Crafting a legacy of security and prosperity for a new generation

HSBC Life

Table of Contents

Foreword

In the past, the passing on of family wealth was a relatively simple affair. People allocated their assets in a way that was reasonable and consistent with their own wishes. As long as family harmony was maintained, the transfer process was considered to have a happy ending.

In today's rapidly changing world, wealth transfer is a much more complex undertaking, with a multitude of factors that need to be considered. It's no surprise, then, that legacy planning is growing in importance. People who have worked hard for years building career and wealth are now parents or grandparents, faced with the challenge of putting in place an effective wealth succession plan. Will the inheritance continue to grow under the stewardship of the next generation, or will it be squandered and lost? A lot of caution and deliberation are needed.

Macau has one of the longest life expectancies in the world. A good wealth transfer plan must therefore take into consideration the longevity risk. At the same time, how well different family members get along with each other may also affect how assets should be allocated. Over the past 10 years, the divorce rate in Macau has been climbing steadily. If the head of a family divorces or even remarries in their old age, the wealth reserved for the next generation may be reduced substantially. That's why legacy planners should not only be concerned with family relations. Managing a number of potential risks in advance is equally important.

Thanks to technological advances, wealth can now be transferred in more ways, and with the help of more mainstream and alternative legacy planning tools, than ever. This booklet looks at the pros and cons of the available options, including the controversial digital assets that have emerged in recent years.

With its combination of people-centric wealth transfer strategies and useful case studies, this booklet is designed to help get you started on your legacy planning journey.

Global trends in legacy planning

Millennials – the most affluent generation in history

Since time immemorial, the transfer of wealth has been a natural part of the transition from one era to the next. Now, living in the 2020s, we're also witnessing what has been dubbed The Great Wealth Transfer – the greatest intergenerational wealth migration in history.

It has been estimated that, in less than 10 years, a total of USD31 trillion[1] (MOP250 trillion[2]) will have been relayed to the next generation globally. The main regions involved in this massive wealth movement are:

Estimated amounts transferred by **2033**[1,2]

Asia	North America	Europe	Middle East
Approx. USD6.1 trillion (approx. MOP49 trillion)	Approx. USD14 trillion (approx. MOP110 trillion)	Approx. USD7.3 trillion (approx. MOP60 trillion)	Approx. USD1.3 trillion (approx. MOP10 trillion)

Referencing the above data and taking into account future wealth growth as well as other global factors, the magnitude of the worldwide wealth transfer may even exceed current projections.

1. Altrara: Family Wealth Transfer 2024 (global data encompass Asia, the Pacific region, Europe, North America, Latin America, the Middle East, Africa, etc.)
2. Based on the exchange rates from AMCM, 14 September 2024.

The baby boomers born after the Second World War (around 1946 to 1964) came of age in an era marked by the rise of globalisation, sustained low interest rates and increasing asset value. Collectively, they were able to amass a vast amount of wealth. Now, in their old age, they are gradually passing on to the next generation the accumulated rewards of their economic achievement. And the biggest beneficiaries of this massive handover of wealth will likely be the millennials born between the 1980s and 1990s.

RECORD HOLDER

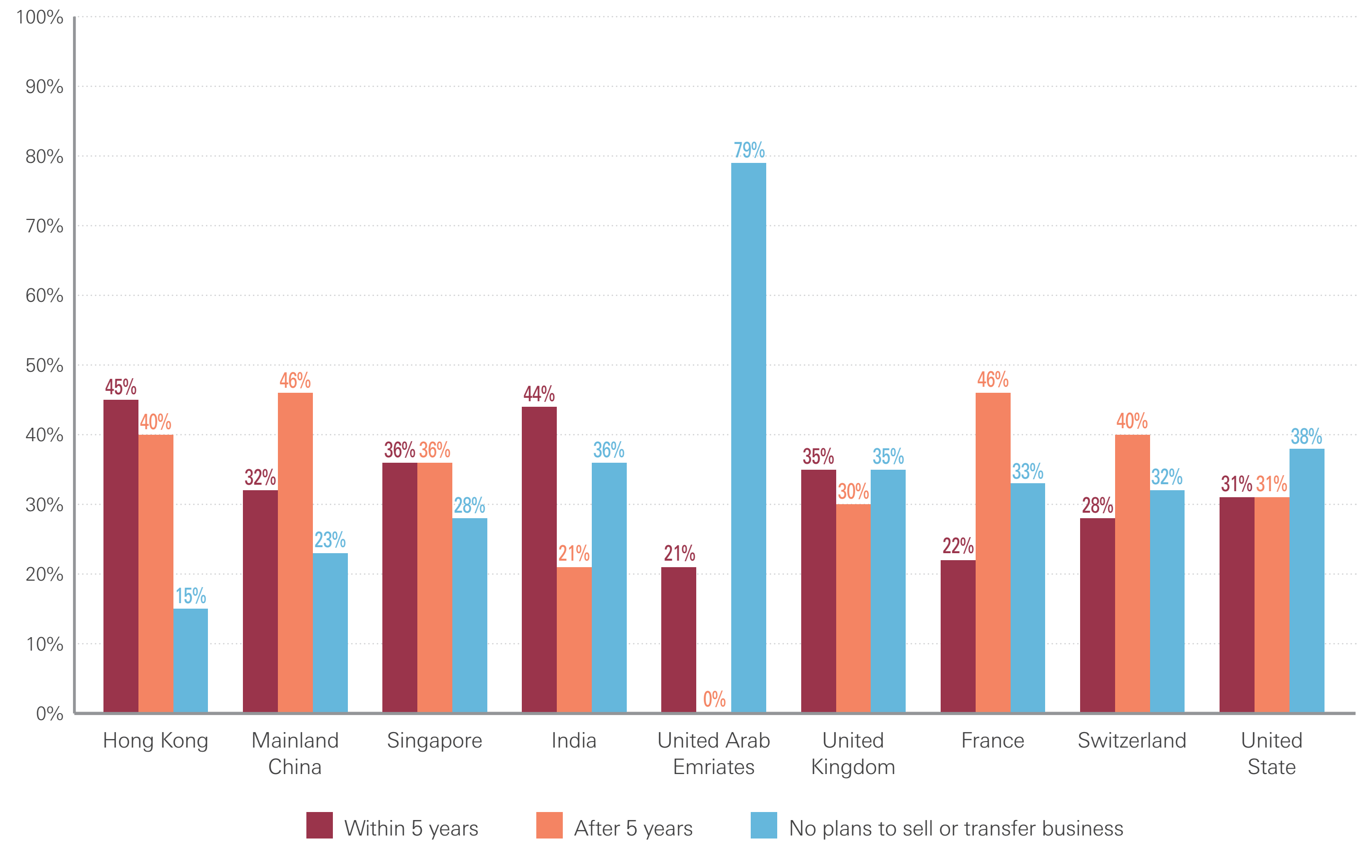
This trend is reflected in a new world record: in January 2024, an individual life insurance policy issued by HSBC Life in Hong Kong set a new world record in single-policy life insurance value[3]. This indicates a growing emphasis on legacy planning through the use of different tools and strategies.

Entrepreneurs make wealth transfer a priority

Even though this wealth transfer wave is expected to sweep across the globe over the next 10 years, many forward-looking individuals may in fact take the lead and initiate the wealth transfer process within the next 5 years. The options and opportunities for doing so will therefore demand careful consideration.

For entrepreneurs, one of the key assets inherited from the previous generation is the family business. According to the 2023 HSBC Global Entrepreneurial Wealth Report[4], 85% and 78% of entrepreneurs in Hong Kong and mainland China respectively are planning their succession. In particular, 45% of Hong Kong entrepreneurs plan to pass the baton within 5 years, a higher percentage than in the other countries covered by the report.

Succession time frames set by entrepreneurs in different countries[5]



3. Once the life insured of the relevant whole life insurance policy passes away, the death benefit received by the beneficiary will set a new world record.
4. HSBC Global Entrepreneurial Wealth Report (November 2023) (Entrepreneurs include those who have founded and inherited enterprises. Respondents are from 9 countries and regions, including Hong Kong, mainland China, Singapore, India, the UAE, the UK, France, Switzerland, the US and other countries and regions).
5. The percentages for some countries have been rounded off and therefore may not add up to 100%.

Passing on family achievements

Something else that is noteworthy: even though many Hong Kong entrepreneurs are hoping to pass on their businesses to their children or other family members within a few years as a way to extend the solid foundations they have laid, some of them have not yet discussed the topic with their families. The reasons include[1]:

One of the solutions available to them is therefore to seek professional advice and set their own wealth transfer strategies. A survey conducted in recent years has found that 87% of investors in developed markets within Asia say they are willing or maybe willing to pay advisory fees to ensure a smooth and effective legacy planning process[2].

No matter which successors or tools you prefer, it is important to tailor your plan to your priorities as well as your family members' needs to ensure a smooth wealth transfer process, and to amplify your family's values and financial wisdom.

1. HSBC Global Entrepreneurial Wealth Report (November 2023).
2. McKinsey & Company: Digital and AI-enabled wealth management: The big potential in Asia (2 February 2023).

Evaluating risks to preserve wealth for future generations

Having achieved financial success after decades of hard work, it's only natural that you would want to ensure an orderly succession and a secure future for the next generation. But hopes and reality are seldom a perfect match. There will always be risks to contend with. These risks could undermine the value of your assets directly or indirectly. That's why a wealth transfer strategy should take into consideration a full range of potential risks[1]. A look at Mr Ding's case below will show the various risks we could be exposed to.

Reference case[2]

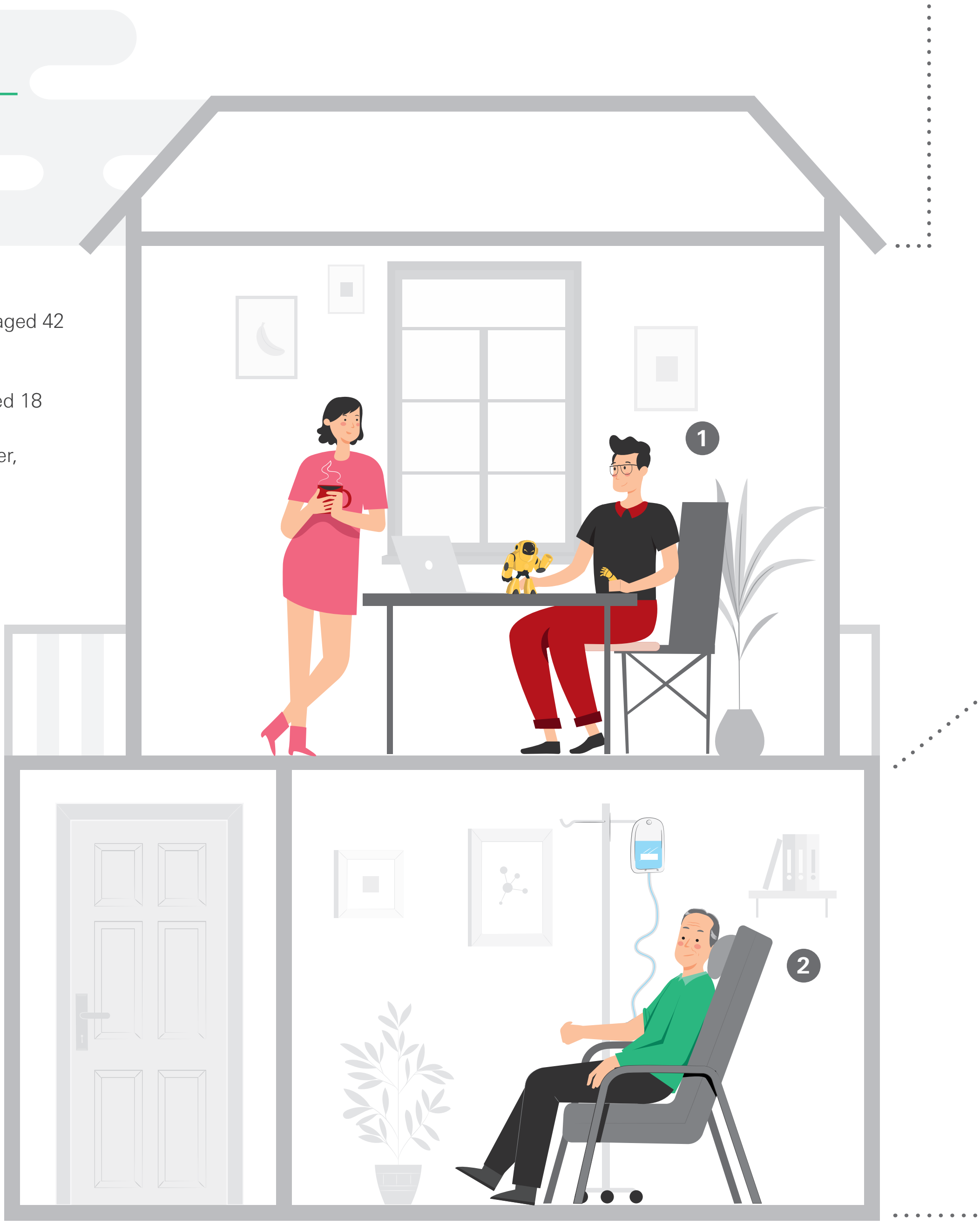
Mr Ding
Designer and manufacturer of toy models

Age: 50

Marital status: Married to his second wife, aged 42

Children:
Older daughter, aged 20, and older son, aged 18 (from previous marriage)
Younger son, aged 15, and younger daughter, aged 12 (from current marriage)

Assets:
Detached house, factory in mainland China

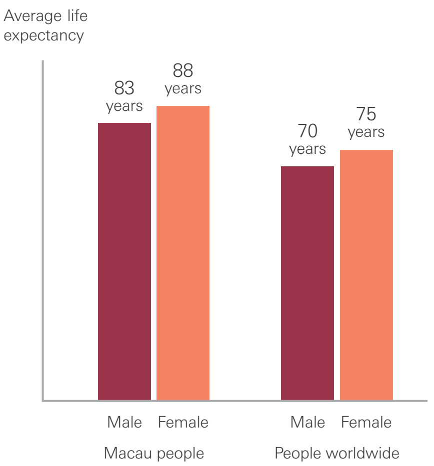


1. EY: EY Family Office Outlook (5 May 2020)
2. The above case is hypothetical and for reference only.

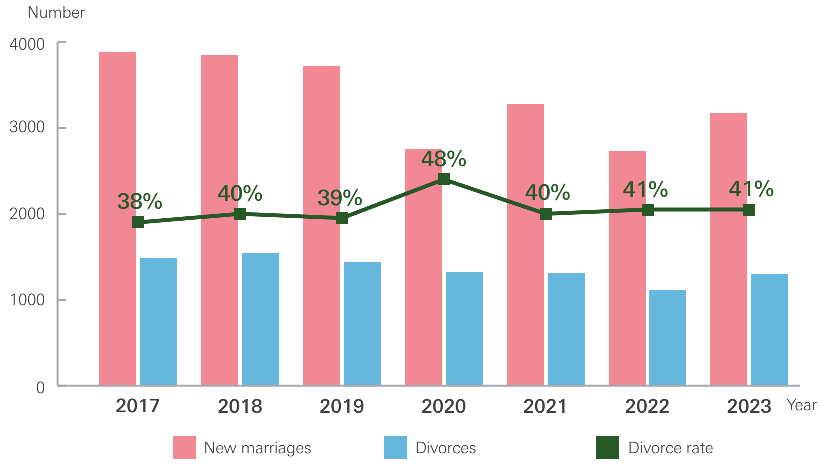
Risk 1 Changing marital relations

A marriage may last a lifetime, but relationships can change in an instant. The result is a consistently high divorce rate. If you or your children have a divorce, a hefty alimony might have to be paid, which could in turn affect any legacy plan that has been put in place. In Mr Ding's case, making the necessary arrangements as early as possible can help minimise the possibility of future dispute.

Macau people's life expectancy among the longest in the world[3]



Macau divorce rates[4]



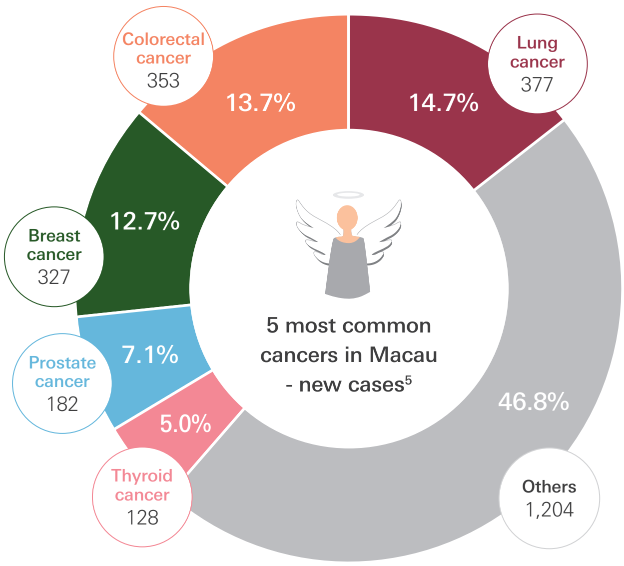
The issue of divorce between elderly couples has received much attention in recent years. "Grey divorce" is indeed becoming increasingly common. And the more assets elderly couples have, the more likely the wealth that can be passed on to the next generation will be greatly reduced after their divorce.

Longevity + high divorce rate ⟶ greater need for legacy planning

Risk 2 Family members' potential health problems

Serious illness can seriously disrupt your wealth transfer plan. Some chronic conditions or critical illnesses even have a hereditary basis and require costly, protracted treatment. If the patient is a key member of the family business, the family's business operations might be affected.

Life can be unpredictable. Let's look at the example of cancer, one of the biggest health threats worldwide. In 2021 alone, Macau reported 2,571 new cancer cases and 929 fatalities. Adding relevant protections to your legacy plan as a risk management measure is therefore an option worth considering.



3. World Bank: Life expectancy at birth
4. Macau SAR Social Welfare Bureau data.
5. Macau SAR Health Bureau, Annual Report of Macao Cancer Registry 2021 (September 2023).

Risk 3 Blurring of the line between company and personal assets

If there is no clear distinction between family business assets and personal assets, the resulting negative impact may go both ways. For instance, if a family member appropriates company assets such as cash and vehicles for their own use, their actions may constantly be eroding the value of the family wealth which could be transferred to future generations. In a similar scenario, let's assume a family member has been living in a company property and the company is poorly managed. Eventually, the company may be liquidated and put up for public auction, and the family may end up losing their home.

Mr Ding can try to find a way to isolate some of his assets so that they can be managed independently. That would help mitigate corporate risks and prevent appropriation of company assets.

Risk 4 Personal indebtedness

If, in an attempt to solve personal problems, a family member incurs debt which they are subsequently unable to repay, the family might need to sell its assets to settle the debt on their behalf. That's why, to prevent a crisis, you should consider assigning a portion of your wealth to an outside expert for independent management.

Risk 5 Reckless spending by heirs

If Mr Ding transfers too much wealth too early to family members who are not yet financially competent but have bad lifestyle habits, the inheritance may be exhausted in a short time. With the help of appropriate legacy planning tools, you can arrange for regular payments to be made to your heirs to help train them in proper wealth management.

Risk 6 Inheritance dispute

Inheritance disputes involving wealthy families are all too frequent. The most common case is to challenge a will in court. The money, time and energy often consumed by these protracted litigations between family members are hard to estimate. Deploying effective wealth transfer tools and strategies may help prevent dispute and maintain family harmony.

Risk 7 Failure to appoint a successor

The previous generation's work may not interest younger family members. For a family-owned company that lacks a successor, it may risk its reputation and the continuity of business operations. In either case, suppliers may take the company to court over outstanding payments, or creditors may apply for liquidation. That's why Mr Ding should start nurturing the interests and abilities of potential candidates as early as possible, which will help him pick a successor eventually.

Risk 8 Issues arising from successors' immigration

Do you have family members who are planning to emigrate? If the intended destination has an inheritance tax, the heir may end up losing a substantial portion of their wealth. It's therefore always a good idea to seek professional wealth management and tax advice to ensure greater protection for your heirs.

Life is full of risks. Some we know, some we don't. Having the foresight to make the necessary preparations will help safeguard the family's legacy and values in the long run.

Setting the direction with thorough legacy planning

Legacy planning is the use of different tools to establish a process for transferring your accumulated wealth, so that whatever happens in the future, your wealth will still be passed on to the heirs of your choice and in accordance with your wishes. The life cycle is universal and unchanging. As long as you have a good legacy plan in place, you can ensure your loved ones will be provided for and their financial burden alleviated even if anything unexpected happens.

Why is asset planning so crucial in the wealth transfer process?

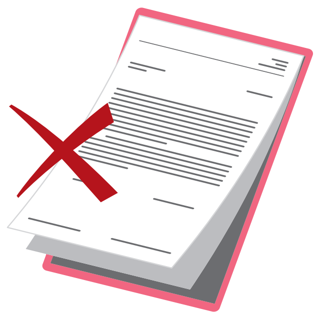
Some people think legacy planning is all about making a will. The more traditionally minded may think that legacy planning is only for the wealthy. They may, in fact, only use simple, everyday financial tools to leave their savings for their family members.

In fact, legacy planning is relevant to everyone. More than that, different people have different legacy planning needs. Below are some frequently asked questions to provide more ideas on the topic.

What is the difference between having a will and not having a will?

With a will

- Can allocate assets according to personal wishes. (but part of the estate is required to be allocated to designated heirs[1] in accordance with the law).
- Can designate any successor, allocate wealth precisely, and include anyone among the beneficiaries, including people who are not related to the family or even charities.



Without a will

- Generally speaking, when a will has not been made, the heirs to an estate are prioritised in the following order: Spouse and lineal descendants (e.g. children, grandchildren) > spouse and lineal ascendants (e.g. parents, grandparents) > person(s) who had a de facto marital relationship with the deceased > siblings and their direct descendants > other relatives who are within four degrees of consanguinity
- Property, stakes in a company, objects with commemorative value, etc. may be difficult to divide evenly and therefore have to be sold to be split into equal shares.
- Probate takes time. In the absence of a will, it may take even longer.

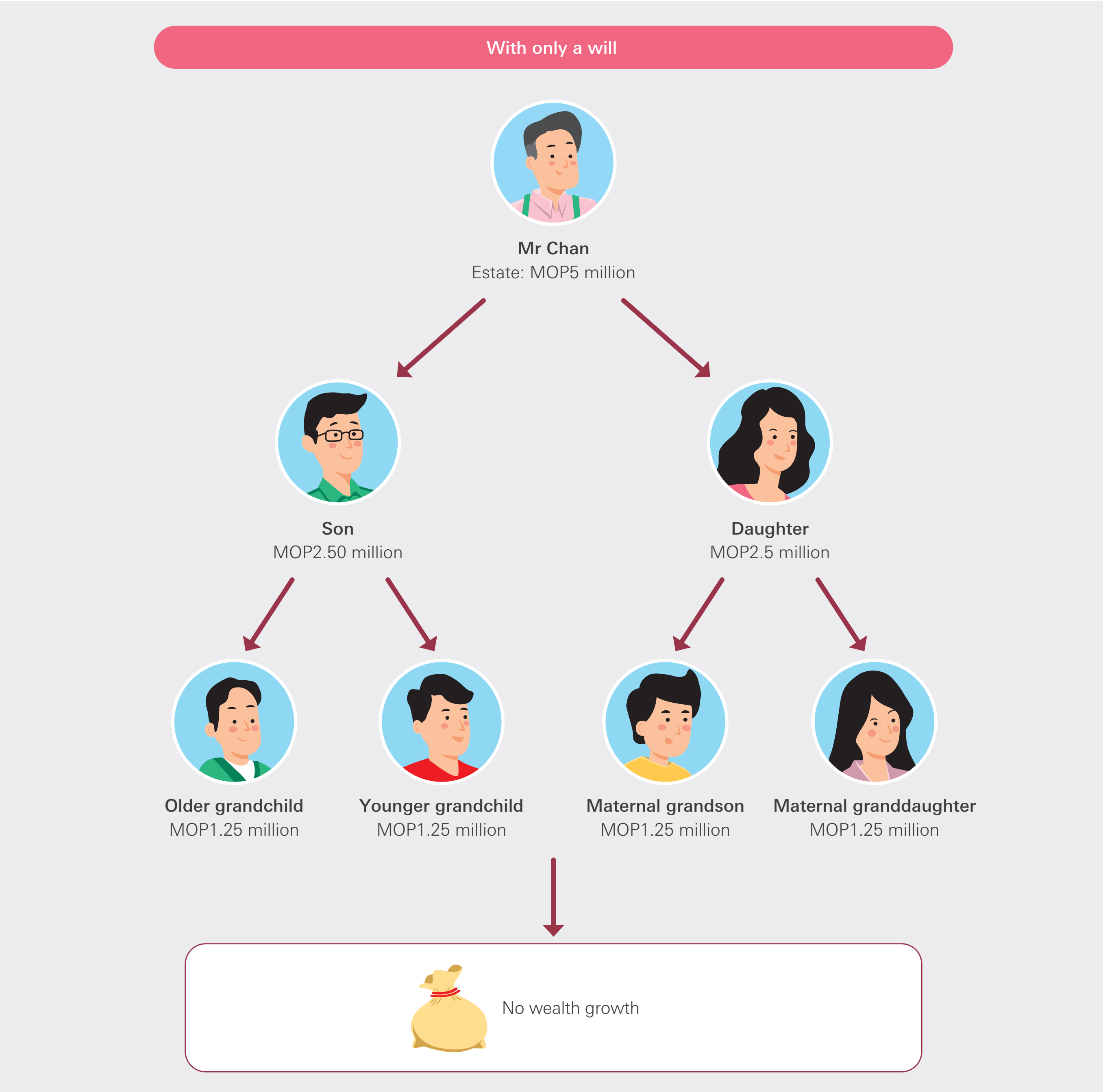
Note:
- The above information is for reference only. All cases and examples are hypothetical, and provided for reference and illustrative purposes only. Each individual's actual needs and requirements are different. HSBC Life does not provide any legal or tax advice. If necessary, please seek legal or tax advice from independent professionals.

1. Article 1994 of Macau Civil Code

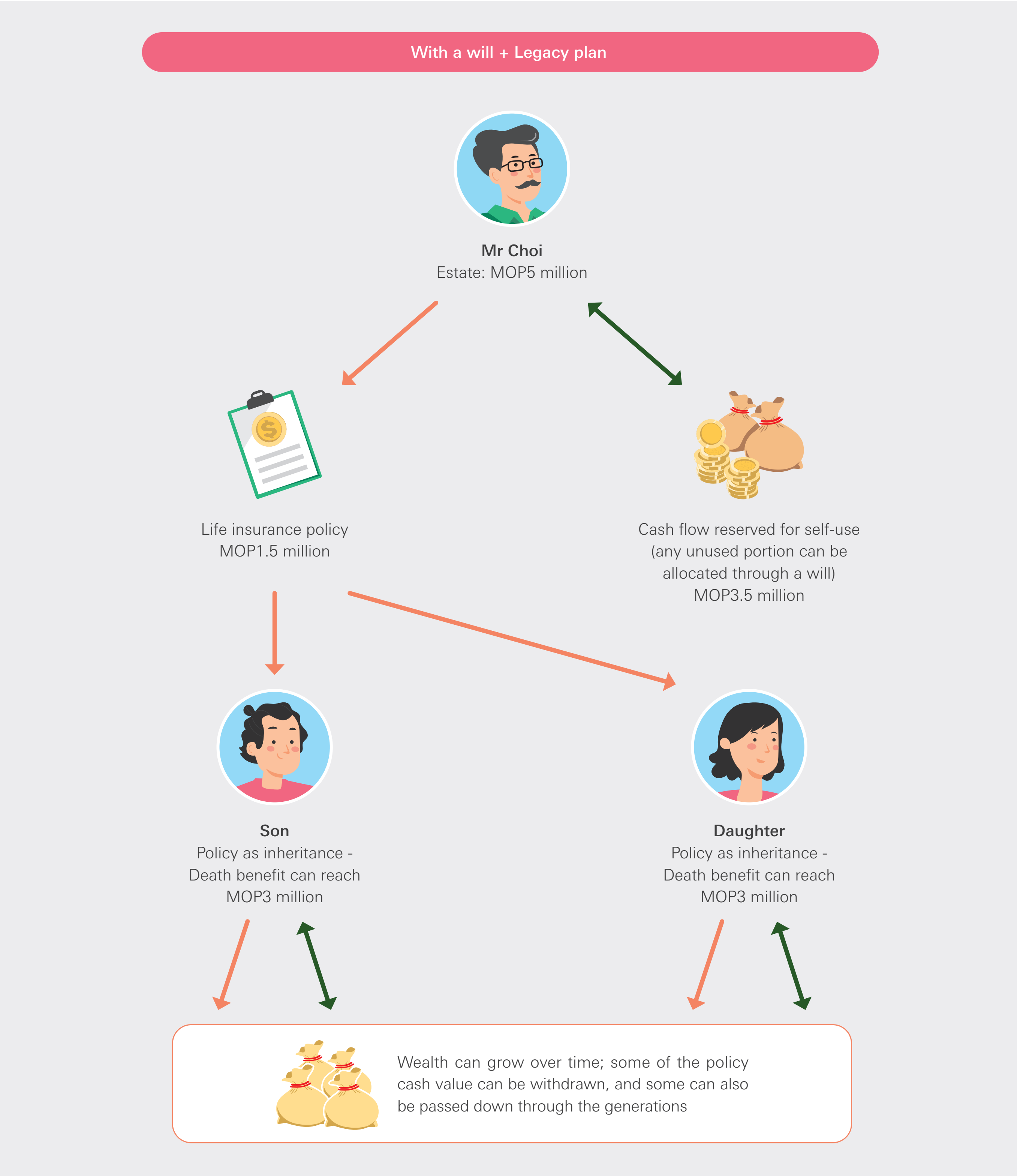
If I have already made a will, there would be no need for legacy planning?

A will is only one of the basic legacy planning tools available. And legacy planning is not only about the allocation of resources based on the testator's wishes. It's also about preserving and growing the wealth in the estate. A will alone may not be enough for fully achieving your goals. Chapter 5 of this booklet covers a range of legacy planning tools to explain their respective merits and help you choose the right wealth transfer solution.

Is a will not enough?



Note:
- The above information is for reference only. All cases and examples are hypothetical, and provided for reference and illustrative purposes only. Each individual's actual needs and requirements are different. HSBC Life does not provide any legal or tax advice. If necessary, please seek legal or tax advice from independent professionals.



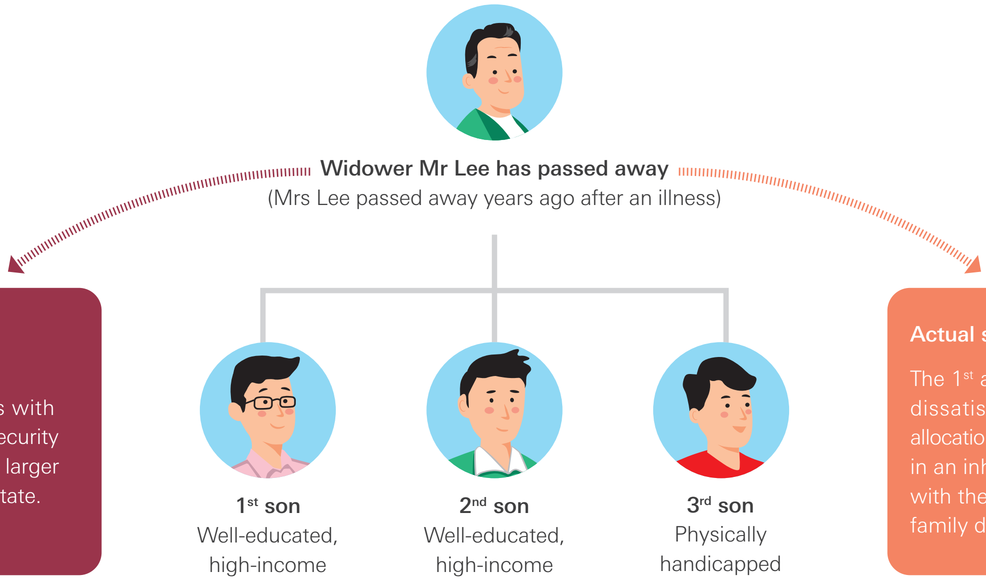
Looking at the cases of Mr Chan and Mr Choi, we can see that a will should only be one component of your legacy plan, and deployed in conjunction with other indispensable legacy planning tools.

Note:
- The above information is for reference only. All cases and examples are hypothetical, and provided for reference and illustrative purposes only. Each individual's actual needs and requirements are different. HSBC Life does not provide any legal or tax advice. If necessary, please seek legal or tax advice from independent professionals.

If I have left instructions regarding who gets what, will my assets be allocated in accordance with my wishes?

There will always be uncertainties in life. In situations involving complex family relations, even if arrangements have already been made, the wealth transfer process can still be held up by unforeseen incidents such as family dispute. The ensuing process may require the assets to be frozen, costing time and money.

Example 1



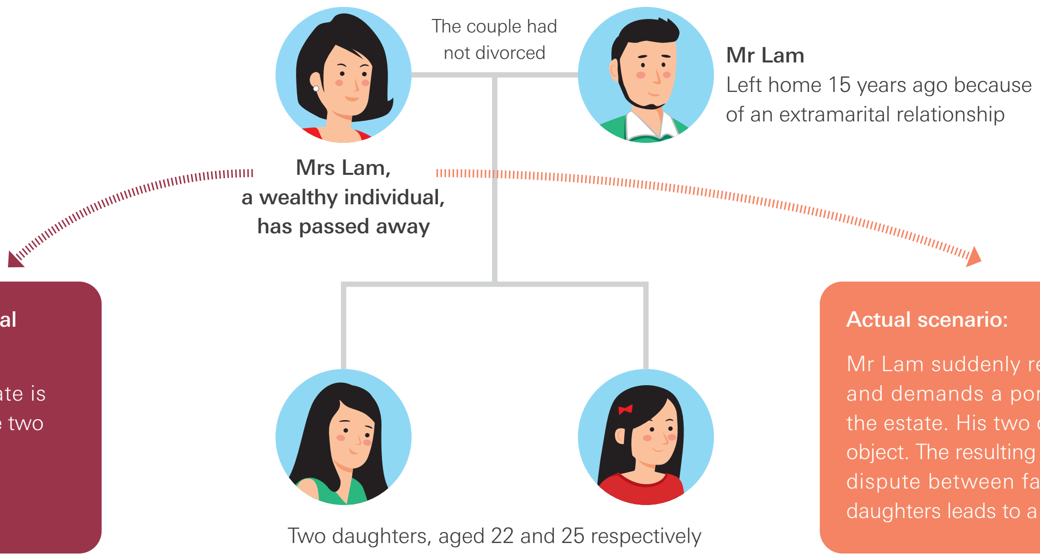
Mr Lee's ideal scenario:

His 3rd Son lives with more financial security after inheriting a larger portion of the estate.

Actual scenario:

The 1st and 2nd sons are dissatisfied with the allocation and get involved in an inheritance dispute with the 3rd son, causing family discord.

Example 2



Mrs Lam's ideal scenario:

The entire estate is inherited by the two daughters.

Actual scenario:

Mr Lam suddenly reappears and demands a portion of the estate. His two daughters object. The resulting inheritance dispute between father and daughters leads to a stalemate.

How should the above situations be resolved? The issues surrounding the inheritance process can be very complicated. It is best to seek independent professional advice. At the same time, various legacy planning and wealth management solutions can be considered to ensure the right assets will go to the intended successors.

Note:

- The above information is for reference only. All cases and examples are hypothetical, and provided for reference and illustrative purposes only. Each individual's actual needs and requirements are different. HSBC Life does not provide any legal or tax advice. If necessary, please seek legal or tax advice from independent professionals.

Should I open a joint bank account with my family members for wealth transfer purposes?

Generally recognised advantages of a joint account:

- When I pass away, my family members can withdraw cash from the account without paying lawyers' fees or going through complicated procedures. My wealth can be transferred simply and directly.
- I'll only need to reserve part of the funds for my medical expenses and long-term care, then open a joint account with my wife. Even if I have a serious illness, my wife can withdraw cash anytime to cover expenses.

Risks of using joint account for wealth transfer:

- Assumption: A very large sum is in the joint account when you pass away. If the joint account holder withdraws funds from the account but is accused by other family members of appropriating the money, an inheritance dispute will likely ensue.
- You can designate the deposit as a gift in your will to protect the interest of the joint account holder and shield them from legal challenges, but it would be difficult to avoid disrupting family harmony.
- If a joint bank account is used and it does not require the signature of both account holders for withdrawals, there is a risk that the gift recipient might unilaterally withdraw all the funds during the donor's lifetime.

Simple questionnaire for assessing your legacy planning needs

Legacy planning is not something only wealthy people do. It is needed by practically everyone. If you tick any of the below items, it's especially important to put a legacy plan in place as early as possible to lower risks.

Please tick ✓ the items applicable to you

1. Hope to gift your assets to a designated heir ◯
2. Unusual family structure ◯
3. Own local and overseas assets ◯
4. Have young children who have limited assets and are currently accumulating wealth ◯
5. Don't want your heirs to cope with the burden of an high inheritance tax ◯
6. Hoping to maintain a steady cash flow to protect your family's quality of life ◯

Legacy planning is not only about how much wealth or how many assets. It's also about using the appropriate tools to formulate a comprehensive plan for the future based on your own circumstances and needs, and in doing so, preserving the family wealth for future generations.

Note:
- The above information is for reference only. All cases and examples are hypothetical, and provided for reference and illustrative purposes only. Each individual's actual needs and requirements are different. HSBC Life does not provide any legal or tax advice. If necessary, please seek legal or tax advice from independent professionals.

Choosing the right legacy planning tool

Whatever your legacy plan of choice, you have to have assets to begin with. What is an asset? It is a resource or possession that has economic value and the potential to provide future gains.

What are the different types of assets, and which types are most suitable for inclusion in a legacy plan? In the past, there were basically only two types of assets: tangible and intangible. But because times have changed and technology has developed by leaps and bounds, there are now two new categories: traditional and digital. The following summary shows the different asset types with regard to the demands of wealth transfer. Understanding the differences will make it much easier for you to choose the right asset type for your needs.

9 key types of assets

Cash

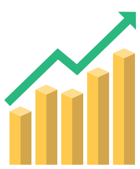
Cash is one of the most common types of assets. Everyone knows that its value can be eroded by inflation, but one of its key advantages is that you are not exposed to risks during an interest rate hike cycle and can enjoy potential wealth growth. Over the long run, it is a good strategy to diversify and seek wealth growth through different wealth management solutions.

Collectibles

Art pieces, jewellery, antiques, luxury timepieces or even designer handbags are all collectibles. These are typically sought-after because of the collector's deep personal interest. One main disadvantage is that, because there are many counterfeits, experts often have to be hired to appraise and authenticate new acquisitions, which require considerable time and money. And if you want to sell a collectible, you'll have to wait for a good bid from a discerning buyer. For wealth transfer purposes, it's better to limit the percentage of your wealth represented by collectibles.

Property / Land

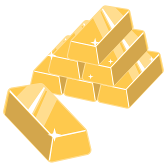
Property is a common tangible asset that can provide long-term appreciation value. Because property can also generate a stable rental income, it has always been a popular wealth transfer tool. One of its biggest disadvantages is that it cannot easily be converted into cash. That is especially true of land holdings. If a family member needs cash urgently but the market is sluggish, liquidity problems may arise.



Stocks / Bonds / Funds

Of these 3 types of assets, stocks are the most cashable. Bonds have relatively stable prices, and are mainly used to generate stable long-term incomes. Funds can be either bond funds or equity funds. Because funds are traded as units, it is easy to divide them fairly and evenly among different family members.

For legacy planning purposes, equity funds are especially worth considering, since they offer long term growth potential. Bond funds, on the other hand, can generate a stable, long-term income. Pairing the two types of funds can be a useful strategy. But be sure to stay up-to-date on market developments. A falling market may shrink your net worth.



Precious metals / Commodities / Futures

The prices of gold and silver and other precious metals have been hitting new highs in recent years. That's why these tangible assets have attracted a lot of attention. Asians have always had a soft spot for gold, but its price cycles are too long and hard to predict. An added disadvantage is that it doesn't provide any interest income. For wealth transfer purposes, gold is best held in moderate quantities.

As for sugar, rice, petroleum, cotton and other such commodities and futures, it is very difficult to predict their price cycles, and buying and selling them requires plenty of specialised knowledge, which may not be suitable for legacy planning.

Virtual currencies

The most well-known digital asset. Prices have been reaching new highs in recent years, and many prospective buyers are confident that it will further appreciate in value and can be a good asset for wealth transfer. But keep in mind, theft, fraud and outright robbery involving virtual currencies are not uncommon. That's why many families are hesitant about including them in their wealth succession plans. Moreover, the heir is required to obtain and present a secret key for verification, which further complicates the legacy planning process.

Non-fungible token (NFT)

NFT took the world by storm just a few years ago, changing hands at astronomical prices and becoming highly coveted digital assets. Works by famous artists are always in demand. But more recently, the prices of many NFT products have been dropping, so investors are generally adopting a wait-and-see attitude. Some people think that since NFT is in essence a new technology and not limited to artistic creations, it may still have a lot of potential. As there are different schools of thought on NFT, those who are interested will have to reach their own conclusions.

Virtual real estate

Another digital asset – virtual real estate – originates from the metaverse. Its prices have been on a roller-coaster in the last few years; a square metre of virtual real estate priced at tens of US dollars can suddenly skyrocket to several thousand, then plummet to a few dollars. With that kind of volatility, it's far from an ideal asset for preserving value. Also, virtual real estate is in reality only a membership that entitles you to certain digital services. If these digital service providers encounter difficulties, the result may be financial losses.

Brands / Patents / Patented formulas

Classic intangible assets. Trademarks, brands, patented formulas for foods / beverages / medicines all belong to this category. There is no shortage of brands in the world that, on the strength of a unique formula, have generated enough wealth to enable a family to prosper and grow through many generations. This type of assets is eminently suited to intergenerational transfer, provided that the descendants are interested in running the family business.

Looking at this list, we can see that, since the members of a family will always differ from one another in terms of risk appetites, investment know-how and wealth management experience, there is no single type of assets that fits the planning needs of all families. The best thing to do is learn as much as possible about different assets and start planning early.

Meeting your family's needs with carefully chosen wealth transfer solutions

Different families or ethnicities have their own traditions and cultural preferences. It's only natural that they would have different practical needs. This section summarises a number of wealth transfer solutions as references to help you make an informed choice and ensure an efficient wealth transfer process.

Legacy planning strategy: 4 key wealth transfer tools in Macau

Life insurance

Planning your own legacy

- Some life insurance plans available in Macau offer a policy split option, which allows you to transfer policy ownership by splitting the policy into new policies based on proportions specified by you. This enables you to allocate your wealth to the next generation with more flexibility than assets such as property.
- You can arrange for the death benefit to be paid by instalments to prevent reckless spending by the beneficiary while giving them long-term protection.
- Life insurance beneficiaries in Macau can obtain death benefits directly. Since there is no need to go through probate, assets will not have to be frozen. Liquidity can thus be maintained.
- Some plans include a savings element plus non-guaranteed dividends and special bonuses to help accumulate policy cash value. Some also offer a policy value lock-in option to enable policyholders to ensure financial certainty.
- Since approval of a death benefit application may take as little as one to two weeks (depending on actual circumstances and the insurance company in question), a beneficiary is able to access their inheritance in a short time to meet expenses.

Will

Fulfilling your personal wishes

- A will is an official record of the testator's wishes. It can be revised at any time to formalise any new legacy planning decisions made by the testator.
- Before inheriting the estate, the heir is required to apply to a notary public office for a notarised deed of grant, or apply for probate by initiating a civil action in court. Assets can only be allocated after the application is approved. Approval of a deed of grant application by a notary public office typically takes 5 working days[1].
- During probate, it may be necessary to freeze the deceased's assets for audit purposes. That means the heir will not be able to inherit the assets immediately, and cash flow problems may arise if there are pressing financial needs.
- Even if a will has been made, the court is still required by the Macau Civil Code to order parts of the estate to be allocated to heirs with a legitime, including the spouse and designated next of kin[2].

Key step in wealth transfer process: identification of heirs

Identifying the rightful heirs to an estate is a an important executive or legal procedure in Macau that facilitates the transfer of assets and rights from a deceased individual to his/her successors, and is equivalent to a grant of probate in common law jurisdictions. For details, please seek independent professional advice.

Remarks:
- The above information is for reference only. Actual needs and requirements depend on individual circumstances. HSBC Life does not provide any legal or tax advice. Please seek independent, professional legal or tax advice.

1. Macao SAR Government Portal: Deed of grant
2. Macao SAR Government Portal: Will

Trust

Appointing a trustee to manage family assets

- Other than insurance policies and wills, estate owners also have the option of setting up a trust. Under the Macau Trust Law that took effect on 1 December 2022, settlors can create a trust through a financial institution such as an insurance company, credit institution or asset management company. The appointed trustee will be responsible managing the assets for wealth growth and legacy planning purposes[1].
- Putting your estate under a trustee's management can prevent the sale of the assets by unauthorised parties. The settlor can also specify that the beneficiary is to inherit the estate in stages so as to prevent reckless spending[2].
- One of the drawbacks of the trust market is limited transparency. For information on services, fees and provisions, please seek independent professional advice.
- If a trust is set up through an insurance company (i.e. an insurance trust), the trust remains in standby mode while the settlor is alive, i.e. with no capital injections. This gives the settlor more flexibility by allowing them to retain more capital for use.

Legacy gift

Transferring wealth the easy way

- There are no restrictions as to who can receive a legacy gift. Other than family members, you can also support worthwhile causes by giving to charitable organisations. To learn more about the conditions and requirements that apply to legacy gifts, please consult legal and financial planning professionals.
- Under Macau laws, legacy gifts are subject to a stamp duty for property conveyance. The rate depends on the nature and cash value of the legacy gift in question[3].

Remarks:
- The above information is for reference only. Actual needs and requirements depend on individual circumstances. HSBC Life does not provide any legal or tax advice. Please seek independent, professional legal or tax advice.

1. Monetary Authority of Macao: Macau Trust Law takes effect today to support wealth management and business development needs (2 December 2022).
2. Institute of Financial Planners of Hong Kong: Legacy planning.
3. Macao SAR Government Portal: Payment of Stamp Duty for property conveyance.

The effect of legitime[4]

Even if a will exists, the estates of a spouse or some relatives are subject to certain restrictions. The Civil Code of Macau defines a legitime as the minimum inheritance a designated blood relative (such as children or parents) or the spouse of the deceased is entitled to. How large a portion of the estate is reserved for a legitime is not determined by a will, but defined by the law with regard to the following scenarios:

Scenario		Proportion of an estate reserved for legitime
The spouse is the only legitime heir		One-third*
Legitime shared by spouse and children		One-half
The deceased has no living spouse but has children	1 child only	One-third
	2 or more children	One-half
Legitime shared by spouse and lineal ascendants (e.g. parents, grandparents)		One-half
No living spouse and no lineal descendants (e.g. children, grandchildren), only lineal ascendants (e.g. parents, grandparents)	Only parents	One-third
	No parents, only grandparents or great-grandparents	One-quarter

How to make a will?

According to the Macau Civil Code, a will can generally be made in either of two ways:

1 Notarised will

Prepared by a notary public in accordance with the wishes of the testator. The will must be verified and signed by the testator in the presence of the notary public.

2 Sealed Will

Can be drafted and signed by the testator, or drafted by a third party and then signed by the testator. If the testator is unable to sign the will, the individual who has drafted the will be the signatory. Sealed wills must be notarised to be effective.

A sealed will can be kept by the testator or a third party, or at a notary public office. Under the law, relevant individuals are required to hand over the will to a notary public within 5 days after being informed of the testator's death. Failure to do so may prevent the heir from inheriting the estate and lead to liability for any losses incurred.

Remarks:
* If the deceased had not made a will, the remaining two thirds of the assets will be allocated in accordance with the customary order of wealth succession.
• The above information is for reference only. Actual needs and requirements depend on individual circumstances. HSBC Life does not provide any legal or tax advice. Please seek independent professional legal or tax advice.
4. Macao SAR Government Portal: Will

Case study

Transferring wealth to safeguard future generations

Tom, 40[1], is a medical specialist. His son, Billy, is 8 years old[1]. Tom understands that life can be unpredictable, and wants to ensure his family's financial future will be secure even if anything happens to him.

He chooses **HSBC Paramount Global Life Insurance Plan** to help him build an extensive safety net for his loved ones and safeguard their wellbeing.

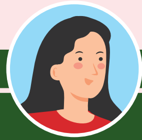
Policyholder & life insured	Tom	**Beneficiary**	Billy
Annual premium	USD93,084	**Premium payment period**	3 years
Total Basic Plan premium paid	USD279,252	**Sum insured**	USD1,200,000

Remarks:
- The above examples are hypothetical. All figures shown have been rounded off. Such figures are non-guaranteed and provided for illustrative purposes only. Please refer to the relevant product leaflets and policy provisions for details and terms and conditions.

1. Age refers to the age of the life insured or policyholder (whichever is applicable) on their next birthday.

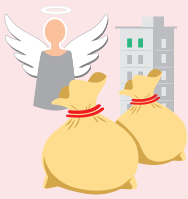
Scenario 1





	1st generation	2nd generation	3rd generation
Policyholder & life insured	**Tom, aged 40[1]**	**Billy, aged 23[1]**	**Lily, aged 22[1]**
	At the age[1] of 40, Tom purchases HSBC Paramount Global Life Insurance Plan. Over the next 10 years, the policy's death benefit and cash value accumulate steadily.	When he is 55[1], Tom changes the life insured[2] and transfers policy ownership to Billy, now 23[1], making his son the new life insured and policyholder as a graduation present and for legacy planning purposes.	Billy, now 58[1], is keen on preserving the family's wealth. Like his father, he decides to pass the policy to his daughter Lily when she graduates from university.
Policy year	At the end of the 10th policy year	At the end of the 15th policy year	At the end of the 50th policy year
Total death benefit	USD1,388,940 **4.97 times** the total Basic Plan premium paid	USD3,000,000 **10.7 times** the total Basic Plan premium paid	USD17,000,000 **60.8 times** the total Basic Plan premium paid
Total cash value[3]	USD299,112	USD370,000	USD2,000,000

Scenario 2



At the age[1] of 70, Tom passes away due to an illness. In accordance with the death benefit arrangements he had made before his death, his 38-year-old[1] son Billy will receive the death benefit by instalments over 10 years to help him take care of his mother in her old age.

At the end of the 25th policy year	Tom, aged[1] 70
Total death benefit	USD1,934,820
Death benefit payment	Instalments over 10 years
Annual death benefit payment[4]	USD224,778

2. You are entitled to exercise the Change of Life Insured option for your Policy, up to 3 times per Policy, after the 3rd policy year or after the end of the premium payment period provided all premiums are fully paid, whichever is later. Any Change of Life Insured is subject to evidence of insurability and our approval which is based on the underwriting conditions of the life insured.
3. The amount includes the non-guaranteed special bonus. The actual amount may be higher or lower than the amount shown above. Under specific circumstances, the amount of the non-guaranteed return may be zero. The special bonus is calculated based on HSBC Life's current hypothetical return on investment, and is not guaranteed.
4. The remaining amount of Death Benefit will be left in the Company to accumulate at the non-guaranteed interest (assuming 3.5% p.a.), which will be adjusted from time to time as determined by the Company, until the full amount of benefits has been paid to the beneficiary(ies).

Assumptions for the above example:
- No partial surrender during the policy term.
- All premiums have been paid in full during the premium payment period.
- No policy loan was taken out during the policy term.
- The special bonus scale and return on investment are assumed to remain unchanged throughout the policy term.

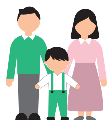
Case study

Endowing future generations with talent and wealth

Jenny, 38[1], is a secondary school teacher. Her daughter Katherine and son Melvin are aged 3[1] and 2[1] respectively. At school, she is a wise and experienced mentor committed to helping her students become avid learners and critical thinkers. At home, she is a devoted mother focused on uncovering her children's potential and nurturing their talents. She understands that the next generation will face a lot of competition and challenges, and wants to start planning early for her children's and even grandchildren's long-term protection.

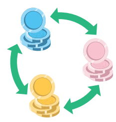
Based on her financial insight, she chooses **HSBC Eminent Goal Multi-Currency Insurance Plan** to meet her requirements

Policy Split Option[2] facilitates asset allocation

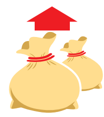


Designation of contingent policyholder ensures the policy is managed by a trusted individual

Change of Life Insured Option[3] enables flexible legacy planning



9 currency options with Currency Switch Option[4] for total flexibility anytime



Sustained wealth accumulation helps build a prosperous future

Policyholder & life insured	Jenny (Age[1] 38)	**Premium payment period**	5 years
Total premium	USD250,000	**Annual premium**	USD50,000

Remarks:

- The above examples are hypothetical and all figures are subject to rounding adjustment. These figures are non-guaranteed and are for illustrative purposes only. Please refer to the relevant product brochure and policy provisions for details.

1. Age refers to the age of the life insured or policyholder (whichever is applicable) at the next birthday.
2. Starting from the 3rd policy anniversary, or at the end of the premium payment period, provided that all premiums have been paid in full (whichever is later), the policyholder can exercise the Policy Split Option. Each policy can be divided into a maximum of 3 split policies, each with a new policy number. The policyholder of each split policy can apply to exercise the Policy Split Option to further divide their policy into a maximum of 3 split policies. The policy amount of each split policy must meet the minimum policy amount requirement determined by the Company from time to time. The policy amount cannot be increased during the policy term as a way to enable the exercise of the Policy Split Option.

Policy A (USD)
Policyholder & life insured：
Jenny (Age[1] 48)

At the end of the 10th policy year
Projected net cash value[6]: USD293,618
Total death benefit: USD367,750

When she is 48[1], Jenny exercises the Policy Split Option[2] to divide the policy into two and make Katherine and Melvin the life insured[3] of each of the new policies respectively. Both policies are changed to juvenile policies. Since her children are still young, Jenny designates her husband Frankie as the contingent policyholder so he can take over the management of the policy if she unfortunately passes away.

After the Policy Split Option[2] has been exercised, the combined projected net cash value of policies B1 and B2 is equal to that of policy A, and no market adjustment is required. And after being split into policies B1 and B2, policy A is terminated.

50% | 50%

Policy B1 (USD)
Life insured: Katherine (Age[1] 13)
Policyholder: Jenny (Age[1] 48)
Contingent policyholder: Frankie (Age[1] 50)

At the end of the 10th policy year
Projected net cash value[6]: USD146,809
Total death benefit: USD185,125

Policy B2 (USD)
Life insured: Melvin (Age[1] 12)
Policyholder: Jenny (Age[1] 48)
Contingent policyholder: Frankie (Age[1] 50)

At the end of the 10th policy year
Projected net cash value[6]: USD146,809
Total death benefit: USD185,125

By the time Jenny is 58[1], Katherine and Melvin have both grown up. Jenny decides to transfer policy ownership to her children, who can then decide whether to make withdrawals for their own use or continue to accumulate their respective policies' value. At the same time, Jenny exercises the Currency Switch Option[4] to convert policy B1 to an MOP policy. In doing so, she has helped her daughter move closer to her dream by expanding her online pâtisserie to a physical location. And having inherited her financial intelligence, her descendants have continued to preserve this important family asset.

Policy B1 (MOP[5])
Policyholder & life insured：
Katherine (Age[1] 23)

At the end of the 20th policy year
Projected net cash value[6]: MOP2,082,673
Total death benefit: MOP2,247,232

Policy B2 (USD)
Policyholder & life insured：
Melvin (Age[1] 22)

At the end of the 20th policy year
Projected net cash value[6]: USD260,334
Total death benefit: USD283,875

When Katherine is 63[1], she makes her daughter the new life insured[3] and policyholder.

Melvin, at the age[1] of 62, exercises the Policy Split Option[2] and makes each of his two sons the life insured[3] and policyholder of one of the new policies. He also exercises the Currency Switch Option[4] to covert the two policy currencies to CAD and GBP respectively to help cover his sons' living expenses abroad.

After the Policy Split Option[2] and the Currency Switch Option[4] have been exercised, the combined projected net cash value of policies C1 and C2 is equal to that of policy B2, and no market adjustment is needed. After being split into policies C1 and C2, policy B2 is terminated.

100% | 50% | 50%

Policy B1 (MOP[5])
Policyholder & life insured：
Joey (Age[1] 30)

At the end of the 60th policy year
Projected net cash value[6]: MOP19,571,452
Total death benefit: MOP20,043,464

Policy C1 (CAD[5])
Policyholder & life insured：
George (Age[1] 25)

At the end of the 60th policy year
Projected net cash value[6]: CAD1,681,768
Total death benefit: CAD1,721,700

Policy C2 (GPB[5])
Policyholder & life insured：
Gilbert (Age[1] 23)

At the end of the 60th policy year
Projected net cash value[6]: GBP1,035,969
Total death benefit: GBP1,060,795

3. After the 1st policy year, or at the end of the premium payment period, provided that all premiums have been paid in full (whichever is later), each policyholder can exercise the Change of Life Insured as many times as they wish. Any change of life insured requires proof of insurability and approval by the Company, which is based on the underwriting conditions of the life insured. Change of Life Insured applications will be assessed on a case-by-case basis and at the Company's discretion, taking into consideration multiple factors, including but not limited to the claims settlement risk, date of the policy change and the prevailing economic outlook.
4. Starting from the 3rd policy year, or at the end of the premium payment period, provided that all premiums have been paid in full (whichever is later), the currency switch option can be exercised to convert the policy currency to USD / RMB / HKD / GBP / CAD / AUD / EUR / SGD / MOP (MOP is applicable only to policies offered in Macau).
5. Projected net cash value and total death benefit paid are calculated according to the illustrative exchange rates USD to MOP = 1:8, USD to CAD = 0.77:1 and USD to GBP = 1.25:1. The illustrative exchange rate is for reference only. The actual exchange rate applied will be the prevailing exchange rate as of the effective date of exercising the Currency Switch Option as determined by the Company from time to time and at our sole discretion. Net cash value, total basic plan premium paid and policy value management balance (if any) will be switched into the converted currency using the prevailing exchange rate as of the effective date of exercising the Currency Switch Option, subject to rounding difference, and no market value adjustment will be applied.
6. Projected net cash value includes withdrawn amounts (if any), and is calculated based on the special bonus allocation used to determine the hypothetical return on investment. This projected net cash value is for illustrative purposes only, and the actual amount may be higher or lower than that indicated above. Under specific circumstances, the non-guaranteed amount may be zero. Special bonus allocation is calculated based on HSBC Life's current hypothetical return on investment, and is not guaranteed. For the above example, the special bonus and return on investment are assumed to remain unchanged throughout the policy term.

Assumptions for the above example:
- No partial surrender during the policy term.
- All premiums have been paid in full during the premium payment period.
- No policy loan was taken out during the policy term.

Featured interview

Succession planning: Wealth transfer strategy and so much more

Dr Kenneth Kwong Co-Director, Chinese Family Succession Research Centre, The Hang Seng University of Hong Kong

As legacy planning grows in importance and continues to attract attention worldwide, family succession has emerged as a specialised field of academic inquiry. What is the current thinking on the topic? What insights do scholars have on the what, when and how of succession planning? We talk to Dr Kenneth Kwong to learn about some of the basics and get his perspective on the value of a family heritage.

What is family succession? Is it a separate area of study?

The goal of succession planning is to transfer a family's prized possessions from one generation to the next. Our research indicates that the process often involves more than valuable assets. It also encompasses a family's core values, teachings, aspirations, business interests, unique insights, social connections, human capital and more. So an inheritance can be both financial and intellectual.

Since succession planning requires different competencies, the research we do and the solutions we propose are related to more than one academic discipline. For instance, to help people develop their businesses and ensure a smooth wealth transfer process, you need to draw on the accumulated wisdom of marketing, sociology, psychology, business management, etc. And because the process often involves trust funds and tax strategies, knowledge in such areas as law and accounting is also indispensable. That's why succession planning has indeed become a cross-disciplinary subject in our time.

Why is it important to pass on experience and wisdom to the next generation?

As important as it is to transfer wealth, it's even more important to transfer insight on how to create wealth. That's how you can benefit future generations once and for all. As the saying goes, "Give a man a fish, and you feed him for a day. Teach a man to fish, and you feed him for a lifetime." In other words, a fish doesn't last. It is only by giving a man fishing skills that you can help him in the long run.

That's why we advocate FISH, a principle for managing Financial Capital, Intellectual Capital, Social Capital and Human Capital, the 4 key components of successful wealth succession. It's a step-by-step guide for helping young people inherit the best that their families have to offer.

4 key components of FISH

F — Financial Capital
Transferring assets to lay a strong wealth foundation for the next generation.

I — Intellectual Capital
Imparting all the wisdom, experience, professional insights and business skills that will give young heirs an advantage as they move forward.

S — Social Capital
Equipping them with personal connections and social networks for extending and expanding the family business.

H — Human Capital
Providing a holistic education to help groom successors; supporting them with a team of veterans.

Why should the average person learn about succession planning?

Most people want to leave their most cherished possessions for their loved ones. And how much something means to a person is not always determined by how much it's worth. One of our respondents has kept an old watch that was a family elder's treasured possession. The watch is not worth much and can no longer be repaired. But it's a repository of so many precious memories – all the love, hopes and dreams, family history – that it's unique and irreplaceable. Sometimes the heirloom is an old photo with an inscription on the back –an elder's wish or a maxim. Then it's also worth preserving for your grandchildren or even great-grandchildren.

Another scenario is, a person passes away without making a will or other arrangements. In that case, even if there aren't many assets left behind, family dispute is still a possibility. Even if a person is single or doesn't plan to have kids, there are probably siblings, cousins, etc. These individuals could all become lawful heirs. That's why everyone should find out how to ensure a smooth succession, so as to prevent disagreement and maintain family harmony.

When should we start planning? What are the tools available?

For general reference, we suggest starting the planning process after the birth of your first child. I have friends who have taken out life insurance policies, which will serve as their children's education funds. That's an option worth considering. But there isn't a standard timetable that applies to everyone. There are families that started passing down their assets several generations ago, and the descendants are just continuing with the same succession master plan.

There are many different legacy planning tools available. Common solutions include wills, life insurance policies, etc. Insurance plans are easy to understand and choose, and are designed for a very wide audience.

A successful wealth transfer starts with 3 basics, summarised as follows:

3 keys to successful wealth transfer

1	Awareness	Whether you're from a wealthy family or an average person, it's important to learn about and consider succession planning options as early as possible.
2	Attitude	Stay optimistic as you approach the later stages of life, and maintain a positive attitude towards succession planning.
3	Action	Choose your legacy planning solution carefully and then act on it.

Once the above foundation is in place, family members should communicate often and compromise where necessary in order to reach consensus, then work together towards their legacy planning goals.

People often say family wealth doesn't last beyond 3 generations. In reality, how many generations can a family legacy extend to?

Whenever our students ask about this, we often cite examples from the US and Europe. In the US, there are several prominent families whose wealth has passed through six generations or more. Every enduring legacy has its basis in a good succession plan and family protocol. European royalty and some of the most distinguished families in the world trace their histories back over many, many generations. The Japanese emperor's family records chronicle more than 100 successions.

In Hong Kong, there is no shortage of families whose wealth has passed through three or four generations or even longer. But they tend to keep a low profile and remain, despite their wealth, "invisible" to the public eye. So examples from both East and West show that successful wealth transfer is closely tied to a comprehensive legacy plan designed to connect generations through a family heritage.

How does Hong Kong differ from other countries with regard to legacy planning? What trends can we expect to see in the future?

Hong Kong is often compared to the West. Countries in Europe and North America prioritise equality. In the East, there is still a slight emphasis on male heirs, and many families prefer to hand over the reins of the family business to the eldest son or grandson. In Taiwan, for example, many families running an enterprise do plan to pass the baton to the eldest son and a son who has good chemistry with his father. Western families tend to be different. If no one in the family is interested or suitable, the family business is often entrusted to management professionals and the descendants would stay on only as shareholders.

Also, Asians generally have a stronger awareness of their roots, and would make a point of remembering their families' history and identity as part of the legacy to be passed on to future generations, much like a baton is passed on from one runner to the next in a relay race.

Looking ahead, we believe that, as more and more people turn their attention to the topic, succession planning will no longer be the preserve of those who are wealthy or have children. Meanwhile, more people will come to understand the cultural traditions and wisdom that are deeply embedded in the process of family succession.

Featured interview

Inheriting a priceless legacy Turning dreams into reality

Diana Wong Managing Director, Verde Jewellery & Director, Venchi

Every family is the guardian of a unique heritage. Encompassing experience, wealth and beliefs, this heritage is preserved and passed on from one generation to the next. How do young people draw inspiration from the past and follow their dreams into the future? Diana Wong has not only taken the helm of a thriving family jewellery business, but made successful forays into the premium chocolate and fine embroidery markets. She talks to us about her most cherished family heirlooms – the previous generation's legacy planning wisdom, business acumen and innovative vision.

What have you inherited from the previous generation?

Despite starting with limited means, my parents were able to establish a manufacturing, design and wholesaling jewellery company. Through their hard work, they laid the groundwork that empowered me to develop a jewellery brand and venture into other entrepreneurial pursuits. Witnessing their dedication and resilience demonstrated to me the importance of lifelong learning and determination.

Ever since I was a child, my parents have emphasised the crucial importance of keeping one's word, maintaining a humble attitude towards learning and having a kind heart. Acting as my role models, they have instilled in me the right values for doing business. They have expectations for me but also encourage me to choose my own path and pursue my dreams. Once you've set yourself a goal, stay focused on it. No matter what obstacles lie ahead, do your best to overcome them and believe in yourself. It is from them that I have learned and internalised these core values.

My parents are deeply committed to caring for their elders. They always remind me to be thankful for what I have, and to help the elderly and people in need. And I hope to pass on their compassion to the next generation by teaching my children to serve the community and contribute to society in the future.

From jewellery to chocolate to embroidery, you've forged many new paths even while you're following traditions. Why?

Dreams are what drive you forward. From a young age, I have already developed a keen interest in business and because I am the only child, I am determined to continue my parents' legacy. As our family's jewellery business became more established and accumulated significant experience over the years, I began to dream of creating an international jewellery brand. Doing so would allow us to expand our market reach and grow the overall scope of the business operations.

For the chocolate business, I encountered Venchi when I attended a jewellery exhibition in Italy many years ago. It made a lasting impression on me. Later, my persistent efforts were rewarded when Venchi granted me the opportunity to establish an exclusive franchise. Initially we focused on selling Venchi's products to hotels and corporate clients in Hong Kong. After several successful years in the business-to-business market, we expanded into the retail sector. Given our strong relationship and Venchi's trust in us, we started a joint venture with the Italian company. Venchi, which has over 140 years of history, is uncompromising when it comes to quality and its traditional recipes. At the same time, it is committed to continuous innovation. My vision for our family business is to embody the same values as Venchi and to become a centenary-old brand as well.

During the pandemic, our jewellery company couldn't attend overseas exhibitions and our wholesale business was severely impacted. Other than reaching our overseas clients via video calls, we shifted our focus to the Hong Kong retail market and discovered its potential. After negotiating a favourable terms for a suitable retail space, we opened the first store for a new brand, Verde Jewellery, which represented significant milestone in our business development. This initiative broadened our geographic reach and the overall scale of our jewellery operations.

Interestingly, it was also during the pandemic time when I met an accomplished local embroidery artist. Her work combined the finest traditional craftsmanship of both East and West. It was quite inspiring to us. I also had a friend who shared our goal of preserving our cultural heritage. That was how we started La broderie, an embroidery crossover jewellery project, with a shop in Causeway Bay.

Have you ever encountered obstacles that made you want to give up? How did you overcome challenges?

Every time I explored a new business opportunity, there was a lot of pressure. Sometimes it was difficult not only to manage my time, but to wear different hats, so to speak. At first, running the chocolate store was especially challenging because we didn't have any retail experience or related resources. When you're starting from scratch, you sometimes feel lost and can't find a way out.

But I never thought of giving up. Perseverance in the face of challenges is a core family value. With a combination of courage, passion and drive, I finally succeeded in opening the first retail store. As one of my colleagues jokingly said, trying to overcome obstacles is like playing a video game. As long as you're prepared to solve problems patiently, you'll level up eventually and find new opportunities waiting for you.

You've been chasing your dreams for years. What insights do you have to share with the younger generation?

We're not very successful yet, but after several decades in the industry, I can share some of my experience with the younger generation.

4 keys to success for young dream-chasers

1	**Give it all you got**	Controlling costs is important in doing business, but in life, don't get hung up on immediate rewards. Work harder, do more, and you'll eventually reap what you sow.
2	**Stay humble**	Every elder and colleague has their own strength and expertise. They can teach us a lot. Never stop learning.
3	**Be passionate**	Stay true to yourself, keep striving. Your passion will inspire others and bring you unexpected rewards.
4	**Be resilient**	Don't be afraid of failure. To succeed, we have to keep trying. Believing in what you're doing, keeping the faith – that's how you stay resilient.

Are you planning your succession? What are your expectations for the next generation?

I'm still observing my children's personalities, talents and interests. If their dream is also to carry on the family enterprise, I would of course be very glad. But times have changed. In the past, parents always wanted their children to take over the family business. Now it's all about the children's personal wishes. If they don't want to do it, you can't force them. Otherwise, it would be difficult to make the most out of their individual talents.

As a parent, I want my children to grow up healthy and happy. I also want them to choose the right path for themselves. I hope the next generation will:

- Have strong values
- Achieve their aspirations
- Take responsibility
- Contribute to society consistently

What else do you want to do in life?

We all have different things on our to-do lists at different life stages. For now, managing the new brand is still my focus. Once the business is on the right track, I want to maintain personal wellbeing by developing my other interests, like travel, painting, exercise, public service, etc. I'm looking forward to trying new things and having new experiences that will nourish my for body, mind and soul.

Afterword

Legacy planning might appear to be a dispassionate exercise that involves only financial instruments, valuations, calculations. In reality, the cold logic of numbers is being used to support the warmest of sentiments. You are, after all, endowing future generations with the confidence to live well and dream big.

As long as you can overcome traditional taboos, face the task at hand with a clear sense of purpose, and start planning early, you will have time enough to find the right wealth transfer solution. And your enduring legacy will be a great future, prebuilt, ready to be inherited by many generations to come.

HSBC Life (International) Limited is the proud winner of the following awards:

- The Hong Kong Insurance Awards 2023 – Outstanding Claims Management Award – Life Insurance
- The Hong Kong Insurance Awards 2023 – Outstanding Training & Development Award
- HSBC Life (International) Limited – Health Insurance Company of the Year – 2023 Winner
- Bloomberg Businessweek 彭博商業周刊/中文版 Financial Institutions 2024 – Excellence Performance – Insurance Sector - Brand of the Year
- Bloomberg Businessweek 彭博商業周刊/中文版 Financial Institutions 2024 – Excellence Performance – Bancassurance Sector - Bancassurer of the Year
- Bloomberg Businessweek 彭博商業周刊/中文版 Financial Institutions 2024 – Excellence Performance – Bancassurance Sector - Bancassurance Training Academy of the Year
- Bloomberg Businessweek 彭博商業周刊/中文版 Financial Institutions 2024 – Excellence Performance – Bancassurance Sector - ESG Sustainability of the Year
- Bloomberg Businessweek 彭博商業周刊/中文版 Financial Institutions 2024 – Excellence Performance – Insurance Sector - Innovation (Product)
- Bloomberg Businessweek 彭博商業周刊/中文版 Financial Institutions 2024 – Excellence Performance – Insurance Sector - Integrated Marketing (Product/Service)
- Bloomberg Businessweek 彭博商業周刊/中文版 Financial Institutions 2024 – Excellence Performance – Insurance Sector - Claims Management
- Bloomberg Businessweek 彭博商業周刊/中文版 Financial Institutions 2024 – Excellence Performance – GBA Macau Insurance Sector - Insurance Company of the Year

HSBC Life (International) Limited, Macau Branch ("HSBC Life" or "the Company") is authorised and regulated by the Autoridade Monetária de Macau to carry on long-term insurance business in the Macau Special Administrative Region. Policyholders are subject to the credit risk of HSBC Life. For details and information about HSBC Life products, please visit the insurance-related pages at HSBC's website (HYPERLINK "http://www.hsbc.com.mo/insurance/"www.hsbc.com.mo/insurance/) or visit HSBC Life Insurance Planning Centre.

HSBC Paramount Global Life Insurance Plan and HSBC Eminent Goal Multi-Currency Insurance Plan are issued by HSBC Life. These products are not bank deposit or bank savings plans and are intended to sell in the Macau Special Administrative Region only. Please refer to the product brochures for detailed features and the policy provisions for the detailed terms and conditions.

The information shown in this booklet is for general reference, is hypothetical and for illustration only. It is not intended to constitute a recommendation or advice to any person or to be the basis for any financial decision. No person should act on any information in this booklet without seeking professional advice.

HSBC and HSBC Life does not intend to give any tax, immigration, or professional advice, and will not give any tax, immigration, or professional advice. This booklet shall not constitute any tax, immigration, or professional advice. Please seek independent advice on tax, immigration, or professional advice from your own independent advisor when necessary.

The information in this booklet does not constitute an offer for the purchase or sale of any banking or insurance products or services. Products and services are subject to individual needs. This booklet should not be reproduced or further distributed to any person or entity, whether in whole or in part, for any purpose.

HSBC Life has based this booklet on information obtained from sources it believes to be reliable, but which it has not independently verified. HSBC Life and HSBC makes no guarantees, representations or warranties and accepts no responsibility or liability as to its accuracy or completeness. Information in this booklet is subject to change without notice. All interviewees' opinions are provided by the interviewees for general reference only. They are not intended to constitute any recommendation or advice to any persons or to be the basis for any financial decision. The opinions expressed are those of the interviewees and do not represent the views of HSBC Life, HSBC or HSBC Group.

Publication date: November 2024.

You can scan the QR code to read the e-version of
"Crafting a legacy of security and prosperity for a new generation"

LegacyMO_EN_112024

Issued by HSBC Life (International) Limited (Incorporated in Bermuda with limited liability)

Mainoffice: 1/F, Edf. Comercial Si Toi, 619 Avenida da Praia Grande, Macau
HSBC Life Insurance Planning Centre: Unit AC, Dynasty Plaza, 393 Alameda Dr. Carlos d'Assumpcao, Macau