposed on the balance of single payment.

Liquidity risk

This policy is designed to be held for a long term period. Should you have liquidity needs for any unexpected events, you may apply for a policy loan or surrender the policy in full or in part subject to the respective policy terms, however this may cause the policy to lapse or to be terminated earlier than the original policy term, and the amount (if any) you get back may be less than the premiums paid. You may also apply for withdrawal of any amounts that are left within the policy to accumulate but the amount available for withdrawal is not guaranteed and the amount of death benefit and cash value will reduce accordingly subsequent to the withdrawal.

Inflation risk

Cost of living is likely to be higher in the future than it is today due to inflation, therefore you may receive less from the policy in real term in the future even if the Company meets all of its contractual obligations.

Policy currency risk

You are subject to exchange rate risks for plans denominated in currencies other than local currency. Exchange rate fluctuates from time to time. You may suffer a loss of your benefit values and the subsequent premium payments (if any) may be higher than your initial premium payment as a result of the exchange rate fluctuations.

