

Manulife Singapore courts high-net-worth

The Canadian insurer has launched its first universal life policy in Asia, Heritage, designed specifically for Singapore's private-wealth market.

By [Joseph Marsh](#) | 24 May 2010

An increasing number of Asians seem to be seeking wealth protection as opposed to wealth generation, thanks both to losses suffered during the recent crisis and their growing investment experience and sophistication.

In a move that seeks to capitalise on this trend, the Singapore branch of Canadian insurer Manulife last week launched its first universal life policy for the Asian market. Heritage is dollar-denominated and designed as an asset-management, asset-diversification and wealth-protection strategy.

Beyond Asia, Manulife Bermuda has a universal life product, Manulife Global Protector, and has over 30 years' experience in the high-net-worth market, says Annette King, recently appointed chief executive of Manulife Singapore.

Heritage is a life insurance contract tailored for HNWIs who would normally have a minimum of \$5 million in assets and want wealth preservation and timely liquidity for wealth distribution, she adds. It aims to protect the real value of a client's asset portfolio upon demise.

Features include flexible premium payments, a cash-value-enhancement option for clients who wish to use the product as collateral for a loan, two death-benefit options and a no-lapse guarantee for coverage. There is a minimum guaranteed interest crediting rate of 3% a year, which is credited monthly to the policy value, and the rate is currently at 4.8% a year.

It's also the first universal life plan underwritten in Singapore to have a 'quit smoking initiative'. This allows those who are trying to stop smoking to pay standard non-smoker policy charges for the first three years. With satisfactory evidence that the life insured has quit smoking for at least 12 consecutive months, the client will be re-classified as a non-smoker.

Manulife will distribute the product through its own financial planners, as well as international brokers, private banks and retail banks.

King is upbeat on prospects for Heritage, citing the 2010 Capgemini-Merrill Lynch Wealth Management report, which says Asia will overtake North America by 2013 as the region with the highest number of HNWIs. The report also says Singapore has 77,000 HNWIs with at least \$1 million in assets and average wealth of \$4.9 million.

Moreover, insurance companies are becoming increasingly important channels for investment product and fund distribution in Asia, according to a report from research house Cerulli Associates earlier this year.