

July 2020



SunArchitect

- Product Key Facts Statement
- Principal Brochure - Product Brochure

Sun Life Hong Kong Limited

(Incorporated in Bermuda with limited liability)

First Addendum to Principal Brochure – Product Brochure of SunArchitect

Note: This First Addendum dated March 16, 2021 forms part of the Principal Brochure – Product Brochure of SunArchitect printed in July 2020. This Product Brochure should be read in conjunction with the Product Key Facts Statement of SunArchitect printed in July 2020 and Principal Brochure – Investment-Linked Fund Guide of SunArchitect printed in January 2020.

With effect from March 18, 2021, the Principal Brochure – Product Brochure of SunArchitect shall be amended as follows:

On page 9, the following remark shall be added:

- The term “contribution” and “premium” share the same meaning and are interchangeable.
- The term “policy value” and “account value” share the same meaning and are interchangeable.

Except as amended by this Addendum, the Principal Brochure – Product Brochure of SunArchitect remains in full force and effect.

PRODUCT KEY FACTS STATEMENT

SunArchitect
July 2020

Sun Life Hong Kong Limited

This statement provides you with key information about this product.

This statement is a part of the offering document.

You should not invest in this product based on this statement alone.

There is a section 'Glossary' at the end of this Product Key Facts Statement. For those words which are in italics, please refer to the 'Glossary' section for explanation.

Quick facts:

Name of Insurance Company:	Sun Life Hong Kong Limited ("Sun Life")	Death benefit: The higher of: a) 105% of the <i>Policy Value</i> ; or b) total contributions paid less total partial withdrawals made The policy also provides an in-built accidental death benefit with no additional charge until the <i>Policy Anniversary</i> on or immediately following the 80 th birthday of the life insured. The accidental death benefit will be available provided the policy is in effect upon the death of the life insured from accident. The amount of the accidental death benefit is equal to the lower of: <ul style="list-style-type: none">• <i>Annualized Contribution Amount</i> (as of <i>Policy Start Date</i>) x Number of years in your chosen <i>Contribution Payment Term</i>; or• USD62,500 Please refer to the section "Additional accidental death benefit" on page 20 to page 21 of the Product Brochure for more details.
Single or regular premium:	Regular	
Regular premium frequency:	Annual or monthly	
Minimum premium payment term:	Ranging from 5 years to 25 years depending on the <i>Contribution Payment Term</i> selected	
Period with surrender charge:	During the <i>Surrender Charge Period</i> ranging from the first 5 to 12 policy years depending on the <i>Contribution Payment Term</i> selected	
Policy currency:	USD	
Minimum premium:	<ul style="list-style-type: none"> • USD2,400 p.a. if the <i>Contribution Payment Term</i> is 5 years to 14 years • USD1,200 p.a. if the <i>Contribution Payment Term</i> is 15 years to 25 years 	
Maximum premium:	Subject to underwriting requirements	
Governing law of policy:	HKSAR	

Important

- This investment-linked assurance scheme (“ILAS policy”) is a long-term investment-cum-life insurance product. It is only suitable for investors who:
 - understand the principal will be at risk
 - have both investment and estate planning objectives as it is a packaged product that includes both investment and insurance element with death benefits payable to third party beneficiaries.
- This ILAS policy is **not** suitable for investors with short- or medium- term liquidity needs.

▪ Fees and charges

Up to 10.19% of your contributions (after taking into account all applicable non-discretionary bonuses) will be paid to Sun Life to cover all the fees and charges at the ILAS policy level, of which 0.37% is the cost of life protection, and this will reduce the amount available for investment.

Please note that the above figures are calculated based on the following assumptions: (a) the insured is a 40-year old male; (b) the payment of regular contributions of USD12,500 per annum (equivalent to HKD100,000 at an exchange rate of USD1 to HKD8) for a *Contribution Payment Term* of 20 years; (c) you hold your ILAS policy for 20 years; (d) an assumed rate of return of 3% per annum throughout 20 years; and (e) there is no early withdrawal/termination of your ILAS policy.

You must understand that these ILAS level charges are on top of, and in addition to, the underlying funds level charges. The above figures do not take into account any early surrender charges.

The above percentage of your contributions for covering the total fees and charges is calculated based on the assumptions above for illustration purposes. The actual percentage may change depending on individual circumstances of each case, and will be significantly higher if the contribution amount is lower or your selected underlying investments are making losses.

▪ Long-term features

Early surrender charges

- (a) Prior to the end of the *Surrender Charge Period*, there will be an early surrender charge of up to 87.0% of the *Annualized Contribution Amount* (as of *Policy Start Date*) in case of policy termination (other than as a result of the death of the insured) or surrender. In such an event, you may also lose your entitlement to long-term bonus and commitment bonus. Please refer to the section “Schedule of Fees and Charges” from page 31 to page 34 of the Product Brochure for more details on surrender charge.

Loyalty bonuses

- (b) Long-term bonus - You will be entitled to a long-term bonus of up to 2.5% of the average *Policy Value* depending on your selected *Contribution Payment Term* and the payment ratio at the time of the relevant bonus payment, subject to the terms and conditions set out in the section “Rewarding your loyalty through long-term bonus” on page 23 of the Product Brochure. The average *Policy Value* equals to the summation of *Policy Value* at the beginning of each policy month (after the *Monthly Deductions*) over the last 60 policy months prior to the relevant long-term bonus payable date divided by 60.
- (c) Commitment bonus - At the end of the *Contribution Payment Term*, you will be entitled to a commitment bonus of 100% of the total amount of policy fee paid during the *Contribution Payment Term* if you select a plan with a minimum of 15 years *Contribution Payment Term* and you keep your ILAS policy till the end of *Contribution Payment Term*, subject to the terms and conditions set out in the section “Rewarding your commitment through commitment bonus” on page 27 of the Product Brochure.

■ Intermediaries' remuneration

Although you may pay nothing directly to the intermediary who sells/distributes this ILAS policy to you, your intermediary will receive remuneration which, in effect, will be borne out of the charges you pay. Your intermediary should disclose to you in writing at the point-of-sale, information about intermediary remuneration. The amount of remuneration actually receivable by your intermediary may vary from year to year and may be higher in the early policy years. You should ask your intermediary before taking up your ILAS policy to know more about the remuneration that your intermediary will receive in respect of your ILAS policy. If you ask, your intermediary should disclose the requested information to you.

What is this product and how does it work?

- This product is an investment-linked assurance scheme. It is a life insurance policy issued by Sun Life. This is not a fund authorized by the SFC pursuant to the Code on Unit Trusts and Mutual Funds ("UT Code").
- The contribution amount you pay, after deduction of any applicable fees and charges of your ILAS policy, will be invested by Sun Life in the underlying funds you selected and will accordingly go towards accretion of the value of your ILAS policy. Your *ILAS Policy Value* will be calculated by Sun Life based on the performance of your selected underlying funds from time to time and the ongoing fees and charges which will continue to be deducted from your *ILAS Policy Value*.
- Note, however, that the contribution amount you pay towards your ILAS policy, and any investments made by Sun Life in the underlying funds you selected, will become and remain the assets of Sun Life. You do not have any rights or ownership over any of those assets. Your recourse is against Sun Life only.
- Due to the various fees and charges levied by Sun Life on your ILAS policy, the return on your ILAS policy as a whole may be lower than the return of the underlying funds you selected. Please see page 31 to page 34 of the Product Brochure for details of the fees and charges payable by you.
- Underlying funds available for selection are the funds listed in the Investment-Linked Fund Guide. These funds are authorized by the SFC pursuant to the UT code.
- Although your ILAS policy is a life insurance policy, because part of your death benefit is linked to the performance of the underlying funds you selected from time to time, your death benefit is subject to investment risks and market fluctuations. The death benefit payable may not be sufficient for your individual needs.
- More importantly, you should be aware of the following regarding your death benefit and the cost of insurance ("insurance charges"):
 - Part of the fees and charges you pay that will be deducted from the value of your ILAS policy will be used to cover the insurance charges for the life coverage.
 - The insurance charges will reduce the amount that may be applied towards investment in the underlying funds selected.
 - The insurance charges may increase significantly during the term of your ILAS policy due to factors such as the insured's attained age and investment losses, etc. This may result in significant or even total loss of your contributions paid.
 - If the value of your ILAS policy becomes insufficient to cover all the ongoing fees and charges, including the insurance charges, your ILAS policy may be terminated early and you could lose all your contributions paid and benefits.
 - You should consult your intermediary for details, such as how the charges may increase and could impact the value of your ILAS policy.

What are the key risks?

Investment involves risks. Please refer to the Principal Brochure for details including the risk factors.

- **Credit and insolvency risks** – This product is an insurance policy issued by Sun Life. Your investments are subject to the credit risks of Sun Life.
- The investment-linked funds available under this product can have very different features and risk profiles. Some may be of high risk. Please read the Principal Brochure and the corresponding prospectus of the underlying funds for details.
- **Early surrender/withdrawal penalty** – This ILAS policy is designed to be held for a long term period. Early surrender or withdrawal of the policy/suspension of or reduction in contribution amount may result in a significant loss of principal and/or bonuses awarded. Poor performance of underlying funds may further magnify your investment losses, while all charges are still deductible.
- **Premium holiday (*Contribution Holiday*)** – With no regular contribution during premium holiday (*Contribution Holiday*), the value of this ILAS policy may be significantly reduced due to fees and charges, which are still deductible during premium holiday (*Contribution Holiday*), and your entitlement to bonuses may also be affected.
- **Market risks** – Return of this ILAS policy is contingent upon the performance of the underlying funds and therefore there is a risk of capital loss.
- **Foreign exchange risks** – The investment returns of this ILAS policy may be subject to foreign exchange risks as some of the underlying funds may be denominated in a currency which is different from that of your ILAS policy.
- **Partial withdrawal (available after the *Mandatory Contribution Period* of the policy)** – Partial withdrawal may lead to a significant reduction in the *Policy Value*, and accordingly the death benefit and any long-term bonus will be reduced.

Is there any guarantee?

- This product does not have any guarantee of the repayment of principal. You may not get back the full amount of contribution you pay and may suffer investment losses.

Other features

▪ First year bonus

A first year bonus will be credited to your policy upon our confirmation of receipt of each payment of regular contributions due and received in the first policy year. If you cancel your policy during cooling-off period, any first year bonus credited to your policy will be clawed back. The amount clawed back will be the original amount of the first year bonus credited without any adjustments for the investment gain or loss on the notional units of the investment-linked funds credited or the fees and charges levied on such units. For details of how First Year Bonus is calculated, please refer to the section “Welcoming you with the first year bonus” on page 22 of the Product Brochure.

What are the fees and charges?

The company reserves the right to vary the fees and charges or impose new charges with not less than 3 months' prior written notice or such shorter period of notice in compliance with the relevant regulatory requirements.

Scheme Level

Policy Charges		Frequency and Deducted from												
Policy Fee	<ul style="list-style-type: none"> The policy fee is USD6 per month (i.e. USD72 per annum). The policy fee will continue to be applicable while your policy is in effect even after the completion of the <i>Contribution Payment Term</i>. 													
Administration Charge	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> $\text{Monthly administration charge} = \frac{1}{12} \times \text{Administration charge rate (per annum)} \times \text{Annualized Contribution Amount (as of Policy Start Date)}$ </div> <ul style="list-style-type: none"> The administration charge rate varies based on the <i>Contribution Payment Term</i> and is specified below: <table border="1" data-bbox="400 775 1161 987" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="background-color: #FFD700;"><i>Contribution Payment Term</i></th> <th style="background-color: #FFD700;"><i>Administration charge rate (per annum)</i></th> </tr> </thead> <tbody> <tr> <td>5 years</td> <td>5%</td> </tr> <tr> <td>6 – 10 years</td> <td>6%</td> </tr> <tr> <td>11 – 15 years</td> <td>8%</td> </tr> <tr> <td>16 – 20 years</td> <td>10%</td> </tr> <tr> <td>21 – 25 years</td> <td>12%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Administration charge is applicable only during the <i>Surrender Charge Period</i> while your policy is in effect. The amount of administration charge is determined and fixed at <i>Policy Start Date</i>. Its calculation is based on <i>Annualized Contribution Amount</i> as of <i>Policy Start Date</i>. The amount of administration charge will not reduce even if the <i>Annualized Contribution Amount</i> is reduced after the <i>Mandatory Contribution Period</i> or if you exercise a <i>Contribution Holiday</i>. 	<i>Contribution Payment Term</i>	<i>Administration charge rate (per annum)</i>	5 years	5%	6 – 10 years	6%	11 – 15 years	8%	16 – 20 years	10%	21 – 25 years	12%	<p>Deducted from the <i>Policy Value</i> on the first working day of each policy month by redeeming notional units of investment-linked funds in proportion to the value of each investment-linked fund.</p>
<i>Contribution Payment Term</i>	<i>Administration charge rate (per annum)</i>													
5 years	5%													
6 – 10 years	6%													
11 – 15 years	8%													
16 – 20 years	10%													
21 – 25 years	12%													
Insurance Charge	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> $\text{Monthly insurance charge} = \frac{1}{12} \times \text{Annual insurance charge rate} \times \frac{\text{Net Amount at Risk}}{1000}$ </div> <ul style="list-style-type: none"> The net amount at risk is equal to the death benefit amount less <i>Policy Value</i>. For the avoidance of doubt, it is clarified that the death benefit for the purpose of calculating the monthly insurance charge is equal to the higher of (i) 105% of the <i>Policy Value</i> (after reduction of the policy fee and administration charge of that relevant policy month) and (ii) the aggregate amount of contributions that you have paid towards your policy less the aggregate amount of all partial withdrawals made by you since the <i>Policy Start Date</i>. It is further clarified that the <i>Policy Value</i> for the purpose of calculating monthly insurance charge is after deduction of policy fee and administration charge of that relevant policy month. The company determines the insurance charge rate during the term of your policy based on the insured's attained age, gender and risk class. Please refer to the indicative annual insurance charge rates on page 36 and the illustrative examples for the calculations of the death benefit and insurance charge on page 18 and page 19 of the Product Brochure. These rates are for illustration purposes only. Please contact your consultant for your personalized insurance charge rate applicable to your policy. 	<p>Deducted from the <i>Policy Value</i> on the first working day of each policy month by redeeming notional units of investment-linked funds in proportion to the value of each investment-linked fund.</p>												

What are the fees and charges?

Scheme Level (con't)

Policy Charges	Frequency and Deducted from																								
<p>Insurance Charge</p> <p>The amount of insurance charge may increase significantly due to factors such as the insured's attained age and investment losses, etc. This may result in significant or even total loss of your contributions paid.</p> <p>The insurance charge will be deducted from the <i>Policy Value</i> while the policy is in effect. Please contact us or your consultant for more information on insurance charge (including factors affecting the charges and rates of insurance charges applicable to you).</p>																									
<p>• <i>Surrender charge</i> will be levied on the policy upon surrender or termination during the <i>Surrender Charge Period</i> for any reason except the death of the insured. However, if the <i>Policy Value</i> is insufficient to cover the surrender charge, you will receive no value but will not be required to pay the shortfall of the surrender charge.</p> <p>Surrender Charge Period</p> <table border="1" data-bbox="400 808 1161 1084"> <thead> <tr> <th>Contribution Payment Term</th> <th>Surrender Charge Period</th> </tr> </thead> <tbody> <tr> <td>5 years</td> <td>First 5 policy years</td> </tr> <tr> <td>6 years</td> <td>First 6 policy years</td> </tr> <tr> <td>7 years</td> <td>First 7 policy years</td> </tr> <tr> <td>8 years</td> <td>First 8 policy years</td> </tr> <tr> <td>9 years</td> <td>First 9 policy years</td> </tr> <tr> <td>10 – 21 years</td> <td>First 10 policy years</td> </tr> <tr> <td>22 – 23 years</td> <td>First 11 policy years</td> </tr> <tr> <td>24 – 25 years</td> <td>First 12 policy years</td> </tr> </tbody> </table> <p>• Calculation of the surrender charge The charge is calculated based on the following formula:</p> <table border="1" data-bbox="400 1182 1155 1272"> <tr> <td style="text-align: center;">Surrender charge</td> <td style="text-align: center;">=</td> <td style="text-align: center;">Surrender charge rate</td> <td style="text-align: center;">x</td> <td style="text-align: center;">$\frac{\text{Annualized Contribution Amount}}{\text{(as of Policy Start Date)}}$</td> </tr> </table> <p>• Surrender charge rate In the case of surrender or termination (other than as a result of the death of the insured) during the <i>Surrender Charge Period</i>:</p> <ul style="list-style-type: none"> at the start of a policy year, the applicable surrender charge rate is as listed in the surrender charge rate table on page 33 of the Product Brochure. during a policy year, the applicable surrender charge rate shall be determined as follows: <table border="1" data-bbox="427 1554 1155 1608"> <tr> <td style="text-align: center;">$A - [(A - B) \times T / 12]$</td> </tr> </table> <p>A = the surrender charge rate as at the start of the policy year during which the surrender or termination takes place ("relevant policy year"). B = the surrender charge rate as at the start of the policy year immediately following the relevant policy year. T = the number of completed policy months from the start of the relevant policy year to the date of the surrender or termination, excluding any incomplete policy month.</p> <p>• The earlier the policy is surrendered or terminated (other than as a result of the death of the insured), the higher the applicable surrender charge rate and this may result in a significant or even total loss of your contributions paid into the policy. For details, please refer to the illustrative example 8 for the calculation of surrender charge on page 35 of the Product Brochure.</p>	Contribution Payment Term	Surrender Charge Period	5 years	First 5 policy years	6 years	First 6 policy years	7 years	First 7 policy years	8 years	First 8 policy years	9 years	First 9 policy years	10 – 21 years	First 10 policy years	22 – 23 years	First 11 policy years	24 – 25 years	First 12 policy years	Surrender charge	=	Surrender charge rate	x	$\frac{\text{Annualized Contribution Amount}}{\text{(as of Policy Start Date)}}$	$A - [(A - B) \times T / 12]$	<p>Deducted from the <i>Policy Value</i> when the policy is terminated</p>
Contribution Payment Term	Surrender Charge Period																								
5 years	First 5 policy years																								
6 years	First 6 policy years																								
7 years	First 7 policy years																								
8 years	First 8 policy years																								
9 years	First 9 policy years																								
10 – 21 years	First 10 policy years																								
22 – 23 years	First 11 policy years																								
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Surrender charge	=	Surrender charge rate	x	$\frac{\text{Annualized Contribution Amount}}{\text{(as of Policy Start Date)}}$																					
$A - [(A - B) \times T / 12]$																									

What are the fees and charges?

Scheme Level (con't)

Investment-Linked Fund Charges

Management Charge

- Investment-linked funds under asset type "Money Market": 0.5% p.a. of the asset value of the investment-linked funds. This charge will be reflected in unit price of the investment-linked fund.
- Other investment-linked funds: 1% p.a. of the asset value of the investment-linked funds. This charge will be reflected in unit price of the investment-linked fund.

Underlying Funds Level

Underlying Fund Charges

You should note that the underlying funds of the investment-linked funds may have separate charges on management fee, performance fee, bid-offer spread and/or switching fee. You do not pay these fees directly – the fees will be deducted and such reduction will be reflected in the unit price of the underlying funds. For details, please refer to the corresponding prospectuses of the underlying funds, which are available from the Company upon request.

No Rights of Third Parties

Your ILAS policy is excluded from the application of the Contracts (Rights of Third Parties) Ordinance ("the Ordinance"). So other than Sun Life and the policyholder, any person or entity who is not a party to your ILAS policy (e.g. a third party beneficiary) shall have no rights under the Ordinance to enforce any terms of your ILAS policy.

What if you change your mind?

Cooling-off period

- Cooling-off period is a period during which life insurance policyholders may cancel their policies and get back their original investments (subject to market value adjustment) within the earlier of 21 calendar days after the delivery of the policy or issue of a notice to you or your representative. Such notice should inform you of the availability of the policy and expiry date of the cooling-off period.
- You have to tell your insurer by giving a written notice. Such notice must be signed by you and received directly by Sun Life at G/F, Cheung Kei Center Tower B, No. 18 Hung Luen Road, Hunghom, Kowloon or email to hk_csd@sunlife.com.
- You may get back the amount you paid, or less if the value of the investment-linked funds chosen has gone down.

Insurance company's information

Sun Life Hong Kong Limited

Address: G/F, Cheung Kei Center Tower B,
No. 18 Hung Luen Road, Hunghom, Kowloon

Tel: (852) 2103 8928
Fax: (852) 2103 8938
Email: hk_csd@sunlife.com
Website: sunlife.com.hk

Important

Sun Life is subject to the prudential regulation of the Insurance Authority. However, the Insurance Authority does not give approval to individual insurance products, including SunArchitect referred to in this statement.

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

Glossary

- **Annualized Contribution Amount** means the regular contributions of SunArchitect you wish to pay each year during the *Contribution Payment Term*.
- **Bid Price** means the price at which a notional unit of an investment-linked fund shall be redeemed.
- **Contribution Holiday** means non-payment of contributions due after the *Mandatory Contribution Period* while your policy is in effect.
- **Contribution Payment Term** means the period during which you choose to pay *Annualized Contribution Amount* towards your policy.
- **Mandatory Contribution Period** is an initial period, commencing on the *Policy Start Date* and lasting for 15 to 36 policy months depending on the selected *Contribution Payment Term*, during which all due contributions are required to be paid.
- **Monthly Deductions** means the amount by which we will reduce the *Policy Value* on the first working day of each policy month. The *Monthly Deductions* include policy fee, administration charge and insurance charge for the death benefit.
- **Policy Value** is the sum of the value of notional units of all investment-linked funds held under your policy. The value of notional units of each investment-linked fund is the total number of notional units of such investment-linked fund multiplied by the *Bid Price* of the notional units of such investment-linked fund.
- **Policy Anniversary(ies)** means every anniversary since the *Policy Start Date*.
- **Policy Start Date** means the date on which the policy become effective.
- **Surrender Charge Period** is an initial period, commencing on the *Policy Start Date* and lasting for 5 to 12 policy years depending on the selected *Contribution Payment Term*, during which a surrender charge is deducted from your *Policy Value* upon surrender or termination of the policy for any reason other than the death of the insured.

PRINCIPAL BROCHURE - PRODUCT BROCHURE

Important Information

This product is not a principal protected product and investment involves risk, you may suffer from substantial loss.

SunArchitect is an investment-linked assurance scheme issued by Sun Life Hong Kong Limited ("the Company"). Your investments are subject to the credit risks of the Company. It is a Class C insurance plan under Part 2 of Schedule 1 to the Insurance Ordinance. The offering documents of SunArchitect consist of this Product Brochure, the Investment-Linked Fund Guide (collectively, the Principal Brochure) and the Product Key Facts Statement. The offering documents are 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 of our products outside Hong Kong. This Product Brochure is issued and should be read in conjunction with the other parts of the offering documents. The offering documents do not form part of your contract. For the detailed terms and conditions, you may obtain a sample policy contract from us for reference free of charge.

Certain key terms used in this brochure are represented through capitalized words. Please refer to the "Glossary" section on page 41 of this brochure for definitions of such terms.

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SunArchitect is a long-term investment-linked insurance plan combining life insurance coverage and investment that provides exposure to a range of investment-linked funds. Issue age of the insured under **SunArchitect** ranges from 15 days to 70 years. Issue age of an individual policyholder under **SunArchitect** ranges from 18 years to 70 years.

Getting started





SunArchitect is a long-term investment-linked assurance scheme offering you both life insurance coverage and investment opportunities.

In this section, we will provide an overview of the product and the choices you make at the outset to set up your policy.

Plan at a glance	
Plan currency	US Dollars
Plan term	To Age 100 of the proposed insured
Contribution Payment Term	5 years to 25 years
Issue age of the proposed insured	15 days to 70 years (the maximum issue age depends on the Contribution Payment Term you select; please refer to the section "Setting up your policy" below for more details).
Issue age of the policyholder	18 years to 70 years (the maximum issue age depends on the Contribution Payment Term you select; please refer to the section "Setting up your policy" below for more details).
Annualized Contribution Amount	USD1,200 or more (please refer to the section "Setting up your policy" below for more details).

Setting up your policy

At the outset, you select the following for setting up your policy:

 Select	 Select	 Select	 Select
Annualized Contribution Amount	Contribution Payment Term	Contribution payment mode	Investment-linked funds

These are explained in more detail below.

a) Annualized Contribution Amount

Annualized Contribution Amount refers to the regular contributions of SunArchitect you wish to pay each year during the Contribution Payment Term.

Based on your financial plan, please select your Annualized Contribution Amount such that it is not less than the minimum specified below:

Contribution Payment Term	Minimum Annualized Contribution Amount
5 years to 14 years	USD2,400 per annum
15 years to 25 years	USD1,200 per annum

The maximum Annualized Contribution Amount that we will accept is subject to our underwriting requirements which will be reviewed by us from time to time. Please speak to your financial consultant for more details.

Once you select your Annualized Contribution Amount, this cannot be changed during the Mandatory Contribution Period. Afterwards, you may change your Annualized Contribution Amount. Please refer to the section "Changing your Annualized Contribution Amount" on page 14 for more details.

b) Contribution Payment Term

Contribution Payment Term means the period during which you want to pay Annualized Contribution Amount towards your policy. You may choose any Contribution Payment Term ranging from 5 years to 25 years subject to meeting the limits specified below on the issue age (as on last birthday) of the proposed insured and the policyholder:

Contribution Payment Term	Issue age of the proposed insured	Issue age of the policyholder	Contribution Payment Term	Issue age of the proposed insured	Issue age of the policyholder
5 years	15 days - 70 years	18 years - 70 years	16 years	15 days - 59 years	18 years - 59 years
6 years	15 days - 69 years	18 years - 69 years	17 years	15 days - 58 years	18 years - 58 years
7 years	15 days - 68 years	18 years - 68 years	18 years	15 days - 57 years	18 years - 57 years
8 years	15 days - 67 years	18 years - 67 years	19 years	15 days - 56 years	18 years - 56 years
9 years	15 days - 66 years	18 years - 66 years	20 years	15 days - 55 years	18 years - 55 years
10 years	15 days - 65 years	18 years - 65 years	21 years	15 days - 54 years	18 years - 54 years
11 years	15 days - 64 years	18 years - 64 years	22 years	15 days - 53 years	18 years - 53 years
12 years	15 days - 63 years	18 years - 63 years	23 years	15 days - 52 years	18 years - 52 years
13 years	15 days - 62 years	18 years - 62 years	24 years	15 days - 51 years	18 years - 51 years
14 years	15 days - 61 years	18 years - 61 years	25 years	15 days - 50 years	18 years - 50 years
15 years	15 days - 60 years	18 years - 60 years			

Please note that the Contribution Payment Term selected at the outset cannot be changed afterwards.

c) Contribution payment mode

You may choose to pay your contributions annually or monthly.

If you choose to pay your contributions monthly:

- Your monthly contributions will be equal to your Annualized Contribution Amount divided by 12.
- We will require you to pay the initial two months' contributions when you apply for your policy.

Once you select your contribution payment mode, this cannot be changed during the Mandatory Contribution Period. Afterwards, you may apply to change your contribution payment mode. If you apply for such a change, it will be effective from the next Policy Anniversary.

d) Investment-linked funds

SunArchitect offers you a range of investment-linked funds across global financial markets. The investment-linked funds span across various financial instruments, industries, geographies as well as investment managers. This allows you to construct a balanced and diversified portfolio.

You can tailor your own investment portfolio by telling us how you want to allocate your contributions to various investment-linked fund options offered under this policy. We will provide you with a Risk Profile Questionnaire to help you in making your choice.

Please note that the allocation to any investment-linked fund shall be minimum 5% of your contributions and in increments of 1% after the initial 5%. Thus, you may diversify your investments in up to 20 investment-linked funds.

You can change your Contribution Allocation Schedule any time or switch your investment-linked fund notional units from one investment-linked fund to another to reflect your changing financial needs. Please refer to the section "Range of investment options to suit your needs" on page 16 for more details.



Paying your contributions according to your financial needs

Paying your contributions

During the Contribution Payment Term, you regularly pay contributions towards your policy.

You may pay contributions in either US dollars or HK dollars. If you pay in HK dollars, we will convert the payment into US dollars at an appropriate exchange rate determined by us from time to time with reference to the prevailing market rate. Please contact us or visit our website (sunlife.com.hk) to get the latest exchange rate if you wish to pay in HK dollars.

There is no upfront contribution charge for your contributions. Your contributions will be allocated as notional units of the investment-linked funds selected by you. However, your policy will be subject to the fees and charges as set out in the section "Schedule of Fees and Charges" from page 31 to page 34.

Since your policy is a US dollar denominated policy, your contributions may be subject to exchange rate fluctuations if you pay in HK dollars.

Your commitment during the Mandatory Contribution Period

The Mandatory Contribution Period is an initial period during which you need to pay all your contributions. The Mandatory Contribution Period varies based on the Contribution Payment Term and is specified below:

Contribution Payment Term	Mandatory Contribution Period
5 years	First 15 policy months commencing from the Policy Start Date
6 years to 10 years	First 18 policy months commencing from the Policy Start Date
11 years to 15 years	First 24 policy months commencing from the Policy Start Date
16 years to 20 years	First 30 policy months commencing from the Policy Start Date
21 years to 25 years	First 36 policy months commencing from the Policy Start Date

During the Mandatory Contribution Period, you are **not** allowed to:

- change your Annualized Contribution Amount
- change your contribution payment mode
- exercise Contribution Holiday
- make any withdrawal from your Policy Value

If you don't pay any contributions due during the Mandatory Contribution Period and the Policy Value is sufficient to cover Monthly Deductions when due, then after the completion of the Mandatory Contribution Period, we will notify you in writing reminding you to pay all such outstanding contributions within a Mandatory Contribution Grace Period or your policy will be terminated. Upon the expiry of this Mandatory Contribution Grace Period, if any contributions due during the Mandatory Contribution Period still remain outstanding, then we will automatically terminate your policy at that time and pay you the Cash Value for your policy. Please refer to the section "Surrendering your policy for cash value" on page 29 for more details on the Cash Value and the section "Termination of your policy" on page 30 for more details on policy termination.

At any time during the Mandatory Contribution Grace Period, if your Policy Value becomes insufficient to cover Monthly Deductions due, we will notify you in writing requesting you to repay all outstanding contributions due during the Mandatory Contribution Period within a Policy Insufficiency Grace Period (of 31 days, commencing from the date when the Policy Value becomes insufficient to cover Monthly Deductions due). Upon the expiry of this Policy Insufficiency Grace Period, if any Monthly Deductions due still remain outstanding, we will automatically terminate your policy at that time. You will receive no value as the Policy Value was insufficient to cover the Monthly Deductions dues.

If you pay contribution timely at all times during the Mandatory Contribution Period but your Policy Value still becomes insufficient to cover Monthly Deductions when due, your policy will be terminated immediately. You will receive no value and will lose all your investments and death benefit. Please refer to the section "Termination of your policy" on page 30 for more details on termination.

- The Policy Value may be low in the early years. If you stop paying your contributions due during the Mandatory Contribution Period, the Policy Value may not be sufficient to cover Monthly Deductions due and this may result in your policy being terminated. You will lose all your investments and benefits including the death benefit once your policy is terminated. As such, it is important for you to consider your Policy Value before you stop paying your contributions due during the Mandatory Contribution Period.
- Please note that the policy termination triggered by non-payment of contributions due within the Mandatory Contribution Period will attract surrender charges (up to 87% of the Annualized Contribution Amount as at the Policy Start Date) and therefore the Cash Value that you receive may be significantly less than the contributions you paid towards your policy. Please refer to the section "Schedule of Fees and Charges" from page 31 to page 34 for more details on surrender charges and the section "Termination of your policy" on page 30 for more details on termination.
- If any contributions due in the first policy year are paid after the first policy year, you will lose the entitlement of the first year bonus on such contributions. Please refer to the section "Welcoming you with the first year bonus" on page 22 for more details on first year bonus.

Changing your Annualized Contribution Amount

During the Mandatory Contribution Period, you cannot change your Annualized Contribution Amount.

After the completion of the Mandatory Contribution Period, you may apply to reduce your Annualized Contribution Amount to address your financial needs provided that the reduced Annualized Contribution Amount is not less than the minimum Annualized Contribution Amount specified in the section "Setting up your policy" on page 10.

Once you have reduced your Annualized Contribution Amount, you may thereafter apply in writing to increase it back up to the level of Annualized Contribution Amount selected at the Policy Start Date. Please note that such increase will be subject to our underwriting requirements.

If you want to increase your Annualized Contribution Amount beyond the level of Annualized Contribution Amount selected at the Policy Start Date, you will have to purchase a new SunArchitect policy.

- A reduction in the Annualized Contribution Amount may lead to a significant reduction in the Policy Value and therefore the death benefit payable. Furthermore, reduction in the Annualized Contribution Amount may result in a significant reduction or even total loss of your long-term bonus entitlement. Please refer to the section "Rewarding your loyalty through long-term bonus" on page 23 for more details on long-term bonus.
- The reduction in the Policy Value may trigger policy termination if the Policy Value is insufficient to cover Monthly Deductions due. In such a situation, you may lose all your investments and benefits under your policy. Please refer to the section "Termination of your policy" on page 30 for more details on policy termination.
- It is important for you to consider your Policy Value before reducing your Annualized Contribution Amount to avoid policy termination due to Policy Value becoming insufficient to cover the Monthly Deductions due.
- The administration charges and the surrender charges are based on the Annualized Contribution Amount at the Policy Start Date. Therefore, a reduction in the Annualized Contribution Amount will not reduce the administration charges and the surrender charges of your policy.

Taking a Contribution Holiday

We understand that you may have some temporary financial needs or face unforeseen circumstances which may affect your ability to pay regular contributions into your policy as initially envisaged. Contribution Holiday feature is designed to help you should such circumstances arise.

Please note that the Contribution Holiday will only be available after the Mandatory Contribution Period.

After the completion of the Mandatory Contribution Period, if you do not pay any contributions due after the Mandatory Contribution Period, the Contribution Holiday will be automatically applied immediately as long as the Policy Value is sufficient to cover the relevant Monthly Deductions due. During the Contribution Holiday, the Monthly Deductions will continue to be deducted from the Policy Value when due and your policy, including the insurance coverage, will remain in effect as long as the Policy Value is sufficient to cover the Monthly Deductions due.

Even if you have taken a Contribution Holiday, all outstanding contributions due within the Mandatory Contribution Period should be paid on or before the expiry of the Mandatory Contribution Grace Period as prescribed in the section “Your commitment during the Mandatory Contribution Period” on page 13.

If the Policy Value becomes insufficient to cover the Monthly Deductions due, the Contribution Holiday shall cease and we will notify you in writing requesting you to resume the payment of your contributions within a Policy Insufficiency Grace Period (of 31 days). Irrespective of whether the contribution payment is resumed, the Monthly Deductions will remain payable while your policy is in effect. **Upon the expiry of this Policy Insufficiency Grace Period, if any Monthly Deductions due still remain outstanding, we will terminate your policy at that time. You will receive no value as the Policy Value was insufficient to cover the Monthly Deductions due.**

We encourage you to pay your contributions regularly throughout the Contribution Payment Term. If you have taken a Contribution Holiday, we encourage you to resume subsequent contribution payment and also choose to pay back contributions unpaid during the Contribution Holiday as early as possible during the remaining Contribution Payment Term while your policy is in effect. However, please note that the maximum amount of contributions that we accept in a policy year is 5 times the Annualized Contribution Amount (as at the Policy Start Date).

We reserve the right to revise above administrative rules from time to time. If there are any changes to these administrative rules, we will provide you with at least 1 month’s prior written notice before effecting the change.

Illustrative Example 1: Resumption of contribution payment and repayment of unpaid contributions within the Contribution Holiday

A policyholder purchased a policy with a Contribution Payment Term of 15 years and with Annualized Contribution Amount of USD10,000 paid annually. The Mandatory Contribution Period for this policy is the first 24 policy months commencing from the Policy Start Date. After the completion of this Mandatory Contribution Period, Contribution Holiday will be available. She paid first three annual contributions and subsequently exercised Contribution Holiday from 4th policy year to 10th policy year. Thus, she did not pay contributions worth USD70,000 during the Contribution Holiday. During the Contribution Holiday, the Monthly Deductions were deducted from the Policy Value when due and her policy, including the insurance coverage, remained in effect as the Policy Value was sufficient to cover the Monthly Deductions due.

At the beginning of the 11th policy year, she decides to resume the contributions payment and also repay previously unpaid contributions during the Contribution Holiday. However, the maximum amount of contributions that we accept in a policy year is 5 times the Annualized Contribution Amount (as at the Policy Start Date), (i.e. USD10,000 x 5 = USD50,000). Thus, at the beginning of the 11th policy year, she can repay USD40,000 in addition to the 11th policy year contribution of USD10,000. She can repay the remaining USD30,000 at any time thereafter during the remaining Contribution Payment Term.

- **Taking a Contribution Holiday may adversely affect meeting your financial goals under your policy. The Contribution Holiday is more suitable for a short period to help you with temporary financial difficulties or needs.**
- **As no contribution payment is made during the Contribution Holiday but the Monthly Deductions continue to be deducted when due, this may significantly reduce the Policy Value thereby affecting your death benefits. Furthermore, the non-payment of your contributions may also adversely affect your entitlement of long-term bonus. Please refer to the section “Rewarding your loyalty through long-term bonus” on page 23 for more details on long-term bonus.**
- **The reduction in the Policy Value may trigger policy termination if the Policy Value is insufficient to cover Monthly Deductions due. In such a situation, you may lose all your investments and benefits under your policy. Please refer to the section “Termination of your policy” on page 30 for more details on policy termination.**
- **It is important for you to consider your Policy Value before opting for the Contribution Holiday to avoid policy termination due to Policy Value becoming insufficient to cover the Monthly Deductions due.**
- **The administration charges and the surrender charges are based on the Annualized Contribution Amount at the Policy Start Date. Therefore, taking a Contribution Holiday will not reduce the administration charges and the surrender charges of your policy.**

Range of investment options to suit your needs

We offer a range of investment-linked funds for you to choose from, each with different investment objectives, features and risk profile. You should use our Risk Profile Questionnaire to help you choose the investment-linked fund mix that suits you the best.

For more details on investment-linked funds, please refer to the relevant Investment-Linked Fund Guide and the offering documents of the underlying funds which are available upon request.

A range of investment-linked funds to choose from

SunArchitect features a suite of investment-linked funds providing exposure to underlying funds invested in different financial instruments, industries, geographies as well as investment managers. By investing in a range of investment-linked funds, you may diversify your investment risk and avail the expertise of professional investment managers of underlying funds.

We reserve the right to add new investment-linked funds or close existing investment-linked funds from time to time. We will provide you with at least 3 months' prior written notice (or such shorter period of notice in accordance with the relevant regulatory requirements) in respect of any such closure of existing investment-linked funds.

Allocating your contributions

Your contributions will be used to allocate notional units of investment-linked fund(s) of your choice at the Offer Price of the respective investment-linked fund(s) as at the next applicable Valuation Date after the receipt of your contributions. The notional units are allocated solely for the purpose of determining the Policy Value.

You may choose to allocate your contributions to one or more investment-linked funds. Please note that the allocation to any investment-linked fund shall be minimum 5% of your contributions and in increments of 1% after the initial 5%. The maximum number of investment-linked funds in your Contribution Allocation Schedule is 20.

We reserve the right to revise our administrative rules from time to time. If there are any changes to the above administrative rules, we will provide you with at least 1 month's prior written notice before effecting the change.

- **The Company will invest the contributions received (after deducting all applicable fees and charges) from you into the underlying funds corresponding to the investment-linked funds selected by you for the Company's asset liability management.**
- **The contributions you pay towards your policy, and any investments made by the Company in the underlying funds you selected will become and remain the assets of the Company. You do not have any rights or ownership over any of those assets. Your recourse is against the Company only.**
- **The Policy Value will be calculated by the Company based on the performance of the selected underlying fund(s) corresponding to the investment-linked fund(s) you select from time to time and the ongoing fees and charges which will continue to be deducted from the Policy Value. Due to various fees and charges levied under SunArchitect, the return on your policy as a whole will be lower than the return of the underlying fund(s) corresponding to the investment-linked fund(s) you selected.**

Switching your investment-linked funds free of charge

You can adjust your investment mix to match your changing risk preference at any time by switching your investment-linked fund(s). Presently, we do not levy any charge for switching nor do we impose any minimum switching amount. You can switch your investment-linked fund units as many times as you want.

We reserve the right to revise our administrative rules (regarding the minimum switching amount and the number of switches in a policy year) from time to time. If there are any changes to these administrative rules, we will provide you with at least 1 month's prior written notice before effecting the change.

Life insurance protection for your loved ones

Death benefit to provide for loved ones

SunArchitect provides a death benefit if the death of the insured occurs while the policy is in effect. The amount of the death benefit is equal to the higher of:

- a) 105% of the Policy Value; or
- b) the aggregate amount of contributions that you have paid towards your policy less the aggregate amount of all partial withdrawals made by you.

For the purpose of calculation of the death benefit, the Policy Value shall be based on the next Valuation Date after the death claim has been approved by us. Please note that we would require a satisfactory proof of the insured's death in accordance with our administrative rules.

If the Valuation Date for the purpose of calculating the death benefit coincides with the due date for Monthly Deductions, Monthly Deductions due on that Valuation Date will not be deducted from the Policy Value when calculating the death benefit.

Although your policy is a life insurance policy, part of the death benefit is linked to the performance of the underlying funds corresponding to the investment-linked funds you select from time to time. Therefore, the death benefit is subject to investment risks and market fluctuations. The death benefit payable may not be sufficient for your individual needs.

Normally, the death benefit will be paid within a period of 31 days after the receipt of satisfactory proof of the death claim. However, exceptional circumstances beyond our control may at times cause a delay. Please refer to the section "Exceptional circumstances" on page 38 for more details. Please also note that no interest will be payable for the period between the date of receipt of satisfactory proof of the death claim and the date of payment of the death benefit.

Any outstanding Monthly Deductions will be deducted from the death benefit payable to the beneficiary(ies).

Your policy will terminate after the death benefit is paid out by us. Our obligations under the policy will be fully discharged upon the payment of the death benefit and no further benefits shall be payable thereafter.

Suicide clause

The death benefit stated above is subject to a suicide clause. If the insured, whether sane or insane, commits suicide within 1 year after the Policy Start Date or the reinstatement date, whichever is later, the death benefit will be equal to the Policy Value.

Insurance charge to provide for the death benefit

A monthly insurance charge will be deducted from your Policy Value on the first working day of each policy month. The deduction will be through redemption of notional units of investment-linked funds in proportion to the value of each investment-linked fund. Such deduction will reduce the amount that is applied towards investment.

The amount of monthly insurance charge is equal to one-twelfth of the applicable annual insurance charge rate multiplied by the net amount at risk divided by a thousand. The insurance charge rate is determined by the Company with reference to the insured's attained age, gender and risk class.

$$\text{Monthly insurance charge} = \frac{1}{12} \times \text{Annual insurance charge rate} \times \frac{\text{Net amount at risk}}{1000}$$

The net amount at risk is the death benefit less the Policy Value.

Please refer to the illustrative example 3 on page 19 and the section “Schedule of Fees and Charges” on page 31 for details on insurance charge including calculation of the net amount at risk. The annual insurance charge rates are available under the section “Schedule of Fees and Charges” on page 31 to page 34.

You should be aware of the following regarding your death benefit and the insurance charges:

- Part of the fees and charges you pay that will be deducted from your Policy Value will be used to cover the insurance charges for the life coverage.
- The insurance charges will reduce the amount that may be applied towards investment in the underlying funds selected.
- The insurance charges may increase significantly during the term of your policy due to factors such as the insured’s attained age and investment losses, etc. This may result in significant or even total loss of your contributions paid.
- If your Policy Value becomes insufficient to cover all the ongoing fees and charges, including the insurance charges, your policy may be terminated early and you could lose all your contributions paid and benefits.
- You should consult your intermediary for details, such as how the charges may increase and could impact your Policy Value.

Illustrative Example 2 (a): Calculation of the death benefit (with no partial withdrawals)

This example is hypothetical and for illustrative purposes only. The values shown in the example below are as at the next Valuation Date after a satisfactory proof of the death claim has been received by us.

Total regular contributions paid	USD62,500
Total partial withdrawals made	Nil
Policy Value	USD70,000

Death benefit is equal to the higher of:

- a) 105% of the Policy Value; or
- b) the aggregate amount of contributions that you have paid under the policy less the aggregate amount of all partial withdrawals made by you

Death benefit	The higher of : a) $USD70,000 \times 105\% = USD73,500$; or b) $USD62,500 - USD0 = USD62,500$ Death benefit = <u>USD73,500</u>
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Illustrative Example 2 (b): Calculation of the death benefit (with partial withdrawals)

This example is hypothetical and for illustrative purposes only. The values shown in the example below are as at the next Valuation Date after a satisfactory proof of the death claim has been received by us.

Total regular contributions paid	USD62,500
Total partial withdrawals made	USD10,000
Policy Value	USD40,000

Death benefit	The higher of : a) $USD40,000 \times 105\% = USD42,000$; or b) $USD62,500 - USD10,000 = USD52,500$ Death benefit = <u>USD52,500</u>
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Illustrative Example 3: Calculation of the insurance charge

This example is hypothetical and is for illustrative purposes only.

As of the Policy Start Date	
Contribution Payment Term	25 Years
Annualized Contribution Amount	USD12,500
Issue age of the insured	40 Years
Sex	Male
Risk class	Standard

The calculation of the monthly insurance charge in the 5th policy month of the 6th policy year is explained below.

As at the payment date of the insurance charge (i.e. the first working day of the 5 th policy month)	
Attained age of the insured	45 Years
Total regular contributions paid	USD62,500
Total partial withdrawals made	USD10,000
Policy Value (after the deduction of policy fee and administration charge of the 5 th policy month)	USD45,000
Death benefit (for the purpose of calculating the insurance charge)	The higher of : a) USD45,000 x 105% = USD47,250; or b) USD62,500 – USD10,000 = USD52,500 Death benefit (for the purpose of calculating the insurance charge) = <u>USD52,500</u>
Annual insurance charge rate for attained age of 45	2.60

$$\text{Monthly insurance charge} = \frac{1}{12} \times \text{Annual insurance charge rate} \times \frac{\text{Net amount at risk}}{1000}$$

$$\text{Net amount at risk} = \text{Death benefit (for the purpose of calculating insurance charge)} - \text{Policy Value (after deduction of policy fee and administration charge of that relevant policy month)}$$

Net amount at risk as at the first working day of the 5 th policy month of the 6 th policy year	= Death benefit (for the purpose of calculating insurance charge) – Policy Value (after the deduction of policy fee and administration charge of that relevant policy month) = USD52,500 – USD45,000 = <u>USD7,500</u>
Monthly insurance charge (for the 5 th policy month of the 6 th policy year)	= 1/12 x annual insurance charge rate x net amount at risk / 1000 = 1/12 x 2.60 x USD7,500 / 1,000 = <u>USD1.63</u>



Additional accidental death benefit

Your policy also provides an in-built accidental death benefit with no additional charge until the Policy Anniversary on or immediately following the 80th birthday of the insured. The accidental death benefit will be available provided the policy is in effect upon the death of the insured.

The accidental death benefit refers to the additional benefit payable upon the death of the insured within 365 days of, and resulting solely and directly from, an accident and independently of any other cause including sickness, disease, medical treatment or surgical treatment. Accident means a sudden and traumatic event that is caused by external, violent and unforeseeable means.

The amount of the accidental death benefit is equal to the lower of:

- Annualized Contribution Amount (as of the Policy Start Date) x Number of years in your chosen Contribution Payment Term; or
- USD62,500

Illustrative Example 4: Calculation of the accidental death benefit

This example is hypothetical and is for illustrative purposes only.

As of the Policy Start Date	
Contribution Payment Term	15 Years
Annualized Contribution Amount	USD12,500
Issue age of the insured	40 Years
Death of the insured occurs by accident at an attained age of	65 Years
Accidental death benefit payable is the lower of: a) Annualized Contribution Amount (as of Policy Start Day) x Contribution Payment Term; or b) USD62,500	The lower of : a) $USD12,500 \times 15 = USD187,500$; or b) USD62,500 Accidental death benefit = <u>USD62,500</u>

Normally, the accidental death benefit will be paid within a period of 31 days after the receipt of satisfactory proof of the accidental death claim. However, exceptional circumstances beyond our control may at times cause a delay. Please refer to the section "Exceptional circumstances" on page 38 for more details. Please also note that no interest will be payable for the period between the date of receipt of satisfactory proof of the accidental death claim and the date of payment of the accidental death benefit.

The additional accidental death benefit will be paid along with the death benefit. Your policy will terminate upon the payment of these benefits and no further benefits shall be payable.

We will not pay any claim for accidental death benefit 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 doctor;**
- d) the insured's inhaling any gas or fumes, voluntarily or involuntarily, except accidentally in the course of duty;**
- e) war (whether declared or undeclared), insurrection, civil war or any warlike operation, whether or not the insured was actively participating in them;**
- f) atomic explosion, nuclear fission or radioactive gas;**
- g) participating in any kind of hazardous sports or activities, including but not limited to any kind of underwater activities involving the aid of breathing apparatus, water skiing, rafting, any kind of rock climbing or mountaineering, pot-holing, parachuting, skydiving, hang-gliding, gliding, para-gliding, ballooning, micro-lighting, bungee-jumping, boxing of any kind, wrestling, contact martial arts, and fighting, go-kart sports, any activities involving explosive or explosion (including but not limited to fireworks or firecrackers), rugby football, winter sports such as skiing, snowboarding or ice hockey, big game hunting, driving or riding in any kind of race, and all forms of professional sports; or**
- h) flying or undertaking any other aerial activity except as a fare-paying passenger on a licensed public or chartered air service.**

Enjoy bonuses

Welcoming you with the first year bonus

We are glad to offer you a token of our appreciation in the form of a first year bonus.

During the first policy year, as and when you pay your due contributions, we will credit additional notional units of investment-linked funds equalling the amount of first year bonus (as specified below) to your policy in accordance with your Contribution Allocation Schedule at that time.

First year bonus	=	First year bonus rate	x	Number of years in your chosen Contribution Payment Term	x	Regular contributions paid during the first policy year
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First year bonus rates vary depending on your Annualized Contribution Amount (as of Policy Start Date) and are guaranteed during the first policy year while your policy is in effect. First year bonus rates are set out below.

Annualized Contribution Amount	First year bonus rate
Below USD2,400	0.10%
USD2,400 – USD4,999	0.25%
USD5,000 – USD9,999	0.50%
USD10,000 – USD19,999	1.00%
USD20,000 or above	1.50%

- If any contributions due in the first policy year are paid after the first policy year, you will lose out on receiving the first year bonus on such contributions.
- First year bonus rates do not represent the rate of return or performance of investment-linked funds under your policy.
- First year bonus will form part of your Policy Value and is therefore subject to all applicable fees and charges as set out in the section “Schedule of Fees and Charges” from page 31 to page 34.
- If you cancel your policy during the cooling-off period, we will claw back any first year bonus credited to your policy. The amount clawed back will be the original amount of the first year bonus credited without any adjustments for the investment gain or loss on the notional units of the investment linked funds credited or the fees and charges levied on such units. Please refer to the section “Cooling-off period” on page 39 for more details on cooling off period.

Illustrative Example 5: Calculation of first year bonus

The example below explains how the first year bonus is calculated for two clients – one who pays contributions annually and another who pays contributions monthly. The example is hypothetical and for illustrative purposes only.

Policy information	Annual contribution payment	Monthly contribution payment
Contribution Payment Term	15 Years	15 Years
Annualized Contribution Amount	USD8,400	USD8,400
Contributions paid	USD8,400 on Policy Start Date	USD1,400 on Policy Start Date, and USD700 monthly when each contributions are paid for the 3 rd to 12 th policy month
First year bonus credited	<p><u>On the Policy Start Date:</u> = 0.50% x 15 x USD8,400 = USD630</p>	<p><u>On the Policy Start Date:</u> = 0.50% x 15 x USD1,400 = USD105</p> <p><u>On each contribution payment for 3rd to 12th policy month:</u> = 0.50% x 15 x USD700 = USD52.5</p> <p><u>Total first year bonus credited</u> = USD105 + (USD52.5 x 10) = USD630</p>

Rewarding your loyalty through long-term bonus

As an appreciation of your long-term commitment and loyalty, you may be entitled to a long-term bonus during the Contribution Payment Term while your policy is in effect.

The table below shows when you may receive the long-term bonus.

Contribution Payment Term	Long-term bonus becomes payable
5 years to 9 years	At the end of the Contribution Payment Term
10 years to 25 years	At the end of the 5 th policy year; and At the end of every five policy years thereafter during the Contribution Payment Term

On the date when the long-term bonus becomes payable, while your policy is in effect, we will credit additional notional units of investment-linked funds equalling the amount of the long-term bonus to your policy in accordance with your Contribution Allocation Schedule at that time.

The amount of each long-term bonus payable is calculated as follows:

Average Policy Value at the beginning of each policy month (after the Monthly Deductions) over the last 60 policy months prior to the date when the relevant long-term bonus is payable*	x	Long-term bonus rate (based on Contribution Payment Term and Payment Ratio at the date when the relevant long-term bonus is payable)
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* For the avoidance of doubt, it equals the summation of Policy Value at the beginning of each policy month (after the Monthly Deductions) over the last 60 policy months prior to the relevant long-term bonus payable date divided by 60.

Long-term bonus rates are specified below and are guaranteed:

Payment Ratio	Contribution Payment Term					
	5 years	6 years	7 years	8 years	9 years	10 years to 25 years
Less than 70%	Nil	Nil	Nil	Nil	Nil	Nil
70% to less than 85%	0.50%	0.60%	0.70%	0.80%	0.90%	1.00%
85% or more	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%

The payment ratio is calculated using the formula below and will be rounded up to the nearest percentage:

Payment ratio	=	$\frac{\text{(total contributions paid – total withdrawals) from the Policy Start Date until the date when the relevant long-term bonus is payable}}{\text{Annualized Contribution Amount at the Policy Start Date x number of completed policy years on the date when the relevant long-term bonus is payable}}$
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Long-term bonus credited to your policy will not be clawed back under any situation.

- Long-term bonus will form part of your Policy Value and is therefore subject to all applicable fees and charges as set out in the section “Schedule of Fees and Charges” from page 31 to page 34.
- Long-term bonus rates do not represent the rate of return or performance of investment-linked funds under your policy.
- If your policy is terminated before the date on which the long-term bonus becomes payable, you will lose the entitlement of the long-term bonus.
- Long-term bonus is calculated based on the average Policy Value and the payment ratio as described above. Making any partial withdrawals, or reducing your Annualized Contribution Amount, or taking a Contribution Holiday may significantly reduce your long-term bonus. If the payment ratio falls below 70%, then you will lose eligibility for long-term bonus.

Illustrative Example 6:

We will illustrate to you how long-term bonus is calculated under three hypothetical situations:

- When all due contributions are paid and no partial withdrawals are made
- Impact on long-term bonus if Contribution Holiday is exercised but no partial withdrawals are made
- Impact on long-term bonus if Contribution Holiday is exercised and partial withdrawals are also made

Please note that the examples are not meant to be exhaustive. The examples are hypothetical and for illustrative purposes only.

6 (a): When all due contributions are paid and no partial withdrawals are made

Policy details

As of the Policy Start Date	
Contribution Payment Term	8 Years
Annualized Contribution Amount	USD12,500
Contribution payment mode	Paid annually

Contributions and withdrawals in the first eight policy years

Policy Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Contributions paid	USD 12,500	USD 12,500	USD 12,500	USD 12,500	USD 12,500	USD 12,500	USD 12,500	USD 12,500
Withdrawals made	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Calculation of the payment ratio

Since the Contribution Payment Term is 8 years, the long-term bonus will be credited at the end of the Contribution Payment Term (i.e. at the end of the 8th policy year) based on the payment ratio at that time.

The payment ratio is calculating using this formula:

$$\text{Payment ratio} = \frac{\text{(total contributions paid-total withdrawals made) from the Policy Start Date until the date when the long-term bonus is payable}}{\text{Annualized Contribution Amount at the Policy Start Date} \times \text{number of completed policy years when the long-term bonus is payable}}$$

$$= \frac{\text{USD100,000} - \text{USD0}}{\text{USD12,500} \times 8} = \frac{\text{USD100,000}}{\text{USD100,000}} = 100\%$$

Calculation of the long-term bonus

Payment ratio at the end of the 8 th policy year	100%
Long-term bonus rate	Long-term bonus rate = 2.00% (based on the Payment Ratio of 100% and Contribution Payment Term of 8 years)
Average Policy Value at the beginning of each policy month (after the Monthly Deductions) over the last 60 policy months prior to the end of the 8 th policy year (when the long-term bonus is payable)	USD80,000
Long-term bonus credited at the end of 8 th policy year	= USD80,000 x 2.00% = USD1,600

6 (b): Impact on long-term bonus if Contribution Holiday is exercised but no partial withdrawals are made

Policy details

As of the Policy Start Date	
Contribution Payment Term	8 Years
Annualized Contribution Amount	USD12,500
Contribution payment mode	Paid annually

Contributions and withdrawals in the first eight policy years

Policy Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Contributions paid	USD 12,500	USD 12,500	USD 12,500	USD 12,500	USD 12,500	USD 12,500	Nil	Nil
Withdrawals made	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Calculation of the payment ratio

Since the Contribution Payment Term is 8 years, the long-term bonus will be credited at the end of the Contribution Payment Term (i.e. at the end of the 8th policy year) based on the payment ratio at that time.

The payment ratio is calculating using this formula:

$$\text{Payment ratio} = \frac{\text{(total contributions paid-total withdrawals made) from the Policy Start Date until the date when the long-term bonus is payable}}{\text{Annualized Contribution Amount at the Policy Start Date x number of completed policy years when the long-term bonus is payable}}$$

$$= \frac{\text{USD75,000} - \text{USD0}}{\text{USD12,500} \times 8} = \frac{\text{USD75,000}}{\text{USD100,000}} = 75\%$$

Calculation of the long-term bonus	
Payment ratio at the end of the 8 th policy year	75%
Long-term bonus rate	Long-term bonus rate = 0.80% (based on the Payment Ratio of 75% and Contribution Payment Term of 8 years)
Average Policy Value at the beginning of each policy month (after the Monthly Deductions) over the last 60 policy months prior to the end of the 8 th policy year (when the long-term bonus is payable)	USD60,000
Long-term bonus credited at the end of 8 th policy year	= USD60,000 x 0.80% = USD480

If the Contribution Holiday is exercised, the payment ratio over time may fall below 70% even if no partial withdrawals are made. If this happens, you will not receive any long-term bonus until you resume paying contributions or repay your unpaid contributions during the Contribution Holiday such that the payment ratio increases beyond 70%. Please refer to the section "Taking a Contribution Holiday" on page 14 to page 15 for details on Contribution Holiday.

6 (c): Impact on long-term bonus if Contribution Holiday is exercised and partial withdrawals are also made

Policy details

As of the Policy Start Date	
Contribution Payment Term	8 Years
Annualized Contribution Amount	USD12,500
Contribution payment mode	Paid annually

Contributions and withdrawals in the first eight policy years

Policy Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Contributions paid	USD 12,500	USD 12,500	USD 12,500	USD 12,500	USD 12,500	USD 12,500	Nil	Nil
Withdrawals made	Nil	Nil	Nil	Nil	Nil	Nil	USD 10,000	Nil

Calculation of the payment ratio

Since the Contribution Payment Term is 8 years, the long-term bonus will be credited at the end of the Contribution Payment Term (i.e. at the end of the 8th policy year) based on the payment ratio at that time.

The payment ratio is calculating using this formula:

$$\text{Payment ratio} = \frac{\text{(total contributions paid-total withdrawals made) from the Policy Start Date until the date when the long-term bonus is payable}}{\text{Annualized Contribution Amount at the Policy Start Date} \times \text{number of completed policy years when the long-term bonus is payable}}$$

$$= \frac{\text{USD75,000} - \text{USD10,000}}{\text{USD12,500} \times 8} = \frac{\text{USD65,000}}{\text{USD100,000}} = 65\%$$

Calculation of the long-term bonus

Since the payment ratio at the end of the eighth policy year is below 70%, the client will not be eligible to receive any long-term bonus at that time.



Rewarding your commitment through commitment bonus

If your Contribution Payment Term is 15 years or more, you will be eligible for receiving a commitment bonus equalling the refund of the total amount of the policy fee deducted during the Contribution Payment Term.

The commitment bonus will be credited to your policy at the end of the Contribution Payment Term while your policy is in effect. We will credit additional notional units of the investment-linked funds equalling the amount of the commitment bonus to your Policy Value in accordance with your Contribution Allocation Schedule at that time.

Illustrative Example 7: Calculation of commitment bonus

The example below shows how the commitment bonus is calculated.

This example is hypothetical and is for illustrative purposes only.

Contribution Payment Term	20 Years
Commitment bonus payable at the end of the Contribution Payment Term	= Policy fee per month x 12 x Contribution Payment Term = USD6 x 12 x 20 = USD1,440

Commitment bonus credited to your policy will not be clawed back under any situation.

- Commitment bonus will form part of your Policy Value and is therefore subject to all applicable fees and charges as set out in the section "Schedule of Fees and Charges" from page 31 to page 34.
- If your policy is terminated before the date on which the commitment bonus becomes payable, then you will lose eligibility for receiving the commitment bonus.

Access to your money

Making a partial withdrawal

We understand that you may have some temporary financial needs or face unforeseen circumstances which may require you to liquidate some of your investments. Partial withdrawal feature (both one-off and periodic) is designed to help you should such circumstances arise.

However, please note that you are not allowed to make any partial withdrawal during the Mandatory Contribution Period.

After the completion of the Mandatory Contribution Period, you can make a one-off partial withdrawal, free of charge, from your Policy Value to meet your financial needs, subject to our administrative rules specified below. You may request a one-off partial withdrawal by specifying the dollar amount of partial withdrawal or the number of notional units of the investment-linked fund(s) you want to redeem. If you request a dollar amount of partial withdrawal, we will require you to specify the investment-linked fund(s) from which the partial withdrawal should be made.

Presently, we apply following administrative rules in relation to one-off partial withdrawal requests:

Timing of a one-off Partial Withdrawal	Partial Withdrawal Amount (for each one-off partial withdrawal)	
	Minimum	Maximum
During the Mandatory Contribution Period	Not Allowed	Not Allowed
After the Mandatory Contribution Period but during the Surrender Charge Period	USD500	Such that the Policy Value immediately after the partial withdrawal is not less than the Annualized Contribution Amount (as at Policy Start Date) times Mandatory Contribution Period (in policy months) divided by 12
After the Surrender Charge Period	USD500	Such that the Policy Value immediately after the partial withdrawal is not less than USD500

If a one-off partial withdrawal request does not meet the above administrative rules, we will reject such a request.

After the completion of the Contribution Payment Term, you may also make a request for periodic partial withdrawals, free of charge, by specifying the dollar amount of partial withdrawal that you want to make and the frequency at which you want to make partial withdrawals. We will also require you to specify the investment-linked fund(s) from which the partial withdrawal should be made.

If you have applied for periodic partial withdrawals after the completion of the Contribution Payment Term, we will apply the above administrative rules (i.e. minimum withdrawal amount of USD500 and the Policy Value immediately after the partial withdrawal amount should not be less than USD500) while processing each instalment of periodic partial withdrawal. If any periodic partial withdrawal instalment does not meet the above administrative rules, then such an instalment will not be paid. However, in such a situation, your periodic partial withdrawal request will not be terminated and we will pay you future periodic partial withdrawal instalments provided the above administrative rules are met when future instalments fall due.

We reserve the right to revise our administrative rules from time to time. If there are any changes to the above administrative rules, we will provide you with at least 1 month's prior written notice before effecting the change.

- Your Policy Value will reduce due to partial withdrawal while the Monthly Deductions are still deductible.
- Please be reminded that the administration charges and the surrender charges in your policy are not based on the Policy Value but based on the Annualized Contribution Amount at the Policy Start Date. Therefore, making partial withdrawals will not reduce the administration charges and the surrender charges of your policy.
- Making a partial withdrawal will also reduce the death benefit under your policy.
- Making a partial withdrawal during the Contribution Payment Term reduces the payment ratio and the average Policy Value for the purpose of long-term bonus calculation and this may lead to a significant reduction of long-term bonus. If you make a partial withdrawal such that the payment ratio falls to less than 70%, then you will lose your long-term bonus entitlement in full. Please refer to the section "Rewarding your loyalty through long-term bonus" on page 23 for more details on long-term bonus.
- The reduction in the Policy Value may trigger policy termination if the Policy Value is insufficient to cover Monthly Deductions due. In such a situation, you may lose all your investments and benefits under your policy. Please refer to the section "Termination of your policy" on page 30 for more details on policy termination.

Surrendering your policy for cash value

Surrender charge is levied upon surrender or termination (other than as a result of the death of the insured) during the Surrender Charge Period. The earlier such surrender or termination occurs, the higher the applicable surrender charge. Please refer to the section "Schedule of Fees and Charges" from page 31 to page 34 for more details on surrender charge and the illustrative example 8 on page 35 for calculation of surrender charge.

You may surrender your policy at any time and receive the Cash Value subject to our receipt of:

- your valid written application in the form specified by us which is available upon request
- your original policy contract

The Cash Value will be equal to the Policy Value less any outstanding Monthly Deductions less the surrender charge (up to 87% of Annualized Contribution Amount as of Policy Start Date).

Normally, your Cash Value will be paid to you within a period of 31 days after the receipt of a surrender request in the form specified by us together with your original policy contract. However, exceptional circumstances beyond our control may at times cause a delay. Please refer to the section "Exceptional circumstances" on page 38 for more details.

Please also note that no interest will be payable for the period between the date of receipt of the surrender request and the date of payment of the Cash Value.

- SunArchitect is intended for clients who have a long-term investment horizon. Surrender of your policy in early years attracts surrender charges and this may result in a significant or even complete loss of your contributions into your policy. Poor performance of the investment-linked funds may further magnify your investment losses while all applicable charges are still deductible.
- Early surrender will result in losing out on your entitlement to future bonuses.
- If the Policy Value is insufficient to cover the surrender charge upon surrender, you will receive no value. However, we will not require you to pay the shortfall of surrender charge to us.
- Once your policy is surrendered, all benefits including life insurance coverage will cease. You cannot reinstate your surrendered policy.

Maturity benefit

Your policy will mature on the Policy Anniversary coinciding with or immediately following the 100th birthday of the insured. Upon the survival of the insured to the maturity of your policy, while your policy is in effect, your maturity benefit will equal the Policy Value.

Normally, we will pay you your maturity benefit within 31 days after the policy maturity date. However, exceptional circumstances beyond our control may at times cause a delay. Please refer to the section "Exceptional circumstances" on page 38 for more details.

No interest will be payable for period between the maturity date and the date of payment of the maturity benefit.

Once your policy matures, all benefits including the life insurance coverage will cease.

Termination of your policy

Your policy will automatically terminate upon the earliest of the following:

- a) Upon the payment of the death claim
- b) Upon the surrender of your policy
- c) Upon the maturity of your policy
- d) Upon the non-payment of any contributions due during the Mandatory Contribution Period by the expiry of the Mandatory Contribution Grace Period
- e) Upon the Policy Value becoming insufficient to cover the Monthly Deductions at any time. However, if such insufficiency arises while any contributions due during the Mandatory Contribution Period is outstanding or while a Contribution Holiday is active, a Policy Insufficiency Grace Period (of 31 days) will be given to allow you to repay any outstanding contributions due during the Mandatory Contribution Period or resume contribution payment upon cessation of the Contribution Holiday, as the case may be. In these circumstances, we will terminate your policy upon the expiry of the Policy Insufficiency Grace Period if any Monthly Deductions due still remain outstanding. Please refer to the sections "Your commitment during the Mandatory Contribution Period" and "Taking a Contribution Holiday" on page 13 and page 14 to page 15 for details.

If your policy is surrendered or terminated during the Surrender Charge Period for any reason except the death of the insured, surrender charges will apply. However, if your policy is terminated under item (e) above, a part of Monthly Deductions will be deducted from the Policy Value until the Policy Value drops to zero. You will receive no value but you are not required to pay the shortfall of Monthly Deductions and any applicable surrender charge.

If your policy is terminated under item (b) or item (d) above but the Policy Value is insufficient to cover any applicable surrender charge, you will receive no value but you are not required to pay the shortfall of surrender charge to us.

Please refer to the section "Schedule of Fees and Charges" from page 31 to page 34 for more details on surrender charge and the illustrative example 8 on page 35 for calculation of surrender charge.

Schedule of Fees and Charges

The Company reserves the right to vary the fees and charges or impose new charges with not less than 3 months' prior written notice or such shorter period of notice in compliance with the relevant regulatory requirements.

The current fees and charges for your policy are as follows:

Policy Charges		Frequency and Deducted from												
Policy fee	<p>The policy fee is USD6 per month (i.e. USD72 per annum).</p> <p>The policy fee will continue to be applicable while your policy is in effect even after the completion of the Contribution Payment Term.</p>													
Administration charge	<div style="border: 1px solid orange; padding: 10px; margin-bottom: 10px;"> $\text{Monthly administration charge} = \frac{1}{12} \times \text{Administration charge rate (per annum)} \times \text{Annualized Contribution Amount (as of Policy Start Date)}$ </div> <p>The administration charge rate varies based on the Contribution Payment Term and is specified below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #1a3d4d; color: white;">Contribution Payment Term</th> <th style="background-color: #1a3d4d; color: white;">Administration charge rate (per annum)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">5 years</td> <td style="text-align: center;">5%</td> </tr> <tr> <td style="text-align: center;">6-10 years</td> <td style="text-align: center;">6%</td> </tr> <tr> <td style="text-align: center;">11-15 years</td> <td style="text-align: center;">8%</td> </tr> <tr> <td style="text-align: center;">16-20 years</td> <td style="text-align: center;">10%</td> </tr> <tr> <td style="text-align: center;">21-25 years</td> <td style="text-align: center;">12%</td> </tr> </tbody> </table> <p>Administration charge is applicable only during the Surrender Charge Period while your policy is in effect.</p> <p>The amount of administration charge is determined and fixed at Policy Start Date. Its calculation is based on Annualized Contribution Amount as of Policy Start Date. The amount of administration charge will not reduce even if the Annualized Contribution Amount is reduced after the Mandatory Contribution Period or if you exercise a Contribution Holiday.</p>	Contribution Payment Term	Administration charge rate (per annum)	5 years	5%	6-10 years	6%	11-15 years	8%	16-20 years	10%	21-25 years	12%	<p>Deducted from the Policy Value on the first working day of each policy month by redeeming notional units of investment-linked funds in proportion to the value of each investment-linked fund.</p>
Contribution Payment Term	Administration charge rate (per annum)													
5 years	5%													
6-10 years	6%													
11-15 years	8%													
16-20 years	10%													
21-25 years	12%													

Schedule of Fees and Charges

Policy Charges	Frequency and Deducted from
<p data-bbox="124 920 248 981">Insurance charge</p> <div data-bbox="357 387 1193 524" style="border: 1px solid black; padding: 10px; margin-bottom: 10px;"> $\text{Monthly insurance charge} = \frac{1}{12} \times \text{Annual insurance charge rate} \times \frac{\text{Net Amount at Risk}}{1000}$ </div> <ul style="list-style-type: none"> <li data-bbox="357 555 1193 913"> <p>• The net amount at risk is equal to the death benefit less Policy Value.</p> <p>For the avoidance of doubt, it is clarified that the death benefit for the purpose of calculating the monthly insurance charge is equal to the higher of (i) 105% of the Policy Value (after reduction of the policy fee and administration charge of that relevant policy month) and (ii) the aggregate amount of contributions that you have paid towards your policy less the aggregate amount of all partial withdrawals made by you since the Policy Start Date. It is further clarified that the Policy Value for the purpose of calculating monthly insurance charge is after deduction of policy fee and administration charge of that relevant policy month.</p> <li data-bbox="357 936 1193 996"> <p>• The Company determines the insurance charge rate during the term of your policy based on the insured's attained age, gender and risk class.</p> <li data-bbox="357 1019 1193 1108"> <p>• Please refer to the indicative insurance charge rates on page 36 and the illustrative examples for calculations of the death benefit and insurance charge on page 18 and 19.</p> <li data-bbox="357 1131 1193 1220"> <p>• These rates are for illustration purposes only. Please contact your consultant for your personalized insurance charge rate applicable to your policy.</p> <p data-bbox="357 1243 1193 1332">The amount of insurance charge may increase significantly due to factors such as the insured's attained age and investment losses, etc. This may result in significant or even total loss of your contributions paid.</p> <p data-bbox="357 1355 1193 1489">The insurance charge will be deducted from the Policy Value while the policy is in effect. Please contact us or your consultant for more information on insurance charge (including factors affecting the charges and rates of insurance charges applicable to you).</p>	<p data-bbox="1230 779 1461 1126">Deducted from the Policy Value on the first working day of each policy month by redeeming notional units of investment-linked funds in proportion to the value of each investment-linked fund.</p>

Schedule of Fees and Charges

Policy Charges	Frequency and Deducted from																		
<p>Surrender charge will be levied on the policy upon surrender or termination during the Surrender Charge Period for any reason except the death of the insured. However, if the Policy Value is insufficient to cover the surrender charge, you will receive no value but will not be required to pay the shortfall of surrender charge.</p> <p>Surrender Charge Period</p> <table border="1" data-bbox="355 611 1192 1025"> <thead> <tr> <th>Contribution Payment Term</th> <th>Surrender Charge Period</th> </tr> </thead> <tbody> <tr> <td>5 years</td> <td>First 5 policy years</td> </tr> <tr> <td>6 years</td> <td>First 6 policy years</td> </tr> <tr> <td>7 years</td> <td>First 7 policy years</td> </tr> <tr> <td>8 years</td> <td>First 8 policy years</td> </tr> <tr> <td>9 years</td> <td>First 9 policy years</td> </tr> <tr> <td>10-21 years</td> <td>First 10 policy years</td> </tr> <tr> <td>22-23 years</td> <td>First 11 policy years</td> </tr> <tr> <td>24-25 years</td> <td>First 12 policy years</td> </tr> </tbody> </table> <p>Calculation of the surrender charge The charge is calculated based on the following formula:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> $\text{Surrender charge} = \text{Surrender charge rate} \times \text{Annualized Contribution Amount (as of Policy Start Date)}$ </div> <p>Surrender charge rate In the case of surrender or termination (other than as a result of the death of the insured) during the Surrender Charge Period:</p> <ul style="list-style-type: none"> at the start of a policy year, the applicable surrender charge rate is as listed in the surrender charge rate table on page 34 during a policy year, the applicable surrender charge rate shall be determined as follows: <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> $A - [(A - B) \times T / 12]$ </div> <p>A = the surrender charge rate as at the start of the policy year during which the surrender or termination takes place ("relevant policy year"). B = the surrender charge rate as at the start of the policy year immediately following the relevant policy year. T = the number of completed policy months from the start of the relevant policy year to the date of the surrender or termination, excluding any incomplete policy month.</p> <p>The earlier your policy is surrendered or terminated (other than as a result of the death of the insured), the higher the applicable surrender charge rate and this may result in a significant or even total loss of your contributions paid into your policy. For details, please refer to the illustrative examples 8 for the calculation of surrender charge on page 35.</p>	Contribution Payment Term	Surrender Charge Period	5 years	First 5 policy years	6 years	First 6 policy years	7 years	First 7 policy years	8 years	First 8 policy years	9 years	First 9 policy years	10-21 years	First 10 policy years	22-23 years	First 11 policy years	24-25 years	First 12 policy years	<p>Deducted from the Policy Value when the policy is terminated</p>
Contribution Payment Term	Surrender Charge Period																		
5 years	First 5 policy years																		
6 years	First 6 policy years																		
7 years	First 7 policy years																		
8 years	First 8 policy years																		
9 years	First 9 policy years																		
10-21 years	First 10 policy years																		
22-23 years	First 11 policy years																		
24-25 years	First 12 policy years																		

Schedule of Fees and Charges

Investment-linked Fund Charges

Management Charge

Investment-linked funds under asset type "Money Market": 0.5% p.a. of the asset value of the investment-linked funds. This charge will be reflected in unit price of the investment-linked fund.

Other investment-linked funds: 1% p.a. of the asset value of the investment-linked funds. This charge will be reflected in unit price of the investment-linked fund.

Underlying Fund Charges

You should note that the underlying funds of the investment-linked funds may have separate charges on management fee, performance fee, bid-offer spread and/or switching fee. You do not pay these fees directly – the fees will be deducted and such reduction will be reflected in the unit price of the underlying funds. For details, please refer to the corresponding prospectuses of the underlying funds, which are available from the Company upon request.

Surrender charge rate table

As at Start of Policy Year	Contribution Payment Term										
	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years	11 Years	12 Years	13 Years	14 Years	15 Years
1 st	20.6%	24.8%	30.0%	36.0%	39.8%	44.3%	48.0%	52.0%	56.0%	60.0%	64.0%
2 nd	19.4%	22.5%	28.5%	35.3%	39.8%	44.3%	47.0%	52.0%	56.0%	60.0%	64.0%
3 rd	16.9%	18.8%	26.3%	33.8%	39.0%	44.3%	46.0%	51.0%	56.0%	60.0%	64.0%
4 th	13.1%	14.3%	22.5%	31.5%	37.5%	42.8%	43.0%	49.0%	55.0%	60.0%	64.0%
5 th	8.8%	9.0%	18.0%	27.8%	34.5%	41.3%	39.0%	46.0%	53.0%	60.0%	64.0%
6 th	0.0%	2.3%	12.8%	23.3%	30.8%	41.3%	39.0%	46.0%	53.0%	60.0%	64.0%
7 th	0.0%	0.0%	3.0%	13.5%	21.8%	36.0%	30.0%	38.0%	46.0%	54.0%	61.0%
8 th	0.0%	0.0%	0.0%	3.0%	11.3%	26.3%	18.0%	27.0%	35.0%	43.0%	51.0%
9 th	0.0%	0.0%	0.0%	0.0%	3.0%	15.0%	5.0%	14.0%	22.0%	30.0%	39.0%
10 th	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	4.0%	6.0%	8.0%	17.0%	26.0%
11 th	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
12 th	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13 th or thereafter	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

As at Start of Policy Year	Contribution Payment Term									
	16 Years	17 Years	18 Years	19 Years	20 Years	21 Years	22 Years	23 Years	24 Years	25 Years
1 st	67.5%	72.5%	76.3%	80.0%	83.8%	84.0%	85.5%	85.5%	87.0%	87.0%
2 nd	67.5%	72.5%	76.3%	80.0%	83.8%	84.0%	85.5%	85.5%	87.0%	87.0%
3 rd	67.5%	72.5%	76.3%	80.0%	83.8%	84.0%	85.5%	85.5%	87.0%	87.0%
4 th	66.3%	72.5%	76.3%	80.0%	83.8%	84.0%	85.5%	85.5%	87.0%	87.0%
5 th	63.8%	71.3%	76.3%	80.0%	83.8%	84.0%	85.5%	85.5%	87.0%	87.0%
6 th	63.8%	71.3%	76.3%	80.0%	83.8%	84.0%	85.5%	85.5%	87.0%	87.0%
7 th	56.3%	63.8%	71.3%	78.8%	83.8%	81.0%	85.5%	85.5%	87.0%	87.0%
8 th	42.5%	51.3%	58.8%	67.5%	75.0%	67.5%	75.0%	84.0%	87.0%	87.0%
9 th	28.8%	37.5%	46.3%	53.8%	62.5%	52.5%	61.5%	69.0%	81.0%	87.0%
10 th	13.8%	22.5%	31.3%	40.0%	48.8%	36.0%	45.0%	54.0%	66.0%	75.0%
11 th	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	43.5%	52.5%	66.0%	75.0%
12 th	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	48.0%	58.5%
13 th or thereafter	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Illustrative Example 8: Calculation of surrender charge

This example is hypothetical and is for illustrative purposes only.

Contribution Payment Term	25 Years
Annualized Contribution Amount (as of Policy Start Date)	USD12,500
Mandatory Contribution Period (in policy months)	First 36 policy months commencing from the Policy Start Date
Policy Start Date	April 01, 2015
Date of surrender	October 15, 2023

The policy is surrendered in the 7th policy month of the 9th policy year.

A = Surrender charge rate as at the start 9 th policy year	87%
B = Surrender charge rate as at the start 10 th policy year	75%
T = the number of completed policy months	6 months
Applicable surrender charge rate	$= A - [(A - B) \times T / 12]$ $= 87\% - [(87\% - 75\%) \times 6 / 12]$ $= 81\%$

Surrender charge	=	Surrender charge rate	x	Annualized Contribution Amount (as of Policy Start Date)
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Surrender charge	$= 81\% \times \text{USD}12,500$ $= \underline{\text{USD}10,125}$
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Annual Insurance charge rate table (per USD1,000 of net amount at risk) for standard risk class

Attained Age of life insured	Male	Female	Attained Age of life insured	Male	Female
0	0.95	1.09	50	4.22	2.99
1	0.56	0.54	51	4.75	3.54
2	0.56	0.54	52	5.27	4.08
3	0.56	0.54	53	5.80	4.62
4	0.56	0.54	54	6.33	5.17
5	0.56	0.54	55	6.85	5.71
6	0.56	0.54	56	7.73	6.37
7	0.56	0.54	57	8.60	7.03
8	0.56	0.54	58	9.47	7.68
9	0.56	0.54	59	10.35	8.34
10	0.56	0.54	60	11.22	9.00
11	0.56	0.54	61	12.58	9.99
12	0.56	0.54	62	13.94	10.97
13	0.56	0.54	63	15.30	11.96
14	0.56	0.54	64	16.66	12.95
15	0.56	0.54	65	18.02	13.93
16	0.56	0.54	66	20.22	15.59
17	0.56	0.54	67	22.41	17.24
18	0.56	0.54	68	24.61	18.89
19	0.56	0.54	69	26.80	20.55
20	0.56	0.54	70	29.00	22.20
21	0.59	0.56	71	33.10	24.76
22	0.62	0.58	72	37.20	27.32
23	0.65	0.59	73	41.30	29.88
24	0.68	0.61	74	45.40	32.45
25	0.71	0.63	75	49.50	35.01
26	0.72	0.64	76	55.43	39.60
27	0.73	0.66	77	61.36	44.19
28	0.75	0.67	78	67.28	48.78
29	0.76	0.69	79	73.21	53.37
30	0.77	0.70	80	79.14	57.96
31	0.83	0.73	81	88.31	65.83
32	0.88	0.77	82	97.49	73.70
33	0.94	0.80	83	106.66	81.56
34	0.99	0.84	84	115.84	89.43
35	1.05	0.87	85	125.02	97.30
36	1.17	0.93	86	140.27	110.48
37	1.29	0.98	87	154.33	123.66
38	1.41	1.04	88	167.73	136.84
39	1.53	1.09	89	182.99	150.02
40	1.65	1.15	90	201.30	163.20
41	1.84	1.26	91	224.37	180.46
42	2.03	1.37	92	250.09	199.44
43	2.22	1.48	93	278.75	230.05
44	2.41	1.59	94	310.70	265.36
45	2.60	1.70	95	348.08	309.80
46	2.92	1.86	96	385.04	357.34
47	3.25	2.08	97	431.97	412.17
48	3.57	2.31	98	484.61	475.42
49	3.90	2.60	99	539.99	554.70

General Information

Investment-linked fund valuation

Notional units of an investment-linked fund are redeemed from the policy at Bid Price. Bid Price is calculated by dividing the net asset value of the investment-linked fund (as described below) by the total number of outstanding notional units of the investment-linked fund on the relevant Valuation Date. Offer Price is the price at which notional units of an investment-linked fund are allocated to the policy, which is equal to the Bid Price. The Bid Price and the Offer Price of an investment-linked fund is rounded down to 4 decimal places.

The net asset value of an investment-linked fund means the sum of (i) market value of the units of the corresponding underlying fund held within investment-linked fund and (ii) any investment income such investment-linked fund is entitled to, less all relevant fees, charges and expenses accrued with respect to such investment-linked fund.

Currently, the Valuation Date of all investment-linked funds is on every business day on which banks are open for business in Hong Kong (excluding Saturdays, Sundays and public holidays).

To obtain the Bid Price(s) and the Offer Price(s) of the investment-linked fund(s), please contact your financial consultant or visit the Company's website at sunlife.com.hk.

Reinstatement

You may request to reinstate your terminated policy within six (6) months from the termination, if the termination occurred due to any of the following situations:

- a) Any of your contributions due during the Mandatory Contribution Period remained unpaid by the expiry of the Mandatory Contribution Grace Period available for payment of such contributions and therefore your policy was terminated.
- b) Your Policy Value became insufficient to cover Monthly Deductions due at a time when any contributions due during the Mandatory Contribution Period were outstanding. We requested you to repay all such outstanding contributions during the Policy Insufficiency Grace Period (of 31 days). Upon the expiry of this Policy Insufficiency Grace Period, Monthly Deductions still remained outstanding and therefore your policy was terminated.
- c) Your Policy Value became insufficient to cover Monthly Deductions due at a time when Contribution Holiday was active. As a result, Contribution Holiday ceased and we requested you to resume payment of your contributions within the Policy Insufficiency Grace Period (of 31 days). Upon the expiry of this Policy Insufficiency Grace Period, Monthly Deductions still remained outstanding and therefore your policy was terminated.

We will require the following from you while applying for reinstatement:

- written application for reinstatement using the form prescribed and supplied by us
- satisfactory proof of insurability of the insured
- repayment of the Cash Value, if any, paid to you upon termination
- payment of all contributions due during the Mandatory Contribution Period which have remained unpaid if the termination is triggered as per the situation (a) or situation (b) above
- resume the payment of your regular contributions (at the same level of Annualized Contribution Amount as at the date of policy termination) and pay back all contributions due between the date of policy termination and the date of reinstatement if the termination is triggered as per the situation (c) above

Upon reinstatement, we will credit to your policy the Cash Value that you repay, the contributions that you pay while applying for reinstatement, any surrender charge that was charged and received by us upon termination and we will deduct the Monthly Deductions (other than insurance charge) for the period between the date of termination and date of reinstatement of your policy. Please also note that the Cash Value that you repay, the contributions that you pay while applying for reinstatement and any surrender charge that we credit back to your Policy Value upon reinstatement will form part of your Policy Value and will therefore be subject to all applicable fees and charges as set out in the section "Schedule of Fees and Charges" from page 31 to page 34. For the avoidance of doubt, it is clarified that the Cash Value you repay and the surrender charge that we credit back to your Policy Value upon reinstatement will not count as contributions under all circumstances.

Reinstatement will be subject to underwriting and approval by the Company.

Borrowing powers

We may make any arrangements for borrowing for the account of any investment-linked fund in any currency for the purpose of enabling us to pay redemption proceeds relating to such investment-linked fund provided that the maximum limit of such borrowing will not exceed 25% of the net asset value of such investment-linked fund. For borrowing restrictions of the underlying funds, please refer to the corresponding prospectuses of the underlying funds, which we will provide to you upon request.

Exceptional circumstances

We may during exceptional circumstances beyond our control (including but not limited to the closure or suspension of dealings on a principal stock exchange in which the underlying assets/investments of the underlying funds are listed, suspension of valuation or dealings in the investments attributable to the investment-linked fund, relevant underlying fund investment manager(s) being unable to complete purchase or redemption of any unit due to legal or regulatory reasons etc.), temporarily suspend or defer the valuation, allocation or redemption of notional units of an investment-linked fund without prior notice to you.

In these exceptional circumstances, we may suspend any withdrawal from the policy, and/or defer the payment of any Cash Value or benefits under the policy. Our right of suspension and deferment as described in this section will only last for so long as the event which triggers the exceptional circumstances described above still exists. When such event ceases to exist, any valuation, allocation or redemption of notional units and determination of any benefits under the policy will be carried out as soon as practicable based on the Offer Price or the Bid Price on the first Valuation Date of the relevant investment-linked fund(s) after the cessation of such event. We will not be responsible for any change in the Bid Price or Offer Price of any investment-linked fund as a result of any such suspension or deferral. No interest is payable for the period during which the payment is deferred.

Financial statements

You will receive a financial statement every quarter summarizing the most updated insurance coverage and the value of your chosen investment-linked funds.

Additional financial statement can be obtained upon request and is currently free of charge.

We reserve the right to change the frequency of issuing this financial statement or to charge for issuing additional financial statements. If there is any change in the frequency of issuing financial statements or charges towards obtaining additional financial statements, we will provide you with not less than 3 months' prior written notice before effecting the change.

Important documents

You will be provided and explained the following documents before your enrolment for **SunArchitect** by your financial consultant. It is important for you to understand the plan before making any application.

- Financial Needs Analysis, Risk Profile Questionnaire, Important Facts Statement and Applicant's Declarations.
- Product Key Facts Statement and Principal Brochure (including this Product Brochure and Investment-Linked Fund Guide).
- An Illustration Document which is based on your specific case showing the projected total Cash Values and the projected total death benefits of the plan.
- A provision specimen for the terms and conditions of the policy will be provided to you upon request and free of charge.

Cooling-off period

By giving us a written request, your policy will then be cancelled and any premium and levy paid* will be refunded less any Market Value Adjustment (if any)**, provided that:

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 after the delivery of the policy or issue of a notice informing you/your representative about the availability of the policy and the expiry date of the cooling-off period, whichever is the earlier; and

No refund can be made if any payment from the Company under the policy has been made prior to your request for cancellation.

* Please note that the levy does not form part of any premium and levy will be refunded without any Market Value Adjustment (MVA).

** A MVA is a downward adjustment that applied to the total premium paid based on the movement of chosen fund(s) if you request to cancel the policy within the cooling-off period. The MVA is the difference between the Policy Value as of the next valuation date following the approval of cancellation request and the next valuation date following the date of purchase, where the Policy Value is defined as the sum of total number of notional units of each investment-linked fund allocated to your policy multiplied by the bid price of each of such investment-linked fund. The final adjustment is capped by 0.

Application

To apply for **SunArchitect**, you need to complete appropriate application forms, sign the Financial Needs Analysis, Risk Profile Questionnaire, Important Facts Statement and Applicant's Declaration and Illustration Document, and return them to us with the required contributions. All applications are subject to the approval and acceptance of the Company.

You should not purchase this product unless you understand it and it has been explained to you how it is suitable for you. The final decision is yours.

Investment-Linked fund closure

In the event of investment-linked fund closure, we will give you at least 3 months' prior written notice or such shorter period of notice in compliance with the relevant regulatory requirements.

Governing law

SunArchitect is governed by and interpreted in accordance with the laws of the Hong Kong Special Administrative Region. In case of disputes, the parties of this policy have the right to bring legal action in Hong Kong courts.

No Rights of Third Parties

Your ILAS policy is excluded from the application of the Contracts (Rights of Third Parties) Ordinance ("the Ordinance"). So other than Sun Life and the policyholder, any person or entity who is not a party to your ILAS policy (e.g. a third party beneficiary) shall have no rights under the Ordinance to enforce any terms of your ILAS policy.

U.S. Foreign Account Tax Compliance Act

Under the U.S. Foreign Account Tax Compliance Act ("FATCA"), a foreign financial institution ("FFI") is required to report to the U.S. Internal Revenue Service ("IRS") certain information on U.S. persons that hold accounts with that FFI outside the U.S. and to obtain their consent to the FFI passing that information to the IRS. An FFI which does not sign or agree to comply with the requirements of an agreement with the IRS ("FFI Agreement") in respect of FATCA and/or who is not otherwise exempt from doing so (referred to as a "nonparticipating FFI") will face a 30% withholding tax ("FATCA Withholding Tax") on all "withholdable payments" (as defined under FATCA) derived from U.S. sources (initially including dividends, interest and certain derivative payments).

The U.S. and Hong Kong have executed an inter-governmental agreement ("IGA") to facilitate compliance by FFIs in Hong Kong with FATCA and which creates a framework for Hong Kong FFIs to rely on streamlined due diligence procedures to (i) identify U.S. indicia, (ii) seek consent for disclosure from its U.S. policyholders and (iii) report relevant tax information of those policyholders to the IRS.

FATCA applies to Sun Life Hong Kong Limited and **SunArchitect**. Sun Life Hong Kong Limited is a participating FFI. Sun Life Hong Kong Limited is committed to complying with FATCA. To do so, Sun Life Hong Kong Limited requires you to:

- (i) provide to Sun Life Hong Kong Limited certain information including, as applicable, your U.S. identification details (e.g. name, address, the US federal taxpayer identifying numbers, etc.); and
- (ii) consent to Sun Life Hong Kong Limited reporting this information and your account information (such as account balances, interest and dividend income and withdrawals) to the IRS.

If you fail to comply with these obligations (being a “Non-Compliant Accountholder”), Sun Life Hong Kong Limited is required to report “aggregate information” of account balances, payment amounts and number of non-consenting US accounts to IRS.

Sun Life Hong Kong Limited could, in certain circumstances, be required to impose FATCA Withholding Tax on payments made to, or which it makes from, your policy. Currently the only circumstances in which Sun Life Hong Kong Limited may be required to do so are:

- (i) if the Inland Revenue Department of Hong Kong fails to exchange information with the IRS under IGA (and the relevant tax information exchange agreement between Hong Kong and the U.S.), in which case Sun Life Hong Kong Limited may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your policy and remit this to the IRS; and
- (ii) if you are (or any other account holder is) a non-participating FFI, in which case Sun Life Hong Kong Limited may be required to deduct and withhold FATCA Withholding Tax on withholdable payments made to your policy and remit this to the IRS.

You should seek independent professional advice on the impact FATCA may have on you or your policy.

Automatic Exchange of Financial Account Information

The Inland Revenue (Amendment) (No.3) Ordinance 2016 (the “Amendment Ordinance”) came into force on June 30, 2016. This is the legislative framework for the implementation in Hong Kong of the standard for Automatic Exchange of Financial Account Information (“AEOI”). The AEOI requires financial institutions (“FIs”) in Hong Kong to collect certain required information relating to non-Hong Kong tax residents holding financial accounts with the FIs, and report such information to the Inland Revenue Department (“IRD”) for the purpose of AEOI exchange. Generally, the information will be reported and automatically exchanged in respect of account holders that are tax resident in an AEOI partner jurisdiction(s) with which Hong Kong has a Competent Authority Agreement (“CAA”) in force; however, FIs may further collect information relating to residents of other jurisdictions.

As a FI in Hong Kong, Sun Life Hong Kong Limited must comply with the following requirements (collectively, the “AEOI requirements”) of the Amendment Ordinance to facilitate the IRD automatically exchanging certain financial account information as provided for thereunder:

- (i) to identify non-excluded “financial accounts” (“NEFAs”);
- (ii) to identify the jurisdiction(s) in which NEFA-holding individuals and certain NEFA-holding entities reside for tax purposes;
- (iii) to determine the status of certain NEFA-holding entities which the law regards as “passive non-financial institution” and identify the jurisdiction(s) in which their “controlling persons” reside for tax purposes;
- (iv) to collect certain other information on NEFAs (“Required Information”) and their account holders; and
- (v) to furnish certain Required Information to the IRD.

Your Policy is a NEFA and is thus subject to the AEOI requirements. Required Information regarding your Policy and you and your controlling persons, if applicable will need to be collected from you and submitted to the IRD. In addition, if any Required Information submitted by you to Sun Life Hong Kong Limited subsequently changes, Sun Life Hong Kong Limited will need you to submit the relevant documents including, but not limited to, an updated self-certification form, within 30 days of such change in circumstances.

If you are in any doubt as to your obligations regarding the AEOI requirements, you should seek independent professional advice.

Taxation

Taxation consequences of investing in this policy depend on the applicable tax laws of your particular situation. You are recommended to seek professional advice about your personal tax consequences.

Authorization

This plan has been authorized by the SFC. Authorization does not imply official recommendation. SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Responsibility

The Company accepts full responsibility for the accuracy of the information contained in the offering documents and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which will make any statement misleading. The SFC does not take any responsibility for the contents of the offering document, 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 contents of the offering document.

Enquiries and complaints

Should you have any enquiries and complaints regarding **SunArchitect**, please contact us by calling our client service hotline at 2103 8928, by fax at 2103 8938 or by email at hk_csd@sunlife.com. You can also send your enquiries and complaints to us by mail at G/F, Cheung Kei Center Tower B, No. 18 Hung Luen Road, Hunghom, Kowloon.



Glossary

Annualized Contribution Amount means the regular contributions of SunArchitect you wish to pay each year during the Contribution Payment Term.

Bid Price means the price at which a notional unit of an investment-linked fund shall be redeemed.

Cash Value equals to the Policy Value less any outstanding Monthly Deductions and any applicable surrender charge. If the Policy Value is insufficient to cover any outstanding Monthly Deductions and any applicable surrender charge, the Cash Value will be zero.

Contribution Allocation Schedule means your written instruction in the application form, regarding how you want to allocate your contributions to various investment-linked funds offered under this policy from time to time.

Contribution Holiday means non-payment of contributions due after the Mandatory Contribution Period while your policy is in effect.

Contribution Payment Term means the period during which you choose to pay Annualized Contribution Amount towards your policy.

Mandatory Contribution Grace Period means the period commencing from the date any contributions due during the Mandatory Contribution Period and ending on thirty-one (31) days after the completion of the Mandatory Contribution Period.

Mandatory Contribution Period is an initial period, commencing on the Policy Start Date and lasting for 15 to 36 policy months depending on the selected Contribution Payment Term, during which all due contributions are required to be paid.

Monthly Deductions means the amount by which we will reduce the Policy Value on the first working day of each policy month. The Monthly Deductions include policy fee, administration charge, and insurance charge for the death benefit.

Offer Price means the price at which a notional unit of an investment-linked fund shall be allocated.

Policy Value is the sum of the value of notional units of all investment-linked funds held under your policy. The value of notional units of each investment-linked fund is the total number of notional units of such investment-linked fund multiplied by the Bid Price of the notional units of such investment-linked fund.

Policy Anniversary(ies) means every anniversary since the Policy Start Date.

Policy Insufficiency Grace Period means a period of thirty-one (31) days commencing from the date the Policy Value becomes insufficient to cover Monthly Deductions due during the Contribution Payment Term, when such insufficiency arises while any contributions due during the Mandatory Contribution Period is outstanding or while a Contribution Holiday is active.

Policy Start Date means the date on which the policy becomes effective.

Surrender Charge Period is an initial period, commencing on the Policy Start Date and lasting for 5 to 12 policy years depending on the selected Contribution Payment Term, during which a surrender charge is deducted from your Policy Value upon surrender or termination of the policy for any reason other than the death of the insured.

Valuation Date means the date on which we will determine the Offer Price and Bid Price of the notional units for each investment-linked fund offered under the policy.

Investment involves risks and past performance is not indicative of future performance. Investment returns may rise as well as fall. Currency movements and market conditions may affect the value of your investment. You are advised to read the relevant offering document and the corresponding prospectuses of the underlying funds for further details and risk factors prior to making any investment decision.

All client applications are subject to the approval and acceptance of the Company.

Sun Life Hong Kong Limited

(Incorporated in Bermuda with limited liability)

Client Service Centre

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