

Foresight Deferred Annuity Plan

Sun Life Hong Kong Limited
(Incorporated in Bermuda with limited liability)



合資格延期年金保單
Qualifying Deferred
Annuity Policy

Wouldn't it be great if you could have secure retirement annuity income with promising growth potential

Achieving your retirement goals can be simple, as long as you plan wisely. With life expectancy on the rise, you need a secure plan that can cover your future living expenses while achieving wealth growth to help offset expenses and inflation.

This is where Sun Life steps in – your trusted partner for life's journey and achieving life's dreams. **Foresight Deferred Annuity Plan** offers stability and growth potential in one flexible plan, making it simple and easy for you to begin planning a retirement you can look forward to.

This plan is certified by the Insurance Authority as a Qualifying Deferred Annuity Policy ("QDAP").



How can Foresight Deferred Annuity Plan help you?

Foresight Deferred Annuity Plan is a participating insurance plan designed to help you¹ achieve your retirement goals by providing stable annuity payments and promising growth potential. Choose from a wide array of policy options to best suit your needs, and get started with ease.

What's more, you can apply for a tax deduction (if eligible) of up to HKD60,000² per taxpayer each year of assessment. That way, you can prepare for a secure and comfortable retirement while enjoy valuable tax benefits throughout your premium payment term.

With a minimum issue age of 18, **Foresight Deferred Annuity Plan** offers the opportunity to start your retirement planning early. Nor is it ever too late to start planning, which is why you can purchase this plan up to age 65 with a 5-year premium payment term or up to age 60 with a 10-year premium payment term.

This plan ensures a steady stream of monthly annuity income with potential growth up to age 100. Whether you are a career starter or a seasoned professional looking forward to your retirement, **Foresight Deferred Annuity Plan** is flexible enough to fit your plans and your budget.

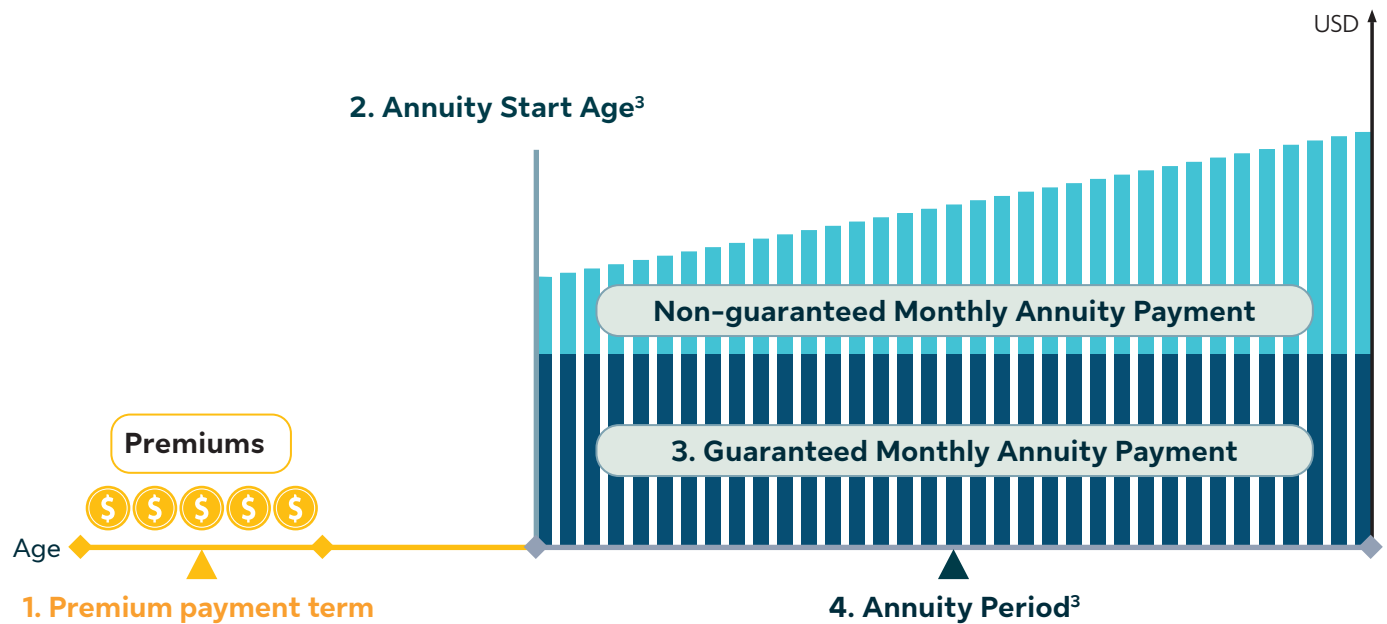
Remarks:

1. In this product brochure, "you" refers to the Policy Owner of this plan and "Policy Owner" refers to the person named as Policy Owner in your Policy Summary. For the purpose of this plan and its related documents, Policy Owner shall also be the insured as well as the annuitant who receives the annuity payment.
2. HKD60,000 is the maximum tax deduction limit per taxpayer each year of assessment. It is an aggregate limit for qualifying annuity premiums and tax deductible MPF voluntary contributions. Tax deduction under salaries tax and personal assessment from premiums paid under this plan is subject to the prevailing tax law of Hong Kong and your individual circumstances. Please refer to "Tax Implication of QDAP" section for details of key risk factors.

How it works

What you can choose

Foresight Deferred Annuity Plan offers tailored solution for your retirement planning. To set up the policy, you can choose the below that fits your plan and budget.



The above diagram is for illustrative purposes only.

1. Premium payment term: You can choose to pay premiums for 5 or 10 years⁴
2. Annuity Start Age: You can choose to receive your annuity income starting from age 50, 55, 60, 65, 70, 75 or 80. The start of the annuity income must be within 10 to 50 years from policy inception.
3. Guaranteed Monthly Annuity Payment: You can choose the guaranteed annuity income you want to receive monthly during the Annuity Period.
4. Annuity Period: You can choose to receive your annuity income for 10, 15, 20 years, or until you reach age 100. The policy will mature at the end of the Annuity Period.

You will also receive the Non-guaranteed Monthly Annuity Payment throughout the Annuity Period, which will be further explained in the following section.

Remarks:

3. Annuity Start Age and Annuity Period cannot be changed once the policy is issued.
4. Prepayment service is not allowed under this plan.

What you will receive during the Annuity Period

Throughout the Annuity Period, you will receive two types of Monthly Annuity Payment, namely the Guaranteed Monthly Annuity Payment and the Non-guaranteed Monthly Annuity Payment (if any).

Guaranteed Monthly Annuity Payment equals the amount you chose and will be paid monthly throughout the Annuity Period. Upon each payment of Guaranteed Monthly Annuity Payment, the Guaranteed Cash Value will be reduced by such amount.

Non-guaranteed Monthly Annuity Payment is the non-guaranteed amount we will pay you monthly throughout the Annuity Period, which equals the sum of all declared Reversionary Bonus (i.e. accumulated Reversionary Bonus).

What is Reversionary Bonus and how it affects your Non-guaranteed Monthly Annuity Payment?

Reversionary Bonus⁵ (if any) will be declared at least annually starting from the 3rd policy anniversary. The values of Reversionary Bonus are non-guaranteed and are subject to change from time to time at the sole discretion of Sun Life Hong Kong Limited ("Sun Life HK"). Once declared, the Reversionary Bonus will be guaranteed. The sum of all declared Reversionary Bonus equals the accumulated Reversionary Bonus. The Non-guaranteed Monthly Annuity Payment will be payable monthly during the Annuity Period and it equals to the accumulated Reversionary Bonus.

Hence, the more declared Reversionary Bonus you have accumulated in your policy, the more Non-guaranteed Monthly Annuity Payment will be paid monthly throughout the Annuity Period. While your policy is in effect and during the lifetime of the insured, you have the right to request for (1) a partial surrender of your policy; or (2) a partial surrender of the accumulated Reversionary Bonus which is only allowed after the premium payment term. If you do so, the accumulated Reversionary Bonus will be reduced, and your future Non-guaranteed Monthly Annuity Payment and cash value of the accumulated Reversionary Bonus will also be reduced.

You may choose one of the following options when the Monthly Annuity Payment is payable:

- (1) Cash Payment (default option) – Monthly Annuity Payment to be paid out to the insured monthly.
- (2) Accumulate with interest – Monthly Annuity Payment to be left with us to accumulate at a non-guaranteed interest rate declared by us.

Remark:

5. Reversionary Bonus may vary based on the performance of a number of experience factors, with the investment return normally being the main determinant. Other factors include, but are not limited to, claim experience, policy expenses, taxes, and policy owner persistency experience.

What are your other benefits

Death Benefit

In case of the death of the insured, we will pay the beneficiary the higher of

- (i) Total premiums due and paid less any Guaranteed Monthly Annuity Payment distributed; or
- (ii) Guaranteed Cash Value on the date of death of the insured

plus any cash value of the accumulated Reversionary Bonus and any accumulated Monthly Annuity Payment with interest, less the amount of any loans with interest.

Surrender Benefit

You may choose to surrender your policy and receive the sum of (i) Guaranteed Cash Value, (ii) any cash value of the accumulated Reversionary Bonus and (iii) any accumulated Monthly Annuity Payment with interest, less the amount of any loans with interest.

Maturity Benefit

On Maturity Date, if the insured is alive, you will receive any accumulated Monthly Annuity Payment with interest less the amount of any loans with interest.



What is the cash value of the accumulated Reversionary Bonus?

When Reversionary Bonus is declared, each of your future Non-guaranteed Monthly Annuity Payment throughout the Annuity Period will be increased by such amount. In the case if you surrender, we will pay you the cash value of the accumulated Reversionary Bonus as part of the Surrender Benefit, and your future Non-guaranteed Monthly Annuity Payment will be forgone.

Similarly, if your policy is terminated early due to the death of the insured, the cash value of the accumulated Reversionary Bonus will be paid to the beneficiary as part of the Death Benefit.

What is the accumulated Monthly Annuity Payment with interest?

The accumulated Monthly Annuity Payment with interest is the total amount left with us when you choose to accumulate your Monthly Annuity Payment at a non-guaranteed interest rate.

What else do you need you know?

Upon the payment of the Non-guaranteed Monthly Annuity Payment, your future Non-guaranteed Monthly Annuity Payment will not be reduced. However, the cash value of the accumulated Reversionary Bonus will be reduced by the amount of Non-guaranteed Monthly Annuity Payment paid and therefore your Death Benefit and Surrender Benefit may be reduced⁶ as well.

The declared Reversionary Bonus will be accumulated in the policy to increase your future Non-guaranteed Monthly Annuity Payment. However, to ease any emergency financial stress, you have the right to request for a partial surrender of your policy or the accumulated Reversionary Bonus without charges.

If you request for a partial surrender of your policy, you will receive a portion of the Guaranteed Cash Value and the cash value of the accumulated Reversionary Bonus. The Guaranteed Monthly Annuity Payment, the accumulated Reversionary Bonus, Non-guaranteed Monthly Annuity Payment and cash value of the accumulated Reversionary Bonus will be reduced proportionally.

If you request for a partial surrender of the accumulated Reversionary Bonus, you will receive a portion of the cash value of the accumulated Reversionary Bonus. The accumulated Reversionary Bonus, Non-guaranteed Monthly Annuity Payment and cash value of the accumulated Reversionary Bonus will be reduced proportionally.

Upon the partial surrender, your Death Benefit and Surrender Benefit will be reduced as well. If you request for a partial surrender of all the accumulated Reversionary Bonus, your future Non-guaranteed Monthly Annuity Payment could be zero.

Remark:


6. Upon the payment of the Non-guaranteed Monthly Annuity Payment:
 - If your chosen option for the Monthly Annuity Payment is Cash Payment, the Non-guaranteed Monthly Annuity Payment will be paid to you, thus the Death Benefit and Surrender Benefit will be reduced.
 - If your chosen option for the Monthly Annuity Payment is Accumulate with interest, the Non-guaranteed Monthly Annuity Payment will be accumulated in your policy and form part of the Death Benefit and Surrender Benefit, thus the Death Benefit and Surrender Benefit will not be reduced.

Example

At policy inception, Mr. A (age 45) chooses to pay premium for 5 years and receive a Guaranteed Monthly Annuity Payment of USD600 starting from age 65 for a period of 20 years.

Each month, Mr. A receives his Monthly Annuity Payment in the form of cash payment and has made no partial surrender of the accumulated Reversionary Bonus before Annuity Period.

During the whole of Policy Year 21, Mr. A will get **USD600 + USD146.1 = USD746.1 each month**

Policy Year	Age at start of Policy Year	Reversionary Bonus declared at the end of Policy Year (in USD)	Accumulated Reversionary Bonus at the end of Policy Year (in USD)	Guaranteed Monthly Annuity Payment (in USD)	Non-guaranteed Monthly Annuity Payment (in USD)
Start of Annuity Period		Starting from the 3 rd policy anniversary, Reversionary Bonus will be declared and accumulated. This amount is the sum of all declared Reversionary Bonus from the 3 rd to 21 st policy anniversary. 			
21	65	8.2	154.2	600	146.1
22	66	8.3	162.5	600	154.2
23	67	8.4	170.9	600	162.5
24	68	8.5	179.3	600	170.9
25	69	8.6	187.9	600	179.3

1 Once Reversionary Bonus is declared, it will become guaranteed and will be accumulated in your policy. Therefore, by the end of Policy Year 24, the accumulated Reversionary Bonus will be **USD170.9 + USD8.5 = USD179.3**

2 In Policy Year 24, Mr. A will get below Monthly Annuity Payment each month throughout the Policy Year as follows:
 Guaranteed Monthly Annuity Payment: **USD600** +
 Non-guaranteed Monthly Annuity Payment
 (i.e. accumulated Reversionary Bonus at the end of Policy Year 23): **USD170.9 = Monthly Annuity Payment: USD770.9**

The above diagram is for illustrative purposes only. You should refer to your insurance proposal for illustrated figure and details. The figures above are rounded to the nearest 1 decimal place. The example assumes that all Monthly Annuity Payments are distributed to the insured monthly during the Annuity Period and there is no partial surrender. The projected Reversionary Bonus and Non-guaranteed Monthly Annuity Payment stated in the example are based on Sun Life HK's bonus scales determined under current assumed investment return and are not guaranteed. The actual future amount of benefits and returns may be higher or lower than the above figures as they may vary based on the performance of a number of experience factors, with the investment return normally being the main determinant. Other factors include, but are not limited to, claim experience, policy expenses, taxes, and policy owner persistency experience.



Internal rate of return

The internal rate of return (“IRR”) of **Foresight Deferred Annuity Plan** varies with issue age, your chosen premium payment term, premium payment mode, Annuity Start Age, and Annuity Period.

The following tables show the IRRs per annum based on a male non-smoker aged 45 who:

- 1) Pays premiums in full when due;
- 2) Receives full Monthly Annuity Payment monthly during Annuity Period or for 30 years, whichever is shorter; and
- 3) Does not have any partial surrender or loans throughout the benefit term.

Per indicated in the tables below, the IRRs per annum are calculated based on one of the following scenarios:

- A** For the duration of the Annuity Period less than or equal to 30 years, the IRR is calculated at maturity:
 - The calculation of guaranteed IRR includes premiums paid for the basic plan and Guaranteed Monthly Annuity Payment
 - The calculation of total IRR includes premiums paid for the basic plan, Guaranteed Monthly Annuity Payment, and Non-guaranteed Monthly Annuity Payment.
- B** For the duration of the Annuity Period greater than 30 years, the IRR is calculated assuming the insured passes away at the end of the 30th policy year since Annuity Period starts:
 - The calculation of guaranteed IRR includes premiums paid for the basic plan, Guaranteed Monthly Annuity Payment and Guaranteed Death Benefit
 - The calculation of total IRR includes premiums paid for the basic plan, Guaranteed Monthly Annuity Payment, Non-guaranteed Monthly Annuity Payment, Guaranteed Death Benefit and the cash value of the accumulated Reversionary Bonus (if any).

Premium payment term	Annuity Start Age	Guaranteed IRR p.a.		Total IRR ⁷ p.a.	
		Minimum	Maximum	Minimum	Maximum
5 years	Age 55	1.11% A	2.28% B	2.56% A	3.59% B
	Age 60	1.95% A	2.60% B	3.14% A	3.82% B
	Age 65	2.23% A	2.64% B	3.35% A	3.96% B
	Age 70	2.31% A	2.62% A	3.64% A	3.99% A
	Age 75	2.38% A	2.62% A	3.72% A	4.05% A
	Age 80	2.39% A	2.58% A	3.77% A	3.95% A
10 years	Age 55	0.90% A	2.31% B	2.69% A	3.75% B
	Age 60	1.77% A	2.56% B	3.15% A	3.88% B
	Age 65	2.08% A	2.57% B	3.33% A	3.99% B
	Age 70	2.18% A	2.55% A	3.64% A	4.02% A
	Age 75	2.28% A	2.56% A	3.73% A	4.07% A
	Age 80	2.32% A	2.52% A	3.79% A	3.97% A

Remark:

⁷ The total IRRs are not guaranteed and will be affected by any changes in Reversionary Bonus and Non-guaranteed Monthly Annuity Payment. The actual total IRRs may be higher or lower than the illustrated figures.

Premium payment term	Annuity Period	Guaranteed IRR p.a.		Total IRR ⁷ p.a.	
		Minimum	Maximum	Minimum	Maximum
5 years	10 years	1.11% A	2.53% A	2.56% A	3.89% A
	15 years	1.42% A	2.56% A	2.79% A	3.92% A
	20 years	1.63% A	2.59% A	2.99% A	3.95% A
	to age 100	2.08% B	2.64% B	3.41% B	4.05% A
10 years	10 years	0.90% A	2.46% A	2.69% A	3.91% A
	15 years	1.30% A	2.49% A	2.94% A	3.95% A
	20 years	1.57% A	2.52% A	3.14% A	3.97% A
	to age 100	2.09% B	2.57% B	3.55% B	4.07% A

The above tables are for illustrative purpose only. The above IRRs are rounded to the nearest 2 decimal places.

Foresight Deferred Annuity Plan is a long term insurance plan designed to help you achieve your desired retirement goals. Therefore, if you surrender your policy or stop paying premium early, you may suffer a considerable loss. The below table illustrates the 1st year's Surrender Value if you surrender your policy at the end of the 1st policy year assuming the premium payment mode is annual:

Premium payment term	Surrender Value per each USD10,000 of annual premium paid	Surrender Value as percentage of annual premium paid
5 years	USD2,000	20%
10 years	USD1,500	15%

Worry-free application process without medical underwriting

With no medical examinations or questions required⁸, applying for **Foresight Deferred Annuity Plan** is simple and convenient.

Flexible Death Benefit Settlement Option for your family should the worst happen

In the unfortunate event that the insured, who is the person protected under the policy, passes away, a Death Benefit will be paid to the beneficiary. To offer the flexibility should the worst happen, **Foresight Deferred Annuity Plan** offers 2 Death Benefit Settlement Options – the Death Benefit can be paid in a lump-sum or by instalments⁹.

Remarks:

8 Simplified underwriting will be required if the total premium paid per insured's life is more than USD2,000,000. Full underwriting will be required if the insured attaches rider benefit(s) to this policy. The application process is subject to the then current administrative rules.

9 The Death Benefit Settlement Option may be exercised subject to a minimum amount of Death Benefit and the minimum amount is determined by Sun Life HK from time to time.

Case Study 1

Enhanced financial security for your retirement



Mr. B
Policy Owner and insured (annuitant)
Age 45
Non-smoker

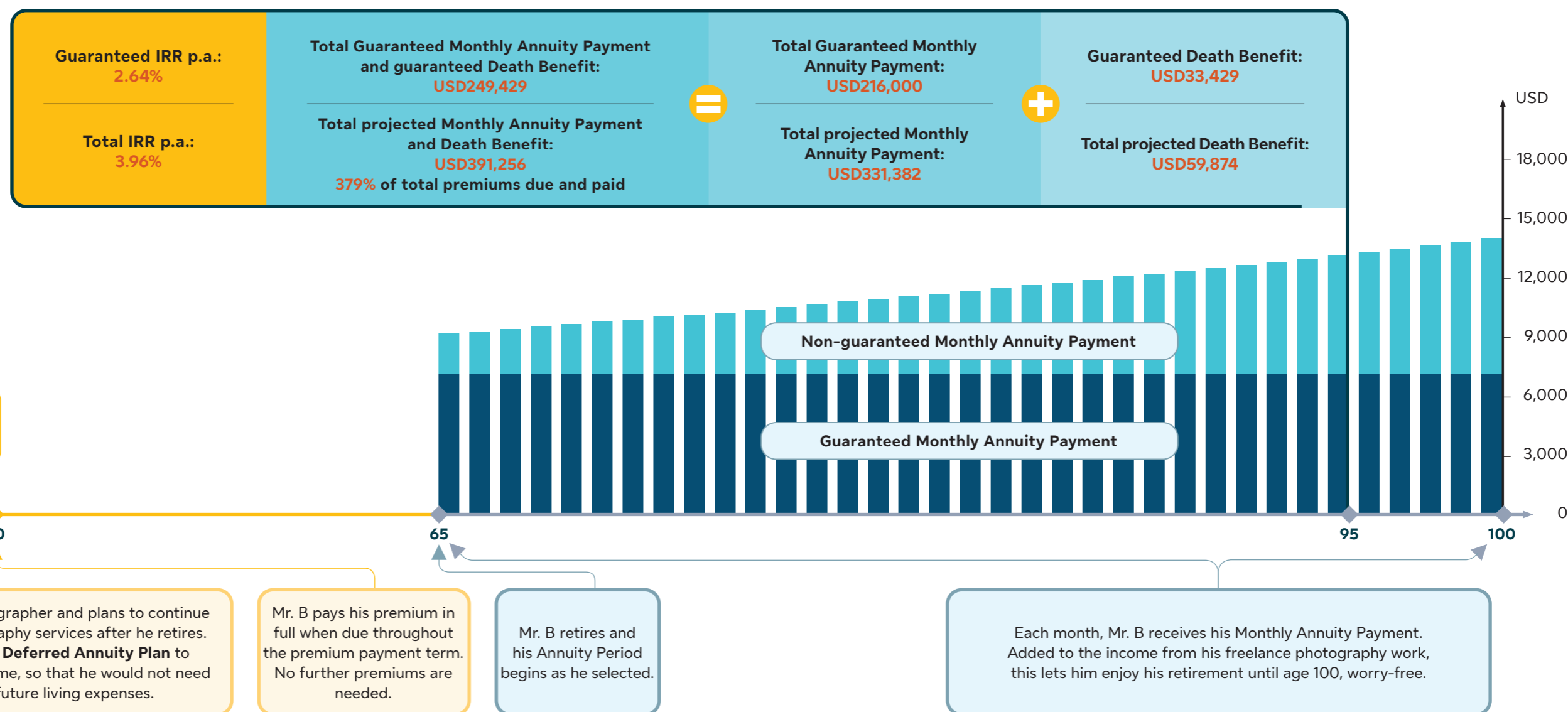
Foresight Deferred Annuity Plan
Premium payment term: 5 years
Premium payment mode: Annually
Annual premium: USD20,669.64
Annuity Start Age: At age 65
Annuity Period: To age 100
Guaranteed Monthly Annuity Payment: USD600



Tips:

Mr. B is eligible to apply for an annual tax deduction² for the qualifying annuity premiums paid during the premium payment term.

If Mr. B passes away at age 95
(at the end of the 30th policy year since Annuity Period starts)



Remark:

¹⁰ The total premiums due and paid exclude all extra premiums and premiums paid for optional rider benefits. Any premiums paid for any optional benefits attached to this basic plan will not be qualified for tax deduction (if eligible).

The above diagram is for illustrative purposes only. The above IRRs are rounded to the nearest 2 decimal places. You should refer to your insurance proposal for illustrated figure and details. The example assumes that all Monthly Annuity Payments are distributed to the insured monthly during the Annuity Period and there is no partial surrender. The projected returns and figures stated in the example are based on Sun Life HK's bonus scales determined under current assumed investment return and are not guaranteed. The actual future amount of benefits and returns may be higher or lower than the above figures as they may vary based on the performance of a number of experience factors, with the investment return normally being the main determinant. Other factors include, but are not limited to, claim experience, policy expenses, taxes, and policy owner persistency experience.

Case Study 2

Covering living costs so your retirement dreams can come to life



Ms. C
Policy Owner and insured (annuitant)
Age 45
Smoker

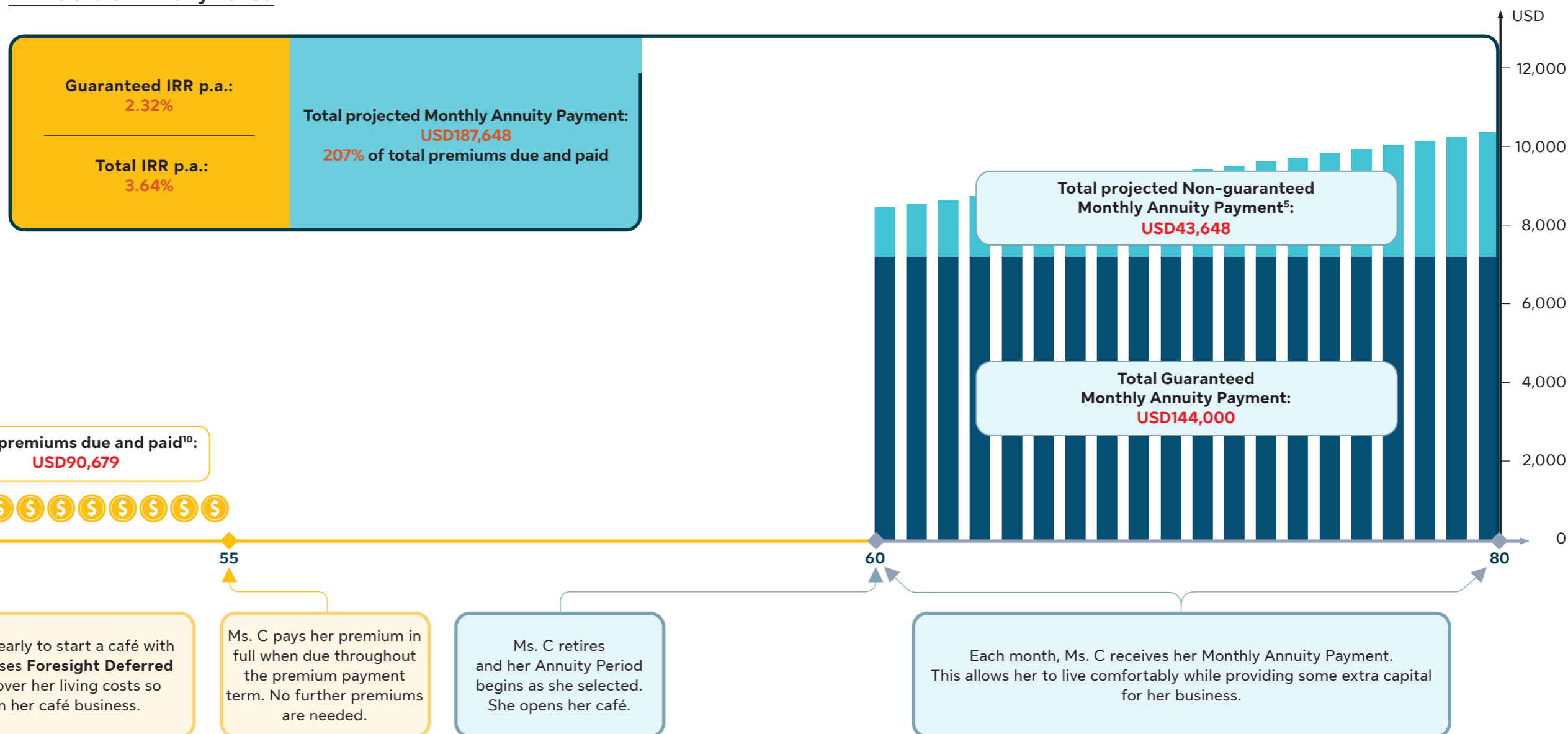
Foresight Deferred Annuity Plan
Premium payment term: 10 years
Premium payment mode: Annually
Annual premium: USD9,067.92
Annuity Start Age: At age 60
Annuity Period: 20 years
Guaranteed Monthly Annuity Payment: USD600



Tips:

Ms. C is eligible to apply for an annual tax deduction² for the qualifying annuity premiums paid during the premium payment term.

At the end of Annuity Period



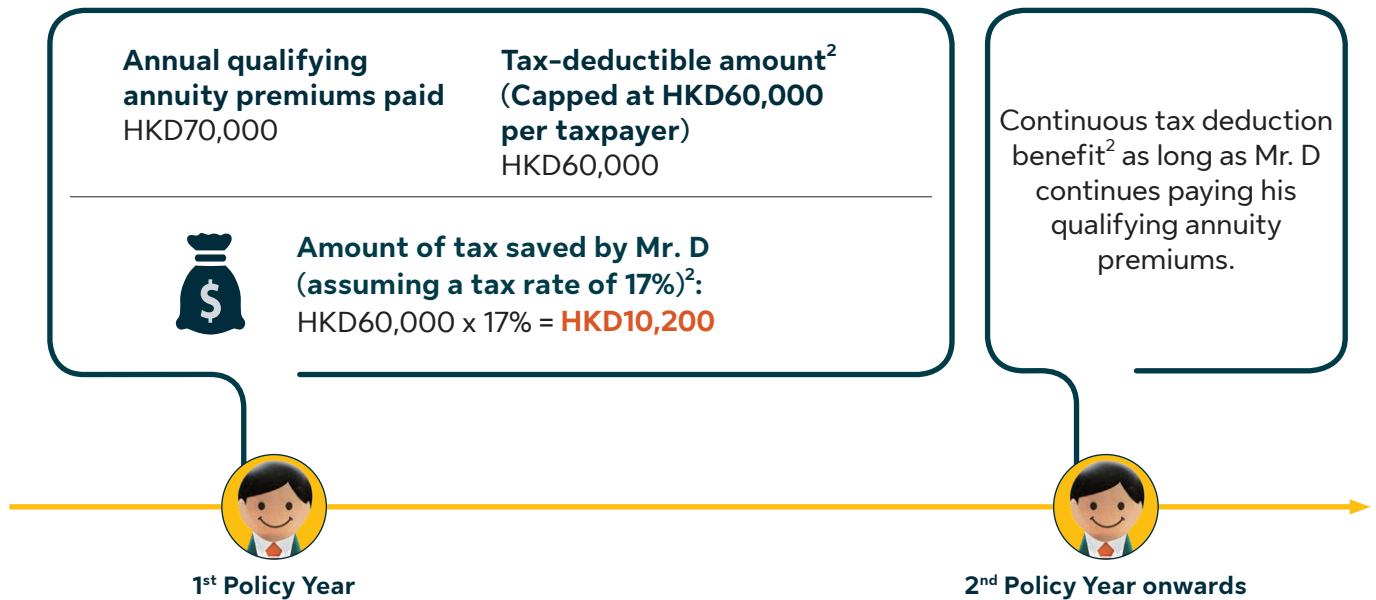
Remark:

¹⁰ The total premiums due and paid exclude all extra premiums and premiums paid for optional rider benefits. Any premiums paid for any optional benefits attached to this basic plan will not be qualified for tax deduction (if eligible).

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Tax deduction illustration²

Mr. D purchases **Foresight Deferred Annuity Plan** for himself. Mr. D is the Policy Owner, insured (annuitant) and the taxpayer.



The tax deduction (if eligible) shown here is for illustrative purpose only. The actual tax deduction amount (if eligible) depends on the individual circumstances of the taxpayer and there might not be tax deductions benefit (if eligible) if you are not subject to salaries tax and personal assessment in the relevant year of assessment.

Key Product Information

Plan	Foresight Deferred Annuity Plan		
Currency	USD		
Premium Payment Term	5 years	10 years	
Minimum Annual Premium (subject to the minimum Guaranteed Monthly Annuity Payment of USD125)	USD4,800	USD2,400	
Issue Age and Annuity Start Age	Annuity Start Age	Issue Age	
		5 years Premium Payment Term	10 years Premium Payment Term
	50	18-40	18-40
	55	18-45	18-45
	60	18-50	18-50
	65	18-55	18-55
	70	20-60	20-60
	75	25-65	25-60
80	30-65	30-60	
Annuity Period	10 years / 15 years / 20 years / to age 100		
Monthly Annuity Payment	Monthly Annuity Payment		
	=		
	Guaranteed Monthly Annuity Payment		
	+ Non-guaranteed Monthly Annuity Payment		
Monthly Annuity Payment	<u>Guaranteed Monthly Annuity Payment</u>	<u>Non-guaranteed Monthly Annuity Payment</u>	
	<ul style="list-style-type: none"> • Guaranteed portion • Determined by Policy Owner at policy inception and will remain unchanged throughout the Annuity Period unless partial surrender is exercised • Used to determine the premium amount to be paid under the policy 	<ul style="list-style-type: none"> • Non-guaranteed portion • Equals to the accumulated Reversionary Bonus 	
	<ul style="list-style-type: none"> • Monthly Annuity Payment will be distributed to the insured (annuitant) at the beginning of each policy month during the Annuity Period. • Before the Monthly Annuity Payment is paid out, the Monthly Annuity Payment will be used to settle any outstanding loans and any applicable interest against the policy. 		
Benefit Term	The policy starts from the policy issue date and terminates at the end of the Annuity Period.		

Plan	Foresight Deferred Annuity Plan				
Premium Payment Mode	Annually / Semi-annually / Monthly				
Premium Structure	Premium is level and guaranteed, calculated based on the Guaranteed Monthly Annuity Payment.				
Surrender Value	<p style="text-align: center;"><u>Before the Annuity Period</u></p> <p style="text-align: center;">Guaranteed Cash Value</p> <p style="text-align: center;">+</p> <p style="text-align: center;">any cash value of the accumulated Reversionary Bonus</p> <p style="text-align: center;">-</p> <p style="text-align: center;">the amount of any loans with interest</p>	<p style="text-align: center;"><u>During the Annuity Period</u></p> <p style="text-align: center;">Guaranteed Cash Value</p> <p style="text-align: center;">+</p> <p style="text-align: center;">any cash value of the accumulated Reversionary Bonus</p> <p style="text-align: center;">+</p> <p style="text-align: center;">any accumulated Monthly Annuity Payment with interest</p> <p style="text-align: center;">-</p> <p style="text-align: center;">the amount of any loans with interest</p>			
Annuity Payment Option	<p style="text-align: center;">The Monthly Annuity Payment, when payable, will be applied under one of the following options as elected by you:</p> <p>1) Cash Payment – Monthly Annuity Payment to be paid out to the insured monthly</p> <p>2) Accumulate with interest – Monthly Annuity Payment to be left with us to accumulate at a non-guaranteed interest rate declared by us</p> <p>Option (1) will be the default arrangement if no option is elected, and annuity payment option can be changed anytime without any charges</p>				
Death Benefit	<p>The higher of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"> Total premiums due and paid - any Guaranteed Monthly Annuity Payment distributed </td> <td style="width: 10%; text-align: center; vertical-align: middle;">or</td> <td style="width: 40%; text-align: center;"> Guaranteed Cash Value on the date of death of the insured </td> </tr> </table> <p style="text-align: center;">+</p> <p style="text-align: center;">any cash value of the accumulated Reversionary Bonus</p> <p style="text-align: center;">+</p> <p style="text-align: center;">any accumulated Monthly Annuity Payment with interest</p> <p style="text-align: center;">-</p> <p style="text-align: center;">the amount of any loans with interest</p>		Total premiums due and paid - any Guaranteed Monthly Annuity Payment distributed	or	Guaranteed Cash Value on the date of death of the insured
Total premiums due and paid - any Guaranteed Monthly Annuity Payment distributed	or	Guaranteed Cash Value on the date of death of the insured			
Maturity Benefit	<p><u>Death Benefit Settlement Option:</u> the Death Benefit can be paid in a lump-sum or by instalments</p> <p style="text-align: center;">Any accumulated Monthly Annuity Payment with interest</p> <p style="text-align: center;">-</p> <p style="text-align: center;">the amount of any loans with interest</p>				
Free rider benefit	24-hour Worldwide Emergency Assistance Benefits ¹¹				

Remark:

11 The Worldwide Emergency Assistance Benefits are provided by third-party service provider(s). Sun Life HK is not the service provider of any of the Worldwide Emergency Assistance Benefits and we do not guarantee the end results of your use of the Worldwide Emergency Assistance Benefits. We make no representation, warranty or undertaking as to the quality and availability of the Worldwide Emergency Assistance Benefits and shall not be responsible for any act, negligence or failure to act on the part of any third-party service provider(s). Sun Life HK will not be liable to you for any loss or damage, costs or other expenses whatsoever and howsoever, directly or indirectly, caused by, arising from or in connection with the Worldwide Emergency Assistance Benefits provided by any third-party service provider(s).

Important Information

Bonus Philosophy

Life insurance involves the transfer of risk from an individual to a life insurer, and the pooling of risks across large groups of policies. With participating insurance, a portion of these risks is borne by the policyholders or shared between the policyholders and the insurer. In return, policyholders may receive policyholder bonuses in the form of reversionary bonus. This bonus is not guaranteed and can vary from year to year.

In general, bonuses on these policies reflect the experience, over time, of the group to which they belong. Bonuses will typically vary based on the performance of a number of factors, with the investment return*, including the impact of asset defaults and investment expenses, normally being the main determinant of bonus performance. Other factors^ include, but are not limited to, claims experience, taxes, expenses and policyholder persistency experience.

Favourable and unfavourable experiences may be smoothed out over time to provide more stable bonuses to policyholders.

The bonus allocation process seeks to achieve reasonable equity among groups of policies and among policies issued at different times, to the extent practicable. Upon declaration of reversionary bonus to policyholders, shareholders will also be entitled to a share of the distribution.

At least annually, the Board of Directors of Sun Life Hong Kong Limited determines the amount of bonus to be declared or paid to participating policyholders. This determination is based on the advice of Sun Life Hong Kong Limited's appointed actuary, who applies accepted actuarial principles and practices. Management of participating business is also governed by Sun Life Hong Kong Limited's internal policies, as well as advice by the internal Par Governance Committee.

* Investment return includes investment income and changes in asset value of the backing portfolio. Performance of the investment return is affected by interest earnings and other market risk factors including, but not limited to, interest rate or credit spread movements, credit events, price fluctuations in non-fixed income assets, and foreign exchange fluctuations. Please see the Investment Philosophy for more details on the investment policies, objectives and strategy in relation to the investments of the backing portfolio.

^ Claims experience represents the experience of mortality and morbidity. Persistency experience includes policy lapse/maturity and partial surrender experience; and the corresponding impact on investments. The expense factor includes maintenance expenses only, where it is charged to the participating fund at the level Sun Life Hong Kong Limited expects to be required over the foreseeable future. Policyholders will share the impact of any changes, over time, to the expected level of expenses required for the then foreseeable future. Any deviations on a year to year basis of the expenses actually incurred from the then expected level required, will be absorbed by the shareholders.

Please refer to Sun Life Hong Kong Limited's website (www.sunlife.com.hk/dividendhistory_eng) for bonuses fulfillment ratios details.

Investment Philosophy (Policies, Objectives, and Strategy)

The investment strategy supporting this product is intended to provide long-term value to the policyholders with a suitable level of risk; and to achieve a main objective of delivering a fair chance of meeting illustrated non-guaranteed benefits in addition to the guaranteed benefits.

The assets supporting the investment strategy span a diversified range of fixed income assets such as sovereign bonds, corporate bonds and corporate loans; as well as non-fixed income assets which are equity-like investments and may include public equities, private equities and so on. The credit portfolio largely invests in investment grade fixed income instruments. A small quantity of below investment grade assets may be present in the portfolio due to unexpected credit rating downgrades. However, exposure to below investment grade assets is controlled by the credit risk limits and investment policies.

The current long-term target mix for the assets supporting this product is shown below:

Asset Class	Target Asset Mix
Fixed Income Assets	70%-90%
Non-Fixed Income Assets	10%-30%

We invest globally to achieve geographical diversification benefits and intend to have a higher relative allocation in the US and Asia-Pacific. Diversifying between asset classes results in a more stable investment return over the long term. The actual asset mix percentages and geographical allocation may fluctuate depending on market conditions, diversification needs and economic outlook.

We may pool the investment returns with other long term insurance products with similar plan features (excluding investment linked assurance schemes and pension schemes) to optimize the investment performance and the return will subsequently be allocated with reference to the target asset mix of each products.

If the currency of the fixed income assets is not in the same currency as the underlying policies, appropriate hedging instruments (where available) is generally used to minimise impacts from fluctuating foreign exchange rates. For non-fixed income assets, there is greater investment flexibility to invest in those assets that are not denominated in the same currency as the underlying policies thereby providing diversification in risks and markets. Derivatives may be used to hedge against market risks but are not intended to bring the risk profile beyond established risk tolerances.

The investment strategy noted above may be subject to change, subject to a rigorous internal review and approval process. We will notify the policyholders upon any material changes.

Key Product Risks:

1. Policy lapsation risk

You need to pay the premium for this basic plan according to the selected premium payment term. Part of the premiums paid will be used to pay for the insurance and related costs. If you do not pay a premium on or before the premium due date, a grace period of 31 days from its due date will be allowed for the payment, during which time this policy will continue to be in effect. Any unpaid premium by the date on which the grace period expires will be paid automatically by a loan from us. If the amount available for a loan under this policy is less than the unpaid premium, the policy will lapse automatically on the due date.

2. Early surrender risk

This plan is a participating insurance plan and designed to be held for long term. Please note that for any surrender in whole or in part, reduction or suspension of premiums (if applicable), you may receive an amount significantly less than the total premiums paid towards your policy.

3. Policy termination risk

We have the right to terminate the basic plan upon the earliest of the following:

- a. accumulated policy loans and interest exceeds the sum of Guaranteed Cash Value, accumulated Monthly Annuity Payment and interest (if any), and cash value of the accumulated Reversionary Bonus (if any) ;
- b. neither premium is paid nor loanable by us and the grace period expires;
- c. the insured passes away; or
- d. the basic plan reaches its maturity.

4. Exchange rate and currency risk

Any transaction involving conversion between policy currency and other currencies would be exposed to foreign exchange risks such as the fluctuation in exchange rate against policy currency.

5. Inflation risk

The cost of living in the future is likely to be higher than it is today due to inflation, so the benefit may be insufficient to meet your needs even if we meet our contractual obligation. You should hence consider the impact of inflation when you plan the benefit.

6. Credit risk

This basic plan is an insurance policy issued by Sun Life Hong Kong Limited and your benefits are subject to the paying ability of Sun Life Hong Kong Limited. In the event that we become insolvent and unable to meet the contractual obligation under the policy, you may lose all or part of your premiums paid and benefits.

7. Non-guaranteed benefits risk

The Non-guaranteed Monthly Annuity Payment equals to the accumulated Reversionary Bonus. Reversionary Bonus is non-guaranteed and is determined in accordance with the rules set out by Sun Life Hong Kong Limited from time to time. The Reversionary Bonus may vary based on the performance of a number of experience factors, with the investment return normally being the main determinant. Other factors include, but are not limited to, claim experience, policy expenses, taxes, and policy owner persistency experience. Since Reversionary Bonus is non-guaranteed, the amount of Non-guaranteed Monthly Annuity Payment is non-guaranteed. If Reversionary Bonus as set out in the benefit illustration is not achieved, the actual amount of Non-guaranteed Monthly Annuity Payment that you will receive may be lower than the projected amount illustrated in the benefit illustration.

The actual non-guaranteed benefits (including but not limited to the Non-guaranteed Monthly Annuity Payment), which may be lower than those illustrated in the benefit illustration, and actual non-guaranteed rate of return of the policy depend on various factors such as the performance of Sun Life Hong Kong Limited's investment and experiences in payment of claims, expenses and policy lapse and surrender, and Sun Life Hong Kong Limited's long-term expected performance of its investment and the above-said experiences. The illustrated amounts of Monthly Annuity Payments under different scenarios on the benefit illustration, including the Pessimistic scenario, may not be achieved because Non-guaranteed Monthly Annuity Payments may be zero.

The Guaranteed Monthly Annuity Payment and Non-guaranteed Monthly Annuity Payment (if any) can be accumulated at an accumulation interest rate which is non-guaranteed and subject to change by Sun Life Hong Kong Limited from time to time and at its sole discretion.

The examples in this brochure are for illustrative purposes only. The projected amount of benefits and returns stated in the examples are based on Sun Life Hong Kong Limited's bonus scales determined under current assumed investment return and are not guaranteed. The actual amounts payable may be higher or lower than the illustrated figures. Under some circumstances, the actual amounts may be zero.

Fulfillment ratios are for reference only, dividend/bonus history is not an indicator of future declaration/performance of the participating products. Please refer to Sun Life Hong Kong Limited's website (www.sunlife.com.hk/dividendhistory_eng) for bonuses fulfillment ratios details.

Tax Implication of QDAP:

Please note that the QDAP status of this product does not necessarily mean you will be eligible for tax deduction available for QDAP premiums you have paid. This product's QDAP status is based on the features of the product as well as certification by the Insurance Authority ("IA") and not the facts of your own situation. You must also meet all the eligibility requirements set out under the Inland Revenue Ordinance and any guidance issued by the Inland Revenue Department of Hong Kong Special Administrative Region ("IRD") before you can claim these tax deductions.

Any general tax information provided is for your reference only, and you should not make any tax-related decisions based on such information alone. You should always consult with a professional tax advisor if you have any doubts. Please note that the tax law, regulations or interpretations are subject to change and may affect related tax benefits including the eligibility criteria for tax deduction. Sun Life Hong Kong Limited is not responsible for informing you about any changes in the laws and regulations or interpretations, and how they may affect you.

Please note that only qualifying annuity premiums due and paid during a year of assessment will be eligible for tax deduction for that year of assessment. Subject to IRD's discretion, all or part of the qualifying annuity premiums paid during the grace period but due in the previous year of assessment may or may not be eligible for tax deduction for that year of assessment. Further information on tax concessions applicable to QDAP may be found at the webpage of IA www.ia.org.hk/en. You may also refer to the website of IRD or contact IRD directly for any tax related enquiries.

Certification by Insurance Authority:

The IA certification of QDAP is not a recommendation or endorsement of the policy, nor does it guarantee the commercial merit of the policy or its performance. It does not mean that the policy is suitable for all policyholders, nor is it an endorsement of its suitability for any particular policyholder or class of policyholders. The policy has been certified by the IA but this certification does not imply official recommendation. The IA does not take any responsibility for the content of the product brochure of the policy, makes no representation as to its accuracy or completeness, expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the content of the product brochure of the policy.

Important Notes:

Effective from January 1, 2018, all policy owners are required to pay a levy on their insurance premium for all new and inforce policies collected by the Insurance Authority through insurance companies. The applicable levy rate will be determined by reference to the policy date or policy anniversary date. For levy details, please visit our website at www.sunlife.com.hk/levy_eng or Insurance Authority's website at www.ia.org.hk. Please note that levies are not premium payments and thus not eligible for tax deduction purpose.

This brochure is for reference only. Please refer to a sample Policy Document for details including definitions of capitalized terms and full terms and conditions of coverage.

Cancellation Right:

If you are not fully satisfied with your policy, you have the right to cancel your policy within the cooling-off period.

By giving us a written request, your policy will then be cancelled and any premium and levy paid will be refunded, provided that: (1) your written request for cancellation must be signed by you and received directly by our office (G/F, MU Tower B, No. 18 Hung Luen Road, Hunghom, Kowloon, Hong Kong) or through email (hk_csd@sunlife.com) within 21 calendar days immediately following the day of delivery of the policy or the cooling-off notice informing you or your representative about the expiry date of the cooling-off period, whichever is earlier, and (2) no refund of any premium and levy paid can be made if any payment from Sun Life HK under the policy has been made prior to the request for cancellation.

Celebrating our shared success together



10Life 5-Star Insurance Award 2025 – 10Life

- Life Insurer of the Year (2023-2025)
- 14 5-Star Accolades Awards



Awards for Excellence in Finance 2025 – Ming Pao

- Award for Excellence in MPF Creativity (Wealth Management Services)
- Award for Excellence in Talent Nurturing (Retirement Planning Service)



The Insurance Asia News Awards – Insurance Asia News

- Marketing Campaign of the Year



The Hong Kong Insurance Awards 2024 – The Hong Kong Federation of Insurers

- Outstanding Campaign for Targeted Community (Grand Award)
- Most Innovative Product and Service Award (Life Insurance) – Top 3 Finalist
- Outstanding Community Intermediary of the Year – Top 3 Finalist



Financial Services Awards of Excellence 2024 – Hong Kong Economic Journal

- Excellence in ESG Savings and Life Insurance Award
- Excellence in Critical Illness Insurance Award



O1 Gold Medal Awards – HK01

- Outstanding Retirement Product



GBA Insurance Award 2024 (HK & Macau) – Metro Finance

- Outstanding MPF Products / Services Award
- Outstanding Contributions to Legacy Planning Award (Family Office)



NowTV Leadership Business Award – NowTV

- ESG Insurance Product Award of Excellence



Sing Tao Service Awards 2024 – Sing Tao Daily

- Critical Illness Insurance
- Savings Products
- Greater Bay Area Wealth Inheritance Services (Hong Kong)



Excellence Awards 2023 – Hong Kong Economic Times

- Excellence in Sustainable Wealth Inheritance (Insurance)
- Excellence in Greater Bay Area Insurance Customer Service



The Hong Kong Council of Social Service

- Caring Company 22nd consecutive year (2002-2024)

MPF Awards



2025 MPF Awards – MPF Ratings

- 10 Year Consecutive Gold
- Best MPF ESG Product
- Sustainably Friendly
- Total nine Awards



Financial Institutions 2025 – Bloomberg Businessweek

- Excellence Performance, Investment Sector – MPF Provider of the Year



Top Fund Awards 2024 – Bloomberg Businessweek (Chinese Edition)

- Three Top Fund Awards of MPF category



MPF of the Year Award 2023 – Benchmark

- Sponsor of the Year
- Four Sponsor Awards
- Two Trustee Awards

For more details, please refer to www.sunlife.com.hk/award

Welcome to the World of Sun Life

Sun Life has been rooted in Hong Kong since 1892, helping the city shine brighter over the course of 130 years by providing excellent products and services.

Sun Life is a leading international financial services organization providing a diverse range of products and services to individuals and corporate clients through our professional and experienced distributors. We provide comprehensive solutions to address your life and health protection, wealth management, and retirement planning needs. Besides offering a wide range of products, we are also an experienced group benefit and third-party administrator in the pension administration business.

We truly understand the needs of your various life stages and offer a wide range of products including Savings & Protection, Health & Accident, Universal Life, and Investment-Linked Assurance Schemes. **Foresight Deferred Annuity Plan** is part of Sun Life Hong Kong's Savings & Protection series, providing a reliable retirement solution for you.

**Savings &
Protection**

**Health &
Accident**

**Investment-
Linked
Assurance
Schemes
(ILAS)**

**Universal
Life**

Sun Life Hong Kong Product Portfolio

What's next?
You can find out more:

Website: sunlife.com.hk

Client Service Hotline: 2103 8928

Please contact your Advisor

This brochure and product are intended for distribution only in Hong Kong and place(s) where such distribution is lawful and allowed. In no event shall this brochure be distributed in the Mainland China. Please refer to a sample Policy Document, which will be provided upon request, for details including definitions, full terms and conditions, and exclusions. If there is any conflict between the Policy Document and this brochure, the Policy Document shall prevail.

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