

# Dementia Protection for EarlyIncome Annuity Plan

Disclaimer: The information shown is intended as a general summary. You should read this factsheet in conjunction with the respective product brochure of EarlyIncome Annuity Plan ("the Basic Plan") and illustration. Please refer to the provisions of this Supplementary Benefit for the detailed terms and conditions and exclusions.

**Who is eligible for this benefit?**

- You can opt for this benefit at an additional premium if the Life Insured's Insurance Age<sup>^</sup> is between 55 and 70.
- Not applicable for EarlyIncome Annuity Plan with 1 year accumulation period or aggregate premium policies

**What does it cover?**

- The following payment will be made if the Life Insured is diagnosed with **Severe Dementia** during the periods below:
  - Accumulation period: You will receive all your premiums paid for this benefit** and this Supplementary Benefit will cease after the refund of premium.
  - Annuity period: the Monthly Dementia Income will be paid to your designated Dementia Benefit Recipient (see below for definition) or you until the death of the Life Insured or age 99<sup>^</sup> of the Life Insured (whichever is earlier).**

**Dementia Benefit Recipient**

**You need to designate one of the death benefit beneficiaries to be the "recipient" to receive the Monthly Dementia Income;** You may also send us a written request to change the recipient while this Policy is still in effect.

In addition to receiving the Monthly Dementia Income, you may also designate the recipient to receive the Monthly Annuity Payment of the Basic Plan if the life insured is diagnosed with Severe Dementia and the cash out annuity option is elected under the Basic Plan.

**Severe Dementia Definition**

**Severe Dementia means an unequivocal diagnosis by a Registered Medical Practitioner who is a specialist of Neurologist, Psychiatrist or Neuropsychiatrist of severe permanent cognitive impairment resulting in the permanent need for continuous supervision of the Life Insured, with a Mini Mental State Examination score of less than 10 out of 30-point questionnaire.**

**What is this premium payment period?**

The premium payment period is the same as the Basic Plan. You should pay the premium for the entire premium payment period. Any outstanding premiums for this Supplementary Benefit must be paid before any benefits are payable under this Supplementary Benefit.

**How is the premium of the Benefit determined?**

**The premium is level and guaranteed over the Premium Payment period,** and is determined according to the Insurance Age and gender of Life Insured, Monthly Dementia Income and the Basic Plan income period.

**What's the Benefit Amount?**

Monthly Dementia Income is same as Monthly Guaranteed Annuity Payment of the Basic Plan, subject to a maximum amount of HKD30,000/USD3,750 per month per life insured.

Note:

- No surrender benefit for this Supplementary Benefit.** For the surrender benefit of the Basic Plan, please refer to the product brochure of EarlyIncome Annuity Plan.
- You may request to reduce the coverage of this Supplementary Benefit by reducing the Monthly Dementia Income amount. The paid premium for this Supplementary Benefit will not be refunded.
- If the Monthly Guaranteed Annuity Payment of the Basic Plan to which this Supplementary Benefit is attached is reduced, we reserve the right to reduce the Monthly Dementia Income amount of this Supplementary Benefit by the same amount. The paid premium for this Supplementary Benefit will not be refunded after the reduction of Monthly Dementia Income amount and the remaining premium for this Supplementary Benefit will be reduced accordingly.

**When will this Supplementary Benefit terminate?**

This Supplementary Benefit will automatically terminate from the earliest of the following dates:

- if whenever applicable, the Basic Plan terminates, expires, lapses, is surrendered in accordance with the relevant provisions of this Policy; or
- the Benefit Cessation Date; or
- upon the refund of premiums paid for this benefit as the result of life insured's diagnosis of Severe Dementia during accumulation period; or
- upon the first payment of the Monthly Dementia Income (termination of this benefit shall not prejudice the ongoing payment of the Monthly Dementia Income by us).

(continue on next page)

## What doesn't it cover?

### Exclusions:

- (i) Any Pre-existing Condition from which the Life Insured was suffering prior to the Issue Date, the Policy Date or the effective date of reinstatement, whichever is the latest;
- (ii) Any Severe Dementia resulting directly or indirectly from, or caused by or contributed by (in whole or in part), any of the following:
  - (a) any self-inflicted injury or attempted suicide while sane or insane; or
  - (b) intoxication by alcohol or drugs not prescribed by a Registered Medical Practitioner; or
  - (c) any Human Immunodeficiency Virus (HIV) or any HIV-related illness including Acquired Immune Deficiency Syndrome (AIDS) or any mutations, derivation or variations thereof; or
  - (d) all psychiatric related causes; or
  - (e) reversible organic brain disorder.

"Pre-existing Condition" means any condition or illness:

- which existed or was existing; or
- where its cause existed or was existing; or
- where the Life Insured had knowledge, signs or symptoms of the condition or illness; or
- where any laboratory test or investigation showed the likely presence of the condition or illness; or
- where the Life Insured has demonstrated signs or symptoms of cognitive impairment including but not limited to memory loss, difficulty with time relationships, unable to function independently either at work, home or in the community or is not fully capable of self-care.

If you need more details or are in doubt about these conditions, you should seek independent professional advice

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## Important notes

- A claim must be submitted within 90 days of becoming aware that the Life Insured suffers from Severe Dementia
- Periodic provision of evidence about the survivorship of the Life Insured is required if a claim is made, otherwise suspension of the Monthly Dementia Income Benefit payment may be resulted in.
- **Credit and insolvency risks — You are subject to the credit risk of the Company.**
- **Risk of inflation will likely cause the future cost of living to rise. You or your assigned Beneficiary(ies) will receive an amount that is less in real terms in the future.**
- Risks from the delay or missing the payment of premiums due — Any delay in or missing of the payment of premiums due for the basic plan and/or this optional Supplementary Benefit **may lead to policy lapses and the amount, if any, you get back may be significantly less than what you have paid.**
- Risk from surrender — You may receive an amount significantly less than the premiums paid for the policy if you surrender the policy in early years. **For Dementia Protection, there is no surrender benefit.** If you surrender a portion of the Basic Plan, the benefit amount of Dementia Protection will also be reduced accordingly.

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Sep 2019

<sup>^</sup> Insurance Age means age at next birthday of the Life Insured.

<sup>▲</sup> The Policy Anniversary at which the Life Insured reaches the specified age based on age at next birthday.

- HSBC Life (International) Limited ("the Company") is incorporated in Bermuda with limited liability, and is one of the HSBC Group's insurance underwriting subsidiaries.
- The Company is authorised and regulated by the Insurance Authority (IA) to carry on long-term insurance business in the Hong Kong SAR.
- Dementia Protection is an optional Supplementary Benefit to the EarlyIncome Annuity Plan, which is underwritten by the Company.
- The Hongkong and Shanghai Banking Corporation Limited ("HSBC") is an insurance agent of the Company. This product is a product of the Company but not HSBC and it is intended only for sale in the Hong Kong SAR.
- For monetary disputes arising between HSBC and you out of the selling process or processing of the related transaction, HSBC will enter into a Financial Dispute Resolution Scheme process with you; however any dispute over the contractual terms of the product should be resolved between the Company and you directly.
- The Company accepts full responsibility for the accuracy of the information contained in this factsheet and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading. The information shown therein is intended as a general summary. Please refer to your insurance policy for the detailed terms and conditions.