

PRODUCT DISCLOSURE SHEET	Hong Leong Assurance Berhad
Read this Product Disclosure Sheet before you decide to take up the Hong Leong SMART Protect Plus Insurance. Be sure to also read the general terms and conditions.	Hong Leong SMART Protect Plus Insurance
	<< Date >>

Important Note: This product is underwritten by Hong Leong Assurance Berhad, an insurer licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia.

1. What is this product about?

- This is a regular premium investment-linked plan with Level Cover.
- Insurance protection provided is death only.
- The policy values of this policy vary directly with the performance of the unit funds.

Please Note: Your insurance charges (deducted from the account value) will increase as you get older. In the later years, it is possible that the accumulated account value will not be sufficient to pay for your insurance charges and policy fee due to poor investment returns or withdrawals, which will result in your policy being lapsed. You may need to top up your premium or reduce your withdrawal (if applicable), if you want to continue with your insurance policy.

2. What are the covers/ benefits provided?

A) Basic Plan

The Sum Assured for this plan is RM and the duration of the coverage is years or upon termination, whichever occurs first. The coverage duration will be automatically extended up to age 100 upon policy maturity at the end of initial term.

Death Benefit

In the event of death of the Life Assured, the amount payable shall be the HIGHER of:

- Basic Sum Assured; or
- Account Value at the Next Valuation Date immediately following the date of notification of death.

The Basic Sum Assured will be reduced by the partial withdrawal amount

Provision for Juvenile

In the event of the death of the Life Assured occurring before the age of five (5), the Basic Sum Assured shall be reduced as follows:

Age at Death (last birthday)	Percentage of Basic Sum Assured Reduced to
30 days – 1 year	20%
2 years	40%
3 years	60%
4 years	80%

Auto-Extension of the Plan

At the end of initial coverage period, this plan will be automatically extended, recurring every 5 years until age 100 without going through underwriting. A notification on the extension of the plan will be sent to you at least 90 days before the beginning of the extension period, together with the expected premium during the extension period.

Upon the extension of the plan,

- The Basic Sum Assured shall remain at the amount prior to the extension of the plan
- The attached rider(s) who is/are in force prior to extension shall remain, subject to the terms and conditions under the rider(s)
- Premium, insurance charges, policy fee, fund management fee and any applicable tax shall continue to be chargeable

This Product Disclosure Sheet consists of 6 pages and each page forms an integral part of the Product Disclosure Sheet. A prospective policy owner is advised to read and understand the information printed on each and every page.

- Additional stepped premium for every recurring band of 5 years may be required

If you **do not want to extend** the plan up to age 100, you are required to notify HLA at least 30 days prior to the end of the initial coverage period and a Maturity Benefit shall be payable upon the end of initial coverage period.



You are advised to refer to Table 1 for the estimated required premium during the extension period before purchasing this policy. In general, the expected premium increases as you move into older age band.

Table 1: Estimated required premium of different coverage periods with and without auto-extension feature

	You have chosen an initial coverage period up to age <<Age>>	Initial coverage period up to age <<Age>> with auto-extension up to age 100	If you choose initial coverage period up to age 100
Coverage Period	Up to age <<Age>>	Up to age <<Age>> with auto-extension	Up to age 100
Annual Premium Payable based on 1st insured life's age at the beginning of the policy year	RM payable from age <<Age>> to age <<Age>> Total: RM Accumulative: RM	RM payable from age <<Age>> to age <<Age>> Total: RM Accumulative: RM RM payable from age <<Age>> to age <<Age>> Total: Accumulative: RM	RM payable from age <<Age>> to age <<Age>> Total: RM Accumulative: RM

Note:

- Premium illustrated in Table 1 above are based on the current projection, selected coverage and premium payment period.
- The expected premiums in Table 1 have been calculated based on the estimates of future outcome and the actual expected premium may be higher or lower depending on policy sustainability. Actual sustainability of the policy depends on the actual investment return and any variation in policy benefits and charges. You are advised to refer to the annual sustainability statement for the updated expected premium based on most recent assumptions.
- Your investment-linked policy will lapse/ terminate if there is not enough units in your fund to pay the charges. The units may not be enough over the years due to:
 - High insurance charges if buy many riders, and especially if the charges are increasing over time as get older
 - Poor investment returns
 - Premium holiday – i.e. if stop paying premium for a long period of time
 - Partial withdrawal
- Once the Policy Owner surrenders the policy during initial coverage period or extension period, the auto-extension feature shall not be applicable.



By choosing a plan with longer initial coverage period, total premium outlay throughout the entire coverage period may be less than purchasing a plan with shorter initial coverage period with subsequent auto-extension.

Maturity Benefit

Upon the end of the initial term (if Policy Owner opted not to extend the coverage to age 100) or at the end of the extended term, whichever is applicable, a Maturity Benefit shall be payable depending on the age of Life Assured at policy maturity as below:

Age at policy maturity (last birthday)	Maturity Benefit Payable
Less than age 100	Account Value

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Age 100	The higher of the: (a) Basic Sum Assured; or (b) Account Value
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3. How much premium do I have to pay?

The total premium you have to pay may vary depending on our underwriting criteria and risk assessment.

The estimated premium that you have to pay is as follows:

Plan/Rider	Type	Insured Lives	Premium Payable
			Annually (RM)
Hong Leong SMART Protect Plus Insurance	Basic Plan	Life Assured	
Total			

Premium payment period:

Plan/Rider	Premium payable based on Life Assured's age at the beginning of the policy year
Hong Leong SMART Protect Plus Insurance	Until <<Age>>

For One Time Top Up Premium, please refer to the Product Illustration.

Insurance company allocates a portion of the basic premium to purchase units in the investment-linked fund that you have chosen. Any unallocated amount of your premium will be used to meet the commissions and company's expenses. You are advised to refer to the allocation rates given in the Product Illustration.

It is important that you receive and keep the receipt(s) of your payments as proof of payment of premiums.

4. What are the fees and charges I have to pay?

The insurance coverage charges and monthly policy fee of RM8 are deducted monthly from the value of your units. Generally, the insurance charges will increase as you grow older. Surrender and partial withdrawal charges are not applicable. Details of insurance charges and other charges for your investment-linked policy are given in the Product Illustration.

The illustrated insurance and other charges are based on current levels. These are not guaranteed and may be varied from time to time by giving 3 months' notice to Policy Owners.

The premium and any reinvestment of claims or benefit paid, where applicable, for the provision of policy to business organization shall be subject to 8% Service Tax.

5. What are some of the key terms and conditions that I should be aware of?

- Importance of disclosure - you must disclose all material facts such as medical condition, and state your age correctly.
- Free-look period - you may cancel your policy by returning the policy within 15 days from the date of delivery of the policy. HLA will refund to you the unallocated premiums, the value of units that have been allocated (if any) at unit price at the next valuation date, any insurance charge, policy fee, and any applicable tax that have been deducted less any medical fee incurred.
- You would only be able to enjoy the guaranteed benefits mentioned in the Product Illustration and Product Disclosure Sheet, for example Guaranteed Death Benefit, if basic plan is in force.
- Cash value - the cash value of the investment-linked policy depends on the performance of the investment-linked funds selected. The higher the level of insurance coverage selected, the more units will be absorbed to pay for the insurance charges and the fewer units will remain to accumulate cash values under your policy.
- Policy lapse – Basic Plan and all riders including premium-paying rider (if any) will lapse/terminate when the value of investment units is insufficient to pay for the insurance and other charges. You are given a 30 days' grace period for payment of premium.
- You should satisfy yourself that this policy will best serve your needs and that the premium payable under this plan is an amount you can afford.

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- There are provisions for nomination and assignment. Please be advised to nominate a nominee and ensure that the nominee is aware of the policy that you have purchased.
- All applications are subject to underwriting approval.

Note: This list is non-exhaustive. Please refer to the policy contract for the terms and conditions under this policy.

6. What are the major exclusions under this policy?

A) Basic Plan

Death Benefit

If the Life Assured whether sane or insane, commits suicide within twelve (12) months from the Issue Date, Alteration Effective Date or the Reinstatement Date, whichever is the latest, this policy shall become void. The death benefit shall not be payable and the Company shall only refund the unallocated premiums, the value of units that have been allocated (if any) at unit price at the next valuation date, any insurance charge, policy fee, and any applicable tax that have been deducted less any medical fee incurred and benefit paid.

Note: This list is non-exhaustive. Please refer to the policy contract for the full list of exclusions under this policy.

7. Can I cancel my policy?

A) Basic Plan

Buying a regular premium investment-linked policy is a long-term financial commitment. It is not advisable to hold this policy for a short period of time in view of the high initial costs. If the policy is terminated early, you may get less than the amount of premiums paid. If you find that the fund that you have chosen is no longer appropriate, you have the flexibility to switch fund without any fee.

8. What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details (including that of the nominee and/or trustee) to ensure that all correspondences reach you and/or nominee/trustee in a timely manner.

9. Where can I get further information?

Should you require additional information about investment-linked insurance, please refer to the *insuranceinfo* booklet on 'Investment-linked Insurance', available at all our branches or you can obtain a copy from the agent/staff of bank.

If you have any enquiries, please contact us at:

Hong Leong Assurance Berhad
Level 3, Tower B, PJ City Development
No 15A, Jalan 219, Seksyen 51A
46100 Petaling Jaya, Selangor
P.O.Box 120, 46710 Petaling Jaya

Intermediary:
Hong Leong Bank Berhad
Level 1, Menara Hong Leong

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No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

Tel: 03-7650 1288
Fax:03-7650 1299
Homepage: www.hla.com.my

10. Other similar types of cover available

Please refer to our agent/staff of bank for other similar types of cover available.

IMPORTANT NOTE:

THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS. YOU MUST EVALUATE YOUR OPTIONS CAREFULLY AND SATISFY YOURSELF THAT THE INVESTMENT-LINKED PLAN CHOSEN MEET YOUR RISK APPETITE, AND THAT YOU CAN AFFORD THE PREMIUM THROUGHOUT THE POLICY DURATION. TO INCREASE INVESTMENT VALUE AT ANY TIME, IT IS ADVISABLE THAT YOU PAY THE ADDITIONAL PREMIUM AS 'TOP UPS'. RETURN ON INVESTMENT-LINKED FUND IS NOT GUARANTEED.

The information provided in this disclosure sheet is valid as at <<Date>>.

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Service Guide – Our Service To You

The bank offers a range of Hong Leong Assurance insurance products through its branches nationwide. If you intend to purchase a life insurance product from our Personal Banker/Bank representative, you can enjoy these value added services:

Before You Buy a Policy	When You Decide to Buy a Policy	During the Term of the Policy
<p>Assist You In Choosing the Right Insurance Plan</p> <ul style="list-style-type: none">❖ Go over the Customer Fact Find Form with you to better understand your insurance needs and financial goals.❖ Recommend suitable insurance plan after assessing your needs. <p>Explain Product Features</p> <ul style="list-style-type: none">❖ Explain the product features, benefits payable, exclusions, premiums and charges.❖ Provide Product Disclosure Sheet to assist you in making informed decision and to facilitate product comparison.	<p>Assist You With the Policy Application</p> <ul style="list-style-type: none">❖ Explain the importance of answering the questions in the proposal form fully and accurately.❖ Submit your application for underwriting after you have signed the proposal form.❖ Arrange for medical examination with one of our panel clinics, if required.❖ Provide information and assist in making a nomination to ensure policy moneys are received by your beneficiaries in the event of death. <p>Explain the Policy Terms And Conditions</p> <ul style="list-style-type: none">❖ Your policy document will be delivered to you (by hand, via post or electronically) within 7 days from the policy issue date.❖ Go through the policy terms & conditions with you to ensure that this is the right plan that you have purchased.	<p>Continuous Policy Servicing</p> <ul style="list-style-type: none">❖ Assist in submitting your service requests to Hong Leong Assurance Berhad, e.g. policy modifications, changes of address and frequency of premium payments. <p>Assist You In Making A Claim</p> <ul style="list-style-type: none">❖ Assist in submitting your claim forms and documents to Hong Leong Assurance Berhad.

Customer Portal

Please visit Hong Leong Assurance Berhad's corporate website at <https://www.hla.com.my>. Once you are there, just click on the **HLA360°** banner to access the HLA Customer Portal where you will be able to access your policy information.

If you require additional information or support from Hong Leong Assurance Berhad, please give Hong Leong Assurance Berhad a call at **03-7650 1288** or e-mail Hong Leong Assurance Berhad at customerservice@hla.hongleong.com.my.

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