

MORTGAGE PROTECTION PLAN (FULL UNDERWRITING)

Repays your mortgage in the event of death

Mortgage Protection Plan¹ (the “Plan” or the “Policy”) is a long term pure life insurance plan which helps to protect your mortgage repayments so your family may retain the property. The Plan can cover joint Life Insureds so a lump sum benefit will be distributed to the beneficiary(ies) under the Plan to help repaying the mortgage in the event of the death of any one of the Life Insureds².

Who can apply for this Plan?

- You are of Insurance Aged³ between 19 and 60
- Application for the Plan is subject to the relevant requirements on nationality and/or addresses and/or residency of the Policyholder and/or Life Insured as determined by HSBC Life (International) Limited (“the Company”) from time to time

What are the benefits under this Plan?

Your basic protection includes:

- In the unfortunate event of death of the Life Insured(s), the beneficiary(ies) will receive a lump sum, the amount of which may repay all or part of the mortgage⁴. For a joint Life Insured application⁵ where there is more than one Life Insured, the beneficiary(ies) will receive a lump sum on the death of either Life Insured²
- The Sum Insured under your Policy decreases in each Policy Year⁶ at an assumed interest rate of 8% per annum towards the end of the Mortgage Term
- You may apply to convert your Policy into other insurance plan⁷ for the same amount of the Decreasing Sum Insured at the Policy Anniversary as may be available by the Company from time to time, regardless of the Life Insured’s state of health at the time

Your additional protection includes:

Embedded Supplementary Benefit (no additional premiums required)

- Unemployment benefit⁸ — If the Policyholder has become unemployed for at least 30 consecutive days before the age⁹ of 65, the Grace Period for payment of all premiums due will be extended to up to 365 days during which the Life Insured will still enjoy the Policy’s full protection

Optional Supplementary Benefits (with additional premiums required)

Further protection options are also available:

- Waiver of premium on Disability Benefit — If the Life Insured become temporarily disabled, the future premiums will be waived until the Life Insured recovers
- Major Illness Benefit — In the event that the Life Insured suffers from one of the covered Major Illnesses, a lump sum payment (“Protection Amount”) will be received in advance from the Sum Insured
- Total and Permanent Disability Benefit — If the Life Insured suffers a disability that lasts for a continuous period of 183 days and that disability stops the Life Insured from working in any gainful occupation for the rest of the Life Insured’s life, the Protection Amount will be received in advance from the Sum Insured

Product Summary

Mortgage Term	5 to 30 years Note: <ul style="list-style-type: none"> The Mortgage Term of the Plan is either the same as the repayment term or until the Life Insured(s) reach(es) the age⁹ of 65, whichever is earlier
Premium payment period	Premium payment period is same as the Mortgage Term selected at policy issuance
Policy currency	Hong Kong dollars (HKD)
Issue age	Insurance Age ³ 19 to 60 Note: <ul style="list-style-type: none"> No medical examination¹⁰ is normally required if the Life Insured(s) is aged³ between 19 and 45, in good health and your mortgage balance at the time of application for the Plan is not more than HK\$4 million
Minimum initial Sum Insured	HKD50,000
Premium payment method	Monthly or annual, through: <ul style="list-style-type: none"> HSBC bank account, or Cheque, or HSBC credit card Notes: <ul style="list-style-type: none"> The premium is fixed at the commencement of the Plan and guaranteed not to change 15% discount applies to joint Life Insured applications
Death Benefit¹¹	Equals to the Decreasing Sum Insured as specified in Policy Schedule (to be provided upon policy issuance) less outstanding premiums (if any); and/or less any amount of advance payments made under the Supplementary Benefits (if applicable)
Conversion privilege option	Without any proof of insurability, your Policy may be converted to a new whole of life or an endowment policy on the life of the Life Insured as may be available by the Company at such time for the same amount of Decreasing Sum Insured ⁷ at any Policy Anniversary at which the Life Insured's Insurance Age ³ is less than 60
Embedded supplementary benefits (no additional premiums required)	<ul style="list-style-type: none"> Unemployment Benefit⁸
Optional supplementary benefits (with additional premiums required)	<ul style="list-style-type: none"> Waiver of Premium on Disability Benefit Major Illness Benefit (Advance payment) Total and Permanent Disability Benefit Issuance and benefit term of each benefit are subject to relevant terms and conditions. Please refer to the relevant factsheets and policy provisions for the supplementary benefits for details

The content of this product factsheet is for reference only. Please refer to the policy provisions for details.

Important Notes

Cooling-off Period

The Mortgage Protection Plan is a long term pure life insurance plan which is not equivalent or similar to any kind of deposit. Part of the premium pays for the insurance and related costs including but not limited to policy acquisition, maintenance and claims costs.

If you are not satisfied with the Policy, you have a right to cancel it and obtain a refund of any premiums and levies paid, by giving us a written notice. To cancel, you must sign on such notice, return the Policy (if received) and ensure that such notice and the Policy are received directly by the office of HSBC Life (International) Limited at 18/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Kowloon, Hong Kong within the Cooling-off Period (that is, 21 days after the delivery of the Policy or issue of a notice informing the availability of the Policy to you or your representative, whichever is the earlier).

After the expiration of the Cooling-off Period, if you cancel the Policy or the Policy is lapsed or terminated for any reasons, you will not get back any premium you have paid.

Suicide

If the Life Insured dies by suicide, whether sane or insane, within one year of the Issue Date or from effective date of reinstatement, whichever is later, the Company's liability will be limited to the amount paid to the Company less any amount paid by the Company to you since the Policy Effective Date or the effective date of reinstatement, whichever is later.

If the Life Insured dies by suicide, whether sane or insane, within one year from the date of any increase in the Sum Insured or Benefit Amount of any term insurance supplementary benefits, such increase shall be deemed not to have taken effect in determining the Death Benefit¹¹ payable. The additional premium paid for the increase in Sum Insured or Benefit Amount will be refunded.

Tax Reporting and Financial Crime

The Company may from time to time request information from you regarding you and your Policy for the Company and other members of the HSBC Group to meet certain obligations to legal or regulatory bodies and government or tax authorities in Hong Kong and overseas. If you fail to provide to the Company information that is requested from you or if you present a financial crime risk to a member of the HSBC Group, such consequences as set out in your policy terms include that the Company may:

- Take such actions as are necessary to enable it or a member of the HSBC Group to meet its obligations;
- 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.

Should any benefits or payments be withheld or the Policy be terminated by the Company, the amount you get back may be less than what you have paid. The Company recommends that you seek your own independent professional advice on your tax liabilities and tax position in relation to your Policy.

Termination Conditions

The Company has the right to terminate the Policy under any of the following circumstances,

- If you cannot make the overdue premium payment by the end of the Grace Period; or
- We reasonably consider that by continuing the Policy or the relationship with you, we may break any laws or the Company, or a member of the HSBC Group, may be exposed to action censure from any authority.
- If the Company has the right to terminate pursuant to the terms of any Supplementary Benefits.

Please refer to policy provisions for detailed terms and conditions on termination.

Applicable laws

The laws governing the Policy are the laws of Bermuda. However, in the event of any dispute arising in the Hong Kong SAR, the non-exclusive jurisdiction of the Hong Kong SAR courts will apply.

Missing payment of premium

There is a 30-day Grace Period for premium payments that are due. If you cannot make the payment by the end of the Grace Period, the Policy will lapse with effect from the due date of the first unpaid premium.

Key Risks

Credit and insolvency risks

The product is an insurance Policy issued by the Company. **You 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.

Risk of insufficient Sum Insured amount

During the Mortgage Term, the initial Sum Insured under your Policy decreases across the Policy Years⁶ in accordance with the mortgage term of your mortgage on an assumed interest rate of 8% per annum. This interest rate may not be equal to your mortgage interest rate, so **the reduced Sum Insured may not match with the outstanding mortgage amount.** To ensure you have sufficient protection against your mortgage or fulfill your need, a regular review of your Policy is recommended.

Risks from the delay or missing the payment of premiums due

Any delay or missing of the payment of premiums due **may lead to policy lapse. If your Policy is lapsed, you will not get back the premium you have paid.**

Inflation risk

Cost of living is likely to be higher in the future than it is today due to inflation, therefore **you or your assigned beneficiary(ies) may receive less from the Policy in real term in the future** even if the Company meets all of its contractual obligations.

Risk from surrender

For any policy surrender after policy issuance, **no refund of premiums will be paid (except during Cooling-off Period).**

Endnotes:

1. Mortgage Protection Plan is a life insurance product and is not equivalent or similar to any kind of deposit.
2. Death Benefit payment will be paid once in respect of the Life Insured who dies earlier. If the Life Insureds die in circumstances rendering it uncertain that any one of them, or which of them, survived the other or others, we will also pay the Death Benefit once in respect of one Life Insured only.
3. Insurance Age means the age of the Life Insured or Policyholder where applicable at his or your next birthday.
4. The Death Benefit¹¹ payable upon death of Life Insured may not match with the outstanding mortgage amount in a prevailing Policy Year.
5. For a joint Life Insured application where there is more than one Life Insured, the first applicant named in the Home Loan Application⁶ must be the Policyholder and the Proposed Life Insured; and the joint applicant named in the Home Loan Application⁶ must be the Proposed Joint Life Insured.
6. If the Death Benefit¹¹ is paid between policy anniversaries, the payment will be determined up to a completed month and on a pro-rata basis during the Policy Year.
7. At any Policy Anniversary at which the Life Insured's Insurance Age³ is less than 60, this Policy may be converted to a new whole of life or endowment policy on the life of the Life Insured for a Sum Insured equal to the Decreasing Sum Insured.
8. Available for Policyholders with Insurance Age³ between 19 and 60 holding valid Hong Kong Identity Card.
9. The Policy Anniversary at which the Life Insured(s) reach(es) the specified age based on age at next birthday.
10. We reserve the right to accept or reject any applications for the Plan based on the information provided by the Policyholder during application.
11. Death benefit will only be paid once irrespective of the number of Life Insureds as named under the Policy.

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More Information

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Call 2233 3131

Go to www.hsbc.com.hk

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

Hong Kong SAR office

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

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

Mortgage Protection Plan is underwritten by the Company.

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

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

The Company accepts full responsibility for the accuracy of the information contained in the Product 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.

MORTGAGE PROTECTION PLAN (SIMPLIFIED UNDERWRITING)¹

Repays your mortgage in the event of death

Mortgage Protection Plan² (the “Plan” or the “Policy”) is a long term pure life insurance plan which helps to protect your mortgage repayments so your family may retain the property. The Plan can cover joint Life Insureds so a lump sum benefit will be distributed to the beneficiary(ies) under the Plan to help repaying the mortgage in the event of the death of any one of the Life Insured³.

Who can apply for this Plan?

- You are of Insurance Age⁴ between 19 and 55
- HKID or Macau ID cardholders or foreigners with valid working permit. Application for the Plan is subject to the relevant requirements on nationality and/or addresses and/or residency of the Policyholder and/or Life Insured as determined by HSBC Life (International) Limited (“the Company”) from time to time
- Your required Initial Sum Insured is less than or equal to the mortgage outstanding balance with The Hongkong and Shanghai Banking Corporation Limited under the Home Loan Application⁵ and is upto a maximum of HK\$10 million⁶ for simplified underwriting
- Your application for this Plan must be made within 12 months after your Home Loan Application⁵ applied with the Hong Kong and Shanghai Banking Corporation Limited or such other period as determined by the Company

What are the benefits under this Plan?

Your basic protection includes:

- In the unfortunate event of death of the Life Insured(s), the beneficiary(ies) will receive a lump sum, the amount of which may repay all or part of the mortgage⁷. For a joint Life insured application⁸ where there is more than one Life Insured, the beneficiary(ies) will receive a lump sum on the death of either Life Insured³
- The Sum Insured under your Policy decreases in each Policy Year⁹ at an assumed interest rate of 8% per annum towards the end of the Mortgage Term
- You may apply to convert your Policy into other insurance plan¹⁰ for the same amount of the Decreasing Sum Insured at the Policy Anniversary as may be available by the Company from time to time, regardless of the Life Insured’s state of health at the time

Your additional protection includes:

Embedded Supplementary Benefit (no additional premiums required)

- Unemployment benefit¹¹ — If the Policyholder has become unemployed for at least 30 consecutive days before the age¹² of 65, the Grace Period for payment of all premiums due will be extended to up to 365 days during which the Life Insured will still enjoy the Policy’s full protection

Product Summary

Mortgage Term	5 to 30 years Note: The Mortgage Term of the Plan is either the same as the repayment term or until the Life Insured(s) reach(es) the age ¹² of 65, whichever is earlier
Premium payment period	Premium payment period is same as the Mortgage Term selected at policy issuance
Policy currency	Hong Kong dollars (HKD)
Issue age	Insurance Age ⁴ 19 to 55
Minimum initial Sum Insured	HKD50,000
Maximum initial Sum Insured	HKD10,000,000
Premium payment method	Monthly or annual, through: <ul style="list-style-type: none"> • HSBC bank account, or • Cheque, or • HSBC credit card Notes: <ul style="list-style-type: none"> • The premium is fixed at the commencement of the Plan and guaranteed not to change • 15% discount applies to joint Life Insured applications
Death Benefit¹³	Equals to the Decreasing Sum Insured as specified in Policy Schedule (to be provided upon policy issuance) less outstanding premiums (if any)
Conversion privilege option	Without any proof of insurability, your Policy may be converted to a new whole of life or an endowment policy on the life of the Life Insured as may be available by the Company at such time for the same amount of Decreasing Sum Insured ¹⁰ at any Policy Anniversary at which the Life Insured's Insurance Age ⁴ is less than 60.
Embedded Supplementary Benefit (no additional premiums required)	<ul style="list-style-type: none"> • Unemployment Benefit¹¹

The content of this product factsheet is for reference only. Please refer to the policy provisions for details.

Important Notes

Cooling-off Period

The Mortgage Protection Plan is a long term pure life insurance plan which is not equivalent or similar to any kind of deposit. Part of the premium pays for the insurance and related costs including but not limited to policy acquisition, maintenance and claims costs.

If you are not satisfied with the Policy, you have a right to cancel it and obtain a refund of any premiums and levies paid, by giving us a written notice. To cancel, you must sign on such notice, return the Policy (if received) and ensure that such notice and the Policy are received directly by the office of HSBC Life (International) Limited at 18/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Kowloon, Hong Kong within the Cooling-off Period (that is, 21 days after the delivery of the Policy or issue of a notice informing the availability of the Policy to you or your representative, whichever is the earlier).

After the expiration of the Cooling-off Period, if you cancel the Policy or the Policy is lapsed or terminated for any reasons, you will not get back any premium you have paid.

Suicide

If the Life Insured dies by suicide, whether sane or insane, within one year of the Issue Date or from effective date of reinstatement, whichever is later, the Company's liability will be limited to the amount paid to the Company less any amount paid by the Company since the Policy Effective Date or the effective date of reinstatement, whichever is later.

If the Life Insured dies by suicide, whether sane or insane, within one year from the date of any increase in the Sum Insured, such increase shall be deemed not to have taken effect in determining the Death Benefit¹³ payable. The additional premium paid for the increase in Sum Insured will be refunded.

Tax Reporting and Financial Crime

The Company may from time to time request information from you regarding you and your Policy for the Company and other members of the HSBC Group to meet certain obligations to legal or regulatory bodies and government or tax authorities in Hong Kong and overseas. If you fail to provide to the Company information that is requested from you or if you present a financial crime risk to a member of the HSBC Group, such consequences as set out in your policy terms include that the Company may:

- Take such actions as are necessary to enable it or a member of the HSBC Group to meet its obligations;
- 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.

Should any benefits or payments be withheld or the Policy be terminated by the Company, the amount you get back may be less than what you have paid. The Company recommends that you seek your own independent professional advice on your tax liabilities and tax position in relation to your Policy.

Termination Conditions

The Company has the right to terminate the Policy under any of the following circumstances,

- If you cannot make the overdue premium payment by the end of the Grace Period; or
- We reasonably consider that by continuing the Policy or the relationship with you, we may break any laws or the Company, or a member of the HSBC Group, may be exposed to action censure from any authority.

Please refer to policy provisions for detailed terms and conditions on termination.

Applicable laws

The laws governing the Policy are the laws of Bermuda. However, in the event of any dispute arising in the Hong Kong SAR, the non-exclusive jurisdiction of the Hong Kong SAR courts will apply.

Missing payment of premium

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Key Risks

Credit and insolvency risks

The product is an insurance Policy issued by the Company. **You 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.

Risk of insufficient Sum Insured amount

During the Mortgage Term, the initial Sum Insured under your Policy decreases across the Policy Years⁹ in accordance with the mortgage term of your mortgage on an assumed interest rate of 8% per annum. This interest rate may not be equal to your mortgage interest rate, so **the reduced Sum Insured may not match with the outstanding mortgage amount.** To ensure you have sufficient protection against your mortgage or fulfill your need, a regular review of your Policy is recommended.

Risks from the delay or missing the payment of premiums due

Any delay or missing of the payment of premiums due **may lead to policy lapse. If your Policy is lapsed, you will not get back the premium you have paid.**

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Risk from surrender

For any policy surrender after policy issuance, **no refund of premiums will be paid (except during Cooling-off Period).**

Endnotes:

1. No medical examination is required. However, we reserve the right to accept or reject any applications for the Plan based on the information provided by the Policyholder during application.
2. Mortgage Protection Plan is a life insurance product and is not equivalent or similar to any kind of deposit.
3. Death Benefit payment will be paid once in respect of the Life Insured who dies earlier. If the Life Insureds die in circumstances rendering it uncertain that any one of them, or which of them, survived the other or others, we will also pay the Death Benefit once in respect of one Life Insured only.
4. Insurance Age means the age of the Life Insured or Policyholder where applicable at his or your next birthday.
5. Home Loan Application must be applied with The Hongkong and Shanghai Banking Corporation Limited.
6. You can apply for Mortgage Protection Plan by full underwriting if the initial Sum Insured exceeds HKD10 million.
7. The Death Benefit¹³ payable upon death of Life Insured may not match with the outstanding mortgage amount in a prevailing Policy Year.
8. For a joint Life Insured application where there is more than one Life Insured, the first applicant named in the Home Loan Application⁵ will be deemed as the Policyholder and the Proposed Life Insured; and the joint applicant named in the Home Loan Application⁵ will be the Proposed Joint Life Insured.
9. If the Death Benefit¹³ is paid between Policy Anniversaries, the payment will be determined up to a completed month and on a pro-rata basis during the policy year.
10. At any Policy Anniversary at which the Life Insured's Insurance Age⁴ is less than 60, this Policy may be converted to a new whole of life or endowment policy on the life of the Life Insured for a Sum Insured equal to the Decreasing Sum Insured.
11. Available for Policyholders with Insurance Age⁴ between 19 and 55 holding valid Hong Kong Identity Card.
12. The Policy Anniversary at which the Life Insured(s) reach(es) the specified age based on age at next birthday.
13. Death benefit will only be paid once irrespective of the number of Life Insureds as named under the policy.

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