

# MyChoice

理想退休入息計劃



In life, you work hard for perfection for both yourself and your loved ones. When you retire, you enter a whole new era where you will pursue your passions and dreams. To make the most of these golden years, you need enough financial support and good health.

MyChoice gives you not only a stable stream of income after you have retired, but also Critical Illness Advance Benefit to ease the financial worries if the life insured suffers a critical illness (see note 1).



### **A guaranteed income to support your retirement goals**

### **Ease financial worries with Critical Illness Advance Benefit**

## **MyChoice**

### **Flexible financial planning**

### **No medical examination**

#### **A guaranteed income to support your retirement goals**

If you want to enjoy your golden years full of possibilities, you need strong and reliable financial support! Providing you with a stable guaranteed income for 10 years or 20 years, MyChoice supplements your other savings and investments and allows you to achieve the retirement lifestyle you have always wanted. Annual dividends (see note 2) will further add to your retirement funds.

#### **Flexible financial planning**

The plan complements the goals you have at the different stages of your life. You can tailor it with different premium payment periods, namely 5, 10, 15 or 20 years and payment to when the life insured reaches age 60 or 65. You may take a premium holiday (see note 3) for up to two years at any time after the second policy anniversary, during which all premium payments and policy values will be frozen.

#### **Ease financial worries with Critical Illness Advance Benefit**

If you choose a plan with premium payment period of 10 years or more, MyChoice offers advances of future guaranteed income, providing immediate cash that will ease financial worries if the life insured is diagnosed with a critical illness, namely cancer, a stroke or a heart attack (see note 1).

#### **No medical examination**

Simply fill in and return the application form. The life insured will not have to go through any medical examination to prove their good health.

**MyChoice is a long-term participating life-insurance product with a savings element, supplemented with benefit for specified critical illnesses, and is provided and underwritten by Manulife. 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. You should read the policy provisions for the exact terms and conditions that apply to this product. You can ask us for a copy.**

### Plan at a glance

<b>Product objective &amp; nature</b>	A long-term participating life-insurance product with a savings element, supplemented with benefit for specified critical illnesses
<b>Product type</b>	Basic plan
<b>Premium structure</b>	Level and premium rate is guaranteed
<b>Payment / Policy currency</b>	Hong Kong Dollar (HK\$) / United States Dollar (US\$)
<b>Benefit period</b>	Until the end of the guaranteed income period

### Summary of features

Plan	Issue Age (see note 5)	Premium Payment Period	Guaranteed Income Period	Minimum guaranteed amount
MyChoice 5/20	0 – 75	5 years	20 years	HK\$96,000 / US\$12,000
MyChoice 10/10	0 – 50	10 years	10 years	HK\$96,000 / US\$12,000
MyChoice 10/20	0 – 55	10 years	20 years	HK\$144,000 / US\$18,000
MyChoice 15/10	0 – 50	15 years	10 years	HK\$144,000 / US\$18,000
MyChoice 15/20	0 – 50	15 years	20 years	HK\$144,000 / US\$18,000
MyChoice 20/10	0 – 45	20 years	10 years	HK\$144,000 / US\$18,000
MyChoice 20/20	0 – 45	20 years	20 years	HK\$144,000 / US\$18,000
MyChoice 60/20	0 – 50	To age 60	20 years	HK\$144,000 / US\$18,000
MyChoice 65/20	0 – 55	To age 65	20 years	HK\$144,000 / US\$18,000

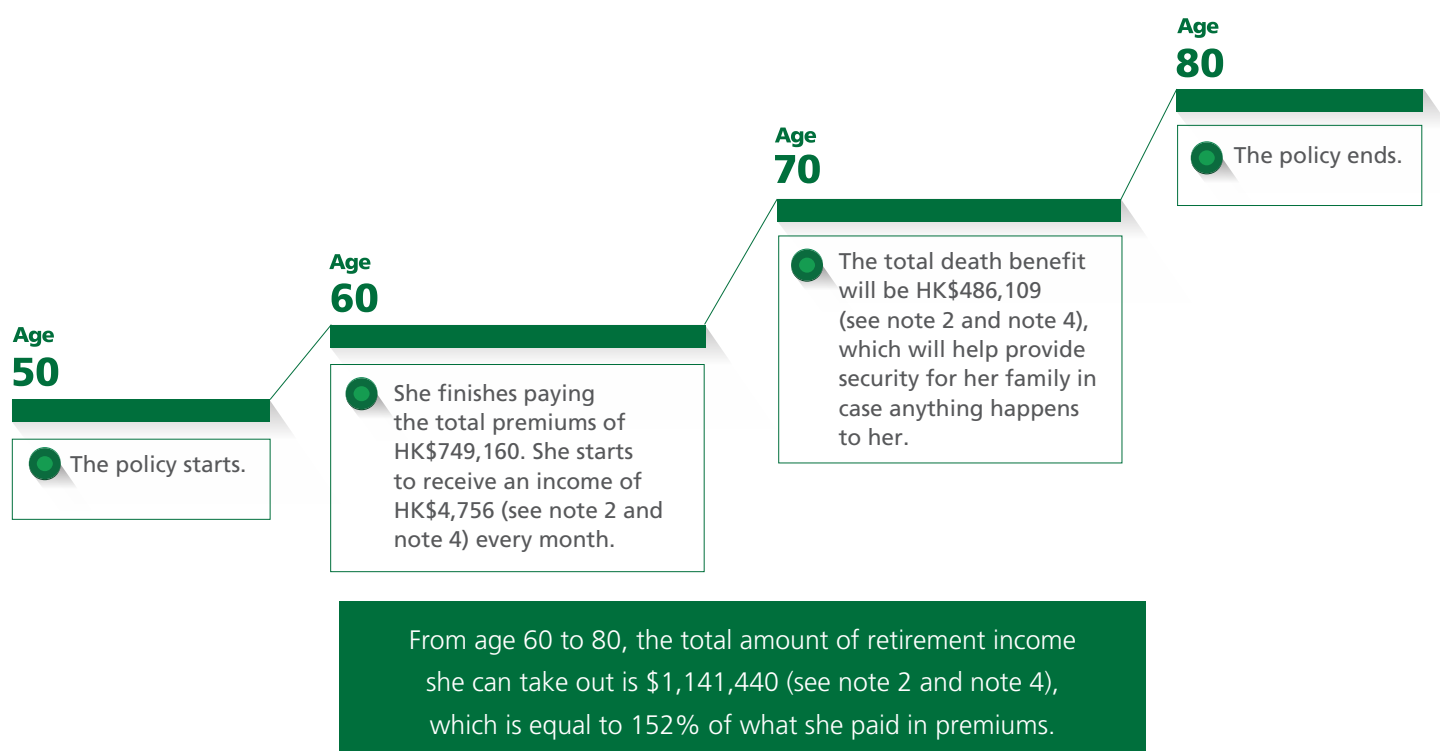
### Critical Illness Advance Benefit (see note 1) – Not applicable to MyChoice 5/20

If the life insured is diagnosed with a critical illness during	
Premium payment period	Guaranteed income period
<p>We will pay the higher of:</p> <ul style="list-style-type: none"> <li>the sum of the basic plan premiums paid plus any interest which has built up on these amount at an interest rate of 1.2% a year; or</li> <li>the guaranteed cash value</li> </ul> <p>We will also pay</p> <ul style="list-style-type: none"> <li>any accumulated non-guaranteed dividends with interest (see note 2)</li> </ul> <p>less any indebtedness</p> <p>The policy will end upon payment of this benefit.</p>	<p>We will advance 50% of the higher of:</p> <ul style="list-style-type: none"> <li>guaranteed amount, less the sum of the guaranteed income due and payable; or</li> <li>the sum of the basic plan premiums paid, less the sum of the guaranteed income due and payable, plus any interest which has built up on that net amount at an interest rate of 1.2% a year;</li> </ul> <p>subject to a maximum payment of HK\$1,000,000 or US\$125,000 less the total amount of the same or similar benefits paid under our other policies,</p> <p>less any indebtedness</p>

## Case

Ms Ho is now 50 years old and plans to retire in 10 years. She realizes that relying just on her MPF savings may not be enough, and worries about rising inflation. She wants to set up a financial plan to increase her savings and, at the same time, to provide an extra income after she retires.

She applies for MyChoice (Premium Payment Period: 10 years, Guaranteed Income Period: 20 years). By paying HK\$74,916 a year, she can receive HK\$4,756 (see note 2 and note 4) each month as a regular income when she retires until she reaches age 80.



### Notes:

1. If the critical illness occurs during the guaranteed income period and we have paid this benefit, we will reduce the guaranteed amount proportionally, and subsequent guaranteed income, dividend, cash value and death benefit will be reduced accordingly as if the policy is issued with the reduced guaranteed amount. Please see the policy provision for the definition of critical illness, and the terms and conditions for the Critical Illness Advance Benefit.
2. Annual dividends and the accumulation interest rates of dividends and guaranteed income (in other words, interest rates for building up dividends and guaranteed income left with us) are not guaranteed and we may change them from time to time. We will not pay any dividend until we receive the full premium for the second policy year.
3. For details, please see the policy provisions and point 13 under the 'Important Information' section.
4. Figures in the example assume Ms Ho is age 50, a non-smoker, in good health and currently living in Hong Kong. The amount of monthly income in the example consists of guaranteed income of HK\$3,750 and non-guaranteed income of HK\$1,006. Non-guaranteed income is made up of non-guaranteed annual dividends and interest. The amount of death benefit in the example also includes the non-guaranteed annual dividends and interest. Please see the policy proposal and policy provision for more details on the death benefit. The amount of non-guaranteed annual dividends in the example is only an estimate based on the current dividend scale. She leaves the non-guaranteed annual dividends 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 and guaranteed income left with us (which is the interest rate for building up the dividends and guaranteed income) 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 Ms Ho receives regular income each month as shown in the example 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.
5. Age 0 refers to 15 days old.

### Learn more:

[www.manulife.com.hk](http://www.manulife.com.hk)

立即關注WeChat ID:  
Manulife\_HongKong



Smart生活我有say - by Manulife

YouTube Manulife Hong Kong

## Important Information

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

### 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](http://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](http://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.

### 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 and guaranteed income (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 and guaranteed income 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 or guaranteed income 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 guaranteed income or non-guaranteed dividends which have built up, take a policy loan or even cash in the policy to get the cash value. You may partially surrender the policy but it would reduce the subsequent guaranteed income, cash value, death benefit, the Critical Illness Advance Benefit we would pay under the product (if any) and other policy values and benefits. However, the guaranteed amount (as defined in the policy provision) after the reduction cannot be smaller than the minimum guaranteed amount, which we will set from time to time without giving you notice. Taking a policy loan will reduce your cash value, death benefit and the Critical Illness Advance Benefit we will pay (if any).

#### **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, cash value and the Critical Illness Advance Benefit we will pay (if any). 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, cash value and the Critical Illness Advance Benefit we will pay (if any). 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;
  - iv. the amount you owe is equal to or more than the cash value;
  - v. the guaranteed income period ends (maturity); or
  - vi. the life insured is diagnosed with a critical illness (see note 1) during the premium payment period and we have paid the Critical Illness Advance Benefit (this only applies to plans with a premium payment period of 10 years or more);
- whichever happens first.

#### **13. Risk from taking a 'premium holiday'**

We will charge you a handling fee if you choose to take a 'premium holiday', during which you may suspend your premium payment for up to two years in total. The first time you ask to do this, it is free. The handling fee is then HK\$200 each time you apply but we can change this from time to time without giving you notice. During the premium holiday, we will not pay any dividend or interest to your policy, and we will not accept any withdrawal, policy loan or any change to the policy you want to make. Also, all supplementary benefits attached to your policy will end. The premium holiday will end immediately if we pay the death benefit or Critical Illness Advance Benefit (if any) and we will take those premiums you did not pay during the premium holiday from the value of your policy. In other words, we will take them from the benefit that we will pay. You can ask to end the premium holiday by sending us a notice and resume your premium payments when we have approved it. We will then reset your policy year date, and the date the guaranteed income period begins, as well as the maturity date and the schedule of your premium. As a result, your guaranteed income period will be delayed and it may affect your financial plan.

#### **14. 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.

#### **15. Claims procedure**

For claims procedure, please refer to the 'Notice and Proof of Claim' section in the policy provisions and visit [www.manulife.com.hk](http://www.manulife.com.hk) for details.

## 16. Elimination Period

'Elimination Period' means the 90-day period after the later of:

- i. The issue date or the policy year date of the policy, whichever is later; or
- ii. The effective date of reinstatement.

No Critical Illness Advance Benefit will be payable if any physical condition, that results in a claim otherwise payable by us in respect of a critical illness, is

- i. diagnosed; or
- ii. treated; or
- iii. for which a doctor was consulted; or
- iv. for which the existence or onset of signs or symptoms of any illness or disease were present, within or prior to the Elimination Period.

## 17. Surgically necessary

If the critical illness (see note 1) requires a surgical procedure to be performed, the procedure must be the usual treatment for the condition and be surgically necessary.

'Surgically necessary' means a surgical service which is:

- i. consistent with the diagnosis made and customary medical treatment for the diagnosed condition;
- ii. conventionally performed on an in-patient basis only;
- iii. in accordance with standards of good medical practice; and
- iv. not for the convenience of the life insured or the doctor.

## 18. Exclusions and limitations

For the Critical Illness Advance Benefit (only available for plans with a premium payment period of 10 years or more), we will not pay the benefit for any critical illness caused by the following.

- i. Any physical conditions for which we will not pay benefit under the section 'elimination period' in the policy provision.
- ii. Congenital conditions.
- iii. Suicide, attempted suicide or deliberately self-inflicted injury, whether the life insured is sane or insane.
- iv. Acquired immune deficiency syndrome (AIDS), AIDS-related complex (ARC), or infection by human immunodeficiency virus (HIV) whether caused directly or indirectly.
- v. Taking drugs (unless taken as prescribed by a registered medical practitioner), poison or alcohol, whether caused directly or indirectly.

What we have said above is an outline of the circumstances under which we will not pay the Critical Illness Advance Benefit. 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).

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](http://www.manulife.com.hk/link/levy-en).

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.

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