



anticipation

Flexible Income Plan
SecureIncome

HSBC 
Insurance

Secure tomorrow,
today with
SecureIncome

Here at HSBC Insurance, we understand that you are working towards a better future where a secure and comfortable retirement awaits. To ensure that you can retire the way you envision, it is important to plan for your retirement in advance.

To understand what retirement means to people around the world, HSBC initiated the annual Future of Retirement research in 2004 so we can develop tailored products and solutions for 100 million of our customers across 88 countries and territories. With up-to-date analysis covering 15,000 people in 15 countries and territories around the world, it is one of the largest researches on retirement undertaken globally.

2009's research report is the fifth in its global series, and it reveals that an alarming **91% of people in Singapore do not know what their retirement income will look like**, and that **only 1 in 10 people currently feel well prepared for retirement**. This may be driven in part by people's lack of understanding about their long-term finances. While Singaporeans understand their short-term finances very well, only 23% of them are as confident about their long-term finances.

The report also indicates that Singaporeans' greatest fears of the future are illness and loss of employment. That is why it is important to have additional funds that will assure you of a secure future. While the Central Provident Fund's CPF LIFE helps create a platform for a retirement fund, you will need to complement it with additional funds if you want to enjoy a secure and quality retirement.

The surest way for peace of mind is to select an insurance plan that could provide guaranteed returns upon maturity of policy. This is where SecureIncome can help. It is designed to provide coverage in the event of a terminal illness and ease your financial burden during unemployment by extending your premium grace period for up to 365 days.

“Should they lose their job, they can cope for only 6.8 months on average, down from 8.5 months a year ago.”

‘Less resilience, higher expectations’ from The Straits Times, 28 June 2010.

“While the majority of Singaporeans correctly expected CPF to provide a modest standard of living in their retirement, 42 per cent assumed that their CPF monthly income would be equivalent to their last-drawn monthly salary.”

‘Save for retirement, Singaporeans urged’ from The Sunday Times, 27 June 2010.

You can be assured of a better future when you kick-start retirement planning with SecureIncome

Designed to suit your various needs, SecureIncome offers you the flexibility to plan your retirement early. With guaranteed income payout during the income term, it provides an additional source of funds for your retirement and the assurance of income post retirement. It is easy to apply for SecureIncome as no medical underwriting is required.



Discover how the plan can help you achieve your retirement goals:

Guaranteed reward upon end of accumulation term

- Instead of worrying about the future, you can now look forward to it. SecureIncome lets you establish, at the outset, the amount of monthly guaranteed income required. During the accumulation term*, it also provides payout in the event of death or terminal illness, which will be more than the premiums paid.
- At the end of the accumulation term, you will receive a guaranteed reward which you can choose to spend any way you like. Kick-start your retirement with a lump sum payment, receive a fixed monthly income upon retirement, or accumulate your monthly income with us to earn the prevailing non-guaranteed interest, whichever serves your needs better.

*Accumulation term for SecureIncome 10 and 55 is 10 years and up to age 55 next birthday, respectively.

Flexible premium payment options

- SecureIncome offers you the flexibility to plan your retirement around your lifestyle needs. You can determine your premium amount in accordance to the income you would like to receive, and opt to pay with a single premium or via monthly premiums where the number of years of payment is determined by you†. To complement CPF LIFE, SecureIncome gives you a head start by allowing you to prepare for your retirement even if you are in your 20s.

†Maximum payment term for SecureIncome 10 and 55 is six years and up to age 50 next birthday, respectively.

Income flexibility and no medical underwriting

- SecureIncome offers flexible income payout options to cater to your financial commitments and post-retirement lifestyle. You get to decide how you want to receive your income payout via different draw down options. This can either be:
 - a stream of regular monthly income over a period of 10 years or
 - if you do not require immediate access to your cash, you can roll-over the monthly income and earn non guaranteed interest at the rate applicable from time to time, and receive a maturity payment at the end of 10 years you may also withdraw your guaranteed reward and maturity payment in accordance with the term or installment quantum agreed with us.
- You or the person entitled to the death benefit can choose to receive the remaining payout in lieu of the death benefit until the end, if the life insured passes on during the payout term.
- Applying for SecureIncome is hassle-free as there are no health checks.

The answer to Singapore's top two retirement fears - illness and unemployment benefit

- To allay your fear of the financial drain an unexpected illness may cause, SecureIncome offers Terminal Illness cover. Upon diagnosis of a terminal illness, you will receive the death benefit in advance, providing comfort at a financially draining time.
- Loss of employment will no longer affect the continuity of your retirement plan, as SecureIncome comes with **unemployment benefit**‡ that will ensure the continuation of your policy even if you are unable to pay your premiums due to job cuts. With 365 days of extended premium grace period, we offer you ample time to find another job without causing the policy to lapse.

‡ Benefit offered is interest free. There is a waiting period of one year from date of inception or reinstatement. This benefit ends at the end of the premium payment term or age 65, whichever is earlier. This benefit is not applicable to corporate-owned policies. Please refer to the frequently asked questions section for details.

Funding executive bonus for key employees

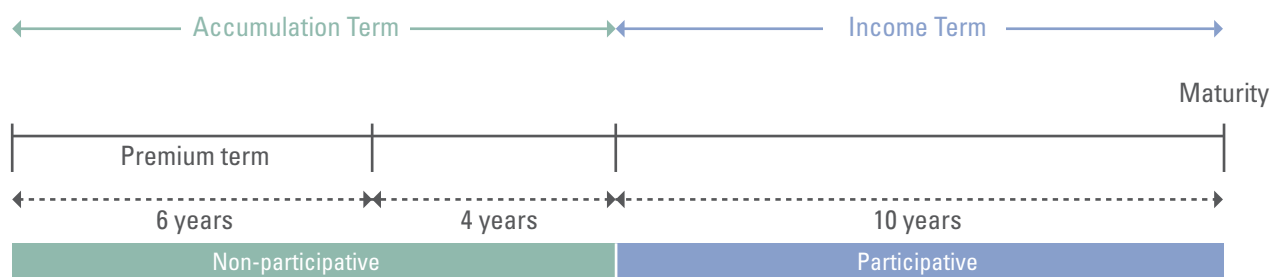
- SecureIncome can also assist you in your business endeavours. If you are a business owner who wants to retain your key employees, you can insure them with SecureIncome.
- SecureIncome allows you to fund an executive bonus to reward your key talents with monthly income over 10 years.
- It also gives you the flexibility to continue the policy by changing the named life insured to another employee if the key employee leaves. This change in life insured[¶] feature is available on SecureIncome 10 for corporate-owned policies.

¶ Acceptance of the new life insured will be at Company's discretion and will depend on the insurability of such replacement Life Insured. We may, at our discretion, reduce the death and terminal illness benefit to 101% for the first five years from the date of this change.

How does SecureIncome work?

SecureIncome is a limited pay plan designed to build up your savings for retirement. It accumulates for a predefined period of 10 years or up to age 55 depending on the plan you choose, known as the accumulation term, after which you will receive a monthly income payout over a 10-year income term. You can opt for a lump sum guaranteed reward at the end of this accumulation term instead of a regular income, in which case the policy will end.

SecureIncome has two phases: during the accumulation term it is a limited pay non-participating plan, and it continues as a participating plan during the income term. See illustration below for SecureIncome 10.

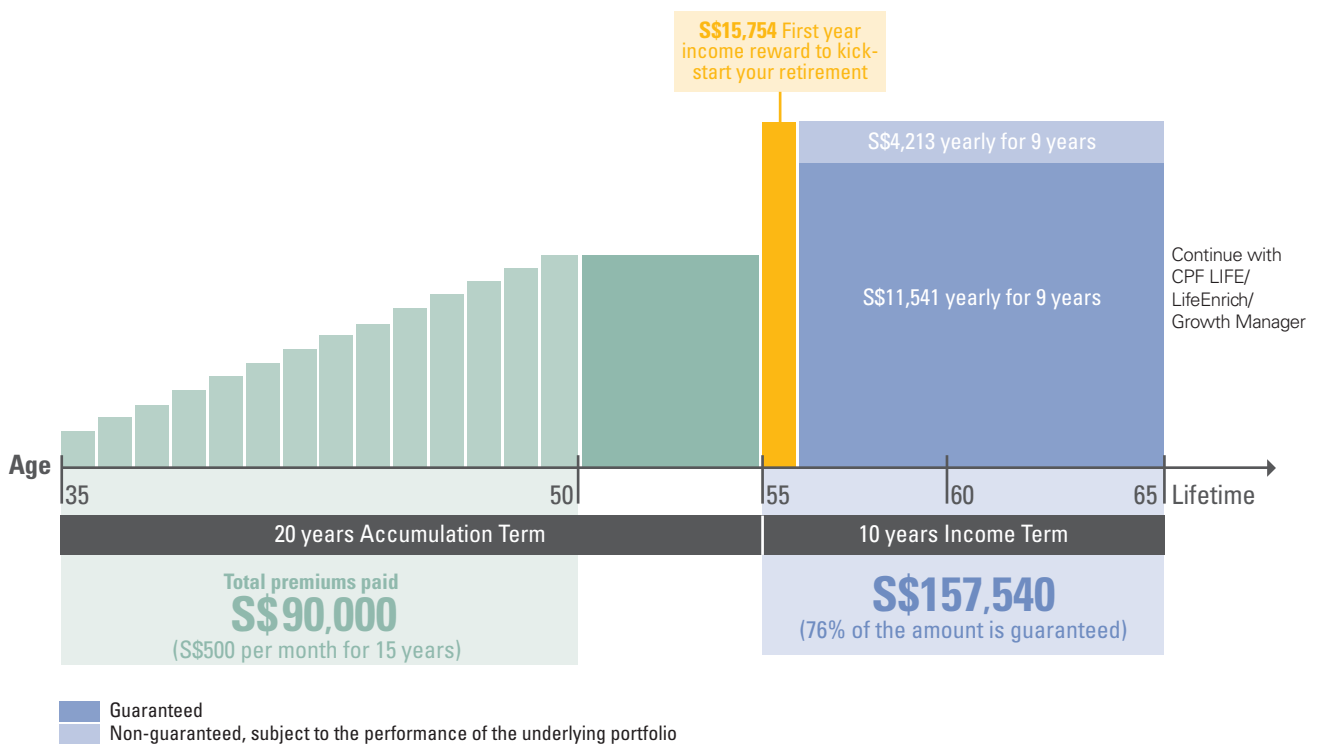


At the start of the income term, you will receive the income payment according to the option you've selected.

Scenario 1

Start planning at a younger age and steadily build up your retirement nest

Start young for a future you can look forward to. If you save S\$500 per month at 35 years of age, you will receive a monthly income of S\$1,312 during the income term when you are 55 years of age, for SecureIncome@55. This means a total income payout of S\$157,540 after 10 years, of which about 76%** is guaranteed. The payout received can be used to pay for your children's education cost, settle that outstanding mortgage, or for the long awaited trip around the world.



All figures illustrated above have been rounded up.

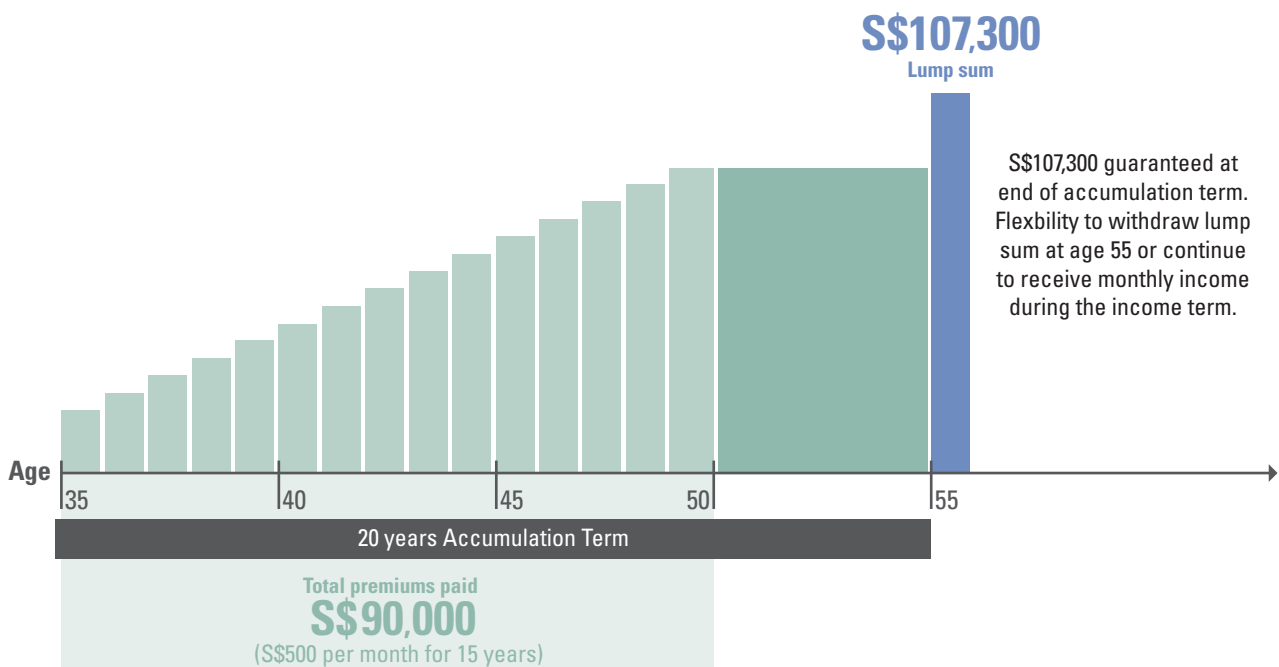
Complement your retirement income further: Once the draw down income from SecureIncome ends, you can begin to enjoy the payout from CPF LIFE combined with other retirement plans offered by HSBC Insurance to build a seamless retirement fund.

** Based on male/female, 35 years old, who wants to generate about S\$1,312 income per month from age 55. The savings amount for SecureIncome@55 would be S\$500 per month.

Scenario 2

Flexibility to change your mind at the end of the accumulation term and do a lump sum withdrawal

If you require funds at the end of the accumulation term for any unplanned events, SecureIncome allows you to opt for a lump sum withdrawal upon expiry of the accumulation term. This ensures that you would have funds ready for any sudden events, such as capital for a new business, unforeseen medical bills, your child's overseas education or even travel plans.

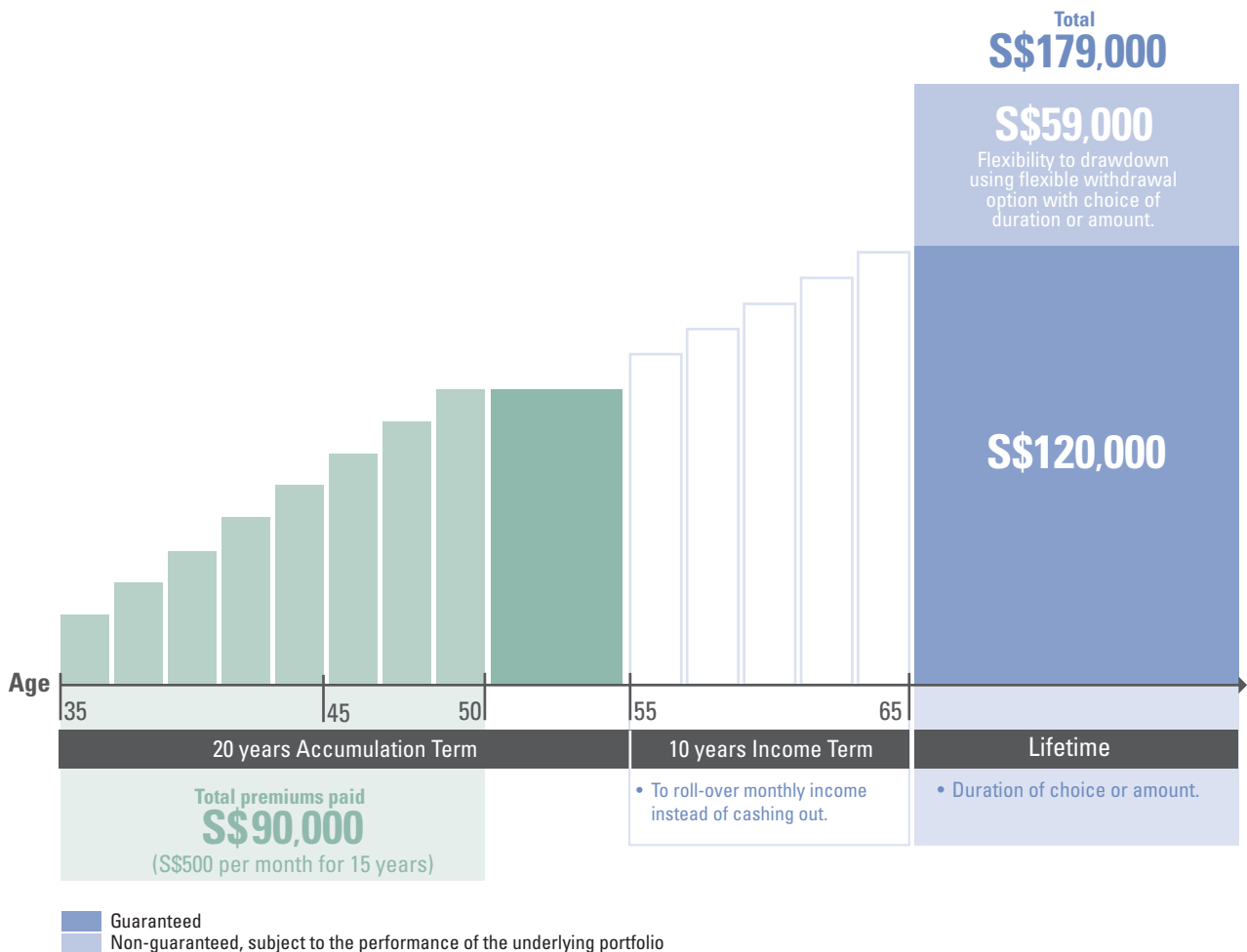


All figures illustrated above have been rounded up.

Scenario 3

Reinvest your savings and earn non-guaranteed prevailing interest rate

If you are thinking of delaying retirement or simply do not need the money at age 55, you have the flexibility to defer the payout until you are 65 years of age. Simply reinvest your monthly income during the income term and earn interest on the total accumulated sum at a rate we determine from time to time. At the end of age 65, you have the option to withdraw the aggregate amount in accordance with the term or instalment quantum agreed with us, through our flexible withdrawal option.

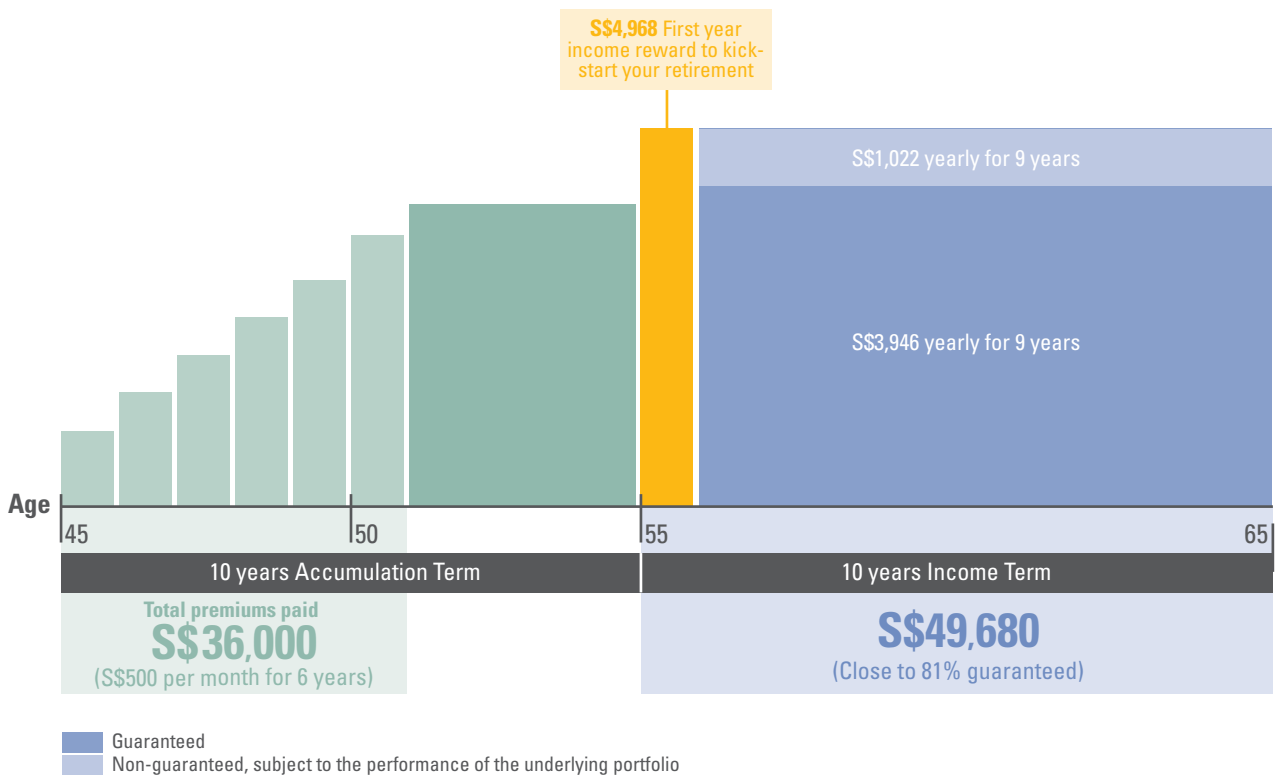


All figures illustrated above have been rounded up.

Scenario 4

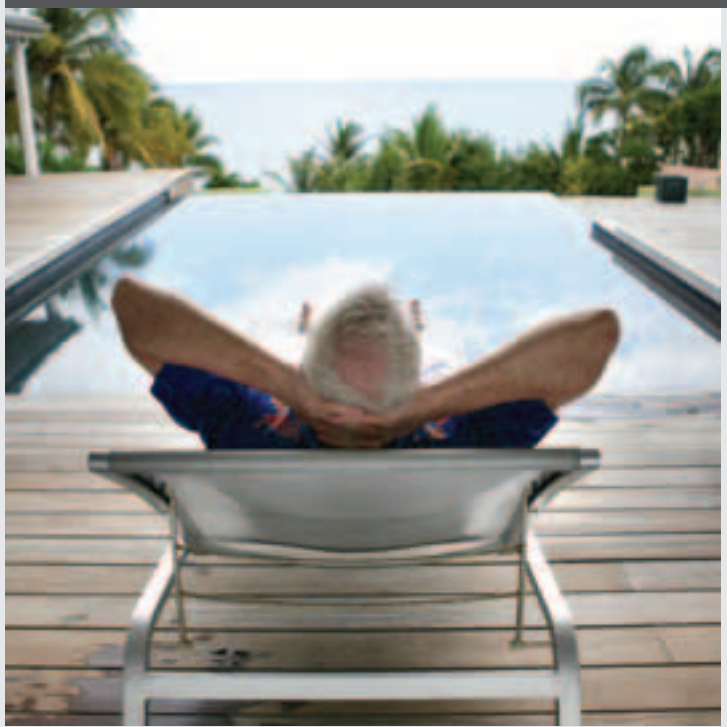
Retain key employees with SecureIncome

If you are a business owner, you can fund an executive bonus through SecureIncome to retain your key employees. Should your key employee leave before the policy matures, SecureIncome 10 offers you the flexibility to change the named life insured to another employee at a later stage. The illustration below is for SecureIncome 10.



All figures illustrated above have been rounded up.

Extra protection for peace of mind



SecureIncome comes with other protection benefits that offer you financial security for any unforeseen circumstances such as unemployment, illness and death.

Unemployment benefit^{††}

If you were to become unemployed for at least 30 consecutive days before the age of 65, you can defer the payment of your premiums with no interest charged for up to 365 days, and still enjoy the full protection of your policy during this period.

Terminal Illness benefit

Upon diagnosis with a disease that is likely to result in death within one year, you will receive your plan's death benefit in advance to pay for hefty medical bills.

Shorten your financial commitment with FlexiPay^{} (optional)**

You can convert your payment term to an even shorter tenure of your choice with FlexiPay.

^{††}Benefit offered is interest free. There is a waiting period of one year from date of inception or reinstatement. This benefit ends at the end of the premium payment term or age 65, whichever is earlier. This benefit is not applicable to corporate-owned policies. Please refer to the frequently asked questions section for details.

^{**}When the plan's original premiums are due, the FlexiPay premiums collected including any accumulated interest will be deducted to pay for the plan. Any premium not deducted will accumulate at a guaranteed interest rate. An early withdrawal of FlexiPay usually involves high costs and the FlexiPay surrender value payable may be less than the total FlexiPay premiums paid. Any withdrawal of FlexiPay will result in the interest earned to be less than the guaranteed interest rate. Any late payment on FlexiPay may render the interest credited under FlexiPay insufficient to pay for future premiums on the original plan.

Frequently asked questions

1. How is SecureIncome different from other pure savings plans?

SecureIncome is designed for people who want to supplement their retirement income over and above what is offered by CPF Life. Apart from a savings period, where one accumulates wealth, it offers a regular income stream after the accumulation term. What's more, it offers you the flexibility to decide your draw down options **at the end of the accumulation term**. This regular stream of guaranteed income provides you assurance and helps you support any basic necessities you might have during post-retirement.

2. How does SecureIncome work?

It is a 2-in-1 plan comprising of the following:

Accumulation term	During the accumulation term , this is a non-participating plan. It is not entitled to any profits that the company's life insurance fund may make.
Income term	During the income term , this is a participating plan. It participates in or shares in the profits of the company's life insurance fund in the form of dividends that are not guaranteed.

- The plan helps you plan for your accumulation and payout of wealth while providing life cover through:
 - Financial protection for you and your loved ones against untimely death or terminal illness during the policy term and
 - Monthly income during the income term
- You can choose one of the following:

Plan	SecureIncome 10	SecureIncome@ 55
Premium term	6 years	Up to policy year when life insured reaches age 50
Accumulation term	10 years	Up to policy year when life insured reaches age 55
Income term	10 years	10 years

The following will be paid in lump sum, less any sum owing to us:

		Death benefit		Surrender benefit
Accumulation term	First 5 policy years	Higher of 101% of total premiums paid, or the cash value at the date of death/terminal illness diagnosis	From third policy year onwards	Guaranteed cash value
	After the first 5 policy years	Higher of 110% of total premiums paid, or the cash value at the date of death/terminal illness diagnosis		
Income term		110% of the guaranteed surrender value + any accumulated and unpaid monthly income + non-guaranteed interest earned + non-guaranteed terminal dividend		Guaranteed surrender value + any accumulated and unpaid monthly income + any non-guaranteed interest earned + non-guaranteed terminal dividend

3. What are the methods of payment available under this policy?

Payments are to be in Singapore dollars (S\$) and can be made by cash, cheque, or direct debit from bank account. Cash payment can only be made at HSBC Insurance cashier located at our Singapore Post Centre Office. Credit card payment is also accepted where applicable.

4. Can I change the premium payment term after the policy is issued?

No, unless you had opted for FlexiPay option, which allows you to change premium term at policy anniversary, subject to FlexiPay's prevailing terms and conditions.

5. Can I make changes to the premium, ie increase or decrease it?

You can reduce premiums after the second policy anniversary, subject to minimum monthly guaranteed amount or premium. A premium increase option is not available at this time.

6. Can I attach any optional benefits to this plan?

Yes, you can attach FlexiPay to help shorten your premium term. This provides you the flexibility to tailor the plan to suit your life circumstances.

7. What is the monthly income that I will receive?

You will receive a monthly income at the beginning of each policy month throughout the 10-year income term, comprising of the following:

	Monthly Income
First 12 months from the start of your income term	A guaranteed monthly income, and an additional guaranteed monthly income will be payable.
Thereafter	A guaranteed monthly income, and a non-guaranteed cash dividend (if any), will be payable.

Please see our Benefit Illustration for the amount of monthly income you may receive in each policy year.

8. What happens if I miss a premium payment?

There is a 30-day grace period for the payment of premiums due.

9. If the life insured passes away during the income term, can the beneficiary choose to continue receiving the monthly income instead of receiving a death benefit in one lump sum?

Yes. The beneficiary (if single person or entity) can choose to continue to receive the remaining monthly income under the income term option or receive the death benefit.

10. In reference to question 9, what happens if the beneficiary passes away before the end of income term?

If the beneficiary passes away, the cash value as at the beneficiary's death will be paid to the beneficiary's estate.

11. How does the unemployment benefit work?

One year after the inception or reinstatement date of the policy, if you are unemployed for at least 30 consecutive days, the premium grace period will be extended from 30 to 365 days from the date we accept your unemployment claim. This benefit ends at the end of the premium payment term or age 65, whichever is earlier. This benefit is not applicable to corporate-owned policies. Policy owner will have to pay back all outstanding premiums in full at any time before the end of the extended grace period. Interest will not be charged on the outstanding premiums accrued during the extended grace period.

12. How do I apply for the unemployment benefit?

Written notice of a claim must be submitted to us within 30 days of unemployment. Proof of unemployment must also be submitted to us within 90 days after unemployment commences.

13. When does the 14-day free-look period start?

You have a 14-day free-look option starting from the date you receive this Policy to review it. If this Policy is delivered by post, it is considered received seven (7) days after the date of posting.

14. How can I keep track of my plan?

You will receive an annual policy status showing the updated policy value. For details, you may also contact your Financial Planner, Relationship Manager or Personal Wealth Manager.

Definitions:

Terminal Illness: This refers to a conclusive diagnosis of an illness not caused by an HIV infection that is expected to result in the death of the life insured within 12 months.

Unemployment: Refers to unemployed by reason of your employment contract being terminated by your employer on the ground of redundancy or by reason of any reorganisation of your employer or employer's business.



Start planning for your retirement today

The earlier you begin planning, the higher your chances of achieving your dream retirement. SecureIncome can provide you with guaranteed monthly payout that is customised to suit your retirement needs. Speak to your Financial Planner to start planning for a better future.

Alternatively, you may call our customer service hotline between 9 am to 5 pm, Monday to Friday for an appointment or email us at e-surance@hsbc.com.sg, you can also write to us at Robinson Road Post Office P.O. BOX 1538 Singapore 903038.

Begin your journey to a dream retirement by completing the sentence below.

To retire comfortably, I need a monthly income of S\$ _____ to last me _____ years.

Your Financial Planner

call us

(65) 6225 6111

log on

insurance.hsbc.com.sg

Important notes

SecureIncome is underwritten by HSBC Insurance (Singapore) Pte. Limited (Reg. No. 195400150N), 21 Collyer Quay #02-01 Singapore 049320.

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