Manulife 宏利

Prestige Saver

財摯傳承保障計劃

This product leaflet is for use by the customers of DBS Bank (Hong Kong) Limited (the 'Bank'). **Prestige Saver is a long-term participating life-insurance plan underwritten by Manulife (International) Limited (incorporated in Bermuda with limited liability) ('Manulife')**. The Bank is acting as a licensed insurance agency of Manulife.

The product is an insurance product and is neither a bank deposit nor a bank saving plan.

manulife.com.hk

Prestige Saver

You have big dreams. Whether it's building a home for your family, travelling the world or creating a comfortable nest egg, let us help you get closer to making them come true.

The **Prestige Saver** offers stable growth with the potential for higher returns on your long-term savings, helping you achieve your financial goals while giving you the flexibility to pass your wealth to the next generation.

Prestige Saver is an insurance product provided and underwritten by Manulife. <u>This product leaflet provides only general information on this product. It does not form part of the policy and does not contain full terms of the policy. Before making a purchase, you should read the policy provisions for the exact terms and conditions that apply to this product.</u> You can ask us for a copy.

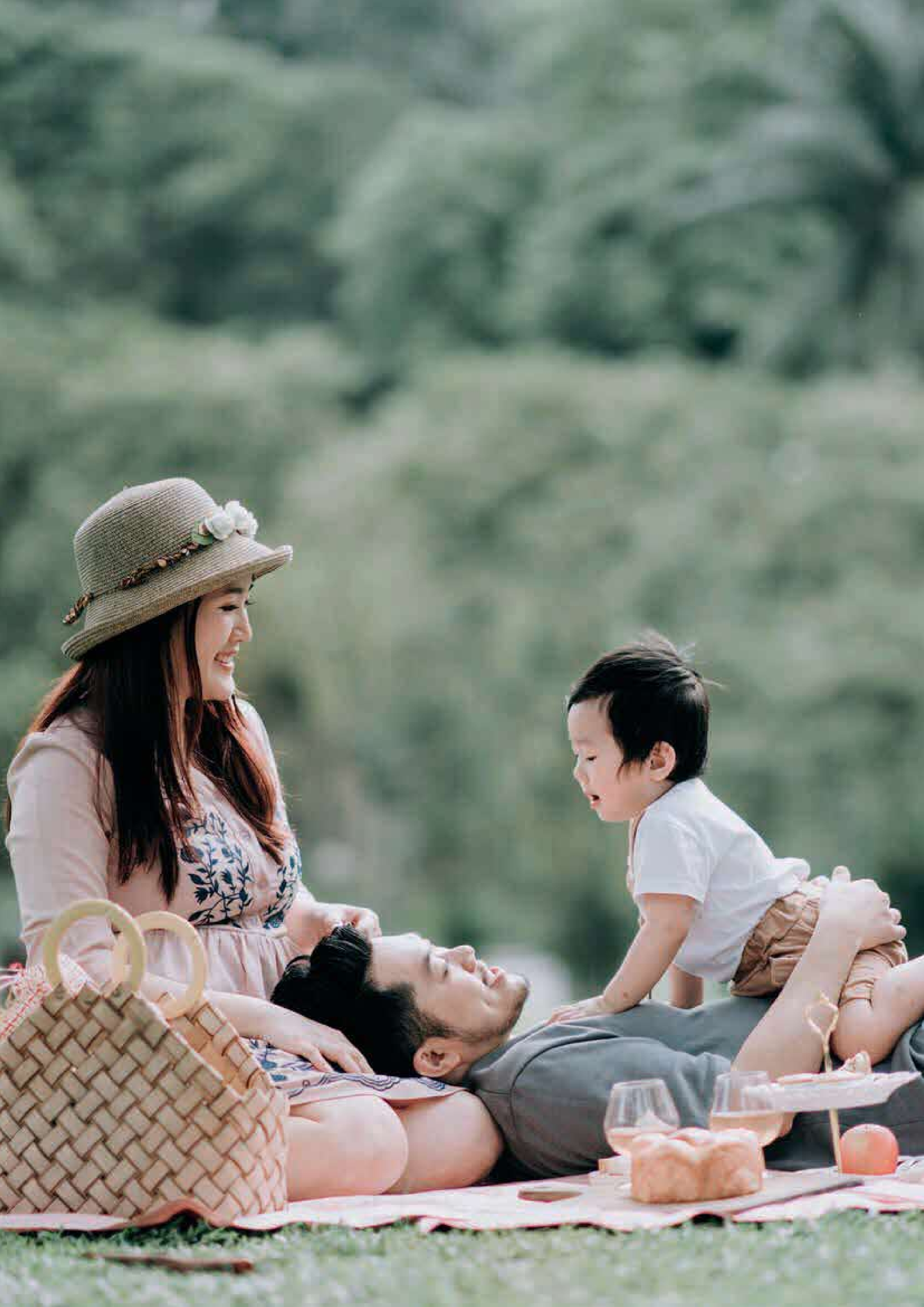
Feature highlights

Potential for higher returns on your long-term savings

Extra liquidity with realization option and flexible withdrawal options

Life protection to secure your loved one's future

Passing on your wealth to the next generation



Potential for higher returns on your long-term savings

You will enjoy the opportunity to build your wealth with a guaranteed cash value, and a non-guaranteed terminal bonus (see note 1) which is a one-off payment made to you when you end your policy and cash it in, when the life insured passes away, or when your policy is terminated.

The amount of the terminal bonus is mainly affected by the performance of the underlying investments, including but not limited to bonds, equities and other non-fixed income assets, so the amount will move up and down over time (see note 2).

Extra liquidity with realization option and flexible withdrawal options

You can realize a potential gain from your terminal bonus without cashing in your policy. On the 15th policy anniversary or every anniversary thereafter, you'll have the flexibility to lock in up to 50% of your terminal bonus amount by exercising the 'realization option' (see notes 2 and 3). You can decide whether to leave the realized terminal bonus with us to earn interest (see note 2) or withdraw it at any time for extra liquidity. You can exercise your 'realization option' as many times as you wish as long as the aggregate realization percentage is not more than 50% of each policy.

In case you need extra cash flow, you may choose to partially withdraw your guaranteed cash value and non-guaranteed terminal bonus through reduction of notional amount, but this will reduce the subsequent policy values and benefits (see notes 4 and 5). By making withdrawals, the future benefits under your policy will be reduced.

Life protection to secure your loved ones' future

If the life insured unfortunately passes away, we will pay a death benefit consisting of any realized terminal bonus left with us for interest accumulation (see note 2), any terminal bonus and the higher of:

- the guaranteed cash value; or
- the aggregate sum of the premiums due and paid (see note 5).

Passing on your wealth to the next generation

To enjoy the peace of mind knowing that your legacy will last beyond your lifetime, you'll have the option to **change the life insured** to another loved one. For example, you can take up the plan for yourself and subsequently change the life insured to your child, thus passing the wealth onto your future generations (see note 6 and case 2).

What's more, we offer a range of value-added services below to help you build a financial legacy for you and your future generations with extra flexibility:

- **Contingent life insured***
  You can choose to nominate a contingent life insured. In case the current life insured passes away unexpectedly, the policy may continue to be in force with the nominated contingent life insured becoming the new life insured. As such, all benefits under the policy will be retained (see note 7).

- **Death benefit settlement option***
  You can choose to have the death benefit paid to your beneficiary(ies) in a lump sum as set out in the plan, or by instalments or a mix of both as an alternative death benefit settlement option (see note 8), safeguarding your loved ones' financial future in a way that best reflects your wishes.

- **Policy split***
  Starting from the 5th policy anniversary, you may choose to split your policy for more effective legacy planning. The respective commencement date of the split policy(ies) is the same as that of your policy (see note 9).

* This is an administrative arrangement and is not part of the product features. The acceptance of such application is at our sole and absolute discretion subject to the policyowner's fulfillment of our prevailing administrative rules which shall be determined and modified by us from time to time without prior notice.

Other features

Extra benefit guarding against accidental death

If the life insured passes away due to an accident within the first 5 policy years, we will pay an additional Accidental Death Benefit, equal to 100% of the aggregate sum of the premiums due and paid (see notes 5 and 10), to help relieve the unexpected financial hardship faced by the family.

Different options for paying your premiums

To help you plan more easily, you can choose to pay for the plan in a single payment or over 3 years to suit your needs.

Easy application process

Applying for the plan is easy. The life insured will not have to go through any medical examination to prove their good health, up to a certain total premium amount subject to the prevailing administrative rules.

Plan at a glance

Prestige Saver

<table>
<tr><th>Premium payment period</th><th>Single premium</th><th>3 years</th></tr>
<tr><td>Issue age*</td><td colspan="2">0-75</td></tr>
<tr><td>Benefit term</td><td colspan="2">Whole life</td></tr>
<tr><td>Policy currency</td><td colspan="2">United States Dollar (US$) / Hong Kong Dollar (HK$)</td></tr>
<tr><td>Minimum notional amount</td><td colspan="2">US$1,000 / HK$8,000</td></tr>
<tr><td>Payment mode</td><td colspan="2">Minimum premium requirement</td></tr>
<tr><td>Annually</td><td rowspan="4">US$6,000 / HK$48,000
(Single premium)</td><td>US$3,125 / HK$25,000</td></tr>
<tr><td>Semi-annually</td><td>US$1,625 / HK$13,000</td></tr>
<tr><td>Quarterly</td><td>US$835 / HK$6,680</td></tr>
<tr><td>Monthly</td><td>US$280 / HK$2,240</td></tr>
<tr><td>Change of life insured</td><td colspan="2">Available from the first policy anniversary or 1 year after the policy is issued, whichever is later (see note 6)</td></tr>
<tr><td>Death benefit</td><td colspan="2">We will pay the designated beneficiary(ies) an amount which is equal to the higher of:
• the guaranteed cash value; or
• the aggregate sum of the premiums due and paid (see note 5)

⊕ any realized terminal bonus left with us for interest accumulation (see note 2)
⊕ any terminal bonus
⊖ any outstanding debt under the policy including but not limited to any premium in default, any outstanding policy loan amount and interest accrued to date.</td></tr>
<tr><td>Accidental Death Benefit
(see note 10)</td><td colspan="2">Additional 100% of the aggregate sum of the premiums due and paid (see note 5) if the life insured passes away due to an accident within the first 5 policy years</td></tr>
</table>

* You may be required to pay premiums after retirement and in some cases up to age 78. As a result, you are advised to save enough money to cover the premiums in the future.

Case 1 Growing wealth with withdrawal flexibility

John is a very successful start-up business owner and a father of a 2-year-old boy. He wants to look for a savings insurance plan that can help grow his hard-earned money with some level of certainty. At age 35, he decides to take up **Prestige Saver** and pay an annual premium of HK$300,000 for 3 years, totaling HK$900,000. (see notes 11 and 12)

Projected total surrender value: (vs total premium paid)	**HK$1,826,828 (~2.0 times)**	**HK$476,828 (~0.5 times)**	**HK$1,049,011 (~1.2 times)**	**HK$2,804,090 (~3.1 times)**
Guaranteed cash value:	HK$859,509	HK$224,344	HK$254,265	HK$254,476
Non-guaranteed terminal bonus:	HK$967,319	HK$252,484	HK$794,746	HK$2,549,614

Age 35	**Age 38**	**Age 52 (before withdrawal)**	**Age 52 (after withdrawal)**	**Age 65**	**Age 80**
John takes up a Prestige Saver policy.	He finishes paying all premiums.	His son has just graduated from university and wants to start his own business. To fund his son's business, John withdraws HK$1,350,000 from the policy (1.5 times of total premium paid), through reduction of notional amount (see note 4).	The projected total surrender value becomes HK$476,828 after the withdrawal.	John can withdraw HK$1,049,011 in full or in part for his retirement if he wants, but he chooses to let the policy value continue to accumulate.	John can choose to withdraw HK$2,804,090 in full or in part if he wants, or change the life insured to his son and let the policy value continue to accumulate.

Case 2 Building a legacy for future generations

Tom has a loving family with a 5-year-old son, Jake. He wants to start building his wealth with a savings insurance plan which would also give him the flexibility to pass on his wealth to Jake to help him cope with any financial challenges he may face in the future. That's why Tom decides to take up **Prestige Saver** at age 40 and **pay a single premium of US$150,000.** (see notes 12 and 13)

Projected total surrender value: (vs total premium paid)	**US$1,124,852 (~7.5 times)**	**US$2,232,095^ (~14.9 times)**	**US$11,871,383 (~79.1 times)**	**US$103,098,953 (~687.3 times)**
Guaranteed cash value:	US$153,536	US$157,107^	US$166,484	US$175,703
Non-guaranteed terminal bonus:	US$971,316	US$2,074,988^	US$11,704,899	US$102,923,251

Policy year 0 | **Policy year 35** | **Policy year 45** | **Policy year 70** | **Policy year 100**

1st generation (Tom)

Age 40

Tom takes up a Prestige Saver policy and pays a single premium of US$150,000.

Age 75

2nd generation (Tom's son Jake)

Age 40

At age 75, Tom chooses to change the life insured and policyowner (see note 14) to his son Jake (now age 40), thus transferring the policy's projected total surrender value of US$1,124,852 to his son.

Age 50

Jake needs money for his business. He locks in 9.64% of the projected terminal bonus and withdraws the full amount of US$200,000 to support his business.

After this, the projected total surrender value becomes US$2,032,095 (Guaranteed cash value: US$157,107 and non-guaranteed terminal bonus: US$1,874,988). The notional amount is not affected.

Age 75

3rd generation (Tom's grandson Kim)

Age 40

At age 75, Jake chooses to change the life insured and policyowner (see note 14) to his son, Kim (age 40), passing on the policy with a projected total surrender value of US$11,871,383.

Age 70

The policy now has a projected total surrender value of US$103,098,953.

Kim can choose to withdraw it in full or in part, or continue to pass the policy on to the next generation.

^ Value before exercising the realization option.

Notes

1. The terminal bonus is not guaranteed. We will review and adjust the terminal bonus at least once a month, but we may do so more often. Please see point 4 ‘The main risks affecting the non-guaranteed terminal bonus and the accumulation interest rate of realized terminal bonus’ paragraph in the ‘Important Information’ section below.

2. There may be a delay in making payment when you cash in your policy or exercise the realization option, especially during periods when the market is experiencing significant rises and falls in value. The actual amount of the terminal bonus that you can get will only be determined after your request has been processed. Under certain circumstances, for example, if the request is not received by us before our prevailing cut-off time or is not in our prescribed written format, such amount can be lower or higher than the amount of the terminal bonus tentatively indicated to you at the time you submit the request. Please check with us for the prevailing operational rules and the latest amount of the terminal bonus under your policy before exercising the realization option.

   The accumulation interest rate for building up the realized terminal bonus left with us is not guaranteed and we may change it from time to time. Please see point 4 ‘The main risks affecting the non-guaranteed terminal bonus and the accumulation interest rate of realized terminal bonus’ paragraph in the ‘Important Information’ section below.

3. You can exercise the realization option within 31 days from the Realization Anniversary (that is, the 15th policy anniversary or every anniversary thereafter) as long as the aggregate realization percentage under the policy does not exceed 50%. To exercise the realization option, you must submit a written application in a prescribed format required by us. Once submitted, the application for exercising such option cannot be withdrawn and no realized terminal bonus will be allowed to be reversed. Exercising the realization option will reduce any future terminal bonus.

4. Any reduction in notional amount will reduce your future benefits including the guaranteed cash value, terminal bonus, death benefit and Accidental Death Benefit. The notional amount after the reduction must meet the minimum notional amount requirement which we set from time to time without giving you notice.

5. If the notional amount has ever been adjusted, the premium due and paid shall correspond to the notional amount as at the time when the death benefit is payable.

6. Starting from the first policy anniversary or 1 year after the policy is issued, whichever is later, you have an option to change the life insured to another person with whom you have insurable interest, without affecting your policy value, provided that:
   i) the age of the new life insured is 60 or below; or
      the age of the new life insured is not greater than that of the current life insured and is not greater than 75; and
   ii) such application must be completed during the lifetime of both current life insured and new life insured.

   Acceptance of such application is subject to our approval at our absolute discretion as well as our prevailing administrative rules and guidelines which we may determine from time to time at our absolute discretion.

7. The contingent life insured shall be appointed during the lifetime of the life insured and while the policy is in force. In order to change the life insured to contingent life insured after the death of the life insured, an application with relevant documents shall be submitted to us within the prescribed period. Please see the relevant leaflet for more details and the terms and conditions applicable to the contingent life insured option.

8. You can choose either one of the death benefit settlement options while the life insured is alive and the policy is still in force. Please see the relevant form for more details on your rights and the restrictions applicable to the death benefit settlement options.

9. You can choose to split your policy by splitting the notional amount of your policy to new policy(ies) ('split policy(ies)'). Based on the split percentage requested by you, the notional amount, policy values and benefits under your policy will be transferred to the split policy(ies), subject to rounding differences. In case the realization option has been exercised under your policy, the aggregate realization percentage under your policy will be applied to the split policy(ies) upon split. Both your policy and split policy(ies) must fulfill the minimum notional amount and minimum premium requirement, as well as other prevailing administrative rules which shall be determined and modified by us from time to time without prior notice. You must settle all outstanding debts before we approve the application for policy split. Please contact the licensed staff of the Bank or call our customer service hotline for more information.

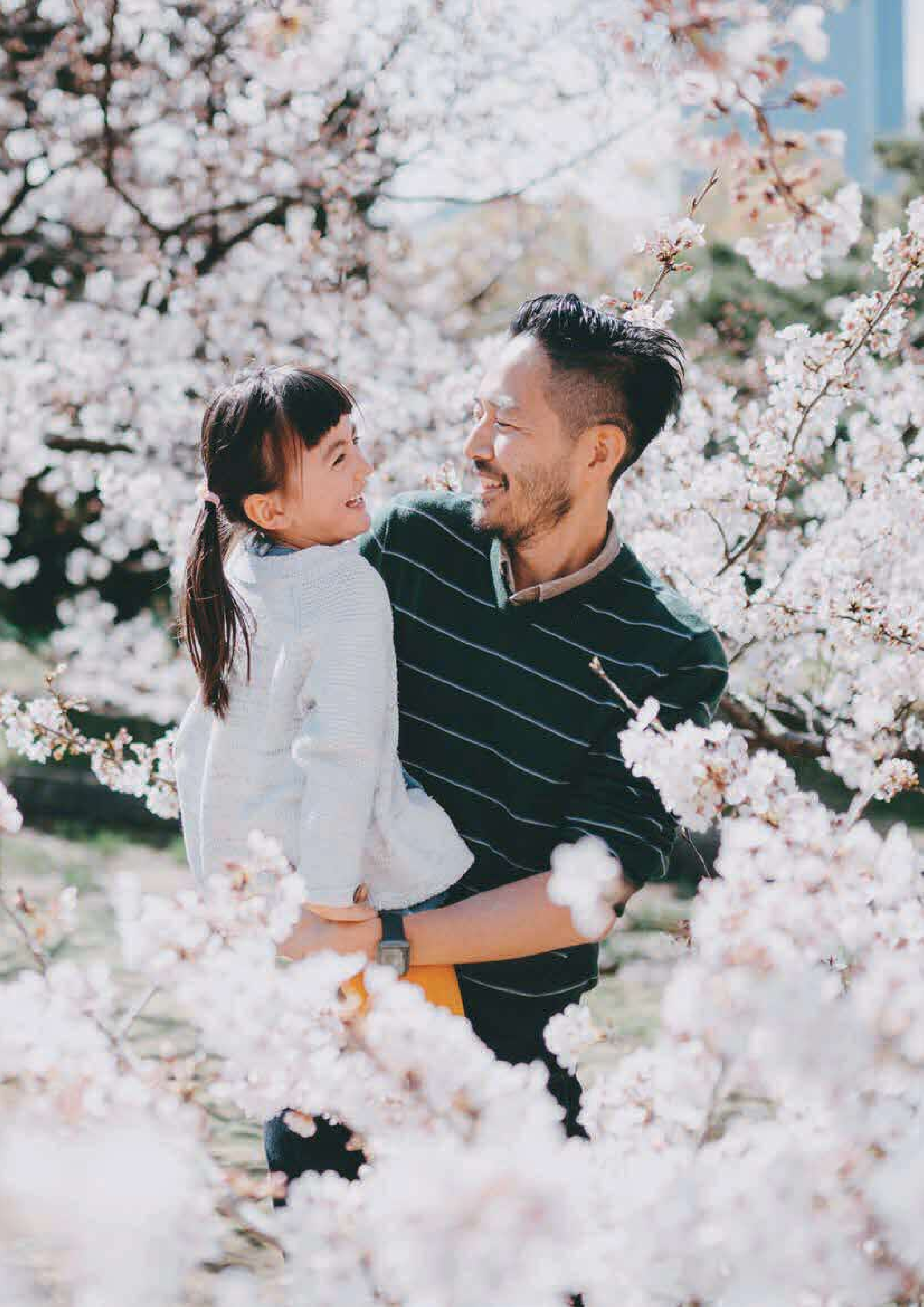
10. The payable amount of Accidental Death Benefit is subject to the maximum total amount of US$125,000 / HK$1,000,000 of the same or similar benefits we will pay under all insurance policies covering the same life insured and issued by us. Please see the policy provisions for the circumstances where we will / will not pay the Accidental Death Benefit.

11. Figures in this case are based on the assumptions that John is a non-smoker, in good health and currently lives in Hong Kong. We also assume that throughout the policy term (i) no policy loan is taken out; (ii) no realization option has been exercised on the terminal bonus; (iii) withdrawals are made through reduction of the notional amount (see notes 4 and 5); and (iv) all premiums are paid annually in full when due.

12. The amount of non-guaranteed terminal bonus in the case is only an estimate based on the current bonus projection. The terminal bonus is not guaranteed and is provided as an example for illustrative purposes only. The actual terminal bonus amounts we will pay may be lower or higher than that illustrated in the case. Under certain circumstances, the non-guaranteed benefits may be **zero**. This case is only a reference. All dollar amounts and percentage mentioned in the case are rounded to the nearest whole number and two decimal places respectively. For your own illustrations, please contact the licensed staff of the Bank.

13. Figures in this case are based on the assumptions that Tom is a non-smoker, in good health and currently lives in Hong Kong. We assume that throughout the policy term, (i) realization option has been exercised on the terminal bonus at the end of policy year 45; (ii) no policy loan is taken out; and (iii) the realized terminal bonus is withdrawn as soon as it is realized.

14. The original policyowner will lose all rights and interests under the policy, including entitlement to all benefits of the policy, upon exercising the option of change of life insured without retaining as a policyowner.



Important Information

This plan is a participating plan. A participating plan provides you with non-guaranteed benefits, namely, terminal bonus.

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. This notional amount does not represent the total amount of death benefit we will pay. Any change in this notional amount will lead to a corresponding change in the premiums and other policy values and benefits of the plan.

Terminal bonus philosophy

Our participating plan aims to offer a competitive long-term return to policyowners and at the same time make a reasonable profit for shareholders. We also aim to make sure we share profits between policyowners and shareholders in a fair way. In principle, all experience gains and losses, measured against the best estimate assumptions, are passed on to the policyowners. 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 policyowners. 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 terminal bonus from significant rises and falls, we use a smoothing process when we set the terminal bonus. When the performance is better than expected, we do not immediately use the full amount we have made to increase terminal bonus. And, when the performance is worse than expected, we do not pass back the full amount of losses immediately to reduce terminal bonus. Instead, the gains or losses are passed back to the policies over a number of years to make sure we provide a more stable terminal bonus year to year.

An exception to the above smoothing mechanism is the volatility in the market value of certain underlying investments, including but not limited to bonds, equities and other non-fixed income assets. Such experience gain/loss will be passed back to policyowners via adjustment in terminal bonus in a timely manner instead of smoothing out over time.

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

Declared terminal bonus does not form a permanent addition to the policy. It may be reduced or increased at subsequent declarations. Its actual amount will only be determined when it becomes payable or when you lock in the terminal bonus. The amount of the terminal bonus is largely affected by the performance of the underlying investments, so the amount is relatively volatile and will move up and down over time. Review and adjustment of projected terminal bonus is performed at least monthly and may be performed more frequently than monthly at any time upon Manulife’s decision.

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.

The long-term asset mix is expected to be within the ranges as listed below. There may be situations that the actual mix will move outside of these ranges if investment performance deviates from expected.

Asset class	Expected asset mix
Bonds and other fixed income assets	25% – 55%
Non-fixed income assets	45% – 75%

The bonds and other fixed income assets include mainly government and corporate bonds, and are mainly invested in 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 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 expected 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.

Fulfillment ratio
You may browse the following website on fulfillment ratio to understand our dividend and bonus history. This is only for reference purposes.Dividend / bonus 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 plan with a savings element. Part of the premium pays for the insurance and related costs. The savings element is reflected in the surrender value (also known as 'cash value' in policy provisions), which includes guaranteed cash value, non-guaranteed terminal bonus and any accumulated realized terminal bonus. 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.

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. 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. After the expiration of the cooling-off period, if you cancel the policy before the end of the term, the projected total cash value that you will receive may be considerably less than the total premium you have paid.

3. Premium term and result of not paying the premium (not applicable to single premium policy)
You should pay the premium (or premiums) on time for the whole of the premium payment period. If you do not pay a premium of the basic plan and / or supplementary benefits (if any) 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 guaranteed cash value and accumulated realized terminal bonus, the 'automatic premium loan' (see point 11 below) will apply and the policy will continue in force. If there is not enough guaranteed cash value and accumulated realized terminal bonus in the policy, the policy will end and the life insured will not be covered. In this case, we may only pay you the terminal bonus, if any, and you may suffer a significant loss of principal.

4. The main risks affecting the non-guaranteed terminal bonus and the accumulation interest rate of the realized terminal bonus
The terminal bonus is not guaranteed. Factors that may significantly affect the terminal bonus include, but are not limited to, the following:

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

Investment return – includes 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.

Please be aware that the amount of the terminal bonus is mainly affected by the performance of the underlying investments, so the amount is relatively volatile and will move up and down over time. If there is a significant fall in the market value of the underlying investments, your terminal bonus will also be reduced significantly from your previous terminal bonus available; and even if there is a mild rise in the market value of the underlying investments during a policy year, your actual terminal bonus can still be lower than what was shown for that policy year, since the growth in the market value was lower than what we assumed when we gave you the illustration for your terminal bonus.

Persistency – includes other policyowners 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 realized terminal bonus 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 realized terminal bonus 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. 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 surrender 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 (whether in full or part), this may be considerably less than the total premiums you have paid. You should refer to the proposal for the illustrations of the surrender value we project.

9. Liquidity and withdrawal risk

You can make withdrawals from realized terminal bonus which have built up, take a policy loan or even cash in the policy to get the surrender value. You may make partial withdrawals from the guaranteed cash value and terminal bonus but it would reduce the notional amount and the subsequent cash value, death benefit, Accidental 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 surrender value and death benefit.

10. Policy loan

You can take a policy loan of up to the loan value less any amount you owe us, where the loan value is 90% (we will decide this figure and may change it from time to time without giving you notice) of the sum of guaranteed cash value and any accumulated realized terminal bonus. 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 is equal or more than the sum of guaranteed cash value and any accumulated realized terminal bonus, the policy will end. In this case, we may only pay you the terminal bonus, if any, and you may suffer a significant loss of principal. Any policy loan will reduce the policy's death benefit and surrender value. For details, please see the 'policy loan' and 'loan conditions' provisions in the policy provisions.

11. Automatic premium loan (not applicable to single premium policy)

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 loan value in the policy. If the loan 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 sum of guaranteed cash value and accumulated realized terminal bonus less any amount you owe is less than a monthly premium, the policy will end. In this case, we may only pay you the terminal bonus, if any, and you may suffer a significant loss of principal. 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 surrender value. For details, please see the 'policy loan', 'automatic premium loan' and 'loan conditions' provisions in the policy provisions.

12. Condition for ending the policy

The policy will end if:

i. 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 (not applicable to single premium policy);
ii. the life insured dies and we have paid the death benefit and the Accidental Death Benefit (if applicable);
iii. you cash in the policy and we have paid the surrender value;
iv. when the outstanding debt equals or exceeds the guaranteed cash value plus accumulated realized terminal bonus; or
v. we approve your written request to end this policy;

whichever happens first.

The written request mentioned above should be signed by you and sent to our address in Hong Kong as stated at the end of this product leaflet, attention to 'Individual Financial Products'.

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 amount paid to us less any amount paid by us under the policy. For detailed terms and conditions including reinstatement, please refer to the policy provisions.

14. Claims procedure

Please visit www.manulife.com.hk/claims-procedure-en for details of claims procedure.

15. Exclusions and limitations

We will not pay the Accidental Death Benefit if the bodily injury causing the life insured's death is resulted directly or indirectly from any of the following:

i. Any deliberately, self-inflicted injury or suicide, whether sane or insane;
ii. Any drug, poison, alcohol, gas or fumes, voluntarily or otherwise taken, administered, absorbed or inhaled, other than as a result of an accident arising from a hazard incidental to the life insured's job;
iii. War or any act related to war, or serving in the armed forces of any country at war or serving in a civilian force auxiliary;
iv. Travelling or flight in any aircraft, except as a passenger on an aircraft operated by a regular airline;
v. Taking part in driving or riding in any kind of race or underwater activities which take place at sea-depth greater than 130 feet, taking part in a sport in a professional capacity or where the life insured would earn income from, or other dangerous activities such as mountaineering, pot holing, parachuting or bungee-jumping;
vi. Carrying out or attempting to carry out a criminal offence, or resisting or avoiding arrest;
vii. Childbirth, pregnancy, miscarriage or abortion, whether or not this event may have been accelerated or caused by an accident; or
viii. Riot and civil commotion while the life insured was carrying out certain types of work. (Please see the policy provisions for the list of work.)

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).

You should not buy this product unless you fully understand the product features and risks. For more information, please contact the licensed staff of the Bank or call our customer service hotline on (852) 2510 3383. 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.

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