Details of Product Provider

HSBC Life (Singapore) Pte. Ltd. ("HSBC", "We", "Our", "Us") (Reg. No. 199903512M) is the product provider and underwriter for this product. This product is distributed through HSBC's representatives or appointed distributors only.

Important Notes

This document contains a summary of the main product features only. The content of this summary may vary from the terms of the Policy General Provisions finally issued to you. Only terms in your Policy General Provisions are binding between us. Please refer to the Policy General Provisions for details on contractual provisions and definitions of terms used in this document, unless otherwise defined in this document. A sample of the Policy General Provisions is available upon request. In this Product Summary, reference to "Age" means the Life Insured's age next birthday and the illustration is based on either Singapore dollars (SGD) or United States dollars (USD), depending on the Policy Currency you have chosen.

The actual Benefits payable will be based on the actual performance of the assets of the underlying funds, as described in the summary ("Fund Summaries") of the relevant ILP Sub-Funds. As this is an investment-linked product ("ILP"), your investment is subject to investment risks including the possible loss of the principal amount invested. The value of Units in the ILP Sub-Funds may fall or rise depending on economic/market conditions.

The risks of investing in the ILP Sub-Funds are set out in the relevant section of the Fund Summaries and the underlying fund prospectuses. The Fund Summaries contain details of the ILP Sub-Funds and constitutes a part of the Product Summary, without which the Product Summary is incomplete. As such, this Product Summary must be read together with the Fund Summaries. More information on the ILP Sub-Funds can be found in the fund prospectuses which are available online at https://fundprices.insurance.hsbc.com.sg.

As buying a life insurance policy is a long-term commitment, an early termination of the policy usually involves high cost and the surrender value, if any, that is payable to you may be zero or less than the total premiums paid.

Please refer to the Policy Illustration which illustrates the surrender value you may receive in different Policy Years if you intend to surrender your Policy.

We urge you to carefully examine the features of this product, particularly the surrender provisions and your investment objectives/expectations, with your financial adviser before deciding to invest.

Your investment returns are not guaranteed and the amount you get back will depend on the investment performance of the ILP Sub-Fund(s) (defined below) you have chosen and the charges on your Policy.

Any loss resulting from any currency conversion or the cost of charges incurred on any transactions pertaining to currency conversions shall be borne by you.

If any information provided in the insurance application is untrue, inaccurate or incomplete, the Policy may become void from the start and we reserve the right to amend or revoke the Policy or adjust the Benefits at our sole and absolute discretion. If the Policy is void or revoked, we will refund the Premium(s) you paid without interest after (i) deducting any amount owing to us and any medical and underwriting expenses incurred in accepting your Application; (ii) deducting a sum equivalent to any Partial Withdrawal(s) or Regular Withdrawal(s) made; (iii) making any adjustment by deducting a sum as determined by us to reflect the market fluctuation in respect of the Units; and (iv) deducting any dividend distributed under the ILP Sub-Fund(s).

Product Description

1. Nature and Objective of the Product

- A whole life, regular premium investment-linked product with a Minimum Investment Period (“**MIP**”) of 10 years and Flexi Term of 5 years, that provides insurance protection up to Age 99.

- Premiums will be payable throughout the Policy Term. In the event your needs and priorities evolve, and the cessation of Premiums may be required, you may write to us to activate Premium Holiday.

- This product is available in SGD and USD.

- This product allows you to invest your money in a range of investment-linked policy sub-funds (“ILP Sub-Funds”) made available to meet your investment needs. We may add additional or withdraw any ILP Sub-Fund(s) as we deem appropriate. You can visit https://fundprices.insurance.hsbc.com.sg for the updated list of ILP Sub-Funds available for the Policy. Please see the respective Product Highlights Sheets and Fund Summaries for further details on each ILP Sub-Fund.

- This plan is not suitable for those looking for pure insurance cover, those who have a short-term investment horizon or are risk adverse.

<u>Definitions</u>

“Flexi Term” refers to the minimum premium payment period selected by you for premium payment, commencing from the Issue Date and is subject to:
(a) Premium Holiday Charge; and
(b) Surrender penalty.

“Minimum Investment Period” refers to the period selected by you, commencing from the Issue Date and is subject to:
(a) Premium Holiday Charge (during the Flexi Term); and
(b) Surrender penalty (except for withdrawals made under the Free Partial Withdrawal Benefit).

2. Insurance Benefits

2.1 Death and Terminal Illness (TI) Benefit

Death Benefit

While the Policy is in force and when the Life Insured dies, we will pay the Death Benefit, which is the higher of:

(i) the Sum Insured; and
(ii) the Net Asset Value,

calculated as at the time we receive the claim notification under the Policy, after deducting all outstanding Fees and Charges and any other amounts owing to us.

The Sum Insured is the amount which is the aggregate of:

(i) 101% of total Premiums paid; and
(ii) all Top-up Premiums,

less all Partial Withdrawals and Regular Withdrawals during the Policy Term.

The Sum Insured increases when a Top-up Premium is made and decreases when a withdrawal is made.

Terminal Illness Benefit

When the Life Insured is diagnosed with Terminal Illness, we will pay the Terminal Illness Benefit in one lump sum as an advancement of the Death Benefit.

The maximum Terminal Illness Benefit payable is capped at an aggregate of SGD 3 Million (or its equivalent in the Policy Currency) in respect of all policies issued by us and other insurance companies for the same Life Insured.

The Terminal Illness Benefit payable under this Policy will reduce the Sum Insured and the Net Asset Value of this Policy. The Terminal Illness Benefit payable under this Policy (subject to the aggregate limit of SGD 3 Million) shall be deducted from:

(i) the Sum Insured, if the Sum Insured is higher than the Net Asset Value. The Net Asset Value will be reduced by the same percentage as the reduction in the Sum Insured;
(ii) the Net Asset Value, if the Net Asset Value is higher than the Sum Insured. The Sum Insured will be reduced by the same percentage as the reduction in the Net Asset Value; or
(iii) both the Sum Insured and the Net Asset Value, if the Sum Insured and the Net Asset Value are equal.

The Units in the respective ILP Sub-Fund(s) will be realised at the Unit Price on the next applicable Valuation Date immediately following the date we receive notice of the claim.

The remaining Sum Insured or Net Asset Value after deducting the Terminal Illness claim (whichever is higher) will be payable upon Death or Accidental Death of the Life Insured.

The Policy terminates upon full payment of the Death Benefit.

<u>Definitions</u> "Net Asset Value" refers to the total value of the ILP Sub-Fund(s) you invested into under the Policy. This amount is calculated by multiplying the number of Units allocated to each of the relevant ILP Sub-Funds in the Policy by that ILP Sub-Fund's Unit Price on the applicable Valuation Date. "Premium" refers to the amount payable to us in advance on each Policy Anniversary, or where agreed by us on an instalment basis (half-yearly, quarterly or monthly) in order to keep the Policy in force. "Terminal Illness" refers to any condition caused by illness or injury, where at the time of claim, despite all reasonable medical treatment, the Life Insured is expected to live for no more than 12 months. The specialist medical practitioner treating the condition must provide supporting evidence of the condition, possible medical treatment, the prognosis after undergoing the possible medical treatment, and certify that the Life Insured is expected to live for no more than 12 months despite all possible medical intervention. We reserve the right to appoint an independent medical specialist who is an expert in the condition to confirm the diagnosis and prognosis. Terminal Illness in the presence of Human Immunodeficiency Virus (HIV) infection is excluded. "Valuation Date" refers to the date on which the assets of each ILP Sub-Fund are valued, as determined by the respective fund manager(s) from time to time. There will be at least one Valuation Date each week.

2.2 Accidental Death Benefit

While the Policy is in force and before the Life Insured reaches Age 75, if the Life Insured's death is caused by an Accident, we will pay the Accidental Death Benefit which is the highest of:

(i) the Sum Insured;
(ii) the Accidental Death Sum Insured; and
(iii) the Net Asset Value,

calculated as at the time we receive the claim notification under the Policy, after deducting all outstanding Fees and Charges and any other amounts owing to us.

The Accidental Death Sum Insured is the amount which is the aggregate of:

(i) 200% of total Premiums paid (capped at SGD 2 Million or its equivalent in the Policy Currency, in respect of all policies issued by us for the same Life Insured); and
(ii) all Top-up Premiums,

less all Partial Withdrawals and Regular Withdrawals.

For the avoidance of doubt, if the Death Benefit is higher than the Accidental Death Benefit, only the Death Benefit will be paid, and vice versa.

We must receive a satisfactory written notice of the Life Assured's Accidental Death. The Units in the respective ILP Sub-Fund(s) will be realised at the Unit Price on the next applicable Valuation Date immediately following the date we receive notice of the claim. Any overdue or outstanding fees and charges will be deducted from the Accidental Death Benefit payable under the Policy.

The Policy terminates upon full payment of the Accidental Death Benefit.

<u>Definitions</u> "Accident" refers to an event caused solely and independently of all other causes and directly by violent, unexpected, external and visible means. "Accidental Death" refers to death caused by an Accident.

2.3 Change of Life Insured Benefit

You may request to change the Life Insured up to 2 times throughout the Policy Term as long as such replacement occurs no earlier than 12 months from the Issue Date. To request to change the Life Insured, you must use the prescribed application form(s) and meet the requisite conditions.

Our acceptance of any replacement of life insured is at our sole and absolute discretion and is subject to the following conditions:

(i) you provide satisfactory evidence that you have an insurable interest in the new life insured;
(ii) the new life insured meets our prevailing underwriting requirements; and
(iii) you fulfil such other terms and conditions as we shall determine from time to time.

You cannot change the Life Insured if we have paid a claim under the Policy.

Once the change in life insured becomes effective:

(i) all supplementary benefit(s) covering the original Life Insured will be terminated;
(ii) a new suicide and incontestability period will apply;
(iii) you will receive a revised Policy Schedule reflecting the new life insured's particulars and revised expiry dates; and
(iv) the cover for the original Life Insured ends and the cover for the new life insured starts on the new Issue Date as shown in the revised Policy Schedule. For the avoidance of doubt, all rights in connection with the original Life Insured will be terminated with immediate effect.

If it is not possible to substitute the Life Insured under the Policy due to any applicable law or regulation or other practical constraints, then, subject to our acceptance of the new life insured, we may issue a new policy to you on the life of the substitute life insured and the Policy covering the original Life Insured will automatically be terminated once the new policy is effective. For the avoidance of doubt, the terms of the new policy may not be identical to the terms of the Policy.

Definitions
"Issue Date" refers to the date on which we issue the Policy to you, as stated in the relevant Policy Schedule(s).

2.4 Bonuses

Welcome Bonus

You will be entitled to a one-time welcome bonus ("Welcome Bonus"), calculated as a percentage of the Premium paid for the first year of the Policy, as stated in the table below.

Annualised Premium	Welcome Bonus
$12,000 or above	35%

Loyalty Bonus

You will be entitled to a monthly loyalty bonus ("Loyalty Bonus") starting from the end of the first policy month after the expiry of the MIP, if your Policy is still in force at the relevant time. The Loyalty Bonus is calculated as a percentage of the prevailing Net Asset Value, as set out below.

Loyalty Bonus = (Loyalty Bonus rate/12) x the prevailing Net Asset Value

Loyalty Bonus rate (p.a.)	0.35%

Example: Illustration of Loyalty Bonus calculation:

A Policyowner buys a Goal Focus MIP 10 Flexi 5 plan and contributes $10,000 annually.

Assume Net Asset Value at the start of Policy Year 11 is $100,000.

Loyalty Bonus = (0.35%/12) x $100,000 = $29.17

2.5 Maturity Benefit

If the Policy matures on the Expiry Date without any death or Terminal Illness claims, the Maturity Benefit payable to you in one lump sum is the Net Asset Value after deducting all outstanding Fees and Charges and any other amounts owing to us.

Definitions:
"Expiry Date" is the date on which our obligation to pay the Benefits ceases. It is shown in the relevant Policy Schedule(s).

The Policy terminates upon the full payment of the Maturity Benefit.

2.6 Free Partial Withdrawal Benefit

This benefit is subject to the minimum partial withdrawal limits and minimum Net Asset Value limits.

From Policy Year 6 to 10, you have the option to make multiple partial withdrawals with no surrender penalty, up to a maximum of 2 times the annualised Premium(s) as at the Commencement Date. This limit is called the Maximum Free Partial Withdrawal Amount.

Definition

"Maximum Free Partial Withdrawal Amount" refers to the total amount of partial withdrawals you may make under the Free Partial Withdrawal Benefit that is not subject to surrender penalty.

You may request to make a partial withdrawal under this Benefit upon the occurrence of any of the following distinct life events in respect of the Life Insured:

a) turning Age 21;
b) a legal marriage or divorce;
c) the birth or legal adoption of a child;
d) the completion of the purchase of a property in Singapore;
e) Retrenchment;
f) the enrollment of the Life Insured's child into tertiary education;

provided that the withdrawal request is made within 3 months from the date of such event. The request is subject to our approval.

For each partial withdrawal request you make under this Benefit, you must provide, at our request, documentary proof of a life event to our satisfaction.

A life event is considered distinct if it arises from (i) a different occurrence of the same life event or (ii) a different life event.

Example of a different occurrence of the same life event: Life Insured gives birth on 3 separate occasions.

Example of different life events: Life Insured gets married and subsequently purchases a property.

Each partial withdrawal made under this Benefit will reduce the amount available in the Maximum Free Partial Withdrawal Amount. Should you withdraw less than the Maximum Free Partial Withdrawal Amount, you may continue to withdraw the remaining amount within the MIP as free partial withdrawal(s).

For the avoidance of doubt, if:

a) the remaining amount in the Maximum Free Partial Withdrawal Amount is less than the minimum partial withdrawal amount, and/or
b) the resulting Net Asset Value after withdrawal under this Benefit is less than the minimum Net Asset Value,

you cannot make any further withdrawals under this Benefit.

If the partial withdrawal amount you request is greater than the Maximum Free Partial Withdrawal Amount, the excess amount withdrawn will be subject to a surrender penalty, where applicable.

This Benefit will cease once the Maximum Free Partial Withdrawal Amount has been fully exhausted or when the MIP has expired, whichever earlier.

3. Premium Payment

- Premiums are payable throughout the Policy Term. You may write to us to request that the Premium payments stop after the Flexi Term. Your Policy will then continue under the Premium Holiday option, as described in Section 4.

- After the first 2 Policy Years, if you do not pay any Premium (or Premium Instalment) by the expiry of the relevant Grace Period and if the Policy has acquired Net Asset Value, Premium Holiday will be automatically activated and the Policy will be converted to a Paid-up Policy with effect from the due date of the unpaid Premium (or Premium Instalment, as the case may be). All Fees and Charges, if applicable, will continue to be charged on the Paid-up Policy on a monthly basis and if the Net Asset Value is no longer enough to pay the Fees and Charges or drops to zero, the Policy will lapse. No payment of dividends will be made during the period when the Net Asset Value is no longer enough to pay the Fees and Charges.

- While the Policy is in force and after the Flexi Term, you may apply to change your Premium amount by sending us your application on our prescribed form, subject to our prevailing terms and conditions. Acceptance of the application is at our sole discretion and we will notify you if your application is accepted.

- After the Flexi Term, you can apply to reduce the Premium by a maximum of 25% of the original Premium committed at the Commencement Date, subject to the minimum Premium as specified by us.

- You can only apply to increase the Premium after the Issue Date if we previously agreed to and processed your request for a Premium reduction. The increased Premium cannot be greater than the original Premium committed at the Commencement Date.

4. Premium Holiday

(i) During the first 24 Policy Months:

Premium Holiday is not allowed.

If a Premium due is not received by the expiry of the Grace Period, the Policy will be automatically lapsed and the surrender penalty will apply.

(ii) From the 25th Policy Month to the end of the Flexi Term of 5 years:

The applicable Premium Holiday Charge (PHC) shall apply.

<u>Manual Premium Holiday</u>
You may apply to activate the Premium Holiday option by sending us your application on our prescribed form, subject to our prevailing terms and conditions.

Acceptance of the application is at our sole discretion, and we will notify you if your application is accepted.

<u>Automatic Premium Holiday</u>
Premium Holiday will be automatically activated if a Premium is not received by the expiry of the Grace Period.

(iii) After the Flexi Term of 5 years:

No PHC will be applicable.

<u>Manual Premium Holiday</u>
You may apply to activate the Premium Holiday option by sending us your application on our prescribed form, subject to our prevailing terms and conditions.

Acceptance of the application is at our sole discretion, and we will notify you if the application is accepted.

<u>Automatic Premium Holiday</u>
Premium Holiday will be automatically activated if a Premium is not received by the expiry of the Grace Period.

During the Premium Holiday, the Net Asset Value will be reduced by the applicable Policy Charges, in accordance with the terms of the Policy. The Policy shall remain in force for as long as the Net Asset Value is sufficient to cover the applicable Policy Charges.

The Premium Holiday will cease once the Net Asset Value becomes insufficient to deduct the applicable Policy Charges, and we will notify you of the requirement to resume the payment of Premium by the expiry of the Grace Period. If payment is not received by the expiry of the Grace Period, the Policy will be automatically lapsed and we will notify you of the lapsation, and the applicable surrender penalty will apply.

No Benefits will be payable if a claim arises after the Policy lapses.

The Net Asset Value will be impacted during a Premium Holiday as no new Premiums are being invested and applicable Policy Charges on the Net Asset Value will still be deducted during the Premium Holiday.

Backpayment of missed Premiums:

You may pay the Premiums that were missed during a Premium Holiday, subject to the following conditions:

(a) the missed Premiums are in respect of the latest Premium Holiday;
(b) the missed Premiums are paid on the due date for the Premium immediately following the end of the latest Premium Holiday;
(c) all the missed Premiums have to be paid in full (no partial repayment of the missed premiums); and
(d) the next Premium due is paid at the same time.

You cannot pay any missed Premiums in respect of the past Premium Holiday periods if you have resumed paying Premiums. For example, if the Policy was on Premium Holiday for 6 months and you have already resumed paying Premiums, you cannot backpay the 6 months' worth of missed Premiums.

Following the repayment of Premium, the repaid Premium will be used to purchase Units in the respective ILP Sub-Fund(s) at the Unit Price based on your prevailing fund allocation. The Unit Price used will be determined at the next applicable Valuation Date immediately following the date we receive the amount in cleared funds. The Units will be credited into your Policy.

No Loyalty Bonus will be paid on any repayment of missed Premiums.

5. Subscription of Units

- You may subscribe for Units using the payment methods that we make available, which may include cheque, credit card or inter-bank giro.

- You can invest the Premium into a maximum of 10 ILP Sub-Funds with a minimum Premium as follows:

Premium Frequency	MIP 10 Flexi 5
Monthly	$1,000
Quarterly	$3,000
Half-Yearly	$6,000
Annually	$12,000

- Pricing of Units is done based on single pricing basis. The price at which you purchase the Units and the price at which you sell the Units is the Unit Price.

- As Units are issued on a forward pricing basis, the issue price of Units will not be ascertainable at the time of your application.

- The Unit Price(s) used will be determined on the next applicable Valuation Date immediately following the date we receive the Premium Instalment. The Units are then credited into your Policy.

  Example: Illustration of subscription of Units based on a Premium of $1,000*:

  A Policyowner buys a Goal Focus MIP 10 Flexi 5 plan and contributes $1,000 annually.

  Assuming a Unit Price at the start of 1st year = $1.00

  Premiums allocated to buy Units = 100% x $1,000 = $1,000

  Units purchased before charges = $1,000 / $1.00 = 1,000 Units

  Total Units in Policy before charges = 1,000 Units

  **This example is just for illustrative purposes. The Premium is subject to minimum Premium amount as shown in the table above.*

6. Fees and Charges

All fees and charges described in Section 6.1,6.2, 6.3, 6.4, 6.5 and 6.6 are deducted by the cancellation of Units.

6.1 Premium Charge

Premium(s)
You do not need to pay a premium charge for Premium(s). 100% of the Premium(s) will be used to purchase Units in the respective ILP Sub-Fund(s) at the Unit Price.

Top-up Premium(s)
The premium charge for Top-up Premium(s) is 3% of the Top-up Premium paid. The premium charge is paid by cancellation of Units, after allocation of the Top-up Premium.

The Units in the respective ILP Sub-Fund(s) will be realised at the Unit Price on the next applicable Valuation Date following the day the charges are calculated. The Units will be deducted according to the proportion that the Net Asset Value of each ILP Sub-Fund bears to the total Net Asset Value. The premium charge for Top-up Premium(s) is guaranteed throughout the Policy Term.

Example: Illustration of Premium Charge for Top-up Premium:

Assuming a Top-up Premium of $10,000 and a Unit Price of $1.00

Units purchased with Top-up Premium = $10,000 / $1.00 = 10,000 Units

Premium charge on Top-up Premium = 3% of $10,000 = $300

Units deducted for Top up Premium charge = $300 / $1.00 = 300 Units

Units in policy after Premium Charge = 10,000 – 300 = 9,700 Units

6.2 Product Administration Fee (PAF)

While the Policy is in force, a PAF is payable by cancellation of Units from your Policy on a monthly basis. If there is rounding of the fee, it will be rounded down.

The monthly PAF is calculated in accordance with the following formula:

Monthly PAF = (Annual PAF rate / 12) X annualised Premium at Commencement Date x [lower of (Policy Year and Flexi Term)]

Policy Year	Annual PAF rate
During MIP	2.45%
After MIP	0.95%

For avoidance of doubt, the PAF is payable throughout the Policy Term, including any Premium Holiday period.

The rate of PAF is not guaranteed. We reserve the right to revise the rate of PAF by giving you at least 30 days' advance notice in writing.

<u>**Example**: Illustration of the applicable PAF rate at different points of the Policy Term:</u>

A Policyowner contributes an annual Premium of $12,000 for his Goal Focus MIP 10 Flexi 5 plan.

He pays his Premiums from Policy Year 1 to 4. At Policy Year 5, he exercises Premium Holiday . The table below shows the PAF applicable for the respective periods:

Policy Year		Annual Premium	Annual PAF rate
During MIP	1 – 4	$12,000	2.45%
	5 – 10	Premium Holiday	2.45%
After MIP	11 onwards	Premium Holiday	0.95%

<u>**Example**: Illustration of PAF at start of Policy Year 4 (During MIP, during Flexi Term):</u>

Monthly PAF = (2.45%/12) x $12,000 x [lower of (4 and 5)] = $98.00

Assume a Unit Price = $1.00

Units deducted for PAF = $98.00 / $1.00 = 98.00 Units

<u>**Example**: Illustration of PAF at start of Policy Year 10 (During MIP, after Flexi Term):</u>

Monthly PAF = (2.45%/12) x $12,000 x [lower of (10 and 5)] = $122.50

Assume a Unit Price = $1.02

Units deducted for PAF = $122.50 / $1.02 = 120.10 Units

<u>**Example**: Illustration of PAF in Policy Year 11 (After MIP):</u>

Monthly PAF = (0.95%/12) x $12,000 x [lower of (11 and 5)] = $47.50

Assuming the Unit Price = $1.04,

Units deducted for PAF = $47.50 / $1.04 = 45.67 Units

6.3 Premium Holiday Charge

While the Policy is on Premium Holiday, you will incur a monthly PHC calculated in accordance with the following formula:

Monthly PHC = (applicable PHC rate x annualised Premium)/12

MIP 10 Flexi 5	
Policy Year	PHC rate
1	Not allowed
2	Not allowed
3	80%
4	65%
5	50%
6	[redacted]
7	
8	
9	
10	

The PHC will be deducted by cancellation of Units from the Net Asset Value.

No payment of dividends will be made during the period when the Net Asset Value is no longer enough to pay the Fees and Charges.

6.4 Insurance Charge

You do not need to pay an insurance charge. We will not deduct Units allocated to the Policy.

6.5 Switching Fee

No switching fees are currently payable for switches done from one ILP-Sub Fund to another. However, we reserve the right to charge a switching fee or limit the number of switches and we will give you at least 30 days' advance notice in writing before we impose such a fee or limit.

6.6 Surrender Penalty

If you make a Partial Withdrawal or Full Surrender of the Policy during the MIP or the Policy lapses due to us not receiving your Premium, you must pay a surrender penalty on the amount you surrender or withdraw, calculated in accordance with the following table:

MIP 10 Flexi 5	
Policy Year	Surrender penalty
1	100%
2	100%
3	80%
4	65%
5	50%
6	45%
7	40%
8	20%
9	15%
10	5%

The same surrender penalty scale will apply to the Net Asset Value of the Policy regardless of whether Units were purchased with Premiums or Top-up Premiums. No surrender penalty applies to amounts withdrawn under the Free Partial Withdrawal Benefit.

Any fees described in Sections 6.7 are deducted from the asset value of each ILP Sub-Fund:

6.7 ILP Sub-Fund Annual Management Fee and Other Charges

The annual management fee and other charges for the ILP Sub-Fund(s) will vary from one ILP Sub-Fund to another. The annual management fees and other charges are not guaranteed, and are determined by the fund managers. Please refer to Section 8 of the applicable ILP Sub-Fund's Fund Summary for further details.

7. Top-up Premium(s)

- While the Policy is in force, starting from the 13th Policy Month and before the Life Insured attains Age 80, you may apply to pay additional premium(s) on an ad hoc basis to purchase additional Units, by sending us your application on our prescribed form, subject to our prevailing terms and conditions.
- The minimum Top-up Premium for each application is $500, in your Policy Currency. The maximum Top-up Premium per Policy Year is capped at 25% of the prevailing annual Premium. Acceptance of the application is at our sole discretion and we will notify you if your application is accepted. Top-up Premium(s) are not allowed during any Premium Holiday.
- To place a Top-up Premium, you must complete and submit our prescribed form. If your application reaches our correspondence address before 2 pm on a business day, it will be processed on the same business day. If your application is received after 2 pm, it will be processed on the next business day.
- If you decide to make Top-up Premium(s) to your Policy, the Sum Insured will be increased by an amount equal to 100% of the top-up amount. For example, if your Top-up Premium is $10,000, your Sum Insured will be increased by $10,000.

  Example: Illustration on an ad-hoc Top-up Premium:

  A Policyowner contributes annual Premiums of $12,000 towards his MIP 10 Flexi 5 plan. He decides to make an ad-hoc Top-up Premium of $3,000 at the start of Policy Year 2 (Policy Month 13).

  Sum Insured before Top-up Premium = $24,240 (101% of total Premium of $24,000)

  Sum Insured after Top-up Premium = 101% of total Premiums paid + 100% of the top-up Premiums = $24,240 + $3,000 = $27,240

  Assuming a Unit Price = $1.00

  Units purchased with Top-up Premium = $3,000 / $1.00 = 3,000 Units

  Assuming Units in Policy before Top-up Premium = 24,000 Units

  Units in Policy after Top-up Premium = 24,000 Units + 3,000 Units = 27,000 Units

  Premium charge applicable on Top-up Premium = 3% x $3,000 = $90

  Units deducted for premium charge applicable on Top-up Premium = $90 / $1.00 = 90 Units

  Units in Policy after premium charge = 27,000 – 90 = 26,910 Units

8. Withdrawal of Units

- You may make a partial, regular or full withdrawal of Units. A full withdrawal of Units is considered a surrender of your Policy and your Policy will terminate.
- You may make a Partial Withdrawal as long as there is at least $5,000 in your Policy after the withdrawal. Each withdrawal should be at least $250. If you have more than one ILP Sub-Fund under

your Policy, you may choose which of the ILP Sub-Funds you would like to withdraw your money from. There should be at least $500 left in each ILP Sub-Fund after the withdrawal.

- You may make Regular Withdrawals after the MIP, as long as there is at least $5,000 in your Policy after each Regular Withdrawal. Each Regular Withdrawal should be at least $250. If you have more than one ILP Sub-Fund under your Policy, the Units in the respective ILP Sub-Fund(s) will be realised according to the proportion that the Net Asset Value of each ILP Sub-Fund bears to the total Net Asset Value to meet your specified Regular Withdrawal amount. There should be at least $500 left in each ILP Sub-Fund after the withdrawal. You will be notified of the commencement date of your Regular Withdrawal if we accept your application.

  The Regular Withdrawal will cease:

  (i) when the remaining Units in the Policy and each ILP Sub-Fund level do not meet the specified minimum limits;
  (ii) upon written request from you; or
  (iii) upon termination of the Policy.

- Any Regular Withdrawal will reduce the Net Asset Value, and the Loyalty Bonus Units allocation may be impacted.

- As Units are priced on a forward pricing basis, the redemption price of Units will not be ascertainable at the time of the submission of the redemption request.

- To surrender, you must complete and submit our surrender form. If your application reaches our correspondence address before 3.30 pm on a business day, it will be processed on the same business day. If your application is received after 3.30 pm, it will be processed on the next business day.

- The Units in the respective ILP Sub-Fund(s) withdrawn will be realised at the Unit Price on the next applicable Valuation Date immediately following the date we accept your application for Partial Withdrawal or Full Surrender, with all requisite documents and information received. Once we pay the amount due to you on surrender of the Policy, we shall be discharged from all liability under the Policy including in respect of the payment of Benefits.

- The Partial Withdrawal and Full Surrender proceeds will usually be paid out to you not later than 7 Dealing Days from the day we process your application for partial or full withdrawal from the respective ILP Sub-Fund(s).

- The Regular Withdrawal proceeds will usually be paid out to you not later than 7 Dealing Days from the Regular Withdrawal commencement date as stated in the communication to you when your Regular Withdrawal request is accepted by us. We will process the Regular Withdrawal proceeds according to your chosen payout frequency at a yearly, half-yearly, quarterly or monthly basis.

- If there are Pending Transactions, we will execute your request only after completion of the Pending Transactions and the Units in the respective ILP Sub-Fund(s) will be purchased at the Unit Price on the next applicable Valuation Date immediately following such completion.

<u>Definitions</u>

"Pending Transactions" refer to transactions relating to the Policy which are in progress or not yet completed, including but not limited to:
(i) Unit Prices of the Units in any ILP Sub-Fund(s) not having been received by us;
(ii) allocation of Units due to payment of Premiums or Top-up Premiums;
(iii) redemption of Units due to Partial Withdrawals or Regular Withdrawals;
(iv) ILP Sub-Fund Switching; and
monthly deduction of Units to meet the Fees and Charges.

There will be a surrender penalty for any Partial Withdrawal or Full Surrender made on or before the end of the MIP as detailed in Section 6.6.

Example: Illustration on a Partial Withdrawal with surrender penalty based on 1,000 units:

A Policyowner decides to partially withdraw 1,000 units in Policy Year 5,

Assuming a Unit Price = $1.00

Gross withdrawn amount = Number of units to be redeemed x Unit Price = 1,000 x $1.00 = $1,000

Withdrawn amount payable to Policyowner
= Gross withdrawn amount – Fees and Charges (if any)
= $1,000 – 50% x $1,000
= $1,000 – $500
= $500

Example: Illustration of Partial Withdrawal when the partial withdrawal amount requested is greater than the Maximum Free Partial Withdrawal Amount, and the excess amount withdrawn is subject to a surrender penalty:

A Policyowner contributes annual Premiums of $12,000 towards his Goal Focus MIP 10 Flexi 5 plan. He decides to partially withdraw $25,000 in the beginning of Policy Year 6 (Ie. 5th Policy Anniversary), just as his child was born:

Assume NAV as at Policy Year 6 (ie. 5th Policy Anniversary)	$72,000
Partial Withdrawal request in Policy Year 6	$25,000
Assume Unit Price of $1.0	$1.0
Maximum Free Partial Withdrawal Amount as at the 5th Policy Anniversary	2X annualised Premium = 2X $12,000 = $24,000
Partial Withdrawal Amount to be paid out from Maximum Free Partial Withdrawal Amount	$24,000
Remaining Partial Withdrawal Amount from NAV that would incur surrender penalty	$25,000 - $24,000 = $1,000
Surrender penalty rate in Policy Year 6	45%
Surrender penalty on remaining Partial Withdrawal Amount	$1,000 X 45% = $450
Partial Withdrawal Amount from NAV after imposing Partial Withdrawal Charge	$1,000 - $450 = $550
Total Payout from NAV	**$24,000 + $550 = $24,550**
NAV after Partial Withdrawal	**$72,000 - $24,550 - $450 = $47,000**

9. Switching of ILP Sub-Funds

- You may switch between ILP Sub-Funds at any time. There is no limit to the number of switches currently. We reserve the right to limit the number of switches and we will give you at least 30 days' advance notice in writing before we impose such a limit.

- Application to switch ILP Sub-Fund(s) must be made on our prescribed form. Your application will be processed on the same business day if we receive the form before 3.30pm. Upon approval of your application, we will realise the Units you wish to switch and allocate Units in other available ILP Sub-

Fund(s) of your choice. The Units in the respective ILP Sub-Fund(s) will be realised and purchased at the Unit Prices on the next applicable Valuation Date immediately following the date we accept your application to switch Fund(s). Applications that reach us after 3.30pm will be processed the following business day. You may fully or partially switch from one or more ILP Sub-Funds to other ILP Sub-Funds. The value of Units to be switched for each ILP Sub-Fund must be at least $1,000 and the remaining value of Units in each ILP Sub-Fund must be at least $500.

10. Automatic Fund Rebalancing

- You may apply to automatically re-balance your existing ILP Sub-Fund(s) holdings according to your pre-specified Premium allocation percentage on each Policy Anniversary.

- Automatic Fund Rebalancing will only occur on each Policy Anniversary when the portfolio's variance from the pre-specified Premium allocation percentage exceeds 5%. If this occurs, rebalancing will be done according to the total fund value at the point of reassessment for each ILP Sub-Fund(s) ensuring the same pre-specified Premium allocation percentage remains. You may inform us of your pre-specified Premium allocation percentage at the time of Application or via a subsequent Premium redirection request.

- Any existing Automatic Fund Rebalancing option will be terminated if you request to do any of the following: Fund Switching, Premium redirection, Partial Withdrawal, Regular Withdrawal, or Top-up Premium(s). You need to submit a new application in order to continue the Automatic Fund Rebalancing feature.

11. Distribution of Dividend

- If you choose to invest in any ILP Sub-Fund(s) that pays dividends, you have the option to either reinvest these dividends or to receive payments of these dividends. The frequency of dividend distribution of the ILP Sub-Fund(s) is determined by the relevant fund manager. You are only entitled to dividend(s) if you are invested in the relevant ILP Sub-Fund(s) at the end of the dividend declaration date (also known as the "record date").

- If you choose to reinvest dividends and the ILP Sub-Fund(s) declares any dividend(s) thereafter, we will reinvest these dividends on your behalf and your Units in this ILP Sub-Fund(s) will increase. We will receive these dividends from the relevant fund manager(s) within 21 Dealing Days from their respective record dates and will reinvest these dividends to purchase additional Units in the relevant ILP Sub-Fund(s) at the Unit Price, not later than 10 Dealing Days after receiving them.

- If you choose to receive payment of dividends and the ILP Sub-Fund(s) declares any dividend(s), we will distribute these dividends to you not later than 10 Dealing Days after receiving them from the relevant fund manager(s). We will only pay dividends of ILP Sub-Fund(s) to you if the amount of dividend you are entitled to is at least $50. If the amount of dividends that you are entitled to for any ILP Sub-Fund(s) is less than $50, we will reinvest that particular dividend(s) as additional Units on your behalf.

- You will not be entitled to any payment of dividends during the period when the Net Asset Value is not enough to pay the Fees and Charges.

- Surrender penalty will not apply to the payment of dividends for ILP Sub-Fund(s). Surrender penalty will apply if you choose to withdraw the reinvested dividend(s) during the Surrender Penalty Period.

12. Investment returns

- Your investment returns will depend on the investment performance of the ILP Sub-Fund(s) you have chosen and the charges on your Policy.

- Investment returns are not guaranteed and can be lower or higher than the total Premiums paid.

13. Keeping track of your investment

(i) You will receive an annual Unit and Benefit Statement as at 31st December at the beginning of each calendar year.

(ii) An unaudited semi-annual and annual audited report on each ILP Sub-Fund will be made available within 2 months and 3 months respectively from the last date of the period to which the reports relate. The financial half year-end and financial year-end for each ILP Sub-Fund is 31 December and 30 June respectively.

These reports are accessible from our website, https://fundprices.insurance.hsbc.com.sg. .

A hardcopy will be provided to you only upon request.

14. Obtaining Prices

- The ILP Sub-Fund Unit Price should be available 2 business days after the relevant Valuation Date. You can obtain the Unit Price of the relevant ILP Sub-Fund from the respective fund manager(s) websites or upon your request to us. You may refer to the individual ILP Sub-Fund Product Highlights Sheets for more details.

15. Valuation of Units

The Unit Price of the Units in the respective ILP Sub-Fund(s) will be determined on each Valuation Date and it can be obtained from the respective fund manager(s) or upon your request to us.

In the event there are changes to the valuation frequency of Units in the ILP Sub-Fund(s) as stated in your fund documents, or the adoption of swing pricing by the respective fund manager(s), we will notify you in writing at least 30 days' before such change.

The Unit Price of the Units in the respective ILP Sub-Fund(s) shall not be less than the market value of the assets of each ILP Sub-Fund, reduced by all realisation costs, the liabilities of each ILP Sub-Fund and its Fund Expenses as determined by the respective fund manager(s), with the resulting value being divided by the total number of Units in each ILP Sub-Fund on the relevant Valuation Date.

The respective fund manager(s) may suspend the valuation of the Units in one or more ILP Sub-Funds or the purchase or realisation of the Units in any ILP Sub-Fund(s) under certain circumstances, which include:

(i) the closure of or suspension of dealings on a principal stock exchange; or

(ii) a period when the assets in any ILP Sub-Fund(s) cannot be valued or invested in accordance with its investment objective or sold; or

(iii) the existence of a state of affairs which in the opinion of the respective fund manager(s) constitutes an emergency; or

(iv) a period where there is a breakdown in communication or computation systems.

As part of the valuation of Units in the respective ILP Sub-Fund(s), there could be gains or losses in the Unit Prices of the Units in the respective ILP Sub-Fund(s) between the time of receipt of your instruction until the time of purchase or redemption of the Units thereto caused by (i) delays not attributable to the us or (ii) the failure or refusal of the respective ILP Sub-Fund(s) or its manager to process the redemption of Units. These gains or losses will be borne by the respective ILP Sub-Fund(s) and reflected in the Unit Price of the Units in the respective ILP Sub-Fund(s).

16. Composition of Funds

We are the legal and beneficial owner of the assets comprised in the ILP Sub-Funds with the right to:

(i) invest in the ILP Sub-Funds in any manner we consider appropriate; and
(ii) add additional ILP Sub-Fund(s) or withdraw the ILP Sub-Fund(s), or change the type of assets comprised in the ILP Sub-Fund(s).

The fund manager of the ILP Sub-Fund(s) may charge a fund management fee and other charges. The fund management fee is deducted from each ILP Sub-Fund on each Valuation Date.

The fund manager reserves the right from time to time to adjust the fund management fee and other charges.

We will notify you of any changes that we determine as significant by giving you at least one (1) month advance notice in writing. For any significant changes that we are unable to determine if it would occur at least one (1) month before the change is to take effect, we will notify you as soon as reasonably practicable. Please refer to the product highlights sheet or fund summary for details on the fund management fee and other charges.

17. Exclusions

There are certain conditions under which no benefits will be payable. These conditions are stated in the Policy General Provisions.

(i) If the Life Insured commits suicide within one year from the Issue Date, Commencement Date or the last Reinstatement Date (if any), whichever is the latest, the Policy becomes void from the Issue Date, Commencement Date or the last Reinstatement Date (as the case may be) and we will cancel it. We will refund the Premium(s) you paid, without interest after:

a) deducting any amount owing to us and any medical and underwriting expenses incurred in accepting your Application;
b) deducting a sum equivalent to any Partial Withdrawal(s) and/or Regular Withdrawal(s) made;
c) making any adjustment by deducting a sum as determined by us to reflect the market fluctuation in respect of the Units; and
d) deducting any dividend distributed under the ILP Sub-Fund(s).

(ii) If the Life Insured dies or is diagnosed with Terminal Illness within the Waiting Period, the Policy becomes void from the Issue Date, Commencement Date or the last Reinstatement Date (if any), whichever is the latest, and we will cancel it. We will refund the Premium(s) you paid, without interest, after:

a) deducting any amount owing to us and any medical and underwriting expenses incurred in accepting your Application;
b) deducting a sum equivalent to any Partial Withdrawal(s) and/or Regular Withdrawal(s) made;
c) making any adjustment by deducting a sum as determined by us to reflect the market fluctuation in respect of the Units; and
d) deducting any dividend distributed under the ILP Sub-Fund(s).

This exclusion does not apply in the event of an Accidental Death.

Waiting Period refers to one year from the Issue Date, Commencement Date or the last Reinstatement Date (if any), whichever is the latest.

(iii) We will not pay the Terminal Illness Benefit if the diagnosis of Terminal Illness is in the presence of Human Immunodeficiency Virus (HIV).

(iv) We will not pay the Accidental Death Benefit if the Accidental Death arises directly or indirectly from:

a) deliberate acts such as self-inflicted injuries, suicide or attempted suicide;
b) unlawful acts, provoked assault or deliberate exposure to danger;
c) the effects of alcohol, drugs or any dependence;
d) illnesses, psychological conditions or eating disorders;
e) heat stroke;
f) a bad reaction to drugs or medication;
g) the effects of viruses (e.g. dengue), bacteria or diseases;
h) the negative effects or complications of medical and surgical care;
i) treatments aimed at improving appearance, such as cosmetic surgery or any treatment relating to a previous cosmetic treatment;
j) radiation or contamination from radioactivity;
k) being in any aircraft, except as a fare-paying passenger in a commercial aircraft, or during military operations in peacetime;
l) military, air force or naval operations, except when carried out in peacetime;
m) warlike operations (whether war is declared or not), war, invasion, riot or any similar event;
n) an Accident which happens outside of Singapore; if the Life Insured has been outside Singapore for more than 180 days in a row at the time of the Accident;
o) an act of terrorism; or
p) the Life Insured's job or leisure pursuit in working at heights, working underground, using explosives or chemicals, motor racing, flying other than as a fare paying passenger on a commercial airline, diving below 30m or mountain climbing (4,000m and above).

You are advised to read the Policy General Provisions for the full list of terms and conditions.

18. Assignment

- Subject to our approval, you may change the ownership of the Policy to another party through an assignment by completing our prescribed form and returning the signed original form to us together with satisfactory identity proof of the new policyowner. When this change takes effect, all rights of ownership in the Policy will pass to the new policyowner along with all obligations under the Policy.

- You may assign the Policy as collateral for credit facilities where you (borrower) transfer the ownership rights under the Policy to an assignee (lender). However, you remain responsible for any and all obligations under the Policy and you are required to obtain consent from the assignee to perform any transactions under the Policy.

19. Termination

The Policy will terminate upon the occurrence of the earliest of the following:

(i) the full payment of Death Benefit or Accidental Death Benefit;
(ii) the full advancement of the Death Benefit as a result of a Terminal Illness Benefit claim;
(iii) the Full Surrender of the Policy;
(iv) the full payment of Maturity Benefit on the Expiry Date;
(v) when the Benefits are paid in full, unless otherwise stated. This includes any payment triggered by supplementary benefits (if any);
(vi) when a claim under any supplementary benefit attached to the Policy, which accelerates the Death Benefit in full, is admitted;
(vii) the Policy being rendered void;
(viii) non-payment of Premium by the expiry of the Grace Period during the first 2 Policy Years;
(ix) once the Net Asset Value falls to zero;
(x) any other events which results in termination set out in the Policy General Provisions; and
(xi) the cancellation of the Policy during the Free-Look Period or at any other time.

20. Contractual rights of customer

- You have a 14-day free-look period ("**Free-Look Period**") starting from the date you receive the Policy. If the Policy is delivered by post, it is considered received 7 days after the date of posting.

- If you decide to cancel the Policy within the Free-Look Period, you must notify us in writing and return the Policy within the Free-Look Period. We will refund the Initial Premium you paid without interest after:

  (i) deducting any medical and underwriting expenses, such as payments for medical check-ups and medical reports, incurred by us (if any) in accepting your Application;
  (ii) making any adjustment by deducting a sum as determined by us to reflect the market fluctuation in respect of the Units; and
  (iii) deducting any dividend distributed under the ILP Sub-Fund(s).

- You cannot elect to pay a Top-Up Premium, apply for Fund Switching, or Partial Withdrawal or surrender the Policy during the Free-Look Period.

21. Claims

- To make a claim under your Policy, please visit www.hsbclife.com.sg for the claim procedures or contact your financial advisor.

22. Other important notes

- Premiums payable and benefits paid out will be made in your Policy Currency and you may be subject to foreign exchange risk.

- Where we make any payout to you, the amount you receive may be subject to fees and charges levied by your bank and such fees and charges will be borne by you.

- Any payment requests made to banks outside of Singapore will be subject to HSBC country restrictions.

- Any ILP Sub-Fund may be wound up by its fund manager(s) and we will give you at least 30 days' advance notice in writing prior to the effective date of such ILP Sub-Fund being wound up.

- To provide feedback or raise a formal complaint, please visit www.hsbclife.com.sg for further information or contact your Financial Planner.

- In order to provide the Benefits, we may review and supplement or amend certain clauses of your Policy. These include amendments to:
  (i) the valuation of Units;
  (ii) Policy related fees and charges;
  (iii) the ILP Sub-Fund(s) and its charges;
  (iv) ILP Sub-Fund switches and its charges; and
  (v) Premiums, if applicable.

  We may make changes to the Policy if it is reasonably necessary to:
  (i) give effect to:
    a) applicable laws, rules, regulations; or
    b) a change, recommendation, order, requirement, notice, direction, code, circular or guidance issued by any regulatory, supervisory, governmental, statutory authority, industry association, self-regulatory, or resolution body having jurisdiction over us or a court of competent jurisdiction; or

  (ii) reflect changes to or alignment with:
    a) the operational costs, business operations or practices, systems and processes;

b) the industry or prevailing market conditions or practices;
c) the ILP Sub-Fund(s);
d) our agreement or arrangement with third-party service providers (including but not limited to fund managers); or
e) overall claims and lapse experience of this plan.

To the extent reasonably practicable, we will provide you at least 30 days' advance notice in writing before such change takes effect, unless otherwise stated.

If you do not agree with a change, you may, to the extent applicable:
(i) withdraw the Units;
(ii) switch ILP Sub-Fund(s);
(iii) terminate the Policy; or
(iv) change the coverage of your Policy.

- This Policy provides insurance benefits as highlighted in the Insurance Benefits section. If you intend to give up your existing life insurance policy or an investment product when you get this Policy, please note that you may not be covered for the insurance benefits under your existing life insurance policy or an investment product, due to certain conditions under which no benefits will be payable under this Policy, such as Pre-existing Conditions.

- This Policy is protected under the Policy Owners' Protection Scheme which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for your Policy is automatic and no further action is required from you. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact HSBC Life or visit the LIA or SDIC websites (www.lia.org.sg or www.sdic.org.sg).