

LIFE INSURANCE | LIFE PROTECTION

GENERATIONS

卓裕人壽系列

II



Sun Life
永明金融



“Generations II is a participating whole life insurance plan designed to protect and grow your family legacy.”

Wouldn't it be great if your loved ones or business could be well taken care of

Sharing the fruition of your years of hard work is a beautiful present to your loved ones. To preserve your precious present against any unforeseen circumstances, a smart planning helps you not only paving the way to smooth transition of both your individual assets and businesses to your next generations, it grows your hard-earned money along the way.

This is where Sun Life steps in - your trusted partner for life's journey and achieving life's dreams. **Generations II** offers you:

- A true lifelong protection and an option for legacy planning that tailors your financial situation
- A comprehensive business protection to mitigate financial impact of loss of key person(s) in your company during the unfortunate events to help in business continuity





Key Features:



Guaranteed lifelong protection with flexibility



Double bonuses to grow your wealth



6 underwriting classes to suit different lifestyles



Support you no matter what life brings with the **Mental Incapacity Benefit**



Take extra comfort during challenging times with the **Accelerated Benefit which covers Terminal Illness and Accidental Coma** (Applicable to Generations II - 50 only)



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



Emergency relief anytime, anywhere with our **free Worldwide Emergency Assistance Benefit**

How Generations II Works



Guaranteed lifelong protection with flexibility

Without limiting the protection period, **Generations II** offers you true lifelong protection while enjoying the financial freedom in your golden years. A choice of 3 plans – **Generations II - 50**, **Generations II - 70** and **Generations II - 100** offer you different levels of protection to help meet your evolving needs both now and in the future. There are also 3 types of premium payment terms: single pay, 5 years and 10 years, allow you to plan ahead with financial flexibility.

In the unfortunate event that the insured, who is the person protected under the policy, passes away, **Generations II** will help passing on your prosperity to your next generations.





Double bonuses to grow your wealth

Watch your wealth grow and secure a prosperous future for your family. You can maximize your gains with 2 types of non-guaranteed bonuses.

- **Reversionary Bonus¹**

The allocation of Reversionary Bonus (if any) is on an annual basis subject to our declaration of the bonus. Once declared, the face value of Reversionary Bonus will become guaranteed and will be credited towards your policy. Your wealth grows as your bonus grows. Its declared face value is payable upon payment of the Accelerated Benefit or the death of the insured while its declared cash value will be payable upon withdrawal of the accumulated Reversionary Bonus², the payment of the Mental Incapacity Benefit, surrender or termination of your policy.

- **One-time Terminal Bonus¹**

The cash value of the one-time Terminal Bonus is payable upon payment of the Mental Incapacity Benefit (if applicable), surrender or termination; while its face value is payable upon payment of Accelerated Benefit or Death Benefit. The Terminal Bonus is adjusted at each subsequent declaration and may be increased or decreased according to the rules set by Sun Life HK from time to time.



6 underwriting classes to suit different lifestyles

We understand that everyone's situation is different - that's why we offer 6 underwriting classes to suit your lifestyles. Be rewarded with a lower premium if you lead a healthier lifestyle. What's more, no medical check-up is required for the policy within the non-medical underwriting limit³, allowing for a more streamlined and hassle-free application. Just contact your advisor to find out more.

Remarks:

¹ The Reversionary Bonus and Terminal Bonus are non-guaranteed and are determined in accordance with the rules set out by Sun Life Hong Kong Limited ("Sun Life HK") from time to time. The Reversionary Bonus and Terminal 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 termination experience. The cash value of Reversionary Bonus and Terminal Bonus might not be equal to their own face value. For details of bonuses, please refer to Bonus Philosophy under section Important Information and Sun Life HK's website (www.sunlife.com.hk).

² The maximum and minimum amount of cash withdrawal is subject to the then current administrative rules. The cash value of accumulated Reversionary Bonus is not guaranteed and may be reviewed and adjusted by Sun Life HK from time to time at Sun Life HK's sole discretion.

³ Non-medical underwriting limit is subject to the then current underwriting rules.



Support you no matter what life brings with the Mental Incapacity Benefit

Generations II supports you through the Mental Incapacity Benefit⁴, in case you lose mental capacity to file a claim. You may appoint a family member as the Mental Incapacity Benefit Recipient⁵ so he or she can file a claim on your behalf if you are diagnosed as a Mentally Incapacitated Person⁶. That way, your family can quickly make a claim against your policy in the event of an emergency without having to navigate complicated legal proceedings.

You may choose a Mental Incapacity Benefit Percentage of 25%, 50%, 75%, or 100% of the Total Cash Value. When you opt for Mental Incapacity Benefit Percentage of 25%, 50% or 75%⁷ of the Total Cash Value, your policy value can still continue growing even after the Mental Incapacity Benefit is paid. You may apply to change the Mental Incapacity Benefit Recipient and Mental Incapacity Benefit Percentage from time to time⁸. If 100% of the Total Cash Value is paid out under this benefit, the policy will terminate.

$$\begin{array}{rcl} \text{The amount payable of} & & \text{Mental Incapacity Benefit Percentage} \\ \text{Mental Incapacity Benefit}^9 & = & \begin{array}{l} \text{Total Cash Value on the date of claim approval} \\ \times \\ \text{any other amounts left with Sun Life HK}^* \\ + \\ \text{any loans with interest}^* \end{array} \end{array}$$

*Only applicable if the Mental Incapacity Benefit Percentage is 100%.

Remarks:

⁴ It is only applicable if (a) the policy owner and the insured must be the same person at the time you apply for the designation of Mental Incapacity Benefit Recipient; (b) the proposed Mental Incapacity Benefit Recipient must be age of 18 or above; (c) satisfactory evidence of the proposed Mental Incapacity Benefit Recipient according to our then current administrative rules; and (d) the irrevocable beneficiary(ies) (if any) and the assignee (if any) must agree in writing to the requested designation of (i) the Mental Incapacity Benefit Recipient and (ii) the Mental Incapacity Benefit Percentage.

And it will be automatically revoked when (a) you designate a new Mental Incapacity Benefit Recipient and it is approved by Sun Life HK; (b) any change of policy owner of the policy; (c) Sun Life HK has been notified that there is a guardian or committee appointed under the Mental Health Ordinance (Cap. 136 Laws of Hong Kong SAR) (or if there is a guardian or committee appointed under similar laws in another jurisdiction); or (d) Sun Life HK has been notified that the policy owner has an enduring power of attorney covering the policy.

In the event that there is a dispute between the Mental Incapacity Benefit Recipient and any other person, including but not limited to the insured's guardian, committee, attorney, beneficiary(ies), assignee or in our reasonable belief that there is such a dispute, Sun Life HK reserves the right to withhold the payment of Mental Incapacity Benefit until such dispute is resolved.

⁵ The Mental Incapacity Benefit Recipient must be (a) aged 18 or above at the time of applying for the designation of Mental Incapacity Benefit Recipient and (b) the policy owner's spouse, parent, child, sibling, grandparent, grandchild, or any other relationship as approved by Sun Life HK.

⁶ Mentally Incapacitated Person means a person who is incapable, by reason of mental incapacity, of managing and administering his/her property and affairs. The diagnosis of mental incapacity must be given by a Registered Medical Practitioner who is a psychiatric specialist having special experience in diagnosis of mental incapacity.

⁷ Any withdrawal which exceeds the remaining balance of cash value of accumulated Reversionary Bonus will be deducted from the Guaranteed Cash Value and the cash value of Terminal Bonus, which in turn will reduce the Sum Assured of the policy and be deemed as partial surrender and will also reduce the long-term value of the policy.

⁸ Application to change the Mental Incapacity Benefit Recipient is subject to Sun Life HK's approval.

⁹ The Sum Assured of the basic plan cannot be less than the minimum amount as required by the current administrative rules and the amount available for a loan cannot be less than zero upon payment of Mental Incapacity Benefit, and the actual amount of Mental Incapacity Benefit may be less than the amount payable. When an automatic partial surrender is triggered in the course of payment of Mental Incapacity Benefit, the Sum Assured, Guaranteed Cash Value, future declaration of Reversionary Bonus and Terminal Bonus, and the total premium due and paid for the plan will be reduced accordingly.



Take extra comfort during challenging times with the Accelerated Benefit which covers Terminal Illness and Accidental Coma (Applicable to Generations II – 50 only)

The Accelerated Benefit provides you with the utmost financial support during times of crisis. To help you cope with the costs of treatment, palliative care, and other expenses, you can receive 50% of the Death Benefit^{10,11} in advance in the unfortunate event that the insured is diagnosed with a Terminal Illness¹² or Accidental Coma¹³, up to a maximum of USD2,000,000 per life insured. Should the insured pass away afterwards, the remaining amount of Death Benefit will be paid to the beneficiary.

You may appoint a family member as the Designated Benefit Recipient¹⁴ in advance so he or she can file a claim on your behalf if you are diagnosed as a Mentally Incapacitated Person. That way, your family can quickly make a claim against your policy in the event of an emergency without having to navigate complicated legal proceedings.

Remarks:

¹⁰ Once the Accelerated Benefit is claimed, the Sum Assured, Guaranteed Cash Value, any face value and cash value of the accumulated Reversionary Bonus, any face value and cash value of Terminal Bonus, future declaration of Reversionary Bonus and Terminal Bonus, and any future premiums due will be reduced on a pro rata basis based on the amount of the Accelerated Benefit. If Sun Life HK has paid out the Accelerated Benefit, the Death Benefit will be paid based on the reduced Sum Assured if the insured passes away.

¹¹ If you are eligible to make a claim against both the Accelerated Benefit and Mental Incapacity Benefit due to the same illness, we will pay the approved claim under the Accelerated Benefit first. The Sum Assured will be reduced proportionally based on the amount we paid under the Accelerated Benefit. Any claims under the Mental Incapacity Benefit will be paid from the reduced Sum Assured.

¹² A Terminal Illness means the insured is diagnosed as suffering from a condition that, in the opinion of the attending Registered Medical Practitioner and our medical officer is highly likely to result in death within 12 months from the date of such diagnosis.

¹³ Accidental Coma means a state of unconsciousness, which resulted from an accident, with no reaction to external stimuli or internal needs persisting continuously with the use of life support systems for a period of at least one week and resulting in neurological deficit, which in our medical officer's opinion is of a permanent nature.

¹⁴ It is only applicable if (a) the policy owner and the insured must be the same person at the time you apply for the designation of Designated Benefit Recipient; (b) the proposed Designated Benefit Recipient and proposed Mental Incapacity Benefit Recipient must be the same person; (c) satisfactory evidence of the proposed Designated Benefit Recipient according to our then current administrative rules; and (d) the irrevocable beneficiary(ies) (if any) and the assignee (if any) must agree in writing to the requested designation of the Designated Benefit Recipient.



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, **Generations II** offers 3 Death Benefit Settlement Options, including full payment in a lump-sum, full payment by installments and partial payment by installments¹⁵.

Remark:

¹⁵ The Death Benefit Settlement Option may be exercised subject to a minimum amount of Death Benefit and the then current administrative rules determined by Sun Life HK from time to time.



Emergency relief anytime, anywhere with our free Worldwide Emergency Assistance Benefits

With our free 24-hour Worldwide Emergency Assistance Benefits¹⁶, you can enjoy the assurance of emergency medical assistance wherever you travel, including medical evacuation and repatriation, pre-paid hospital admission deposit, transportation of essential medication and medical equipment, and more.

Remark:

¹⁶ The Worldwide Emergency Assistance Benefits are provided by a third-party service provider. These benefits are not guaranteed to be renewable. Please refer to a sample endorsement, which will be provided upon request, for details including definitions, full terms and conditions, and exclusions.

Case Studies

Extra support with the Mental Incapacity Benefit

The Mental Incapacity Benefit supports you in case of an emergency, enabling your loved ones to claim quickly from your policy in case you become mentally incapacitated, without legal complications. That way, you can rest assured knowing your loved ones will have financial support even when the hard times come.

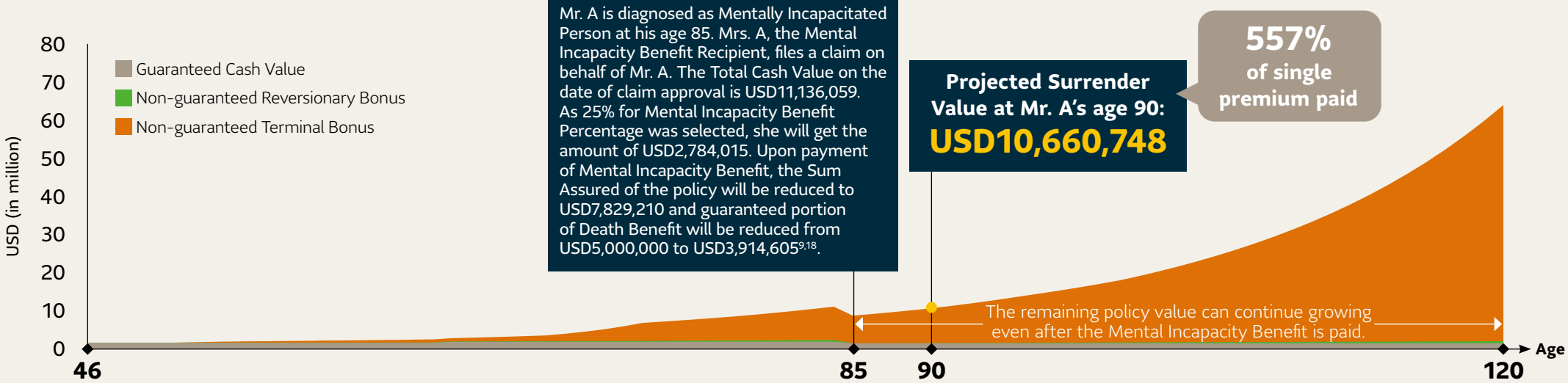
GENERATIONS II - 50



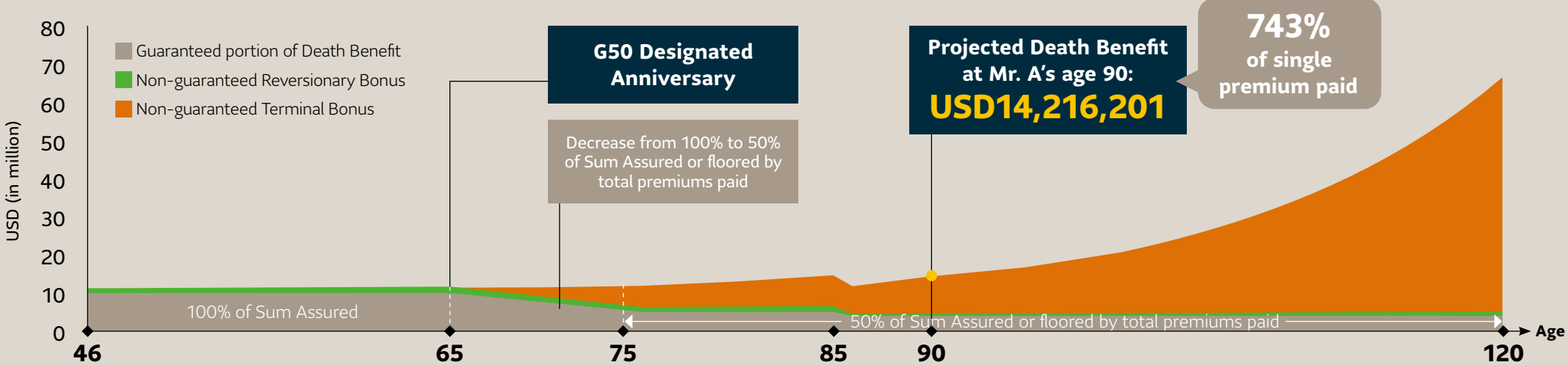
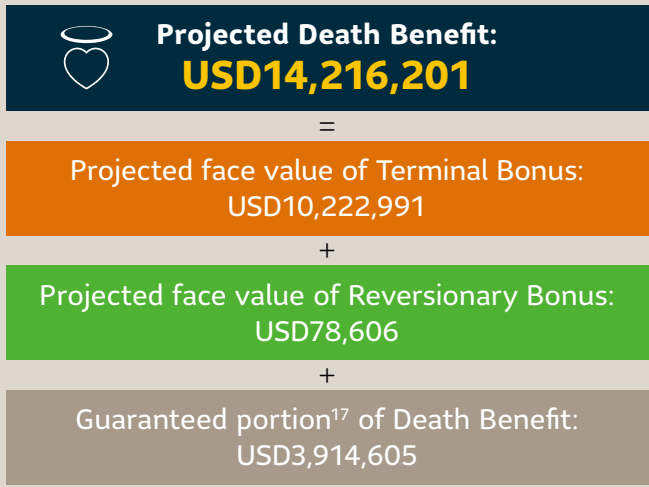
Mr. A
Age 45 | Non-smoker standard rates | Married with 2 children
Sum Assured: USD10,000,000 | Single Premium Paid: USD1,914,600
Premium Payment Term: Single pay

Mr. A is the sole breadwinner of his family and works hard to ensure they live well. However, he worries that they will suffer if he is no longer able to provide for them. He chooses **Generations II - 50**, confident that the Mental Incapacity Benefit will provide extra support. He designates his wife, Mrs. A, as the Mental Incapacity Benefit Recipient, and decides on a 25% Mental Incapacity Benefit Percentage.

Mr. A surrenders his policy at age 90



Mr. A passes away at age 90



The above diagrams are for illustrative purposes only. All figures shown in the case are rounded to the nearest whole number. The example assumes no extra premium. The projected returns 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 amounts of the cash value and face value of accumulated Reversionary Bonus and cash value and face value of Terminal Bonus payable may be higher or lower than the above illustrated figures. Under some circumstances, the actual amounts of these bonuses may be zero. The Reversionary Bonus and Terminal 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 not limited to, claim experience, policy expenses, taxes and policy owner termination experience. For details, please refer to Bonus Philosophy under Important Information section.

Remarks:
¹⁷ For details of guaranteed portion of Death Benefit, please refer to corresponding Applicable Percentage of Sum Assured under Key Product Information of **Generations II** product brochure.
¹⁸ The above case study illustrates a withdrawal which exceeds the remaining balance of cash value of accumulated Reversionary Bonus will be deducted from the Guaranteed Cash Value and the cash value of Terminal Bonus, which in turn will reduce the Sum Assured of the policy and be deemed as partial surrender and will also reduce the long-term value of the policy. The actual amount of Mental Incapacity Benefit may be less than the amount as illustrated above.

Security with Generations II - 70

Generations II - 70 prepares you a balance of life protection and savings along your evolving needs in your life. We understand you might need more protection in your early stage for achieving life goals at affordable price, starting from the age of 70 or the 20th policy anniversary (whichever is later), the guaranteed portion of Death Benefit will decrease from 100% of Sum Assured by 3% every year for 10 consecutive years to 70% of Sum Assured, and it will be remained at 70% of Sum Assured till the end of your policy.

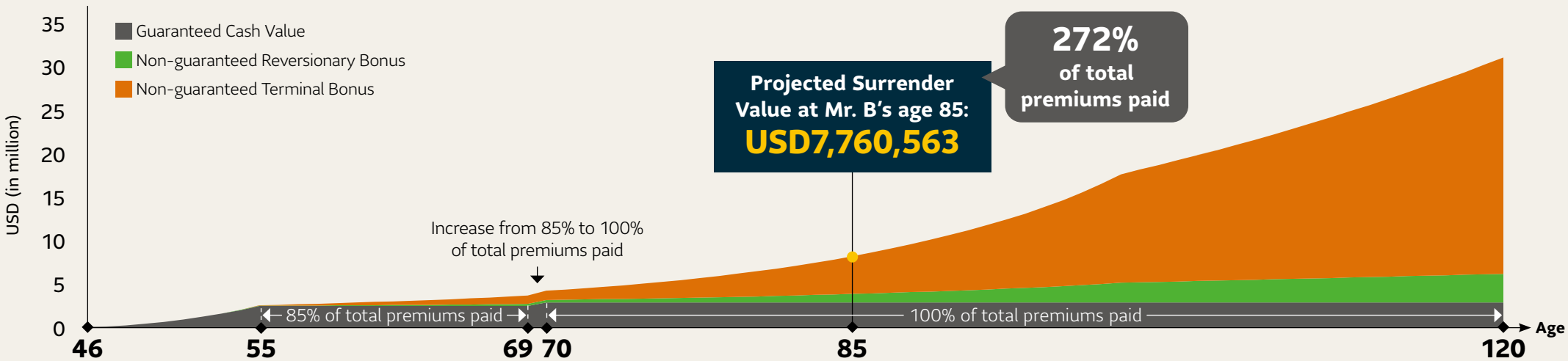
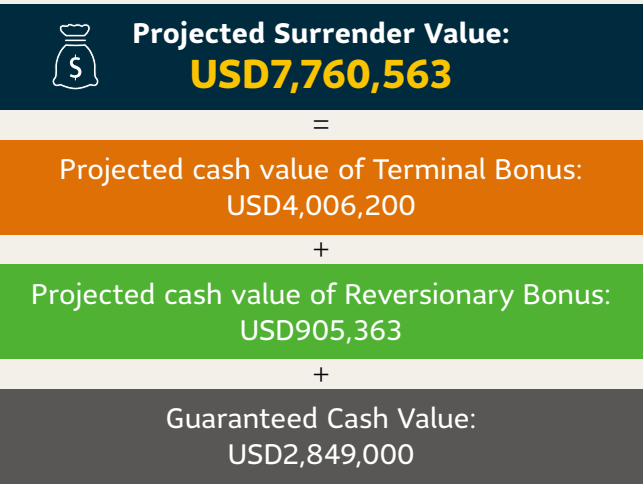
GENERATIONS II - 70



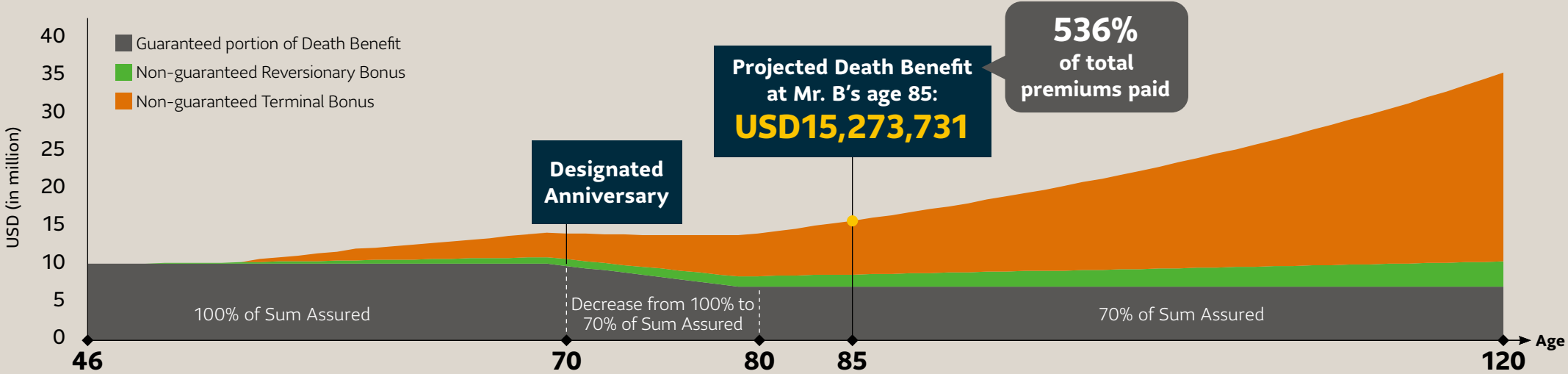
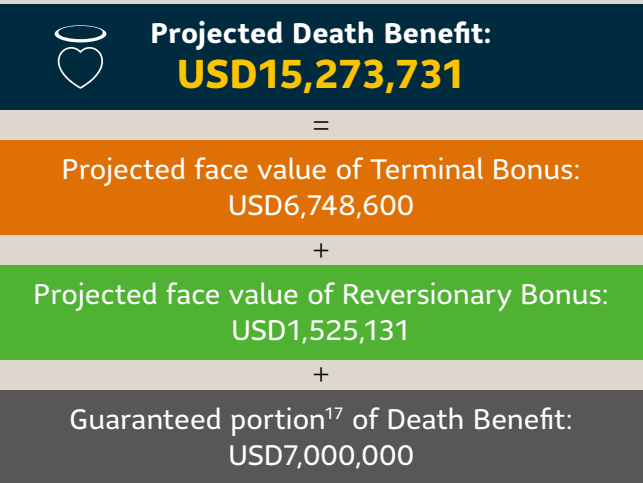
Mr. B
Age 45 | Non-smoker standard rates | Have elderly parents
Sum Assured: USD10,000,000 | **Annual Premium:** USD284,900
Premium Payment Term: 10 years | **Premium Payment Mode:** Annually

Mr. B lives a comfortable life, providing for himself and his elderly parents. Always the one to plan ahead, he wants to have security for the future, in case of any unexpected needs or expenses. He chooses **Generations II - 70** with 10 years premium payment term for further peace of mind against unpredictable changes.

Mr. B surrenders his policy at age 85



Mr. B passes away at age 85



The above diagrams are for illustrative purposes only. All figures shown in the case are rounded to the nearest whole number. The example assumes no withdrawals and no extra premium. The projected returns 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 amounts of the cash value and face value of accumulated Reversionary Bonus and cash value and face value of Terminal Bonus payable may be higher or lower than the above illustrated figures. Under some circumstances, the actual amounts of these bonuses may be zero. The Reversionary Bonus and Terminal 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 not limited to, claim experience, policy expenses, taxes and policy owner termination experience. For details, please refer to Bonus Philosophy under Important Information section.

Remarks:
¹⁷ For details of guaranteed portion of Death Benefit, please refer to corresponding Applicable Percentage of Sum Assured under Key Product Information of **Generations II** product brochure.

Permanent Value with Generations II - 100

Generations II - 100 guarantees a Death Benefit at 100% of Sum Assured for the whole life. It helps you safeguard those who are the most important to you. Enjoy complete life protection throughout the policy, so you and your family can live life carefree.

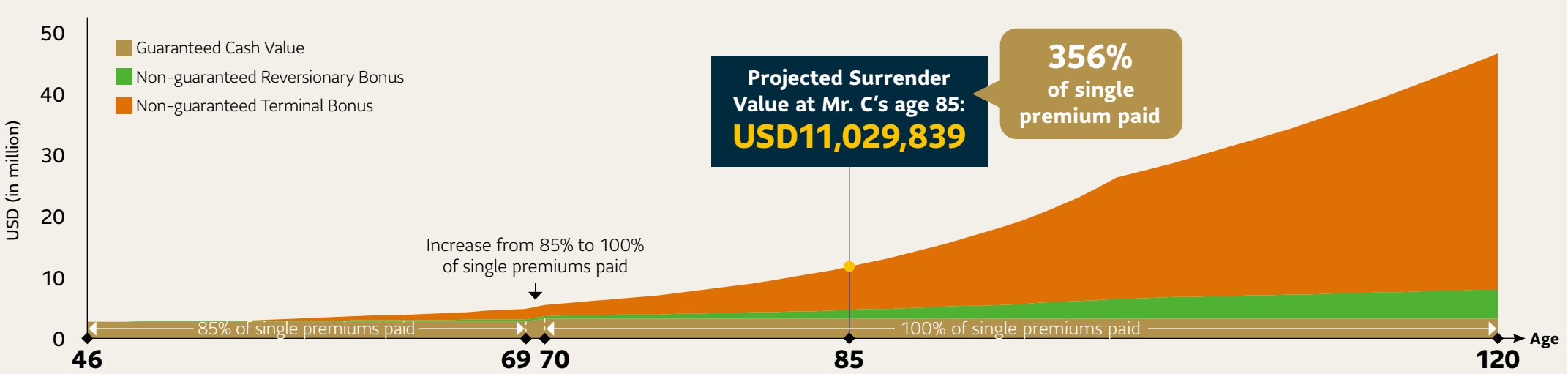
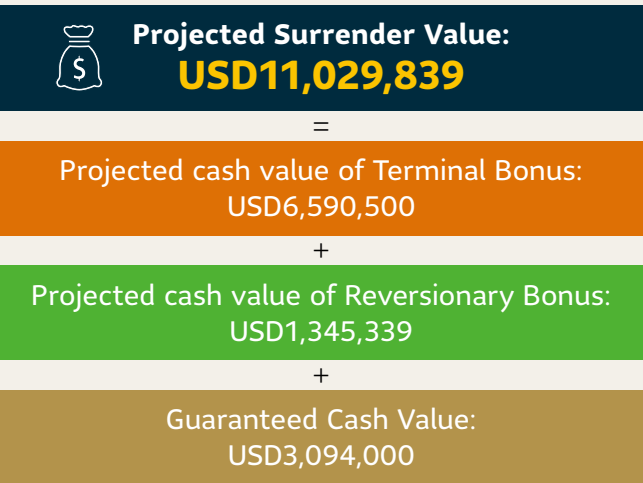
GENERATIONS II - 100



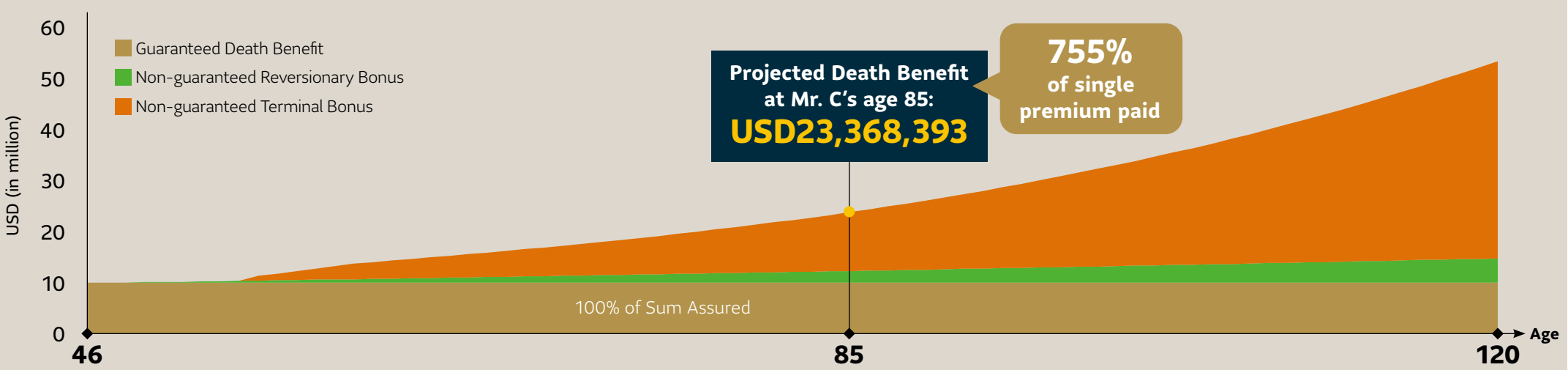
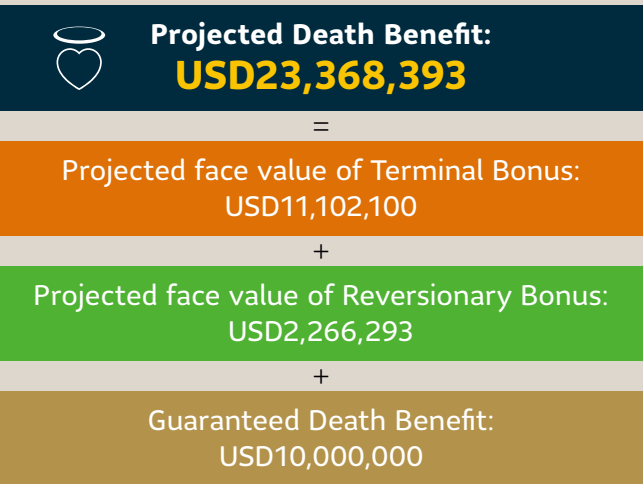
Mr. C
Age 45 | Non-smoker standard rates | Have 2 children
Sum Assured: USD10,000,000 | Single Premium Paid: USD3,094,000
Premium Payment Term: Single pay

With a spouse and 2 children depending on him, Mr. C knows that he needs to ensure they are protected against life's uncertainties. He chooses **Generations II - 100** for the comprehensive life protection the plan offers, as well as for financial peace of mind.

Mr. C surrenders his policy at age 85



Mr. C passes away at age 85



The above diagrams are for illustrative purposes only. All figures shown in the case are rounded to the nearest whole number. The example assumes no withdrawals and no extra premium. The projected returns 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 amounts of the cash value and face value of accumulated Reversionary Bonus and cash value and face value of Terminal Bonus payable may be higher or lower than the above illustrated

figures. Under some circumstances, the actual amounts of these bonuses may be zero. The Reversionary Bonus and Terminal 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 not limited to, claim experience, policy expenses, taxes and policy owner termination experience. For details, please refer to Bonus Philosophy under Important Information section.

Key Product Information

Plan	Generations II
Minimum Sum Assured	USD500,000
Currency	USD
Premium Payment Term	Single pay/5 years/10 years
Issue Age	Single pay: 15 days - age 75 5 years premium payment term: 15 days - age 70 10 years premium payment term: 15 days - age 65
Premium Payment Mode	Annually/Semi-annually/Monthly (only applicable to non-single pay policy)
Benefit Term	Whole life
Premium Structure	Premium is level and guaranteed
Surrender Value	Guaranteed Cash Value + any cash value of accumulated Reversionary Bonus + any cash value of Terminal Bonus + any other amounts left with Sun Life HK - the amount of any loans with interest

Plan	Generations II	
Death Benefit	Generations II - 100	
	100% of Sum Assured + any face value of accumulated Reversionary Bonus + any face value of Terminal Bonus + any other amounts left with Sun Life HK - the amount of any loans with interest	
	Generations II - 70	
	Corresponding Applicable Percentage of Sum Assured stated in the table below + any face value of accumulated Reversionary Bonus + any face value of Terminal Bonus + any other amounts left with Sun Life HK - the amount of any loans with interest	
	Occurrence of the insured's death	Applicable Percentage of Sum Assured
	Before the age of 70, or the 20 th policy anniversary, whichever is later ("Designated Anniversary")	100%
	Within the 1 st policy year from the Designated Anniversary	97%
	Within the 2 nd policy year from the Designated Anniversary	94%
	Within the 3 rd policy year from the Designated Anniversary	91%
	Within the 4 th policy year from the Designated Anniversary	88%
	Within the 5 th policy year from the Designated Anniversary	85%
	Within the 6 th policy year from the Designated Anniversary	82%
	Within the 7 th policy year from the Designated Anniversary	79%
	Within the 8 th policy year from the Designated Anniversary	76%
	Within the 9 th policy year from the Designated Anniversary	73%
	Within the 10 th policy year from the Designated Anniversary and thereafter	70%

Plan	Generations II	
Death Benefit	Generations II - 50	
	<p>Before the age of 65, or the 15th policy anniversary, whichever is later ("G50 Designated Anniversary"):</p> <p>100% of Sum Assured</p> <p>+</p> <p>any face value of accumulated Reversionary Bonus</p> <p>+</p> <p>any face value of Terminal Bonus</p> <p>+</p> <p>any other amounts left with Sun Life HK</p> <p>-</p> <p>the amount of any loans with interest</p>	
	<p>G50 Designated Anniversary onwards:</p> <p>The higher of</p> <p>Total premiums due and paid of the basic plan, including any loading or Corresponding Applicable Percentage of Sum Assured stated in the table below</p> <p>+</p> <p>any face value of accumulated Reversionary Bonus</p> <p>+</p> <p>any face value of Terminal Bonus</p> <p>+</p> <p>any other amounts left with Sun Life HK</p> <p>-</p> <p>the amount of any loans with interest</p>	
	Occurrence of the insured's death	Applicable Percentage of Sum Assured
	G50 Designated Anniversary	100%
	Within the 1 st policy year from the G50 Designated Anniversary	95%
	Within the 2 nd policy year from the G50 Designated Anniversary	90%
	Within the 3 rd policy year from the G50 Designated Anniversary	85%
	Within the 4 th policy year from the G50 Designated Anniversary	80%
	Within the 5 th policy year from the G50 Designated Anniversary	75%
	Within the 6 th policy year from the G50 Designated Anniversary	70%
	Within the 7 th policy year from the G50 Designated Anniversary	65%
	Within the 8 th policy year from the G50 Designated Anniversary	60%
	Within the 9 th policy year from the G50 Designated Anniversary	55%
	Within the 10 th policy year from the G50 Designated Anniversary and thereafter	50%

Plan	Generations II
Accelerated Benefit	Applicable to Generations II - 50 only
	<ul style="list-style-type: none"> • If the insured suffers from Terminal Illness or Accidental Coma, 50% of Death Benefit will be accelerated, subject to a cap of USD2,000,000 under all policy(ies) for the same insured, and paid to the policy owner or to the Designated Benefit Recipient based on the Designated Benefit Recipient Arrangement for Mental Incapacity • Accelerated Benefit will only be paid once per policy • If the insured dies afterwards, the Death Benefit will be paid based on the reduced Sum Assured to the beneficiary
Mental Incapacity Benefit	$ \begin{array}{c} \text{Mental Incapacity Benefit Percentage} \\ \times \\ \text{Total Cash Value on the date of claim approval} \\ + \\ \text{any other amounts left with Sun Life HK}^* \\ - \\ \text{any loans with interest}^* \end{array} $ <p>*Only applicable if the Mental Incapacity Benefit Percentage is 100%</p>

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/terminal/special bonuses. These bonuses are 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 experience may be smoothed out over time to provide more stable bonuses to policyholders. For products with a terminal/special bonus feature, adjustments to terminal/special bonus scales pass through experience normally with less smoothing applied.

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 or payout of terminal/special 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 optimize long-term value to the policyholders with a suitable level of risk; and to achieve the main objective of delivering a fair chance of meeting the 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	
	Generations II - 50	Generations II - 70 and Generations II - 100
Fixed Income Assets	50%-70%	55%-75%
Non-Fixed Income Assets	30%-50%	25%-45%

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 product.

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

Only applicable to single premium:

1. Please note that if you terminate this policy early or cease paying premiums early, you may receive an amount significantly less than the total premiums paid towards your policy.
2. 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.
3. This basic plan may make certain portion of its investment in non-fixed income assets. Returns of non-fixed income assets are generally more volatile than fixed income assets. You should note the long-term target mix for the assets supporting this basic plan as disclosed in this brochure, which will affect the bonus on this basic plan. The savings component of this basic plan is subject to risks and the actual return may be lower than projected return.
4. 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. Hence, you should consider the impact of inflation when you plan the benefit.
5. 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.
6. We have the right to terminate the basic plan upon the earliest of the following:
 - a. after Partial Surrender, the Surrender Value becomes less than the minimum requirement as required by the then current administrative rules;
 - b. premium is still unpaid after it is due;
 - c. accumulated policy loans and interest exceeds the sum of Guaranteed Cash Value and any other amounts left with us;
 - d. Mental Incapacity Benefit is paid under the basic plan that triggers termination of the policy; or
 - e. the insured passes away.

Only applicable to 5 years and 10 years premium payment term:

1. You need to pay the premium for this basic plan according to the selected premium payment term. 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 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. Please note that if you terminate this policy early or cease paying premiums early, you may receive an amount significantly less than the total premiums paid towards your policy.
3. 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.
4. This basic plan may make certain portion of its investment in non-fixed income assets. Returns of non-fixed income assets are generally more volatile than fixed income assets. You should note the long-term target mix for the assets supporting this basic plan as disclosed in this brochure, which will affect the bonus on this basic plan. The savings component of this basic plan is subject to risks and the actual return may be lower than projected return.
5. 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. Hence, you should consider the impact of inflation when you plan the benefit.
6. 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. 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 and any other amounts left with us;
 - b. neither premium is paid nor loanable by us and the grace period expires;
 - c. Mental Incapacity Benefit is paid under the basic plan that triggers termination of the policy; or
 - d. the insured passes away.

Exclusions applicable to Accelerated Benefit

With respect to Accelerated Benefit, we will not pay any claim directly or indirectly caused by or resulting from any of the following:

- (a) the insured's committing or attempting to commit suicide or self-inflicted injury, while the insured is sane or insane;
- (b) the insured's committing or attempting to commit a criminal offence or participating in any brawl;
- (c) the insured's taking or absorbing or being under the influence of, accidentally or otherwise, any alcohol, drug, narcotic, medicine, sedative or poison, except as prescribed by a Registered Medical Practitioner;
- (d) any human immunodeficiency virus (HIV) and/or any HIV-related illnesses including acquired immune deficiency syndrome (AIDS) and/or any mutations, derivations or variations thereof; or
- (e) war (whether declared or undeclared), insurrection, civil war or any warlike operation, whether or not the insured was actively participating in them.

Important Note

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.

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, Cheung Kei Center Tower B, No. 18 Hung Luen Road, Hunghom, Kowloon) 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 the Company under the policy has been made prior to the request for cancellation.



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. **Generations II** is part of Sun Life Hong Kong's Savings & Protection series, providing a well-rounded financial solution for you.

What's next? You can find out more:

- **Website:** sunlife.com.hk
- **Client Service Hotline:** 2103 8928
- **Please contact your Advisor**

This brochure is intended to be distributed in Hong Kong only and shall not be construed as an offer to sell or a solicitation to buy or provision of any products of Sun Life Hong Kong Limited outside Hong Kong. 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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