

# Disability Income Benefit

Safeguard your finances with a monthly disability payout

Accident & Disability Protection



Listening. Understanding. Delivering.



# Disability Income Benefit

Accidents and illnesses are unpredictable and will cause you unexpected financial burden. It is therefore wise to plan ahead to protect your family with the financial security they need before misfortunes occur. If you are unable to work due to injury or sickness, **Disability Income Benefit** can provide you with a regular monthly income to relieve your financial burden.

## Features

- The plan is available to any person aged 18 – 55 (age next birthday [ANB]) in full-time permanent employment.
- The person covered by the policy (“Life Assured”) is considered to have suffered disability as a result of accident or illness if he or she
  - cannot engage in his or her present occupation during the first 2 years of disability; and
  - cannot engage in any occupation which he or she is suited by education, training or experience beyond the first 2 years of the disability.
- If the Life Assured suffers disability continuously after the Deferred Period\*, we will pay the monthly Disability Benefit which is equal to 1/12<sup>th</sup> of the Sum Assured. The monthly Disability Benefit will start after the end of the Deferred Period to the end of the Maximum Benefit Period.
- If the Life Assured
  - continues to suffer disability after the Deferred Period, and
  - changes his or her occupation due to the disability so that the gross earnings are reduced by at least 25% compared with pre-disability earnings,
 we will pay the monthly Residual Disability Benefit equal to 1/12<sup>th</sup> of the Sum Assured multiplied by the reduction percentage, until
  - the residual disability stops; or
  - this benefit has been paid for 24 months; or
  - this benefit period expires;
 whichever is earlier.

- A lump sum of 3 months' Disability Benefit will be payable if the Life Assured passes away during the payment of the benefit.
- Should the Life Assured become disabled, the on-going premium of the benefit will be waived. Premium paid during the Deferred Period will be refunded if the Disability Benefit or Residual Disability Benefit is being paid.
- You can choose any of the following Maximum Benefit Periods to suit your individual needs:

Option	Causes of Disability	Maximum Benefit Period
1.	Accident	Until age 65 (ANB)
	Sickness	2 years
2.	Accident	Until age 65 (ANB)
	Sickness	5 years
3.	Accident/Sickness	Until age 65 (ANB)

- You can choose any of the Deferred Periods to suit your individual needs: 30 days, 60 days, 90 days or 180 days.

\* Deferred Period is the initial period of disability when the benefit is not payable.

## Advantages

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The plan is 5-year renewable without evidence of health if your occupation remains unchanged, allowing you to enjoy continuous protection up to age 65 (ANB).



The plan provides 24-hour worldwide coverage<sup>#</sup> to ensure that you have round-the-clock protection.



You have an option to increase the benefit automatically by 6% or the Consumer Price Index (B) on each policy anniversary, whichever is lower, whilst the benefit is being paid.

<sup>#</sup> For details of Benefit Area, please refer to the policy provisions.

## Key exclusions

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No benefit shall be payable if the disability:

- (I) occurs within 30 days of the effective date of this benefit or of the date of any reinstatement (except that the disability is caused by an accident and the Life Assured suffers the disability within 90 days of the accident); or
- (II) results directly or indirectly from:
  - a. war, hostilities (whether war is declared or not), rebellion, insurrection, riot or civil commotion; or
  - b. alcohol, alcoholism, narcotics or drugs unless taken as prescribed by a registered doctor; or
  - c. attempted suicide or self-inflicted injuries while sane or insane; or
  - d. participation in any criminal offence; or
  - e. scuba diving or engaging in or taking part in any kind of race other than on foot; or
  - f. pregnancy or childbirth or related complications, unless the condition continues for more than 90 days after termination of the pregnancy or after the Deferred Period, whichever is longer; or
  - g. Acquired Immune Deficiency Syndrome (AIDS), AIDS-related complex or infection by Human Immunodeficiency Virus (HIV) except for the disability arising from:
    - blood transfusion
    - organ transplant
    - artificial insemination
    - in vitro fertilisation
    - carrying out medical duties whether in an occupational or voluntary capacity
    - any other non-sexually transmitted cause, except the taking of any drug unless taken as prescribed by a registered doctor (other than the Life Assured).

For more details on exclusions, please refer to the relevant policy provisions.

## More about the plan

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### Plan type

Basic plan or supplementary benefit

### Premium term/Benefit term/Issue age/ Currency option

Premium term/ Benefit term	Issue age (ANB)	Currency option
Until age 65 (ANB)	18 – 55	Basic plan: USD/HKD Supplementary benefit: USD

### Premium structure

- This premium is adjustable every 5 years.

### Conditions for Disability Benefit and Residual Disability Benefit

- The total monthly benefits must not exceed 70% of the Life Assured's average monthly gross earnings 1 year before the start date of disability.
- We reserve the right to terminate payment of the Disability Benefit or Residual Disability Benefit if the Life Assured stays outside the Benefit Area for more than 6 months during the period which the benefit is being paid.

For details of Benefit Area, please refer to the policy provisions.

### Termination of this plan

We will terminate this plan when the first of these happens:

- death of the Life Assured; or
- the plan reaches its end of benefit term; or
- if you fail to pay your premium within 1 calendar month from its due date; or
- the basic plan to which this plan is attached terminates (applicable if this plan is a supplementary benefit); or
- once the aggregate claims are approved for illness and the Maximum Benefit Period has been reached.

## Key risks

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### **How may our credit risk affect your policy?**

The guaranteed cash value (if applicable) and insurance benefit of your plan are subject to our credit risk. If we become insolvent, you may lose the value of your policy and its coverage.

### **How may currency exchange rate risk affect your benefits?**

Foreign currency exchange rates may fluctuate. As a result, you may incur a substantial loss when you choose to convert your benefits to other currencies. Additionally, the conversion of your benefits to other currencies is subject to exchange restrictions applicable at the time when the benefits are paid. You have the sole responsibility to decide if you want to convert your benefits to other currencies.

### **How may inflation affect the value of your plan?**

We expect the cost of living to rise in the future because of inflation. That means the insurance you take out today will not have the same buying power in the future, even if the plan offers increasing benefit intended to offset inflation.

### **What happens if you do not pay your premiums?**

You should only apply for this product if you intend to pay all of its premiums. If you miss any of your premium payments, we may terminate your policy and you would lose the policy's coverage.

### **Why may we adjust your premiums?**

We have the right to review and adjust the plan's premium rates for particular risk classes on every 5<sup>th</sup> policy anniversary, but not for any individual customer.

We may adjust premium rates because of several factors, such as our claims and persistency experience.

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## Important information

### **Suicide clause**

If the life assured commits suicide regardless of sane or insane within 1 year from the effective date of the policy or from the date of any reinstatement, whichever is later, the death benefit will be limited to a refund of the premiums paid without interest subject to the deduction of any amounts we have already paid and any indebtedness you owe us under the policy.

### **Cancellation right**

A customer who has bought the life insurance plans has a right to cancel the policy within the cooling-off period and obtain a refund of any premium(s) and levy(ies) paid less any withdrawals. Provided that no claim has been made, the customer may cancel the policy by giving written notice to us within 21 calendar days immediately following either the day of delivery of (1) the policy or (2) the notice (informing the availability of the policy and expiry date of the cooling-off period) to the customer or his/her nominated representative, whichever is earlier. Such notice must be signed by the customer and received directly by Prudential Hong Kong Limited at 8/F, Prudential Tower, The Gateway, Harbour City, 21 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong within the cooling-off period.

The premium and levy will be refunded in the currency of premium and levy payment at the time of application for this policy. If the currency of premium and levy payment is not the same as the plan currency, the refundable premium and levy amount in plan currency under this policy will be converted to the currency of premium and levy payment at the prevailing currency exchange rate as determined by us in our absolute discretion from time to time upon payment. After the cooling-off period expires, if a customer cancels the policy before the end of benefit term, the actual cash value (if applicable) may be substantially less than the total amount of premiums paid.

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## Need more details? Get in touch

Please contact your consultant or call our Customer Service Hotline at 2281 1333 for more details.

## Notes

**Disability Income Benefit is underwritten by Prudential Hong Kong Limited (“Prudential”). You can always choose to take out this plan as a standalone plan without enrolling with other type(s) of insurance product at the same time, unless such plan is only available as a supplementary benefit which needs to be attached to a basic plan. This brochure does not contain the full terms and conditions of this plan and is for reference only. It does not represent a contract between Prudential and anyone else. You should read carefully the risk disclosures and key exclusions (if any) contained in this brochure. For further details and the full terms and conditions of this plan, please ask Prudential for a sample of the policy document.**

Prudential has the right to accept or decline any application based on the information provided by the policyholder and/or life assured in the application.

Please cross your cheque and make it payable to “Prudential Hong Kong Limited”.

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