

Happy Living Guaranteed Savings Plan

Build an Education Fund for Your Child
Knowledge is the Best Gift for the Next Generation

CHUBB®

Chubb Life

Happy Living Guaranteed Savings Plan



Education plays a key role in your child's development. It helps provide your child with the right knowledge, values and strengths to face future challenges. It is best to prepare an education fund as early as possible, leaving you financially worry-free and able to spend quality time with your child. When thinking about planning, ask yourself 3 simple questions that are crucial for arranging education fund:

- How much money is needed for your child's education?
- What's the difference between studying locally and abroad?
- Will government funding like grants and loans help?

Happy Living Guaranteed Savings Plan (the "Basic Plan") is an effective tool in helping to enrich your savings and support your child's educational funding. The Basic Plan not only provides Guaranteed Monthly Benefit Income throughout the Income Period, but it also provides a Guaranteed Celebration Bonus and non-guaranteed dividends, increasing the return on your savings.

Premium Payment Period (Years)	8
Accumulation Period (Years)	3
Income Period (Years)	4

The "Company", "we", or "our" herein refers to Chubb Life Insurance Company Ltd. (Incorporated in Bermuda with Limited Liability).

Guaranteed Benefits

While the policy is in force, you will receive the following guaranteed benefits:

- **Guaranteed Monthly Benefit Income**

The Guaranteed Monthly Benefit Income¹ will be paid² every month throughout the Income Period, with the 1st payment to be made on the 1st day of the Income Period.

You can opt for the Guaranteed Monthly Benefit Income to be paid in cash³ to pay for your child's tuition fee, or you can opt for leaving it with us for income accumulation³ at an interest rate determined by us (which is subject to change from time to time), giving you the potential to accumulate your wealth further.

- **Guaranteed Celebration Bonus**

A Guaranteed Celebration Bonus will be paid² on the 1st day of the Income Period. The Guaranteed Celebration Bonus is equal to 6 times the amount of the Guaranteed Monthly Benefit Income.

You can withdraw³ the Guaranteed Celebration Bonus in one lump sum, or leave it with us for bonus accumulation³ at an interest rate determined by us (which is subject to change from time to time).

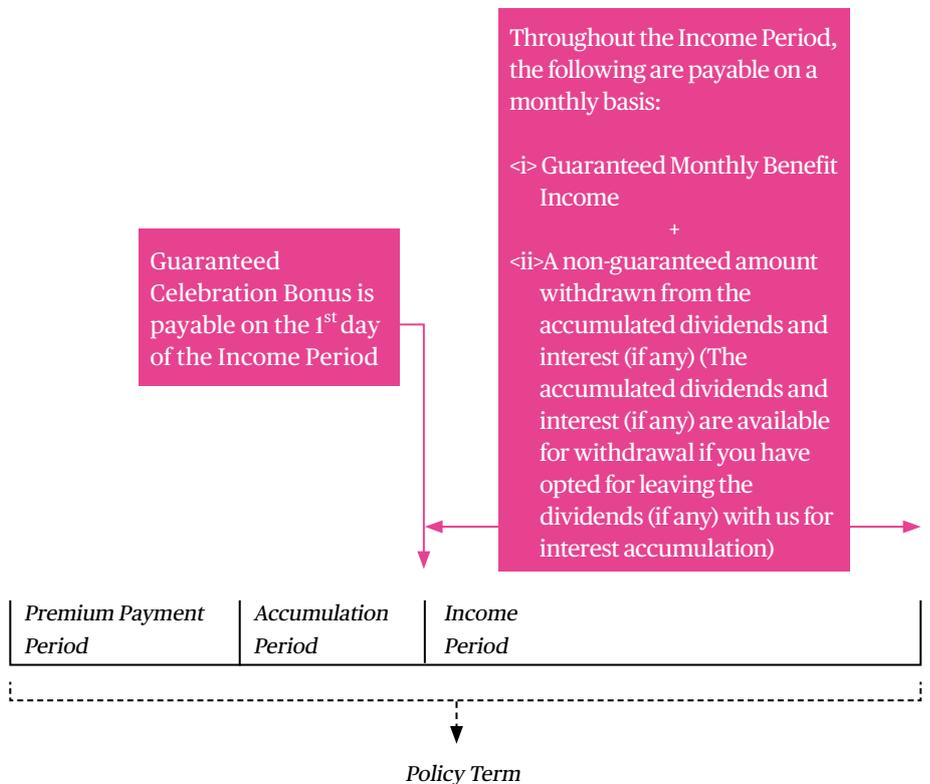
Non-Guaranteed Benefits

- Dividends

As a participating plan, the Basic Plan provides, prior to the end of the Income Period, non-guaranteed dividends that may help achieve different financial goals, provided that all premiums in respect of the Basic Plan have been paid in full when due and the policy is still in force.

You can opt for the dividends (if any) to be paid in cash, or you can opt for leaving it with us for interest accumulation at an interest rate determined by us (which is subject to change from time to time). If there are any accumulated dividends and interest⁴ during the Income Period, you can withdraw from such accumulated dividends and interest for an amount⁵ to be paid together with the Guaranteed Monthly Benefit Income on a monthly basis. Upon the withdrawal, the balance of accumulated dividends and interest⁴, if any, will then be reduced accordingly. You can also opt for applying dividends (if any) payable to you to pay premium under the Basic Plan, and you are required to pay the balance of the corresponding premium, if any.

Dividend is not guaranteed. The Company will determine the amount of dividend each year during the policy term and allocate the dividend, if any, on policy anniversary.



Life Protection for the Insured

The Basic Plan provides life protection for the insured while the policy is in force and prior to the end of the Income Period. When the insured passes away, a lump-sum death benefit, plus any accumulated Guaranteed Monthly Benefit Income and interest, any accumulated Guaranteed Celebration Bonus and interest, and any accumulated dividends and interest, at the insured's death, will be paid² to the beneficiary designated by you.

Health Assessment Service⁶

Prevention is better than cure. To help ensure your child to stay fit and healthy, starting from the 2nd policy anniversary, a health assessment will be offered to your child, as the insured, every 2 years during the Premium Payment Period, provided that the policy is still in force.

Simplified Underwriting

No medical underwriting is required if the annualized premium of the Basic Plan is less than or equal to US\$150,000.

Riders for Extra Protection

The Company offers a wide range of riders (that provide accident, critical illness, disability and medical protection) attachable to the Basic Plan to meet the specific needs at different life stages. Further underwriting for riders is required, and extra premium applies.

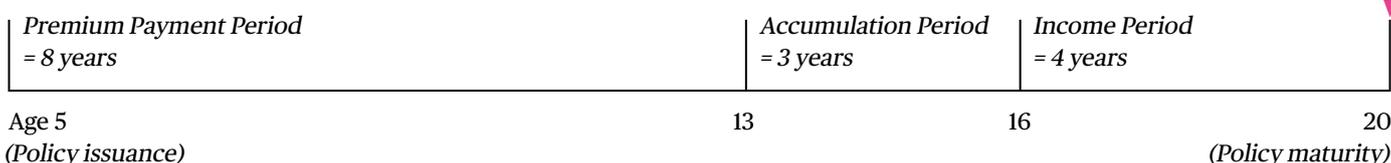
What do you get from Happy Living Guaranteed Savings Plan?

Example^{I,II,III}

Policyowner	Mr. Wong	Total Basic Premium Paid⁷ at the End of the Premium Payment Period	US\$2,997.75 x 8 years = US\$23,982
Insured	Peter Wong (Mr. Wong's son)		
Issue Age	Age 5	Guaranteed Celebration Bonus Payable	Left with the Company for bonus accumulation
Plan	8-year Premium Payment Period / 3-year Accumulation Period / 4-year Income Period (i.e. a policy term of 15 years)	Guaranteed Monthly Benefit Income Payable	Left with the Company for income accumulation
Premium Payment Mode	Annual	Dividends Payable (if any)	Left with the Company for interest accumulation
Annual Basic Premium	US\$2,997.75		

At the maturity date of the Basic Plan, the following benefits are payable:

- **Guaranteed Celebration Bonus** = US\$3,102 --- (a)
- **Total amount of Guaranteed Monthly Benefit Income** = US\$517 x 12 months x 4 years = US\$24,816 --- (b)
- **Total amount of non-guaranteed benefits[^]** = US\$7,099 --- (c)



Total amount of guaranteed benefits payable plus total amount of non-guaranteed benefits[^] payable at the maturity date of the Basic Plan = (a) + (b) + (c) = US\$35,017 (being 146% of the Total Basic Premium Paid⁷)

[^] "Total amount of non-guaranteed benefits" is the sum of (i) accumulated dividends and (ii) interest of accumulated dividends, Guaranteed Monthly Benefit Income and Guaranteed Celebration Bonus.

Notes:

- I. This example is purely fictional and is for illustrative purposes only. Any relation to or reference to any actual person, party or event is purely coincidental. The nature of the example herein (if any) should not be interpreted as any comment on, or confirmation or extension of, insurance coverage for any past, present or future case. Furthermore, this example should not be relied upon to predict the outcome of any actual case as all cases are evaluated on their own individual merits and subject to the actual terms and conditions of the relevant policy. It is important to note that each actual case is unique.
- II. This example involves some assumptions, including the following:
 - (i) All premiums are paid in full when due;
 - (ii) No policy loans are taken throughout the policy term;
 - (iii) The amount of Guaranteed Monthly Benefit Income remains unchanged during the policy term;
 - (iv) All Guaranteed Monthly Benefit Income, Guaranteed Celebration Bonus and dividends payable are left with the Company for interest accumulation at an interest rate determined by the Company and subject to change from time to time. In this example, the interest rate used to illustrate the effect of accumulation is 4.75% per annum. The actual rate applied is determined by the Company and may change from time to time with the rate being higher or lower than 4.75% per annum; and
 - (v) No withdrawal has been made under the Basic Plan.
- III. Dividends included in the projection of non-guaranteed benefits are based on the Company's current assumed dividend scales which are not guaranteed and are determined by the Company from time to time and based on the Company's experiences and expectation of a series of factors including but not limited to investment return, claims, policy surrenders and expenses. The actual amount payable may change anytime with the values being higher or lower than those illustrated.

More about Happy Living Guaranteed Savings Plan

Basic Information		
Product Type	Basic plan	
Issue Age⁸ of the Insured, Premium Payment Term and Policy Term	Plan Code	GIP8A
	Issue Age of the Insured	Age 0 (15 days) - 17
	Premium Payment Period (Years) -- (i)	8
	Accumulation Period (Years) -- (ii)	3
	Income Period (Years) -- (iii)	4
	Policy Term (Years) = (i) + (ii) + (iii)	15
Premium Payment Mode	Monthly / quarterly / semi-annual / annual	
Premium Structure	Premium rate is guaranteed and remains unchanged throughout the premium payment term.	
Currency	US Dollar	
Guaranteed Monthly Benefit Income	<p>The amounts listed below are valid as at the date of this product brochure.</p> <ul style="list-style-type: none"> • Minimum amount: US\$100 • Maximum amount: Individual consideration, subject to the maximum limit determined by the Company. 	
Death Benefit		
Death Benefit	<p>The death benefit will be the higher of the following at the death of the insured:</p> <ul style="list-style-type: none"> • 101% of the guaranteed cash value; or • 101% of the Total Basic Premium Paid⁷. 	
Maturity Value and Surrender Value		
Maturity Value²	It is the sum of any accumulated dividends and interest, any accumulated Guaranteed Monthly Benefit Income and interest, and any accumulated Guaranteed Celebration Bonus and interest, at the maturity date of the Basic Plan.	
Surrender Value²	It is the sum of any guaranteed cash value ⁹ , any accumulated dividends and interest, any accumulated Guaranteed Monthly Benefit Income and interest, and any accumulated Guaranteed Celebration Bonus and interest, upon surrender of the Basic Plan.	

Remarks:

1. Guaranteed Monthly Benefit Income reduction is not allowed after the start of the Income Period.
2. We will deduct any outstanding premiums and loans together with accrued interest before making any payment under the Basic Plan.
3. If you have not specified whether the Guaranteed Monthly Benefit Income and Guaranteed Celebration Bonus payable are to be paid in cash or to be accumulated with the Company, accumulation will apply.
4. If dividend accumulation is elected when future dividends, if any, are payable, such dividends will form part of accumulated dividends and interest, if any, and will follow the withdrawal arrangement mentioned.
5. The amount that can be withdrawn is not guaranteed and may vary subject to the interest rate for accumulation and amount of future dividends, if any, as determined by us from time to time. Upon the withdrawal, the balance of accumulated dividends and interest, if any, will then be reduced accordingly.
6. This service is only available to (i) an insured who has attained age 0-17 or above, and (ii) policies with an annualized basic premium of US\$3,000 or above. It is arranged through a third-party service provider and is not part of the policy or benefit item under the policy provisions of the Basic Plan. Both the Company and the third-party service provider reserve the right to terminate or vary the service in their sole discretion without further notice. We shall not be responsible for any act or failure to act on the part of the third-party service provider.
7. "Total Basic Premium Paid" means total premium paid to the Company under the Basic Plan excluding any extra premiums and any surplus of premiums of the Basic Plan paid for the period after the date of death of the insured to the date preceding the next premium due date. If the Guaranteed Monthly Benefit Income is reduced under any circumstances, Total Basic Premium Paid during the period since the date of issue of the policy till the effective date of the most recent Guaranteed Monthly Benefit Income reduction shall be reduced on a pro-rata basis.
8. In this product brochure, "age" refers to the age at the nearest birthday.
9. Guaranteed cash value will reduce after the Accumulation Period in accordance with payments of Guaranteed Monthly Benefit Income and Guaranteed Celebration Bonus in the Income Period.

Important Information

This product brochure is for general reference only and is not part of the policy. It provides an overview of the key features of this product and should be read along with other materials which cover additional information about this product. Such materials include, but not limited to, policy provisions that contain exact terms and conditions, benefit illustrations (if any) and other policy documents and other relevant marketing materials, which are all available upon request. You might also consider seeking independent professional advice if needed.

Happy Living Guaranteed Savings Plan is designed for individuals looking for long-term financial planning to meet their needs for financial protection against adversities, receiving regular income and saving up for the future. Early surrender of this product may result in significant losses that the surrender value may be less than the total premiums paid.

Dividend Philosophy and Investment Philosophy, Policy and Strategy

Dividend Philosophy

Participating insurance plans are designed to be held long term. Through the policy dividends declaration, the policyowners can share the divisible surplus (if any) of the participating insurance plans. We aim to ensure a fair sharing of profits between policyowners and shareholders, and among different groups of policyowners.

We will review and determine the amounts of dividends at least once per year, and a smoothing process is applied when the actual dividends are

determined. The dividends declared may be higher or lower than those illustrated in any product information provided. The dividend review would be approved by the Chairman of the Board, one Independent Non-Executive Director and the Appointed Actuary of the Company. In case of any change in the actual dividends against the illustration or should there be a change in the projected future dividends, such change will be reflected in the policy annual statement and benefit illustration.

To determine the policy dividends, we may consider the past experience and future outlook of various factors such as:

- **Investment returns:** include both interest income and change in market value of the assets supporting the policies. The investment returns could also be subject to market risks such as change in interest rate, credit quality and default, equity price movement, as well as currency price of the backing assets against your policy currency etc.
- **Claims:** include the cost of providing death benefit and other insured benefits under the policies.
- **Surrenders:** include policy surrenders and withdrawals; and the corresponding impact on investment.
- **Expenses:** include both direct expenses which are directly related to the policies, such as commission, underwriting, issuance and premium collection expense etc., as well as indirect expenses such as general overhead costs allocated to the policies.

Investment Philosophy, Policy and Strategy

The investment policy of the Company is formulated with the objective to achieve targeted long-term investment results, taking into account risk control and diversification, liquidity and relationship between assets/liabilities.

Our current long-term target asset mix attributed to Happy Living Guaranteed Savings Plan is as follows:

Asset Class	Target Asset Mix (%)
Bonds and other fixed income instruments	90% - 100%
Equity-like assets	0% - 10%

The bonds and other fixed income instruments predominantly include government and corporate bonds (both investment grade and non-investment grade). Equity-like assets may include both listed equity, mutual fund and private equity. Investment assets are predominantly denominated in U.S. dollars and Hong Kong dollars, and are mainly invested in the United States and Asia. Derivatives may be used to manage our investment risk exposures.

We will pool the investment from other products together for actual investment and the returns will be allocated with reference to the target asset mix. Actual investments would depend on market opportunities at the time of purchase. Therefore, the actual asset mix may differ from the target.

The investment strategy may be subject to change depending on the market conditions and economic outlook. In case there are any material changes in the investment strategy, we will inform our policyowners for the changes, reasons for the changes and the impact to the policyowners.

For the historical fulfillment ratios of participating insurance plans, please visit the webpage of the Company at https://www2.chubb.com/HK-EN/_Assets/documents/Historical-Fulfillment-Ratios_Eng.pdf. Please note that historical fulfillment ratios should not be taken as indicator of the future performance of this product.

Key Product Risks

The following information helps you better understand the key product risks associated with this product that you may need to pay attention before application.

- **Premium Payment Term**
You should only apply for this product if you intend to pay the premium for the whole of the premium payment term. Should you cease paying premiums early, your policy may be terminated. You will lose your insurance coverage and even the premiums paid as a result.

Non-payment options available under your policy are intended to keep your policy in force for as long as possible during non-payment of premium.

However, you should be aware that when non-payment option is in effect, your entitlement to the benefits provided under the policy may be affected. Please refer to the policy provisions for the exact terms and conditions.

- **Liquidity Risk/Early Surrender**
If you have any unexpected liquidity needs, you may apply for cash withdrawal (if applicable) or surrender the policy for its surrender value (if any). Please note that making cash withdrawal (if applicable) will lead to a reduction in benefits payable under the policy. You are also reminded that if your policy is surrendered in early years, the surrender value payable may be less than the premiums paid by you.

- **Market Risk**
The non-guaranteed benefits of this product are based on the Company's dividends scales, which are not guaranteed and are determined by the Company from time to time and based on the Company's experiences and expectation of a series of factors including but not limited to investment returns, claims, policy surrenders and expenses. The actual amount of non-guaranteed benefits payable may be higher or lower than the amount illustrated in any product information provided to you.

The interest earned on the accumulated dividends, accumulated Guaranteed Monthly Income Benefit and Guaranteed Celebration Bonus that can generate interest is calculated based on an interest rate determined by the Company. Interest rate is not guaranteed and subject to change from time to time.

- **Credit Risk**

This product is issued and underwritten by the Company. Your policy is therefore subject to the credit risk of the Company. If the Company is unable to satisfy the financial obligation of the policy, you may lose your insurance coverage and the premiums paid.

- **Exchange Rate Risk**

For the policy denominated in currencies other than local currency, you are subject to exchange rate risk. The political and economic environment can affect the currency exchange rate significantly. Exchange rate fluctuates and is determined by the Company from time to time. Any transaction in foreign currencies involves risk. You should take exchange rate risk into consideration when deciding the policy currency.

- **Inflation Risk**

Please note that the cost of living in the future is likely to be higher than it is today due to inflation. Hence, the insurance coverage planned today may not be sufficient to meet your future needs.

Termination

The Basic Plan and its coverage will be terminated automatically on the occurrence of the earliest of the following:

- Lapse or surrender of the policy;
- The insured's death;
- The maturity date of the Basic Plan;
- Upon your written request for cancellation; or
- If the unpaid loan together with accrued interest exceeds the sum of guaranteed cash value, any accumulated dividends and interest, any accumulated Guaranteed Monthly Benefit Income and interest and any accumulated Guaranteed Celebration Bonus and interest.

Key Exclusions

If the insured commits suicide, while sane or insane, within 2 years of the date of issue or the date of last reinstatement of the policy, whichever is later, the insurance coverage will end and we will refund the total amount of premiums you paid without any interest, less any amount paid to you by the Company under the policy and any unpaid loan together with accrued interest.

The above is for reference only. For more details, please refer to the policy provisions of this product.

Cooling-off Period

If you are not satisfied with your policy, you have the right to cancel it by submitting a signed notice and return the policy document (if any) to Chubb Life Insurance Company Ltd. at 33/F Chubb Tower, Windsor House, 311 Gloucester Road, Causeway Bay, Hong Kong within a period of 21 days after the delivery of the policy, or the issuance of a notice informing you about the availability of the policy and the expiry date of the cooling-off period, whichever is earlier. Upon such cancellation of the policy, we will refund the total amount of premiums you paid without any interest, less any amount paid to you by the Company under the policy, in the original currency paid by you subject to any fluctuation of exchange rate upon cancellation, provided that the amount refunded will not exceed the total amount you paid in the original currency under the 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 signed 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 Chubb Life Insurance Company Ltd. (the “Company”) and this Product. The Company is a participating FFI. The Company is committed to complying with FATCA. To do so, the Company requires you to:

- (i) provide to the Company certain information and documentation including, as applicable, your U.S. identification details (e.g. name, address, the US federal taxpayer identifying numbers, etc); and

- (ii) consent to the Company reporting this information and documentation 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”), the Company is required to report “aggregate information” of account balances, payment amounts and number of non-consenting US accounts to IRS.

The Company 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 the Company 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 the Company 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 nonparticipating FFI, in which case the Company 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.

Contact Us

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