

Disability Income Protector

傷殘入息保障



A steady income covers your daily expenses and also helps to provide the lifestyle you want. However, if you suffer an injury by accident, a sickness or even mental disorder which results in a long-term disability and leads to losing your ability to earn a living, can life still be the same?

Disability Income Protector offers peace of mind by compensating for the earnings the life insured will lose if they lose the ability to earn.



A stable monthly income benefit

Rehabilitation program and worksite modification benefit to help the life insured get back to work

Disability Income Protector

Keeps the protection in line with inflation

Adequate cover for a long-term disability using the optional Claim Escalator Benefit

A stable monthly income benefit

Disability Income Protector provides support with a monthly income benefit (see note 1) after the waiting period (see note 2) if the disability continues:

- **Total disability benefit** – We will pay a monthly total disability benefit until the end of the maximum benefit period (see note 3) as long as the life insured is still totally disabled (see note 4).
- **Severe disability benefit** – If the life insured is severely disabled, the monthly benefit will increase by a further 25% (which equals 125% of the monthly benefit for total disability benefit). We will continue to pay this benefit for the whole of the life insured's life, as long as he or she is still severely disabled (see note 4).

- **Residual disability benefit** – If the life insured is totally disabled but is able to work part-time but is earning less than 80% of what they earned before and is receiving medical care, we will pay a partial disability income benefit according to their lost earnings ratio until the end of the maximum benefit period (see notes 3 and 4).

Keeps the protection in line with inflation

The inflation protector option automatically increases the monthly total disability benefit by 5% of the initial benefit at the time you renew the policy (see note 5). It allows the cover to keep up with inflation.

Adequate cover for a long-term disability using the optional Claim Escalator Benefit

If the disability proves to be long term, this optional Claim Escalator Benefit increases the disability income benefit by 5% of the initial benefit at the end of each 12-month period of paying out benefit (see note 6).

Rehabilitation program and worksite modification benefit to help the life insured get back to work

The rehabilitation program provides advice and help so the life insured can rejoin the workforce. Under an agreement between the life insured, their employer and us, we will support the cost of modifications to the workplace by using the worksite modification benefit. This will help the life insured stay at work or get back to work more easily. The benefit amount cannot be more than two times the total disability benefit.

Customize your cover

You have a choice of waiting periods and maximum benefit periods for total disability benefit to better suit the life insured's needs.

Other benefits

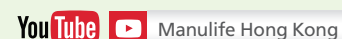
- Hospital income benefit (see notes 1, 2 and 3)
- International Medical Assistance
- Waiver of premium

Notes:

1. We will not pay two or more of the total disability benefit, severe disability benefit, residual disability benefit and hospital income benefit at the same time. After we have paid the total disability or severe disability benefit for 24 months, as a result of mental disorder, the life insured will have to stay in a hospital to continue to be eligible for further benefits.
2. Waiting period means the number of days before we pay total disability benefit, severe disability benefit or hospital income benefit. The waiting period begins on the first day that the life insured is totally or severely disabled or has to stay in hospital. Different waiting periods may apply to different benefits under the policy. The waiting period for residual disability benefit is the same as for total disability benefit.
3. Maximum benefit period means, as a result of the same injury, sickness or mental disorder, the longest period of time during which we will pay the total disability benefit, the severe disability benefit or the hospital income benefit for any one period of total disability, severe disability or stay in hospital. The maximum benefit period for residual disability benefit is the same as for total disability benefit. If total disability begins after the life insured is age 62 while the policy is in force, the maximum benefit period will not be less than two years.
4. If the life insured is eligible to receive other money due to the injury, sickness or mental disorder causing their total, severe or residual disability, we will reduce the amount we pay to an amount which, together with the other money due, will not be more than 85% of what the life insured earned before. This other money will include regular payments or lump-sum payments, from any other sickness or accident insurance policy.
5. You will need to pay an extra premium each time when the inflation protector option is exercised. The extra premium will be based on the age of the life insured and the premium rate (we may change the premium rate from time to time), at the time the option is exercised. Inflation protector option is only available if the policy is issued with standard premium. Please see the policy provision for details.
6. We will not increase the disability income benefit under the claim escalator benefit if the injury, sickness or mental disorder existed before the effective date of this optional benefit, unless you told us about them or any other condition, and we accepted them or such other condition on or before the effective date of or the date we reinstated this optional benefit, as the case may be.

Learn more:

www.manulife.com.hk



● Example

Case 1 (Severe Disability Benefit)

Mr Li suffers a stroke and is paralyzed on one side of his body. He is severely disabled and needs help for basic activities of daily living, such as bathing, moving, eating, and so on. Fortunately, he is covered by Disability Income Protector, which helps ease the financial burden caused by his disability and covers his basic living expenses.

- **Age 30** — Mr Li buys the Disability Income Protector (with the inflation protector option automatically included) with HK\$25,000 as the monthly total disability benefit amount and a maximum benefit period up to age 65. The waiting period that Mr Li chooses is 30 days.
- **Age 34** — He suffers a stroke and is considered severely disabled according to the definition in the policy. If he is still severely disabled after the waiting period of 30 days, the policy provides severe disability benefit where the benefit amount is increased by 25%. The inflation protector option provides a further 20% increase (5% X 4 years) of the benefit amount.

The amount of monthly benefit he is entitled to is shown below.

$$\begin{aligned} &\text{Severe disability benefit + further 20\% under the inflation protector option} \\ &= \text{HK\$25,000} \times 125\% + (\text{HK\$25,000} \times 125\% \times 20\%) \\ &= \text{HK\$37,500} \end{aligned}$$

He does not need to pay premiums for the plan during the period we are paying the benefit.

As long as Mr Li stays severely disabled, we will continue to pay the benefit for whole of his life.

Case 2 (Residual Disability Benefit)

Ms Chan is a psychologist and is earning HK\$100,000 a month. Last year, she suffered a serious heart attack. During her recovery, she is only able to work part-time and earn 40% of her previous income. Disability Income Protector compensates her loss in income by providing HK\$30,000 a month on top of her part-time income.

- **Age 35** — Ms Chan buys the Disability Income Protector with HK\$50,000 as the monthly total disability benefit amount (with the inflation protector option automatically included). She chooses the maximum benefit period of up to age 65 and the waiting period of 90 days. She also adds the claim escalator benefit to her policy.
- **Age 40** — She suffers a serious heart attack. While recovering, she is not able to carry out full-time work and loses 60% of what she earned before. Based on the lost earnings ratio, she receives HK\$37,500 (which is $[\text{HK\$50,000} + \text{HK\$50,000} \times 5\% \times 5] \times 60\%$) from her policy each month as 'Residual Disability Benefit'.

With the Claim Escalator Benefit, the amount of Residual Disability Benefit she receives will be increased by 5% of HK\$37,500, which is extra HK\$1,875 every year. She does not need to pay any further premiums during the period we are paying the benefit. We will continue to pay the benefit until the end of the maximum benefit period or when she can earn 80% or more of the income she used to earn.

Important Information

1. Nature of the product

The product is an insurance plan without a savings element. There is no cash value for the product. The product is aimed at customers who want an insurance product of the nature as described in this product leaflet and can pay the premium for as long as they want the protection as described in this product leaflet. As a result, you are advised to save enough money to cover the premiums in the future. The premium pays for the insurance and related costs.

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.

3. Premium adjustment

The premiums will vary depending on the age of the life insured and are not guaranteed. We will regularly review our products, including the premium rates, to make sure we can continue to provide cover. When reviewing the premium rates, we will consider our claims experience and other factors. We can change the premium rates on each policy anniversary.

4. Premium term and result of not paying the premium

You should continue to pay the premium (or premiums) on time throughout the benefit term. 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, the policy will end without further notice and the life insured will not be covered.

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. Condition for ending the policy

This plan will end if:

- i. the life insured dies;
 - ii. you fail to pay the premium within 31 days after the due date;
 - iii. the policy reaches the anniversary closest to the life insured's 65th birthday;
 - iv. we approve your written request to end the policy;
 - v. the life insured retires permanently, other than because of a total, severe or residual disability; or
 - vi. the life insured has been unemployed for a period of two calendar months since the start of the policy;
- whichever happens first.

Claim Escalator Benefit will end if:

- i. the policy to which the Claim Escalator Benefit is attached ends or matures; or
 - ii. we approve your written request to end the Claim Escalator Benefit;
- whichever happens first.

Inflation protector option will end if:

- i. the policy terminates;
 - ii. the policy reaches the anniversary closest to the life insured's 60th birthday;
 - iii. you have declined 2 consecutive increases;
 - iv. there is any reduction in the policy's benefit amount; or
 - v. the total disability or severe disability benefit payment commences.
- whichever is earlier.

9. Renewal

You can renew this policy by paying the premium at our premium rate in force at the policy anniversary. If you do not renew the policy, it will not affect claims arising before the end date of this policy.

10. Exclusions and limitations

We will not pay any benefit under this plan for conditions caused, directly or indirectly, by the following.

- i. Attempted suicide or deliberate self-inflicted injury, whether sane or insane.
- ii. Drug addiction or alcoholism.
- iii. War or any act of war, or serving in the armed forces of any country at war or serving in a civilian force auxiliary.
- iv. Riots, insurrection, or civil commotion.
- v. Acquired immune deficiency syndrome (AIDS), AIDS-related complex (ARC), or infection by human immunodeficiency virus (HIV).
- vi. Pregnancy and childbirth, other than complications of either.
- vii. Pre-existing conditions.
- viii. Injury, sickness or mental disorder without obvious symptoms.

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 including but not limited to the clauses on 'change of occupation', 'notice and proof of claims', 'limitation of benefit' and the definitions of 'waiting period', 'injury', 'mental disorder', 'sickness', 'residual disability', 'severe disability', 'total disability' and 'pre-existing condition'.

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).

Disability Income Protector is an insurance product provided and underwritten by Manulife. This product leaflet provides only general information on this product. For the exact terms and conditions of this product, please see the policy provisions. You can ask us for a copy.

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

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

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

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