

The With-Profits Fund Guide

Gwida li tispjega kif is-Savings, Children's u Single Premium Plans jaħdmu mal-Fond With-Profits tiegħek.

A guide which explains briefly how the Savings, Children's and Single Premium Plans work with your With-Profits Fund.

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The With-Profits Fund Guide

Din il-gwida xi tkopri?

Din il-gwida tfisser fil-qosor kif jaħdem il-Fond With-Profits tal-*HSBC Life Assurance (Malta)* (minn hawn 'il quddiem imsejfa "*HSBC Life*") u l-metodu attwali li aħna nużaw biex namministrawh.

Il-gwida hija mfasla biex tgħinek tifhem il-polza With-Profits tiegħek, inkluż:

- dak li tista' tistenna li tiegħu lura mill-polza;
- l-ammonti garantiti u l-bonus;
- kif jinħadmu l-bonus;
- l-istrateġija tal-investiment tal-Fond With-Profits u l-effett tagħha fuq il-bonus;
- ir-riskji; u
- l-ispejjeż.

X'inhil polza With-Profits?

Polza With-Profits hija kuntratt ta' assigurazzjoni li jiehu sehem u parti mir-ritorn tal-investiment magħmul mill-Fond With-Profits. Ir-ritorni miksuba mill-Fond With-Profits jitqassmu lid-detenturi tal-polza permezz tal-bonuses. It-tqassim tal-bonuses isir skont filosofija relatata mal-immaniġġjar tal-bonus stabbilita mill-Kumpanija skont kif inhu spjegat fis-sezzjoni "X'inhuma bonuses?".

Il-primjums li jhallsu d-detenturi ta' polza With-Profits jingabru flimkien u jiġu investiti fil-Fond With-Profits. Il-Fond għandu taħlita wiesgħa ta' tipi ta' investiment, li normalment jissejgħu assi. Kull min għandu polza effettivament għandu sehem mill-Fond With-Profits. Id-daqs tas-sehem tiegħek jiddependi minn kemm tinvesti flus u meta tkun haħlasthom lilna.

Inti għandek timmira li tinvesti għat-tul taż-żmien, u dan b'mod ġenerali jfisser minn tal-inqas 10 snin.

Barra minn hekk, għandek tinnota li dawn il-prodotti għandhom il-potenzjal li jiksibu Terminal Bonus mal-maturità u mal-mewt, u dan jintilef jekk inti oċedi l-Polza iżjed kmieni.

B'effett minn Ottubru 2021 il-Bord tad-Diretturi ddecieda li ma jibqax jaċċetta poloz With-Profits ġodda. Poloz eżistenti mhumiex se jiġu effettwati minn din id-deċiżjoni. *HSBC Life* se tkompli tilhaq l-obbligi tagħha mad-detenturi tal-polza skont kif inhu speċifikat fit-Termini u Kundizzjonijiet tal-Polza, u din il-bidla mhix se tibdel jew teffettwa d-drittijiet tiegħek bħala detentur tal-polza, inkluż il-protezzjoni tal-kapital mal-maturità. Mhi se ssir ebda bidla fil-karatteristiċi li għandu l-prodott, fid-drittijiet u fl-ispejjeż ta' bħalissa, bħala riżultat ta' din il-bidla. Fit-tweġiq ta' din il-bidla, *HSBC Life* assigurat li l-ħarsien u l-obbligi kollha fir-rigward tad-detenturi tal-polza ġew segwiti. Barra minn hekk, *HSBC Life* se tirrevedi l-mod li biha huwa mmexxi n-negozju u l-filosofija relatata mal-immaniġġjar tal-bonus fuq bażi regolari bil-għan li tilhaq riżultati ġusti għad-detenturi tal-Fond With-Profits kollha.

X'inhuma l-prinċipji ewlenin li nsegwu?

- Aħna namministraw il-Fond With-Profits u niddeciedu l-pagamenti tal-bonus b'mod li hu finanzjarjament għaqli u prudenti.
- Aħna nittrattaw lid-detenturi tal-polza kollha b'mod ġust billi nibbilanċjaw l-interessi ta':
 - detenturi ta' pjani ta' tipi differenti (pjani bi primjum wieħed jew regolari);
 - klijenti li jibdeu pjani fi Żminijiet differenti u għal tul ta' żmien differenti;
 - detenturi ta' poloz li jibqgħu fil-Fond With-Profits u dawk li joħorġu mill-Fund With-Profits; u
 - l-azzjonisti tagħna.
- Infittxu li nassiguraw li l-benefiċċji kollha garantiti jithallsu hekk kif isiru dovuti.

Kif jaħdem il-Fond With-Profits tagħna?

Il-Fond With-Profits tagħna huwa fond ta' riskju baxx għal medju. Aħna ninvestu flusek fil-Fond With-Profits, li jinvesti f'taħlita ta' kategoriji ta' assi bħal dawn:

- ishma f'kumpaniji – Maltin u internazzjonali;
- proprjetà;

- skemi ta' investiment kollettiv inklużi fondi nnegozjati fil-borża;
- bonds tal-gvern – ta' Malta u barranin;
- bonds ta' kumpaniji – Maltin u barranin; u
- money market instruments.

Ekwiċitajiet huma ishma f'kumpaniji elenkati f'Boroż madwar id-dinja u f'Malta. Il-valuri tal-ekwiċitajiet jistgħu jkunu volatili u għaldaqstant iżjed riskjużi, iżda hu mistenni li joffru ritorni ogħla fuq tul ta' żmien meta mqabbla ma' klassijiet ta' investiment standard inqas volatili oħrajn.

Exchange Traded Fund huwa Skema ta' Investiment Kollettiv li l-ishma jew il-units tagħha huma elenkati u negozjati f'Suq Regolat jew f'xi Borża oħra.

Proprietà tista' tkun permezz ta' investiment dirett fi proprietà bħal uffiċċji jew indirettament permezz ta' skemi ta' investiment kollettiv li jinvestu f'assi relatati ma' proprietà.

Il-bonds tal-gvern huma titoli ta' dejn maħruġa mill-gvernijiet. Il-gvern iħallas imgħax stabbilit fuq is-self u jwiegħed li jħallas lura d-dejn u l-interessi f'ċertu żmien.

Il-bonds ta' kumpaniji huma tip ta' titoli ta' dejn maħruġ minn kumpanija u mibjugħ lill-investituri. Il-kumpanija tiegħu l-kapital li teħtieġ u ta' dan, l-investitur jingħata għadd ta' hlasijiet ta' interessi stabbilit minn qabel b'rata ta' interessi fissa jew varjabbli. B'mod ġenerali, il-bonds korporattivi jitqiesu bħala bonds li għandhom iżjed riskju minn bonds tal-gvern minħabba l-probabbiltà ikbar ta' nuqqas ta' hlas, meta mqabbla ma' bonds tal-gvern. Bħala riżultat ta' dan, normalment joffru rata ta' ritorn ogħla minn bond tal-gvern ekwivalenti.

Money Market Instruments inkludu għażla ta' titoli fuq terminu ta' żmien qasir, depożiti u flus kontanti.

Il-valur tal-investiment tiegħek jiddependi mit-taħlita ta' assi li jkun hemm fil-Fond With-Profits u l-andament tagħhom. Il-Fond With-Profits għandu l-għan li jagħtik qligħ fi żmien medju u fit-tul bl-għan li jagħtik qligħ aktar minn investiment mingħajr riskju.

Biex jilhaq l-għanijiet tiegħu, il-Fond With-Profits għandu tendenza li jkollu taħlita ta' assi b'riskju varjat kemm baxx u kemm għoli.

L-andament tat-tipi differenti ta' assi jvarja maż-żmien. Aħna nirvedu fuq bażi regolari jekk it-taħlita ta' assi fil-Fond With-Profits tkun l-aktar waħda adattata. It-taħlita tal-assi tista' tinbidel wara xi żmien; dan jiddependi mil-livell tal-garanziji mogħtija lid-detnenuri tal-poloż, is-saħħa finanzjarja tal-Fond With-Profits u l-klima ekonomika prevalenti.

X'inhu s-sehem mill-assi?

Is-sehem mill-assi huwa terminu li jiddeskrivi l-ishma nozzjonali mill-assi li jiffurmaw il-bażi tal-Fond With-Profits.

Is-sehem tiegħek mill-assi jinħadem billi jitqiesu l-primjums li tkun ħallast, l-andament tal-investimenti tal-Fond With-Profits wara t-taxxa (matul il-perijodu li fih kienu investiti l-primjums), u l-ħlas impost sabiex ikopru l-ispejjeż tal-operat tal-Fond With-Profits.

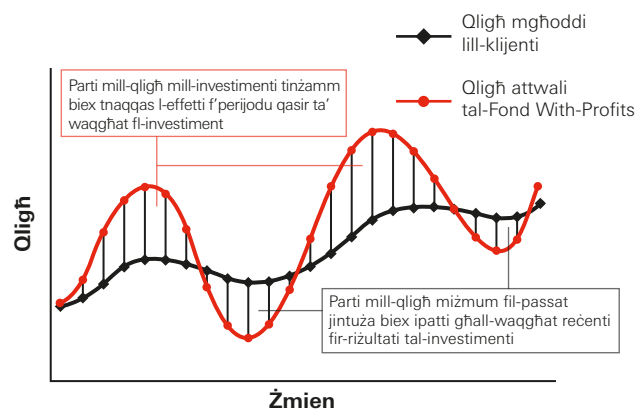
Aħna nfittxu li, meta timmatura polza jew mal-mewt tal-ħajja assicurata, inħallsu lura lid-detnenuri tal-polza bħala medja, 100% tas-sehem mill-assi. Nużaw metodu li jissejjaħ "**smoothing**", imfisser fit-taqsimu li ġeja, biex innaqqsu l-volatilità tal-bonus minn sena għall-oħra.

X'inhu "smoothing"?

Il-kunċett bażiku dwar Fond With-Profits jissejjaħ "**smoothing**", li jħares lid-detnenuri ta' polza minn ċaqliq f'perijodu qasir fil-valuri tal-assi.

Fi kliem ieħor, smoothing tfisser li parti mill-profitti miksuba matul snin tajbin tinzamm biex tassigura li jithallas ritorn raġonevoli matul snin li ma tantx ikunu tajbin. Bl-istess mod, it-telf li jsir fi snin li fihom l-investiment ma tantx ikun mar tajejeb jista' jonqos ukoll.

Qligħ ta' Fond With-Profits



Din l-istampa hija biss illustrazzjoni u ma tirrappreżentax riżultati attwali jew potenzjali.

Jistgħu jiġu żminijiet, meta l-kundizzjonijiet tas-suq ikunu ħżiena ħafna, meta s-“smoothing” ma jkunx jista’ jħares l-investment tiegħek għal kollox. Dan jista’ jiġri wara li jkun hemm waqgħa qawwija fis-swieg tal-investment jew meta l-qligħ mill-investimenti jinżel taħt il-livelli li nistennew normalment. F’dawn iċ-ċirkostanzi, dawk il-poloż li jiġu msarrfa qabel iż-żmien nistgħu napplikawhom **Agġustament għall-Valur fis-Suq**.

L-Agġustament għall-Valur fis-Suq – Market Value Adjustment (MVA) huwa tnaqqis li jista’ jittiehed mill-Kont tal-Polza tad-Detentur tal-Polza li jixtieq iċedi l-Polza kollha jew parti minnha, favur il-Fond With-Profits biex tkun assigurata l-ekwità bejn id-detenturi tal-polza li jifdal fil-Fond With-Profits u dawk li ma jibqgħux parti mill-Fond With-Profits. Normalment jiġi applikat wara perjodi ta’ ritorni tal-investment baxxi mill-Fond With-Profits, u maċ-ċediment jew għbid parzjali biss. L-iskop tal-MVA huwa li tiprotegi t-titolari tal-poloż li jifdal fil-fond billi tiżgura li meta ċ-ċediment parzjali jew sħiħ tal-polza, it-titolari tal-poloż ma jiksbox aktar mis-sehem ġust tagħhom tal-fond With-Profits.

Aħna ma napplikawx Market Value Adjustment mal-maturità jew mal-benefiċċji marbutin mal-mewt. F’każi meta jiġi applikat il-Market Value Adjustment, dan jista’ jvarja skont it-tip ta’ Polza With-Profits li wieħed ikollu u skont meta nbdiet il-Polza. Il-Market Value Adjustment japplika ‘l fuq mill-penali ta’ ċediment li jistgħu japplikaw.

X’inhuma “bonuses”?

Il-bonus jirrappreżenta is-sehem tiegħek mill-qligħ tal-investment li jagħmel il-Fond With-Profits. Il-qligħ li jagħmel il-Fond With-Profits huwa mqassam lid-detenturi tal-poloż permezz tal-bonus.

Il-bonus rates huma deċiżi mill-Bord tad-Diretturi ta’ HSBC Life Assurance (Malta) Ltd li jjeħu parir professjonali mill-Attwarju Nominat tal-Kumpanija. Aħna impenjati li nittrattaw il-klijenti tagħna b’mod ġust f’kull ħin. Biex jappoġġja dan, HSBC Life għandu Kumitat With-Profits li jġib kompetenza u sorveljanza indipendenti, biex jiżgura li l-ġustizzja hija kkunsidrata bis-sħiħ fit-teħid tad-deċiżjonijiet tagħna fil-With-Profits. Aħna niddeċiedu l-bonuses billi nħarsu lejn kif ikun mar il-fond fis-snin ta’ qabel, lejn il-kisbiet jew telf li ma jkunux tqassmu qabel permezz tal-proċess ta’ smoothing mis-snin ta’ qabel u lejn dak li nistennew li jikseb il-Fond With-Profits fil-futur. Aħna nimmiraw li nħallsu 90% tal-qligħ tal-Fond With-Profit lit-titolari tal-poloż permezz ta’ bonuses qabel kwalunkwe tnaqqis għat-taxxi minn ras il-għajn.

Hemm żewġ tipi ewlenin ta’ bonus:

- Il-bonus ta’ kull sena;
- Il-bonus tal-aħħar.

Ir-rati tal-bonus jiġu riveduti regolarment u jistgħu jinbidlu minn żmien għal żmien.

Il-Bonus ta’ Kull Sena

Aħna nistennew li nżidu Bonus ta’ Kull Sena annwalment matul il-perijodu tal-polza. Il-livell tal-bonus mhux garantit.

Ir-rati tal-Bonus ta’ Kull Sena li tajna huma:

Sena	Rata dikjarata ta’ bonus	Sena	Rata dikjarata ta’ bonus
1996	6.00	2009	3.40
1997	6.00	2010	2.50
1998	6.25	2011	2.00
1999	6.25	2012	3.00
2000	6.00	2013	2.00
2001	6.00	2014	1.00
2002	6.00	2015	1.50
2003	5.00	2016	3.25
2004	4.25	2017	1.75
2005	4.00	2018	1.25
2006	4.50	2019	1.25*
2007	4.50	2020	1.00
2008	4.30	2021	0.50*

*Bonus innizjali ddikjarat

Ir-rati tal-Bonus ta’ Kull Sena li jidhru hawn fuq huma netti mit-taxxa.

Future Annual Bonuses mhumiex fissi, iżda r-rati jkunu garantiti ladarba jiġu dikjarati. Il-kapital tiegħek (l-ammont oriġinali investit li minnu jitnaqqsu l-ispejjeż) u l-bonuses akkumulati tiegħek ikunu protetti dment li l-investment jinżamm sħiħ sad-data tal-maturità. Iċ-ċediment tal-polza qabel il-maturità jista’ jġib miegħu spiża u inti tiffel l-opportunità li tibbenefika minn bonuses Annwali li għadhom mhumiex dikjarati u xi Terminal Bonus.

Jekk jogħġbok ara s-sezzjoni “Spejjeż”.

Aħna niddikjaraw il-Bonus Annwali bil-quddiem. Fl-aħħar ta’ kull sena, ir-Rata tal-Bonus Annwali totali tiġi riveduta u skont ir-redditi mill-investiment tal-Fond, jista’ jithallas bonus addizzjonali. Il-Policy Account huwa fejn il-primjums allokat iġu investiti u jakkumulaw bir-rata ddikjarata tal-Bonus Annwali tal-Kumpanija. Il-Bonus Annwali jista’ jinbidel sena wara sena u dikjarazzjoni tintbagħhatlek bil-posta, bl-email jew permezz tal-Online Banking kull sena li tinfirmak bir-rata tal-Bonus Annwali ddikjarata bil-quddiem tal-Kumpanija. Il-bonus iddikjarat inizjali għas-sena li ġejja huwa garantit, madankollu sugġett għad-diskrezzjoni tal-Kumpanija, din ir-rata ta’ bonus tista’ tiġi riveduta permezz ta’ bonus addizzjonali/top-up.

Fil-każ li l-polza tkun “Paid-Up” jew “Premium Holiday”, u sakemm il-polza tiġi ċeduta, l-ammonti fil-Policy Account jkomplu jakkumulaw bonus annwali. Għal dettalji dwar dawn l-għażliet jekk jogħġbok irreferi għat-Termini u l-Kundizzjonijiet tal-Polza tiegħek.

Il-bonus attwali ddikjarat jiddependi fil-biċċa l-kbira fuq ir-rendiment mistenni tal-investiment futur tal-Fond With-Profit. Skont il-leġiżlazzjoni attwali l-qligħ tal-polza mhuwiex taxxabbli. Dan jista’ jkun sugġett għal bidla fil-futur.

Il-Bonus tal-Aħħar

Il-Bonus tat-Terminal mhuwiex garantit.

Jekk il-Bonus Terminali jingħata, dan jiġi pagabbli bħala persentaġġ tal-valur tal-Kont tal-Polza fuq il-mewt tal-assigurat jew bħala maturita’ tal-polza tiegħek jekk iseħħ xi wieħed minn dawn mill-inqas 10 snin jew aktar mid-data tal-bidu tal-polza tiegħek.

L-ebda Bonus terminali ma jithallas fuq il-poloż ċeduti. Skont il-leġiżlazzjoni attwali, il-qligħ tal-polza mhux taxxabbli. Dan jista’ jkun sugġett għal bidla fil-futur.

X’jista’ jaffettwa l-valur tal-polza tiegħek?

Hemm ħafna fatturi li jaffettwaw ir-rati tal-bonus li nagħtu kull sena, u li allura jmissu l-valur finali tal-polza tiegħek. Dawk ewlenin huma diskussi hawn taħt.

a. L-andament tal-investimenti

Din hija normalment l-aktar haġa li taffettwa l-valur tal-kont tal-polza tiegħek. Il-metodu li nużaw għall-investiment huwa mmirat biex jagħtik l-ogħla qligħ possibbli waqt li jzomm ir-riskju tal-Fond With-Profits f’livell aċċettabbli. L-allokkazzjoni tal-assi hija koperta f’paġna 4.

Il-Fond huwa amministrat b’mod li jassigura li jkun jista’ jonora l-garanziji kollha tad-detnenuri ta’ poloż eżistenti u jissodisfa r-rekwiżiti kollha legali u regolatorji.

F’każijiet fejn il-prestazzjoni tal-investiment ma tkunx tajba, jista’ jsir tnaqqis magħruf bħala ‘Aġġustament għall-valur fis-Suq’ fuq il-valur tal-polza tiegħek. Dan huwa spjegat aktar ‘il quddiem f’paġna 5.

b. L-ispejjeż

Aħna nimponu l-ispejjeż biex inkopru l-ispiża tat-tmexxija tan-negozju. Jekk jogħġbok ara d-Dokument tal-Karatteristiċi Ewlenin tal-Pjan tiegħek għad-dettalji kollha dwar l-ispejjeż kollha. Ikun hemm ukoll xi spejjeż relatati mal-investiment f’assi sottostanti tal-Fond With-Profits, li jitnaqqsu mir-ritorni tal-investiment. Dawn huma l-ispejjeż marbutin mal-ħruġ kmieni mill-fond:

Terminu tal-Polza Regular Premium

Snin sħaħ li għalihom ikun tħallas il primjum	10	11	12	13	14	15	16	17	18	19	20+
Inqas minn sentejn	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
sentejn	17%	17%	18%	18%	19%	19%	19%	20%	20%	20%	20%
3 snin	14%	14%	15%	15%	15%	15%	16%	16%	16%	17%	18%
4 snin	12%	12%	12%	13%	13%	13%	13%	14%	14%	14%	16%
5 snin	10%	11%	11%	11%	11%	11%	12%	12%	12%	12%	14%
6 snin	9%	9%	9%	10%	10%	10%	10%	10%	11%	11%	12%
7 snin	8%	8%	8%	8%	9%	9%	9%	9%	9%	9%	10%
8 snin	7%	7%	7%	7%	7%	8%	8%	8%	8%	8%	8%
9 snin	0%	6%	6%	6%	6%	6%	7%	7%	7%	7%	7%
10 snin	0%	0%	5%	5%	5%	5%	6%	6%	6%	6%	6%
11-il sena	0%	0%	0%	4%	4%	4%	4%	5%	5%	5%	5%
12-il sena	0%	0%	0%	0%	3%	3%	3%	4%	4%	4%	4%
13-il sena	0%	0%	0%	0%	0%	2%	2%	2%	3%	3%	3%
Iktar minn 14 il-sena	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

- Ma tieħu xejn lura mill-polza tiegħek jekk tikkancellaha qabel ma tħallas il-primjum ta' sentejn.
- Jekk tikkancella l-polza wara li jkunu tħallsu l-primjums ta' iżjed minn sentejn, il-polza tkun kisbet surrender value li huwa l-Kont tal-Polza li minnu jitnaqqas is-surrender penalty. Is-surrender penalties jiġu applikati skont it-tabella t'hawn fuq.

Fejn japplika, is-surrender penalty jiddependi minn kemm ikun ippjanat li jdum il-pjan oriġinarjament u n-numru ta' snin li jgħaddu u li għalihom ikun tħallas il-primjum. Pereżempju, jekk pjan ikun inħareġ għal perjodu ta' 14-il sena, u inti tiddeċiedi li ċċedih wara 7 snin, is-surrender penalty li japplika jkun ta' 9%.

- Ġbid kmieni tal-investment tiegħek jiġi proċessat malli nircievu l-istruzzjonijiet tiegħek bil-miktub.

Poloz Single Premium

Sena 0 – 1* – 3% tal-ammont miġbud

Sena 2* – 2% tal-ammont miġbud

Sena 3* – 1% tal-ammont miġbud

Minn Sena 4 'l quddiem* – 0% tal-ammont miġbud

*mill-kontribuzzjoni inizjali jew addizzjonali

Kif nista' nikseb aktar informazzjoni dwar drittijiet u spejjeż?

Jekk ikollok bżonn iżjed informazzjoni dwar id-drittijiet u l-ispejjeż totali relatati mal-polza tiegħek, jekk jogħġbok uża wieħed minn dawn il-mezzi biex tingħata dawn id-dettalji:

- ibgħat email lill-Payments Team tagħna fuq inmtfinance@hsbc.com;
- ibgħat ittra lil HSBC Life Assurance (Malta) Ltd, 80, Triq il-Mitħna, Hal Qormi, QRM3101, Malta; jew
- ibgħat secure message direttament lil 'HSBC Life Assurance Enquiry' billi tilloggja fil-Personal Internet Banking Services mis-sit tal-HSBC.

c. L-ispejjeż tal-garanziji u "smoothing"

L-ispiża biex jingħataw il-garanziji u r-ritorni tal-proċess smoothing jistgħu jeffettwaw ir-rati tal-bonus u, skont il-livell tal-garanziji mogħtija lid-detenturi tal-polza, jistgħu jeffettwaw ukoll is-saħħa finanzjarja tal-Fond With-Profits, il-klima ekonomika li tipprevali u f'ċirkostanzi eċċezzjonali jkunu jeħtieġu li l-Fond With-Profits isegwi strateġija ta' investment iżjed konservattiva.

d. It-taxxa

Aħna nħallsu t-taxxa fuq il-Fond With-Profits, u nimmiraw li nifirxu l-piż b'mod ekwu fuq il-Fond. Aħna nqisu din it-taxxa meta nistabbilixxu r-rati tal-bonus, li huma dikjarati netti mit-taxxa. Il-liġi tat-taxxa tista' tinbidel fil-futur.

e. Ir-regolamenti

Aħna awtorizzati u regolati mill-Awtorità għas-Servizzi Finanzjarji ta' Malta. Jekk il-ligijiet jew ir-regolamenti li jolqtu s-servizzi finanzjarji jinbidlu fil-futur, dan jista' jkollu impatt fuq il-valur tal-polza tiegħek.

X'inhuma r-riskji l-oħra li l-Fond With-Profits huwa espost għalihom?

Hemm għadd ta' riskji ġeneriċi tan-negozju li jista' jkollhom impatt fuq l-andament tal-Fond With-Profits. Dawn jinkludu:

- t-termini li noffru;
- il-garanziji li noffru; u
- impriži oħra ta' negozju, fosthom impriži bi sħab, tnedija ta' prodotti ġodda u mezzi ġodda ta' bejgħ.

Hemm kontrolli estensivi f'posthom biex jilqgħu għal dawn ir-riskji. Aħna nimmonitorjaw il-pjani kummerċjali tagħna sabiex nassiguraw li l-Fond ikun kapaċi jsostni l-ispejjeż tal-bejgħ u l-manutenzjoni tal-poloż mingħajr ma ssir ħsara lill-interessi tad-detenuri eżistenti tal-poloż. Kull proposta biex nidhlu għal xi impriża speċjali tkun trid tgħaddi minn skrutinju bir-reqqa mill-Bord tad-Diretturi u tkun teħtieġ l-approvazzjoni tagħhom.

Aħna neżaminaw kontinwament ir-riskji tan-negozju biex naraw jekk humiex aċċettabbli għall-Fond u jekk iħallux qligħ biżżejjed meta mqabbel mar-riskju aċċettat.

Kif nista' nkun naf aktar?

Għal aktar informazzjoni tista':

- tuża l-Online Banking biex tagħmel talba ta' kuntatt;
- iċċempel il-Contact Centre tagħna fuq:
 - (+356) 2148 9100 għall-klijenti Premier
 - (+356) 2148 9101 għall-klijenti Advance
 - (+356) 2380 2380 għal klijenti oħrajn.

It-telefonati fuq il-helpline jistgħu jiġu rrekordjati u monitorati għal raġunijiet ta' kwalità u ta' sigurtà;

- iżżur il-fergħa lokali tal-HSBC u titlob appuntament mal-Premier Relationship Manager/Financial Planning Advisor.

Dan jgħodd ukoll jekk tixtieq tagħmel b'xejn u bla obbligazzjoni Financial Planning Review.

L-informazzjoni f'dan il-ktejjeb hi ġenerali u mhix maħduma fuq l-għanijiet, is-sitwazzjoni finanzjarja u l-bżonnijiet tiegħek. Hu importanti li inti taqra dan il-ktejjeb flimkien mad-dokument tal-Karatteristiċi Ewlenin. Id-definizzjonijiet, esklużjonijiet u limitazzjonijiet jinstabu fid-dokument tal-Karatteristiċi Ewlenin u fid-dokument tal-Kundizzjonijiet li kien inħareġ mal-iskeda tal-polza tiegħek. Tista' titlob kopja ta' dan mingħand l-HSBC Life Assurance (Malta) Ltd.

HSBC Life Assurance (Malta) Ltd. (Numru tal-Kumpanija: C18814) hija regolata u awtorizzata mill-MFSA taħt l-Att dwar il-Kummerċ tal-Assigurazzjoni tal-1998 biex tmexxi kummerċ tal-assigurazzjoni fit-tul. HSBC Bank Malta plc huwa intermedjarju tas-assigurazzjoni marbut ma' HSBC Life Assurance (Malta) Ltd taħt l-Att dwar id-Distribuzzjoni tal-Assigurazzjoni, (Kap. 487 tal-Ligijiet ta' Malta). (Uffiċċju Registrat: 116, Triq l-Arcisqof, il-Belt Valletta VLT 1444. Nru tal-Kumpanija C3177).

The With-Profits Fund Guide

What does this guide cover?

This guide explains briefly how the HSBC Life Assurance (Malta) (hereinafter referred to as 'HSBC Life') With-Profits Fund works and our current approach to managing it.

It has been produced to help you understand your With-Profits policy including:

- what you can expect back;
- the guaranteed amounts and bonuses;
- how the bonuses are calculated;
- the With-Profits Fund's investment strategy and its effect on bonuses;
- the risks; and
- the charges.

What is a With-Profits Policy?

A **With-Profits policy** is an insurance contract that participates and shares in the investment return made by the With-Profits Fund. The returns earned by the With-Profits Fund are distributed to policyholders through bonuses. The distribution of bonuses is made in line with a bonus philosophy established by the Company as explained under the section "What are the bonuses?".

Premiums paid by With-Profits policyholders are combined and invested in the With-Profits Fund. The Fund has a broad mix of investment types, generally referred to as assets. Each policyholder effectively owns a share of the With-Profits Fund. The size of your share depends on how much money you invest and when you paid it to us.

You should aim to invest for the long term, generally taken to mean at least 10 years.

Furthermore, you should note that these products have the potential to earn a Terminal Bonus at maturity and on death and this would be lost if you surrender the Policy earlier.

With effect from October 2021 the Board of Directors has taken a decision to cease accepting new With-Profits policies. Existing policies will not be affected by this decision. HSBC Life will continue to fulfil its obligations with the policyholders as detailed in the Policy Terms & Conditions and this change will not alter or affect the rights as a policyholder including protection of capital at maturity. No changes to the current product features, fees and charges will take place as a result of this change. In the execution of this change, HSBC Life has ensured that all the obligations and safeguards towards the policyholders have been followed. Furthermore, HSBC Life will be reviewing the way the business is managed and the bonus philosophy on a regular basis with the aim to achieve fair outcomes for all the With-Profits Fund policyholders.

What are the main principles we follow?

- We manage the With-Profits Fund and determine bonus payments in a financially sound and prudent manner.
- We treat all policyholders fairly by balancing the interests of:
 - holders of different types of plans (single or regular premium plans);
 - customers starting plans at different times for different durations;
 - policyholders remaining in the With-Profits Fund and those leaving the With-Profits Fund; and
 - our shareholders.
- We ensure that all guaranteed benefits are paid as and when they become due.

How does our With-Profits Fund works?

Our With-Profits Fund is a low to medium risk fund. We invest your money in the With-Profits Fund, which invests in a mix of asset classes, such as the following:

- company shares (equities) – Maltese and international;

- collective investment schemes including exchange traded funds;
- property;
- government bonds – Maltese and overseas governments;
- corporate bonds – Maltese and overseas companies; and
- money market instruments.

Equities are shares in companies listed on stock exchanges around the world and Malta. Equity values can be volatile and therefore more risky but are expected to offer higher returns over the long-term relative to other less volatile, standard investment classes.

Exchange Traded Fund is a Collective Investment Scheme whose shares or units are listed and traded on a Regulated Market or other stock exchange.

Property can be through a direct investment in property such as offices or indirectly through collective investment schemes investing in property related assets.

Government bonds are debt security issued by governments. The government pays pre-established interest on the loan and pledges to repay the debt and interest at a certain point in time.

Corporate bonds are a type of debt security that is issued by a firm and sold to investors. The company gets the capital it needs and in return the investor is paid a pre-established number of interest payments at either a fixed or variable interest rate. Corporate bonds are generally seen as riskier than the government bonds due to the higher probability of default compared to government bonds. As a result they usually offer a higher rate of return than an equivalent government bond.

Money Market Instruments includes a range of short term securities, deposits and cash.

The value of your investments depends on the mix of assets in the With-Profits Fund and how each performs. The With-Profits Fund aims to give you medium to long term growth in excess of returns from a risk free investment.

The With-Profits Fund tend to hold a mixture of higher and lower risk assets in order to achieve its objectives.

The performance of the different types of assets varies over time. We review the appropriateness of our mix of assets in the With-Profits Fund on a regular basis. The mix of assets may change over time, depending on the level of the guarantees given to policyholders, the financial health of the With-Profits Fund and the prevailing economic climate.

What is the asset share?

Asset share is the term used to describe your notional share of the underlying assets in the With-Profits Fund.

Your asset share is calculated taking into account the premiums you have paid, the investment performance of the With-Profits Fund after tax (while the premiums have been invested) and the charges levied to cover the cost of operating the With-Profits Fund.

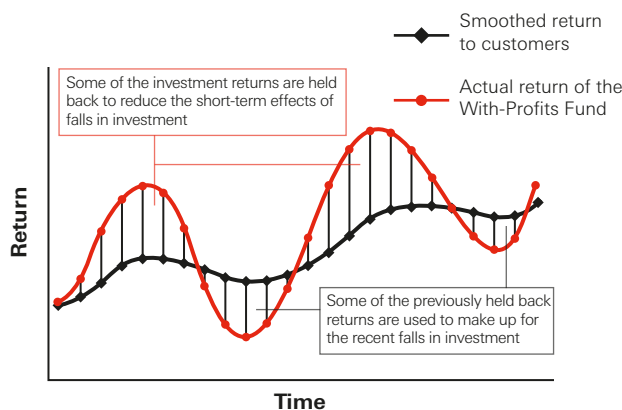
We aim to pay, on average, 100% of the asset share to policyholders at maturity or death of the life assured. We use a method called **smoothing**, outlined in the next section, to reduce the volatility of the year on year bonuses.

What is smoothing?

The underlying concept behind a With-Profits Fund is referred to as **smoothing** which protects policyholders from short-term fluctuations in asset values.

In other words, smoothing means that a proportion of the profits earned during good years is held back to ensure that a reasonable return is paid during years of poor performance. Equally, losses made in poor investment years may also reduce any gains made in the good investment years.

With-Profits Fund Return



This graph is for illustration only and does not represent actual or potential performance.

There may be times in poor market conditions when smoothing cannot fully protect your investment. This can happen following a large fall in the investment markets or when investment returns are below the level we normally expect. In these circumstances, we may apply a **Market Value Adjustment** to policies being surrendered.

Market Value Adjustment ("MVA") is a deduction that may be taken from the Policy Account of the Policy holder wishing to surrender all or part of his Policy, in favour of the With-Profits Fund in order to ensure equity between policyholders remaining in the With-Profits Fund and those leaving the With-Profits Fund. It will usually be applied following periods of lower investment returns made by the With-Profits Fund, and only on surrender or partial withdrawal. The purpose of the MVA is to protect the remaining policyholders in the fund by ensuring that the upon partial or full surrender of the policy, policyholders do not get more than their fair share of the With-Profit fund.

We will not apply a Market Value Adjustment on maturity or death benefits. In instances where the Market Value Adjustment is applied this may vary depending on the type of With-Profits Policy held and when the Policy was initiated. The Market Value Adjustment applies over and above the surrender penalties that may apply.

What are the bonuses?

The bonuses represent your share of the investment return made by the With-Profits Fund. The returns earned by the With-Profits Fund are distributed to policyholders through bonuses.

The bonus rates are decided by the Board of Directors of HSBC Life Assurance (Malta) Ltd taking professional advice from the Company's Appointed Actuary. We're committed to treating our customers fairly at all times. To support this, HSBC Life has a With-Profits Committee which brings independent expertise and oversight, to ensure fairness is fully considered in our With-Profits decision making. We determine the bonuses by looking at how the fund has performed in the past years, any gains or losses not previously shared out through **smoothing** from earlier years and what we expect the With-Profits fund to earn in the future. We aim to pay out 90% of the With-Profit Fund earnings to the policyholders by way of bonuses before any deductions for withholding taxes.

There are two main types of bonuses:

- Reversionary ("Annual") bonus;
- Terminal bonus.

Bonus rates are regularly reviewed and may be changed at any time.

Reversionary ("Annual") Bonus

We expect to add an Annual Bonus every year during the term of your policy. The level of bonus is not guaranteed.

Our Annual Bonus rates history is as follows:

Year	Declared bonus rate	Year	Declared bonus rate
1996	6.00	2009	3.40
1997	6.00	2010	2.50
1998	6.25	2011	2.00
1999	6.25	2012	3.00
2000	6.00	2013	2.00
2001	6.00	2014	1.00
2002	6.00	2015	1.50
2003	5.00	2016	3.25
2004	4.25	2017	1.75
2005	4.00	2018	1.25
2006	4.50	2019	1.25
2007	4.50	2020	1.00
2008	4.30	2021	0.50*

* Initial declared bonus

The above Annual Bonus rates are net of tax.

Future Annual bonuses are not fixed, but the rates are guaranteed once declared. Your capital (original amount invested less charges) and your accumulated bonuses will be protected subject to the investment being fully maintained up to date of maturity. Surrender of the policy before maturity may attract a charge and you will also lose the opportunity to benefit from Annual bonuses not yet declared and any Terminal Bonus.

Please refer to section under "Charges and Costs".

- You will get nothing back from your policy if you cancel it before paying 2 years' premiums.
- If you cancel the policy after more than 2 years' premiums are paid, then the policy will have acquired a surrender value which is the Policy Account less a surrender penalty. The surrender penalties will be applied according to the table above.

The surrender penalty, where applicable, depends on the original plan duration and the number of completed years of premium paid. For example, if a plan was taken out for a term of 14 years, and you decide to surrender after 7 years, the surrender penalty to be applied will be 9%.

- Early withdrawal of your investment will be processed upon receipt of your written instructions.

Single Premium Policies

Year 0 – 1* – 3% of the amount withdrawn

Year 2* – 2% of the amount withdrawn

Year 3* – 1% of the amount withdrawn

Year 4 onwards* – 0% of the amount withdrawn

*from the initial or additional contribution

How can I obtain further information on costs and charges?

Should you need to have more information on the total costs and charges related to your policy, please use one of the following channels to provide you with such details:

- send an email to our Payments Team's inmtfinance@hsbc.com; or
- send a letter to HSBC Life Assurance (Malta) Ltd, 80 Mill Street, Qormi, QRM 3101, Malta; or
- send a secure message directly to 'HSBC Life Assurance Enquiry' by logging in your Personal Internet Banking Services through the HSBC site.

c. Guarantees and smoothing

The cost of providing guarantees and smoothing returns may affect bonus rates and, depending upon the level of the guarantees given to policyholders, the financial health of the With-Profits Fund, the prevailing economic climate and also in exceptional circumstances, may require the With-Profits Fund to follow a more conservative investment strategy.

d. Tax

We pay tax on the With-Profits Fund, which we aim to charge fairly across the With-Profits Fund. We take this tax into consideration when we set the bonus rates, which are declared net of tax. Tax law may change in the future.

e. Regulations

We are authorised and regulated by the Malta Financial Services Authority. If laws or regulations affecting financial services change in the future, this may have an impact on your policy value.

What other risks is the With-Profits Fund exposed to?

There are a number of generic business risks which could have an impact on the performance of the With-Profits Fund, including:

- the terms we offer;
- the guarantees we offer; and
- other business ventures such as partnerships, new product launches and new sales channels.

There are extensive controls in place to manage these risks. We monitor our business plans to ensure that the costs of selling and maintaining the policies can be supported by the With-Profits Fund without undermining the interests of existing policyholders. Any proposal to embark on a special business venture will be subject to the detailed scrutiny of the Board of Directors and require their approval.

We assess the business risks to see if they are acceptable to the Fund and if they provide an adequate return relative to the risk accepted.

How can I find out more?

If you need to discuss further, you can:

- send an online contact request via Online Banking;
- phone our 'Contact Centre' on:
 - (+356) 2148 9100 Premier Customers
 - (+356) 2148 9101 Advance Customers
 - (+356) 2380 2380 Retail Customers

Calls to our helpline may be recorded and monitored for quality and security purposes;

- visit your local HSBC branch and ask for an appointment with a Premier Relationship Manager/Financial Planning Advisor.

This applies also if you would like a free, no obligation Financial Planning Review.

Any information contained in this guide is generic and not based on your personal objectives, financial situation and needs. It is important that you read this guide in conjunction with the Key Features Document, Brochure and Policy Terms & Conditions for full details of standard definitions, exclusions and limitations that were provided with your policy schedule. A copy is available on request from HSBC Life Assurance (Malta) Ltd.

HSBC Life Assurance (Malta) Ltd. (Company No: C18814) is regulated and authorised by the MFSA to carry on long term business of insurance under the Insurance Business Act 1998. HSBC Bank Malta plc is enrolled as a tied insurance intermediary for HSBC Life Assurance (Malta) Ltd under the Insurance Distribution Act, (Cap 487 of the Laws of Malta). (Registered Office:116, Archbishop Street, Valletta VLT 1444. Company No: C3177).

HSBC Life Assurance (Malta) Ltd (Registered Office 80, Mill Street, Qormi QRM 3101 Malta. Company No: C18814) is regulated and authorised by the MFSA (Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara, CBD 1010, Malta) to carry on long term business of insurance under the Insurance Business Act 1998. HSBC Bank Malta is enrolled as a Tied Insurance Intermediary for HSBC Life Assurance (Malta) Ltd under the Insurance Distribution Act, (Cap 487 of the Laws of Malta). (Registered Office 116, Archbishop Street, Valletta VLT 1444. Company No: C3177).

HSBC Insurance is a trading name used worldwide by the insurance businesses of the HSBC Group, including HSBC Life Assurance (Malta) Ltd which has issued this document.

Approved and issued by HSBC Life Assurance (Malta) Ltd. 80, Mill Street, Qormi QRM 3101, Malta

www.hsbc.com.mt

Customer Service: Premier: 2148 9100 / Advance: 2148 9101 / Other: 2380 2380

(Ref No. 114378 – 14/2021).

HSBC Life Assurance (Malta) Ltd (Uffiċċju Reġistrat: 80, Triq il-Mithna, Hal Qormi, QRM 3101 Malta. Numru tal-Kumpanija: C18814) hija regolata u awtorizzata mill-Awtorita għas-Servizzi Finanzjarji ta' Malta, Triq l-Imdina, Zone 1, Central Business District, Birkirkara, CBD 1010 Malta, taħt l-Att dwar il-Kummerċ tal-Assigurazzjoni tal-1998 biex tmexxi kummerċ tal-assigurazzjoni fit-tul. HSBC Bank Malta huwa intermedjarju tal-assigurazzjoni marbut ma' HSBC Life Assurance (Malta) Ltd taħt l-Att dwar id-Distribuzzjoni tal-Assigurazzjoni, (Kap 487 tal-Liġijiet ta' Malta.) (Uffiċċju Reġistrat: 116, Triq l-Arcisqof, il-Belt Valletta VLT 1444. Din l-informazzjoni m'għandhiex tinftiehem bħala parir dwar investiment.

HSBC Insurance huwa isem kummerċjali użat fuq livell dinji min-negozju tal-assigurazzjoni ta' HSBC Group, inkluż HSBC Life Assurance (Malta) Ltd, li ħarġet dan id-dokument.

Approvat u maħruġ minn HSBC Life Assurance (Malta) Ltd 80, Triq il-Mithna, Hal Qormi QRM 3101, Malta www.hsbc.com.mt

Servizz tal-Konsumatur: Premier: 2148 9100 / Advance: 2148 9101 / Oħrajn: 2380 2380