

# HSBC Hong Li Yue Yue Ying Annuity Insurance (Participating) - Type C: Retirement Planning

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"We" and "the company" in this brochure refer to HSBC Life Insurance Company Limited.



HSBC  
Life

RBF-1901

## For enjoying the Retirement Life, Starting planning as Early as Possible

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Have you ever imagined how to have a free and comfortable time after you worked hard for many years? How to use your accumulated wealth to let your family enjoy the sun, the beach and the beautiful sceneries around the world and have a wonderful life?

You must hope that you will no longer be bothered by work responsibilities and economic and financial pressures when entering into retirement and you can enjoy a happy and contented retirement life. This period of life is a long journey carrying all kinds of distinct new trips.

HSBC Hong Li Yue Yue Ying Annuity Insurance (Participating)-Type C, provides the sustained and stable Cash Coupon for your retirement life and enables you to share in the participating business growth results of the company. Starting from now on, you can leisurely plan for you retirement life.



## Benefit at a glance

### The stable Cash Coupon to be paid on monthly basis

Since from the First Cash Coupon Payment Day, we will pay the 'Cash Coupon' to the Living Beneficiary, which is based on the Basic Sum Assured of corresponding Cash Coupon Payment Day, if the Insured is still alive by 24:00 of each Cash Coupon Payment Day. The Cash Coupon Payment Day means the First Cash Coupon Payment Day and its corresponding day in the following months.

### Reversionary Bonus and Terminal bonus to share the market growth

This plan is entitled with the following dividend distribution methods:

#### 1. Reversionary Bonus

##### (1) To be paid each month to increase living income:

If the Insured is still alive by 24:00 of each Cash Coupon Payment Day and the contract is effective, in addition to the Cash Coupon of that month, the accumulated reversionary bonus which has been announced at that time will be paid to the Living Beneficiary.

##### (2) To be paid to increase death claim payment:

If the Insured dies before 24:00 of the First Cash Coupon Payment Day, in addition to the Death Benefit, the total number of all installments of Cash Coupon payments times the accumulated reversionary bonus which has been announced for the time will be paid to survived Death Beneficiary as additional part of death payment;

If the Insured dies after 24:00 of the First Cash Coupon Payment Day, in addition to the Death Benefit, the additional part of death benefit will be paid to survived Death Beneficiary, which equals the accumulated reversionary bonus which has been announced for the time multiplying the number of unpaid installments of Cash Coupon payments from the date of death of the Insured to the date of policy maturity.

##### (3) To be paid to increase total permanent disability claim payment:

If the Insured is diagnosed with total permanent disability before 24:00 of the First Cash Coupon Payment Day, in addition to the Total Permanent Disability Benefit, the total number of all installments of Cash Coupon payments times the accumulated reversionary bonus which has been announced for the time will be paid to the Insured as additional part of Total Permanent Disability payment;

If the Insured is diagnosed with total permanent disability after 24:00 of the First Cash Coupon Payment Day, in addition to the Total Permanent Disability Benefit, the additional part of Total Permanent Disability payment will be paid to the insured, which equals the accumulated reversionary bonus which has been announced for the time multiplying the number of unpaid installments of Cash Coupon payments from the date of Total Permanent Disability of the Insured to the date of policy maturity.

Once Reversionary Bonus is announced, it will not be changed.

#### 2. Terminal Bonus

##### (1) Terminal Bonus for Policy Maturity

If the Insured is still alive by the policy maturity date and the policy is in force, we will pay the Terminal Bonus for Policy Maturity to the Living Beneficiary in a lump sum at policy maturity date.

##### (2) Terminal Bonus for Death /Total Permanent Disability Claim

If the Insured dies any time after the first anniversary of the Policy during the policy term, we will pay the Terminal Bonus for Death Claim to the survived Death Beneficiary in a lump sum. If the Insured is diagnosed with Total Permanent Disability any time after the first anniversary of the Policy during the policy term, we will pay the Terminal Bonus for Total Permanent Disability Claim to the insured in a lump sum.

##### (3) Terminal Bonus for Surrender

If you apply for surrender of the Policy (or Policy cancellation) any time after the first anniversary of the Policy during the policy term, we will pay the Terminal Bonus for Surrender to you in a lump sum.

**Note: The dividend distribution is not certain. During the lapse period of the insurance contract, no dividend will be distributed. For details, please refer to the insurance contract.**



## Benefit at a glance

### Death & Total Permanent Disability for life protection

#### 1. Death Benefit

Upon the death of the Insured before 24:00 of the First Cash Coupon Payment Day, the Policy shall terminate and we will pay Death Benefit to the survived Death Beneficiary in accordance with either of the following terms whichever yields a greater amount:

- (1) Cash value of the Basic Sum Assured under the Policy upon death of the insured;
- (2) The total paid premium under the Policy upon death of the insured.

Upon the death of the insured after 24:00 of the First Cash Coupon Payment Day, the Policy shall terminate and we will pay Death Benefit to the survived Death Beneficiary in accordance with the greatest one among following three terms:

- (1) Cash value of the Basic Sum Assured under the Policy upon death of the insured;
- (2) Total premium amount paid under the Policy minus total cash coupon that has been paid upon death of the insured;
- (3) Twenty-Four times of the Basic Sum Assured under the Policy upon death of the insured.

#### 2. Total Permanent Disability Benefit

Where the Insured is diagnosed with the Total Permanent Disability before 24:00 of the First Cash Coupon Payment Day, the Policy shall terminate and we will pay Total Permanent Disable Benefit to the Insured in accordance with either of the following terms whichever yields a greater amount:

- (1) Cash value of the Basic Sum Assured under the Policy when the Insured is diagnosed with the Total Permanent Disability;
- (2) The total paid premium under the Policy when the Insured is diagnosed with the Total Permanent Disability.

Where the Insured is diagnosed with the Total Permanent Disability after 24:00 of the First Cash Coupon Payment Day, the Policy shall terminate and we will pay Total Permanent Disable Benefit to the Insured in accordance with the greatest one among following three terms:

- (1) Cash value of the Basic Sum Assured under the Policy when the Insured is diagnosed with the Total Permanent Disability;
- (2) Total premium amount paid under the Policy minus total cash coupon that has been paid when the Insured is diagnosed with the Total Permanent Disability;
- (3) Twenty-Four times of the Basic Sum Assured under the Policy when the Insured is diagnosed with the Total Permanent Disability.

Note: Only one Total Permanent Disability Benefit will be paid even if there is more than one Total Permanent Disability caused in the same event.

### The Living Beneficiary change service to provide ONE retirement plan for you and your spouse

Unless otherwise agreed, the default living beneficiary is the insured himself/herself. If need, you can come to us and apply for Living Beneficiary change, for example, including your spouse into this retirement planning.

Note: The change of Living Beneficiary shall comply with the company's related operating rule at the time of the change application and will be effective by the remark or endorsement is issued or attached under the Policy.



# Application Process & Rule

## Application Process

### Step 1

Decide the Basic Sum Assured according to your need on retirement income level

### Step 2

Choose the matched Cash Coupon Payment Starting Age and Cash Coupon Payment Period according to the period of your retirement planning

### Step 3

Choose the proper Premium Payment Term according to your current financial situation and affordability

## Application Rule

HSBC Hong Li Yue Yue Ying Annuity Insurance (Participating) - Type C provides following application plans to apply for **retirement planning**:

Cash Coupon Payment Starting Age	Cash Coupon Payment Period	Policy term	Available Premium Payment Term	Available Issue Age Range
After 10 years upon policy is in-force	10 years	20 years	Single; 3 / 5 / 10 years	Refer to the attached table
After 10 years upon policy is in-force	15 years	25 years	Single; 3 / 5 / 10 years	Refer to the attached table
After 10 years upon policy is in-force	20 years	30 years	Single; 3 / 5 / 10 years	Refer to the attached table
After 10 years upon policy is in-force	25 years	35 years	Single; 3 / 5 / 10 years	Refer to the attached table
After 15 years upon policy is in-force	10 years	25 years	3 / 5 / 10 years	Refer to the attached table
After 15 years upon policy is in-force	20 years	35 years	3 / 5 / 10 years	Refer to the attached table
From the 6 <sup>th</sup> policy year	Till policy maturity	20 years	Single; 3/ 5 years	Refer to the attached table
From the 6 <sup>th</sup> policy year	Till policy maturity	25 years	Single; 3/ 5 years	Refer to the attached table
From the 6 <sup>th</sup> policy year	Till policy maturity	35 years	Single; 3/ 5 years	Refer to the attached table

Attached table: the issue age range under different payment term

Payment Term	Available Issue Age Range
Single	age 18 – age 70
3 years	age 18 – age 67
5 years	age 18 – age 65
10 years	age 18 – age 60



## Example Case

### Example Case

Mrs. Feng is a 50 years old entrepreneur. Considering children have grown up and lived independently, Mrs. Feng wanted to plan for herself an earlier and happy retirement in advance. Therefore, she bought the HSBC Hong Li Yue Yue Ying Annuity Insurance (Participating)-Type C for herself as the insured, the Basic Sum Assured of RMB 10,000, Premium Payment Term of 3 years, the Policy Term of 20 years and the Cash Coupon payment starting from 6th policy year to policy maturity, in which Mrs. Feng needs to pay the premium of RMB 554,220 each year with the total premium payment of RMB 1,662,660 for 3 years.

Assuming no change on Living Beneficiary, the insurance benefits of the Policy are as followings:

#### 1) Cash Coupon

From the first month of the 6<sup>th</sup> policy year, Mrs. Feng can get the Cash Coupon of RMB 10,000 every month. The total amount of Cash Coupon for 20 years (excluding interests) is up to RMB 1,800,000.

#### 2) Reversionary Bonus and Terminal Bonus

From the first month of the 6<sup>th</sup> policy year, in addition to the Cash Coupon, every month Mrs. Feng can also receive the Accumulated Reversionary Bonus that has been announced until the policy maturity. As illustrated at the mid-level rate of investment return, the total amount of accumulated Reversionary Bonus (excluding the interests) can be up to RMB 458,452. In addition to Reversionary Bonus, Mrs. Feng can also receive the Terminal Bonus upon policy maturity, and as illustrated at the mid-level rate of investment return, the Terminal Bonus can be RMB 56,549. The total of the above two items of bonus can be RMB 515,001.

**Please be noted that the dividend (Reversionary Bonus and Terminal Bonus) distribution is not guaranteed.**

#### 3) Death or Total permanent Disability Payment

During policy term, if Mrs. Feng dies or is diagnosed with Total Permanent Disability before first cash coupon payment day of the 6<sup>th</sup> policy year, and as illustrated at the mid-level rate of investment return, the Beneficiary can get the corresponding insurance benefit up to RMB 1,787,010 at the highest case; if Mrs. Feng dies or is diagnosed with Total Permanent Disability after first cash coupon payment day of the 6<sup>th</sup> policy year, and as illustrated at the mid-level rate of investment return, the Beneficiary can get the corresponding insurance benefit up to RMB 1,709,704 at the highest case.



In line with the above example, detailed benefit illustration at low, medium and high level of investment return are listed as below:

Policy Year	Age	Premium Of the Year	Premium Accumulated	Death or Total Permanent Disability Benefit			Cash Coupon of the Year			Survival payment of the year= Cash coupon+ Reversionary Bonus+ Terminal Bonus			Accumulated Cash Coupon	Accumulated Survival payment			Cash value of Basic Sum Assured	Surrender payment = Cash value of Basic Sum Assured + cash value of Reversionary Bonus + Terminal Bonus		
				Low	Medium	High	Low	Medium	High	Low	Medium	High		Low	Medium	High		Low	Medium	High
1	51	554,220	554,220	554,220	554,220	554,220	0	0	0	0	0	0	0	0	0	373,500	373,500	382,357	383,991	
2	52	554,220	1,108,440	1,108,440	1,123,562	1,140,954	0	0	0	0	0	0	0	0	0	849,650	849,650	877,109	882,235	
3	53	554,220	1,662,660	1,662,660	1,705,341	1,742,503	0	0	0	0	0	0	0	0	0	1,371,940	1,371,940	1,428,931	1,439,677	
4	54	0	1,662,660	1,662,660	1,745,788	1,805,239	0	0	0	0	0	0	0	0	0	1,412,630	1,412,630	1,501,478	1,518,413	
5	55	0	1,662,660	1,662,660	1,787,010	1,869,055	0	0	0	0	0	0	0	0	0	1,454,570	1,454,570	1,591,872	1,691,253	
6	56	0	1,662,660	1,552,660	1,709,704	1,812,892	120,000	120,000	130,147	132,104	120,000	120,000	120,000	130,147	132,104	1,376,180	1,376,180	1,540,266	1,659,718	
7	57	0	1,662,660	1,432,660	1,617,254	1,740,706	120,000	120,000	132,812	135,312	120,000	240,000	240,000	262,960	267,416	1,295,500	1,295,500	1,483,162	1,622,174	
8	58	0	1,662,660	1,312,660	1,520,126	1,663,047	120,000	120,000	135,532	138,598	120,000	360,000	360,000	398,491	406,014	1,212,460	1,212,460	1,420,236	1,578,215	
9	59	0	1,662,660	1,192,660	1,418,185	1,579,709	120,000	120,000	138,307	141,964	120,000	480,000	480,000	536,798	547,978	1,127,000	1,127,000	1,351,135	1,527,411	
10	60	0	1,662,660	1,072,660	1,311,261	1,490,461	120,000	120,000	141,139	145,411	120,000	600,000	600,000	677,938	693,389	1,039,050	1,039,050	1,275,486	1,469,294	
15	65	0	1,662,660	568,690	792,257	1,043,405	120,000	120,000	156,193	163,944	120,000	1,200,000	1,200,000	1,428,185	1,475,153	558,690	558,690	784,097	1,050,612	
20	70	0	1,662,660	240,000	298,126	586,498	120,000	120,000	229,401	543,886	120,000	1,800,000	1,800,000	2,315,001	2,715,602	0	0	0	0	

**Notes:**

- The age listed in above table means the reached age of the Insured at end of each corresponding policy year. Death or Total Permanent Disability payment includes death benefit or Total Permanent Disability benefit plus reversionary bonus and terminal bonus. Death or Total Permanent Disability benefit is year-end value of the current policy year. Reversionary Bonus and Terminal Bonus are both year-end values of the previous policy year.
- Survival payment of the year equals to the sum total of monthly-paid Cash Coupon and Reversionary Bonus. Upon expiration of the plan term, it also includes Terminal Bonus.
- The cash value of Basic Sum Assured are policy-year-end values.
- Accumulated Cash Coupon refers to the sum total of all the "Cash Coupon of the year" payable in all above "policy years"; Accumulated survival payment refers to the sum total of all the "Survival payment of the year" payable in all above "policy years";
- In above example and benefit illustration table, Reversionary Bonus will be paid each month as an additional part to Cash Coupon, since from the First Cash Coupon Payment Day or paid as additional part of death or Total Permanent Disability payment; Terminal bonus is paid in a lump sum upon expiration of the policy term, or upon death or Total Permanent Disability of the insured after the first anniversary of the insurance after the fifth anniversary of the policy.
- The illustration of Reversionary Bonus and Terminal Bonus presented above are descriptive and shall not be interpreted as actual performance. The illustration is based on the company's actuarial and other assumptions, and does not represent the company's historical performance nor a forecast on the future investment return. Dividend (Accumulated Reversionary Bonus and Terminal Bonus) distribution is not certain.**
- The above Demonstration Numbers are rounded, so the single digit error is not ruled out.

# Company Introduction

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Headquartered in Shanghai, HSBC Life Insurance Company Limited is a 50-50 joint venture between HSBC Insurance (Asia) Limited and The National Trust Ltd. with a registered capital of RMB 1025 million. HSBC Life offers a comprehensive range of insurance solutions to our customers covering protection, retirement, children's education, wealth growth and management and legacy planning.

HSBC life Insurance Company Limited offers comprehensive and professional protection solutions and service to both individual and corporate customers.

HSBC Life Insurance is a customer-focused company, dedicated to developing and providing innovative and unique products based on our understanding of the market and the needs of our customers.

We recognize that insurance is as much about your feelings as your finances and possessions.

## Notes

1. **From the date of signing receipt of the policy, you will have 15 calendar days cooling off period.** If for any reason you are not happy with the plan, you can cancel your Policy within the cooling off period. Upon the cancellation, you will receive a full refund of all paid premiums. **Surrender of the Policy after cooling off period will cause you financial loss.**
2. This product introduction is for reference only. For **exemption from liabilities** and other detailed clauses, please refer to the policy contract which shall prevail in case of discrepancy.
3. In the event of difference arising between the Chinese version and the English version of this product introduction, the Chinese version shall prevail.

## HSBC Life Insurance Company Limited

Contact address: 18/F, Unit 2101 and 2115 of 21/F, HSBC Building, 8 Century Avenue, China (Shanghai) Pilot Free Trade Zone, Shanghai, 200120, China

Tel: (86 21)3850 9200 Fax: (86 21)3895 0282

Website: [www.hsbcinsurance.com.cn](http://www.hsbcinsurance.com.cn) Dedicated insurance hotline ☎400-820-8363

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