




How a life insurance plan can help you transfer your legacy with ease

You plan your investments with the goal of accumulating wealth, so you would naturally focus on balancing risk and return. As your retirement needs become more pressing however, you may begin asking: How will you spend your accumulated wealth over your lifetime? And how can you ensure that your wealth is easily and efficiently transferred after you pass away?

Death benefits used to be settled in a lump sum, but new settlement options now allow you to customise your family's protection. Selected plans[#] offers several such options, allowing the policyowner to choose a death benefit settlement arrangement **during the lifetime of the life assured¹**:

Death Benefit Settlement Option	 Lump-sum settlement	 Monthly instalments*	 A specified % of initial settlement, the remainder to be paid through monthly instalments*
Settlement term	One-time settlement	Monthly instalments over a settlement period of 10, 20, 30 or 40 years	A specified % of the death benefit will be first paid out in a lump sum. The remainder will be paid by monthly instalments over a settlement period of 10, 20, 30 or 40 years
Remaining death benefit	Not applicable	The remainder of the death benefit will be left with the Company to accrue non-guaranteed interest ; all accumulated interest (if any) [^] will be paid together with the last death benefit instalment	
Benefits	<ul style="list-style-type: none"> • Provide emergency cash • Bypass probate proceedings 	<ul style="list-style-type: none"> • Guarantees fixed benefit income for the beneficiary • Bypass probate proceedings 	

[#] Please contact your consultant for details of Selected Plans.

¹ Selection of payment arrangement of the death benefit is determined by the policyowner and the beneficiary is not allowed to make any alteration on the payment arrangement at any time.

* The required minimum total death benefit amount payable by monthly instalment is USD 50,000 / HKD 400,000 / RMB 300,000. This amount is determined by the Company from time to time.

[^] Interest rates are non-guaranteed and can be changed by the Company from time to time. The current interest rate is 1% p.a..

Example of Lump-sum settlement – for emergency cash



Ms. Wong
Age 35, single
Both parents alive

Ms. Wong purchases **life insurance plan**, and chooses the **lump-sum** death benefit settlement option. Upon the passing of Ms. Wong (the life assured), the designated beneficiaries (her parents) can:



Use the death benefit to cover Ms. Wong's funeral arrangements



Use the death benefit to support their livelihood

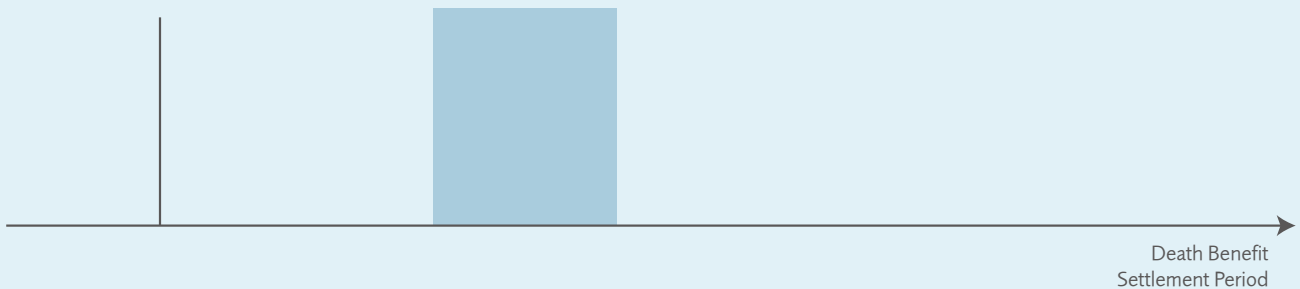


Bypass probate proceedings

Ms. Wong's death benefit is USD 500,000.

Ms. Wong passes away and her policy is terminated.

Ms. Wong's parents receive a **lump-sum of USD 500,000** death benefit payment



Example of Monthly instalments – for legacy planning



Mr. Lee

Age 50, married
Has a 22-year-old son

Mr. Lee purchases **life insurance plan**, and chooses to settle the death benefit **through monthly instalments over a 10-year settlement period**. Upon the passing of Mr. Lee (the life assured), the designated beneficiary (Mrs. Lee), can:



Receive a fixed monthly payment to support her livelihood



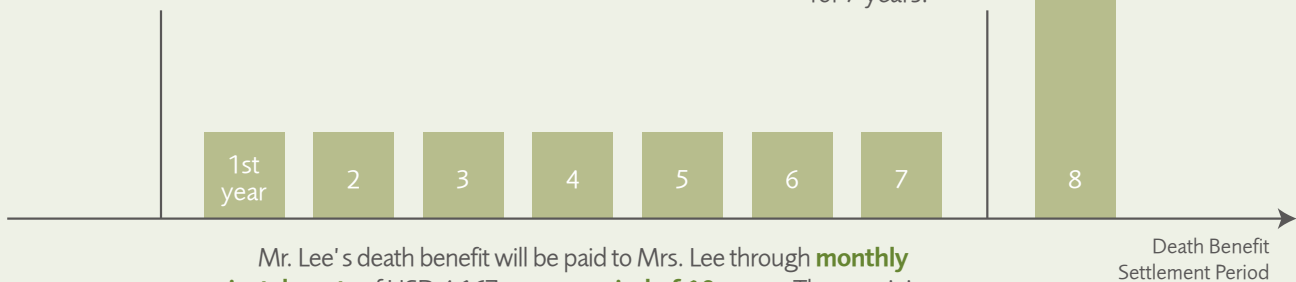
Inherit wealth more simply and efficiently. Bypass probate proceedings fees

Mr. Lee's death benefit is USD 500,000.

Mr. Lee passes away, and his policy is terminated. Mrs. Lee will receive the death benefit according to Mr. Lee's arrangements before his death.

The remaining death benefit, USD 150,000, together with the accrued interest, USD 23,854[^], will form Mrs. Lee's **estate**. If Mrs. Lee has not left a will, the estate will be distributed according to the *Intestates' Estates Ordinance*.

Mrs. Lee passes away after receiving the death benefit for 7 years.



Mr. Lee's death benefit will be paid to Mrs. Lee through **monthly instalments** of USD 4,167 **over a period of 10 years**. The remaining death benefit amount will be left with the Company **to accrue interest**. The remaining death benefit will not participate in our With-Profits Fund, and thus will not receive profits from the Fund.

[^] The current interest rate is 1% p.a. (interest rate is non-guaranteed and can be changed by the Company from time to time). Assuming the interest rate is 0.5% p.a., the accrued interest will amount to USD 11,684. Assuming the interest rate is 0.25% p.a., the accrued interest will amount to USD 5,783.

Example of Lump sum settlement + monthly instalments – for legacy planning and payment flexibility



Mr. Chan

Age 38, married

Has a 1-year-old daughter

Mr. Chan purchases **life insurance plan**, and chooses to settle the death benefit **through a combination of lump sum payment and monthly instalments (i.e. 25% of the death benefit amount will be paid in a lump sum and the remaining amount will be settled by monthly instalments over a 20-year settlement period)**. Upon the passing of Mr. Chan (the life assured), the designated beneficiary (his daughter) can:



Receive a lump-sum payment as emergency cash



Receive a fixed monthly payment to support her livelihood



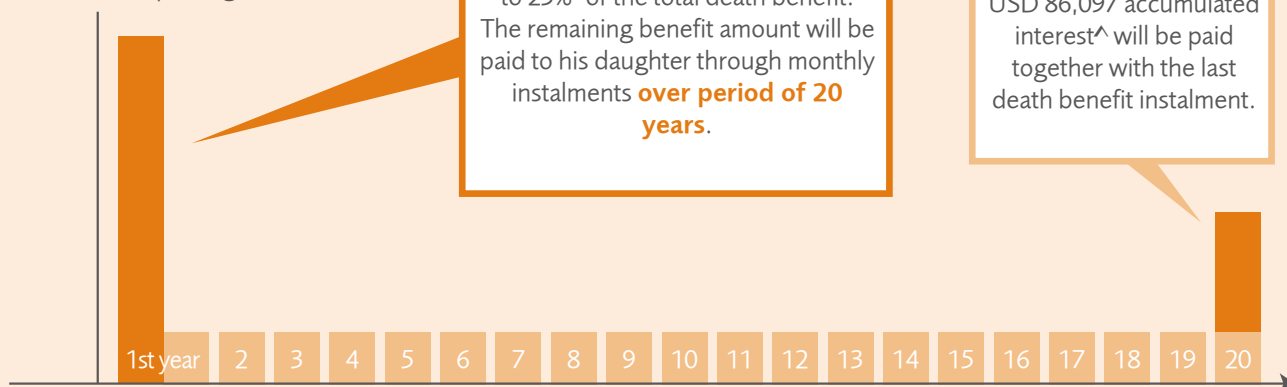
Inherit wealth more simply and efficiently. Bypass probate proceedings fees

Mr. Chan's death benefit is USD 1,000,000.

Mr. Chan passes away and his policy is terminated. His daughter will receive the death benefit according to Mr. Chan's instructions before his death. His daughter is 19 years old at the time of his passing.

According to Mr. Chan's instructions before his death, his daughter will first receive a **lump sum payment** of USD 250,000, which is equivalent to 25%² of the total death benefit. The remaining benefit amount will be paid to his daughter through monthly instalments **over period of 20 years**.

USD 86,097 accumulated interest[^] will be paid together with the last death benefit instalment.



Mr. Chan's daughter receives the remaining death benefit amount through monthly instalments of USD 3,125 **over a period of 20 years**. The remaining benefit amount will be left with the Company **to accrue interest**. The remaining death benefit will not participate in our With-Profits Fund, and thus will not receive profits from the Fund.

[^] The current interest rate is 1% p.a. (interest rate is non-guaranteed and can be changed by the Company from time to time). Assuming the interest rate is 0.5% p.a., the accrued interest will amount to USD 40,252. Assuming the interest rate is 0.25% p.a., the accrued interest will amount to USD 19,465.

² The policyowner may decide the percentage of the initial death benefit settlement, the percentage must be an integer no less than 5%.

Important information

Need more details? Get in touch

Please contact your consultant or call our Customer Service Hotline at 2281 1333 for more details.

Important Notes

1. All figures and examples shown are for reference only. Customers must not rely on the information in this document alone to enter into any transaction. Customers are recommended to seek professional for specific advice. Please refer to the below disclaimer.
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Products Applicable for the Death Benefit Settlement Option



Product Name	Product Name
Achiever Endowment Assurance	PRU life best start
Achiever Life Assurance	PRU life plus
Achiever Life Assurance II	PRU life premier
Achiever Life Assurance II (Single Premium)	PRU life prestige wealth planner
Achiever Life Assurance III	PRU life protector
Achiever Life Assurance III (Single Premium)	PRU life protector (Single Premium)
Achiever Protection Package	PRU life saver
Achiever Savings Package	PRU life saver (Single Premium)
Better Golden Years	PRU life juvenile saver
Better Golden Years III	PRU save plus
Better HeadStart	Senior Plan
Better HeadStart III	Yearly Income Plan
Better Life Assurance	Convertible Term Assurance
Better Life Assurance II	Term Assurance
Better Life Assurance III	Term Life Assurance
Better Life Plus	Yearly Renewable & Convertible Term Plan
Better Life Plus II	5-Year Renewable & Convertible Term
Better Life Plus III	5-Year Renewable & Convertible Term with Crisis Cover
Best Start Plan 19 / Best Start Plan 22	PRU term
Delightful Life Assurance	Preferred PRU term
Easi-PRU save plus	My Wish Saver
Evergreen Growth Saver	PRU universal life
Evergreen Growth Saver (Single Premium)	PRU universal life (Single Premium)
Evergreen Growth Saver Plus	PRU universal life wealth planner
Evergreen Growth Saver Plus (Single Premium)	PRU universal life wealth planner (Single Premium)
Evergreen Growth Saver Plus II	* PRU retirement early income plan
Evergreen Growth Saver Plus II (Single Premium)	* PRU retirement enriched income plan
Galaxy	* PRU myretirement wealth income plan
Galaxy Lifelong Income Savings Plan	* PRU life monthly income plan
Golden Gift Plan	Double Treasure Plan
PRU cash / PRU cash juvenile / PRU cash XPO	PRU Life Protector II
PRU life coupon saver	PRU Life Protector II (Single Premium)

*The Death Benefit Settlement Option is only applicable to the death benefit payable before the commencement of the income period. For the payment option of the death benefit on or after the commencement of the income period, please refer to your policy provision or contact your consultant / our Customer Service Department for details.

Note:

1. The above information is subject to change by Prudential from time to time.
2. The Death Benefit Settlement Option is applicable to basic plan only. This option is not applicable to trust policies issued before 1 September 2000 and/or joint-life policies.
3. The Death Benefit Settlement Option is subject to the terms and conditions as determined by Prudential from time to time, please contact your consultant or our Customer Service Department on 2281-1333 for details.

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