

Life Insurance

ManuElite Protector

卓越終身保

This product leaflet is for use by the customers of DBS Bank (Hong Kong) Limited (the 'Bank'). **ManuElite Protector 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.

Policy Reverse Mortgage Programme - Eligible Life Insurance Plan



ManuElite Protector

The future reveals many more possibilities to those who have taken the time to build up their financial capabilities. And the earlier you start mapping out your wealth journey, the sooner you could arrive at your preferred destination.

ManuElite Protector is designed to not only provide you with a lifetime of protection, but long-term potential wealth growth opportunities to prepare the future for your arrival. After all, the only thing more exciting than embracing the future, is knowing it will embrace you back.

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. You can ask us for a copy.



Whole life protection to safeguard your family

The plan offers life protection for the entire lifetime of the life insured. If the life insured unfortunately passes away, we will pay a death benefit consisting of a guaranteed 100% of the notional amount and non-guaranteed benefits (see 'Plan at a glance' section for details), giving your loved ones the financial security they deserve by bolstering the cash reserves at their disposal.

You can decide whether 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 1), safeguarding your loved ones' financial future in a way that best suits your plan.



Grow your wealth with potential long-term savings

At the same time, you will have the opportunity to accumulate your wealth with the guaranteed cash value and boost your potential return through a non-guaranteed terminal bonus (see note 2), which will be a one-off payment made to you:

- when you end your policy and cash it in; or
- when the life insured passes away; or
- when your policy is terminated because
 - 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 payment); or
 - ii) the amount you owe is equal to or more than the sum of the guaranteed cash value and any accumulated realized terminal bonus.

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 3).



Extra liquidity with realization option (see notes 3 and 4)

You can realize the 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 3 and 4). You can decide whether to leave the realized terminal bonus with us to earn interest (see note 3), 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.



Different premium payment options

To give you more flexibility to plan for the future, you can choose to pay your premium with a single payment or for 5, 10, 20 or 25 years to suit your needs.



Inflation protector option to help you keep up with rising costs (see note 5)

If you are paying for the plan over 10, 20 or 25 years, you can choose to add the inflation protector option with additional premiums, which will automatically increase the life protection by 10% of the initial notional amount each year, for up to 10 consecutive years (see notes 5 and 6). The increased notional amount will not change even after the inflation protector option ends.



Plan at a glance

ManuElite Protector

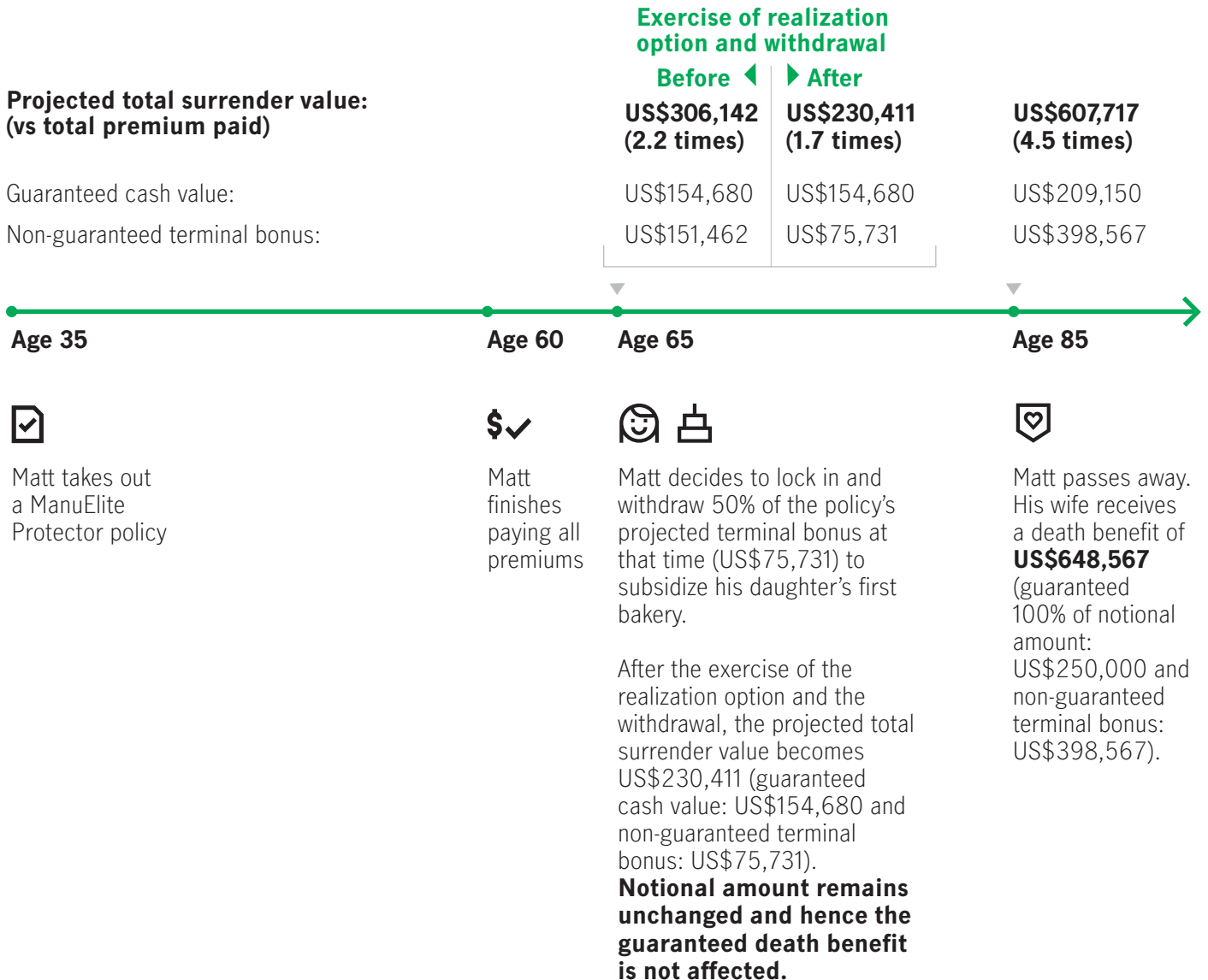
Premium payment period*	Single premium	5 years	10 years	20 years	25 years
Issue age*	15 days – 75	15 days – 75	15 days – 70	15 days – 70	15 days – 65
Premium structure	Level and premium rate is guaranteed (see note 6) at time of policy issue				
Benefit term	Whole life				
Minimum notional amount	US\$20,000				
Payment mode	Annually / Semi-annually / Quarterly / Monthly				
Policy currency	United States Dollars (US\$)				
Death benefit	We will pay the designated beneficiary(ies) an amount which is equal to 100% of the notional amount ⊕ any terminal bonus ⊕ any realized terminal bonus left with us for interest accumulation (see note 3) ⊖ any outstanding debts (see note 7)				

* You may be required to pay premiums after retirement and in some cases up to age 90. As a result, you are advised to save enough money to cover the premiums in the future.

Case

Building a child's future

Matt, 35, is married with a young daughter. He wants to ensure financial support for his family should something unfortunate happen to him. He also wants to build up his savings for the long term so that he can help get his daughter started in life when she grows up. To that end, he takes out a ManuElite Protector policy with a notional amount of US\$250,000. The **US\$5,463 annual premiums** he pays will total **US\$136,563** after 25 years. (See notes 8 and 9)





Notes

1. 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.
2. 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 '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. 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 Manulife 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 '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.
4. You can exercise the realization option within 31 days from the Realization Anniversary (that is, the 15th policy anniversary or every policy 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.
5. You will need to apply for the inflation protector option at the time you buy the plan. Otherwise, you cannot add it back later. The inflation protector option is only available to life insureds who are below the age of 59 at policy issue and for standard policies, which means the policies have no extra premium and exclusions. You will need to pay an additional premium throughout the premium payment period of the plan after each time you have exercised the inflation protector option. The additional 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 for the inflation protector option for exclusions, termination conditions and other details.
6. We guarantee that the basic plan premiums for the initial basic plan notional amount will remain unchanged throughout the premium payment period. However, we do not guarantee the premium and guaranteed cash value due to an increase in the basic plan notional amount, including those increases triggered by using the inflation protector option.
7. Outstanding debt refers to indebtedness to us against the policy, and it includes but is not limited to any premium in default, any outstanding policy loan amount and interest accrued to date.
8. Figures in this case are based on the assumptions that Matt is 35 years of age, a non-smoker, in good health and currently lives in Hong Kong. We assume that (i) the realization option has been exercised on the terminal bonus at the end of policy year 30, (ii) the realized terminal bonus is withdrawn as soon as it is realized; (iii) all premiums are paid annually in full when due; (iv) no policy loan is taken out throughout the policy term and (v) no supplementary benefits are attached. Based on your needs, you may have a realization schedule different from the above.
9. The amount of the 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 amount 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 mentioned in the case are rounded to the nearest whole number. For your own illustrations, please contact the licensed staff of the Bank.

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	50%-65%
Non-fixed income assets	35%-50%

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 provision), 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. However, under certain circumstances the surrender 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. 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 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 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.

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 the 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 surrender 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 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 equals to or more than the sum of guaranteed cash value and 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', 'automatic premium loan' and 'loan conditions' provisions in the policy provision.

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 provision.

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;
 - ii. the life insured dies and we have paid the death benefit;
 - 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 the policy;
- whichever happens first.

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

The inflation protector option will end in the following circumstances:

- i. the policy terminates;
 - ii. the policy reaches the anniversary closest to the life insured's 60th birthday;
 - iii. you have declined two consecutive increases in notional amount;
 - iv. the policy reaches the 5th to last policy anniversary before the date to which premiums are payable;
 - v. the total notional amount of the basic plan reaches 200% of the initial notional amount or the maximum notional amount that we set;
 - vi. there is any reduction in the policy's notional amount;
 - vii. we have paid any total disability waiver benefit claim such as Premium Waiver Benefit or Payor Benefit (if applicable);
 - viii. the life insured has contracted any major disease or critical illness that entitles any benefit or claim under any supplementary benefit provisions (if applicable);
 - ix. you exercise any nonforfeiture benefits; or
 - x. after 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 the premium paid less any amount paid by us under the policy. For detailed terms and conditions including reinstatement, please refer to the policy provision.

If the life insured commits suicide, whether sane or insane, within one year from the effective date of the relevant increase in notional amount by the exercise of inflation protector option, our liability in respect of such increase in notional amount will be limited to the amount of premium paid for such increase in notional amount less any amount paid by us under the policy. For details, please refer to the inflation protector option provision.

14. Claims procedure

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

15. Exclusions and limitations

If the policyowner or life insured is being excluded or restricted in any manner under the plan from claiming for or receiving any benefit or any part of the benefit due to or in any event related to any illness, sickness, injury, disability, medical treatment and/or any complications or diseases of the life insured, all these illness, sickness, injury, disability, medical treatment and/or any complications or diseases of the life insured will remain excluded or restricted from any coverage/benefit under the inflation protector option.

What we have said above is an outline of the circumstances under which we will not pay the policy benefits. 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.

Important notes for Policy Reverse Mortgage Programme ('PRMP')

Please note that ManuElite Protector is an eligible life insurance plan under PRMP, but it does not necessarily mean that your PRMP application will be approved. The eligibility of this product under the PRMP is based on the features of the product. Therefore, you and your life insurance policy are still required to meet all the eligibility requirements under PRMP before you apply for the policy reverse mortgage loan.

Any general information provided on PRMP is for your reference only, and you should not make any decisions based on such information alone. Manulife shall not be responsible for the policyowner's suitability and eligibility to apply for policy reverse mortgage. You should always seek for advice from professional bodies if you have any doubts. Please note that the information provided is subject to change including the eligibility criteria for PRMP. We do not take any responsibility to inform you about any changes and how they may affect you. The Policy Reverse Mortgage Programme is operated by HKMC Insurance Limited, a wholly-owned subsidiary of The Hong Kong Mortgage Corporation Limited. For further information, please refer to The Hong Kong Mortgage Corporation Limited website: www.hkmc.com.hk.

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 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 at the address below. We will not charge you a fee for this.

This product leaflet is only for distribution in the Hong Kong Special Administrative Region.

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