

Mortgage Protection Plan

Repays your mortgage in the event of death

Mortgage Protection Plan* (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 be taken out by joint mortgagors so Life Insureds can both be protected in the event of either of the death of the Life Insureds¹.

* Mortgage Protection Plan is not equivalent or similar to any kind of deposit.

1. We reserve the right to accept or reject any applications for the Plan based on the information provided by the Policyholder during application.

Eligibility

- Any individual's Insurance Aged² between 19 and 60
- The mortgage term ends before the Life Insured(s) reach(es) the age³ of 65
- No medical examination⁴ is normally required if the Life Insured(s) is aged² 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
- The application for the Plan is subject to the relevant requirements on nationality and/or addresses of the Policyholder and/or Life Insured as determined by the Company from time to time
- Policyholder and the Proposed Life Insured must be the applicant named in the Home Loan Application. If the Home Loan Application is a joint application, the first applicant named in the Home Loan Application must be the Policyholder and the Proposed Life Insured; and the joint applicant named in the Home Loan Application must be the Proposed Joint Life Insured

2. Insurance Age means the age of the Life Insured or Policyholder where applicable at his or your next birthday.

3. The Policy Anniversary at which the Life Insured(s) reach(es) the specified age based on age at next birthday.

4. We reserve the right to require the Life Insured(s) to attend medical examination to confirm that the Life Insured(s) are in good health.

Benefits

Protection⁺

- In the unfortunate event of death of the Life Insured(s), your beneficiary(ies)⁵ will receive a lump sum, the amount of which may repay all or part of your mortgage⁶. For joint application where there is more than one Life Insured, your beneficiary(ies)⁵ will receive a lump sum on the death of either Life Insured
- You may apply to convert your Policy into other insurance plan, for the same amount of the then decreased 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

+ If the Life Insured commits suicide within one year of policy issuance, whether sane or insane, our liability will be limited to the amount of premiums paid to us less any amount paid by the Company to you. Please refer to policy provisions for detailed terms and conditions.

- The Sum Insured under your Policy decreases annually⁷ in accordance with policy term and on an assumed mortgage interest rate at 8% per annum regardless of the actual mortgage interest rate applicable to your mortgage. The Sum Insured may not match with the outstanding mortgage amount as the decreasing rate of the Sum Insured may not be equal to the rate of your mortgage. To ensure you have sufficient protection against your mortgage or fulfill your need, a regular review of your Policy is recommended.

Additional protection (embedded supplemental benefit with no additional premiums required)

- Unemployment benefit⁸
 - If the Policyholder becomes unemployed for more than 30 consecutive days, you can delay your payment of all premiums due for up to 365 days and still enjoy the full protection of your Policy
5. The beneficiary of the Policy will be defaulted as Policyholder's estate. The beneficiary(ies) can be designated by the Policyholder at any time while the Policy is in force by giving the Company a written notice.
 6. The Death Benefit may not exactly match the outstanding mortgage amount.
 7. If the Death Benefit is paid between years, the payment will be determined up to a completed month and on a pro-rata basis.
 8. Available for Policyholders aged between 19 and 60 holding valid Hong Kong Identity Card.

Premium

1. Regular premium

- You can choose to pay the premium monthly or annually
- The premium is fixed at the start of the Plan and guaranteed not to change

2. Joint applicants

- 15% discount applies to joint Life Insured applications

Optional supplemental 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 (payment made in advance from the Sum Insured)
- Total and Permanent Disability Benefit

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Product Summary

Policy term	5 to 30 years
Premium payment period	Premium payment period is same as the policy term selected at policy issuance
Policy currency	Hong Kong dollars (HKD)
Issue age	Insurance Age ² 19 to 60
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
Death Benefit	Equals to decreasing Sum Insured as specified in Policy Schedule (to be provided upon policy issuance) less outstanding premiums (if any) <ul style="list-style-type: none"> • The Sum Insured under your Policy decreases annually⁷ in accordance with policy term and on an assumed mortgage interest rate of 8% per annum
Conversion privilege option	Without any proof of insurability, this Policy may be converted to a new whole of life or an endowment insurance plan on the life of the Life Insured which is designated by the Company available at such time for the same amount of decreased Sum Insured at any Policy Anniversary at which the Life Insured's Insurance Age ² is less than 60. Please refer to policy provision for detailed terms and conditions.
Embedded supplemental benefits (no additional premiums required)	Embedded supplemental benefits with no additional premiums required: Unemployment Benefit ⁸ <ul style="list-style-type: none"> • Issuance and benefit term of the benefit are subject to specific terms and conditions
Optional supplemental benefits (with additional premiums required)	Major Illness Benefit (Advance payment), Total and Permanent Disability Benefit, Waiver of Premium on Disability Benefit <ul style="list-style-type: none"> • 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 supplemental benefits for details

2. Insurance Age means the age of the Life Insured or Policyholder where applicable at his or your next birthday.
7. If the Death Benefit is paid between years, the payment will be determined up to a completed month and on a pro-rata basis.
8. Available for Policyholders aged between 19 and 60 holding valid Hong Kong Identity Card.

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

Important Notes

Cooling-off Period

The Plan is a long term pure life insurance plan which is not equivalent or similar to any kind of deposit. Part of the premium covers 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 premium(s) paid, by giving written notice 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). To cancel, you must sign on such notice, return the Policy (if received) and ensure that such notice and the Policy must be 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.

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, our liability will be limited to the amount paid to us less any amount paid by us 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 supplemental benefits, such increase shall be deemed not to have taken effect in determining the Death Benefit payable. The additional premium paid for the increase in Sum Insured or Benefit Amount will be refunded. Please refer to policy provisions for detailed terms and conditions.

Eligibility

The Plan is available to any individual who is between Insurance Age² of 19 and 60. The application for the Plan is subject to the relevant requirements on nationality and/or addresses of the Policyholder and/or Life Insured as determined by the Company from time to time.

Tax Reporting and Financial Crime

The Company and other members of the HSBC Group have certain obligations to Hong Kong and foreign legal or regulatory bodies and government or tax authorities

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regarding you and your Policy and the Company may from time to time request information from you in relation to these obligations.

There are consequences, which will be set out in your policy terms, 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 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.

The amount you get back in the event of benefits or payments withholding and/or policy termination by the Company as mentioned above may be less than the amount of the premium(s) you have paid. The Company recommends that you seek your own independent professional advice on your tax liabilities.

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.

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 a 30-day grace period, the Policy will terminate with effect from the due date of the first unpaid premium; 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 of basic plan for detailed terms and conditions on termination.

Applicable law

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.

Key Risks

Credit and insolvency risks

The product is an insurance Policy issued by the Company. Your benefit is 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 policy term, the initial Sum Insured under your Policy decreases annually⁷ in accordance with policy term and on an assumed mortgage 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

Risks from the delay or missing the payment of premiums due

You should pay the premium for the entire premium payment period. 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)⁵, as applicable, 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).

5. *The beneficiary of the Policy will be defaulted as Policyholder's estate. The beneficiary(ies) can be designated by the Policyholder at any time while the Policy is in force by giving the Company a written notice.*
7. *If the Death Benefit is paid between years, the payment will be determined up to a completed month and on a pro-rata basis.*

More Information

You can visit any HSBC branch and arrange for a financial planning review with us

Call 2233 3131
Go to www.hsbc.com.hk
Visit any HSBC branch

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

Registered office
6 Front Street, Hamilton HM11, Bermuda

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 Hong Kong Commissioner of Insurance 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 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 the product factsheet and confirms, having made all the reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading. The information shown is intended as a general summary. Please refer to the insurance policy for the detailed terms and conditions.