

Terms of Business Letter

This Terms of Business Letter provides an overview of the insurance services offered by Hang Seng Bank Limited ("the Bank"), and indicates the scope of our insurance services provided by our insurance sales staff.

- The Bank will at all times endeavour to suggest a range of insurance products to the customer having considered the possible suitability for the customer's personal circumstances. The Bank's insurance sales staff will perform a needs analysis for the customer before making any suggestion to him/her. All suggestions are based on information that the customer provides to the Bank. All information that the customer discloses will be kept confidential and used in accordance with the applicable laws and regulations. The customer has the right not to disclose information but this will restrict the ability of the Bank's insurance sales staff to suggest products or services.
- The Bank will provide documentation to the customer to explain how the insurance product works and to disclose relevant information including risks, fees and charges, and other relevant features of insurance products. The customer should read and understand all accompanying documents of the insurance products before purchasing the products.
- The Bank does not give any investment advice on investment-linked insurance products. The Bank may review the customer's existing insurance needs at any time upon the request of the customer.
- The Bank's insurance sales staff will ask the customer to complete a Risk Profiling Questionnaire when the customer is considering purchasing any investment-linked insurance products. This questionnaire will help the customer decide what level of investment risk he/she is able to accept. As the customer's risk appetite can change over time and he/she may have different risk appetites depending on the purpose of the investment, the Bank will offer the customer the opportunity to complete this questionnaire each time when he/she is purchasing any investment-linked insurance products.
- If the customer requires advice on his/her legal, taxation or estate planning position, he/she should consult a qualified professional.

Should the customer have any opinions about any aspect of the service provided by the Bank, please contact us via the following channels:

- Visit any of our branches
- Complete the Customer Suggestions Leaflet which is placed at our branches for collection by customers
- Call our Customer Suggestions Hotline 2997 3363
- Email us through our website (www.hangseng.com)

For any enquiry about the features or promotional offers of the relevant insurance products, please visit any of our branches or call "Hang Seng Insurance" Hotline 2198 7838.

Hang Seng Bank Limited



Member HSBC Group

LegendPower Life Insurance Plan (Single Premium)

Hang Seng Insurance Company Limited

IMPORTANT:

THIS IS A SUMMARY ILLUSTRATION OF THE PROJECTED CASH VALUES AND DEATH BENEFITS OF YOUR POLICY. IT IS INTENDED TO SHOW THE PROPORTION OF ANY NON-GUARANTEED ELEMENTS AND THE IMPACT OF CHANGE OF SUCH ELEMENTS UNDER SPECIFIED SCENARIOS. IN NO WAY SHOULD IT AFFECT THE TERMS AND CONDITIONS STATED IN THE POLICY DOCUMENT.

1. Proposal Summary for LegendPower Life Insurance Plan (Single Premium)

Name of Life Insured: LEE WING YIN	Insurance Age: 54	Sex: M
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2. Benefit Summary

Policy Currency: USD

Initial Policy Amount [^] : 10,000,000.00	Initial Single Premium: 10,000,000.00
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Benefit Description	Initial Sum Insured / Protection Amount*	Initial Single Premium	Premium Payment Term	Benefit Term
Basic Plan	N.A.	10,000,000.00	Single Premium	Whole of Life
Supplementary Benefits:				
Accidental Death Benefit	N.A.	---	---	1 Year
Mental Incapacity Benefit Plus	N.A.	---	---	Whole of Life
Total Initial Single Premium:		10,000,000.00		

[^] Policy Amount is used to determine Guaranteed Cash Value and Special Dividend, if any, under the Basic Plan and accordingly the premium amounts required under the Policy. It does not represent the amount of Death Benefit payable.

* Sum Insured / Protection Amount is not applicable for this product. Please refer to the product brochure for the respective benefits.

Prescribed Levy collected by the Insurance Authority ("IA")

Effective from 1 January 2018, the Insurance Authority ("IA") will impose a prescribed levy on insurance policy pursuant to section 134 of the Insurance Ordinance (Cap. 41). Such levy payment should be made together with the premium payment to Hang Seng Insurance Company Limited ("The Company") for direct remittance to the IA.

From 1 April 2021 onwards (date inclusive), subject to the applicable levy cap HKD100, the amount of levy payable for each premium payment is the amount of premium multiplied by the applicable levy rate of 0.1%.

It is the statutory duty of the policyholder to pay the prescribed levy to IA through authorized insurers. IA may impose on the policyholder concerned a pecuniary penalty not exceeding HKD5,000 for non-payment of levy. The Company is collecting the levy payment from the policyholder on behalf of IA. Please note that the premium amount shown in this illustration does not include the levy payment. All subsequent premiums to be paid under the insurance policy shall also be subject to the prescribed levy payment. For details of the levy matter, please visit www.ia.org.hk/en/levy.

CWMA T1 Tel:

Print Date: 21 March 2024
Ver. 12.50 (Jan 2024)

Reference Premium: USD10,000,000.00

Day 1 Cash Value: USD8,300,000



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HANG SENG INSURANCE

LegendPower Life Insurance Plan (Single Premium)

3a. Basic Plan - Illustration Summary

Name of Life Insured: LEE WING YIN	Insurance Age: 54	Sex: M
Initial Policy Amount: 10,000,000.00	Initial Single Premium: 10,000,000.00	

Policy Currency: USD

Premium Payment Term : Single Premium
Benefit Term : Whole of Life

End of Policy Year	Total Premiums Paid ^(vi)	CASH VALUE			DEATH BENEFIT		
		Guaranteed ^(iv)	Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(x)	Guaranteed	Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(v)
			Special Dividend ⁽ⁱⁱⁱ⁾			Special Dividend ⁽ⁱⁱⁱ⁾	
1	10,000,000.00	8,300,000	30,000	8,330,000	10,100,000	0	10,100,000
2	10,000,000.00	9,025,100	977,000	10,002,100	10,100,000	0	10,100,000
3	10,000,000.00	9,028,300	1,972,400	11,000,700	10,100,000	1,972,400	12,072,400
4	10,000,000.00	9,036,900	2,164,100	11,201,000	10,100,000	2,164,100	12,264,100
5	10,000,000.00	9,053,100	2,352,400	11,405,500	10,100,000	2,352,400	12,452,400
10	10,000,000.00	9,694,200	5,468,000	15,162,200	10,100,000	5,468,000	15,568,000
15	10,000,000.00	10,079,400	9,329,100	19,408,500	10,100,000	9,329,100	19,429,100
20	10,000,000.00	10,215,200	16,333,000	26,548,200	10,215,200	16,333,000	26,548,200
25	10,000,000.00	10,358,500	32,580,500	42,939,000	10,358,500	32,580,500	42,939,000
30	10,000,000.00	10,535,800	46,947,900	57,483,700	10,535,800	46,947,900	57,483,700
@age65	10,000,000.00	9,849,100	5,990,900	15,840,000	10,100,000	5,990,900	16,090,900
@age70	10,000,000.00	10,105,700	10,273,400	20,379,100	10,105,700	10,273,400	20,379,100
@age75	10,000,000.00	10,243,300	18,752,200	28,995,500	10,243,300	18,752,200	28,995,500
@age80	10,000,000.00	10,387,800	35,130,600	45,518,400	10,387,800	35,130,600	45,518,400
@age85	10,000,000.00	10,575,900	50,360,400	60,936,300	10,575,900	50,360,400	60,936,300
@age90	10,000,000.00	10,780,000	70,792,200	81,572,200	10,780,000	70,792,200	81,572,200
@age95	10,000,000.00	10,990,200	99,447,400	110,437,600	10,990,200	99,447,400	110,437,600
@age100	10,000,000.00	11,205,900	149,299,600	160,505,500	11,205,900	149,299,600	160,505,500

Explanation on above illustration:

Please refer to the Explanation Notes Section.



LegendPower Life Insurance Plan (Single Premium)

3b. Basic Plan - Full Illustration

Name of Life Insured: LEE WING YIN	Insurance Age: 54	Sex: M
Initial Policy Amount: 10,000,000.00	Initial Single Premium: 10,000,000.00	

Policy Currency: USD **Premium Payment Term : Single Premium**
Benefit Term : Whole of Life

End of Policy Year	Total Premiums Paid ^(vi)	CASH VALUE			DEATH BENEFIT		
		Guaranteed ^(iv)	Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(x)	Guaranteed	Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(v)
			Special Dividend ⁽ⁱⁱⁱ⁾			Special Dividend ⁽ⁱⁱⁱ⁾	
1	10,000,000.00	8,300,000	30,000	8,330,000	10,100,000	0	10,100,000
2	10,000,000.00	9,025,100	977,000	10,002,100	10,100,000	0	10,100,000
3	10,000,000.00	9,028,300	1,972,400	11,000,700	10,100,000	1,972,400	12,072,400
4	10,000,000.00	9,036,900	2,164,100	11,201,000	10,100,000	2,164,100	12,264,100
5	10,000,000.00	9,053,100	2,352,400	11,405,500	10,100,000	2,352,400	12,452,400
6	10,000,000.00	9,074,600	2,526,500	11,601,100	10,100,000	2,526,500	12,626,500
7	10,000,000.00	9,229,500	2,574,900	11,804,400	10,100,000	2,574,900	12,674,900
8	10,000,000.00	9,384,400	3,283,400	12,667,800	10,100,000	3,283,400	13,383,400
9	10,000,000.00	9,539,300	4,208,700	13,748,000	10,100,000	4,208,700	14,308,700
10	10,000,000.00	9,694,200	5,468,000	15,162,200	10,100,000	5,468,000	15,568,000
11	10,000,000.00	9,849,100	5,990,900	15,840,000	10,100,000	5,990,900	16,090,900
12	10,000,000.00	10,004,000	6,550,400	16,554,400	10,100,000	6,550,400	16,650,400
13	10,000,000.00	10,028,500	7,279,200	17,307,700	10,100,000	7,279,200	17,379,200
14	10,000,000.00	10,053,600	8,048,500	18,102,100	10,100,000	8,048,500	18,148,500
15	10,000,000.00	10,079,400	9,329,100	19,408,500	10,100,000	9,329,100	19,429,100
16	10,000,000.00	10,105,700	10,273,400	20,379,100	10,105,700	10,273,400	20,379,100
17	10,000,000.00	10,132,500	11,347,800	21,480,300	10,132,500	11,347,800	21,480,300
18	10,000,000.00	10,159,700	12,502,800	22,662,500	10,159,700	12,502,800	22,662,500
19	10,000,000.00	10,187,300	14,183,200	24,370,500	10,187,300	14,183,200	24,370,500
20	10,000,000.00	10,215,200	16,333,000	26,548,200	10,215,200	16,333,000	26,548,200
21	10,000,000.00	10,243,300	18,752,200	28,995,500	10,243,300	18,752,200	28,995,500
22	10,000,000.00	10,271,700	21,533,200	31,804,900	10,271,700	21,533,200	31,804,900
23	10,000,000.00	10,300,400	24,715,900	35,016,300	10,300,400	24,715,900	35,016,300
24	10,000,000.00	10,329,300	27,070,400	37,399,700	10,329,300	27,070,400	37,399,700
25	10,000,000.00	10,358,500	32,580,500	42,939,000	10,358,500	32,580,500	42,939,000
26	10,000,000.00	10,387,800	35,130,600	45,518,400	10,387,800	35,130,600	45,518,400
27	10,000,000.00	10,417,400	37,835,600	48,253,000	10,417,400	37,835,600	48,253,000
28	10,000,000.00	10,456,600	40,695,400	51,152,000	10,456,600	40,695,400	51,152,000
29	10,000,000.00	10,496,100	43,729,400	54,225,500	10,496,100	43,729,400	54,225,500
30	10,000,000.00	10,535,800	46,947,900	57,483,700	10,535,800	46,947,900	57,483,700
31	10,000,000.00	10,575,900	50,360,400	60,936,300	10,575,900	50,360,400	60,936,300
32	10,000,000.00	10,616,200	53,980,100	64,596,300	10,616,200	53,980,100	64,596,300
33	10,000,000.00	10,656,800	57,819,500	68,476,300	10,656,800	57,819,500	68,476,300
34	10,000,000.00	10,697,600	61,891,800	72,589,400	10,697,600	61,891,800	72,589,400
35	10,000,000.00	10,738,700	66,211,100	76,949,800	10,738,700	66,211,100	76,949,800
36	10,000,000.00	10,780,000	70,792,200	81,572,200	10,780,000	70,792,200	81,572,200
37	10,000,000.00	10,821,600	75,650,900	86,472,500	10,821,600	75,650,900	86,472,500

Explanation on above illustration:
Please refer to the Explanation Notes Section.

CWMA T1 Tel:

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HANG SENG INSURANCE

A wholly-owned subsidiary of Hang Seng Bank

LegendPower Life Insurance Plan (Single Premium)

3b. Basic Plan - Full Illustration

Name of Life Insured: LEE WING YIN	Insurance Age: 54	Sex: M
Initial Policy Amount: 10,000,000.00	Initial Single Premium: 10,000,000.00	

Policy Currency: USD

Premium Payment Term : Single Premium
Benefit Term : Whole of Life

End of Policy Year	Total Premiums Paid ^(vi)	CASH VALUE			DEATH BENEFIT		
		Guaranteed ^(iv)	Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(x)	Guaranteed	Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(v)
			Special Dividend ⁽ⁱⁱⁱ⁾			Special Dividend ⁽ⁱⁱⁱ⁾	
38	10,000,000.00	10,863,400	80,804,000	91,667,400	10,863,400	80,804,000	91,667,400
39	10,000,000.00	10,905,400	86,269,100	97,174,500	10,905,400	86,269,100	97,174,500
40	10,000,000.00	10,947,700	92,064,900	103,012,600	10,947,700	92,064,900	103,012,600
41	10,000,000.00	10,990,200	99,447,400	110,437,600	10,990,200	99,447,400	110,437,600
42	10,000,000.00	11,032,900	107,429,700	118,462,600	11,032,900	107,429,700	118,462,600
43	10,000,000.00	11,075,800	116,064,500	127,140,300	11,075,800	116,064,500	127,140,300
44	10,000,000.00	11,119,000	125,409,300	136,528,300	11,119,000	125,409,300	136,528,300
45	10,000,000.00	11,162,300	135,527,600	146,689,900	11,162,300	135,527,600	146,689,900
46	10,000,000.00	11,205,900	149,299,600	160,505,500	11,205,900	149,299,600	160,505,500

Explanation on above illustration:

Please refer to the Explanation Notes Section.



LegendPower Life Insurance Plan (Single Premium)

Hang Seng Insurance Company Limited

The table below illustrates the impact on Cash Values under Pessimistic and Optimistic Scenarios. The projected benefits under the two scenarios are calculated assuming the investment returns are lower and higher than the Company's current assumed investment return respectively; while other factors, such as claims experience, expense factors and persistency factors, affecting these values are assumed to remain unchanged. The two scenarios do not represent lower and upper bounds for the actual investment return; the actual amount of non-guaranteed benefits payable may be higher or lower than those illustrated. They only illustrate, for reference purposes, the projected variation of return of the Company based on the investment policies and objectives adopted for this policy.

4. Basic Plan - Cash Values - Illustration Under Different Investment Return

Name of Life Insured: LEE WING YIN	Insurance Age: 54	Sex: M
Initial Policy Amount: 10,000,000.00	Initial Single Premium: 10,000,000.00	

Policy Currency: USD

Premium Payment Term : Single Premium
Benefit Term : Whole of Life

End of Policy Year	Total Premiums Paid ^(vi)	CASH VALUE					
		Guaranteed ^(iv)	Pessimistic Scenario		Guaranteed ^(iv)	Optimistic Scenario	
			Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(x)		Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(x)
		Special Dividend ⁽ⁱⁱⁱ⁾			Special Dividend ⁽ⁱⁱⁱ⁾		
1	10,000,000.00	8,300,000	0	8,300,000	8,300,000	206,900	8,506,900
2	10,000,000.00	9,025,100	622,000	9,647,100	9,025,100	1,334,000	10,359,100
3	10,000,000.00	9,028,300	1,409,800	10,438,100	9,028,300	2,547,800	11,576,100
4	10,000,000.00	9,036,900	1,425,000	10,461,900	9,036,900	2,954,800	11,991,700
5	10,000,000.00	9,053,100	1,548,000	10,601,100	9,053,100	3,369,700	12,422,800
10	10,000,000.00	9,694,200	3,055,800	12,750,000	9,694,200	8,247,100	17,941,300
15	10,000,000.00	10,079,400	4,897,100	14,976,500	10,079,400	14,886,500	24,965,900
20	10,000,000.00	10,215,200	8,604,900	18,820,100	10,215,200	26,868,000	37,083,200
25	10,000,000.00	10,358,500	17,686,800	28,045,300	10,358,500	54,592,200	64,950,700
30	10,000,000.00	10,535,800	23,943,400	34,479,200	10,535,800	83,918,300	94,454,100
@age65	10,000,000.00	9,849,100	3,242,600	13,091,700	9,849,100	9,211,600	19,060,700
@age70	10,000,000.00	10,105,700	5,351,500	15,457,200	10,105,700	16,550,500	26,656,200
@age75	10,000,000.00	10,243,300	9,974,900	20,218,200	10,243,300	30,914,000	41,157,300
@age80	10,000,000.00	10,387,800	18,840,000	29,227,800	10,387,800	59,613,800	70,001,600
@age85	10,000,000.00	10,575,900	25,356,700	35,932,600	10,575,900	91,222,600	101,798,500
@age90	10,000,000.00	10,780,000	33,393,100	44,173,100	10,780,000	137,250,900	148,030,900
@age95	10,000,000.00	10,990,200	43,941,200	54,931,400	10,990,200	206,676,200	217,666,400
@age100	10,000,000.00	11,205,900	62,213,300	73,419,200	11,205,900	331,975,400	343,181,300

Explanation on above illustration:

Please refer to the Explanation Notes Section.

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LegendPower Life Insurance Plan (Single Premium)

Hang Seng Insurance Company Limited

The table below illustrates the impact on Death Benefits under Pessimistic and Optimistic Scenarios. The projected benefits under the two scenarios are calculated assuming the investment returns are lower and higher than the Company's current assumed investment return respectively; while other factors, such as claims experience, expense factors and persistency factors, affecting these values are assumed to remain unchanged. The two scenarios do not represent lower and upper bounds for the actual investment return; the actual amount of non-guaranteed benefits payable may be higher or lower than those illustrated. They only illustrate, for reference purposes, the projected variation of return of the Company based on the investment policies and objectives adopted for this policy.

5. Basic Plan - Death Benefits - Illustration Under Different Investment Return

Name of Life Insured: LEE WING YIN	Insurance Age: 54	Sex: M
Initial Policy Amount: 10,000,000.00	Initial Single Premium: 10,000,000.00	

Policy Currency: USD

Premium Payment Term : Single Premium
Benefit Term : Whole of Life

End of Policy Year	Total Premiums Paid ^(vi)	DEATH BENEFIT					
		Guaranteed	Pessimistic Scenario		Guaranteed	Optimistic Scenario	
			Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(v)		Non-Guaranteed ⁽ⁱⁱ⁾	Total ^(v)
			Special Dividend ⁽ⁱⁱⁱ⁾			Special Dividend ⁽ⁱⁱⁱ⁾	
1	10,000,000.00	10,100,000	0	10,100,000	10,100,000	0	10,100,000
2	10,000,000.00	10,100,000	0	10,100,000	10,100,000	0	10,100,000
3	10,000,000.00	10,100,000	1,409,800	11,509,800	10,100,000	2,547,800	12,647,800
4	10,000,000.00	10,100,000	1,425,000	11,525,000	10,100,000	2,954,800	13,054,800
5	10,000,000.00	10,100,000	1,548,000	11,648,000	10,100,000	3,369,700	13,469,700
10	10,000,000.00	10,100,000	3,055,800	13,155,800	10,100,000	8,247,100	18,347,100
15	10,000,000.00	10,100,000	4,897,100	14,997,100	10,100,000	14,886,500	24,986,500
20	10,000,000.00	10,215,200	8,604,900	18,820,100	10,215,200	26,868,000	37,083,200
25	10,000,000.00	10,358,500	17,686,800	28,045,300	10,358,500	54,592,200	64,950,700
30	10,000,000.00	10,535,800	23,943,400	34,479,200	10,535,800	83,918,300	94,454,100
@age65	10,000,000.00	10,100,000	3,242,600	13,342,600	10,100,000	9,211,600	19,311,600
@age70	10,000,000.00	10,105,700	5,351,500	15,457,200	10,105,700	16,550,500	26,656,200
@age75	10,000,000.00	10,243,300	9,974,900	20,218,200	10,243,300	30,914,000	41,157,300
@age80	10,000,000.00	10,387,800	18,840,000	29,227,800	10,387,800	59,613,800	70,001,600
@age85	10,000,000.00	10,575,900	25,356,700	35,932,600	10,575,900	91,222,600	101,798,500
@age90	10,000,000.00	10,780,000	33,393,100	44,173,100	10,780,000	137,250,900	148,030,900
@age95	10,000,000.00	10,990,200	43,941,200	54,931,400	10,990,200	206,676,200	217,666,400
@age100	10,000,000.00	11,205,900	62,213,300	73,419,200	11,205,900	331,975,400	343,181,300

Explanation on above illustration:

Please refer to the Explanation Notes Section.



LegendPower Life Insurance Plan (Single Premium)

6. Explanation Notes

- i. Sections 3a, 3b, 4 and 5 are only summary illustrations of the major benefits of your Basic Plan excluding any Supplementary Benefits as shown in Section 2 (if applicable) and assume that during the Benefit Term:
 - a) All premiums are paid in full when due;
 - b) No benefit has been paid and no partial surrender has been made;
 - c) No policy loan has been taken;
 - d) No policy changes has been made;
 - e) No Policy Value Management Option has been exercised; and
 - f) Death Benefit is payable in lump sum.
- ii. You should refer to your licensed insurance intermediary or the Company for more information or, if appropriate, a more detailed proposal.
- iii. The projected non-guaranteed benefits included in Sections 3a and 3b are based on the Company's dividend scales determined under current assumed investment return and are not guaranteed. The actual amount payable may change from time to time with the values being higher or lower than those illustrated. As another example, the possible potential impact of a change in the Company's current assumed investment return on the Total Cash Value and the Total Death Benefit are illustrated in Sections 4 and 5. Under certain circumstances, the non-guaranteed benefits may be **zero**.
- iv. The projected Special Dividend illustrated in Sections 3a, 3b, 4 and 5 above are not guaranteed and are shown for your reference only. The Company will inform you the updated value of the Special Dividend regularly through annual statements. During the policy term, the value of the Special Dividend as shown in the annual statement(s) may be higher or lower than the one shown in the previous annual statement(s) since the value of the Special Dividend depends on how well the Company has performed with regard to investment returns on the assets supporting the policies under this LegendPower Life Insurance Plan, as well as other factors including but not limited to claims, persistency, expenses, and the long term future performance outlook. The actual amount, when only payable under the following circumstances, is determined by the Company at its discretion:
Special Dividend is only payable upon the earliest of the following events occurring: (a) death of the Life Insured unless there is a Contingent Insured on our record who becomes the new Life Insured (in accordance to policy terms); (b) surrender in full or in part of the policy; (c) cancellation, lapse or termination of the policy, or (d) any payment of Mental Incapacity Benefit.
- v. Under Sections 3a, 3b and 4, the Guaranteed Cash Value can only be withdrawn upon surrender or partial surrender of the policy.
- vi. Death Benefit will be calculated as follows as at the date of death of the Life Insured: the higher of: (i) 101% of Total Premiums Paid for the Basic Plan; or (ii) Guaranteed Cash Value, plus Special Dividend (if any) and Policy Value Management Balance (if any) less Indebtedness (if any).
- vii. "Total Premiums Paid" refers to the total amount of premiums of the policy due and paid for the Basic Plan. "Total Premiums Paid" will be proportionally reduced in the event that partial surrender has been made, the Policy Value Management Option has been exercised or the Mental Incapacity Benefit has been paid.
- viii. In Sections 4 and 5, benefits under Pessimistic Scenario are based on a decrease of about 2.00% p.a. whereas benefits under Optimistic Scenario are based on an increase of about 2.00% p.a. in comparing with the current assumed investment return.
- ix. If you have made any partial surrender or exercised the Policy Value Management Option or upon the payment of the Mental Incapacity Benefit during the policy term, the Death Benefit and Cash Value as illustrated above will be reduced proportionally.
- x. If you exercise the Policy Value Management Option, a portion of the Guaranteed Cash Value plus a corresponding portion of Special Dividend (if any) as declared by us will be allocated to the Policy Value Management Balance, which will accumulate at a non-guaranteed interest rate to be determined by us from time to time at our absolute discretion. Your request to exercise this option is subject to our requirements on the minimum amount to be allocated and reduced Policy Amount, as determined by us from time to time. Please refer to the policy document for the detailed terms and conditions.
- xi. Total Cash Value equals to the Guaranteed Cash Value less Indebtedness (if any) plus Special Dividend (if any) and Policy Value Management Balance (if any).
- xii. Age, in this illustration refers to Insurance Age. Insurance Age means, at any date, the age of the Life Insured on the last birthday prior to (or on the birthday the same day as) the Policy Date or the relevant Policy Anniversary.
- xiii. When reviewing the values shown in Sections 3a, 3b, 4 and 5, please note that the cost of living in the future is likely to be higher than it is today due to inflation.
- xiv. The amount of total premium(s) may differ slightly from the total of the premiums payable in the policy due to rounding differences. Other projected values in this document are also subjected to rounding differences.
- xv. By choosing plans denominated in currencies other than the local currency, please be aware of the relevant exchange rate risks.
- xvi. The past performance or current performance of the Company's business may not be a guide for future performance.
- xvii. The amount illustrated above will be adjusted as a result of any change after policy issuance, including but not limited to partial surrender of the policy, payment of Mental Incapacity Benefit and the exercise of the Policy Value Management Option.
- xviii. Please note part of the premiums illustrated above will pay for the insurance and related costs.



LegendPower Life Insurance Plan (Single Premium)

7. Dividend History:

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

You may browse the above website to understand the company's dividend history for reference purposes. Please note that dividend history is not an indicator of future performance on this product.

Warning

- You should only apply for this product if you intend to pay the premium for the whole of the Premium Payment Term.
- Should you terminate this policy early or cease paying premiums early, you may suffer a significant loss.

The insurance plan and this proposal are offered by Hang Seng Insurance Company Limited ("the Company"). This proposal is not a policy contract and is valid for 1 month from the print date, provided that the Insurance Age of Life Insured remains unchanged on the policy issue date. In case of conflict between the terms of this illustration and the terms of the policy and any applicable rules, the terms of the policy and applicable rules shall apply.

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

Declaration

I confirm having read and understood the information contained in this summary of illustrated benefits, and received the product brochure and the information regarding the relevant dividend history (if applicable). I understand that I have the right to cancel the policy within the Cooling-off Period upon issuance of the policy and I can refer to the product brochure and application form of the plan for details.

Name of Applicant: LEE WING YIN

Signature: _____

Date: _____

19 APR 2024

CWMA T1 Tel:

Print Date: 21 March 2024
Ver. 12.50 (Jan 2024)



恒生保險

HANG SENG INSURANCE

LegendPower Life Insurance Plan (Single Premium) - Supplementary Illustration

You can also enjoy protections of the following supplementary benefits:

Accidental Death Benefit

In the event of the Life Insured's accidental death within the first Policy Year, an Accidental Death Benefit equivalent to 10% of the Total Premiums Paid under the Basic Plan will be paid. This Accidental Death Benefit is payable in lump sum in addition to any Death Benefit due under the Policy.

This Accidental Death Benefit will be automatically terminated (1) when this Policy terminates, expires, lapses, becomes void, is cancelled or is surrendered or; (2) when the Life Insured has been changed or; (3) on the Benefit Cessation Date of this Accidental Death Benefit or; (4) upon payout of this Supplementary Benefit, whichever is the earliest.

Upon the death of the Life Insured, the Policy will terminate.

Mental Incapacity Benefit Plus

If the Life Insured is diagnosed as a Mentally Incapacitated Person and the Policy is still in force, we will pay the Mental Incapacity Benefit which equals to:

$$\begin{array}{r} \text{Designated Percentage of Mental Incapacity} \\ \text{Benefit} \end{array} \quad \times \quad \begin{array}{l} \text{(a) Guaranteed Cash Value, plus (b) Special Dividend (if any),} \\ \text{plus (c) Policy Value Management Balance (if any), as at the} \\ \text{date of claim approval of this Supplementary Benefit} \end{array}$$

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 and provided that as at the date of claim approval:

- (a) the Mental Incapacity Benefit Recipient has been designated;
- (b) the Mental Incapacity Benefit Recipient is alive; and
- (c) the Life Insured is alive.

This Mental Incapacity Benefit Plus will be automatically terminated (1) when this Policy terminates, expires, lapses, becomes void, is cancelled or is surrendered or; (2) on the Benefit Cessation Date of this Mental Incapacity Benefit Plus or; (3) upon any payout of this Supplementary Benefit, whichever is the earliest.

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.

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 and 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.

This proposal does not contain the full terms of the supplementary benefits and the full terms can be found in the supplementary benefit document.

CWMA T1 Tel:

Print Date: 21 March 2024
Ver. 12.50 (Jan 2024)



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HANG SENG INSURANCE

LegendPower

Life Insurance

Life Insurance Plan

Bequeath a Legacy of Wealth and Love across Generations



LegendPower Life Insurance Plan ("LegendPower" 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", "the Company", "we", "us", "our"). This product information does not contain the full terms of the policy and the full terms can be found in the relevant policy document.

Bequeath a Legacy of Wealth and Love across Generations

Preserving wealth and legacy transfer are vital elements of life planning. LegendPower Life Insurance Plan integrates two major financial strategies to assist you accumulate wealth and lock-in returns through various options and financial arrangements for your bequests. By doing so, you can live your life to the fullest without concerns about the future, knowing that your love for your family will endure for generations.

LegendPower Life Insurance Plan is your astute partner, enabling you to lead a truly fulfilling life while being fully prepared for what lies ahead.

Plan Highlights



Projected annualised total rate of return of up to 7%* for potential long-term capital growth



Unlimited Changes of the Life Insured¹ and options to designate a Contingent Owner² and Contingent Insured³ of the Policy to allow seamless wealth accumulation across generations



The opportunity to exercise a Policy Value Management Option after the fifth (5th) Policy Year to lock-in your potential returns



Guaranteed acceptance⁴ up to age 80^{5^} without any requirement for a medical examination



Free Supplementary Benefits including a Mental Incapacity Benefit Plus⁶ and an Accidental Death Benefit⁷

* The projected annualised total rate of return at the end of Policy Year 70 is up to 7%. It is not guaranteed, for single premium policy in USD and assumes that during the policy term: a) all premiums are paid in full when due; b) no benefit has been paid and no partial surrender⁸ has been made; c) no policy loan has been taken; d) no policy changes has been made; e) no Policy Value Management Option has been exercised.

[^] Applicable to policies paid by single premium and 3-year payment terms.

Plan Details

Whole-life protection for seamless wealth succession and ultimate peace of mind

Helps you plan ahead for wealth succession, to protect and maintain the quality of life for your beloved family. As long as the Policy remains in force, the Policyholder can seamlessly transfer the Policy from one generation to another by **designating a Contingent Owner², a Contingent Insured³ and making unlimited times of change of Life Insured¹** to ensure a smooth transition:

- the designated Contingent Owner² under the Policy shall become the new Policyholder upon the death of the existing Policyholder
- the designated Contingent Insured³ shall become the new Life Insured upon the death of the original Life Insured.
- Unlimited times of change of the Life Insured¹ to facilitate legacy planning fulfillment.

Financial flexibility with assets growth

Helps you 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 fifth (5th) Policy Year, the Policyholder has the right to exercise the Policy Value Management Option (as detailed in the Summary of the Plan section), 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 under the Policy anytime, increasing the liquidity and flexibility of capital to fulfill the personal and family needs.

- **Special Dividend provides potential non-guaranteed returns**

In the event of the death of the Life Insured (unless there is a Contingent Insured³ on our record who becomes the new Life Insured in accordance to policy terms), the cancellation, lapse or termination of the Policy or Surrender⁸, whether in full or in part of the Policy and any payment of Mental Incapacity Benefit⁶ (whichever is the earliest), a lump-sum non-guaranteed Special Dividend (if any) (as detailed in the Summary of the Plan section), may become payable to you, the Beneficiary(ies) or the Mental Incapacity Benefit⁶ Recipient, providing extra potential returns.

Guaranteed acceptance⁴ up to age 80^{5^} without any requirement for medical examination

As long as the Life Insured is eligible to apply for "LegendPower", regardless of the underwriting history, occupation, health and financial status, he/she will enjoy guaranteed acceptance⁴ without any requirement for medical examination.

[^] Applicable to policies paid by single premium and 3-year payment terms.

Same premium rate regardless of age and gender

Same premium rate applies regardless of Insurance Age⁵ or sex of the Life Insured. Even if Contingent Insured³ becomes new Life Insured upon the death of original Life Insured during premium payment period, premiums remain unchanged.

Various Extended Supplementary Benefits Enhancing Protection for You and Your Family

- **Mental Incapacity Benefit Plus⁶**

The designated Mental Incapacity Benefit⁶ Recipient will be paid a Mental Incapacity Benefit⁶, which equals to the Designated Percentage of Mental Incapacity Benefit⁶ (determined by the policyholder that such percentage could be 10% to 100%) multiplied by Guaranteed Cash Value 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. Any Indebtedness shall be deducted from the Mental Incapacity Benefit⁶ at the time of payment.

- **Accidental Death Benefit⁷**

If the Life Insured passes away in an accident within the first (1st) Policy Year after policy inception, in addition to the Death Benefit, the Beneficiary(ies) designated in the Policy will receive an Accidental Death Benefit⁷ equal to 10% of the Total Premiums Paid⁹ for the Basic Plan, less any Indebtedness. Upon the receipt of the Accidental Death Benefit⁷ by the Beneficiary(ies), the Policy which includes the Basic Plan and all Supplementary Benefits (if any) will be terminated accordingly.

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

Illustrative Examples

The following examples are for illustrative purposes only. The actual future amounts of benefits and/or returns are not guaranteed and may be higher or lower than the currently quoted benefits and/or returns.

Example 1



Mr. Chin aged 50 is a senior manager at a bank, a non-smoker and married with a son, David. He wants to start planning for his retirement and legacy to ensure that his family can maintain their current quality of life in the future. Mr. Chin would also like to see his wealth pass on to the next generation and decided to enrol in the LegendPower Life Insurance Plan as a tool to plan for these two wealth goals.

Policyholder	Mr. Chin	Life Insured	Mr. Chin
Insurance Age⁵ of Life Insured	50 years old	Premium	USD500,000 (single premium)

Wealth Goal 1: Legacy planning

How can a Policyholder utilise this plan as a legacy tool?



Designate a Contingent Owner² and Contingent Insured³ of the Policy during his or her lifetime so that the policy value can be rolled forward



Unlimited times of change of the Life Insured¹ to pass on love and wealth to the next generation



Mr. Chin

Insurance Age⁵: **50** (Guaranteed acceptance⁴ without any requirement for medical examination)

Total premiums paid⁹: **USD500,000** (single premium)



Policy cash value continues to accumulate

Guaranteed Cash Value (USD)	452,655	510,760	517,925	591,910	615,710
Non-guaranteed Special Dividend (USD)	117,620	816,650	1,629,025	23,889,430	56,378,990
Total Cash Value (TCV) (USD)	570,275	1,327,410	2,146,950	24,481,340	56,994,700
TCV vs Total Premium Paid ⁹	Approx. 1.1 times	Approx. 2.7 times	Approx. 4.3 times	Approx. 49 times	Approx. 114 times

The policy has reached its breakeven point at the end of the 2nd policy year



1st generation: Mr. Chin

At age 55:

Designated David (aged 17) to be the Contingent Insured³

At age 75:

Passed away and David (aged 37) inherited the policy as the new Policyholder and Life Insured*



2nd generation: David

At age 17:

Became the Contingent Insured³

At age 37:

Inherited the policy as the new Policyholder and Life Insured*. David named his son Daniel (aged 17) as the Contingent Insured³ at the same time.

At age 82:

The projected annualised total rate of return is now 7%¹. If David chooses not to withdraw the policy value, the policy can continue to roll over, and the wealth can be passed on to future generations.



3rd generation: Daniel

At age 17:

Became the Contingent Insured³



Policy legacy plan

Note: The above example assumes that the Policyholder has never withdrawn any amount and opts to allow the policy value to continue to roll over in the policy. Projected and/or potential benefits and/or returns presented are not guaranteed and are for illustrative purpose only.

* A Contingent Insured³ below the Insurance Age⁵ of eighteen (18) can only be designated if the Policyholder designates a Contingent Owner² at the same time or there is an existing Contingent Owner² on our record:

In the event the Life Insured who is also the Policyholder dies, or dies at the same time as the Policyholder, if the Contingent Insured³ is below the Insurance Age⁵ of eighteen (18) at the time of designation but has reached the Insurance Age⁵ of eighteen (18) or above at the date of death of the Life Insured, the Contingent Insured³ shall become the new Life Insured and new Policyholder. The designated Contingent Owner² on our record shall be revoked automatically.

¹ The projected annualised total rate of return at the end of Policy Year 70 is up to 7%. It is not guaranteed, for single premium policy in USD and assumes that during the policy term: a) all premiums are paid in full when due; b) no benefit has been paid and no partial surrender⁸ has been made; c) no policy loan has been taken; d) no policy changes has been made; e) no Policy Value Management Option has been exercised.

Example 2



Mrs. Lee, a 40-year-old accountant has a son, Steve. She understands that she is important to her family and after careful consideration she decided to enrol in the LegendPower Life Insurance Plan – a plan that provides her loved ones with financial support and protection in case of unfortunate events. In addition, she can use the policy to plan for her legacy to pass on her love and care.

Policyholder	Mrs. Lee	Life Insured	Mrs. Lee
Insurance Age⁵ of Life Insured	40 years old	Annual premium	USD 250,000 (Payment term: 5 years)



Policy cash value continues to accumulate

Guaranteed Cash Value (USD)	1,029,525	1,031,338	1,250,550	1,304,150	1,466,450	1,651,650
Non-guaranteed Special Dividend (USD)	147,450	219,175	682,150	3,812,825	35,967,538	482,151,350
Total Cash Value (TCV) (USD)	1,176,975	1,250,513	1,932,700	5,116,975	37,433,988	483,803,000
TCV vs. Total Premiums Paid⁶			Approx. 1.5 times	Approx. 4.1 times	Approx. 30 times	Approx. 387 times

The policy has reached its breakeven point at the end of the 6th policy year



1st generation: Mrs. Lee

At age 45:
Mrs. Lee has settled all her premiums.

At age 55:
Mrs. Lee's son Steve (aged 20) intends to study abroad. Mrs. Lee exercises the "Change of Policyholder" and "Change of Life Insured"¹ options to change the Policyholder and Life Insured to Steve to provide more protection while implementing a legacy plan.



2nd generation: Steve

At age 20:
Steve became the new Policyholder and Life Insured and prepared to study abroad to pursue his dreams.

At age 35:
Steve (aged 35) and his wife started their own family with their daughter Sara (Mrs. Lee's granddaughter) born in the same year.

At age 65:
Steve exercised the Change of Policyholder and Change of Life Insured¹ options to change the Policyholder and Life Insured of the policy to Sara (aged 30).



3rd generation: Sara

At age 30:
Sara became the new Policyholder and Life Insured.

At age 60:
Sara exercised the Change of Life Insured¹ option to change the policy's Life Insured to Stanley (Mrs. Lee's great-grandson) (aged 15). The projected annualised total rate of return is now 7%.⁴



Policy legacy plan



4th generation: Stanley

At age 15:
Stanley became the new Life Insured. The projected annualised total rate of return is now 7%.⁴

Note: The above example assumes that the Policyholder has never withdrawn any amount and opts to allow the policy value to continue to roll over in the policy. Projected and/or potential benefits and/or returns presented are not guaranteed and are for illustrative purpose only.

⁴ The projected annualised total rate of return at the end of Policy Year 90 is up to 7%. It is not guaranteed, for 5-year payment policy with annual premium payment mode in USD and assumes that during the policy term: a) all premiums are paid in full when due; b) no benefit has been paid and no partial surrender⁸ has been made; c) no policy loan has been taken; d) no policy changes has been made; e) no Policy Value Management Option has been exercised.

Wealth Goal 2: Retirement planning

How can a Policyholder make the best use of his or her policy to plan for retirement?



When the policy is in force after the 5th policy year, the Policyholder can choose to **exercise a Policy Value Management Option (PVMO)** to lock-in part of the Guaranteed Cash Value and non-guaranteed Special Dividend (if any) to mitigate the impact of fluctuations in investment market.

One of Mrs. Lee's objectives in taking out this insurance plan is to prepare for her retirement. Mrs. Lee can elect to exercise the PVMO at the beginning of the 11th Policy Year (i.e. Mrs. Lee's Insurance Age⁵ of 50). Please refer to the table below for the impact of locking up part of the cash value on the policy value under different market conditions.

Assuming Mrs. Lee 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	USD1,584,850
The percentage of locked-in Guaranteed Cash Value and non-guaranteed Special Dividend	60%
Locked-in Guaranteed Cash Value and non-guaranteed Special Dividend	USD950,910
The remaining balance of Guaranteed Cash Value and non-guaranteed Special Dividend	USD633,940

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)		
1,643,925	1,729,121	1,558,729
Guaranteed Cash Value and non-guaranteed Special Dividend with the PVMO exercised (USD)		
1,627,498	1,661,576	1,593,420
Difference in Guaranteed Cash Value and non-guaranteed Special Dividend with the PVMO exercised		
-16,427	-67,545	34,691

Note: Projected and/or potential benefits and/or returns presented in the above example are not guaranteed and are for illustrative purpose only

To summarize

- If the market rises, the Special Dividend may rise. If Mrs. Lee 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 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 Mrs. Lee's policy.

Summary of the Plan

Payment Term (years)	Single Premium	3	5
Life Insured's Insurance Age⁵ upon Application	15 days – age 80		15 days – age 75
Minimum Premium	USD125,000/ RMB400,000	USD25,000/ RMB64,000	USD12,500/ RMB40,000
Payment Mode	Single Premium	i. Annual Premium ii. Monthly Premium	
Premium Rate	Same premium rate applies regardless of Insurance Age ⁵ or sex of the Life Insured		
Policy Currency¹⁰	USD/RMB		
Policy Term	Whole of life		
Guaranteed Cash Value	Can only be withdrawn upon surrender in full or in part ⁸ , cancellation, lapse or termination of the Policy.		

Special Dividend

Special Dividend is a non-guaranteed amount to be declared by "Hang Seng Insurance" at their absolute discretion.

Special Dividend (if any) is payable when the Policy is in force and upon the occurrence of the following (whichever is the earliest):

- (i) the death of the Life Insured (unless there is a Contingent Insured³ on our record who becomes the new Life Insured pursuant to the policy provisions); or
- (ii) the cancellation, lapse or termination of the Policy; or
- (iii) Surrender⁸, whether in full or in part of the Policy; and
- (iv) any payment of Mental Incapacity Benefit⁶.

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 Value¹¹ (if any) 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.

Upon the partial surrender⁸ 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.

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

Policy Value Management Option

After the fifth (5th) 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.

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.

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:

- (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

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 Paid⁹, 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.

Policy Value Management Balance

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.

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.

Death Benefit

If the Life Insured passes away when the Policy is in force, unless there is a Contingent Insured³ on our record who becomes the new Life Insured pursuant to the policy provisions, we will pay the Death Benefit to the Beneficiary(ies). The Death Benefit will be calculated as follows as at the date of death of the Life Insured:

The higher of:

- (i) 101% of Total Premiums Paid⁹; or
- (ii) Guaranteed Cash Value;

plus Special Dividend (if any) and Policy Value Management Balance (if any) less Indebtedness (if any).

Death Benefit Settlement Option	<p>Upon the Policyholder's written request (unless there is a Contingent Insured³ on our record), to elect the following ways to pay the Death Benefit for designated Beneficiary(ies).</p> <ul style="list-style-type: none"> (i) Lump Sum Settlement (Default option), and/or (ii) Monthly instalments <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 by "Hang Seng Insurance" 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 Owner²	<ul style="list-style-type: none"> • Policyholder may designate a Contingent Owner² of the Policy by submitting a written request while the Policy is in force. • Policyholder may designate only 1 individual as Contingent Owner² at a time. • Once the Contingent Owner² becomes the Policyholder, any revocable Beneficiary(ies) and the Mental Incapacity Benefit⁶ Recipient on "Hang Seng Insurance" record will be automatically revoked. • Please refer to the policy provisions for the full details and conditions.
Contingent Insured³	<ul style="list-style-type: none"> • After the first (1st) policy anniversary, and while the policy is in force and the Life Insured is alive, Policyholder may designate a Contingent Insured³ without any administrative charge by submitting a written request to us subject to terms specified. Please refer to the policy provisions for the full details and conditions.
Change of Life Insured¹	<ul style="list-style-type: none"> • At any time after the Payment Cessation Date or the first (1st) Policy Anniversary (whichever is later), while the Policy is in force, Policyholder can apply for a Change of Life Insured¹ without any administrative charge for unlimited times subject to terms specified. Please refer to the policy provisions for the full details and conditions
Supplementary Benefits	<p>Mental Incapacity Benefit Plus⁶ Accidental Death Benefit⁷</p>

Key Exclusions:

Supplementary Benefit — Mental Incapacity Benefit Plus⁶

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.

Supplementary Benefit — Accidental Death Benefit⁷

No benefit will be paid by "Hang Seng Insurance" if Accidental Death results directly or indirectly from any of the following:

- i. suicide or trying to commit suicide, while sane or insane;
- ii. wilful self-inflicted injury;
- iii. engaging in hazardous sports (including but not limited to mountaineering necessitating the use of ropes or guides, pot-holing, parachuting, scuba-diving or other underwater pastimes, winter sports, steeple chasing, polo or racing of any kind other than on foot), and other than those stated in the application;
- iv. taking or absorbing, accidentally or otherwise, any drug, medicine, sedative or poison, except as prescribed by a Registered Doctor;
- v. inhaling any gas or fumes, accidentally or otherwise, except accidentally in course of duty;
- vi. insanity or mental infirmity or mental disease;
- vii. committing or trying to commit a criminal offence;
- viii. war or any act incidental to war. The word "war" includes any war, declared or undeclared, including civil war and guerrilla war, or any other conflict involving any country or territory's armed forces or any force of an international body;
- ix. service in the armed forces, or any auxiliary civilian force, of any country or territory at war; or service in any force of an international body; or
- x. entering, operating, or servicing, riding in or on, ascending or descending from any kind of device designed for flight in or beyond the earth's atmosphere except while the Life Insured is a passenger or air crew in an aircraft operated by a commercial passenger airline on a regular scheduled passenger trip over its established passenger route.

Notes:

1. 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, the Total Premiums Paid⁹, Policy Date, Payment Cessation Date, Policy Currency¹⁰, Policy Amount, Guaranteed Cash Value, Special Dividend (if any), Death Benefit, Policy Value Management Balance (if any), and Indebtedness (if any) remain the same.

* General acceptable relationships with adequate insurable interest include spouse, children with Insurance Age⁵ below eighteen (18) and their parents/legal guardian.

2. Our acceptance of any designation of Contingent Owner will be at our absolute discretion and shall be subject to (i) Contingent Owner must reach the Insurance Age⁵ of eighteen (18) or above at the time of designation and (ii) any prevailing rules and terms and conditions as we shall determine from time to time. Once accepted and recorded, the designation of Contingent Owner will take effect as of the date you signed the request, subject to any payment we have made or action we have taken before recording the designation.

If the Policyholder dies while this Policy is in force, the Contingent Owner shall become the new Policyholder unless Change of Life Insured¹ provision applies, subject to satisfaction of customer due diligence and other requirements under applicable laws and regulations. We reserve the right not to transfer policy ownership to the Contingent Owner if the Contingent Owner cannot be contacted or for any other reasons which we shall determine in our absolute discretion.

If no Contingent Owner is designated or if the Contingent Owner is not alive at the time of the Policyholder's death or if the policy ownership is determined not to be transferred to the Contingent Owner in accordance with our absolute discretion, your estate shall become the new Policyholder unless Change of Life Insured¹ provision applies.

Once the Contingent Owner becomes the Policyholder, any revocable Beneficiary(ies) and Mental Incapacity Benefit⁶ Recipient on our record will be automatically revoked.

3. Our acceptance of any designation of Contingent Insured will be entirely at our absolute discretion and shall be subject to (i) satisfactory proof of the insurability of the Contingent Insured; (ii) the Contingent Insured meeting the prevailing age requirement; (iii) the Policyholder and Contingent Owner² (if any) having adequate insurable interest* in the Contingent Insured; (iv) a Contingent Insured below the Insurance Age⁵ of eighteen (18) can only be designated if you designate a Contingent Owner² at the same time or there is an existing Contingent Owner² on our record; and (v) any other requirements as determined by us from time to time. Once accepted and recorded, the Company will issue a written notice to record the designation of Contingent Insured. The designation of Contingent Insured will take effect as of the date stated in the written notice.

If you want to designate a Contingent Insured aged on or above Insurance Age⁵ of eighteen (18), our acceptance of any designation of Contingent Insured will be entirely at our absolute discretion and shall be subject to the Policyholder and Contingent Owner² (if any) having adequate insurable interest* in the Contingent Insured and any other requirements as determined by us from time to time.

While this Policy is in force, if the Life Insured dies and there is a Contingent Insured on our record, you may exercise the Contingent Insured Option by submitting to us a written request in a form as prescribed by us within one hundred and eighty (180) days from the date of death of the Life Insured. The Contingent Insured shall become the new Life Insured subject to (i) proof of death of the latest Life Insured as in the Company's record; (ii) satisfactory proof of the insurability of the Contingent Insured; (iii) the Policyholder having adequate insurable interest* in the Contingent Insured; (iv) payment of all overdue premiums with interest (if any) since the due date of the first unpaid premium; and (v) any other requirements as determined by us from time to time. We reserve the right not to effect the Change of Life Insured under this provision at our absolute discretion. The Company will issue a Policy Endorsement and a revised Policy Schedule to effect the Change of Life Insured. If there is a Contingent Insured on our record, premium is payable after the Life Insured dies.

Upon Change of Life Insured, the Total Premiums Paid⁹, Policy Date, Payment Cessation Date, Policy Currency¹⁰, Policy Amount, Guaranteed Cash Value, Special Dividend (if any), Death Benefit, Policy Value Management Balance (if any), and Indebtedness (if any) remain the same.

* General acceptable relationships with adequate insurable interest include spouse, children with Insurance Age⁵ below eighteen (18) and their parents/legal guardian.

4. Guaranteed acceptance is subject to the maximum total premium amount (per Life Insured), which the limit is the same for all Insurance Age⁵ 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.
5. 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.
6. 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 multiplies by (a) Guaranteed Cash Value, 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 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 Paid⁹, 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.

7. Accidental Death Benefit will be automatically terminated (i) when such Accidental Death Benefit is paid out, or (ii) when the Life Insured has been changed, or (iii) on the date the Policy of basic plan lapses, terminates, expires, becomes void, is surrendered⁹ or cancelled, or (iv) on the Benefit Cessation Date of this Supplementary Benefit (whichever is the earliest).
8. 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 Value¹¹ (if any) plus Special Dividend (if any) and Policy Value Management Balance (if any) as at the date the surrender request is processed. Upon partial surrender, the Policy Amount and Total Premiums Paid⁹ 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.
9. Total Premiums Paid is the total amount of premiums due and paid for the Basic Plan.

10. If you enroll the Plan in foreign currency, all premium payable and policy benefits of this Plan will be recorded in the corresponding foreign currency. Since the two-way exchange of foreign currency and Hong Kong dollar bears the risk of exchange rate fluctuation, you should consider exchange rate risk before making the decision to enroll in the Plan. If you pay the premium or receive policy benefits in Hong Kong dollars, "Hang Seng Insurance" will convert the relevant amount from Hong Kong dollars to the corresponding foreign currency or from the corresponding foreign currency to Hong Kong dollars at the market-based prevailing exchange rate on the date your premium is processed or your policy benefits are settled. The exchange rate applicable at the relevant time is determined by "Hang Seng Insurance" and would be varied from time to time. The foreign currency exchange rate can go up or down. If you pay the premium in Hong Kong dollars, when the corresponding foreign currency appreciates against the Hong Kong dollars, the annual premium payable in Hong Kong dollars at the subsequent Policy Years would be higher than initial annual premium. If you settle the policy benefits in Hong Kong dollars and the corresponding foreign currency depreciates against the Hong Kong dollars when your policy benefits are settled in Hong Kong dollars, you could lose a substantial portion of your policy benefit value in Hong Kong dollars.
11. 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". 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 or Mental Incapacity Benefit⁶ Recipient 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. It is worth to note that Private Equity investments may involve higher level of volatility risk and liquidity risk than public equity investments.
 - **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.

Risk from the delay of or missing the payment of premiums due

You should pay the premium for the entire premium payment term when due. Any delay or missing of the payment of premiums due may lead to policy lapse, and the amount (if any) you get back may be significantly less than your premiums paid.

Risks from surrender

If you surrender⁸ the policy after the expiry of the cooling-off period, the surrender proceeds to be received may be significantly less than the Total Premiums Paid⁹. 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.

Risks from Partial Surrender

The policy can be partially surrendered⁸ at any time after the cooling-off period. If the Policyholder has made any withdrawals through partial surrender, the Total Premiums Paid⁹ 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 surrender⁸ 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 Surrender Benefit 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 Plan in real term in the future even if "Hang Seng Insurance" meets all of its contractual terms and 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 "LegendPower" 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" have the final discretion in determining which currency applies.

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,

- If you cannot make payment for all premiums due by the end of a 30-day Grace Period (unless if the Automatic Premium Loan is sufficient to cover the amount of the relevant unpaid premium);
- The policy loan with accrued interest exceeds the Guaranteed Cash Value;
- If "Hang Seng Insurance" reasonably considers 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 authorities;
- "Hang Seng Insurance" also has the right to terminate your policy according to any supplementary benefits terms.

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

Important Notes

Cooling-off period

LegendPower 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

Grace Period

The Plan offers a Grace Period of 30 days for payment of any premium when due. If a premium is not paid by the end of the Grace Period and the Net Cash Value calculated as at the date immediately preceding the premium due date is greater than zero, the terms of Automatic Premium Loan will immediately take effect to pay the relevant unpaid premium. If the Net Cash Value is insufficient to cover the amount of the relevant unpaid premium, the policy will be immediately lapsed.

Suicide

If the Life Insured dies by suicide, whether sane or insane, within one year of the Issue Date, or from the effective date of the last reinstatement pursuant to policy provision or from the effective date of the last Change of Life Insured pursuant to policy provision (whichever is later), our liability will be limited to a refund of the premiums paid to us by the Policyholder under this Policy, less any Indebtedness and any amount paid by us pursuant to policy provisions. 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 Bank" 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 "LegendPower" while the Policy is in force. Loan interest will be applied and charged by "Hang Seng Insurance" and you will be advised of the rate of interest from time to time. Any policy loan and accrued loan interest may reduce Cash Value, Death Benefit and other benefits payable of the Policy. When, at any time, the loan with accrued interest exceeds the Net 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 fulfilment 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" with 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" will 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.

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

Customer Enquiry 2198 7838 [hangseng.com](https://www.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 policy 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 (unless there is a Contingent Insured³ on the Company's record who becomes the new Life Insured pursuant to policy provision) 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.

Special Dividend may also be partially declared upon partial surrender⁸ or any payment of Mental Incapacity Benefit⁶. 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 scale. If the performance over the long term is better than expected, then the amount paid would increase. If performance is below expectation, then 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 predominantly 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 (including private equity)	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. A good part of the growth assets investment is allocated to private equity. Due to the illiquid nature of private equity, there may be divergence in actual asset allocation and actions may be taken to rebalance from time to time. 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 fulfilment 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。

LegendPower 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 authorised 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". LegendPower 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.

January 2024



PORTFOLIO FACTSHEET

LegendPower Life Insurance Plan

Disclaimer: This factsheet provides you with key information about the asset portfolio of the above product (“the Plan”) and forms part of the offering product documents and will be updated from time to time. It is intended as a general reference and does not form part of the policy. You should not purchase the Plan based on this document alone. You should read this factsheet in conjunction with the respective offering documents of the Plan. For details of product features, key risks and terms and conditions of the Plan, please refer to the relevant policy brochure and policy provisions of the Plan. LegendPower Life Insurance Plan (“LegendPower” 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” or “Company”). This product information does not contain the full terms of the policy and the full terms can be found in the relevant policy document.

LegendPower does not only provides whole life protection, but also empowers wealth accumulation in the long run for you to gain potential ample returns to achieve your grand blueprint.

Plan Highlights

- Projected annualised total rate of return of up to 7%* for potential long-term capital growth
- Unlimited Changes of the Life Insured and options to designate a Contingent Owner and Contingent Insured of the Policy to allow seamless wealth accumulation across generations
- The opportunity to exercise a Policy Value Management Option after the fifth (5th) Policy Year to lock-in your potential returns
- Guaranteed acceptance[#] up to age 80[†] without any requirement for a medical examination
- Free Supplementary Benefits including a Mental Incapacity Benefit Plus and an Accidental Death Benefit

While the Policy is in-force and after the 5th Policy Year, the Policyholder has the right to exercise the Policy Value Management Option 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 under the Policy anytime, increasing the liquidity and flexibility of capital to fulfill the personal and family needs of the Policyholder.

As long as the life insured is eligible to apply for LegendPower, regardless of the underwriting history, occupation, health and financial status, he/she will enjoy guaranteed acceptance without any requirement for medical examination and acceptance[#].

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

* The projected annualised total rate of return at the end of Policy Year 70 is up to 7%. It is not guaranteed, for single premium policy in USD and assumes that during the policy term: a) all premiums are paid in full when due; b) no benefit has been paid and no partial surrender has been made; c) no policy loan has been taken; d) no policy changes has been made; e) no Policy Value Management Option has been exercised.

[†] Applicable to policies paid by single premium and 3-year payment terms.

[#] The maximum total premium amount for guaranteed acceptance (per Life Insured) is fixed 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”.

Dividend Philosophy

LegendPower's Special Dividend allow Policyholders to participate in the financial performance of the life insurance operations. Whether Special Dividend are 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.

Special Dividend is a non-guaranteed amount to be declared by “Hang Seng Insurance” at their absolute discretion.

“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 amount paid would increase. If performance is below expectation, then 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.

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/>

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)

LegendPower's asset portfolio predominantly 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.

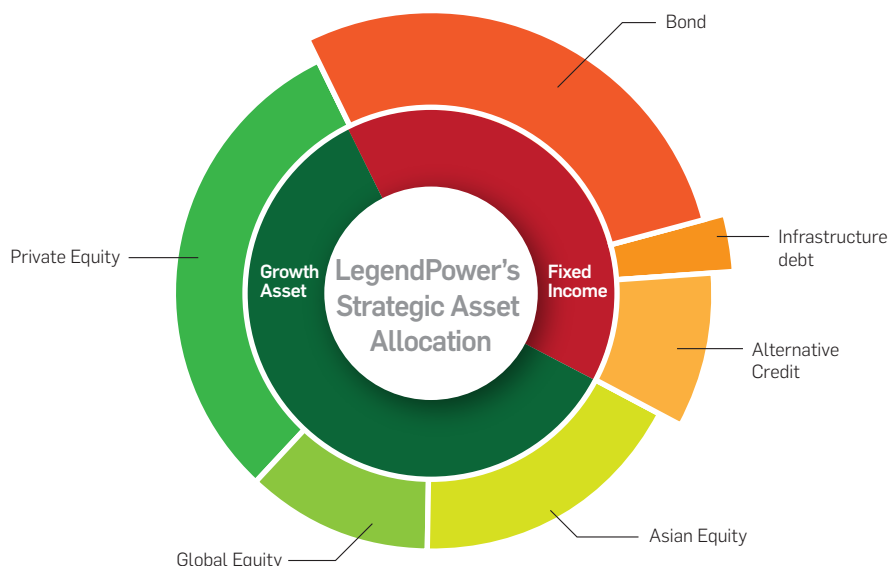
Participating Policy (Policy Currency: RMB)

LegendPower's asset portfolio predominantly 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.

LegendPower's 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%

Target Rating Allocation

Bonds rating	Allocation %
Investment grade (S&P A- or above)	85-100%
Investment grade (S&P BBB+ or below)	0-15%

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.

Important Information

This material is provided for information purposes only. It is not intended to provide specific financial, investment, tax, legal or accounting advice for you, and should not be relied upon in that regard. You should not act or rely on the information without seeking the advice of a professional.

LegendPower is underwritten by Hang Seng Insurance Company Limited, a wholly-owned subsidiary of Hang Seng Bank Limited ("Hang Seng Bank").

Your benefits under LegendPower are subject to the credit risk of the Company. Your premiums paid will form part of the Company's assets. You do not have any rights or ownership over any of those assets. Your recourse is against the Company only. LegendPower is a long term life insurance plan. It is not equivalent or similar to any kind of deposit. The proceeds received upon policy surrender, whether partial or full, may be less than the total premiums paid.

Dispute resolution

- a) "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
- b) 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.

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

January 2024