

Mortgage Protection Insurance (MPI)

Mortgage Protection Insurance is an insurance policy that is designed to repay the outstanding balance of an HSBC mortgage, up to the maximum sum assured, in the event the borrower dies before the mortgage is repaid.

Features

- MPI is offered in single and joint policies.
- Coverage of the mortgage balance is up to a maximum of BMD\$2M in the event of the insured's death.

FAQ's

1. Who does MPI cover?

All new and existing HSBC mortgage customers on a non-commercial Bermuda property with an account in good standing will be covered. Clients between the ages of 20 and 60 are eligible for the MPI coverage. Although you cannot apply for coverage after the age of 60, you are insured up until you are 70.

2. How long does MPI coverage last?

MPI is effective for the duration of your mortgage. If the mortgage is refinanced or paid off before the maturity date the insurance is terminated.

3. Is MPI a mandatory condition of getting my mortgage or is it an optional coverage?

MPI is an optional product that you can purchase at any time during the life of the mortgage.

4. How often are premiums charged for MPI?

Annual and monthly payments are both available. If you pay the premium on an annual basis, the total premium will be 8% lower than if you elect to pay your premium in monthly installments. Premiums are level meaning they will remain the same amount for the duration of the mortgage subject to the other terms and conditions in the policy.

5. Can I cancel this insurance at any time?

Yes, this policy can be cancelled at any time. Customers will have a 30 day cooling off period from the effective date of insurance in which to cancel your insurance coverage with full reimbursement.

6. Do I have to answer any medical questions?

You will be required to answer a few health questions in order to qualify for MPI. In the event that you answer yes to any of the questions, you are not eligible for the product.

7. If there are multiple individuals on my mortgage, will we all be covered under MPI?

Coverage is available on either an individual or joint basis. For joint coverages, the maximum number of individuals on the same policy is two and only one MPI policy can be used for a single mortgage.

8. If a joint policy is purchased, will each of us have to pay a premium or is it just one premium for both?

For joint coverage, the premium is the sum of the two individual premiums minus 15%.

9. If I made additions to my home, will the price of my MPI policy increase?

MPI is coverage against your mortgage commitment, not the physical structure of your home. However, if the Mortgage is refinanced, the MPI policy is considered terminated and you will have to purchase a new MPI policy for the new mortgage amount.

10. Will the premiums for MPI change?

The premium rate for this policy is guaranteed for 12 months. After the first 12 months, BF&M reserves the right to change the premium rate for this insurance coverage at any time with 30 days advanced notice to you.

11. What is the claims process?

A Claims Form can be collected at BF&M. All claims must be submitted directly to BF&M Life Insurance Company Limited: Monday – Friday, 8AM to 5PM. You can contact BF&M Customer Service at 1 441 295 5566.

If you have any further questions, please contact us at 1 441 299 5959.

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All questions concerning claims must be submitted directly to BF&M.