

Date: 30 October 2020

Dear Valued Customer,

### **CLOSURE OF MANULIFE HSBC'S FLEXILIFE GROWTH FUND**

We wish to inform you that effective from 10 February 2021, HSBC's FlexiLife Growth Fund (HSBCFLGF) will be discontinued from our overall investment-linked funds portfolio. This is following our fund review to ensure that we continue to deliver our long term commitment to our customers.

#### **How does this impact you?**

All units available under HSBCFLGF from your policy will be switched to Manulife Equity Fund (MEF) on 10 February 2021, based on the prevailing net asset value per unit (market value).

As part of this transition, any premiums paid from 02 February 2021 onwards will also be allocated to MEF, based on the existing fund allocation prescribed for HSBCFLGF.

All other benefits under your insurance policy remain as is and will not be impacted.

#### **Why Manulife Equity Fund (MEF)?**

HSBCFLGF and MEF have similar investment objective, investment strategies, and risk profiles. Enclosed is a copy of the Fund Fact Sheet for MEF.

#### **What are the options available to you?**

##### **Option 1: Manulife Equity Fund is your preferred investment-linked fund for now.**

No action is required. Units under your current HSBC's FlexiLife Growth Fund will be automatically switched to Manulife Equity Fund on 10 February 2021.

##### **Option 2: You may choose to switch to a different investment-linked fund.**

You may choose to switch to any of the available funds under your policy by performing Fund Switching at no charge. Kindly visit our website for more information on the list of available funds at <https://www.manulife.com.my/en/individual/services/announcements/fund-closure-HSBC-Funds.html>

We have enclosed a Frequently Asked Questions (FAQ) document for your better understanding. If you need further assistance, please contact us at our customer service through:

**Telephone** : 03-2719 9112 or 1-300-13-2323

**Email** : [MYCARE@manulife.com](mailto:MYCARE@manulife.com)

Thank you.

Yours sincerely,



Lee Tat Fatt,  
Chief Operations Officer of Manulife Insurance Berhad

The contents of this letter do not take into account for any alteration(s) to the policy made since 30 October 2020.

**Frequently Asked Questions (FAQ)**
**Q01 : What are the reasons for the fund closure?**

A01 : In our recent fund review, the net inflow for this fund is at low levels. With the smaller fund size, it is challenging for this fund to operate at its optimum level. For any investment-linked fund to be managed efficiently, the fund has to be sizeable.

The combined assets under management of both the funds will provide better economies of scale in managing the fund and increasing diversification. Diversification generally reduces volatility and may potentially improve the fund performance over time.

**Q02 : What is the difference between the two funds?**

A02 : The table below shows the key information of the two funds.

	<b>HSBC's FlexiLife Growth Fund</b>	<b>Manulife Equity Fund</b>
Launch Date	21 December 2005	10 July 2000
Fund Risk Profile	Moderate to high	Moderate to high
Investment Objective	HSBC's FlexiLife Growth Fund's investment objective is to provide medium to long-term capital appreciation through investing in a fundamentally sound and well-diversified portfolio of equities listed in the Bursa Malaysia. This Fund is suitable for investors who are willing to accept moderate to high risk.	Manulife Equity Fund aims to capitalize on the dynamic broad based growth through equity investments in various sectors of the Malaysian economy that are listed on the Bursa Malaysia. It is suitable for investors who seek medium to long term capital appreciation and are able to tolerate short-term volatility.
Investment Strategy	The investment manager employs a combined "top-down" and "bottom-up" research process to identify companies which have competitive business models, strong earnings growth potential and proven management.	The Fund utilizes a combination of top down macroeconomic analysis with bottom up on the ground stock research.
Strategic Asset Allocation	Equity: 80-100% Fixed income: 0-20%	Equity: 50-95%
Performance Benchmark	FBM KLCI Index (Price Return).	FTSE Bursa Malaysia Top 100 Index (Total Return Net of Tax)
<b>Fees and Charges</b>		
Fund Management Charge	1.50% per annum of Net Asset Value	1.50% per annum of Net Asset Value

For more details regarding Manulife Equity Fund, please refer to the fund fact sheet attached to this letter.

**Q03 : Where can I get the latest information on the IL fund performance?**

A03 : For the latest fund information, you may refer to Manulife website at [www.manulife.com.my](http://www.manulife.com.my)

# Manulife

**Q04 : How will this affect my account value?**

A04 : Your account value will depend on the fund's performance and the prevailing fund prices when we switch your fund. In the event Manulife Equity Fund is not a suitable fund for you, you may choose to switch to any of the available funds under your policy that suit your risk profile and investment objectives.

**Q05 : How will this affect my premium?**

A05 : Your premium amount will not be affected by this exercise.

**Q06 : How will this affect the benefits of my insurance plan?**

A06 : There will be no change to the benefits of your existing insurance plan.

**Q07 : Can I choose to switch to a different fund?**

A07 : You are advised to switch to any of the available funds under your policy by performing Fund Switching before 22 January 2021.

**Q08 : How do I perform Fund Switching?**

A08 : You may perform Fund Switching at no additional cost by submitting the Investment-Linked Insurance Request Form by:

1. Mailing to the address below:  
Customer Service  
Level 12  
Menara Manulife, 6 Jalan Gelenggang, Damansara Heights,  
50490 Kuala Lumpur, Malaysia

Or

2. Sending the scanned copy to this Email: [MYCARE@manulife.com](mailto:MYCARE@manulife.com)

You may obtain a copy of the form online at Manulife's website by visiting [www.manulife.com.my/fundswitch](http://www.manulife.com.my/fundswitch) or scan this QR code:



**Q09 : What will happen if I perform a Regular or Single Premium Top Up?**

A09 : For Top Up made prior to 02 February 2021, your premium will continue to be allocated into HSBC's FlexiLife Growth Fund.

From 02 February 2021 onwards, any Top Up premium will be allocated to Manulife Equity Fund.

**Q10 : How do I get more information?**

A10 : Please do not hesitate to contact your bank representative. Alternatively, you may contact our Customer Service during business hours:

**Business Hours** : Monday – Friday, from 9:00am to 5:30pm  
**Telephone** : 03-2719 9112 or 1-300-13-2323  
**Email** : [MYCARE@manulife.com](mailto:MYCARE@manulife.com)