











# 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	VS	Investment Products
Core Objectives	Risk Management		Capital Appreciation
Approach	Transfer the risks to insurance companies in order to receive financial protection by paying premiums.		Invest to achieve capital appreciation through the return-on-capital gain. Risk and Return are related in general.
Major Considerations	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?
Common Products	 Annuities  Critical Illness Insurances  Medical Insurances  Life Insurances		 Stocks  Bonds  Funds  Time Deposits

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

### Customer Service Centres:

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## 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



 <b>3</b> Special Features	 <b>Immediate</b> Get paid <b>as soon as</b> from next month	 <b>Stable</b> Get paid <b>regularly</b> every month	 <b>Lifelong</b> Get paid for the <b>rest of your life</b>
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HKMC Annuity Plan<sup>1</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!

	<b>Eligibility Criteria:</b> Hong Kong permanent residents who are 60 years old or above <b>Premium Amount:</b> HK\$50,000 <sup>2</sup> to HK\$5,000,000 <sup>3</sup> <b>Flexible Arrangement:</b> Special Withdrawal for Medical and Dental Expenses <sup>4</sup>
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### 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>5</sup>)

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

1 The product involves risks and is subject to terms and conditions.

2 The minimum premium amount of each policy.

3 The individual premium cap per insured.

4 Please refer to the product brochure for details and terms and conditions applicable to Special Withdrawal for Medical and Dental Expenses.

5 If partial surrender or special withdrawal have been made, the subsequent guaranteed monthly annuity payments will be reduced.

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