

# How to choose a retirement financial product?

Facing different kinds of expenses, it is important to have the right retirement financial portfolio to give yourself the financial protection you need during your long retirement years.

**Insurance** and **Investment Products** are two common product categories for retirement financial planning. The two are often weighted against each other, but their functions and nature are different.



## Insurance and Investment Products are Fundamentally Different

	Insurance Products	Investment Products
<b>Core Objectives</b>	<b>Risk Management</b>	<b>Capital Appreciation</b>
<b>Approach</b>	Transfer the risks to insurance companies in order to receive <b>financial protection</b> by paying premiums.	Invest to achieve capital appreciation through the <b>return-on-capital gain</b> . Risk and Return are related in general.
<b>Major Considerations</b>	What kinds of risks will you face during your retirement? Is there sufficient protection?	Can you bear the potential risks associated with the expected returns after retirement?
<b>Common Products</b>	Annuities      Medical Insurances Life Insurances      Critical Illness Insurances	Stocks      Funds Bonds      Time Deposits

## HKMC Annuity Limited

(A wholly-owned subsidiary of The Hong Kong Mortgage Corporation Limited)

### Customer Service Centres:

- Suites 3202-5, 32/F, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong
- 19/F, Two Harbour Square, 180 Wai Yip Street, Kwun Tong, Kowloon
- 22/F, 909 Cheung Sha Wan Road, Lai Chi Kok, Kowloon

# Longevity can be a risk?!

Hong Kong people are living longer nowadays. If we do not have a comprehensive retirement financial plan, **our savings may be exhausted early** when we live longer than expected. Among various financial tools, a life annuity is the **ONLY** insurance product in the Hong Kong insurance market that can hedge longevity risk.

## HKMC Annuity Plan



**3 Key Features**



**Immediate Benefit**  
Receive annuity payments from next month




**Guaranteed Income**  
A fixed monthly amount guaranteed<sup>1</sup>



**Lifetime Promise**  
Secure a lifelong income

HKMC Annuity Plan<sup>2</sup> is a life annuity. It is a long-term insurance product that aims to convert your savings into a **life-long steady income stream** orderly to hedge longevity risk. You can enjoy a stream of stable, guaranteed monthly annuity payments for life, together with the flexible option to handle medical expenses after paying a single premium payment!





**Eligibility Criteria:** Hong Kong permanent residents who are 60 years old or above

**Premium Amount:** HK\$50,000<sup>3</sup> to HK\$5,000,000<sup>4</sup>

**Flexible Arrangement:** Special Withdrawal for Medical and Dental Expenses<sup>5</sup>

### Guaranteed Monthly Annuity Payment

The guaranteed monthly annuity payment varies with age at application and gender of the insureds, please refer to the example below (Based on a HK\$1,000,000 single premium<sup>1</sup>)

	Male 		Female 	
Age last birthday at application (years old)	Guaranteed monthly annuity payment (HKD)	Annuity rate (%)	Guaranteed monthly annuity payment (HKD)	Annuity rate (%)
60	\$5,100	6.1%	\$4,700	5.6%
65	\$5,800	6.9%	\$5,300	6.3%
70	\$6,560	7.8%	\$5,840	7.0%

Use the HKMC Annuity Plan Calculator to find out how much annuity income you can receive!

1 If partial surrender or special withdrawal have been made, the subsequent guaranteed monthly annuity payments will be reduced.  
2 The product involves risks and is subject to terms and conditions.  
3 The minimum premium amount of each policy.  
4 The individual premium cap per insured.  
5 Please refer to the product brochure for details and terms and conditions applicable to Special Withdrawal for Medical and Dental Expenses.