

HKMC Life Annuity Scheme

Tentative key design features*

1. Type of Annuity	<ul style="list-style-type: none">Immediate lifetime guaranteed fixed annuity																
2. Eligibility	<ul style="list-style-type: none">Permanent Hong Kong residents																
3. Issue age	<ul style="list-style-type: none">Aged 65 or above																
4. Premium payment	<ul style="list-style-type: none">Single premium																
5. Policy currency	<ul style="list-style-type: none">Hong Kong dollar																
6. Minimum premium	<ul style="list-style-type: none">HK\$50,000																
7. Maximum premium	<ul style="list-style-type: none">HK\$1,000,000 (to be applied to each annuitant on a cumulative basis)																
8. Coverage period	<ul style="list-style-type: none">Lifetime																
9. Annuity basis	<ul style="list-style-type: none">Immediate guaranteed fixed monthly annuity payment until the death of the annuitant																
10. Tentative estimated levels of monthly payout (based on internal rate of return of 3% to 4%)	<table><tr><td colspan="4">At the entry age of 65, for each HK\$100,000 premium</td></tr><tr><td></td><td>Internal rate of return</td><td>3%</td><td>4%</td></tr><tr><td>Male</td><td>Estimated monthly fixed payout (Annuity rate)</td><td>about HK\$500 (around 6%)</td><td>about HK\$580 (around 7%)</td></tr><tr><td>Female</td><td>Estimated monthly fixed payout (Annuity rate)</td><td>about HK\$450 (around 5.4%)</td><td>about HK\$530 (around 6.4%)</td></tr></table>	At the entry age of 65, for each HK\$100,000 premium					Internal rate of return	3%	4%	Male	Estimated monthly fixed payout (Annuity rate)	about HK\$500 (around 6%)	about HK\$580 (around 7%)	Female	Estimated monthly fixed payout (Annuity rate)	about HK\$450 (around 5.4%)	about HK\$530 (around 6.4%)
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11. Death benefit	<ul style="list-style-type: none">Each annuitant is guaranteed to receive instalments of monthly annuity payment of total amount equals to 105% of the premium paidIf an annuitant dies before receiving 105% of the premium paid, the beneficiary(ies) of the annuitant will receive the remaining unpaid monthly instalments or a lump-sum amount																
12. Surrender arrangement	<ul style="list-style-type: none">An annuitant may opt to surrender the policy before receiving 105% of the premium paidThe surrender value equals to the present value of the remaining unpaid instalments of monthly annuity payment																
13. Health underwriting	<ul style="list-style-type: none">Not required																

* For reference only, subject to independent external validation and calibration, and approval by insurance industry regulatory authority