

## **Fidelidade Macau Life – Insurance Company Limited**

### **Crediting Interest Rate, Fees and Charges Philosophy**

#### **Product: SmartRetire Savings Plan**

The insurance product "**SmartRetire Savings Plan**" is an universal plan designed to be held for a long-term period, aiming to offer competitive returns to policyholders.

Your premiums will be invested in accordance with an internally defined investment strategy of Fidelidade Macau Life – Insurance Company Limited (hereinafter referred to as "Fidelidade Life"). Through the crediting interest rate annual declaration, policyholders participate in the investment performance of the asset portfolio supporting the product. A fair sharing of profits between Policyholders and shareholders will be ensured.

Fidelidade Life will review and declare the crediting interest rate annually. You participate in the financial outperformance of this product, although this is not guaranteed. Non-guaranteed interests will typically be based, primarily, on the investment performance. To determine your annual non-guaranteed interests, we will consider all experience gains and losses, measured against best estimate assumptions, including but not limited to:

- **Investment returns:** include interest earnings, dividends and any market driven changes in value of the assets backing this product. Depending on the asset allocation adopted for this product, investment returns could be affected by fluctuations in interest income (both interest earnings and the outlook for interest rates) and various market risks, including credit spread and default risk, fluctuations in equity prices and foreign exchange currency fluctuation of the backing assets against the policy currency.
- **Claims:** include the cost of providing the accidental death benefit under the product to any insured deceased during the term of the policy.
- **Surrenders:** include policy surrenders, total and partial, and any consequential impact on the assets backing the product.

Your non-guaranteed interests will exclude any expenses gains or losses, measured against best estimated assumptions, including but not limited to expenses related with intermediary commissions, underwriting, policy issuing, annual statements and collection of premiums, as well as other indirect expenses which may be allocated by us to the product.

The actual non-guaranteed interest to be declared may be different from that illustrated in any product information provided by us. If there is any change in the actual non-guaranteed interests amount against the illustration, such change will be reflected in your policy annual statement.

Policyholders should also aware that crediting interest rate history is not an indicator of future performance.