

# Death Benefit Settlement Option

Pass on your wealth the way you want with a customisable death benefit payout




**PRUDENTIAL**  
保 誠 保 險

Listening. Understanding. Delivering.












Making sure the people you love are looked after in case the worst happens is vital. We understand each of your loved ones is unique, with their own individual needs, so we offer **4** tailored ways of paying the death benefit – including the  **New-to-market enhanced FlexLegacy<sup>1,2</sup>** – through our **Death Benefit Settlement Option<sup>3,4</sup>** under selected plans<sup>5</sup>. You can decide how and when you would like us to pay the death benefit, while the person the plan covers (the life assured) is still alive.

 **New-to-market**

## How does the enhanced FlexLegacy<sup>1,2</sup> work?

You can tailor the payments in different ways to suit you and your sole beneficiary<sup>6</sup>:

Payment option	Monthly instalments	and/or	Lump sum(s)
When we pay	<p>When the life assured passes away;</p> <p>or</p> <p>When the <b>beneficiary's life event(s)</b> that you choose <b>happens</b>:</p> <p>reaches/has reached <b>a</b> designated age;</p> <p>or</p> <p> graduates from university; or  gets married; or  gets divorced; or</p> <p>gives birth/adopts (<b>up to 1 child</b>);</p> <p>or</p> <p> buys a new home; or  relocates to a different city; or  becomes involuntarily unemployed or  diagnosed with cancer, heart attack or stroke</p> <p>You can choose <b>multiple</b> life events. We will start paying the death benefit in monthly instalments only when the <b>1<sup>st</sup> of the chosen event(s) happens</b> and continue until we have fully paid it out</p>	<p>When the life assured passes away;</p> <p>and/or</p> <p>reaches/has reached <b>up to 3</b> designated ages;</p> <p>or</p> <p>We will pay the death benefit when the <b>multiple life events you choose happen</b> until we have fully paid it out</p>	
How we pay	<p>over 10, 20, 30 or 40 years;</p> <p>or</p> <p>the <b>instalment amount</b> of your choice;</p> <p>or</p> <p>the instalment amount equals the <b>percentage</b> of the death benefit of your choice</p>	<p>the <b>lump sum amount</b> of your choice;</p> <p>or</p> <p>the lump sum amount equals the <b>percentage</b> of the death benefit of your choice</p>	
What happens to your remaining death benefit?	<ul style="list-style-type: none"><li>• The remaining death benefit<sup>7</sup> will earn <b>non-guaranteed interest</b><sup>8</sup>; we will pay any accumulated interest in the last payment</li><li>• Your beneficiary can submit their request for us to pay any remaining balance<sup>7</sup> when they reach the age you choose or age 85 as set by us</li></ul>		
What are the benefits?	<ul style="list-style-type: none"><li>• Gives you <b>total control</b> over <b>how</b> and <b>when</b> your wealth is passed on in line with your family's values and <b>how your care</b> will <b>continue</b> even in <b>your absence</b></li><li>• <b>No need to claim probate</b></li><li>• Shows your <b>wholehearted support</b> at different <b>life events</b></li></ul>		
Who is this option fit for?	For a beneficiary who may be inexperienced, or not yet ready to manage money, such as a young adult or child who needs <b>tailored financial support</b> before they can fully manage the family wealth on their own		

## 3 more options for paying the death benefit

Payment option	One lump-sum payment (Default option)	Monthly instalments <sup>2</sup>	Lump sum + Monthly instalments <sup>2</sup>
When we pay	When the life assured passes away;		
How we pay	Pay <b>all</b> the death benefit in a <b>lump sum</b>	Pay the death benefit by <b>monthly instalments<sup>2</sup> over your choice of 10, 20, 30, or 40 years</b>	Choose a <b>designated %</b> of the death benefit for us to pay in a <b>lump sum first</b> . We will then <b>pay the remaining balance<sup>7</sup> by monthly instalments<sup>2</sup> over your choice of 10, 20, 30, or 40 years</b>
What happens to your remaining death benefit?	Not applicable	The remaining death benefit <sup>7</sup> will earn <b>non-guaranteed interest<sup>8</sup></b> ; we will pay any accumulated interest in the last payment	
What are the benefits?	<ul style="list-style-type: none"> <li>• Payout emergency cash immediately</li> <li>• No need to claim probate</li> </ul>	<ul style="list-style-type: none"> <li>• Provide a <b>monthly amount immediately</b> over a set period</li> <li>• <b>No need to claim probate</b></li> </ul>	<ul style="list-style-type: none"> <li>• Payout emergency cash immediately</li> <li>• Provide a <b>monthly amount</b> over a set period</li> <li>• <b>No need to claim probate</b></li> </ul>
Who is this option fit for?	For the beneficiary who needs a <b>lump sum of emergency cash right away</b> , e.g., to settle funeral expenses	For the beneficiary who may be too young, inexperienced, or unable to manage money, such as <b>a child or elderly parent who needs long-term, regular financial support</b>	For the beneficiary such as <b>your spouse, who needs both a lump sum of emergency cash and long-term, regular financial support</b>

# Case 1 New-to-market Enhanced FlexLegacy<sup>1,2</sup>



## What Sophia needs

Policyholder & life assured:	Sophia, age 40
Family status:	She has a newborn daughter, Olivia
Death benefit:	USD 2,000,000
Beneficiary:	100% of the death benefit to Olivia



To sustain Olivia's living standard with a monthly amount, set by Sophia, over a period of time when she passes away



To ensure Olivia is mature enough to manage a large amount of death benefit

## Death Benefit Settlement Option: FlexLegacy<sup>1,2</sup>

When we pay	Sophia passes away	Olivia reaches age 35 <sup>9</sup>
How we pay	USD 3,000 per month	All of the remaining death benefit <sup>7</sup> in a lump sum



Sophia passes away when Olivia is 18 years old. Olivia gets a **USD 3,000 monthly instalment** (set by Sophia) – until she reaches age 35<sup>9</sup>. The remaining death benefit<sup>7</sup> will **earn interest**<sup>8</sup>, and we will pay the **accumulated interest** in the last payment.

Olivia reaches age 35<sup>9</sup>. We will pay **USD 1,388,000** (the remaining death benefit<sup>7</sup>) with the **accumulated interest** of **USD 315,646** in one go.



Death benefit payments begin

17<sup>th</sup> (death benefit payments end)

Year

Total monthly instalment (= USD 3,000 x 12 months x 17 years)  
**USD 612,000**

# Case 2 New-to-market Enhanced FlexLegacy<sup>1,2</sup>



## What Jimmy needs

Policyholder & life assured:	Jimmy, age 45
Family status:	He has a 5-year-old son, Lucas
Death benefit:	USD 3,000,000
Beneficiary:	100% of the death benefit to Lucas



To gift Lucas a designated % of the death benefit in a lump sum when he reaches age 30, marries and has a child, motivating him to live a life that matches his family's values



To ensure Lucas is mature enough to manage a large amount of death benefit

### Death Benefit Settlement Option: FlexLegacy<sup>1,2</sup>

When we pay	Lucas reaches age 30 <sup>9</sup>	Lucas gets married <sup>9</sup>	Birth of 1 <sup>st</sup> child of Lucas <sup>9</sup>
How we pay	Chosen lump sum %		
	30%	30%	40%

Jimmy passes away when Lucas is 25 years old. The death benefit<sup>7</sup> will **earn interest**<sup>8</sup>, and we will pay the **accumulated interest** in the last payment.



Lucas reaches age 30<sup>9</sup>. He gets **USD 900,000** (30% of the death benefit).

Lucas gets married<sup>9</sup> at age 40. He gets **USD 900,000** (30% of the death benefit).



Death benefit payments begin

10<sup>th</sup>

15<sup>th</sup> (death benefit payments end)

Year

Lucas' first child is born<sup>9</sup>. He gets **USD 1,200,000** (40% of the death benefit) and the **accumulated interest** of **USD 472,193** in one go.

Case 3

New-to-market

Enhanced FlexLegacy<sup>1,2</sup>



What Winston needs

Policyholder & life assured:	Winston, age 60
Family status:	He has a 3-year-old grandson, Jasper
Death benefit:	USD 4,000,000
Beneficiary:	100% of the death benefit to Jasper



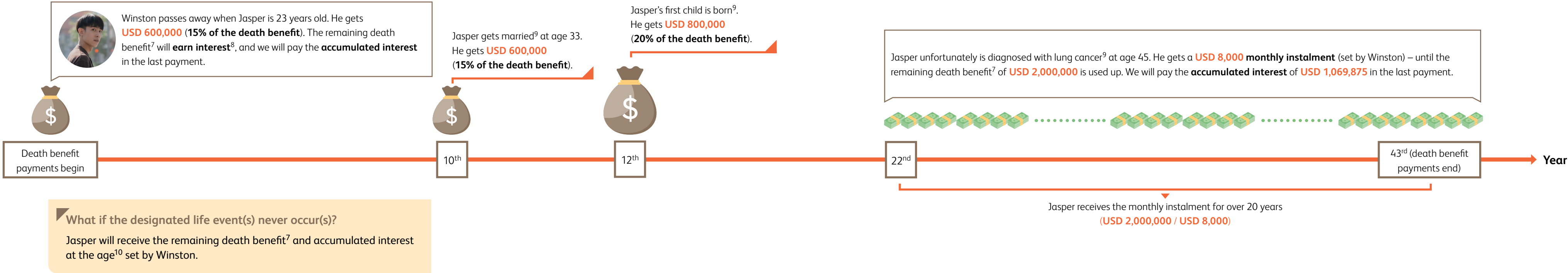
To provide a lump-sum payment as emergency cash when he passes away



To gift Jasper a designated % of the death benefit in a lump sum when he marries and has a child, communicating his heartfelt belief that family comes first



To provide a monthly amount, set by Winston, to sustain Jasper's living standard if he unfortunately experiences difficulties in life



Death Benefit Settlement Option: FlexLegacy <sup>1,2</sup>				
When we pay	Winston passes away	Jasper gets married <sup>9</sup>	Birth of 1 <sup>st</sup> child of Jasper <sup>9</sup>	Jasper is diagnosed with cancer, heart attack or stroke <sup>9</sup>
How we pay	Chosen lump sum %			USD 8,000 per month
	15%	15%	20%	

## Case 4 One lump-sum payment (Default option)



### What Zoe needs

Policyholder & life assured:	Zoe, age 35
Family status:	Single, lives with her parents
Death benefit:	USD 500,000
Beneficiaries:	50% of the death benefit to her mother and father respectively



To provide immediate financial support to her parents when she passes away



To cover her funeral arrangements



To assist with her family's outstanding mortgage and liabilities

### Death Benefit Settlement Option

Pays all the death benefit in one lump sum



Death benefit:  
**USD 500,000**



Mother gets:  
**USD 250,000**



Father gets:  
**USD 250,000**



## Case 5 Monthly instalments<sup>2</sup>



### What Alvin needs

Policyholder & life assured:	Alvin, age 50
Family status:	Alvin is married to Fanny, and they have a 22-year-old son, Edan
Death benefit:	USD 500,000
Beneficiary:	100% of the death benefit to Fanny



To support his family's living standard until Edan becomes self-sufficient, with a monthly amount over a set period when he passes away

### Death Benefit Settlement Option

By monthly instalments<sup>2</sup> over 10 years



Alvin unfortunately passes away. Fanny gets **USD 4,167 per month** over **10 years**. The remaining death benefit<sup>7</sup> will **earn interest**<sup>8</sup>, and we will pay the **accumulated interest** in the last payment.



Death benefit payments begin



7<sup>th</sup> (death benefit payments end)

Year

Fanny unfortunately passes away. The **remaining** death benefit<sup>7</sup> of **USD 150,000**, **together with** the **interest earned**, **USD 23,854**, will form her estate. If Fanny has not set up a will, the estate will be distributed according to the Intestates' Estates Ordinance in Hong Kong or the relevant provisions under Macau law.



## Case 6 Lump-sum payment first + Monthly instalments<sup>2</sup>



### What Charles needs

Policyholder & life assured:	Charles, age 38
Family status:	Charles is married to Nancy, and they have a 1-year-old daughter, Ivy
Death benefit:	USD 1,000,000
Beneficiary:	100% of the death benefit to Ivy



To provide a lump-sum payment as emergency cash when he passes away



To sustain Ivy's financial well-being over a set period

### Death Benefit Settlement Option

Pays 25% of the death benefit in a lump sum and the remaining death benefit<sup>7</sup> by monthly instalments<sup>2</sup> over 20 years

Charles passes away when Ivy is 19 years old.  
She gets a **lump sum** of **USD 250,000**  
(25% of the death benefit).



Death benefit payments begin

We will **pay** the **accumulated interest** of **USD 86,097** together with the last payment.



20<sup>th</sup> (death benefit payments end)

Year



We will pay her the remaining death benefit<sup>7</sup> through **monthly instalments<sup>2</sup> for 20 years**. She gets **USD 3,125 per month**. The remaining death benefit<sup>7</sup> will **earn interest<sup>8</sup>**, and we will pay the **accumulated interest** in the last payment.

## Remarks:

The above cases and all the figures mentioned here are for illustration purposes only. Unless otherwise specified, we have rounded the figures to the nearest whole number for easy reference.

1. Our statement about FlexLegacy being 'new-to-market' refers specifically to its feature allowing the commencement of death benefit payments upon designated life events rather than solely upon a designated age. We base the statement on our understanding and interpretation of current market information regarding other publicly available savings and life insurance plans issued by major Hong Kong and Macau life insurance companies for individual customers, as at 30 November 2025.
2. We will cancel any Death Benefit Settlement Option and pay the death benefit in a lump sum when you choose to settle the death benefit in monthly instalments or through the FlexLegacy, but the total amount payable under monthly instalments or the FlexLegacy is less than USD 50,000 (or other amount we determine from time to time).
3. There are more details related to the Death Benefit Settlement Option on the application form and any relevant documents. We may change the administrative rules and/or introduce more options from time to time.
4. The policyholder determines the options, and the beneficiary cannot make any changes to the options or the way we pay the benefits at any time.
5. Please check with your financial consultant for the plans that offer Death Benefit Settlement Option.
6. You may choose the FlexLegacy when your policy only has 1 designated beneficiary.
7. The remaining balance of the death benefit will not participate in our Shareholder-backed Participating Fund, thus will not benefit from the profits.
8. Interest rates are non-guaranteed and we may change them from time to time. The current interest rate is 1% p.a..
9. Your beneficiary must submit the request for paying the death benefit, along with the proof of the life event, to us for approval.
10. Your beneficiary can submit their request for us to pay any remaining balance when they reach the age you choose or 85 as set by us.

## Need more details? Get in touch

Please contact your consultant or call our Customer Service Hotline at Hong Kong (852) 2281 1333 or Macau (853) 8293 0833 for more details.

## Notes

The above information is for reference only and not to be used as a basis of decision making. Your decision should be based on your actual situation or needs.

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