

Look forward to the
rest of your life

HSBC Takaful Retirement Plan



Fast Facts



Longevity

Today's generation is living longer and leads a healthier lifestyle which increases the average length of retirement. With the life expectancy for women at 77 years and men at 72 years¹, it is common for an individual to spend a significant number of years in retirement.



Living costs keep rising

Malaysia's inflation rate was at 3.5% in March 2014².



Retirement savings shortfall

83% of EPF members have less than RM100,000 in their accounts³.

¹ Department of Statistics Malaysia, 2013

² <http://www.thestar.com.my/Business/Business-News/2014/04/16/Malaysia-inflation-up-in-March>

³ EPF Annual Report, 2013

Because you should retire from work, not life.

Your golden years should equate to good times and even better memories. After all the hard work, it's time to reap the fruits of your labour. Starting to save early is the key to retirement planning. The earlier you start, the closer you are to meeting your retirement needs.

Takaful Retirement Plan provides you financial stability via Regular Payout(s) up to the age of 75⁴ along with the possibility of receiving a Maturity Value⁵ upon maturity of the plan. You may use this amount to further grow your money or perhaps save it for your loved ones by nominating them to receive the Takaful benefits in the event of your untimely death. Don't let financial constraints prevent you from the rest and relaxation you so deserve.

⁴ The amount of income may be adjusted in order to maintain sufficient balance of your Account Value and this income will continue as long as your Account Value is available.

⁵ Your Account Value which is the amount of your entitlement in respect of the Participant Fund (if any) will be payable provided that the Certificate is still in force at maturity.

What can HSBC Takaful Retirement Plan do for you?

Flexibility

Flexibility to choose your desired accumulation period according to your entry age. This plan provides Regular Payout⁶ or lump sum payment upon end of accumulation period and at the same time, protects you in the event of life's uncertainties.

Entry Age	Accumulation Period
18 - 40	10, 15, 20 or 25 years
41 - 45	10, 15 or 20 years
46 - 50	10 or 15 years
51 - 55	10 years

Option to enjoy a regular stream of income⁶ at the end of accumulation period or choose to accumulate till maturity.

Receive regular stream of income (monthly or annually) up to age 75

OR

Continue to accumulate your savings and enjoy potentially higher return upon maturity⁷

⁶ All payouts are subject to the actual performance of the Participant Fund and are not guaranteed. This is not a capital guaranteed product and the investment risk is solely borne by the Participant.

⁷ Maturity Value is the Account Value of your Takaful Certificate on the maturity date if it is still in force.

Protection Benefits

Life Protection

More than just a savings plan, Takaful Retirement plan also ensures that you are covered for unforeseen circumstances. In the event of death during the accumulation period, your loved ones will receive as follows:

Covered Person's Entry Age	Natural Death Benefit	Accidental Death Benefit ⁸
18 - 40	<ul style="list-style-type: none"> 125% of contribution made; or 100% of Account Value⁹, whichever is higher. 	<ul style="list-style-type: none"> 220% of contribution made; or 100% of Account Value, whichever is higher.
41 - 50	<ul style="list-style-type: none"> 110% of contribution made; or 100% of Account Value, whichever is higher. 	
51 - 55	<ul style="list-style-type: none"> 105% of contribution made; or 100% of Account Value, whichever is higher. 	

In the event of death during the payout period, the benefit payable is as follows:

Natural Death Benefit	Accidental Death Benefit
<ul style="list-style-type: none"> 105% of Account Value; or 100% of Account Value plus RM5,000, whichever is higher. 	

⁸ The Accidental Death Benefit shall not exceed the sum of Natural Death Benefit plus RM500,000.

⁹ Account Value is the amount of your entitlement in respect of the Participant Fund. It is the accumulation of Contribution less *Wakalah Fee*, *Tabarru'*, monthly service fee and any Regular Payout(s) plus any net investment profit and surplus, if any.

How does Takaful Retirement Plan work?

Total and Permanent Disability and Critical Illness Protection

In the unfortunate event that you suffer from Total and Permanent Disability or are diagnosed with any one of the covered Critical Illnesses during the accumulation period. We will pay:

100% of Regular Contribution made; or 100% of accumulated Account Value, whichever is higher. There will be no TPD and CI coverage during the payout period.

Potential surplus distribution

You are entitled to potential surplus (if any) in the Family Risk Fund, which will be allocated to your Account Value annually. This will help grow your retirement savings further.

Hassle-free approval

No medical check-up is required, subject to terms and conditions of this plan.

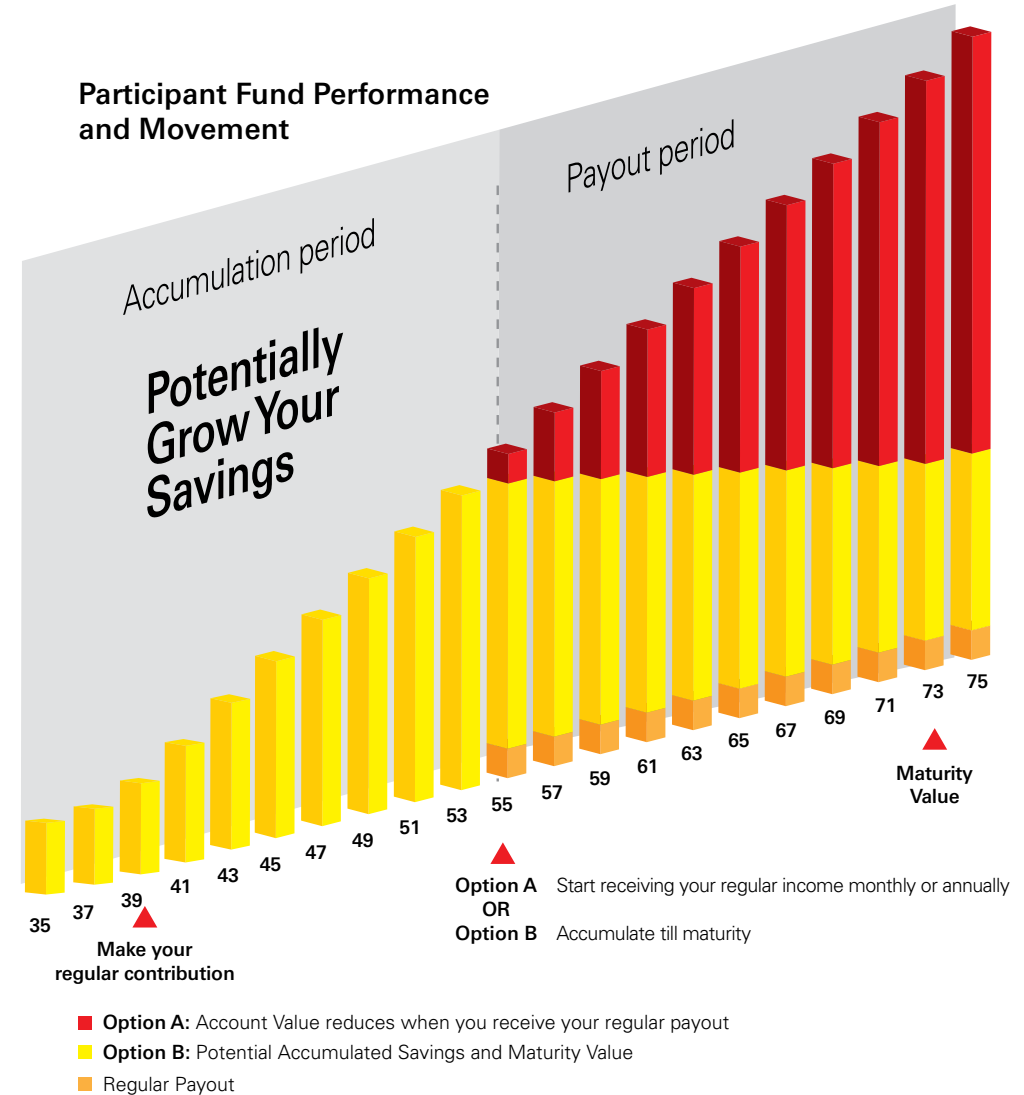
Tax Information

The benefits paid out under this plan are tax-free and the contributions made may be eligible for tax relief under the Income Tax Act 1967. Please check with your tax adviser on your eligibility and note that eligibility for tax relief is subject to the final decision by the Inland Revenue Board.

Maturity value⁵

On top of your regular stream of income, you may also receive the maturity value, which is the value if your Account Value (if any), at the maturity of your Certificate. You can use this amount to further grow your money or perhaps save it for your loved ones. However, there will be no amount paid from the Family Risk Fund.

The Takaful Retirement Plan is designed to help you meet your retirement income needs which in turn may be used to fund your daily living expenses. Here's an example on how it works:



⁵ Your Account Value which is the amount of your entitlement in respect of the Participant Fund (if any) will be payable provided that the Certificate is still in force at maturity.

“It has always been my dream to spend my retirement days going for holidays and spending time with my family. Hence, I am looking for a plan to provide stable cash flow to support my lifestyle during retirement. I can’t depend on only one source of income. So, I’m looking to receive a stable income on top of my EPF.

I have found the perfect plan in HSBC’s Takaful Retirement Plan. Being able to contribute regularly into the plan allows me to accumulate my savings and after 20 years of accumulation period, I can enjoy regular payout from the age of 55 until I am 75 years old, or I may choose not to receive any regular payout but let the savings continue to grow and earn potential return with higher maturity value when the plan matures.”

Mr Lam
35 years
old

Who should take up this plan?

This plan is suitable if you are looking to:

- ▶ Help provide financial support to your loved ones
- ▶ Grow your savings gradually to enjoy regular retirement payout up to the age of 75 or lump sum payout upon maturity of this plan
- ▶ Gain potentially higher returns
- ▶ Preserve your wealth against the effect of inflation over the medium to long term period



Other information on Takaful Retirement Plan that you may find helpful

Eligibility (age last birthday)

Eligibility (age last birthday)	Minimum	Maximum
Covered Person	18 years	55 years
Participants	18 years	–

Flexible Contribution

You have the flexibility to choose - either monthly, quarterly, semi-annual or annual contributions. In the event that you stop paying the regular contribution, and provided the Account Value is sufficient, we will use the Account Value amount to pay for the monthly *Tabarru'* and until the Account Value is exhausted, the Takaful coverage shall cease.

Certificate maturity

At age 75 (last birthday) of the Covered Person.

Regular Payout

You will receive the regular payout after the end of accumulation period up to the age of 75 years old. Alternatively, you may choose not to withdraw the regular payout but accumulate these savings to enjoy potential higher return upon maturity of this plan.

Fees and charges

The following charges are applicable to this plan.

Description	Fees and charges
Wakalah Fee (Agency Fee)	A portion of the <i>Wakalah</i> Fee will be used to pay the commission to the intermediaries. <ul style="list-style-type: none"> Regular contribution – from 9.5% to 10%, depending on the contribution tenure and certificate year
Monthly <i>Tabarru'</i> (Donation)	<i>Tabarru'</i> rates are not level and are based on covered persons' attained age
Surrender Fee	<ul style="list-style-type: none"> A surrender fee is subject to applicable tax and will be deducted from surrender value if surrender is made during the first five (5) Certificate Years. The surrender fee reduces on a monthly basis based on the following formula: Minimum of: 1. Account Value; or 2. $15\% \times \text{Annual Regular contribution} \times [60 - \text{number of completed months from Commencement Date}] / 60$
Stamp Duty	A one-time stamp duty of RM10 will be borne by the Participant, to be paid with the initial contribution.

Please refer to the Product Illustration provided and do consult our Relationship Managers on the specific fees and charges.

The Takaful Operator may revise the fees and charges provided that at least 3 months' notice in writing is given to the Participants.

Participant Fund

Participant Fund is the investment fund managed and administered by Takaful Operator for the purpose of this Takaful Certificate. The contribution you made less *Wakalah* fee will be allocated into the Participant Fund. The investment risk of this Participant Fund will be borne solely by you and any profits or losses will be reflected in your Account Value. The investment return of the Participant Fund will be based on its actual performance and is not guaranteed. As a reward for managing and administering the Participant Fund, the Takaful Operator is entitled to an incentive which comprises of 10% of any profits in respect of this fund.

Family Risk Fund

The monthly *Tabarru'* will be deducted from your Account Value and credited to Family Risk Fund from which protection benefits are paid. 50% of any surplus distributable will be distributed among eligible participants and your entitlement will be allocated yearly into the Participant Fund. The balance will be distributed to the Takaful Operator as a reward for managing and administering the Family Risk Fund.

Surrender

In the event of surrender, the Account Value less Surrender Fee (if any) will be paid. However, you will lose the benefits under this Certificate and the amount payable to you may be less than the total contribution you have made. You will no longer be entitled to any portion of payments from the Family Risk Fund upon your surrender of this plan.

Exclusions

- Sum Covered is not payable if death is due to suicide, whether whilst sane or insane; within 12 months this Certificate is issued or reinstated.
- TPD Benefit is not payable in respect of any condition/injury/event which is directly or indirectly caused by attempted suicide, self-inflicted injury or illness, military service, criminal acts, private aviation activities, alcohol or substance abuse and hazardous activities such as but not limited to racing, mountaineering, and the like.
- Additional terms and conditions apply to rider.
- The list of exclusions is not exhaustive and reference should be made to the comprehensive list contained in the Certificate.

If you're interested in Takaful Retirement Plan please call your Relationship Manager or contact us today.

Call 1300 80 2626

Click hsbcamanah.com.my

Visit your nearest HSBC Amanah branch

Important Notes

You should satisfy yourself that the plan that you intend to participate in will best serve your needs and that the contribution prescribed for this plan is an amount you can afford.

You may review the suitability of the plan and may cancel your participation within 15 days from the date of delivery of Takaful Certificate ("cooling-off period") to you. On cancellation within the cooling off period FWD Takaful Berhad (Company No. 731530-M) ("Takaful Operator") will refund your total contribution made less medical examination fee. HSBC Amanah Malaysia Berhad (Company No. 807705-X) ("HSBC Amanah") believe it is important that you fully appreciate and understand all the benefits and charges under your Takaful Certificate.

This plan is managed by FWD Takaful Berhad (formerly known as HSBC Amanah Takaful (Malaysia) Berhad) (Company No. 731530-M) with its principal place of business at Level 29 Menara Shell, 211 Jalan Tun Sambanthan Brickfields, 50470 Kuala Lumpur. FWD Takaful Berhad (formerly known as HSBC Amanah Takaful (Malaysia) Berhad) is licensed under the Islamic Financial Services Act 2013 and is regulated by Bank Negara Malaysia. HSBC Amanah Malaysia Berhad (Company No. 807705-X) is the intermediary in the distribution of this plan in Malaysia and may be remunerated/paid a commission by FWD Takaful Berhad (formerly known as HSBC Amanah Takaful (Malaysia) Berhad). Products and services referred to in this brochure are offered in Malaysia only.

Use of Information and Materials

The information contained in this brochure is not intended to provide professional advice. You should obtain appropriate professional advice when necessary.

This brochure is for general information only and is not to be construed as a Takaful contract and no consideration has been given to the particular circumstances or needs of any person. You should read the Product Disclosure Sheet and Product Illustration for more information and the Takaful Certificate for the complete terms and conditions of this plan.

Should you require additional information about Family Takaful, please refer to the insuranceinfo booklet on 'Family Takaful' or visit www.insuranceinfo.com.my

In the event of conflict between the English version in this document and those translated into Bahasa Malaysia and Chinese language, the English version shall prevail.

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