

Press Release

HKMCA to Launch a Public Education Campaign on Life Annuity

HKMC Annuity Limited (HKMCA), a wholly-owned subsidiary of The Hong Kong Mortgage Corporation Limited, announced that it will launch a public education campaign on 26 March 2018 to enhance public awareness of the suitability and risks of using life annuity as a retirement planning solution.

HKMCA will roll out five episodes of educational TV infomercial, making use of entertaining animated images, to address the common misconceptions or easily overlooked concepts about life annuity. The themes of the infomercials include 'life annuity \neq fixed deposit', 'the rate of return depends on life expectancy of the insured', 'the insured should reserve sufficient liquidity', 'pay attention to the terms of death benefit before the purchase' and 'early surrender may incur a loss'.

Meanwhile, HKMCA has invited artist Leon Lai to be the promotional ambassador for life annuity. Mr Lai will make a new attempt and appear in a TV commercial with a specially designed image to provide information to the public about life annuity. The public will also receive the messages about life annuity via various channels, including the radio broadcast and bus bodies, etc.

In addition, three roving exhibitions on 'More about Life Annuity' (「終身年金知多啲」) will be held from April to June at specific shopping centres on the

Hong Kong Island, in Kowloon and in the New Territories to enhance the public understanding about retirement financial planning and life annuity. Details of the roving exhibitions will be announced at a later stage.

Executive Director and Chief Executive Officer of HKMCA, Mr Edmond Lau, said, “Promotion and education related to annuity was relatively limited on the market in the past. Given that the target customers of the Life Annuity Scheme (LAS) are the elderly, it is very important that they thoroughly understand the nature and risks of the product, as well as assess their own needs before making a decision on the purchase. Therefore, HKMCA will launch a public education campaign to convey proper concepts to the public.”

The preparatory work for the LAS is in good progress, with the target to announce the sale arrangement in mid-2018, after which the promotional campaign will shift to the promotion and explanation of the subscription and application procedures. More details will be announced in due course. For public inquiries, please call 2512 5000. For media inquiries, please call 2536 0002.

HKMC Annuity Limited

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