

Life Insurance Endowment HSBC FirstSave Insurance Plan

A promising future is within reach



HSBC
Insurance

HSBC Life (International) Limited

A promising future is within reach

Enjoy the freedom to live the lifestyle you choose, while saving regularly for a promising future. For just two years of premiums, you can have a steady return at the end of the policy term. You will also enjoy life protection throughout this period.

It means you can realise dreams such as a gap year to travel or perhaps starting your own business at the end of the five-year policy term. Whether you have near-term goals or far-reaching plans, you can have the best of both worlds – save easily today for the promise of tomorrow.

Limited offer



This is a limited offer, and we reserve the right to accept or decline any application subject to the plan's availability.



How does HSBC FirstSave Insurance Plan work?

HSBC FirstSave Insurance Plan ("FirstSave", or "your policy") is a life insurance product with savings element and it is not equivalent or similar to any kind of deposit. It has four key elements that make this life insurance plan a right choice for you:



- > Receive **110% to 112%¹** of the total premiums you have paid at maturity

Dare to dream – with FirstSave's steady return, you will soon be ahead of the game with **110% to 112%¹** of the total premiums you have paid at maturity (depending on your chosen premium payment mode).



- > A **payment period** that flies by

We make saving easy – pay all your premiums in the first **two years** with your preferred premium payment mode.



- > **Protect your loved ones** while you save

A two-in-one solution – create savings while protecting your loved ones with FirstSave's **life protection** benefits.



- > Extra **protection**

There's more – you may be eligible for the following **Supplementary Benefits**, with no additional premiums required.

Additional accidental death benefit²



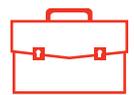
An additional 30% of the Total Premiums Paid³ along with the Death Benefit under your policy will be paid if the life insured passes away due to an accident.

Terminal illness benefit⁴



Death Benefit will be paid in advance if the life insured is diagnosed with a terminal illness before the age⁵ of 65 years.

Unemployment benefit⁶



Policyholders who have become unemployed for 30 consecutive days can defer their premium payments for up to one year.

Product summary

> How can you **apply** for **FirstSave**?

Application requirement⁷	To apply, you need to be aged ⁵ between 15 days and 75 years old
Minimum Sum Insured per policy	USD10,000
Maximum Sum Insured per life insured	USD1,625,000
Policy term	5 years
Policy currency	USD
Premium payment period	2 years
Premium payment option	<p>You may choose to pay your premiums as below:</p> <p>Payment mode:</p> <ul style="list-style-type: none"> • Annually, or • Prepay the required premiums with our aggregate premium payment option⁸ <hr/> <p>Payment method:</p> <ul style="list-style-type: none"> • From your HSBC bank account, or • By cheque

Product summary

> What does **FirstSave** offer?

Guaranteed Cash Value - the cash value of your policy at any time during the policy term	Guaranteed Cash Value refers to the cash value of your policy that accumulates over time during the policy term. It is calculated based on the Sum Insured at the relevant time and the cash values table in your policy.
Surrender Benefit - the amount you will receive if you terminate your policy or a portion thereof	If you surrender your policy anytime, you will be able to receive: <ul style="list-style-type: none"> • the Guaranteed Cash Value; • plus the balance of the prepaid premiums⁸ together with accumulated interest (if applicable) after deducting the applicable surrender charge; • less any outstanding premiums as of the date your request is processed. Please refer to the "Key risks – Risk from surrender" section in this brochure for more details of the key risk factors.
Maturity Benefit¹ - the amount you will receive at the end of the policy term	You will receive a Maturity Benefit ¹ which is the Guaranteed Cash Value less any outstanding premiums as of that date if the life insured is alive at the end of the 5-year policy term.
Death Benefit	If the life insured dies during the policy term, the beneficiary(ies) will receive: <ul style="list-style-type: none"> • 101% of the Total Premiums Paid³ or 101% of the Guaranteed Cash Value (whichever is higher); • plus the balance of the prepaid premiums⁸ together with accumulated interest (if applicable); • less any outstanding premiums at the date of the death of the life insured.
Supplementary Benefits	In addition to the above benefits, you will also enjoy the below supplementary benefits: <ul style="list-style-type: none"> • Additional accidental death benefit² • Terminal illness benefit⁴ • Unemployment benefit⁶ Please refer to the respective Policy Provisions of the Supplementary Benefits for detailed terms, conditions and exclusions.

The content in this Product Brochure is for reference only. You should read this together with the respective insurance proposal and the Policy Provisions for more details.

Important notes

Cooling-off Period

HSBC FirstSave Insurance Plan is a life 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 your policy, you have a right to cancel it within the cooling-off period and obtain a refund of any premiums and levies paid. A written notice signed by you together with your policy (if received) should be received 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 your policy or issue of a notice informing you or your representative about the availability of your policy and expiry date of the cooling-off period, whichever is the earlier).

After the expiration of the cooling-off period, if you cancel your policy before the end of the term, the projected Net Cash Value⁹ may be less than the total premiums you have paid.

Suicide

If the life insured dies by suicide within one year of the Issue Date, whether sane or insane, our liability will be limited to the premiums paid to us less any amount we may have paid to you since the Policy Date.

Tax reporting and financial crime

You have to provide us information we may occasionally request from you regarding you and your policy so that we can comply with certain obligations to legal or regulatory bodies, government or tax authorities in Hong Kong and overseas. If you fail to provide us with such requested information, or if you put/expose us or any of our Group member at financial crime risk, we may:

- Take necessary actions so that we or our members can meet our/their obligations;
- Be unable to provide new, or continue to provide all services to you;
- Be required to withhold payments or benefits that would otherwise be due to you or your policy and pay them to tax authorities; and
- Terminate your policy.

In the event that any benefits or payments are withheld or your policy is terminated by us as a result of any of the above reasons, the amount you receive plus the total amount you have received before policy termination (if any) may be less than what you have paid. We recommend that you seek your own independent professional advice on your tax liabilities and tax positions related to your policy.

Termination conditions

We have the right to terminate your policy under any of the following circumstances:

- If you cannot make the overdue premium payments by the end of the Grace Period; or
- We reasonably consider that by continuing your policy or our relationship with you, we may break any laws or a member of our Group, may be exposed to action or censure from any authority; or
- We have the right to terminate according to any Supplementary Benefits terms.

Please refer to the Policy Provisions for more details of the termination conditions.

Important notes

Aggregate premium payment option⁸

You can prepay the required premiums by choosing the aggregate premium payment option⁸ at the time of application. With this option, the balance of the prepaid premiums account after deducting the annual premium on the relevant premium due dates will be accumulated with interest at a non-guaranteed rate and one that may change from time to time as determined by us. If the prepaid premiums⁸ and the accumulated interest exceed your policy's total required premiums, any balance amount will be refunded to you once all your policy's due premiums have been settled. However, if the prepaid premiums⁸ and the accumulated interest are not sufficient to cover your policy's total premiums required, you have to settle the premium shortfall upon receiving our written premiums-due notification. If you fail to pay for the premium shortfall, it may result in a discontinuation of your policy.

Applicable laws

The laws governing your 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.

Missing premium payment

We will give you a 30-day Grace Period for making premium payments. If you cannot make the payment by the end of the Grace Period, your policy will discontinue with effect from the due date of the first unpaid premium.

Key risks

Please take note of the below key risks before taking out the FirstSave policy:

Credit and insolvency risks

FirstSave is an insurance policy issued by us. **You are subject to our credit risk** because all your premiums paid become part of our assets. You do not have any rights or ownership over any of our assets. You can only claim against us under all circumstances.

Risk from delayed or missing premium payments

If there is any delay or missed due payment, it **may lead to a discontinuation of your policy. As a consequence, you will only receive an amount which may be significantly less than the premiums you paid.**

Risk from surrender

In the case that you have to surrender your policy in the early years, **you may receive an amount significantly less than the premiums paid.** If you have chosen the aggregate premium payment option⁸, we will apply a surrender charge on the balance of the prepaid premiums⁸ together with interest accumulated upon your policy surrenders. Please refer to the Policy Provisions for details of the surrender charge.

Liquidity risk

We would expect you to keep your policy for the entire policy term. In the event that you have liquidity needs for any unexpected events, you may surrender your policy in full or in part for cash pursuant to the policy terms. There is always a risk that **you could only receive an amount which may be less than the premiums you paid.**

Inflation risk

You have to take into account the **inflation risk which will likely cause the future cost of living to rise.** With inflation in place, you have to expect that **you or your assigned beneficiary(ies) will receive an amount which is less in real term in the future** even if we have done our best for serving your policy.

Policy currency risk

You are exposed to exchange rate risk. If you choose to pay premiums or receive benefits in currencies other than the policy currency, **the actual amount you paid or received will then be subject to the prevailing exchange rate** determined by us between the policy currency and the local/payment currencies. You have to take note that exchange rate fluctuations may affect your payment amounts including premium payments, levy payments and benefit payments.

Endnotes

- 1 The Maturity Benefit (that is, the amount you will get at the end of the policy term) ranging from 110% to 112% is a rounded down percentage of the Guaranteed Cash Value divided by the total amount of premiums paid at maturity. Such percentage varies depending on your chosen premium payment mode: 112% if you prepay the required premiums by choosing the aggregate premium payment option⁸ and 110% for annual payment. You should refer to the insurance proposal summary for details.
- 2 Additional accidental death benefit will terminate on the Policy Anniversary at which the life insured attains the age⁵ of 80 years or payout of such benefit or your policy is terminated (whichever is the earliest).
- 3 Total Premiums Paid refers to the total amount of premiums due for the basic plan (whether or not actually paid) as of the date of death of the life insured. If you choose to prepay the required premiums⁸, the balance of the prepaid premiums will not be counted as the total amount of premiums until such part of premium is due.
- 4 Terminal illness benefit will terminate on the Policy Anniversary at which the life insured attains the age⁵ of 65 years or payout of such benefit or your policy is terminated (whichever is the earliest). Your policy will be terminated once we pay this benefit.
- 5 Age means the Insurance Age of the life insured or policyholder where applicable at his or her next birthday.
- 6 Unemployment benefit is applicable to any policyholder aged⁵ between 19 and 64 who is the holder of a Hong Kong Identity card. It is not applicable if you choose to prepay the required premiums⁸. The benefit will terminate on the Policy Anniversary at which the policyholder attains the age⁵ of 65 years or all due premiums have been paid or your policy is terminated (whichever is the earliest).
- 7 Application for FirstSave is subject to our relevant requirements on nationality and/or addresses and/or residency of the policyholder and/or the life insured as determined by us from time to time.
- 8 The aggregate premium payment option allows you to prepay the required premiums. The required annual premium will then be deducted from the balance of the prepaid premiums account on the relevant premium due dates. Please be aware that if you choose this payment option, you should ensure that you can afford to leave your prepaid premiums in your policy as no withdrawal from the balance of the prepaid premiums together with interests accumulated is allowed once paid except in the event of death or surrender of your policy. You are therefore advised to choose a premium payment method that best fit your financial circumstances at the time of application. Please refer to section "Important notes - Aggregate premium payment option" for details.
- 9 Net Cash Value means an amount equal to the Guaranteed Cash Value less any outstanding premiums.

More information

Planning for your financial future is important. Let us review your current and future needs and help you decide if HSBC FirstSave Insurance 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

Click www.hsbc.com.hk

Visit any HSBC branch

HSBC FirstSave Insurance Plan

HSBC Life (International) Limited

HSBC Life (International) Limited ("the Company") is incorporated in Bermuda with limited liability, and is one of the HSBC Group's insurance underwriting subsidiaries.

Hong Kong SAR office

18/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Kowloon, Hong Kong

The Company is authorised and regulated by the Insurance Authority (IA) to carry on long-term insurance business in the Hong Kong SAR.

The Hongkong and Shanghai Banking Corporation Limited (referred to as "HSBC") is an insurance agent of the Company. HSBC FirstSave Insurance Plan is underwritten by the Company and it is only intended for sale through HSBC in the Hong Kong SAR.

For monetary disputes arising between HSBC and you out of the selling process or processing of the related transaction, HSBC will enter into a Financial Dispute Resolution Scheme process with you; however any dispute over the contractual terms of the product should be resolved between the Company and you directly.

The Company accepts full responsibility for the accuracy of the information contained in the Product Brochure and confirms, having made all reasonable enquiries that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading. The information shown therein is intended as a general summary. Please refer to your insurance policy for the detailed terms and conditions.

July 2018

HSBC Life (International) Limited is the proud winner of the following awards:

