

Important Notes: Information mentioned in this document is intended to provide you with a general summary of the ILP Sub-Fund and are subject to change. Please read the Policy (including Policy Illustration, Product Summary and Fund Summary) for the full details of the standard terms and conditions and the exclusions of the insurance product and ILP Sub-Fund.

This Product Highlights Sheet (“PHS”) is an important document.

- It highlights the key terms and risks of the ILP Sub-Fund and complements the Product Summary and Fund Summary.
- It is important to read the Product Summary and the Fund Summary before deciding whether to purchase the ILP Sub-Fund. If you do not have a copy, please contact us to ask for one.
- You should not invest in the ILP Sub-Fund if you do not understand it or are not comfortable with the accompanying risks.
- Unless otherwise defined, capitalised terms in this PHS have been defined in the Fund Summary.

Investment risk rating is used as a guide to determine the ILP Sub-Fund that is suitable to the risk profile as indicated in the Bank’s Risk Profile Questionnaire (RPQ). It is currently only applicable to customers of HSBC Bank (Singapore) Limited (the “Bank”).

AB American Income Portfolio (the "ILP Sub-Fund")

Product Type	ILP Sub-Fund ¹	Launch Date	The Portfolio was established on 1 July 1993
Manager	AllianceBernstein (Luxembourg) S.a r.l.	Custodian	Brown Brothers Harriman (Luxembourg) S.C.A
Capital Guaranteed	No	Dealing Frequency	Every Business Day
Name of Guarantor	N.A.	Expense Ratio for the financial year ended 31 August 2020	AT SGD Hedged: 1.32% AT USD: 1.32%
Share Class	AB American Income Portfolio – AT SGD Hedged AB American Income Portfolio – AT USD		

ILP SUB-FUND SUITABILITY

WHO IS THE ILP SUB-FUND SUITABLE FOR?

The ILP Sub-Fund is only suitable for:

- higher risk-tolerant investors seeking the income potential of fixed-income investment..

Further Information

Refer to Section 5 and Section 7 of the Fund Summary for further information on the ILP Sub-Fund.

KEY FEATURES OF THE ILP SUB-FUND

WHAT ARE YOU INVESTING IN?

The ILP Sub-Fund invests 100% into AB American Income Portfolio (the “Portfolio”). The Portfolio is a mutual fund domiciled in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier.

The primary investment objective of the Portfolio is to provide a high level of current income consistent with preservation of capital. The Portfolio seeks to meet its investment objective by investing in a diversified portfolio of fixed-income securities. As a

Refer to Section 2, Section 5 and Section 16 of the Fund Summary for further information on features of the ILP Sub-Fund.

¹The ILP Sub-Fund is not classified as Excluded Investment Product.

<p>secondary objective, the Portfolio will seek to increase its capital through appreciation of its investments in order to preserve and, if possible, increase the purchasing power of each Shareholder's investment.</p> <p>The Management Company intends to declare dividends on a monthly basis, and to pay such dividends monthly in an amount equal to all or substantially all of the Portfolio's net income attributable to each class of Shares. The Management Company currently does not intend to declare a dividend in respect of other Share classes and any net income and net realised profits attributable to such Shares will be reflected in the respective NAV of the shares.</p>	
Investment Strategy	
<p>The Portfolio's investments may include all types of U.S. Government Securities, including those backed by the full faith and credit of the U.S. Government, those supported by the right to borrow from the U.S. Treasury and those backed by the credit of the issuing agency itself. The Portfolio may also invest in fixed-income securities issued by U.S. corporations and by non-U.S. corporations and by governments other than that of the United States (including, but not limited to, states, provinces and municipalities) or their agencies and instrumentalities ("governmental entities") issuing securities denominated in Dollars and a variety of mortgage-backed securities and zero coupon securities.</p> <p>The Portfolio will maintain investment exposure of at least 65% of its total assets in U.S. issuers.</p> <p>The Portfolio may use derivatives: (i) as an alternative to investing directly in the underlying investments, (ii) to manage duration, (iii) to hedge against interest rate, credit and</p>	<p>Refer to Section 5 of the Fund Summary for the further information on the investment focus and approach of the ILP Sub-Fund.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <p>The Investment Manager of the Portfolio is AllianceBernstein L.P., a Delaware limited partnership.</p> <p>Brown Brothers Harriman (Luxembourg) S.C.A. has been appointed to act as Administrator and Depositary.</p>	<p>Refer to Section 3 of the Fund Summary for further information on the roles and responsibilities of these entities and what happens if they become insolvent.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>The value of investments and the income from them, and therefore the value of, and income from, Shares relating to the Portfolio can go down as well as up and you may not get back the amount you invest.</p> <p>These risk factors, among others, may cause you to lose some or all of your investment:</p>	<p>Refer to Section 7.1 of the Fund Summary for further information on risks of the ILP Sub-Fund.</p>
Market and Credit Risks	
<p>You are exposed to Country Risks in the US.</p> <p>Investments in issuers located in the US may have more market, political and economic risks because of particular factors affecting that country.</p> <p>You are exposed to Credit Risks.</p> <p>The Portfolio will invest in fixed-income securities (including bonds) issued by companies and other entities and the Portfolio will be subject to the risk that a particular issuer may not fulfil its payment or other obligations in respect of such fixed-income securities. Generally, debt instruments with a lower credit rating or that are unrated are more susceptible to the credit risk of the issuers. In the event of a default or credit rating downgrading of the issuers of the fixed income securities, the Portfolio's value may be adversely affected and investors may suffer a substantial loss as a result.</p>	<p>Refer to Section 7.2 of the Fund Summary for further information on market risk of the Underlying Sub-Fund.</p>
Liquidity Risks	

<p>You are exposed to liquidity risks of the underlying fund’s investments. Investments in illiquid assets or assets which become illiquid could prevent the Portfolio from promptly liquidating unfavourable positions and, therefore, result in losses to the Portfolio and corresponding decreases in the NAV of the Shares.</p> <p>The Shares are not listed and can only be realised on Business Days. There is no secondary market for the Shares. All realisation requests should be submitted in the manner set out in the Singapore Prospectus.</p> <p>You may not be able to redeem when a redemption limit is imposed or when redemption is suspended. A redemption limit may be imposed if requests are received to redeem more than 10% of the Shares of the Portfolio outstanding. Further, your right to redeem may be temporarily suspended under certain circumstances.</p>	<p>Refer to Section 7.1 of the Fund Summary for information on liquidity risks of the ILP Sub-Fund and Section 9 of the Fund Summary for further information on Suspension of Dealings of the ILP Sub-Fund.</p>
---	---

Product-Specific Risks

<p>You are exposed to Derivatives Risks. The Portfolio is entitled to use derivative instruments for hedging and EPM purposes which may involve additional risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk and leverage risk. In adverse situations, the Portfolio's use of derivative instruments may become ineffective in hedging or EPM and the Portfolio may suffer significant losses. The failure of a counterparty to a derivative contract to comply with the terms of that contract could cause the Portfolio to suffer a loss.</p> <p>You are exposed to Fixed Income Securities Risks. As interest rates rise, bond prices fall and vice versa – long-term securities tend to rise and fall more than short-term securities. The Portfolio will invest in fixed-income securities where their value will change in response to fluctuations in interest rates and currency exchange rates, as well as changes in credit quality of the issuer</p>	<p>Refer to Section 7.2 of the Fund Summary for further information on specific risks of the Underlying Sub-Fund.</p>
---	---

FEES AND CHARGES

<p>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT? Payable directly by you as a percentage of your investment amount:</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 20%;">Premium Charge*</td> <td>Currently Nil</td> </tr> <tr> <td>Surrender Penalty*</td> <td>Surrender penalty may apply. You should also refer to the Product Summary for information on the surrender penalty, if applicable.</td> </tr> <tr> <td>Switching Fee*</td> <td>Currently Nil</td> </tr> </table> <p>Payable by the ILP Sub-Fund from asset value of the Portfolio:</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 20%;">Annual Management Fee</td> <td>Currently 1.10% p.a.*</td> </tr> <tr> <td>Other fees</td> <td>Management Company fee: 0.10%; Depository fee: 0.01% Transfer Agent fee: 0.04%; Administrator fee: 0.00%; Any other charges: 0.01%</td> </tr> </table> <p>* HSBC Life reserves the right to review and amend the fees and charges by giving you at least thirty (30) days’ advance notice.</p>	Premium Charge*	Currently Nil	Surrender Penalty*	Surrender penalty may apply. You should also refer to the Product Summary for information on the surrender penalty, if applicable.	Switching Fee*	Currently Nil	Annual Management Fee	Currently 1.10% p.a.*	Other fees	Management Company fee: 0.10%; Depository fee: 0.01% Transfer Agent fee: 0.04%; Administrator fee: 0.00%; Any other charges: 0.01%	<p>Refer to Section 8 of the Fund Summary and Section 5 of the Product Summary for further information on fees, charges and Surrender Penalty (if applicable).</p>
Premium Charge*	Currently Nil										
Surrender Penalty*	Surrender penalty may apply. You should also refer to the Product Summary for information on the surrender penalty, if applicable.										
Switching Fee*	Currently Nil										
Annual Management Fee	Currently 1.10% p.a.*										
Other fees	Management Company fee: 0.10%; Depository fee: 0.01% Transfer Agent fee: 0.04%; Administrator fee: 0.00%; Any other charges: 0.01%										

VALUATIONS AND EXITING FROM THIS INVESTMENT

<p>HOW OFTEN ARE VALUATIONS AVAILABLE? The indicative NAV per Share should be available two Business Days after the relevant Valuation Date. The NAV will also be available on www.alliancebernstein.com.</p> <p>HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO? You can exit or partially exit the ILP Sub-Fund at any time by informing HSBC Insurance (Singapore) Pte. Limited (“HSBC Life”), either directly or through your Financial Consultant from whom you purchased the ILP Sub-Fund. If your application</p>	<p>Refer to Section 13 of the Product Summary for more information on valuation, and Sections 7 and 8 of the Product Summary for more information on withdrawal and switching.</p>
---	--

<p>reaches our correspondence address before 3.30pm on a business day, it will be processed on the same business day. If your application is received after 3:30pm, it will be processed on the next business day. The units withdrawn will be realised at the unit price of the ILP Sub-Fund on the valuation date immediately following the date we accept your written application. The withdrawal proceeds will usually be paid out within 6 business days from the day we process your valid application to exit or partially exit the ILP Sub-Fund.</p> <p>The following is an illustration of the withdrawal amount** that you will receive from the ILP Sub-Fund based on withdrawal of 1,000 units, and unit price of \$1.50 assuming the policy is surrendered in the first year with surrender penalty charge of 70% on the account value.</p> $(1,000 \times \$1.50) - 70\% (1,000 \times \$1.50) = \$450$ <p>Gross withdrawal amount - surrender penalty charge = Net withdrawal amount</p> <p>** You should also refer to the Product Summary for information on any surrender penalty that may be applicable.</p> <p>If you decide to terminate the Investment-Linked Policy within the free-look period of receiving your Investment-Linked Policy, HSBC Life will refund the initial premium you paid without interest, without incurring the fees and charges as stated above, less any medical and/or underwriting expenses incurred in accepting your application; and a sum to account for market fluctuation in respect of your units as determined by HSBC Life. Please note that no top-up, fund switching, partial withdrawal or surrender is allowed during the free-look period.</p>	
CONTACT INFORMATION	
<p>HOW DO YOU CONTACT US?</p> <p>Please contact your Financial Consultant or call Customer Service Hotline at (65) 6225 6111, Mondays to Fridays, 9am to 5pm.</p>	
GLOSSARY	
<p>“Business Day” – A day (other than Saturday, Sunday or a gazetted public holiday) on which commercial banks are open for business in Singapore.</p> <p>“Management Company” - AllianceBernstein (Luxembourg) S.à r.l.</p> <p>“NAV” - means the value of the total assets of a portfolio less the total liabilities of such portfolio.</p> <p>“Trade Day” - The Business Day as of which any transaction in Shares (purchase, redemption or exchange) for a portfolio is recorded in the shareholder register of the Fund, in respect of one or more portfolios, as the context requires, as having been accepted.</p> <p>“Valuation Date” - The relevant Business Day on which the NAV of a class of Shares is determined.</p>	