


Death benefit settlement options

Life can be unpredictable. So you probably want to leave a legacy to take care of your loved ones if something were to happen to you. Our applicable plans¹ offer simple, easy-to-manage alternative² death benefit settlement options for you to ensure the financial security of your family members.


How it works? Apart from the default option of having the death benefit proceeds³ paid to your beneficiary(ies)⁴ in a lump sum (“lump sum payment”) upon receiving the due proof of the life insured’s death, you can choose an alternative death benefit settlement option and customize it in a way that best reflects your wishes by submitting our prescribed form.

Deferred lump sum payment⁶




You can choose to:

- specify a payment date; or
- specify a payment date at the end of a certain period of time (X years Y months) from the death of the life insured.

 Any unpaid balance of the death benefit proceeds will be left on deposit to accumulate non-guaranteed interest⁵. All accumulated interest (if any) will be paid together with the final payment.

or


Customize your death benefit payout by specifying full or partial payment by instalments



Full payment by instalments

You can choose to have the death benefit settled by instalments at a specified fixed percentage⁷ and payout frequency (Monthly / Quarterly / Semi-annually / Annually).

or




Lump sum + By instalments

Initial amount to be first settled with a lump sum.

+

You can choose to have the death benefit partially settled by instalments at a specified fixed percentage⁷ and payout frequency (Monthly / Quarterly / Semi-annually / Annually).

Further customize your instalment payout options




Deferred payment⁶

You can choose to:

- specify a start date; or
- specify a payment date as the end of a certain period of time (X years Y months) from the death of the life insured.


and /or



Increasing instalments^{8,9}

You can choose to have the instalments increased annually by a certain percentage⁷ specified by you.


and /or



Maximum period of instalments^{8,9}

You can choose the maximum period of instalments.

The remaining amount will be settled with a lump sum at the end of the maximum period of instalments you have selected.

 Any unpaid balance of the death benefit proceeds will be left on deposit to accumulate non-guaranteed interest⁵. All accumulated interest (if any) will be paid together with the final payment.

Remarks:

1. Please contact your Manulife insurance advisor for details of the applicable plans. The acceptance of the application for or the request to change the of death benefit settlement option is at the Company's sole and absolute discretion and subject to terms and conditions as the Company shall determine from time to time. You are allowed to apply for or change the death benefit settlement option during the lifetime of the life insured and while the policy is in force, and you are not allowed to change the death benefit settlement option after the death of the life insured. Only policies with no more than five beneficiaries designated are eligible for the death benefit settlement option. The option that the policyowner has selected shall be applied to the payment of death benefit proceeds to all beneficiaries if more than one beneficiary is designated by the policyowner.
2. The death benefit settlement options are additional options to the death benefit settlement method as set out in the respective policy provisions.
3. Death benefit proceeds refers to any proceeds under the policy to be paid by the Company to the beneficiary(ies) due to the life insured's death, after deduction of any indebtedness to the Company against the policy, in accordance with basic plan provisions and supplementary benefit provisions (if any).
4. If no beneficiary(ies) survive(s) at the time of death of the life insured, the death benefit proceeds will be paid in a lump sum to the policyowner or if the policyowner is dead, the policyowner's estate. If any beneficiary(ies) die(s) after the death of life insured, provided that the relevant death claim is approved by the Company and upon receipt of due proof of the death of such beneficiary ("Deceased Beneficiary"), the Company shall, after the earliest designated start date of the death benefit settlement, pay to the estate of the Deceased Beneficiary a lump sum in an amount equal to the Deceased Beneficiary's portion of the remaining Death benefit proceeds (if any) with interest accrued up to the later of (a) the date of death of the Deceased Beneficiary, and (b) the earliest designated start date of the death benefit settlement. If more than one beneficiary is designated by the policyowner, the surviving beneficiary(ies) shall continue to receive his/her/their respective portion(s) of the benefit amount in accordance with instructions as pre-set by the policyowner.
5. The interest rate is not guaranteed and can be adjusted by Manulife from time to time without prior notice given. The interest will be accrued from the date of claims approval. As of 22 April 2024, the non-guaranteed interest rate is as follows:

Policy currency	USD	HKD	CNY	CAD	AUD	GBP	SGD
Non-guaranteed interest rate	2.50%	1.75%	2.50%	2.50%	2.50%	1.75%	1.75%

These rates are quoted here for your reference only. For the latest interest rates, 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).

6. For any deferral arrangements, the payment date (in respect of lump sum payment) and payment start date (in respect of payment by instalments) should not be exceed 30 years from the date of form submission or shall not exceed 30 years from the date of death of the life insured.
7. You are allowed to choose the percentage of the death benefit proceeds to be settled by instalments each year and the associated increment percentage per annum under a policy regardless of the number of beneficiaries, which shall not be set at less than 2% and shall not exceed 100% for increment respectively, which is solely determined and subject to revision by the Company from time to time without prior notice.
8. The last instalment amount may be higher or lower than the previous instalment amounts, subject to the factors including but not limited to the increment percentage and the maximum period of instalments as instructed by you.
9. The instalments will end once the full amount of the death benefit proceeds is paid or the designated maximum period of instalments is reached, and any unpaid balance of the death benefit proceeds (if any) will be settled with the last instalment. For the avoidance of doubt, if the full amount of the death benefit proceeds has been paid before the end of the designated maximum period, the instalments will cease.
10. Upon the death of the life insured, if the amount of the death benefit proceeds payable is less than USD50,000/HKD400,000/CNY335,000/CAD65,000/AUD65,000/GBP35,000/SGD85,000 (this amount is solely determined and subject to revision by the Company from time to time without prior notice), the death benefit settlement option will become invalid and the death benefit proceeds will be paid as if the death benefit settlement option has never been selected by the policyowner.

In this leaflet, 'you' and 'your' refer to the policyowner. 'Manulife', 'Company', 'we', 'us' and 'our' refer to Manulife (International) Limited (Incorporated in Bermuda with limited liability).

This leaflet is for reference only. For the exact terms and conditions, please refer to the endorsement of the policy on death benefit settlement option or consult your Manulife insurance advisor. You can ask us for a copy. For more information, please contact your Manulife insurance advisor or call our customer service hotline on (852) 2510 3383 (if you are in Hong Kong) or (853) 8398 0383 (if you are in Macau).

To view our privacy policy, you can go to our website at www.manulife.com.hk. 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.

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