

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product to help you compare it with other products.

Product

Name of Product:	Retirement Pension Plan - Unit Linked	Manufacturer:	HSBC Life Assurance (Malta) Ltd
Website:	www.hsbc.com.mt/	Regulator:	Malta Financial Services Authority
Published Date:	20 August 2021	Telephone:	Premier: 2148 9100 / Advance: 2148 9101 / Other: 2380 2380

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type

The Retirement Pension Plan – Unit Linked (the “Product”) is a life insurance based unit-linked investment plan.

Objective

This Product is a long-term unit-linked life assurance investment pension plan with a range of local and international funds investing in different underlying assets held in a range of currencies. The Product allows policyholders to participate in the HLM Unit-Linked funds. It is a cost effective route to indirectly invest in global and local financial markets. It aims to provide a lump sum payment on maturity. Different funds invest in different market segments. For more specific information, consult the related Key Information Document of Investment Options. The value of the product will depend on the value of the underlying assets which depend on market factors.

Intended retail investor

The Product aims to build up a sum of money which, subject to certain conditions, will be used to provide a tax-free cash sum (up to 30%) when you retire and a regular income in order to supplement the state pension.

HSBC Bank (Malta) p.l.c. Premier Relationship Managers/ Financial Planning Advisors will guide you to choose the fund/s that are suitable for your investment risk & objectives.

Insurance benefits and costs

The Plan automatically comes with a Guaranteed Life Assurance (GLA) of €2,500. This limited life cover is given free of charge. If the Life Assured dies before taking their retirement benefits, the Product will pay out the value of the Product account or the GLA of €2,500 whichever is the greater.

Terms of PRIIPs

The minimum Product duration is 10 years from the Commencement Date of the Product.

The Plan may be transferred to another insurance provider (subject to legislation and the acceptance of the receiving provider) at any time and the applicable transfer charges will apply. HSBC Life cannot terminate the product unilaterally, however termination is possible should the product holder submit false declarations or in the event of non-disclosure of material circumstances.

What are the risks and what could I get in return?

Risk Indicator



The risk indicator assumes that you keep the product for 10 years.

The actual risk can vary significantly if you cash in at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk. It shows how likely it is that this investment will lose money because of movements in the markets or because HSBC Life Assurance (Malta) Ltd is not able to pay you.

The Product offers a range of underlying investment options with risk classes ranging from 1 as the lowest and 4 as the highest. The risk and return of the investment varies on the basis of which fund or funds you choose to invest in. Further details of the possible returns for each investment fund available can be found in the Key Information Document of Investment Options applicable to each fund.

Since HSBC Life provides no guarantee regarding the capital or minimum performance, you assume the risk linked to the possible negative performance of the funds you choose to link your policy to and you accept that the amount paid out upon liquidation of the investment may be worth less than the total amount of premiums that has been paid. Due to adverse market conditions, you may lose the total value of your investment.

Performance scenarios

The risk and returns on this product will be dependent upon which investment(s) you choose. Further details of the possible returns for each investment available can be found in the Key Information Document (Investment options information) applicable to each investment. These can be found on the HSBC Life Assurance (Malta) Ltd website detailed in the Product section of this document, via your financial adviser or by requesting them from us.

What happens if HSBC Life Assurance (Malta) Ltd is unable to pay out?

If HSBC Life is not able to pay you what is owed, a protection and compensation scheme is available to cover protected commitments arising from insurance policies. Such compensation shall be limited to the lesser of 75% of the value of the policy remaining unpaid at the time of insolvency, or €23,293.75 as prescribed in the Protection and Compensation Fund Regulation of 2004 as may be amended from time to time.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest €1,000 each year. The figures are estimates and may change in the future.

Costs over time

Investment € 1,000 Scenarios	If you cash in after 1 year	If you cash in after 5 years	If you cash in after 10 years
Total costs	€ 240.45 to € 290.37	€ 363.79 to € 946.49	€ 572.84 to € 3,553.04
This table shows the impact on return per year	24.04 % to 29.04 %	2.53 % to 4.88 %	1.10 % to 3.35 %

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- The meaning of the different cost categories

This table shows the impact on return per year

One-off costs	Entry costs	0.90 % to 0.94 %	The impact of the costs you pay when entering your investment. This is the most you will pay, and could pay less.
	Exit costs	0.00 %	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.00 % to 0.44 %	The impact of the costs of us buying underlying investments for the Product.
	Other ongoing costs	0.09 % to 2.28 %	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00 %	The impact of the performance fee.
	Carried interests	0.00 %	The impact of carried interests.

The costs vary on the basis of the underlying Investment Options. Further details can be found in the Key Information Document of Investment Options applicable to each fund. These can be found on the website in the Product section and our Premier Relationship Managers/ Financial Planning Advisors can help you choose the Fund/s that match your investment objectives.

The first two switches in a calendar year are free of charge, the third switch is subject to a €50 charge and subsequent switches are subject to a charge of €25 each. No switching charges have been included in the above tables.

How long should I hold it and can I take money out early?

Recommended holding period: 10 years

The Product is designed as a savings plan for retirement purposes and an early surrender of the Plan is not allowed. The Product is therefore a long term commitment and you must bear in mind that you will only be able to access any benefit/make withdrawals from the Plan after you reach age 61 and not later than age 70 and after the Plan has been in place for a minimum of 10 years.

If you transfer to another insurance provider, you will incur transfer charges (percentage of policy value):

- Year 1: 20%
- Year 2: 12%
- Year 3: 8%
- Year 4: 4%
- Year 5: 2%

No charges from the 6th year onwards.

You have the right to cancel this Policy within thirty (30) days from receiving the Statutory Notice, by completing and returning the Notice of Cancellation to Us. In this case the Policy will be null and void. Any Premiums paid will be refunded in full subject to any reduction necessary to reflect downward movements in the Offer Price of Units allocated to Your Policy between the Commencement Date of the Policy and the next Valuation Date following receipt by the Company of such Notice of Cancellation. No benefit can be claimed under this Policy or any Additional Benefit/s once the Notice of Cancellation has been sent to Us. Any such Notice of Cancellation shall be irrevocable once sent.

How can I complain?

If you ever need further information or have concerns or a complaint, please contact us at HSBC Life Assurance (Malta) Ltd., 80, Mill Street, Qormi QRM3101 or via the following link <https://www.hsbc.com.mt/1/2/mt/en/contact-us/contact-us-complaints-feedback> or by sending an email on infomalta@hsbc.com. We shall issue an acknowledgement within 48 hours. We will provide you with a definitive reply as soon as the relevant facts of the complaint have been investigated. In all cases we will provide periodical updates where a resolution is not available within 14 working days.

If your complaint is not dealt with to your satisfaction, you can contact the Office of the Arbiter for Financial Services, First Floor, St Calcedonius Square, Floriana FRN5130, Malta or by visiting www.financialarbiter.org.mt. Complaints with the Arbiter for Financial Services' Office should always be made in writing. Making a complaint will not prejudice your right to take legal proceedings.

Other relevant information

For further product specific details, refer to the product Brochure, Key Features Document and Policy Terms & Conditions and Policy Schedule. These are available upon request or can be retrieved from the website under the Insurance forms section.

An annual statement will be issued as part of the post-contractual stage.

This Key Information Document only refers to the premium allocated towards the investment. Any additional riders purchased will have a separate price independent from the investment premium.