Manulife 宏利

Premier Estate Protector
卓越保障計劃

Whether your goal is to get married, start a family, or give your children a financial head start, we understand the importance of protecting your loved ones.

Premier Estate Protector offers life protection to the life insured, and the flexibility to help you achieve your long-term savings targets. Now you can concentrate on reaching your goals free from worry.

Premier Estate Protector

The perfect fit

For a brighter tomorrow

Be prepared for the unexpected

Whole-life protection

Move with the times

Whole life protection

You can breathe easily once you know that your loved ones are financially secure. Premier Estate Protector offers whole-life protection to the life insured, by paying a death benefit that equals the notional amount of the policy (see the 'Important Information' section below). In addition, we will pay either the paid up additions (the extra amounts of life insurance bought using the non-guaranteed dividends that you may have earned under the policy) (see note 1), or the non-guaranteed dividends and interests which have built up under the policy (see note 2).

Premier Estate Protector also helps you save for your future with a guaranteed cash value and non-guaranteed annual dividends (see note 2). We simplify your financial planning by charging a fixed premium throughout the premium payment period.

For a brighter tomorrow

To provide financial flexibility on how you use the non-guaranteed annual dividends that you may have earned under the policy (see note 2), you can choose one of the following options ('dividend option').

- **Option 1:** Use your dividends to buy paid up additions (see note 1) as extra protection for you and your family.
- **Option 2:** Leave your dividends with us to earn interest (see note 2) that will help you towards your savings target.

We will apply option 1 if you do not choose any dividend option at the time of application. You could change to option 2 at any time. In doing so, we will cash in all the paid up additions in your policy and the cash value of these paid up additions will become part of the dividends built up under the policy. If you want to change from option 2 to option 1, we will use all the dividends and interest (see note 2) which have built up, if any, to buy paid up additions. We will need evidence of good health if you ask to change from option 2 to option 1 starting from the 6th policy year.

The perfect fit

We understand that everyone has different needs and different budgets, that's why Premier Estate Protector offers a variety of premium payment periods ranging from five years to until the life insured reaches the age of 100.

Be prepared for the unexpected

You may consider adding other benefits to your Premier Estate Protector. By providing extra protection against accident, critical illness and having to stay in hospital, we offer you an ideal way to protect the life insured against the unexpected.

Move with the times

Our inflation protector option (see note 3) can offer security from the effects of inflation by providing an automatic increase in the life protection by 10% of the initial notional amount each year for up to 10 consecutive years without having a medical examination. The increased notional amount of the policy will not change even after the inflation protector option ends.

Plan at a glance		
Benefit period	Whole life	
Premium payment period / Issue age	**Premium payment period**	**Issue age**
	5 years	0 (15 days) – 80 (Hong Kong) 0 (15 days) – 65 (Macau)
	10 / 15 / 20 / 25 years	0 (15 days) – 70
	To age 65	0 (15 days) – 60
	To age 100	0 (15 days) – 80
Payment / Policy currency	HKD / USD	
Minimum notional amount	HKD100,000 / USD12,500	

How does Premier Estate Protector work (see note 4)?

Mr and Mrs Chan start their life as newlyweds. Mr Chan understands that taking care of his wife is a lifetime commitment. He would like to protect his wife's financial wellbeing if he passes away. And at the same time, he would like to have enough money to fulfil his life's changing goals.

As a result, Mr Chan decides to buy Premier Estate Protector with a notional amount of HK$1,000,000, paying HK$1,510 a month for 25 years. He chooses to leave his non-guaranteed annual dividends with us.

Age 30

Mr Chan starts his Premier Estate Protector.

Age 50

The amount of guaranteed cash value available if the policy is cashed in is HK$342,280. The amount of accumulated annual dividends available for immediate withdrawal is HK$63,458 (see note 2).

Age 55

Mr Chan finishes paying all his premiums.

Age 85

Since Mr Chan has chosen to leave his annual dividends with us, we will pay HK$1,835,068 to his wife if Mr Chan passes away at age 85 (see note 2).

Notes:

1. We will use the non-guaranteed annual dividends, if any, to buy extra amount of life insurance called 'paid up additions'. The premium rate at which we buy paid up additions is not guaranteed and we may change it from time to time. Each paid up addition has its own cash value schedule and non-guaranteed dividend scale. We will also use the non-guaranteed dividends from the paid up additions, if any, to buy extra paid up additions. You can cash in the paid up additions to get the cash value at any time without cashing in the whole policy. If you cash in any paid up addition shortly after buying it, the cash value you can get back from that paid up addition may be less than the dividend amount you paid for that paid up addition.
2. Annual dividends and the accumulation interest rates of dividends (in other words, interest rates for building up dividends left with us) are not guaranteed and we may change them from time to time.
3. Inflation protector option does not apply to plans with premium payment period of 5 years. You will need to apply for the inflation protector option at the time you buy your Premier Estate Protector. You can choose not to apply for the option at the time you buy this product, but you cannot add it back later. Inflation protector option is only available for life insured who is below the age of 59 at policy issue and for standard policies. You will need to pay an extra premium throughout the premium payment period of Premier Estate Protector after each time you have exercised the inflation protector option. The extra premium will be based on the attained age of the life insured and the premium rate at the time the option is exercised (we may change the premium rate from time to time). With the inflation protector option, you will have your basic plan notional amount increased starting from the first policy anniversary. Please see the policy provision of inflation protector option for its exclusions, termination conditions and other details.
4. Figures in the example assume Mr Chan is age 30, a non-smoker, in good health and currently lives in Hong Kong. The amount of non-guaranteed annual dividends in the example is only an estimate based on the current dividend scale. The non-guaranteed annual dividends are left with us at an interest rate of 2.75% a year for a policy in Hong Kong dollars (we may change the interest rate from time to time). The dividends and accumulation interest rate of the dividends left with us (which is the interest rate for building up the dividends) are not guaranteed and are for illustrative and example purposes only. The actual dividend amounts we will pay and accumulation interest rates may be lower or higher than those illustrated in the example. We also assume that Mr Chan does not make any withdrawals or take any loans throughout the policy term or have any inflation protector option, and all premiums are paid in full when due. This example is only a reference. For your own illustrations, please contact your Manulife insurance advisor.

Important Information

This plan is a participating plan. A participating plan provides you with non-guaranteed benefits, such as annual dividends.

Your policy will have a 'notional amount', which is an amount we use to work out the premium and other policy values and benefits of the plan. Any change in this notional amount will lead to a corresponding change in the premiums and other policy values and benefits of the plan.

Dividend philosophy

Our participating plan aims to offer a competitive long-term return to policyholders and at the same time make a reasonable profit for shareholders. We also aim to make sure we share profits between policyholders and shareholders in a fair way. In principle, all experience gains and losses, measured against the best estimate assumptions, are passed on to the policyholders. These gains and losses include claims, investment return and persistency (the likelihood of policies staying in force), and so on. However, expense gains and losses measured against the best estimate assumptions, are not passed on to the policyholders. Shareholders will be responsible for any gains or losses when actual expenses are different from what was originally expected. Expenses refer to both expenses directly related to the policy (such as commission, the expenses for underwriting (reviewing and approving insurance applications), issuing the policy and collecting premiums) as well as indirect expenses allocated to the product group (such as general overhead costs).

To protect dividends from significant rises and falls, we use a smoothing process when we set the actual dividends. When the performance is better than expected, we do not immediately use the full amount we have made to increase dividends. And, when the performance is worse than expected, we do not pass back the full amount of losses immediately to reduce dividends. Instead, the gains or losses are passed back to the policies over a number of years to make sure we provide a more stable dividend year to year.

We share the gains and losses from the participating accounts among different classes and generations of policyholders, depending on the contribution from each class. When we manage dividends, we aim to pass back these gains and losses within a reasonable time, while making sure we treat policyholders fairly. When considering the fairness between different groups of policyholders, we will consider, for example, the following.

- Products (including supplementary benefits) that you bought
- Premium payment periods or policy terms or the currency of the plan
- When the policy was issued

The dividends each year are not guaranteed. We review and decide on the dividends at least every year.

Written declaration by our Chairman of the Board, an Independent Non-Executive Director and the Appointed Actuary is in place to confirm the mechanism manages fairness between different parties. You may browse the following website to learn more about your participating policy.

www.manulife.com.hk/link/par-en

Investment policy, objective and strategy

Our investment policy aims to achieve targeted long-term investment results based on the set amount of risk we are willing to take ('risk tolerances'). It also aims to control and spread out risk, maintain enough assets that we can convert into cash easily ('liquidity') and manage assets based on our liabilities.

Our current long-term target asset mix of the product is as follows.

Asset class	Target asset mix (%)
Bonds and other fixed income assets	50% to 75%
Non-fixed income assets	25% to 50%

The bonds and other fixed income assets include mainly government and corporate bonds, and are mainly invested in Hong Kong, the United States and Asia. Non-fixed income assets may include, for example, public and private equities and real estate and so on, and are mainly invested in Hong Kong, the United States, Europe and Asia. Derivatives may be used mainly for hedging purposes.

For bonds and other fixed-income assets, if the currency of the asset is not in the same currency as the policies, we use currency hedges. These are a way of counteracting the effect of any fluctuations in the currency. However, we give more flexibility to non-fixed-income assets where those assets can be invested in other currencies not matching the policy currency. This is to benefit from diversifying our investment (in other words, spreading the risk).

Actual investments would depend on market opportunities at the time of buying them. As a result, they may differ from the target asset mix.

The investment strategy may change depending on the market conditions and economic outlook. If there are any significant changes in the investment strategy, we would tell you about the changes, with reasons and the effect on the policies.

Dividend and bonus history

You may browse the following website to understand our dividend and bonus history. This is only for reference purposes. Dividend history or past performance is not a guide for future performance of the participating products.

www.manulife.com.hk/link/div-en

Other product disclosures

1. **Nature of the product**
   The product is a long-term participating life-insurance policy with a savings element. Part of the premium pays for the insurance and related costs. The savings element is reflected in the cash value and may not be guaranteed. The product is aimed at customers who can pay the premiums for the whole of the premium payment period. As a result, you are advised to save enough money to cover the premiums in the future. You should be prepared to hold this product for the long term to achieve the savings target. However, under certain circumstances the cash value could still be less than the total premiums you have paid, even though you hold the policy over a long period.

2. **Cooling-off period**
   If you are not happy with your policy, you have a right to cancel it within the cooling-off period and get a refund of any premiums and any levy paid.

   - **If your policy is issued in Hong Kong**: To do this, you must give us, within the cooling-off period, your written notice signed by you at Individual Financial Products, Manulife (International) Limited, 22/F, Tower A, Manulife Financial Centre, 223-231 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong. In other words, your written notice to cancel your policy must reach us directly at the relevant address within a period of 21 calendar days immediately following the day we deliver to you or your nominated representative the policy or a notice telling you about the availability of the policy and the expiry date of the cooling-off period, whichever is the earlier.

   - **If your policy is issued in Macau**: To do this, you must give us, within the cooling-off period, your written notice signed by you at Avenida De Almeida Ribeiro number 61, Circle Square, 14 andar A, Macau. In other words, your written notice to cancel your policy must reach us at the relevant address within 21 days after we have delivered the policy or sent you or your representative a notice telling you about the availability of the policy and the expiry date of the cooling-off period, whichever is the earlier.

3. **Premium term and result of not paying the premium**
   You should pay the premium (or premiums) on time for the whole of the premium payment period. If you do not pay a premium on time, you have 31 days from the due date to pay it, during which the policy will continue in force. If we do not receive the premium after the 31-day period ends and as long as there is enough cash value, the ‘automatic premium loan’ (see point 11 below) will apply and the policy will continue in force. If there is not enough cash value in the policy, the policy will end without further notice and the life insured will not be covered. In this case, we will not pay any amount to you.

4. **The main risks affecting the dividends and accumulation interest rate of the non-guaranteed dividends (see note 2)**
   The dividends each year are not guaranteed. Factors that may significantly affect the dividends include, but are not limited to, the following:

   Claims – our experience on insurance claims such as paying death benefit.

   Investment return – includes both interest income, dividend income, the outlook for interest rates and any changes in the market value of the assets backing the product. Investment returns could be affected by a number of market risks, including but not limited to credit spread and default risk, and the rise and fall in share and property prices.
   Persistency – includes other policy owners voluntarily ending their insurance policies (premiums not being paid, cashing in all or part of the policy), and the corresponding effects on investments.

   You can leave your non-guaranteed annual dividends with us to earn interest. The rate of interest that we can pay is based on the investment performance, market conditions and the expected length of time you leave your non-guaranteed annual dividends with us. This rate is also not guaranteed and may change from time to time due to changes in the investment environment.

5. **Credit risk**
   Any premiums you paid would become part of our assets and so you will be exposed to our credit risk. Our financial strength may affect our ability to meet the ongoing obligations under the insurance policy.

6. **Currency risk**
   This plan is available in foreign currency. You should consider the potential currency risks when deciding which policy currency you should take. The foreign-currency exchange rate may fall as well as rise. Any change in the exchange rate will have a direct effect on the amount of premium you need to pay and the value of your benefits in your local currency. The risk of changes in the exchange rate may cause a financial loss to you. This potential loss from the currency conversion may wipe out the value of your benefits under the policy or even be more than the value of benefits under your policy.

7. **Inflation risk**
   The cost of living in the future is likely to be higher than it is today due to inflation. As a result, your current planned benefits may not be enough to meet your future needs.

8. Risk from cashing in (surrender) early

If you cash in the policy, the amount we will pay is the cash value worked out at the time you cash in the policy, less any amount you owe us. Depending on when you cash in your policy, this may be considerably less than the total premiums you have paid. You should refer to the proposal for the illustrations of the cash value we project.

9. Liquidity and withdrawal risk

You can make withdrawals from any non-guaranteed dividends which have built up, take a policy loan or even cash in the policy to get the cash value. You may make partial withdrawals from the guaranteed cash value of the policy or any paid up addition but it would reduce the policy's notional amount or the paid up addition's notional amount and the subsequent cash value, death benefit and other policy values and benefits. However, the notional amount after the reduction cannot be smaller than the minimum notional amount which we will set from time to time without giving you notice. Taking a policy loan will reduce your cash value and death benefit.

10. Policy loan

You can take a policy loan of up to 90% (we will decide this figure and may change it from time to time without giving you notice) of the policy cash value, less any amount you owe us. The interest we charge on the policy loan is compounded every year (in other words, interest will generate further interest on it) at the rate we set and we may change the rate from time to time. If at any time the amount you owe us equals or is more than the cash value, the policy will end and we will not pay any amount to you. Any policy loan will reduce the policy's death benefit and cash value. For details, please see the loan provisions in the policy provision.

11. Automatic premium loan

We will provide an automatic premium loan to keep the policy in force if you fail to pay the premium on time (see point 3 above), as long as there is enough cash value in the policy. If the cash value less any amount you owe is not enough to pay the premium you have missed, we can change how often you pay premiums. If the cash value less any amount you owe is less than a monthly premium, the policy will end and we will not pay any amount to you. The interest we charge on the automatic premium loan is compounded every year (in other words, interest will generate further interest on it) at the rate we set and we may change the rate from time to time. The automatic premium loan will reduce the policy's death benefit and cash value. For details, please see the loan provisions in the policy provision.

12. Condition for ending the policy

This policy will end if:

i. we have paid the death benefit;
ii. you fail to pay the premium within 31 days after the due date and your policy does not meet the requirements of an automatic premium loan;
iii. you cash in the policy; or
iv. the amount you owe us is equal to or more than the cash value;

whichever happens first.

Inflation protector option will end if:

i. the policy terminates;
ii. the policy reaches the anniversary closest to the life insured's 60th birthday;
iii. the life insured's age on policy anniversary exceeds the maximum issue age allowed;
iv. you have declined two consecutive increases in notional amount;
v. the policy reaches the 5th to last policy anniversary before the date to which premiums are payable;
vi. the total notional amount of the basic plan reaches 200% of the initial notional amount or the maximum notional amount that we set;
vii. there is any reduction in the policy's notional amount;
viii. we have paid any total disability waiver benefit claim such as Premium Waiver Benefit, Advance Payment Disability Benefit or Payor Benefit;
ix. the life insured has contracted any major disease or critical illness that entitles any benefit or claim under any benefit provisions;
x. you exercise any nonforfeiture benefits; or
xi. the policy reaches the 10th policy anniversary;

whichever happens first.

13. Suicide

If the life insured commits suicide, whether sane or insane, within one year from the date of issue of the policy, our liability will be limited to a refund of the premium paid less any amount paid by us under the policy. For detailed terms and conditions including reinstatement, please refer to the policy provisions.

14. Exclusions and limitations

What we have said are an outline of the product features and risks. You should see the policy provision for the exact terms and conditions and pay particular attention to those terms where we will not pay the policy benefits.

In this product leaflet, 'you' and 'your' refer to the policyowner. 'Manulife', 'we', 'us' and 'our' refer to Manulife (International) Limited (incorporated in Bermuda with limited liability).

Premier Estate Protector is an insurance product provided and underwritten by Manulife. For the exact terms and conditions of this product, please see the policy provision. You can ask us for a copy.

You should not buy this product unless you fully understand the product features and risks. For more information, please contact your Manulife insurance advisor or call our customer service hotline on (852) 2510 3383 (if you are in Hong Kong) or (853) 8398 0383 (if you are in Macau). If you have any doubts, please get professional advice from independent advisors.

From January 1, 2018, the Insurance Authority starts collecting levy on insurance premiums from policyowners for policies issued in Hong Kong. For details of the levy and its collection arrangement, please visit our website at www.manulife.com.hk/link/levy-en.

To view our Privacy Policy, you can go to our website at www.manulife.com.hk. You may also ask us not to use your personal information for direct marketing purposes by writing to us. You can find our address on our website. We will not charge you a fee for this.

This product leaflet is for distribution in Hong Kong and Macau only, but not in mainland China.

MKTPP09E (01/2021)