Field\_1 information

In this section I’ll provide more information on the Field\_2 funds and products I’ve recommended. Please note this report only highlights the key information, and you should refer to the product documentation for full details.

## Funds

My recommended Field\_3 funds

### World Selection

HSBC World S\_Field\_4\_3ion Field\_4 Portfolio

Risk level: Field\_5

Field\_6 is actively managed to ensure its risk level is maintained over time. So, unless your circumstances change or your views and thoughts on investment risk alter, you won’t need to make any changes yourself.

Field\_7 invests in other funds that in turn invest in a wide range of asset types, such as shares, bonds and property. It does this in markets around the world, both developed and emerging. This highly diversified approach helps to spread and minimise risk within the fund. As a result, it aims to give a more stable and steady return than if you were investing only in a single asset type.

HSBC World Selection Dividend Distribution Portfolio

The HSBC World Selection Dividend Distribution Portfolio aims to provide a high level of income. The income payments will be made from the income produced by the fund, which will vary.

HSBC World Selection Interest Income Portfolio

The HSBC World Selection Interest Income Portfolio aims to provide a high level of income. The income payments will be made from the income produced by the fund, which will vary.

### Global Sustainable

HSBC Global Sustainable Multi-Asset S\_FIELD\_9\_8 Portfolio

Risk level: Field\_8

Field\_9 is actively managed to ensure its risk level is maintained over time. So, unless your circumstances change or your views and thoughts on investment risk alter, you won’t need to make any changes yourself.

Field\_10 invests in other funds that in turn invest in a wide range of asset types, such as shares, bonds and property. It does this in markets around the world, both developed and emerging. This highly diversified approach helps to spread and minimise risk within the fund. As a result, it aims to give a more stable and steady return than if you were investing only in a single asset type.

The HSBC Global Sustainable Multi-Asset Portfolio focusses on sustainable investment. Sustainable investment incorporates environmental, social and governance factors as a primary consideration. However, this is not an ‘ethical fund’. This means it may invest in industries such as tobacco, alcohol and gambling, although such investment will typically be at a lower level than that seen in other funds.

Please read the fund brochure to learn more about sustainable investment and the fund’s objectives.

### Fidelity Multi Asset Income

Fidelity Multi Asset Income Fund

Risk level: moderate

The fund aims to pay an income of 4-6% a year through investment in a range of asset types, such as shares, bonds and property, covering markets around the world. It primarily invests in other funds, including funds managed by Fidelity.

The income level isn’t guaranteed and depends on the income produced by the fund. The monthly income payments will vary.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

### Invesco Managed Growth

Invesco Managed Growth Fund

Risk level: very high

The fund aims to provide long-term capital growth through investment in a range of asset types, such as shares, commodities and bonds, covering markets around the world. It primarily invests in other funds, including funds managed by Invesco.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

### Schroder Managed Balanced

Schroder Managed Balanced Fund

Risk level: high

The fund aims to provide long-term capital growth through investment in a broad range of asset types and financial markets in the UK and overseas. It primarily invests in other funds, including funds managed by Schroders.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

### Threadneedle Managed Bond

Threadneedle Managed Bond Fund

Risk level: very low

The fund aims to provide long-term capital growth with income through investment in asset types such as shares and bonds, covering markets around the world. It does this by investing in other Threadneedle funds, primarily in funds that invest in bonds.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

### Threadneedle Managed Bond Focused

Threadneedle Managed Bond Focused Fund

Risk level: low

The fund aims to provide long-term capital growth with income through investment in asset types such as shares and bonds, covering markets around the world. It does this by investing in other Threadneedle funds, primarily in funds that invest in bonds.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

### Threadneedle Managed Equity & Bond

Threadneedle Managed Equity & Bond Fund

Risk level: moderate

The fund aims to provide long-term capital growth with income through investment in asset types such as shares and bonds, covering markets around the world. It does this by investing in other Threadneedle funds.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

### Prudential Managed

Prudential Managed Fund

Risk level: high

The fund aims to provide medium to long-term capital growth through investment in a range of asset types such as shares, bonds and commercial property, covering markets around the world. It does this by investing in other Prudential funds.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

### Prudential Managed Distribution

Prudential Managed Distribution Fund

Risk level: moderate

The fund aims to provide capital growth through investment in a range of asset types, mainly UK shares, as well as bonds and property. It does this by investing in other funds.

The investment strategy of the fund is to deliver capital growth and produce a regular income over the longer term by investing mainly in sterling denominated equities, bonds and property via collective investment schemes.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

### PruFunds - onshore

Select recommended fund(s)

Prudential PruFund Cautious Fund

Risk level: very low

Prudential PruFund Growth Fund

Risk level: low

The PruFund funds aim to grow your money over the medium to long term (5 to 10 years or more), while protecting you from some of the extreme short-term ups and downs of direct stockmarket investments by using an established smoothing process. This means that while you won’t benefit from the full upside of any potential stockmarket rises you won’t suffer from the full effects of any downfalls either.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

### PruFunds - offshore

Select recommended fund(s)

Prudential PruFund Cautious Field\_11 Fund

Risk level: very low

Prudential PruFund Growth Field\_12 Fund

Risk level: low

The PruFund funds aim to grow your money over the medium to long term (5 to 10 years or more), while protecting you from some of the extreme short-term ups and downs of direct stockmarket investments by using an established smoothing process. This means that while you won’t benefit from the full upside of any potential stockmarket rises you won’t suffer from the full effects of any downfalls either.

While the risk level of the fund matches your agreed risk level, this may change over time. Similarly, your circumstances and feelings about investment risk may alter. I therefore recommend you regularly review your investment to ensure it continues to meet your needs and preferences.

Reason for currency

Your investment will be made in Field\_13 because INSERT\_2.

## Products

My recommended Field\_14 products

### PIMS/PDMS

HSBC Premier Field\_15 Management Service Field\_16 Portfolio

This service will give you access to an investment portfolio, which will be managed for you by our Portfolio Managers, who will make investment decisions on your behalf. The portfolio matches your agreed risk level of Field\_17, and will be actively managed to ensure this level is maintained over time.

The portfolio will invest primarily in funds that in turn invest in a wide range of asset types, such as shares, bonds and property. It does this in markets around the world, both developed and emerging. This highly diversified approach helps to spread and minimise risk within the portfolio. As a result, it aims to give a more stable and steady return than if you were investing only in a single asset type.

Please read the product brochure for more information.

Sustainable portfolio

The HSBC Premier Investment Management Service Sustainable Portfolio focusses on sustainable investment. Sustainable investment incorporates environmental, social and governance factors as a primary consideration. However, this is not an ‘ethical investment’. This means it may invest in industries such as tobacco, alcohol and gambling, although such investment will typically be at a lower level than that seen in other portfolios.

Please read the brochure to learn more about sustainable investment and the portfolio’s objectives.

New PIMS

You’ll also benefit from:

* an annual review
* automatic use of your ISA allowance, if applicable
* Capital Gains Tax management, if applicable
* quarterly reports
* annual tax summaries
* valuations via HSBC Online Banking

Existing assets transferred in

Your existing assets may be disposed of and the proceeds reinvested to achieve the desired portfolio.

However, some assets may be retained and sold gradually over a number of years to make use of your annual Capital Gains Tax allowance.

There may be a charge for obtaining missing share history of at least £50 per holding, which we’ll pay from available cash in your portfolio.

Fixed income

Your income payment will be made from the income produced by your portfolio, with any shortfall being taken from the capital, which will reduce its value.

Variable income

Your income payments will be made from the income produced by your portfolio, which will vary from payment to payment.

PIMS ISA

For the current tax year (6 April 2020 to 5 April 2021), Field\_18 contribute up to £20,000 in ISAs. You should make the most of this allowance as it means you won’t pay tax on any gains you make.

PIMS Automatic ISA

Each year the full Stocks and Shares ISA allowance will be automatically funded Field\_19, where possible, by a transfer from the taxable part of the portfolio.

If, in future years, you decide to fund any other ISA with another provider you must let us know in advance so that your annual allowance is not exceeded.

Loss of allowance

Any unused ISA allowance can’t be carried forward to future years and will be lost. You should review your investments regularly to ensure you’re making best use of your annual allowance.

ISA transfer

I recommend you transfer your existing ISA(s) to your portfolio, as detailed earlier.

Power of Attorney

You should consider making a lasting power of attorney through a solicitor, and getting it registered so that, in the event of loss of any physical or mental capacity there’s someone you can trust to deal with your financial affairs.

This is especially important for this discretionary investment management service as mental incapacity would result in us being unable to manage your portfolio. To ensure that the management of your investment can continue in this circumstance, you’ll need to have a power of attorney which includes specific authority for your attorney to delegate investment decisions. If you already have a power of attorney you should ask your solicitor whether it contains the necessary authority.

Please refer to the enclosed ‘Attorneys and Deputies’ information sheet for further details. You can also find more information on the Government website at gov.uk/power-of-attorney/overview.

### GIC ISA

HSBC Global Investment Centre Individual Savings Accounts (ISA)

For the current tax year (6 April 2020 to 5 April 2021), Field\_20 contribute up to £20,000 in ISAs. You should make the most of this allowance as it means you won’t pay tax on any gains you make.

Any unused ISA allowance can’t be carried forward to future years and will be lost. You should review your investments regularly to ensure you’re making best use of your annual allowance.

Select relevant paragraphs and edit/add names for joint cases

No existing ISA

As you haven’t contributed to an ISA this year, you can Field\_21 in the recommended ISA.

Existing ISA part funded

As you’ve used £INSERT\_3 of your ISA allowance this year, the most you can invest in an ISA is £INSERT\_4 Field\_22

ISA fully funded

I’m unable to make an ISA recommendation as Field\_23 your full allowance for the current tax year.

ISA transfer

I recommend you transfer your existing Field\_24 to a Field\_25. This includes Field\_26

### APS (GIC/PIMS/PDMS)

Additional Permitted Subscription

As well as your annual ISA allowance, you have an unused Additional Permitted Subscription of £INSERT\_5, which you inherited from your late Field\_27. You should make the most of this allowance as it means you won’t pay tax on any gains you make.

You’ll lose any allowance you haven’t used by INSERT\_6.

Full

I’ve recommended you invest £INSERT\_7 into an ISA to make full use of your allowance.

Partial

I’ve recommended you invest £INSERT\_8 into an ISA to make partial use of your allowance. INSERT\_9.

If you decide to use any of the remaining allowance, this must be done with the same ISA Manager.

Transfer from 3rd party ISA Manager

To do this, we’ll need to transfer your allowance from the original ISA Manager(s): INSERT\_10.

You may lose out on some investment growth, as your money won’t be invested immediately.

Use APS1

The value of the allowance shown is as at the date of death. The value could be different at the time the original ISA closes, and could be more or less than this value. However, you decided to proceed now rather than wait for the account to close.

Obtain APS2

The value of the allowance shown is as at the date of death. The value could be different at the time the original ISA closes, and could be more or less than this value. You decided to wait for the final value and agreed to contact me as soon as you receive it.

Invest higher APS

You confirmed that if the valuation is higher, you want to make full use of it.

APS2 used

The value of the allowance shown is as at the date the original ISA closed.

APS not used

I haven’t made a recommendation for using your allowance because INSERT\_11.

### GIC GIA

HSBC Global Investment Centre General Investment Account

I recommend you invest £INSERT\_12 INSERT\_13 INSERT\_14 in this account. This is because Field\_28 your full ISA allowance for this tax year. You may have to pay tax on the returns from this account.

Taxed plan recommended

Using your future ISA allowances

I recommend you use your future ISA allowances. At the start of each tax year you can move money, up to the value of your ISA allowance, from your General Investment Account into your ISA. This may create a capital gain and therefore a tax liability.

You can do this through our Online Banking service, or by calling our investment helpline. Please refer to the product terms and conditions for more information.

### Investment bond

Investment bond

An investment bond will allow you to invest for capital growth but it won’t incur a liability to Capital Gains Tax, though it may be subject to Income Tax.

Regular withdrawals – not in trust

You can take regular withdrawals, to supplement your income, while deferring any Income Tax liability to a later date.

Income

I recommend you don’t make any withdrawals within the first 12 months, to allow the bond the opportunity to grow in value. As shown earlier, I’ve excluded a lump sum to cover your income needs during this period.

Fixed income

Taking fixed withdrawals may reduce the value of your original capital if the returns from the bond aren’t sufficient to cover the income payments.

Variable income

Your income payments will be made from the income produced by the bond, which will vary from payment to payment.

HSBC Onshore Investment Bond

Three percent of the initial investment into the HSBC Onshore Investment Bond will be held as cash, to cover transactions such as regular withdrawals and charges. You’ll be kept informed of such transactions through your half-yearly statements.

Prudential International Investment Portfolio Bond (PIIPB)

Two percent of the initial investment into the Prudential International Investment Portfolio Bond will be held in the Deposit Account, to cover transactions such as withdrawals and charges. You’ll be kept informed of such transactions through your quarterly statements.

Prudential Investment Plan

The Prudential Investment Plan offers a return of premium guarantee, which means the return on death will always be at least the total amount you invested, less any income taken, whatever the plan value at the time.

There’s an additional charge for this guarantee which is applied if the value falls below the original investment amount. Please refer to the product documentation which explains how the guarantee works and what it costs.

This option is only available at outset and can’t be added later on.

### SIPP (HSBC FRA/Fidelity PSA)

Self Invested Personal Pension

Stakeholder – include for FRA/FSIPP

Stakeholder Pensions must meet certain requirements, set by the Government, around charges, contribution levels and investment options. HSBC, however, doesn’t offer a Stakeholder Pension

FRA with World Selection/Sustainable Portfolios

The charges for the HSBC Flexible Retirement Account are currently well below the Government maximum for Stakeholder Pensions and are competitive in the market although, unlike a Stakeholder Pension, they’re not capped.

It also offers a choice of investment funds and portfolios to match your agreed risk level.

FRA with PIMS

This provides you with access to HSBC’s discretionary investment service which isn’t available within a Stakeholder Pension scheme.

Fidelity SIPP

The Fidelity Pension Savings Account isn’t a Stakeholder pension. The minimum contribution is higher and, depending on what funds you choose, charges can be higher than the Government Stakeholder standards. However, it does offer competitive service charges and a choice of investment funds to match your agreed risk profile.

Tax relief

You’re normally entitled to receive tax relief on all your pension contributions up to the higher of 100% of your relevant UK earnings in a year or £3,600. We’ll automatically claim tax relief at the basic rate of Income Tax on your behalf and add it to your pension account.

Higher/additional rate taxpayer

As Field\_29 you can claim additional tax relief from HM Revenue & Customs through your Self Assessment tax return.

Salary sacrifice

Your employer is going to reduce your salary (known as salary sacrifice) in order to make contributions to the pension plan. The implications of reducing your salary in this way are:

* you may not be able to borrow as much on a loan or mortgage in future
* your eligibility for some State Benefits and redundancy payments may be affected
* if your reduced salary falls entirely into the basic rate tax band it will reduce the amount of tax relief available on any personal contributions you make to a pension.

Taking benefits

You can normally start taking your retirement benefits from your 55th birthday onwards (or earlier, if you retire due to ill health, or have an earlier protected retirement age).

You’ll have the flexibility to choose how, when and how much of your pension fund you want to access, to suit your circumstances. You can take up to 25% of the fund as a tax-free lump sum and use the remaining fund to provide retirement benefits. There’ll be a number of options available to you including:

* taking all or some of it as cash, which may be subject to Income Tax
* buying a product (known as an ‘annuity’) that gives you a guaranteed income for life
* investing it to get a regular, adjustable income (sometimes known as ‘flexi-access drawdown’)

You don’t have to take your benefits all at once – you can take benefits in stages to provide for a gradual retirement from working life.

Pension rules and legislation change and therefore the tax treatment of contributions, withdrawals and income, as well as any restrictions or limits, could also change in the future.

INSERT\_15