



Legacy Planning



Don't let your legacy turn into tiresome probate process and painful family conflicts.

While you are building wealth upon years of hard work, you may also want to make sure your loved ones can enjoy the most out of the fruit of your success. That's why it is vital to plan ahead to save your family as much trouble and grief as possible.



Without proper legacy planning

Your family may face:

- * ● A potential time-consuming probate process
- * ● Potential conflicts among family members
- * ● Potential claims from creditors

Your assets:

- * ● May be distributed against your wishes

Possible solution

Zurich helps address your legacy planning needs with life insurance to maximize the benefits of your assets and ensure your loved ones will receive them according to your plans.



How it works?

1

Enhanced and flexible legacy planning

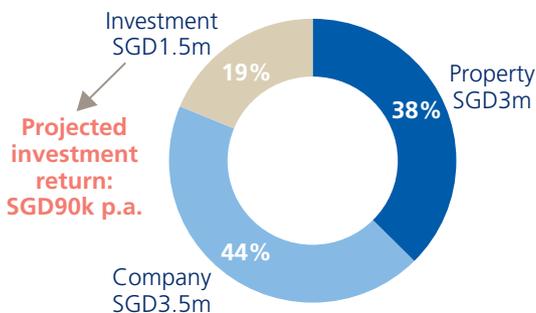
Example:

By using only a third of your annual investment return to take up a life policy*, you get to enhance your total estate from SGD8 million to SGD15 million. In addition, the total immediately distributable assets can be enhanced to as much as 57%, much more than the initial 19% without an insurance policy in place.

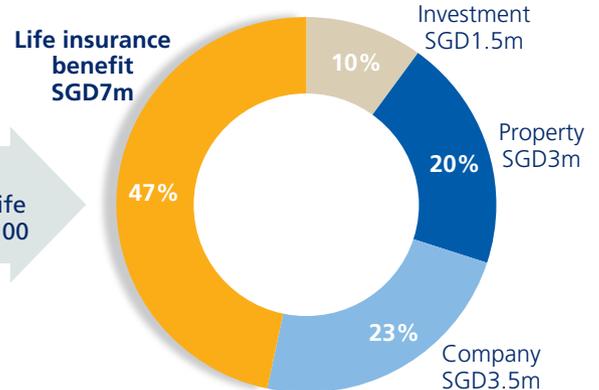
This example is based on the following assumptions:

- Investment of SGD1.5m
- Projected investment return of 6% p.a. (equivalent to SGD90,000 p.a.)
- Value of assets comprising investment, property and company do not change over time

Without insurance policy (total assets = SGD8m):



With insurance policy (total assets = SGD15m)



SGD30k* of cash is used to buy a life policy until age 100

Liquid assets = Investment of SGD1.5m
= 19% of total assets

Liquid assets = Life insurance benefit + Investment
= SGD8.5m (SGD7m + SGD1.5m)
= 57% of total assets

Percentages above are rounded off to the nearest integer.

*Cost of life insurance policy depends on age, gender and health conditions.



How it works? (Cont.)

1

Legacy planning with an insurance policy (Cont.)

How it helps?

- ✓ Ensure your loved ones inherit your legacy the way you want it to be
- ✓ Provide immediate financial protection to your family
- ✓ Enhance the value of your legacy
- ✓ Avoid family conflicts through estate equalization
- ✓ Ensure immediate liquidity for your beneficiaries

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Estate equalization

Life insurance is a simple way to equalize inheritance and avoid family conflict. For example, if you plan to leave a large portion of estate to your first child, you can name your second child as the beneficiary of a life policy with the sum assured equal to the estate you plan to leave to the first child.



Case study

Mr Lau is a successful entrepreneur.

Company profile



Lau's Logistics

Has annual revenue of SGD6 million
With several multinational brands as its major customers

Mr Lau's profile



Mr Lau, aged 55
Founder

Co-founded a medium-sized logistics company with his partners back in 1996
The value of his shareholding is SGD2 million

Mr Lau has a son and a daughter.

Mr Lau's son



Eric, aged 30

Actively involved in running his father's business

Mr Lau's daughter



Mandy, aged 28

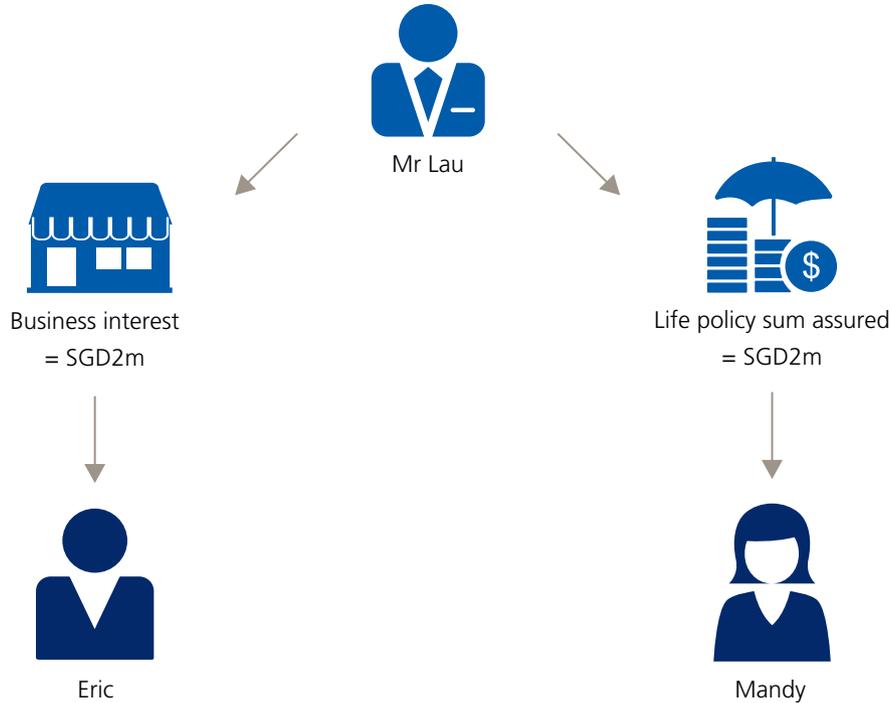
An aspiring fashion designer

Mr Lau will let Eric be the heir of his business because Mandy will pursue her own career rather than running his logistics company, but he also wants Mandy to have an equitable share of his estate.



Case study (Cont.)

Mr Lau decides that Eric will be the heir to his business interest, while naming Mandy as the beneficiary of a life policy with a sum insured of SGD2 million. In the unfortunate event of Mr Lau's death, both his son and daughter will have a fair share of his estate.



Important information

Zurich Life Singapore is a business name of Zurich Life Insurance (Singapore) Pte Ltd.

Buying a life insurance policy is a long-term commitment. An early termination of the policy usually involves high costs and the surrender value payable may be less than the total premiums paid.

Buying life insurance products that are not suitable for you may impact your ability to finance your future insurance needs.

The above is for your information only and does not have any regard to your specific investment objectives, financial situation and any of your particular needs. You may wish to seek advice from an adviser before making a commitment to purchase the product. In the event that you choose not to seek advice from an adviser, you should consider whether the product in question is suitable for you.

Zurich Life Insurance (Singapore) Pte. Ltd. is licensed by Monetary Authority of Singapore to conduct life insurance business in Singapore, is a Member of the Life Insurance Association of Singapore, and a Member of the Singapore Financial Dispute Resolution Scheme.

This information is correct as of 11 December 2014 and may be subject to change.

Zurich Life Insurance (Singapore) Pte. Ltd.
Registered office: Singapore Land Tower #29-05, 50 Raffles Place, Singapore 048623
Registered in Singapore: No. 201027348R
Tel: +65 6240 6088 Fax: +65 6534 4594 www.zurich.com.sg

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