




# Policy Illustration Reading Manual

This reading manual is meant to cover the general conditions for majority of the policies. For specific situations not catered for, please contact your Insurance Advisor or our Customer Service Hotline.


**POLICY ILLUSTRATION**

**A**

NB3F 6MX NBMF9  
 SDC 9 11/S 5DB 1 DJB K4C CAQQ3NA  
 350 NK34 Z3F Q1  
 NK34 Z3F  
 KJF9 BJF9

**B**

Insurance Advisor : NBJ4 PBMX S3F, 1Q554Q  
 Insurance Advisor Code : 999999  
 Contact No. : 99999999  
**C**  
 Date of Illustration : FEB 13, 2017

**IMPORTANT:**  
 THIS IS A SUMMARY ILLUSTRATION OF THE PROJECTED SURRENDER VALUE AND DEATH BENEFIT OF YOUR POLICY AND IS INTENDED TO SHOW THE PROPORTION OF ANY NON-GUARANTEED ELEMENTS. IN NO WAY IT SHOULD AFFECT THE TERMS AND CONDITIONS STATED IN THE POLICY DOCUMENT.

**WARNING:**  
 SHOULD YOU TERMINATE THIS PRODUCT EARLY OR CEASE PREMIUM PAYMENT EARLY, YOU MAY SUFFER A SIGNIFICANT LOSS.

**Illustration Summary for Premier Estate Protector, paid up in 25 years**

**1. Insured Summary**

Name of Life Insured	Current Age <b>A1</b>	Sex	Rate
NB3F 6MX NBMF9	74 (JUL 18, 1942)	Male	Standard

**2. Benefit Summary**

Policy Number	Policy Year Date	Policy Currency	Policy Status
99-9999999-9	MAR 10, 2012	HKD	Premium Paying

Basic Plan Notional Amount	Payment Method	Dividend Option
100,000	Monthly / Autopay	Leave on Deposit with Interest

Benefit Description	Current Sum Assured ^ / Protection Amount *	Current Monthly Premium	Monthly Premium Effective MAR 10, 2017	Premium Payment Up To Age	Protection Up To Age
<b>Basic Plan</b>					
Premier Estate Protector, paid up in 25 years	100,000	654.00	654.00	95	100
<b>Supplementary Benefit</b>					
Premier Life Hospital Benefit	-	1,449.80	1,524.90	100	100
<b>Total Monthly Premium</b>		2,103.80	2,178.90		

^ Sum Assured refers to the Basic Plan death benefit at policy year end.  
 \* Protection Amount refers to the benefits of the supplementary benefits (if any) at policy year end.

**A**

Your contact and personal information. For any changes required on your contact information, please update by login our online service or by completing the "Change of Contact Details Form".

**A1**

The current age is determined by the nearest birthday of the insured as at the policy year date plus number of complete policy years passed, which may be different from the insured's actual age.

As an example, the age of insured at policy year date of the above illustration was 70, with only 4 complete policy years passed (from 2012 to 2016, the policy anniversary of 2017 is not reached yet), so the current age shown is 74.

**B**

Your insurance advisor information.

**C**

Print date of the policy illustration. The values in the illustration are projected based on policy value information as of this date. Please note that we may not be able to show the policy change requests that are under processing as of this date.

NB3F 6MX NBMF9	<b>Insurance Advisor</b>	: NBJ4 PBMX S3F, 1Q554Q
SDC 9 11/S 5DB 1 DJB K4C CAQQ3NA	<b>Insurance Advisor Code</b>	: 999999
350 NK34 Z3F Q1	<b>Contact No.</b>	: 99999999
NK34 Z3F	<b>Date of Illustration</b>	: FEB 13, 2017
KJF9 BJF9		

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**Illustration Summary for Premier Estate Protector, paid up in 25 years**

**1. Insured Summary**

Name of Life Insured	Current Age	Sex	Rate
NB3F 6MX NBMF9	74 (JUL 18, 1942)	Male	Standard

**2. Benefit Summary**

Policy Number		Policy Year Date		Policy Currency		Policy Status	
99-9999999-9		MAR 10, 2012		HKD		Premium Paying <b>D1</b>	
Basic Plan Notional Amount		Payment Method		Dividend Option			
100,000 <b>D4</b>		Monthly / Autopay <b>D2</b>		Leave on Deposit with Interest <b>D3</b>			
Benefit Description		Current Sum Assured ^ / Protection Amount *	Current Monthly Premium	Monthly Premium Effective MAR 10, 2017		Premium Payment Up To Age	Protection Up To Age
<b>Basic Plan</b>							
Premier Estate Protector, paid up in 25 years		100,000	654.00	654.00		95	100
<b>Supplementary Benefit</b>				<b>E3</b>			
Premier Life Hospital Benefit <b>E1</b>		-	1,449.80 <b>E2</b>	1,524.90		100	100
Total Monthly Premium			2,103.80	2,178.90			

<sup>A</sup> Sum Assured refers to the Basic Plan death benefit at policy year end.

<sup>\*</sup> Protection Amount refers to the benefits of the supplementary benefits (if any) at policy year end.

**D** Show the current status of your policy.

“Policy Status”: If it is under “Premium Paying”, you may refer to **(E)** on more information about premium payable.

If it is under “Waiver of Premium”, you may refer to **(E)** on more information about premium that are currently being waived (subject to the waiver eligibility). Despite the premium is currently being waived, we will still assume all premiums are paid in full when due in the illustration.

If it is under “Reduced Paid Up” or “Fully Paid Up”, the policy no longer requires premium payment, and the premium related columns in **(E)** will show 0.

**D2** “Payment Method” shows the current premium payment mode (Annual, Semi-annual, Quarterly or Monthly), and the premium payment method (Direct billing, Autopay, Policy dump-in option, Premium Offset and so on).

If you have selected prepayment arrangement, it will show “Policy dump-in option” as the payment method.

If your policy has premium offset arrangement, it will show “Premium Offset” as the payment method.

If your policy has both premium offset and prepayment arrangement, it will show “Policy dump-in option” as the payment method.

**D3** The “Dividend Option” shows how the non-guaranteed annual dividends are processed under different option, for details of each option, please refer to the Glossary.

**D4** The amount shown has reflected the inflation protector option to be exercised in the coming policy anniversary (where applicable).

**E** This section summarizes the coverages of your policy, such as basic plan / supplementary benefits detail, premium payment period, benefit period and premium information.

**E1** Current Sum Assured means the basic plan death benefit at policy year end while the Protection Amount refers to the benefits of the supplementary benefits (if any) at policy year end.

**E2** The premium as of the date of illustration, that is, the current premium.

**E3** The premium to be effective as of the specific date as shown, that is, the premium in coming policy year.

## POLICY ILLUSTRATION

Policy Number : 99-999999-9

Date of Illustration : FEB 13, 2017

**A 3. Basic Plan - Illustration Summary (Calculation is based on basic plan only)**

End of Policy Year	Total Premiums Paid	SURRENDER VALUE			DEATH BENEFIT		
		Guaranteed <b>C1</b>	Non-Guaranteed Accumulated Dividends and Interest	Total	Guaranteed <b>C2</b>	Non-Guaranteed Accumulated Dividends and Interest	Total
<b>B1</b> 5	114,040	<b>D</b> 6,771	0	6,771	<b>D</b> 100,771	0	100,771
6	121,888	10,171	413	10,584	100,771	413	101,184
7	129,736	14,071	914	14,985	100,771	914	101,685
8	137,584	18,571	1,505	20,076	100,771	1,505	102,276
9	145,432	23,671	2,189	25,860	100,771	2,189	102,960
10	153,280	29,271	2,967	32,238	100,771	2,967	103,738
15	192,520	44,771	12,420	57,191	100,771	12,420	113,191
20	231,760	59,671	27,133	86,804	100,771	27,133	127,904
25	271,000	76,771	48,629	125,400	100,771	48,629	149,400
30	271,000	100,771	77,716	178,487	100,771	77,716	178,487
<b>B2</b> At age 75	114,040	6,771	0	6,771	100,771	0	100,771
At age 80	153,280	29,271	2,967	32,238	100,771	2,967	103,738
At age 85	192,520	44,771	12,420	57,191	100,771	12,420	113,191
At age 90	231,760	59,671	27,133	86,804	100,771	27,133	127,904
At age 95	271,000	76,771	48,629	125,400	100,771	48,629	149,400
At age 100	271,000	100,771	77,716	178,487	100,771	77,716	178,487

Explanation on above illustration:  
Please refer to the Explanation Notes of Section 3

Section 3 consists of either one or two pages, showing the illustration of projected surrender value and death benefit of your policy at the end of different policy years / at different ages. The calculation is based on the basic plan only (without future Inflation Protector Option and supplementary benefits (if any)).

**A** This heading tells you what the illustration is about.

**B** As the value projections in the illustration are shown in terms of both "end of policy year" (**B1**) and "at age" (**B2**), so it is possible that a row in section (**B1**) is identical with that of a row in section (**B2**).

Please note that the first row of the "end of policy year" means the end of current policy year and the "at age" means the age determined by the nearest birthday of the insured as at end of each policy year, which may be different from the insured's actual age.

You may refer to the cover page of the policy illustration for the current age.

As an example, the row "at age 80" in the above illustration corresponds to end of policy year 10 [= end of policy year 5 + (age 80 - current age 74) - 1].

**C** "Surrender Value" (**C1**) and "Death Benefit" (**C2**) are separated into "Guaranteed" and "Non-Guaranteed" columns respectively, with the "Total" column equals to the sum of "Guaranteed" and "Non-Guaranteed" amounts.

**D** Any accumulated dividends/ guaranteed cash payments/ annual income/ income (or other cash payments) not yet withdrawn / policy values of any Paid Up Additions (or similar coverage) not yet encashed as of the end of current policy year will be grouped under "Guaranteed" column. Non-guaranteed benefits to be declared in future policy years will be shown under "Non-Guaranteed" columns.

Section 4 is the explanation notes to help you understand the underlying assumptions of the illustration in section 3. The explanation notes will be different for different policies.

#### 4. Explanation Notes of Section 3

1. Section 3 is only a summary illustration of the major benefits of your Basic Plan excluding any future Inflation Protector Option and/or supplementary benefits as shown in Section 2 (if applicable) and assume that all premiums are paid in full when due. You should refer to your insurance advisor or the Company for more information or, if appropriate, a more detailed illustration.
2. Any reduction in premium as a result of premium waiver, any marketing campaign or promotional offer is not reflected in the illustration.
3. The projected non-guaranteed benefits included in Section 3 are based on the Company's dividends scales determined under a number of assumptions, including, but not limited to current assumed investment return (which has also incorporated the Company's expectation of future investment returns), claims and persistency assumptions and are not guaranteed. The actual amount payable may change anytime with the values being higher or lower than those illustrated, depending on how well the participating account has performed on these factors. The dividends will be decreased if the actual performance is worse than that projected, and vice versa. Under some circumstances, the non-guaranteed benefits may be **zero**.

To protect dividends from significant fluctuations due to volatility in the above mentioned factors, a smoothing process is applied when the actual dividends are determined. When the performance is better than expected, the full performance is not immediately used to increase dividends, and when the performance is worse than expected, the full performance is not immediately used to reduce dividends. Rather the better/worse-than-expected performance is passed back to the policies over a number of years to ensure a stable dividends year to year.

4. As illustrated in Section 3, the projected dividends are left with the Company for interest accumulation at an interest rate which is not guaranteed.
5. The interest rate(s) used to illustrate the effect of accumulation in Section 3 is:  
- 3.50% p.a. for dividends

The actual interest rate may change from time to time with rate higher or lower than the one used in illustration. You may cash all or part of the amount of projected dividends without affecting the protection amount of Section 2 but the total values shown above will be reduced accordingly.

6. This illustration assumes that no loans are taken throughout the term of the policy.

\*\*\* End of Policy Illustration \*\*\*

**Premium Offset:**

Premium Offset is an optional payment feature that allows policyowners to use accumulated annual dividends and if applicable, accumulated Guaranteed Cash Payments, instead of out-of-pocket payments, to pay premiums due. Due to the impact of possible changes in non-guaranteed elements such as annual dividends, accumulation interest rates, policyowners may be required to resume premium payment even the policy is under Premium Offset arrangement. Policyowners have the obligation to pay premium for whole of the premium payment period. Otherwise, the benefits will be affected.

**Prepayment:**

Prepayment is an optional payment feature that allows policyowners to make advance premium payments (that is, more than the amount of premium due) into a premium dump-in facility which earns non-guaranteed interest. Premium due will then be paid by the available funds in the premium dump-in facility. Due to the impact of possible changes in non-guaranteed elements such as the premium dump-in interest rate, policyowners may be required to resume premium payment in later policy years. Policyowners have the obligation to pay premium for whole of the premium payment period. Otherwise, the benefits will be affected.

**Inflation Protector Option (IPO):**

An option which automatically increases the notional amount/protection amount of the relevant coverage for up to 10 consecutive years. You will need to pay an extra premium each time you exercise the Inflation Protector Option. As the terms and conditions of IPO for each coverage may differ, please refer to the policy provisions for details.

**Surrender value:**

The projected value that you may receive if you voluntarily terminates the policy.

**Death Benefit:**

The projected value that the designated beneficiary(ies) may receive if the life insured unfortunately passes away.

**Dividend Option:**

The available Dividend Option varies by product. The following is just a general description for illustration purpose only. For details, please refer to policy provision.

**Leave on Deposit with Interest**

Dividends will be left with us to accumulate with interest, subject to withdrawal. The interest rate will be determined by us from time to time.

**Paid Up Additions**

Dividends will be used to buy participating paid-up additional insurance, payable upon the life insured's death.

**Pay out annually**

Any Annual Income will be paid to the Policyowner annually in accordance with our payment procedure.

**Premium Reduction**

Accumulated dividends will be used to pay the required premium upon premium due date. The balance of the required premium after deduction of the dividends will be paid by you out of your own pocket. Any dividend in excess of any required premium will be left on deposit at an interest rate which is not guaranteed.

**Bonus Protection**

Dividends will be used to buy additional paid-up life coverage called "Paid Up Additions" and "non-participating one year term insurance".

**Deferred Additions**

Dividends will be used to buy additional paid-up life coverage.

**One Year Term, Balance to be applied as Paid Up Additions**

Dividends will be used to buy non-participating one year term insurance of a specified amount, with the balance (if any) to be used to buy additional paid-up life coverage.

**One Year Term, Balance to be left on Deposit with Interest**

Dividends will be used to buy non-participating one year term insurance of a specified amount, with the balance (if any) to be left on deposit at an interest rate which is not guaranteed.

The information and graphics contained in this leaflet are for reference and illustrative purposes only.

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).

To view our Privacy Policy, you can go to our website at [www.manulife.com.hk](http://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.