



## **The Manufacturers Life Insurance Company**

March 5, 2020

As of January 29, 2020, the Government of Canada issued a Level 3 Travel Advisory for travel to China in relation to COVID-19 (Coronavirus).

Since this time, COVID-19 has spread globally, additional high-level Canadian Government warnings have been issued and countries continue to expand their reported cases. It has been acknowledged as a global concern and is being closely monitored by the World Health Organization (WHO)

Trip Cancellation & Interruption Insurance (“TCII”) does include an exclusion for reasons, circumstances, events, etc., that the purchaser is aware of prior to having their TCII insurance issued and which may lead to a cancellation or interruption of the trip. If before purchasing your TCII, you were aware of a reason or event that may cause you to cancel or interrupt your trip a claim for that reason or event will not be payable.

As of March 5, 2020, Manulife has determined that COVID-19 is now considered a known event and the applicable exclusion will be applied for policies issued on or after this date.

**This exclusion will apply globally, including trips to territories with no existing travel advisory or outbreak.**

**IT IS YOUR RESPONSIBILITY** to advise your clients about Manulife’s position on the COVID-19 and how this may impact their purchase. The “10-Day Free Look” period is also available to help in their decision-making process.

This notice does not apply to policies purchased prior to March 5, 2020.

We will continue to monitor this situation and provide you further updates, if required. If you have additional questions, please contact your Manulife Representative.

## Q&A – Manulife Global Travel Insurance Product

**IMPORTANT:** For trip sales which were booked prior to March 5<sup>th</sup>, but not yet completed with our process to allow for 72 hours to add travel insurance, we will have a grace period until the end of day on March 7<sup>th</sup> to complete these insurance purchases. This will allow customers to whom you or your team have been communicating with, to complete their sale of insurance coverage under the premise it was positioned with COVID-19 not as a known event.

In addition, all policies purchased through travel agents with TCII coverage, issued before or after March 5, 2020, includes Cancel for Any Reason (CFAR) insurance as a built-in coverage benefit, and these will continue to offer protection for Trip Cancellation going forward as per policy terms. Importantly this provides some ongoing protection for your customers who are concerned about COVID-19 for their future travel plans.

- Q: My client booked an insurance policy and is travelling to a country where a travel advisory is not in place, but now has decided they do not want to travel due to COVID-19. What are their options?**

**A:**

| Policy Booked Prior to March 5 <sup>th</sup>  | Policy Booked on or After March 5 <sup>th</sup>   |
|---|---|
| <p>If your client has a Premium Protection Plan, it is not excluded from coverage as it was an unforeseen event at time of purchase. Covered up to sum insured.</p> <p>For policies with CFAR, your client can exercise the CFAR (Cancel for Any Reason) component of the policy.</p> | <p>Your client can exercise the CFAR (Cancel for Any Reason) component of the policy.</p> |

- Q: If my client purchased a policy and decides to cancel under CFAR and the Canadian Government raises the advisory to a Level 3 or 4 after they cancel, can they claim for the remaining non-refundable amount?**

**A:**

| Policy Booked Prior to March 5 <sup>th</sup>   | Policy Booked on or After March 5 <sup>th</sup>            |
|--|--|
| <p>Yes</p> <p>Provided that the Canadian Government Travel Advisory was upgraded to Level 3 or 4 prior to their original departure date.</p> | <p>No</p> <p>COVID-19 is now considered a known event.</p> |

**3. Q: The cruise line has barred me from a sailing because I have been to an infected country in the past 30 days. They are going to reimburse me the cruise fare, however what happens to my air that is purchased separately?**

**A:**

| Policy Booked Prior to March 5 <sup>th</sup>   | Policy Booked on or After March 5 <sup>th</sup>         |
|--|---|
| <p>If your client has Premium Protection Plan, this is a Covered Event. The cause of the claim was due to the cruise line unexpectedly cancelling the booking.</p> <p>If your client has an All-Inclusive Plan, a Non-Medical Inclusive Plan or a Canada All-Inclusive Plan, we would cover this under the risk of 'Cruise Cancellation.' We will cover your clients up to \$2,000 provided the Airfare, and the Cruise were both insured in full.</p> | <p>No<br/>COVID-19 is now considered a known event.</p> |

**4. Q: If client books their cruise and agent books air separately, and the cruise line has changed their embarkation/disembarkation point (due to COVID-19) – will the client be covered for flight changes?**

**A:**

| Policy Booked Prior to March 5 <sup>th</sup>   | Policy Booked On or After March 5 <sup>th</sup>         |
|--|---|
| <p>If your client has purchased a Premium Protection Plan, this is a Covered Event.</p> <p>If your client has an All-Inclusive Plan, a Non-Medical Inclusive Plan or a Canada All-Inclusive Plan, we would cover this under Misconnection, Covered Event #3. Please refer to the policy for details.</p> | <p>No<br/>COVID-19 is now considered a known event.</p> |

**5. Q: Will my client have any coverage should they be quarantined while away?**

**A:**

| Policy Booked Prior to March 5 <sup>th</sup>   | Policy Booked on or After March 5 <sup>th</sup>  |
|--|--|
| <p>If, under the Interruption component of our policies we have coverage for quarantine, that Covered Event will be covered. Please refer to the policy for details.</p> | <p>No<br/>Coverage for quarantine expenses under Trip Cancellation/Trip Interruption would not be covered as this is now considered a known event.</p> |

**6. Q: My client has an Annual All-Inclusive Plan. How will their Trip Cancellation / Interruption component be affected moving forward?**

**A:**

| Policy Booked Prior to March 5 <sup>th</sup>   | Policy Booked on or After March 5 <sup>th</sup>   |
|--|---|
| <p>The Annual Policy was purchased prior to March 5, but for:</p> <ul style="list-style-type: none"> <li>• Trips booked prior to March 5; those trips will have regular trip cancellation/interruption coverage including Travel Advisory.</li> <li>• Trips booked on or after March 5; those trips will not have any coverage other than CFAR for trip cancellation due to COVID-19.</li> </ul> | <p>The client will only have CFAR Coverage for any trip cancellation in relation to COVID-19.</p> |

**7. Q: On March 15th, 2020 my client books a policy which includes trip cancellation coverage for a trip they have booked to go to San Diego. What happens if there is a COVID-19 outbreak or Travel Advisory put in place after the date of purchase and the client wants to cancel?**

**A:** Your client will be able to use the Cancel for Any Reason benefit. Cancelling due to a Travel Advisory would no longer apply as Manulife has communicated that the COVID-19 was a known event.

**8. Q: On March 15th, 2020 my client books a policy which includes trip interruption coverage for a trip they have booked to go to San Diego. What happens if there is a COVID-19 outbreak or Travel Advisory put in place after the date of departure and the client wants to return home?**

**A:** Your client will not have any coverage for interruption expenses under the policy as COVID-19 was a known event at the time of policy purchase.

**9. Q: On March 15<sup>th</sup>, 2020 my client books a policy which includes medical coverage for a trip to San Diego. What happens if my client becomes ill in destination with COVID-19?**

**A:** Manulife will pay for the medical coverage for this client provided they have met the terms and conditions of the policy, provided there is not a travel advisory in place.

**10. Q: If there is a travel advisory announced for COVID-19 in San Diego prior to my client's departure date, will my client have medical coverage when they are in that destination?**

**A1:** If the medical condition is related to COVID-19, no medical coverage would apply.

**A2:** If the medical condition is NOT related to the travel advisory, medical coverage would apply according to the terms and conditions of the policy.

**11. Q: My client made an initial trip deposit in December and purchased a policy in December. The final payment on the trip is due on March 19<sup>th</sup> at which time the sum insured will also have to be increased. If the client decides to cancel their trip prior to making the final payment (prior to March 19<sup>th</sup>) and not travel due to the known event (COVID-19), will they receive 100% to cancel?**

**A:**

| Policy Issued Prior to March 5 <sup>th</sup> and Sum Insured Upgraded on or After March 5 <sup>th</sup> | Coverage to Cancel if there is an Advisory for COVID-19 in future | Cancel if there is an outbreak and no Travel Advisory     |
|---|---|---|
| Premium Protection Plan   | Yes – Full coverage   | Yes – Full coverage                                       |
| Manulife Global Policies with TCII Coverage   | Yes – Full coverage   | Your client can exercise the CFAR component of the policy |

**12. Q: My client made an initial trip deposit in December and purchased a policy in December. The final payment on the trip is due on March 19<sup>th</sup> at which time the sum insured will also have to be increased. On March 19<sup>th</sup> the final payment on the trip is made and the sum insured is increased. The client then decides not to travel due to the known event (COVID-19) will they receive 100% to cancel?**

**A:**

| Policy Issued Prior to March 5 <sup>th</sup> and Sum Insured Upgraded on or After March 5 <sup>th</sup> | Coverage to Cancel if there is an Advisory for COVID-19 in future | Cancel if there is an outbreak and no Travel Advisory     |
|---|---|---|
| Premium Protection Plan   | Yes – Full coverage   | Yes – Full coverage                                       |
| Manulife Global Policies with TCII Coverage   | Yes – Full coverage   | Your client can exercise the CFAR component of the policy |

**13. Q: If the Tour Operator or Airline are offering my clients a full refund or future travel credits due to travel impacted by COVID-19, what are my options?**

**A:** We recognize that many suppliers have modified their terms and conditions and are offering refunds or future travel credits for COVID-19 related situations. In an effort to be as flexible as possible, we will allow you to refund or change the dates on any existing policy that is affected.

Please stay connected to <https://travel.gc.ca/travelling/advisories> for an update on Canadian Travel Advisories. As well, be sure to follow the airline carriers and tour operators for any updates they may provide. We will continue to monitor this situation and provide you further updates, if required. If you have additional questions, please contact your Client Manager or Business Development Manager.