

HSBC Hong Li Yue Yue Ying Annuity Insurance (Participating) - Type B:

Retirement Planning

This product is a participating insurance, the bonus are not guaranteed.

This product is issued and managed by HSBC Life Insurance Company Limited, thus the consignment agency assumes no responsibility for the investment, the payment or the risk management of this product.

"We" and "the company" in this brochure refer to HSBC Life Insurance Company Limited.



HSBC
Insurance

RBE-1810

For enjoying the Retirement Life, Starting planning as Early as Possible

Have you ever imagined how to have a free and comfortable time after you worked hard for many years? How to use your accumulated wealth to let your family enjoy the sun, the beach and the beautiful sceneries around the world and have a wonderful life?

You must hope that you will no longer be bothered by work responsibilities and economic and financial pressures when entering into retirement and you can enjoy a happy and contented retirement life. This period of life is a long journey carrying all kinds of distinct new trips.

HSBC Hong Li Yue Yue Ying Annuity Insurance (Participating)-Type B, provides the sustained and stable Cash Coupon for your retirement life and enables you to share in the participating business growth results of HSBC Life Insurance. Starting from now on, you can leisurely plan for you retirement life.



Benefits at a glance

The stable Cash Coupon to be paid on monthly basis

Since from the First Cash Coupon Payment Day, We will pay the 'Cash Coupon' to the Living Beneficiary, which is based on the Basic Sum Insured of corresponding Cash Coupon Payment Day, if the Insured is still alive by 24:00 of each Cash Coupon Payment Day.

Reversionary Bonus and Terminal bonus to share the market growth

This plan is entitled with the following dividend distribution methods:

1.Reversionary Bonus

- (1) To be paid each month to increase living income:
Addition to the Cash Coupon of that month, the accumulated reversionary bonus which has been announced at that time will be paid to the Living Beneficiary, if the Insured is still alive by 24:00 of each Cash Coupon Payment Day.
- (2) To be paid to increase death claim payment:
If the Insured dies before 24:00 of the First Cash Coupon Payment Day, addition to the Death Benefit, the total number of all installments of Cash Coupon payments times the accumulated reversionary bonus which has been announced for the time will be paid to survived Death Beneficiary as additional part of death payment; If the Insured dies after 24:00 of the First Cash Coupon Payment Day, addition to the Death Benefit, the additional part of death benefit will be paid to the Death Beneficiary, which equals the accumulated reversionary bonus which has been announced for the time multiplying the number of unpaid installments of Cash Coupon payments from the date of death of the Insured to the date of policy maturity.

Once Reversionary Bonus is announced, we are not supposed to change it.

2.Terminal Bonus

- (1) Terminal Bonus for Policy Maturity
If the Insured is still alive by the policy maturity date and the policy is in force, we will pay the Terminal Bonus for Policy Maturity to the Living Beneficiary in a lump sum at policy maturity date.
- (2) Terminal Bonus for Death Claim
If the Insured dies any time after the first anniversary of the Policy during the policy term, we will pay the Terminal Bonus for Death Claim to the survived Death Beneficiary in a lump sum.
- (3) Terminal Bonus for Surrender
If you apply for surrender of the Policy (or Policy cancellation) any time after the fifth anniversary of the Policy during the policy term, we will pay the Terminal Bonus for Surrender to you in a lump sum.

Note: The bonus are not guaranteed.



Benefits at a glance

Death Benefit for life protection

If the Insured dies before 24:00 of the First Cash Coupon Payment Day, the Policy shall terminate and we will pay the Death Benefit to the survived Death Beneficiary in accordance with either of the following terms whichever yields a greater amount:

- (1) Cash Value of the Basic Sum Insured under the policy upon death of the Insured;
- (2) Total premium amount paid under the Policy upon death of the Insured.

If the Insured dies after 24:00 of the First Cash Coupon Payment Day, the Policy shall terminate and we will pay Death Benefit to the survived Death Beneficiary in accordance with the greatest one among following three items:

- (1) Cash Value of the Basic Sum Insured under the policy upon death of the Insured;
- (2) Total premium amount paid minus total amount of cash coupon that has been paid under the Policy upon death of the Insured;
- (3) Twenty-Four times of the Basic Sum Insured under the Policy upon death of the Insured.

The Living Beneficiary change service to provide ONE retirement plan for you and your spouse

Unless otherwise agreed, the default living beneficiary is the insured himself. If need, you can come to us and apply for Living Beneficiary change, for example, including your spouse into this retirement planning.

Note: The change of Living Beneficiary shall comply with the company's related operating rule at the time of the change application and will be effective by the remark or endorsement is issued or attached under the Policy.



Application Process & Rule

Application Process

Step 1

Decide the **Basis Sum Insured** on base of your need on retirement income level

Step 2

Choose the matched **Cash Coupon Payment Starting Age** and **Cash Coupon Payment Period** on base of the period of your retirement planning

Step 3

Choose the proper **Premium Payment Term** according to your current financial situation and affordability

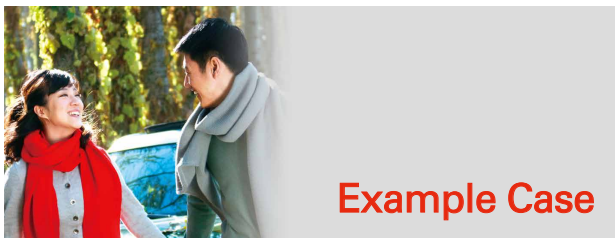
Application Rule

HSBC Hong Li Yue Yue Ying Annuity Insurance (Participating) - Type B provides following application plans to apply for education planning:

Cash Coupon Payment Starting Age	Cash Coupon Payment Period	Policy term	Available Premium Payment Term	Available Issue Age Range
After 10 years since from policy in-force	10 years	20 years	Single; 3 / 5 / 10 years	Refer to the attached table
After 10 years since from policy in-force	15 years	25 years	Single; 3 / 5 / 10 years	Refer to the attached table
After 10 years since from policy in-force	20 years	30 years	Single; 3 / 5 / 10 years	Single payment: age27–age65 Other payment terms: Refer to the attached table
After 15 years since from policy in-force	10 years	25 years	3 / 5 / 10 years	Refer to the attached table
From the 6 th policy year	Till policy maturity	20 years	Single; 3/ 5 years	Refer to the attached table
From the 6 th policy year	Till policy maturity	25 years	Single; 3/ 5 years	Refer to the attached table

Attached table: the issue age range under different payment term

Payment Term	Available Issue Age Range
Single	age 18 – age 65
3 years	age 18 – age 62
5 years	age 18 – age 60
10 years	age 18 – age 55



Example Case

Mrs. Feng is a 50-year-old entrepreneur. Considering children have grown up and lived independently, Mrs. Feng wanted to plan for herself an earlier and happy retirement in advance. Therefore, she bought the HSBC Hong Li Yue Yue Ying Annuity Insurance (Participating)-Type B with herself as the insured, the Basic Sum Insured of RMB 10,000, Premium Payment Term of 3 years, the Policy Term of 20 years and the Cash Coupon payment starting from 6th policy year to policy maturity, in which Mrs. Feng needs to pay the premium of RMB 554,820 each year with the total premium payment of RMB 1,664,460 for 3 years.

Assuming no change on Living Beneficiary, the insurance benefits of the Policy are as followings:

1) Cash Coupon

From the first month of the 6th policy year, Mrs. Feng can get the Cash Coupon of RMB 10,000 every month. The total amount of Cash Coupon for 20 years (excluding interests) is up to RMB 1,800,000.

2) Reversionary Bonus and Terminal Bonus

From the first month of the 6th policy year, in addition to the Cash Coupon, every month Mrs. Feng can also receive the Accumulated Reversionary Bonus that has been declared until the policy maturity. As illustrated at the mid-level rate of investment return, the total amount of accumulated Reversionary Bonus (excluding the interests) can be up to RMB 396,697. In addition to Reversionary Bonus, Mrs. Feng can also receive the Terminal Bonus at policy maturity, and as illustrated at the mid-level rate of investment return, the Terminal Bonus can be RMB 91,804. The total of the above two items of bonus can be RMB 488,501.

Please be noted that the bonus mentioned above are not guaranteed.

3) Death Payment

As illustrated at the mid-level rate of investment return, the Death Beneficiary can get the Death Payment of up to RMB 1,781,875 at the highest case.

In line with the above example, detailed benefit illustration at low, medium and high level of investment return are listed as below:

Policy Year	Age	Premium Of the Year	Premium Accumulated	Death Benefit	Death Benefit+ Reversionary Bonus + Terminal Bonus			Cash Coupon of the Year	Survival payment of the year= Cash coupon+ Reversionary Bonus + Terminal Bonus			Accumulated Cash Coupon		Accumulated Survival payment			Cash value of Basic Sum Insured	Surrender payment= Cash value of Basic Sum Insured + cash value of Reversionary Bonus + Terminal Bonus		
					Low	Medium	High		Low	Medium	High			Low	Medium	High		Low	Medium	High
1	51	554,820	554,820	554,820	554,820	554,820	554,820	0	0	0	0	0	0	0	0	0	374,180	374,180	381,986	383,781
2	52	554,820	1,109,640	1,109,640	1,109,640	1,125,030	1,143,365	0	0	0	0	0	0	0	0	0	851,150	851,150	875,345	880,828
3	53	554,820	1,664,460	1,664,460	1,664,460	1,706,166	1,745,374	0	0	0	0	0	0	0	0	0	1,374,270	1,374,270	1,424,418	1,436,091
4	54	0	1,664,460	1,664,460	1,664,460	1,743,733	1,806,530	0	0	0	0	0	0	0	0	0	1,414,800	1,414,800	1,492,853	1,511,236
5	55	0	1,664,460	1,664,460	1,664,460	1,781,875	1,868,605	0	0	0	0	0	0	0	0	0	1,456,580	1,456,580	1,587,577	1,692,553
6	56	0	1,664,460	1,554,460	1,554,460	1,702,488	1,811,518	120,000	120,000	128,881	130,996	120,000	120,000	128,881	130,996	130,996	1,378,030	1,378,030	1,534,461	1,660,582
7	57	0	1,664,460	1,434,460	1,434,460	1,608,529	1,738,895	120,000	120,000	131,200	133,895	240,000	240,000	260,081	264,890	264,890	1,297,200	1,297,200	1,476,207	1,622,891
8	58	0	1,664,460	1,314,460	1,314,460	1,510,441	1,661,256	120,000	120,000	133,560	136,859	360,000	360,000	393,641	401,749	401,749	1,214,030	1,214,030	1,412,523	1,579,107
9	59	0	1,664,460	1,194,460	1,194,460	1,408,098	1,578,407	120,000	120,000	135,362	139,888	480,000	480,000	529,603	541,637	541,637	1,128,470	1,128,470	1,343,128	1,528,871
10	60	0	1,664,460	1,074,460	1,074,460	1,301,386	1,490,178	120,000	120,000	138,408	142,984	600,000	600,000	668,011	684,620	684,620	1,040,470	1,040,470	1,267,728	1,471,794
15	65	0	1,664,460	570,290	570,290	793,726	1,057,364	120,000	120,000	151,313	159,522	1,200,000	1,200,000	1,398,306	1,448,431	1,448,431	560,290	560,290	787,369	1,067,045
20	70	0	1,664,460	240,000	240,000	330,989	633,205	120,000	120,000	257,227	586,788	1,800,000	1,800,000	2,288,501	2,709,402	2,709,402	0	0	0	0
total									1,800,000	1,800,000	2,288,501	2,709,402								

Notes:

- 1) The age listed in above table means the reached age of the Insured at end of each corresponding policy year. Death payment includes death benefit plus reversionary bonus and terminal bonus. Death benefit is year-end value of the current policy year. Reversionary Bonus and Terminal Bonus are both year-end values of the previous policy year.
- 2) Survival payment of the year equals to the sum total of monthly-paid Cash Coupon and Reversionary Bonus. Upon expiration of the plan term, it also includes Terminal Bonus.
- 3) The cash value of Basic Sum Insured are policy-year-end values.
- 4) Accumulated Cash Coupon refers to the sum total of all the "Cash Coupon of the year" payable in all above "policy years".
- 5) In above example and benefit illustration table, Reversionary Bonus will be paid each month as an additional part to Cash Coupon, since from the First Cash Coupon Payment Day or paid as additional part of death payment; Terminal bonus is paid in a lump sum upon expiration of the policy term, or upon death of the insured after the first anniversary of the policy or upon surrender of the insurance after the fifth anniversary of the policy.
- 6) **The Illustration of Reversionary Bonus and Terminal Bonus presented above are descriptive and may be different from actual ones. Such values are calculated based on actuarial results and other assumptions instead of our track records. They do also not represent a projection into the future results. The bonus distribution are indeterminate.**
- 7) The above Demonstration Numbers are rounded, so the single digit error is not ruled out.

Company Introduction

Headquartered in Shanghai, HSBC Life Insurance Company Limited is a 50-50 joint venture between HSBC Insurance (Asia) Limited and The National Trust Ltd. with a registered capital of RMB 1025 million. HSBC Life offers a comprehensive range of insurance solutions to our customers covering protection, retirement, children's education, wealth growth and management and legacy planning.

HSBC life Insurance Company Limited offers comprehensive and professional protection solutions and service to both individual and corporate customers.

HSBC Life Insurance is a customer-focused company, dedicated to developing and providing innovative and unique products based on our understanding of the market and the needs of our customers.

We recognize that insurance is as much about your feelings as your finances and possessions.

Notes

1. **From the date of signing receipt of the policy, you will have 15 calendar days cooling off period.** If for any reason you are not happy with the plan, you can cancel your Policy within the cooling off period. Upon the cancellation, you will receive a full refund of all paid premiums.
2. This product introduction is for reference only. For detailed clauses, please refer to the policy contract which shall prevail in case of discrepancy.
3. In the event of difference arising between the Chinese version and the English version of this product introduction, the Chinese version shall prevail.

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