




How a life insurance plan can help you transfer your legacy with ease

You plan your investments with the goal of accumulating wealth, so you would naturally focus on balancing risk and return. As your retirement needs become more pressing however, you may begin asking: How will you spend your accumulated wealth over your lifetime? And how can you ensure that your wealth is easily and efficiently transferred after you pass away?

Death benefits used to be settled in a lump sum, but new settlement options now allow you to customise your family's protection. Selected plans[#] offers several such options, allowing the policyowner to choose a death benefit settlement arrangement **during the lifetime of the life assured¹**:

Death Benefit Settlement Option	 Lump-sum settlement	 Monthly instalments*	 A specified % of initial settlement, the remainder to be paid through monthly instalments*
Settlement term	One-time settlement	Monthly instalments over a settlement period of 10, 20, 30 or 40 years	A specified % of the death benefit will be first paid out in a lump sum. The remainder will be paid by monthly instalments over a settlement period of 10, 20, 30 or 40 years
Remaining death benefit	Not applicable	The remainder of the death benefit will be left with the Company to accrue non-guaranteed interest ; all accumulated interest (if any) [^] will be paid together with the last death benefit instalment	
Benefits	<ul style="list-style-type: none"> • Provide emergency cash • Bypass probate proceedings 	<ul style="list-style-type: none"> • Guarantees fixed benefit income for the beneficiary • Bypass probate proceedings 	

[#] Please contact your consultant for details of Selected Plans.

¹ Selection of payment arrangement of the death benefit is determined by the policyowner and the beneficiary is not allowed to make any alteration on the payment arrangement at any time.

* The required minimum total death benefit amount payable by monthly instalment is USD 50,000 / HKD 400,000 / RMB 300,000. This amount is determined by the Company from time to time.

[^] Interest rates are non-guaranteed and can be changed by the Company from time to time. The current interest rate is 1% p.a..

Example of Lump-sum settlement – for emergency cash



Ms. Wong
Age 35, single
Both parents alive

Ms. Wong purchases **life insurance plan**, and chooses the **lump-sum** death benefit settlement option. Upon the passing of Ms. Wong (the life assured), the designated beneficiaries (her parents) can:



Use the death benefit to cover Ms. Wong's funeral arrangements



Use the death benefit to support their livelihood

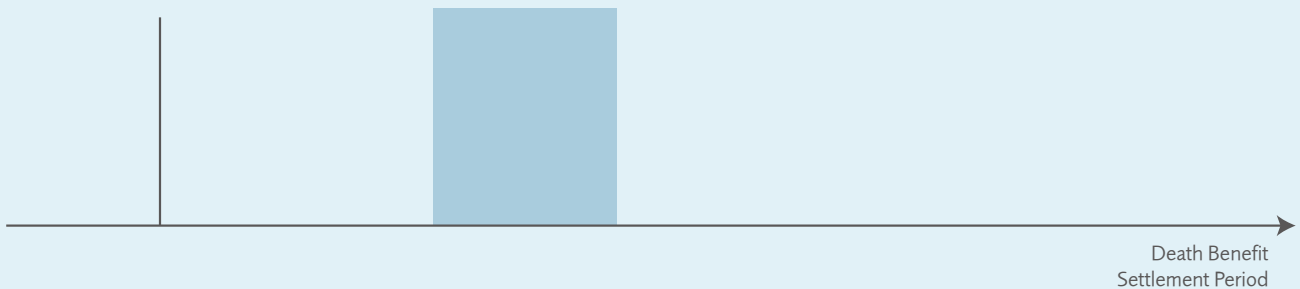


Bypass probate proceedings

Ms. Wong's death benefit is USD 500,000.

Ms. Wong passes away and her policy is terminated.

Ms. Wong's parents receive a **lump-sum of USD 500,000** death benefit payment



Example of Monthly instalments – for legacy planning



Mr. Lee
Age 50, married
Has a 22-year-old son

Mr. Lee purchases **life insurance plan**, and chooses to settle the death benefit **through monthly instalments over a 10-year settlement period**. Upon the passing of Mr. Lee (the life assured), the designated beneficiary (Mrs. Lee), can:



Receive a fixed monthly payment to support her livelihood



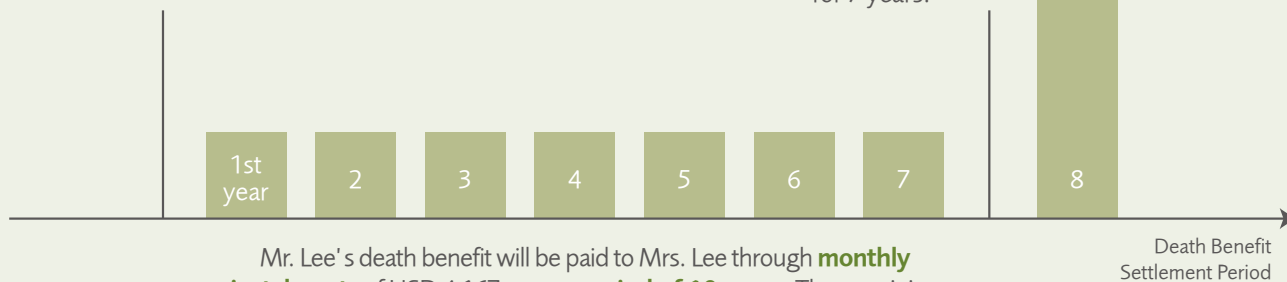
Inherit wealth more simply and efficiently. Bypass probate proceedings fees

Mr. Lee's death benefit is USD 500,000.

Mr. Lee passes away, and his policy is terminated. Mrs. Lee will receive the death benefit according to Mr. Lee's arrangements before his death.

The remaining death benefit, USD 150,000, together with the accrued interest, USD 23,854[^], will form Mrs. Lee's **estate**. If Mrs. Lee has not left a will, the estate will be distributed according to the *Intestates' Estates Ordinance*.

Mrs. Lee passes away after receiving the death benefit for 7 years.



Mr. Lee's death benefit will be paid to Mrs. Lee through **monthly instalments** of USD 4,167 **over a period of 10 years**. The remaining death benefit amount will be left with the Company **to accrue interest**. The remaining death benefit will not participate in our With-Profits Fund, and thus will not receive profits from the Fund.

[^] The current interest rate is 1% p.a. (interest rate is non-guaranteed and can be changed by the Company from time to time). Assuming the interest rate is 0.5% p.a., the accrued interest will amount to USD 11,684. Assuming the interest rate is 0.25% p.a., the accrued interest will amount to USD 5,783.

Example of Lump sum settlement + monthly instalments – for legacy planning and payment flexibility



Mr. Chan

Age 38, married

Has a 1-year-old daughter

Mr. Chan purchases **life insurance plan**, and chooses to settle the death benefit **through a combination of lump sum payment and monthly instalments (i.e. 25% of the death benefit amount will be paid in a lump sum and the remaining amount will be settled by monthly instalments over a 20-year settlement period)**. Upon the passing of Mr. Chan (the life assured), the designated beneficiary (his daughter) can:



Receive a lump-sum payment as emergency cash



Receive a fixed monthly payment to support her livelihood



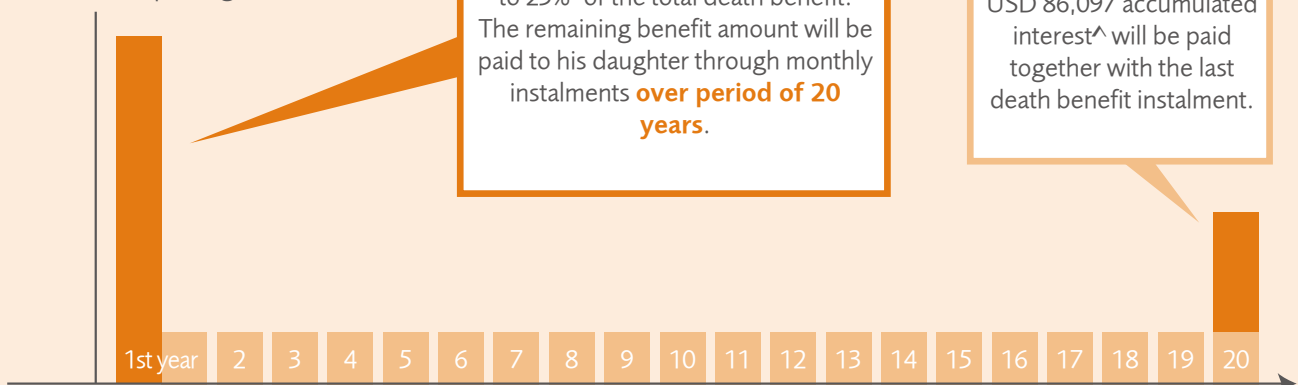
Inherit wealth more simply and efficiently. Bypass probate proceedings fees

Mr. Chan's death benefit is USD 1,000,000.

Mr. Chan passes away and his policy is terminated. His daughter will receive the death benefit according to Mr. Chan's instructions before his death. His daughter is 19 years old at the time of his passing.

According to Mr. Chan's instructions before his death, his daughter will first receive a **lump sum payment** of USD 250,000, which is equivalent to 25%² of the total death benefit. The remaining benefit amount will be paid to his daughter through monthly instalments **over period of 20 years**.

USD 86,097 accumulated interest[^] will be paid together with the last death benefit instalment.



Mr. Chan's daughter receives the remaining death benefit amount through monthly instalments of USD 3,125 **over a period of 20 years**. The remaining benefit amount will be left with the Company **to accrue interest**. The remaining death benefit will not participate in our With-Profits Fund, and thus will not receive profits from the Fund.

[^] The current interest rate is 1% p.a. (interest rate is non-guaranteed and can be changed by the Company from time to time). Assuming the interest rate is 0.5% p.a., the accrued interest will amount to USD 40,252.

Assuming the interest rate is 0.25% p.a., the accrued interest will amount to USD 19,465.

² The policyowner may decide the percentage of the initial death benefit settlement, the percentage must be an integer no less than 5%.

Important information

Need more details? Get in touch

Please contact your consultant or call our Customer Service Hotline at (853) 8293 0833 for more details.

Important Notes

1. All figures and examples shown are for reference only. Customers must not rely on the information in this document alone to enter into any transaction. Customers are recommended to seek professional for specific advice. Please refer to the below disclaimer.
2. Prudential Hong Kong Limited (Macau Branch) ("Prudential") expressly disclaims all liability for the use or interpretation by others of information contained in this document.

Disclaimer

All information shown is for reference purpose only and should not be considered as an offer or solicitation for any of the products or investments mentioned herein. **During the sales process, this document should be read in conjunction with the relevant product brochure. For full terms and conditions, and risk disclosures of the relevant insurance plan, please refer to the relevant product brochure and policy document and read carefully.** Some of the information in this document may contain projections or other forward-looking statements regarding future events or the future financial performance of countries, markets or companies. These statements are only predictions but actual events or results may materially differ. Any information contained in this document is made on a general estimate basis, without any guarantee of accuracy, and should not be relied upon by the reader as advice. Prudential reserves the right to make changes and corrections to its information expressed in this document at any time, without any prior notice. You are advised to seek independent advice from appropriate professionals (such as accountants, financial consultants or lawyers, etc.) before making any decision on the topic(s) mentioned in this document. Prudential makes no recommendation on using any product or service mentioned in this document which are not provided by Prudential, and accepts no liability for any loss damage arising directly or indirectly from your use of such product or service howsoever arising. The policyowner is subject to the credit risk of Prudential.

This document is intended to be used in Macau only. It is not as an offer to sell or solicitation to buy or provide any insurance product outside Macau. Prudential does not offer or sell any insurance product in any jurisdictions outside Macau where such offering or sale of the insurance product is illegal under the laws of such jurisdictions.

Prudential Hong Kong Limited (Macau Branch)

(Part of Prudential plc (United Kingdom))

12 Andar A, FIT Center of Macau

Avenida Doutor Mario Soares, Macau

Customer Service Hotline: (853) 8293 0833

Corporate Website

www.prudential.com.mo



Historical Interest rate for accumulation of the remainder of the death benefit

Interest Rate ^(a) (p.a.)	Effective Date
	3 rd April 2023
	1%

(a) Applicable products of Death Benefit Settlement Option were launched since 3rd April 2023.

Note:

1. The Death Benefit Settlement Option is applicable to basic plan only.
2. The above information only reflects the historical interest rate for accumulation of remainder of death benefit in the past years and it is not an indicator of future interest rate. Future interest rates are non-guaranteed and can be changed by Prudential from time to time.
3. Please refer to the Product Brochure to understand if the Death Benefit Settlement Option is applicable to the respective product.
4. The Death Benefit Settlement Option is subject to the terms and conditions as determined by Prudential from time to time, please contact your consultant or our Customer Service Department on (853) 8293-0833 for details.

Disclaimer

This document is intended to be used in Macau only. It is not construed as an offer to sell or solicitation to buy or provide any insurance product outside Macau. Prudential does not offer or sell any insurance product in any jurisdictions outside Macau where such offering or sale of the insurance product is illegal under the laws of such jurisdictions.