



Dear Valued Business Partners,

Market performance over the past 12 months has remained very volatile. At Sun Life, we are taking the necessary steps to respond to the rapidly changing market trends. Today, we are announcing important changes to the Generations and Prosperity Special Monthly Production Allowance.

**Changes to the Generations and Prosperity Special Monthly Production Allowance (SMPA)**

On May 5, 2020, the SMPA for both Generations and Prosperity will be changed, for details of the SMPA rate, please refer to the enclosed Supplement.

**Please note these important transition rules:**

- Cut Off Date : 5 May 2020
- Last Issue Date : 31 Dec 2020
- Signed applications submitted with full medical reports on or before the Cut Off Date will be entitled to the current SMPA rate subject to the fact that the policy is issued on or before the Last Issue Date. Soft copy of the applications are acceptable.
- All applications submitted after the Cut Off Date will follow the new SMPA rate

We remain committed to our leadership role in the High Net Worth market, and we are ready to partner with you on how to best serve the life insurance need of your Clients.

Should you have questions or require additional information, please reach out to your respective Business Development Manager.

Thank you for your continued support.

**Fabien Jeudy**

Chief Executive Officer, Sun Life Hong Kong

**Clement Lam**

General Manager, Life & Health, Sun Life Hong Kong

## **Supplement to Compensation Schedule on Individual Business (Financial Intermediaries Channel)**

Sun Life Hong Kong Limited  
(Incorporated in Bermuda with limited liability)  
*A member of the Sun Life Financial group of company*

Company Name	Parich Wealth Management Limited
Address	Room 1309 13/F Capital Centre 151 Gloucester Road Wan Chai Hong Kong

## **SUPPLEMENT - Special Payments for all plans except regular premium investment-linked policies for Parich Wealth Management Limited**

For the purposes of this section, earned First Year Commission ("earned FYC") does not include (i) any Extra Commission earned pursuant to Part I - Schedule of Commissions of the Compensation Schedule on Individual Business (Financial Intermediaries Channel); and (ii) any commissions, allowances or bonuses (if applicable) payable in relation to regular premium investment-linked policies.

For the purposes of this section, "19-Month LIMRA Type Persistency" is a measure of policy persistency based on the 19 policy months' experience. The Company may in its sole discretion change the definition of 19-Month LIMRA Type Persistency from time to time.

### **a) Special Monthly Production Allowance**

1. The Company will pay you a special monthly production allowance in the following manners ("Special Monthly Production Allowance"):

- 1.1) With respect to the designated product(s) specified under this clause a1.1, if you achieve a 19-Month LIMRA Type Persistency of at least 80% as at the last date of any given month, the Company will pay you a Special Monthly Production Allowance at the corresponding percentage of earned FYC on regular premium produced in the relevant month set forth below:

<u>Product</u>	<u>Percentage</u>
Foresight Deferred Annuity Plan	140%
FlexiRetire Annuity Plan	140%
Prosperity	90%

or

- 1.2) With respect to the designated product(s) specified under this clause a1.2, the Company will pay you a Special Monthly Production Allowance at the corresponding percentage of earned FYC on single premium produced in the relevant month set forth below:

<u>Product</u>	<u>Percentage</u>
Generations	60%

or

- 1.3) If you achieve a 19-Month LIMRA Type Persistency of at least 80% as at the last date of any given month, the Company will pay you a Special Monthly Production Allowance of 140% of earned FYC on regular premium produced in the relevant month of the products other than the product(s) listed in clause a1.1 and a1.2 above; or
  - 1.4) The Company will pay you a Special Monthly Production Allowance of 140% of earned FYC on single premium produced in the relevant month of the products other than single premium investment-linked products and the product(s) listed in clause a1.1 and a1.2 above; or
  - 1.5) The Company will pay you a Special Monthly Production Allowance of 65% of earned FYC on single premium produced in the relevant month of single premium investment-linked products other than the product(s) listed in clause a1.1 and a1.2 above.
2. Subject to Clause (a)(1) above, the Special Monthly Production Allowance will be payable on premiums and fees (if applicable) paid in full and actually received by the Company on policies effected through your company while the Agreement is in force.

### **b) Adjustment to Bright Universal Life (RMB) plans**

In case of any single withdrawal or accumulated partial withdrawals within the first 12 months after policy issuance by the policyholder from any Bright Universal Life (RMB) plan where (i) such withdrawal(s) is (are) equal to or greater than 50% of the total contribution amount paid within the first 12 months after policy issuance and (ii) the total contribution amount paid within the first 12 months after policy issuance is greater than HK\$300,000, the total amount of the Special Monthly Production Allowance paid or payable in relation to such policy will be clawed back as and when the relevant withdrawal(s) fulfilled the aforesaid conditions.

**c) Further Adjustments**

In consideration of the Special Payments made available by the Company from time to time, the Company has the right to change the rate of the Special Monthly Production Allowance, or discontinue your entitlement to any Special Monthly Production Allowance, at any time. The Company reserves the right to clawback any paid commissions and/or Special Payments in relation to any policies written by you whenever there is any premium refunded or in fact not received by the Company.

Any clawback may be exercised by way of a formal demand for payment issued to you by the Company or by way of set-off against any commission or any other payments owing to you by the Company.

**d) Effective Date**

This Supplement will take effect from 6 May 2020 and shall supersede all previously effective supplement(s).