

Press Release

10 September 2020

FTLife Launches Ground-breaking On Your Mind Insurance Plan

First-in-market built-in policy reverse mortgage function marks a breakthrough in traditional life insurance

Hong Kong – FTLife Insurance Company Limited (“FTLife”) today announced the launch of its new On Your Mind Insurance Plan (“On Your Mind”), a comprehensive life protection policy boasting three first-in-market¹ features in the form of a built-in policy reverse mortgage function, along with several new tailored death benefit options, all breakthroughs for the traditional life insurance sector in Hong Kong.

On Your Mind’s flexible built-in policy reverse mortgage function allows customers to withdraw their death benefit as an annuity to support their retirement needs. As well, the plan offers a lump-sum payment for policyholders for death benefit and additional death benefit (if any) in the event of an advance diagnosis of severe dementia. It also offers prearrangement of specific death benefit settlement options tailored for different beneficiaries.

FTLife Chief Commercial Officer and Chief Product Officer Christine Yeung said: “On Your Mind is the first new product since we announced our new brand commitment “Embrace Change for Better Future” in late August. Diversified products with flexibility are highly sought after today. The new product fills the current market gap by making a breakthrough in traditional life insurance to meet the needs of customers at various life stages. It allows customers to provide their families with protection when they are young and focusing on career. Then, upon retirement, they can withdraw their insurance protection funds in advance as an annuity and enjoy a quality lifestyle. This is life protection that takes care of your needs before and after retirement.”

Flexible built-in policy reverse mortgage taps death benefit as an annuity

Customers can choose to withdraw their death benefit as an annuity in advance for retirement needs – as a fixed amount with designated annuity periods and annuity payment modes of their own choice. They can also suspend the annuity or resume such payments after suspension during the annuity period. Withdrawing the insurance protection amount as an annuity² has no impact on the sum insured. Reversionary bonuses (if any) will continue to grow in the policy. The plan allows customers to prepay the loan ahead of time if their financial positions allow, providing them with greater flexibility.

Severe dementia benefit supports customers in times of adversity

Hong Kong’s ageing population is an ever-more pressing issue; with it comes an increasing number of dementia cases. One in ten seniors over 70 years of age in the city suffers from dementia. That rises to one-third for those over 85 years of age.³ The disease is increasingly

¹ “First-in-market” reference is based on the same type of product (life insurance plan with calculation of death benefit according to sum insured) of major life insurance companies in Hong Kong as of 10 September 2020.

² Should the policyholder choose to obtain a loan through the Policy Reverse Mortgage Function, he/she has to pay the Company applicable policy reverse mortgage loan interest, annual mortgage charges and loan charges. All the above charges and the interest derived will be added to the principal of the policy reverse mortgage loan and will bear interest at a rate that is the same as the loan interest rate. Please refer to the ‘Policy Reverse Mortgage Loan’ sub-section of ‘Benefit Details’ section of the ‘On Your Mind’ product brochure and policy provisions for details.

³ Source of information: Hong Kong Alzheimer’s Disease Association. <https://www.hkada.org.hk/types-of-dementia>

being seen in younger people⁴. On Your Mind addresses the issue by providing customers with protection. Should policyholders be diagnosed with severe dementia⁵, they will receive the full amount of death benefit as a lump sum and extra death benefit (if any), thereby relieving their financial stress.

Flexible death benefit settlement options tailored for individual family members

Customers can choose in advance different and flexible ways to pass on the death benefit to beneficiaries – a lump sum payment or instalment payments in the unfortunate event of the insured's death. This enables customers to have peace of mind from being able to care for the future of their loved ones when they are no longer around.

More benefits of On Your Mind:

- **Two plan versions to suit customers' specific needs:** With a focus on retirement savings, the 'Supreme Version' is tailored for customers who value a return on savings. This enables them to take care of their own protection and achieve an investment return at the same time. With lower premium levels, the 'Smart Version' is suitable for young people and families.
- **Terminal illness⁶:** In the unfortunate event of the insured being diagnosed with a terminal illness, the policyholder will be paid the full amount of death benefit in lump sum and extra death benefit (if any).
- **Extra death benefit:** In the event of the insured passing away in the first 20 policy years, or is diagnosed with severe dementia or terminal illness, the policyholder will be provided with an extra death benefit equivalent of up to 50% of the sum insured.
- **Extra accidental death benefit:** If the insured passes away as a result of an accident, within 180 days of the accident and in the first 20 policy years before attaining the age of 81, the plan will provide an extra accidental death benefit equivalent of up to 50% of the sum insured.
- **Lifestage Protection Booster:** Customers can enroll in an additional designated whole life or term life insurance plan upon the occurrence of one of three life stage events – purchase of property, marriage or childbirth before a designated age⁷ – to upgrade his/her protection, without submission of further health information. This option can be exercised only once for each Insured under all policies of the On Your Mind Insurance Plan.
- **Insurability privilege:** Customers can choose to fully convert the extra death benefit and enroll in a designated new whole life or term life insurance plan within designated policy years⁸ to maintain the life protection coverage.
- **Waiver of premium benefit/payor benefit:** To give customers' loved ones total peace of mind, FTLife will pay the future premiums of the basic plan up to USD 100,000 under designated circumstances. It helps maintain the protection of the insured.

FTLife Chief Executive Officer Gerard Yang said: "In spite of the challenges brought by the pandemic, FTLife has accelerated its pace of innovation and launched revolutionary products in view of the strong demand for protection from the Hong Kong citizens. FTLife recorded a

⁴ Source of information: The Chinese University of Hong Kong. CUHK Sets up World's First Research Registry on Early Onset Dementia in Chinese Population The Youngest Age of Onset is 38 (Press release 31 May 2016)

⁵ The signs must first manifest more than 60 days after the later of the policy effective date or the last date of reinstatement. Severe dementia means the insured is diagnosed by a doctor as suffering from an illness caused by Alzheimer's disease or other dementia, and has fulfilled the prescribed conditions (including but not limited to an inability of the insured to perform at least 3 of the 6 activities of daily living for a continuous period of at least 3 months). The plan will be terminated once the severe dementia benefit is paid. Please refer to the policy provisions on severe dementia for details.

⁶ The signs must first manifest more than 60 days after the later of the policy effective date or the last date of reinstatement. Terminal Illness means the insured is diagnosed by a doctor or the medical officers of FTLife as suffering from an illness that is expected to result in the death of the Insured within 12 months. The plan will be terminated once the terminal illness benefit is paid. Please refer to the policy provisions on terminal illness for details.

⁷ Please refer to the 'Lifestage Protection Booster' section of the product brochure for details.

⁸ Please refer to the 'Insurability Privilege' section of the product brochure for details.

40% year-on-year increase in annualised premium equivalent (APE) for its local business from May to July, when the city was hit hard by the pandemic. This reflects the popularity of our products and the resilience of our business. Driven by our core value of “Think beyond insurance.”, we will continue to work closely with other businesses within the New World Group to create synergies and provide customers with unconventional protection, as well as wealth management and insurance products and services, fulfilling their needs at different life stages.”



FTLife today unveiled the brand new ‘On Your Mind’ Insurance Plan. The new product boasts three first-in-market features, namely a built-in policy reverse mortgage function, protection for severe dementia and death benefit settlement options tailored for different beneficiaries.

Important notes:

- Information contained in this press release is intended as a general summary of information for reference only. Please refer to the relevant product brochure and client incentive leaflet for details of On Your Mind Insurance Plan. Please refer to the policy provisions for full details of terms and conditions.
- For further details, please contact FTLife’s Customer Service Hotline on +852 2866 8898.
- This document is intended to be distributed in Hong Kong only and shall not be construed as an offer to sell or a solicitation to buy or provision of any of our products outside Hong Kong. FTLife Insurance Company Limited hereby declares that it has no intention to offer to sell, to solicit to buy or to provide any of its products in any jurisdiction other than Hong Kong in which such offer to sell or solicitation to buy or provision of any product of FTLife Insurance Company Limited is illegal under the laws of that jurisdiction

About FTLife Insurance Company Limited

FTLife Insurance Company Limited (“FTLife”) is one of the most well-established life insurance companies in Hong Kong and a wholly-owned subsidiary of NWS Holdings Limited. Building on a history of more than 30 years in the territory, FTLife provides individual and institutional clients with a diverse range of insurance and wealth management products and services, including life, health, accident, savings and investment insurance. As a member of New World Group, FTLife works with diversified businesses within the Group to create synergies and provides customers with best-in-class life-planning solutions, from wealth management and succession to health, wellbeing and quality of life enhancement.

About NWS Holdings Limited

NWS Holdings Limited (Hong Kong Stock Code: 659), as the diversified industries flagship of New World Development Company Limited (Hong Kong Stock Code: 17), invests and operates a wide range of businesses predominantly in Hong Kong and across Greater China. The Group’s core businesses include toll roads, commercial aircraft leasing, construction and insurance, while it also manages a strategic portfolio spanning sectors from environment, logistics, facilities management to transport.

About New World Development Company Limited

Founded in 1970, New World Development Company Limited ("The Group", Hong Kong stock code: 0017) was publicly listed in Hong Kong in 1972 and is a constituent stock of the Hong Kong Hang Seng Index. A premium brand infused with a unique personality best defined by The Artisanal Movement, New World Group's core business areas include property development, property investment, road, aviation, construction and insurance. Its operations in Greater China, especially the Greater Bay Area, had a total asset value of approximately HK\$593.5 billion as at 31 December 2019. The Group has an effective interest of approximately 61% in NWS Holdings Limited (Hong Kong stock code: 0659) and approximately 75% in New World Department Store China Limited (Hong Kong stock code: 0825) and wholly owns New World China Land Limited.

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FTLife Insurance Company Limited (Incorporated in Bermuda with limited liability)

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