

## PowerSave 3-Year Insurance Plan

### Product Factsheet

| Basic Information                                 |   |
|---|---|
| Issue Age   | Age 18 - 64 (age last birthday)   |
| Premium Payment Term                              | 2 years   |
| Policy Term                                       | 3 years   |
| Policy Currency                                   | HKD / USD   |
| Premium Mode                                      | Annual / Annual with Prepayment <sup>1,2</sup>  |
| Minimum Nominated Amount (per Policy)             | HKD20,000 / USD2,500  |
| Maximum Nominated Amount (per Insured Person)     | HKD300,000 / USD37,500  |
| Interest rate on Prepaid Premium                  | <ul style="list-style-type: none"> <li>Guaranteed interest rate on Prepaid Premium at 5%<sup>3</sup></li> <li>Premium prepayment will be used to settle future premiums</li> </ul>  |
| Benefits  |   |
| Guaranteed Return at Policy Maturity <sup>4</sup> | <ul style="list-style-type: none"> <li>For Policies with premium mode as Annual with Prepayment<sup>1,2</sup>: 110.89% of the total premiums paid</li> <li>For Policies with premium mode as Annual: 108.25% of the total premiums paid</li> </ul>  |
| Guaranteed Cash Value                             | <ul style="list-style-type: none"> <li>Available from the 1<sup>st</sup> Policy Year</li> <li>Payable upon the death of the Insured Person, Policy surrender or at Policy maturity</li> </ul>   |
| Surrender Benefit                                 | <ul style="list-style-type: none"> <li>Guaranteed Cash Value</li> <li>In case there is any Premium Prepayment Balance<sup>1</sup> as at the Policy surrender, such balance less Surrender Charge<sup>2</sup> will be refunded</li> </ul>  |
| Maturity Benefit                                  | Guaranteed Cash Value   |
| Death Benefit                                     | <ul style="list-style-type: none"> <li>The higher of:           <ul style="list-style-type: none"> <li>(i) 105% of the total premiums paid and due; or</li> <li>(ii) Guaranteed Cash Value</li> </ul> </li> <li>In case there is any Premium Prepayment Balance<sup>1</sup> as at the death of the Insured Person, such balance will be refunded</li> </ul> |

#### Remarks

1. An amount equivalent to an annual premium amount shall be deducted from the Premium Prepayment Balance annually on each and every premium due date. Premium Prepayment Balance cannot be refunded or withdrawn except in the event of Death Benefit payment, Policy surrender or reduction in Nominated Amount.
2. Should you surrender the Policy or reduce the Nominated Amount of the Policy during the Premium Payment Term, a Surrender Charge of 2% of the Premium Prepayment Balance will be charged by Fubon Life Insurance (Hong Kong) Company Limited ("Fubon Life Hong Kong").
3. 5% refers to the prevailing interest rate on Prepaid Premium at 3% p.a., plus extra 2% p.a. within the promotion period.
4. This refers to the guaranteed return per annum at Policy maturity, calculated based on (i) interest rate on Prepaid Premium at 5% p.a., and (ii) extra Cash Coupon at maturity equivalent to 5.3% of total annual premium, where (i) is applicable to Policies with premium mode of Annual with Prepayment, the guaranteed return per annum is applicable with no withdrawal or partial surrender before Policy maturity. The 3.5% guaranteed return per annum is only applicable to those policies submitted from now till 31 December 2023, with the required premiums paid and required documents submitted as well.
5. The calculation of Guaranteed Return at Policy Maturity includes the extra Cash Coupon at maturity equivalent to 5.3% of total annual premium.

# Key Product Risks

## Nature of the Product and Liquidity Risk

PowerSave 3-Year Insurance Plan (the "Plan") is of long-term nature and is not of any bank savings nature. You are advised to carefully consider your financial capability, cash flow and liquidity needs before making any purchase decision. The Plan may not be suitable for you and you should not purchase the Plan if you are in need of short-term liquidity.

## Policy Currency Risk

Policy currency is denominated in the currency as set out in the Policy Schedule. Should the premiums and benefits requested to be paid in the currency other than the Policy currency, approval of such request would be subject to Fubon Life Hong Kong's absolute discretion and Fubon Life Hong Kong reserves the right to adopt an exchange rate as determined by Fubon Life Hong Kong's absolute discretion. Please refer to "Foreign Exchange Risk" section below for more details.

## Risk on Delaying or Missing Premium Payment

The premium will be paid to Fubon Life Hong Kong and part of the premiums will become part of the assets of Fubon Life Hong Kong while part of it will be paid for the insurance and related costs. The Policyowner does not have any direct rights nor ownership over any of these assets. The Policyowner's rights are subject to terms and conditions of the Policy Provisions and his/her recourse is against Fubon Life Hong Kong only.

You should pay the initial premium on or before the Policy date and subsequent premium(s) on time according to the selected premium mode. Besides, if you fail to make subsequent premium payment before the expiry of the Grace Period (within 31 days after the premium due date), the Policy will be terminated on the premium due date that triggers the Grace Period and you will lose the coverage afterward. The Surrender Benefit will be refunded to you. You may refer to the related Benefit Illustration document for details.

## Surrender Risk

The Plan has a savings component and is subject to risks and possible loss. Should you surrender the Policy or reduce the Nominated Amount of the Policy before maturity, you may receive an amount considerably less than the amount of total premiums paid.

## Termination Condition

Unless otherwise specified, all benefits under the Policy shall terminate on the earliest of the following events:

- Death of the Insured Person;
- At Policy maturity;
- Surrender or cancellation of the Policy; or
- If Fubon Life Hong Kong is unable to collect any subsequent premiums which are due by the expiry of Grace Period.

## Suicide

If the Insured Person commits suicide whilst sane or insane within the first 13 months from the Issue Date or the last Reinstatement Date (whichever is later), Fubon Life Hong Kong shall only refund to the Policyowner or the estate of the Policyowner the paid Premium without interest.

## Foreign Exchange Risk

Any transactions involving foreign currencies are subject to risks, the ever changing political and economic conditions may substantially affect the premium amount paid in Hong Kong dollars due to the currency exchange rate or liquidity of currencies. The premiums received by Fubon Life Hong Kong in a currency different from your Policy currency will be converted to the Policy currency at the prevailing exchange rate determined by Fubon Life Hong Kong from time to time with reference to market rates. All monies payable to Fubon Life Hong Kong or by Fubon Life Hong Kong will be paid in Policy currency, or in the currency other than the Policy currency upon your request. Approval of such request would be subject to Fubon Life Hong Kong's absolute discretion and Fubon Life Hong Kong reserves the right to adopt the prevailing exchange rate as determined by Fubon Life Hong Kong's absolute discretion. Therefore, it may be subject to foreign exchange risks in the process of currency conversion.

## Inflation Risk

The benefits provided under your Policy may not be sufficient to meet your future needs as the future costs of living may be higher than that of today due to inflation.

## Credit Risk

Fubon Life Hong Kong is the underwriter of the Plan. The Policy is subject to Fubon Life Hong Kong's credit risk. If Fubon Life Hong Kong is unable to satisfy the financial obligations of the Policy, in the worst scenario, you may lose substantial part of, and even all, premiums paid and benefits provided under the Policy.

# Important Notes and Disclaimers

## **Warning Statement**

**PowerSave 3-Year Insurance Plan** is a life insurance plan with savings elements. Part of the premiums pay for the insurance and related costs. The Policy is underwritten by Fubon Life Insurance (Hong Kong) Company Limited and is subject to Fubon Life Hong Kong's credit risk. In the worst scenario, you may lose all premiums paid and benefits provided under the Policy. The savings part of the Plan is also subject to risk and loss. You must be aware of the long-term nature of life insurance plan. If you surrender your Policy before maturity, the amount you get back may be less than the amount of total premiums you have paid and thus resulting in a pecuniary loss. You should fully understand all of the risks involved in this product and consider whether this product is affordable and suitable to you before making your application. If you are not satisfied with the Policy, you have the right to cancel the Policy within the cooling-off period and obtain a refund of any premiums paid by giving written notice to Fubon Life Hong Kong provided that you have not made any claims under the Policy. Such notice must be signed by you and received directly by Fubon Life Hong Kong at Suites 701 - 705, 7/F, 12 Taikoo Wan Road, Taikoo Shing, Hong Kong within **21 calendar days** immediately following either the day of the delivery of the Policy or the Cooling-off Notice to you, whichever is earlier.

## **Important Notes**

### **Nominated Amount and its Adjustment**

The Nominated Amount serves as an amount for the calculation of premiums and other Policy values for the Plan. It is not equivalent to the amount of the Death Benefit payable in case of the death of the Insured Person within the Benefit Period.

Reduction in Nominated Amount on Policy Anniversary is allowed, which shall not be less than the minimum Nominated Amount. As such, the Guaranteed Cash Value, Premium Prepayment Balance (if any) and premium shall be reduced in proportion. The Surrender Benefit, Maturity Benefit and Death Benefit shall also be reduced accordingly.

### **Cooling-off Period**

If you are not completely satisfied with the Policy, you may submit your signed written request to Fubon Life Hong Kong for its cancellation. The Policy will be cancelled and the premium paid will be refunded, provided that the written cancellation request must be received directly by Fubon Life Hong Kong within **21 calendar days** immediately following either the day of delivery of the Policy or the Cooling-off Notice to you, whichever is earlier. The Cooling-off Notice is the notice sent to you (separate from the Policy) notifying you of your right to cancel within the stated **21 calendar day period**. The business address of Fubon Life Hong Kong Customer Services Department is Suites 701 - 705, 7/F, 12 Taikoo Wan Road, Taikoo Shing, Hong Kong. No premium or prepaid premium (if any) shall be refunded if claim payment is made under this Policy. After the expiration of the cooling-off period, if you cancel the Policy before maturity, the projected total cash value may be less than the amount of the total premiums you have paid.

### **Levy on Insurance Premium**

Effective from 1 January 2018, all Policyowners are required to pay a levy on each premium payment made for both new and in-force Policies to the Insurance Authority ("IA"). Pursuant to the current policy, the levy will be borne and settled by Fubon Life Hong Kong to the IA and Fubon Life Hong Kong reserves the right to change such policy. For levy details, please visit Fubon Life Hong Kong's website at [www.fubonlife.com.hk/products\\_philosophy\\_en.html](http://www.fubonlife.com.hk/products_philosophy_en.html) or IA's website at [www.ia.org.hk](http://www.ia.org.hk).

### **Other Information**

- The Plan is a life insurance product, but not a bank savings plan embedded with a life insurance. The premium is not a placement of a savings deposit with the bank and hence is not protected by the Deposit Protection Scheme in Hong Kong.
- Fubon Life Hong Kong is solely responsible for all content, approvals, coverage and benefit payment of the Plan.
- Fubon Life Hong Kong reserves the right to accept or reject any insurance application.
- The information in this document is published by Fubon Life Hong Kong which is fully responsible for all the information stated in the document.
- The information in this document does not contain the full terms of the Policy and is intended for reference only. The full Policy terms and conditions are set out in the Policy Provisions of the Plan. Please download and refer to the Policy Provisions of the Plan for details.
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- Fubon Life Hong Kong is a private company limited by shares incorporated and registered in Hong Kong and its registered office is situated at Suites 701-705, 12 Taikoo Wan Road, Taikoo Shing, Hong Kong.