

PhoenixPower Life Insurance Plan

Make Your Wealth a Heritage of Flying Success across Generations

PhoenixPower Life Insurance Plan ("PhoenixPower" or "the Plan") is a life insurance plan and is not equivalent or similar to any kind of bank deposit. It is underwritten by Hang Seng Insurance Company Limited ("Hang Seng Insurance").

This product information does not contain the full terms of the policy and the full terms can be found in the relevant policy document.

You savour a life of extraordinary success. An exceptional legacy is probably what you would like to endow your family with. Hang Seng Insurance Company Limited ("Hang Seng Insurance") has introduced the PhoenixPower Life Insurance Plan ("PhoenixPower" or "the Plan"), which can provide you with whole life protection; facilitate your wealth accumulation and legacy planning; safeguard your family; and allow your succeeding generations to continue your achievements.

Plan Highlights

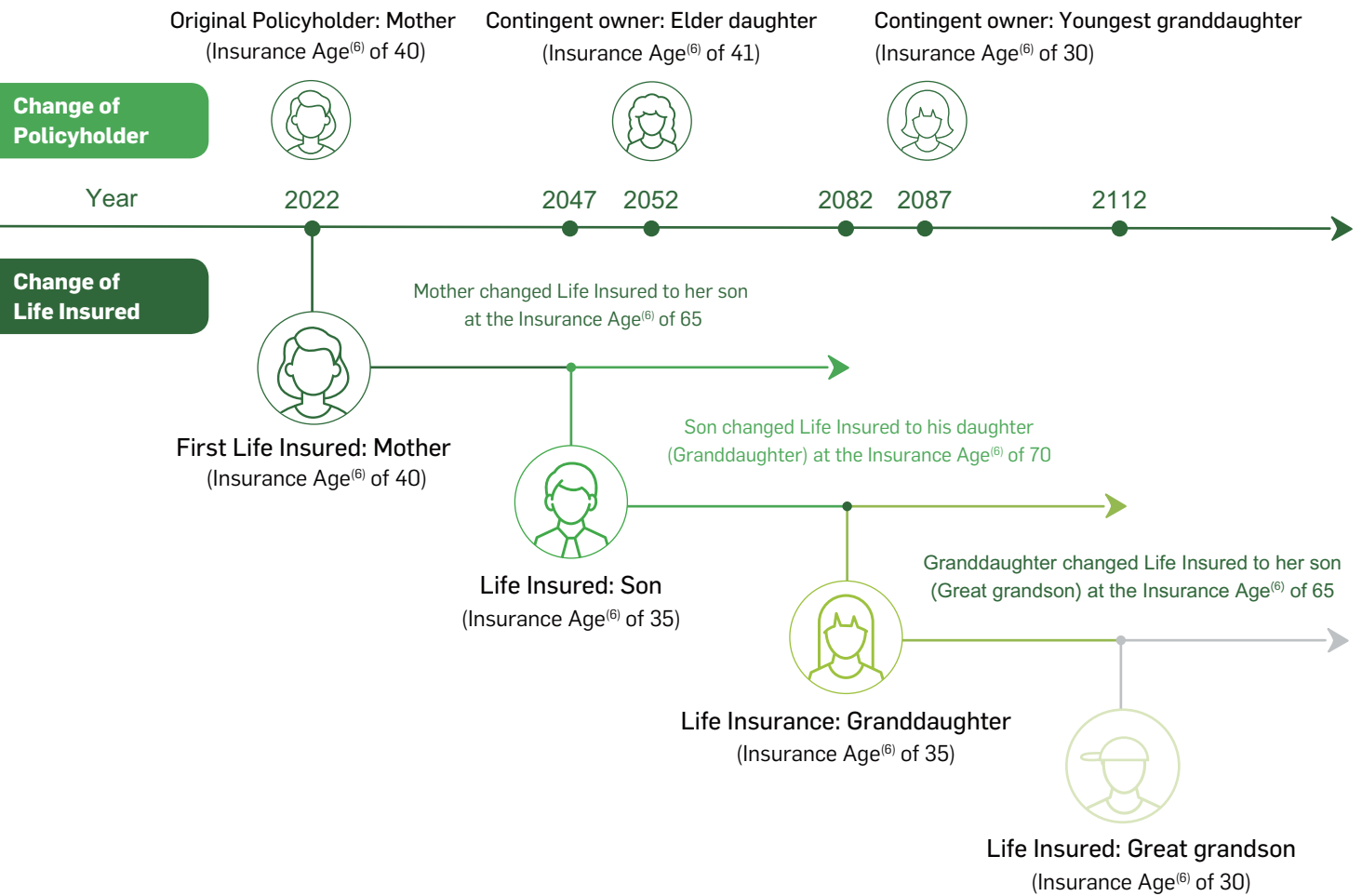
1. Guaranteed Death Benefit stepping up from 100% of Total Premiums Paid⁽¹⁾ to 200% by 10th Policy Year
2. Same premium rate regardless of age
3. Guaranteed acceptance⁽²⁾ without any requirement for medical examination
4. An opportunity for high potential return
5. Free Supplementary Benefit – Mental Incapacity Benefit⁽³⁾ Plus

Incremental whole-life protection for good peace of mind

The Plan helps you to plan ahead for legacy on wealth, to protect and maintain the quality of life for your beloved family.

- Provide guaranteed death benefit stepping up from 100% of Total Premiums Paid⁽¹⁾ to 200% by 10th Policy Year
- When the Policy is in force, you can designate a Contingent Owner of the Policy who shall become the new Policyholder upon your death. Policy term can be last longer to accumulate wealth for the family.
- Unlimited times of change in the Life Insured⁽⁴⁾ to ensure the need of legacy planning and relevant stable financial support in the future

Please refer to the policy provisions for the relevant terms and conditions for the details.



Financial flexibility with assets growth

The Plan helps to manage asset's potential growth to let you enjoy worry-free life.

Policy Value Management Option with wealth preservation and financial certainty

While the Policy is in-force and after the 10th Policy Year, the Policyholder has the right to exercise the Policy Value Management Option (as detailed in the Summary of the Plan section below), to lock-in a portion of the Plan's Guaranteed Cash Value and non-guaranteed Special Dividend (if any) which mitigate the impact of fluctuations in investment market. Policyholder can withdraw Policy Value Management Balance (as detailed in the Summary of the Plan section below) under the Policy anytime, increasing the liquidity and flexibility of capital to fulfill the personal and family needs of the Policyholder.

Special Dividend provides potential non-guaranteed returns

In the event of the death of the Life Insured (in accordance to policy terms) , the cancellation, lapse or termination of the Policy or Surrender⁽⁵⁾, whether in full or in part of the Policy (whichever is the earliest), a lump-sum non-guaranteed Special Dividend (if any) (as detailed in the Summary of the Plan section below), may become payable to you, the Beneficiary(ies) or the Mental Incapacity Benefit⁽³⁾ Recipient , providing extra potential returns.

For details of the above, please refer to the relevant terms and conditions in the policy provisions.

Guaranteed acceptance⁽²⁾ without any requirement for medical examination

As long as the Life Insured is eligible to apply for "PhoenixPower", regardless of the underwriting history, occupation, health and financial status, he/she will enjoy guaranteed acceptance⁽²⁾ without any requirement for medical examination.

Extended Supplementary Benefits Enhancing Protection for You and Your Family

Mental Incapacity Benefit⁽³⁾ Plus

The designated Mental Incapacity Benefit⁽³⁾ Recipient will be paid a Mental Incapacity Benefit⁽³⁾, which is equal to the Designated Percentage of Mental Incapacity Benefit⁽³⁾ (determined by the policy holder that such percentage could be 10% to 100%) multiply by Guaranteed Cash Value (if any) plus Special Dividend (if any) and Policy Value Management Balance (if any) as at the date of approval of such claim if the Life Insured is diagnosed as a Mentally Incapacitated Person, in accordance with policy provisions.

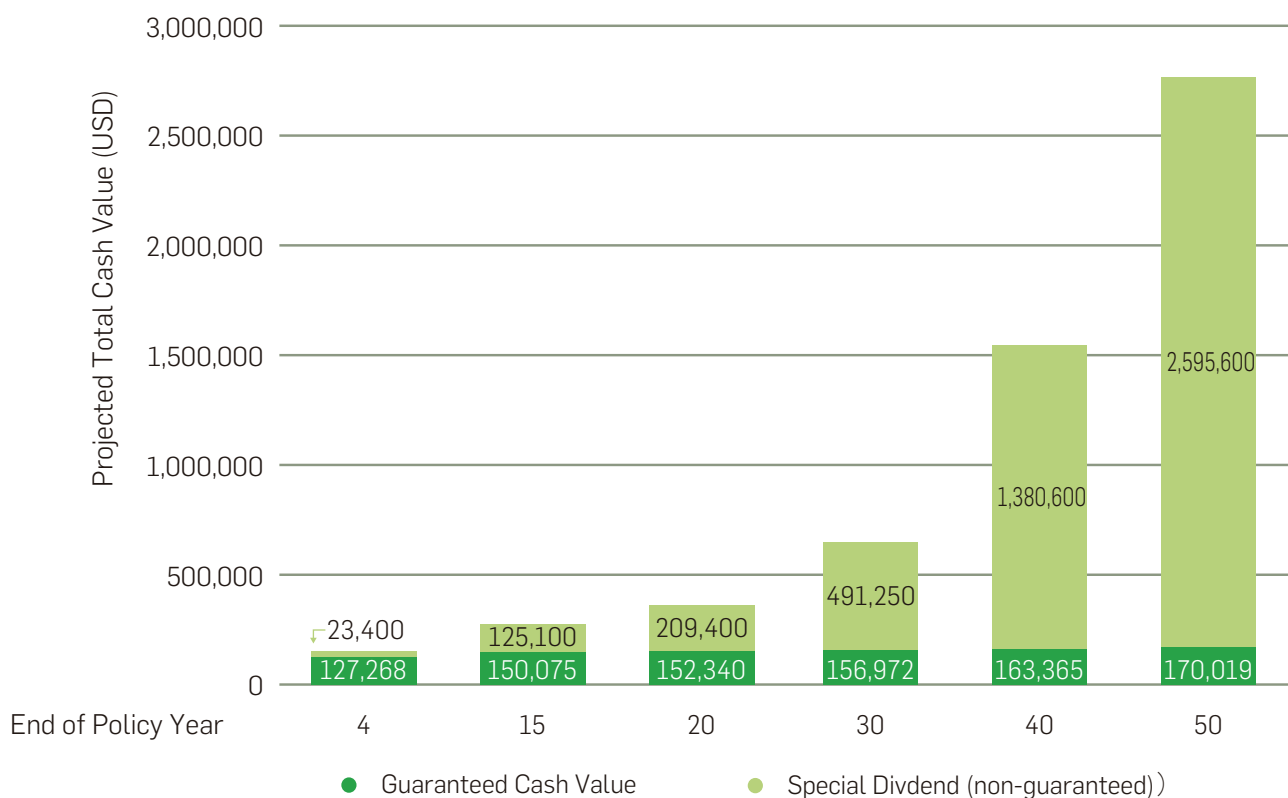
Illustrative Examples

The following examples are for illustration purpose only. The actual future amounts of benefits and/or returns may be higher or lower than the currently quoted benefits and/or returns.

Example 1

Dr. Cheung, 45 years old, non-smoker, has a 5-year-old son. She plans for retirement and wishes to plan ahead for legacy to maintain the quality of life for her beloved family. Therefore, she decides to apply for PhoenixPower Life Insurance Plan.

Policyholder	Dr. Cheung	Life Insured	Dr. Cheung
Insurance Age⁽⁶⁾ of Life Insured	45 years old	Premium	USD150,000 (Single Premium)
Beneficiary	Dr. Cheung's son	Mental Incapacity Benefit⁽³⁾ Recipient	Dr. Cheung's husband



End of Policy Year	Total Premium Paid ⁽¹⁾	Guaranteed Cash Value	Special Dividend (non-guaranteed)	Total Cash Value
4	USD150,000	USD127,268	USD23,400	USD150,668
15	USD150,000	USD150,075	USD125,100	USD275,175
20	USD150,000	USD152,340	USD209,400	USD361,740
30	USD150,000	USD156,972	USD491,250	USD648,222
40	USD150,000	USD163,365	USD1,380,600	USD1,543,965
50	USD150,000	USD170,019	USD2,595,600	USD2,765,619

When Dr. Cheung reaches Insurance Age⁽⁶⁾ of 49, the projected total cash value in the Policy is estimated to be higher than Total Premiums Paid⁽¹⁾, i.e. USD150,000. Projected total return breakeven point⁽⁷⁾ can be as short as 4 years. The breakeven point of Guaranteed Cash Value in the Policy is 15 years, i.e. when Dr. Cheung reaches Insurance Age⁽⁶⁾ of 60.

Policy Value Management Option

The Plan provides Policy Value Management Option (PVMO). Dr. Cheung can choose to exercise the PVMO to lock-in part of the Guaranteed Cash Value and non-guaranteed Special Dividend at the start of the 11th Policy Year to mitigate the impact of fluctuations in investment market.

Assuming that Dr. Cheung locks in 60% of the Guaranteed Cash Value and non-guaranteed Special Dividend:

Aggregate sum of Guaranteed Cash Value and non-guaranteed Special Dividend at the start of 11th Policy Year	USD222,105
The lock-in percentage of the Guaranteed Cash Value and non-guaranteed Special Dividend	60%
Locked-in Guaranteed Cash Value and non-guaranteed Special Dividend	USD 133,263
The remaining balance of Guaranteed Cash Value and non-guaranteed Special Dividend	USD 88,842

Guaranteed Cash Value and non-guaranteed Special Dividend under different market conditions at the end of the 11th Policy Year:

Under current projected investment return (at the end of the 11th Policy Year)	Assuming 15% increase in Special Dividend due to favourable market condition	Assuming 15% decrease in Special Dividend due to unfavourable market condition
Guaranteed Cash Value and non-guaranteed Special Dividend without exercising the PVMO (USD)		
231,767	246,572	216,962
Guaranteed Cash Value and non-guaranteed Special Dividend with the PVMO exercised (USD)		
228,635	234,557	222,713
Difference in Guaranteed Cash Value and non-guaranteed Special Dividend with the PVMO exercised (USD)		
-3,132	-12,015	5,751

To summarize

- If the market rises, the non-guaranteed Special Dividend may rise. If Dr. Cheung exercises the PVMO and locks part of the Guaranteed Cash Value and non-guaranteed Special Dividend, she may lose the opportunity to obtain a high potential return of the policy under favourable market condition.
- If the market falls, the non-guaranteed Special Dividend may fall. In this case, the exercising of the PVMO may help to protect a portion of Guaranteed Cash Value and non-guaranteed Special Dividend locked-in Dr. Cheung's policy.

Mental Incapacity Benefit⁽³⁾ Plus

If Dr. Cheung has an accident at the 20th Policy Anniversary, i.e. her Insurance Age⁽⁶⁾ of 65 and remained unconscious and required ongoing hospitalization.

A Registered Doctor who is a psychiatric specialist has confirmed Dr. Cheung as Mentally Incapacitated Person. Planning ahead with Mental Incapacity Benefit⁽³⁾ helps Dr. Cheung to free herself from complicated legal processes, obtain emergency amount in time. Dr. Cheung's husband is designated as the Mental Incapacity Benefit⁽³⁾ Recipient by Dr. Cheung under the Policy, she will receive relevant Mental Incapacity Benefit⁽³⁾, to cope with Dr. Cheung's medical and daily expenses.

Mental Incapacity Benefit⁽³⁾ which equals to Designated Percentage of Mental Incapacity Benefit multiply by Guaranteed Cash Value (if any), plus Special Dividend (if any) and Policy Value Management Balance (if any) as at the date of claim approval of this Supplementary Benefit.

Please refer to the following examples for details.

(i) Assume the Designated Percentage of Mental Incapacity Benefit⁽³⁾ of the policy is 100%:

Dr. Cheung's husband will receive Mental Incapacity Benefit⁽³⁾ of USD361,740.

If the Designated Percentage of Mental Incapacity Benefit⁽³⁾ is 100%, upon payment of the Mental Incapacity Benefit⁽³⁾, the Policy which includes the Basic Plan and all Supplementary Benefits (if any) will be terminated and the Company will be fully discharged from all further liability.

(ii) Assume the Designated Percentage of Mental Incapacity Benefit⁽³⁾ of the policy is 50%:

Dr. Cheung's husband will receive Mental Incapacity Benefit⁽³⁾ of USD180,870, to cope with Dr. Cheung's medical and daily expenses.

And when the policyholder designated Percentage is less than 100% of Mental Incapacity Benefit⁽³⁾, upon payment of the Mental Incapacity Benefit⁽³⁾, the Total Premiums Paid⁽¹⁾, Policy Amount, Guaranteed Cash Value, Special Dividend (if any), Policy Value Management Balance (if any) and subsequent premium (if any) under this Policy will be adjusted and reduced proportionally and the Death Benefit will be adjusted accordingly.

Death Benefit Settlement Options

The Plan provides the Death Benefit Settlement Option for Dr. Cheung to choose.

If Dr. Cheung passes away at the 40th Policy Anniversary, i.e. her Insurance Age⁽⁶⁾ of 85, the amount of Death Benefit will be USD1,543,965.

(i) Lump sum settlement

If Dr. Cheung passes away at the 40th Policy Anniversary, i.e. her Insurance Age⁽⁶⁾ of 85, the Beneficiary (Dr. Cheung's son) will receive a lump sum Death Benefit of USD1,543,965.

(ii) Monthly instalments

Assuming she chooses that all of the Death Benefit will be paid to the Beneficiary (Dr. Cheung's son) by monthly instalments over a settlement period of 10 years.

Dr. Cheung's Death Benefit will be paid to the Beneficiary (Dr. Cheung's son) through monthly instalments USD 12,866 over a settlement period of 10 years.

The remaining balance of any unpaid Death Benefit at a non-guaranteed interest rate will be held until the full amount of the Death Benefit has been paid to the Beneficiary(ies).

Accumulated interest USD 82,779 will be paid out in lump sum to the Beneficiary (Dr. Cheung's son) together with the last Death Benefit instalment.

Example 2

Mr. Chan wants to plan ahead for his newborn son (Insurance Age⁽⁶⁾ 0) as education funding and long-term savings. Therefore he decides to apply PhoenixPower Life Insurance Plan for his son. This plan also allows for the Life Insured to be changed for passing down wealth through generations.

Policyholder	Mr. Chan	Life Insured	Mr. Chan's son
Insurance Age⁽⁶⁾ of Lifer Insured	30 days	Premium	USD1,000,000 (Single Premium)
Beneficiary	Mrs. Chan		

End of Policy Year/ Insured attained age	Total Premiums Paid ⁽¹⁾ (USD)	Guaranteed Cash Value (USD)	Special Dividend (non-guaranteed) (USD)	Total Cash Value (USD)
4	1,000,000	848,450	156,000	1,004,450
15	1,000,000	1,000,500	834,000	1,834,500
20	1,000,000	1,015,600	1,396,000	2,411,600
40	1,000,000	1,089,100	9,204,000	10,293,100
60	1,000,000	1,179,620	31,845,000	33,024,620
85	1,000,000	1,303,410	140,503,000	141,806,410

When Mr. Chan's son reaches Insurance Age⁽⁶⁾ of 4, the projected total cash value is estimated to be higher than Total Premiums Paid⁽¹⁾, i.e. USD1,000,000. For policy with USD as policy currency, the breakeven point of Guaranteed Cash Value is 15 years, i.e. when his son reaches Insurance Age⁽⁶⁾ of 15. When his son reaches Insurance Age⁽⁶⁾ of 20, the projected total cash value is over 2 times the Total Premiums Paid⁽¹⁾.

Summary of the Plan

Payment Term (years)	Single Premium	3	5
Minimum Premium	USD62,500 RMB400,000	USD10,000.2 RMB64,000	USD6,250 RMB40,000
Life Insured's Insurance Age⁽⁶⁾ upon Application	Age 15 days – 65		
Payment Mode	i. Single Premium ii. Annual Premium iii. Monthly Premium		
Premium Rate	Same premium rate applies regardless of Insurance Age ⁽⁶⁾ or sex of the Life Insured		
Policy Currency	USD / RMB		
Policy Term	Whole of life		
Guaranteed Cash Value	Can only be withdrawn upon surrender in full or in part ⁽⁵⁾ , cancellation, lapse or termination of the Policy		
Special Dividend	<p>Special Dividend is a non-guaranteed amount to be declared by "Hang Seng Insurance" at their absolute discretion.</p> <p>Special Dividend (if any) is payable when the Policy is in force and upon the occurrence of the following (whichever is the earliest):</p> <ul style="list-style-type: none"> (i) the death of the Life Insured (in accordance to policy terms); (ii) the cancellation, lapse or termination of the Policy; or (iii) Surrender⁽⁵⁾, whether in full or in part of the Policy; or (iv) any payment of Mental Incapacity Benefit⁽³⁾. <p>Upon the exercise of the Policy Value Management Option, a portion of the Special Dividend (if any) relevant to the portion of the Net Cash Value⁽⁶⁾ to be allocated to the Policy Value Management Balance will be declared and such amount (if any) will be allocated to the Policy Value Management Balance to accumulate with interest.</p> <p>Upon the partial surrender⁽⁵⁾ of the Policy, a portion of the Special Dividend (if any) attributable to the reduced portion of the Policy Amount will be declared and such amount, if any, will be payable as part of the partial surrender payment.</p> <p>For details of the above, please refer to the relevant terms and conditions in the policy provisions.</p>		

<p>Policy Value Management Option</p>	<p>After the 10th Policy Year, Policyholder may apply to exercise this Policy Value Management Option to lock-in a portion of the Guaranteed Cash Value and non-guaranteed Special Dividend (if any) provided that all premiums have been paid when due and there is no Indebtedness under this Policy.</p> <p>The amount Policyholder chooses to lock-in is guaranteed upon exercising this option and will be allocated to the Policy Value Management Balance to accumulate with a non-guaranteed interest rate as determined by "Hang Seng Insurance" from time to time.</p> <p>The exercise of this Policy Value Management Option is subject to the following two minimum amount requirements, and will be determined by "Hang Seng Insurance" from time to time:</p> <ul style="list-style-type: none"> (i) the portion of Guaranteed Cash Value and non-guaranteed Special Dividend (if any) to be allocated per request; and (ii) the reduced Policy Amount if the option is exercised <p>To apply for the exercise of this Policy Value Management Option, Policyholder must submit a written request in a form as prescribed by "Hang Seng Insurance". Upon our acceptance of the exercise of the Policy Value Management Option, the Total Premiums Paid⁽¹⁾, Policy Amount, Guaranteed Cash Value and Special Dividend (if any) under this Policy will be adjusted and reduced proportionally and the Death Benefit will be adjusted accordingly. Policy Value Management Option cannot be revised or cancelled once this option is exercised and accepted.</p>																						
<p>Policy Value Management Balance</p>	<p>Policy Value Management Balance is the amount Policyholder have locked-in from exercising the Policy Value Management Option, which is allocated to the policy to accumulate with a non-guaranteed interest rate, and less any previously withdrawn amounts.</p> <p>Any Policy Value Management Balance under this Policy can be withdrawn any time while the Policy is in force by submitting a form made available by "Hang Seng Insurance" without any extra charges.</p>																						
<p>Death Benefit</p>	<p>If the Life Insured passes away when the Policy is in force, the Beneficiary(ies) will receive the Death Benefit, which is equal to the higher of:</p> <ul style="list-style-type: none"> (i) Designated Percentage of Total Premiums Paid⁽¹⁾ for the Basic Plan stated below that may be payable will differ by policy year; or <table border="1" data-bbox="584 1357 1505 2045"> <thead> <tr> <th>When death of Life Insured occurs</th> <th>Applicable Percentage</th> </tr> </thead> <tbody> <tr> <td>Before the 1st Policy Anniversary</td> <td>100%</td> </tr> <tr> <td>From the 1st Policy Anniversary till the day immediately preceding the 2nd Policy Anniversary</td> <td>100%</td> </tr> <tr> <td>From the 2nd Policy Anniversary till the day immediately preceding the 3rd Policy Anniversary</td> <td>105%</td> </tr> <tr> <td>From the 3rd Policy Anniversary till the day immediately preceding the 4th Policy Anniversary</td> <td>110%</td> </tr> <tr> <td>From the 4th Policy Anniversary till the day immediately preceding the 5th Policy Anniversary</td> <td>115%</td> </tr> <tr> <td>From the 5th Policy Anniversary till the day immediately preceding the 6th Policy Anniversary</td> <td>120%</td> </tr> <tr> <td>From the 6th Policy Anniversary till the day immediately preceding the 7th Policy Anniversary</td> <td>125%</td> </tr> <tr> <td>From the 7th Policy Anniversary till the day immediately preceding the 8th Policy Anniversary</td> <td>140%</td> </tr> <tr> <td>From the 8th Policy Anniversary till the day immediately preceding the 9th Policy Anniversary</td> <td>165%</td> </tr> <tr> <td>From the 9th Policy Anniversary and onwards</td> <td>200%</td> </tr> </tbody> </table>	When death of Life Insured occurs	Applicable Percentage	Before the 1 st Policy Anniversary	100%	From the 1 st Policy Anniversary till the day immediately preceding the 2 nd Policy Anniversary	100%	From the 2 nd Policy Anniversary till the day immediately preceding the 3 rd Policy Anniversary	105%	From the 3 rd Policy Anniversary till the day immediately preceding the 4 th Policy Anniversary	110%	From the 4 th Policy Anniversary till the day immediately preceding the 5 th Policy Anniversary	115%	From the 5 th Policy Anniversary till the day immediately preceding the 6 th Policy Anniversary	120%	From the 6 th Policy Anniversary till the day immediately preceding the 7 th Policy Anniversary	125%	From the 7 th Policy Anniversary till the day immediately preceding the 8 th Policy Anniversary	140%	From the 8 th Policy Anniversary till the day immediately preceding the 9 th Policy Anniversary	165%	From the 9 th Policy Anniversary and onwards	200%
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	<p>(ii) Guaranteed Cash Value as at the date of death of the Life Insured plus Special Dividend (if any);</p> <p>and Policy Value Management Balance (if any);</p> <p>less Indebtedness (if any)</p>
Death Benefit Settlement Option	<p>Upon the Policyholder's written request, the Beneficiary will receive the Death Benefit in</p> <p>(i) Lump Sum Settlement (Default option), and/or</p> <p>(ii) Monthly instalments</p> <ul style="list-style-type: none"> • A change request form has to be submitted to "Hang Seng Insurance" if monthly instalments is selected. • Whilst the Life Insured is alive, the Policyholder may elect in writing that all or part of the Death Benefit will be paid to the Beneficiary(ies) by monthly instalments over a settlement period of 10 years or 20 years. The remaining balance of any unpaid Death Benefit will be held at a non-guaranteed interest rate determined by "Hang Seng Insurance" at their sole discretion until the full amount of the Death Benefit has been paid to the Beneficiary(ies). The accumulated interest (if any) will be paid to the Beneficiary(ies) in the last instalment. If only part of the Death Benefit is chosen to pay out as monthly instalments, the rest will be paid out in lump sum to the Beneficiary upon the death of the Life Insured and claim approval. • Monthly instalment option will not be exercised if the Death Benefit is less than the minimum instalment amounts and in that event, the Death Benefit will be paid to the Beneficiaries in a lump sum. The requirement on minimum instalment amounts is determined by "Hang Seng Insurance" from time to time.
Contingent Owner	<ul style="list-style-type: none"> • Policyholder may designate a Contingent Owner of the Policy by submitting a written request while the Policy is in force. • Policyholder may designate only 1 individual as Contingent Owner at a time. • Once the Contingent Owner becomes the Policyholder, any revocable Beneficiary(ies) and the Recipient of Mental Incapacity Benefit⁽³⁾ on the record will be automatically revoked. • Please refer to the policy provisions for the full details and conditions.
Change of Life Insured⁽⁴⁾	<ul style="list-style-type: none"> • At any time after the premium payment term or the 1st policy anniversary (whichever is later), while the policy is in force, Policyholder can apply for a change of Life Insured⁽⁴⁾ for unlimited times without any administrative charge subject to terms specified. • Please refer to the policy provisions for the full details and conditions.
Supplementary Benefits	<ul style="list-style-type: none"> • Mental Incapacity Benefit Plus⁽³⁾

Key Exclusions:

Supplementary Benefit — Mental Incapacity Benefit Plus⁽³⁾

No benefit will be paid for mental incapacity resulting directly or indirectly from, or caused by or contributed by (in whole or in part), any of the following:

- (i) any self-inflicted injury or attempted suicide while sane or insane; or
- (ii) intoxication by alcohol or drugs not prescribed by a Registered Doctor; or
- (iii) any condition which existed before the Issue Date of this Policy or effective date of this Supplementary Benefit or effective date of last reinstatement, whichever is the latest, in respect of the Life Insured and which presented sign or symptom of which the Policyholder or Life Insured was aware of or should reasonably have been aware of as of the Issue Date of this Policy or effective date of this Supplementary Benefit or effective date of last reinstatement, whichever is the latest.

The above are only the major exclusions. It does not contain the full terms of the Policy and the full terms can be found in the policy provisions.

Remarks

1. Total Premiums Paid is the total amount of premiums due and paid for the Basic Plan.
2. The maximum total premium amount for Guaranteed acceptance (per Life Insured) is fixed at a limit regardless of the Insurance Age of the Life Insured. Total premium amount refers to the total premium amount of the Plan and other life insurance plans determined by "Hang Seng Insurance". For details of the underwriting requirements, please contact our "Hang Seng Bank" branch staff. This Plan is subject to the relevant requirements on nationality, and/or addresses of the Policyholder and/or Life Insured as determined by "Hang Seng Insurance" from time to time. "Hang Seng Insurance" reserves the right to accept or decline any applications for the Plan based on the information provided by the Life Insured and/or Policyholder during enrollment.
3. If the Life Insured is diagnosed as a Mentally Incapacitated Person while this Policy is in force, we will pay the Mental Incapacity Benefit which equals to Designated Percentage of Mental Incapacity Benefit X (a) Guaranteed Cash Value (if any), plus (b) Special Dividend (if any), plus (c) Policy Value Management Balance (if any) as at the date of claim approval of this Supplementary Benefit. Any Indebtedness shall be deducted from the Mental Incapacity Benefit at the time of payment. The Mental Incapacity Benefit is only payable once while this Policy is in force. Only when a Mental Incapacity Benefit Recipient is designated in this Policy by the Policyholder, such Mental Incapacity Benefit Recipient will be entitled to this Supplementary Benefit. Mental Incapacity Benefit Recipient must be aged 18 or above at the time of designation. While the Policy is in force, the Policyholder may designate or change the Designated Percentage of Mental Incapacity Benefit and/or Mental Incapacity Benefit Recipient by giving a written request in a form specified by "Hang Seng Insurance". The Designated Percentage of Mental Incapacity Benefit shall be a whole number percentage between 10% to 100%, subject to our review from time to time. Your request is subject to our requirements as determined by us from time to time. A change of Designated Percentage of Mental Incapacity Benefit and/or Mental Incapacity Benefit Recipient shall be effective only if accepted and recorded by "Hang Seng Insurance". The Mental Incapacity Benefit is paid only if the Mental Incapacity Benefit Recipient has been designated. In case (i) there is a guardian or committee appointed under the Mental Health Ordinance (Cap.136 Laws of Hong Kong SAR) (or if there is a guardian or committee appointed under similar laws in another jurisdiction) or an enduring power of attorney covering this Policy; and/or (ii) the Policyholder is not the Life Insured; and/or (iii) this Policy has been assigned, this Supplementary Benefit will only be paid to the designated Mental Incapacity Benefit Recipient with the consent of the guardian or committee or attorney (as applicable in (i)); and/or the Policyholder (as applicable in (ii)); and/or the assignee (as applicable in (iii)), as the case may be. In case there is a dispute or in the Company's reasonable belief, there is a dispute between the Mental Incapacity Benefit Recipient and any other person, including but not limited to the Policyholder, Life Insured's guardian or committee, attorney, Beneficiary(ies) or assignee, "Hang Seng Insurance" reserves the right to withhold payment until such dispute is resolved. If the Designated Percentage of Mental Incapacity Benefit is 100%, upon payment of the Mental Incapacity Benefit, the Policy which includes the Basic Plan and all Supplementary Benefits (if any) will be terminated and the Company will be fully discharged from all further liability. If the Designated Percentage of Mental Incapacity Benefit is less than 100%, upon payment of the Mental Incapacity Benefit, the Total Premiums Paid, Policy Amount, Guaranteed Cash Value, Special Dividend (if any), Policy Value Management Balance (if any) and subsequent premium (if any) under this Policy will be adjusted and reduced proportionally and the Death Benefit will be adjusted accordingly. A revised Policy Schedule will be issued to the Policyholder.
4. Our acceptance of any Change of Life Insured request will be entirely at our absolute discretion and shall be subject to satisfactory proof of the insurability of the new Life Insured, the Policyholder having adequate insurable interest in the new Life Insured and any other requirements as determined by us from time to time. The Company will issue a Policy Endorsement and a revised Policy Schedule to effect the Change of Life Insured. Upon Change of Life Insured, we may adjust the Total Premiums Paid, Policy Amount, Guaranteed Cash Value, Special Dividend (if any) and Death Benefit at our absolute discretion.

5. If the Policyholder surrenders the Policy after the cooling-off period and when the Policy is in force, the surrender proceeds to be received may be less than the total premium and levy paid. Please refer to the illustration summary of this Plan for details. If Policyholder surrenders the Policy within the policy term, the surrender proceeds payable to the Policyholder will be an amount equal to the Net Cash Value (if any) plus Special Dividend (if any) and Policy Value Management Option Balance (if any) as at the date the surrender request. Upon partial surrender, the Total Premiums Paid for the Basic Plan under this Policy will be adjusted and reduced proportionally and consequential adjustments will be made in the calculations of Guaranteed Cash Value, Special Dividend (if any) and Death Benefit.
6. Insurance Age means, at any date, the age of the Life Insured or the Policyholder (where applicable) on the last birthday prior to (or on the birthday the same day as) the Policy Date or the relevant Policy Anniversary.
7. Projected total return breakeven point is deduced based on the Total Cash Value, which equals to the sum of Guaranteed Cash Value and non-guaranteed Special Dividend.
8. Net Cash Value means at any time, an amount equivalent to the Guaranteed Cash Value less Indebtedness (if any).

Product risks

Credit risk

The benefits of this Plan are subject to the credit risk of "Hang Seng Insurance". Policy benefits include Death Benefit and surrender benefit (if applicable) etc. The premium that you pay will become parts of "Hang Seng Insurance"'s assets, and the life insurance plans of "Hang Seng Insurance" involve policy benefits such as Death Benefit and surrender benefit payable to the Policyholders or Beneficiaries by "Hang Seng Insurance". You should bear the credit risk associated with "Hang Seng Insurance" [i.e. the risk that "Hang Seng Insurance" may not be able to deliver its obligations bound by the policies (including the payment of policy benefits) due to financial difficulties].

Risk affecting non-guaranteed benefit determination

The scales for calculating Special Dividend at policy termination are not guaranteed and are determined by "Hang Seng Insurance" from time to time. Whether Special Dividend is payable and amount to be paid depend on how well the performance of relevant participating policies 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, persistency experience, expenses, and the long term future performance outlook (both economic and non-economic factors). The key risk factors are further described below:

- **Investment risk factors** — The investment performance of the assets supporting the policies is subject to various market risk factors including but not limited to:
 - **Interest rate risks** — The risk that the interest earnings and the values of assets will be affected by the change of interest rate level and its outlook, and lead to investment loss.
 - **Equity risk** — The risk that the prices and volatilities of equity type investments and alternative investments will change and lead to investment loss.
 - **Credit risk** — The risk of investment losses due to the default or change in credit quality of issuers of debt securities or counterparties.
 - **Currency risk** — The risk that the values of investments that are in other currencies different from the policy currency will be affected by the change of exchange rates.
- **Claims factor** — The actual experience of mortality and morbidity is uncertain which may lead to a higher than expected claim or living benefit payment and result in worse performance.
- **Persistency factor** — The actual experience of policy surrender (full or partial) and policy lapse is uncertain, and therefore it has impacts on both the current performance and future return of the portfolio of the policies.
- **Expense factor** — The actual amount of expenses incurred and apportioned to the group of policies may be higher than expected and impact the overall performance of the product. The expenses may include direct expenses which are specifically related to the group of policies, such as commission, underwriting, policy acquisition and maintenance expenses. It may also include indirect expenses such as general overhead costs which will be allocated to the group of policies.

Risks from surrender

If you surrender the Policy after the expiry of the cooling-off period, the surrender proceeds to be received may be significantly less than the Total Premiums Paid. Please refer to the illustration summary of this Plan for the projected surrender values. All details regarding policy surrender should be referred to the relevant policy provisions. Please contact "Hang Seng Bank" branch staff and you are required to complete and submit the "Application for Policy Surrender" for policy surrender.

Risks from Partial Surrender

The policy can be partially surrendered at any time after the cooling-off period. If the Policyholder has made any withdrawals through partial surrender, the Total Premiums Paid and Policy Amount of the policy will be decreased accordingly. This will reduce the Guaranteed Cash Value, Special Dividend (if any) and Death Benefit accordingly.

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 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 significantly less than the premiums paid. You may also apply for withdrawal of any accumulated amounts that are left within the Policy but the amount available for withdrawal is not guaranteed and the amount of Guaranteed Cash Value, Special Dividend (if any) and Death Benefit will be reduced accordingly subsequent to the withdrawal.

Inflation risk

Your current planned benefit may not be sufficient to meet your future needs since the cost of living may become 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 "Hang Seng Insurance" meets all of its contractual obligations.

Policy currency risk

By choosing the Plan denominated in currencies other than local currency, you are subject to exchange rate risks. Exchange rate fluctuates from time to time. Upon the currency conversion, 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.

If you enroll "PhoenixPower" in Renminbi as policy currency, you may elect to pay premiums and receive policy benefits in Renminbi or Hong Kong Dollar. However, "Hang Seng Insurance" reserves the right in determining the premium in which you pay and the policy benefits in which you receive.

Renminbi is currently not freely convertible and conversion of Renminbi may be subject to certain policy, regulatory requirements and/or restrictions (which are subject to changes from time to time without notice). The actual conversion arrangement will depend on the policy, regulatory requirements and/or restrictions prevailing at the relevant time. As Renminbi is currently not freely convertible and is subject to exchange controls by the Chinese government, Renminbi currency conversion is subject to availability and "Hang Seng Insurance" may not have sufficient Renminbi at the relevant time.

You have considered the aforesaid exchange rate risk factors, conversion arrangement and the potential loss associated before applying for the Plan.

Policy termination

"Hang Seng Insurance" has the right to terminate your Policy under any of the following circumstances:

- The policy loan with accrued interest exceeds the Guaranteed Cash Value;
- If "Hang Seng Insurance" reasonably consider that by continuing the Policy or the relationship with you, "Hang Seng Insurance" may break any laws, or "Hang Seng Insurance" or a member of the HSBC Group, may be exposed to action censure from any authority

For details of the above, please refer to the relevant terms and conditions in the policy provisions.

Important notes

Cooling-off period

"PhoenixPower" is a life insurance plan with saving elements and is not equivalent or similar to any kind of bank deposit.

Part of the premium pays for the insurance and related costs. If you are not satisfied with your policy, you have a right to cancel it within the cooling-off period (that is, 21 calendar days* immediately following either the day of delivery of the policy or the Cooling-off Notice to you/ your nominated representative (whichever is earlier)) and obtain a refund of any premiums and levy paid (less any market value adjustment for investment-linked or non-linked single pay payment/single premium policy. The basis of calculation of market value adjustment includes single premium interest rate, New Money Crediting Interest Rate, Guaranteed Crediting Interest Rate Lock and General Crediting Interest Rate (if applicable)). A written form designated by us, notwithstanding whether the cooling-off reason will be provided or not, must be signed by you and returned by mail to Hang Seng Insurance Company Limited at 18/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Kowloon, Hong Kong or returned to any Hang Seng Bank branches (except MTR station outlets)[†] within the Cooling-off Period.

Note:

* If the last day of the period does not fall on a working day, the period will include the next working day.

[†] Only applicable to personal customer.

Suicide

If the Life Insured passes away by suicide within one year of the Issue Date or from the effective date of last reinstatement or the effective date of the last Change of Life Insured (whichever is later), whether in a sane or insane condition, "Hang Seng Insurance's" liability will be limited to the amount paid to "Hang Seng Insurance" less any amount "Hang Seng Insurance" may have paid to you since the Policy Date. Please refer to Policy provisions of the Basic Plan for detailed terms and conditions.

Claim procedures of Life Insurance

If you need to make a claim, you can request a claim form through any one of the methods below:

- (1) download from Form Center in "Hang Seng Insurance" website: <https://www.hangseng.com/en-hk/personal/forms/>; or
- (2) request from any "Hang Seng Bank" branch; or
- (3) through the Claims Service Hotline (852) 2288 6992.

Please complete and submit the claim form to "Hang Seng Insurance" at Life Claims Department, 18/F Tower 1, HSBC Centre, 1 Sham Mong Road, Kowloon, Hong Kong by mail or any "Hang Seng Bank" branch within the specified period together with requested proof. "Hang Seng Insurance" Claims Service Team will process the claim (additional information may be required from the claimant), and settle the claim payment.

Please remember that it is important to lodge your claim within the specified time frame. If you do not do so, we may not be able to consider your claim.

Policy loan

You may apply for a policy loan in respect of "PhoenixPower" while the Policy is in force. Loan interest will be applied and you will be advised of the rate of interest from time to time. Any policy loan and accrued loan interest may reduce the Net Cash Value⁽⁶⁾ and Death Benefit of the Policy. When, at any time, the loan with accrued interest exceeds the Guaranteed Cash Value before Indebtedness, "Hang Seng Insurance" have the right to lapse the Policy. Policy loan may cause the Policy to lapse or be terminated, please refer to the Policy provisions on its terms and conditions.

Philosophy in deciding the dividends, investment policy and strategy

For details of the philosophy in deciding the dividends, investment policy and strategy, please refer to section Notes on Participating Policy.

For the subsequent updates on dividends, investment policy and strategy, and the historical fulfillment ratios of this Plan, please refer to "Hang Seng Insurance" website:

<https://www.hangseng.com/en-hk/personal/insurance-mpf/other/policy-dividend/>

Commission disclosure

"Hang Seng Insurance" would provide "Hang Seng Bank" the relevant commission and performance bonus in accordance to the selling of this Plan. The existing sales staff remuneration policy employed by "Hang Seng Bank" would take into account various aspects of the staff performance but not solely on the sales amount.

Dispute resolution

- "Hang Seng Bank" is an insurance agent authorised by "Hang Seng Insurance" and the product is a product of "Hang Seng Insurance" but not "Hang Seng Bank"; and
- In respect of an eligible dispute (as defined in the Terms of Reference for the Financial Dispute Resolution Centre in relation to the Financial Dispute Resolution Scheme) arising between "Hang Seng Bank" and you out of the selling process or processing of the related insurance product transaction, "Hang Seng Bank" will enter into a Financial Dispute Resolution Scheme process with you; however any dispute over the contractual terms of the insurance products should be resolved between "Hang Seng Insurance" and you directly.

This Plan is underwritten by "Hang Seng Insurance" which is authorised and regulated by the Insurance Authority of the HKSAR. This Plan is intended only for sale in the Hong Kong SAR.

Customer Enquiry 2198 7838 hangseng.com

Tax Reporting and Financial Crime

"Hang Seng Insurance" and other members of the HSBC Group have certain obligations to Hong Kong and foreign legal or regulatory bodies and government or tax authorities, and are bound by HSBC Group's requirements, regarding you and your Policy and "Hang Seng Insurance" may from time to time request consent and information from you in relation to these obligations and requirements.

There are consequences, which will be set out in your policy terms, if you fail to provide to "Hang Seng Insurance" consent or 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 "Hang Seng Insurance" may:

- take such actions as are necessary to enable it or a member of the HSBC Group to meet these obligations and requirements;
- 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 from the Policy in the event of benefits or payments withholding and/or policy termination by "Hang Seng Insurance" as mentioned above plus the total amount that you have received from the Policy (if any) before policy termination may be less than the total amount of the premium(s) you have paid. "Hang Seng Insurance" recommends that you seek your own independent professional advice on your tax liabilities.

Notes on participating policy

"Hang Seng Insurance" issues participating policies, which are life insurance contracts providing both guaranteed and non-guaranteed benefits. The guaranteed benefits may include the following: 1) guaranteed death benefits, and 2) guaranteed cash values. The non-guaranteed benefits include dividends, which may be paid or varied at the discretion of "Hang Seng Insurance". The dividend of this Plan, if any, is in form of:

Special Dividend which is a one-off entitlement declared upon the death of the Life Insured or termination of the Policy (e.g. surrender etc.). The amount of Special Dividend may change from time to time based on the performance over the entire period before such declaration as well as the prevailing market condition and the actual amount will not be determined until it is payable.

The key feature of participating policies over other forms of insurance policies is that in addition to the guaranteed benefits receivable, Policyholders will also benefit from additional dividend payments if the performance of relevant participating policies is better than that required to support the underlying guarantees. The better the performance, the greater the Special Dividend payments, and, conversely, the worse the performance, the lower the Special Dividend payments.

Dividend philosophy

Special Dividend allows Policyholders to participate in the financial performance of the life insurance operations. Whether Special Dividend is payable and the size of the dividend which "Hang Seng Insurance" distributes or pays depend on the performance of relevant participating policies with regard to investment returns on the assets supporting the policies, as well as other factors including but not limited to claims, persistency, expenses, and the long term future performance outlook (both economic and non-economic factors). Performance of policies managed similarly are pooled together when deciding the amount of Special Dividend to be paid. Please refer to section "Product risks–Risk affecting Non-guaranteed benefit determination" on the product brochure for the detail of key risk factors.

"Hang Seng Insurance" regularly reviews the level of Special Dividend payable to Policyholders. Both the past actual performance and management's expectations of the long-term future performance will be assessed against the expected level. If variances arise, "Hang Seng Insurance" may consider sharing such variances with Policyholders through the adjustment of Special Dividend scales. If the performance over the long term is better than expected, then the dividend amount paid would increase. If performance is below expectation, then dividend amount paid would decrease.

When considering the adjustment of Special Dividend scales, "Hang Seng Insurance" strives to maintain a more stable payout to the Policyholders by smoothing. This means that the Special Dividend level will only be changed if the actual performance is significantly different from the expected level over a certain period of time or if management's long-term future performance expectations change substantially.

In order to achieve broad fairness between Policyholders of participating products, "Hang Seng Insurance" will carefully consider the experiences of different groups of policies so that each group of policies will receive a fair return reflecting mostly its own performance. "Hang Seng Insurance" has also established a dedicated committee to review the fairness of treatment to Policyholders and to provide independent advice on the management of the participating policies and the determination of dividend level.

Investment strategy

"Hang Seng Insurance" operates an investment strategy with key objectives as follows:

- i. Ensure that we can meet the guaranteed benefits that we have committed to you;
- ii. Deliver to your competitive long-term returns through the non-guaranteed dividends; and
- iii. Abide by a pre-defined set of risk appetite.

Participating Policy (Policy Currency: USD)

The assets supporting the participating policies are carefully managed and monitored according to a predefined set of risk appetite. The asset portfolio consists of fixed income assets issued by government and corporate entities with good credit quality and long term prospects. It may also include a small portion of high-yield fixed income assets to enhance yield. Growth assets, including but not limited to equities, properties, hedge funds and private equities are managed on prudent basis and may be utilized in order to enhance investment performance in the long run. Subject to our investment strategy, financial derivatives may be used for hedging or efficient portfolio management.

The asset portfolio is well diversified in different types of assets, and is invested in global geographical markets (mainly US, Europe, Asia including HK) and industries. Investment for fixed income assets are mainly in HKD and USD to match the currency of the underlying policies while growth assets are invested in various currencies for diversification.

Participating Policy (Policy Currency: RMB)

The assets supporting the participating policies are carefully managed and monitored according to a predefined set of risk appetite. The asset portfolio consists of fixed income assets (including both onshore bonds in China Inter-bank Bond Market ("CIBM") and offshore bonds in offshore ("CNH") Renminbi market). It may also include a small portion of high-yield fixed income assets to enhance yield. Growth assets, including but not limited to equities, properties, hedge funds, and private equities are managed on prudent basis and may be utilized in order to enhance investment performance in the long run. Subject to our investment strategy, financial derivatives may be used for hedging or efficient portfolio management. However, investing in RMB denominated assets is subject to applicable laws, regulations and guidelines issued by relevant regulatory authorities from time to time. Any change of the applicable laws, regulations and guidelines may lead to an update to the investment strategy and the associated investment performance may be affected.

The asset portfolio is well diversified in different types of assets, and is invested in global geographical markets (mainly US, Europe, Asia including HK) and industries. Investment for fixed income assets are mainly in RMB to match the currency of the underlying policies while growth assets are invested in various currencies for diversification.

Target asset allocation

The current long-term target strategy is to allocate assets attributed to this product as follows:

Asset Type	Allocation %
Fixed Income	40%-100%
Growth Assets	0%-60%

There could be slight deviation from the above range due to market fluctuation.

Actual allocations will take into consideration past investment performance of the assets supporting the policies, prevailing market conditions and future outlook, and the guaranteed and non-guaranteed benefits of the policies. As the performance of the growth assets investment plays an important role in determining the level of non-guaranteed benefits, under normal circumstances and free from any investment and operational constraints, it is expected that the allocation to growth assets will fall within the higher end of the range as specified, in order to optimize the chance of achieving the illustrated level of non-guaranteed benefits. The management and investment strategy of the asset portfolio may be subject to change depending on the market conditions and economic outlook, and we would inform Policyholders should there be any material changes.

Accumulation Interest Rate

Policyholders can choose to exercise the Policy Value Management Option to lock-in a portion of Guaranteed Cash Value and non-guaranteed Special Dividend (if any) to the Policy Value Management Balance to accumulate with interests.

Policyholders can submit a written request to "Hang Seng Insurance" to change the default Death Benefit Settlement Option. If monthly instalments are selected, the remaining balance of any unpaid Death Benefit will be held at a non-guaranteed interest rate until the full amount of the Death Benefit has been paid to the Beneficiary(ies).

The accumulation interest rates are not guaranteed and will be determined by "Hang Seng Insurance" at its discretion from time to time. "Hang Seng Insurance" reviews the accumulation interest rates regularly with reference to the portfolio yields of fixed income assets, prevailing market conditions, the outlook on fixed income asset yields, the cost associated with the provision of the accumulation service, and the likelihood of policyholders leaving their payment for accumulation.

The policy in determining the dividends and accumulation interest rates may be reviewed and adjusted by "Hang Seng Insurance" from time to time. For any subsequent updates, please visit

<https://www.hangseng.com/en-hk/personal/insurance-mpf/other/policy-dividend/>

You may also visit the above website to understand the historical fulfillment ratio of dividend distribution for reference purposes. However, the past performance or current performance of "Hang Seng Insurance" 's business may not be a guide for future performances.

This product brochure is issued by "Hang Seng Insurance" containing only a consolidated and summary description of this Plan and is for reference only. You should read this product brochure in conjunction with the respective product factsheet(s), Notes on Participating Policy and illustration summary and refer to the policy provisions for the detailed terms and conditions and charges of this Plan.

Please refer to the relevant policy provisions for exact terms, conditions and exclusions of this Plan, and the policy provisions will be considered final. For details of this Plan and the policy terms, please contact any "Hang Seng Bank" branch. Specimen copy of the policy provisions will be provided upon request.

如你欲索取本計劃之中文版本產品冊子，請聯絡「恒生銀行」之分行職員或致電「恒生保險」熱線 2198 7838。

PhoenixPower Life Insurance Plan

Hang Seng Insurance Company Limited is a wholly- owned subsidiary of Hang Seng Bank.

28/F, Hang Seng 113, 113 Argyle Street, Mongkok, Hong Kong.

"Hang Seng Insurance" is authorized and regulated by the Insurance Authority to carry on long-term insurance business in the Hong Kong Special Administrative Region.

Hang Seng Bank Limited ("Hang Seng Bank") is an insurance agent of "Hang Seng Insurance". PhoenixPower Life Insurance Plan is underwritten by "Hang Seng Insurance" and it is only intended for sale through Hang Seng Bank in the Hong Kong Special Administrative Region.

For monetary disputes arising between Hang Seng Bank and you out of the selling process or processing of the related transaction, Hang Seng Bank 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.

"Hang Seng Insurance" 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 full terms and conditions.

October 2023