

SEGREGATED FUND SOLUTIONS



Find a solution that fits

THE MANUFACTURERS LIFE INSURANCE COMPANY



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Give investors what they want – growth potential and guarantees

Help clients build and protect their wealth

Today's investors have a simple list of wants when it comes to their money. They want to :

- build and protect their savings
- provide for loved ones
- plan for retirement income
- retire with confidence

Segregated fund contracts offer built-in features designed to help clients achieve all of these goals, and do so in ways that may not be possible with other investment vehicles. They appeal to conservative investors, particularly those who worry about market downturns. They have elements that attract business owners and professionals, who may have concerns about creditor protection. They provide advantages to anyone looking for strategies to protect an estate for loved ones.

Whatever the need, we have a solution that fits

Whether your clients are in the wealth-building stage, focused on asset preservation, or searching for guaranteed income solutions, our product shelf has a solution that meets the need.

- Manulife Ideal Signature Select™ – Featuring Ideal 75/100 Series, Ideal 100/100 Series, Ideal 75/75 Series, and Platinum no-load option for High Net Worth clients
- GIF Select InvestmentPlus
- Manulife RetirementPlus® – with Elite option for High Net Worth clients
- Manulife PensionBuilder® – with Elite option for High Net Worth clients
- Manulife Private Investment Pools – MPIP Segregated Pools
- Manulife Segregated Fund RESP

Put your trust in Manulife



125+
years of history



\$1 trillion
in assets under management³



Ranked in the
top 12%
of the world's 500 largest
asset managers¹



35,000
employees worldwide and **more than**
22 million customers worldwide⁴



\$47.2 billion
market capitalization²



\$38.4 million
in charitable donations (2016)⁴

For more than 125 years, Canadians have turned to Manulife for their biggest financial decisions. Today, we provide financial products and services to one in every five Canadians.

¹ Source: P&I/Towers Watson, year-end 2015.

² Source: Ipreo. As at December 30, 2016.

³ Source: Manulife Global Company Fact Sheet. As at March 31, 2017.

⁴ Source: Manulife Global Company Fact Sheet. As at March 31, 2017.

ASSURIS

The Manufacturers Life Insurance Company is a member of Assuris. Assuris is the not for profit organization that protects Canadian policyholders in the event their life insurance company fails. Details about Assuris' protection are available at www.assuris.ca or by calling the Assuris Information Centre at 1-866-878-1225.

Why recommend segregated funds?

According to the 2011 Census, 9.6 million people, or close to three out of ten (29%) Canadians were baby boomers. This number gives a big picture view of the population which has or will be transitioning out of the workforce. Anyone, regardless of age, who is building a nest egg or saving for retirement can potentially have their savings negatively impacted by three major risks:

Market volatility

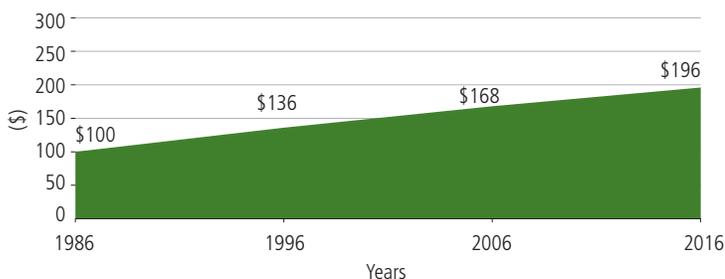
People feel confident about their investments in a strong market. But when the market turns downward, emotions tend to run high. Any market drops in the years leading up to, or at the retirement stage, can have a devastating impact on a financial future.

This worry has many Canadians looking for retirement vehicles that will not only position their investments for growth when markets are up, but also have the potential to protect their capital when markets drop.

Inflation

Inflation can undermine a portfolio's purchasing power over the long term. This chart shows how \$100 spent on a 'basket of goods' in 1986 inflates over time. After 30 years of inflation, the cost almost doubles. It's important to build a financial plan that offers opportunity for growth.

Rate of inflation



Source: Bank of Canada 03/16.
The "basket of goods" covers categories such as food, housing, furniture, clothing, transportation and leisure.

Longevity

Better healthcare, medical breakthroughs, and safer workplaces all contribute to longer lifetimes. This means people retiring today may be looking forward to a retirement of three or more decades – almost as long as the working phase of their lives. It's important to have a plan that is designed to help build sufficient wealth to provide income for a long retirement.

Turn to guarantees and other advantages designed to promote peace of mind

Segregated Fund contracts can be an important component of a diversified portfolio. In addition to access to growth potential of the markets, investors may take comfort in knowing they can benefit from the following value-added features:

Maturity Guarantee

At the maturity date, which varies by contract, the contract holder is guaranteed to receive the greater of the market value or the maturity guarantee. This could be up to 100% of all premiums, depending on the contract selected and age of the Annuitant when the product is purchased, and is reduced proportionally for withdrawals.

Payout Benefit Guarantee

Available with registered retirement income plans held in Manulife Ideal Signature Select™ – the Payout Benefit Guarantee, combined with its dollar-for-dollar reductions, works extra hard to manage risk for people who are drawing income from a retirement plan. It guarantees that they get, as scheduled income payments, at least the money they invested (or a portion, depending on the Series they choose). In down markets, this guarantee offers additional protection.

Death Benefit Guarantee

Upon the death of the last surviving Annuitant, the beneficiaries are guaranteed to receive the greater of the market value or the Death Benefit Guarantee. This could be up to 100% of all premiums, depending on the contract selected and age of the Annuitant when the product is purchased, and is reduced proportionally for withdrawals.

Guaranteed income for life

Some segregated fund contracts, like Manulife RetirementPlus® and Manulife PensionBuilder®, include features that can deliver a guaranteed stream of income. Please refer to the appropriate Information Folder and Contract for details.

Resets

Resets work to capture market appreciation by allowing clients to periodically lock in increases in the market value of their segregated fund contracts. Resets may be automatic or client-initiated, and may impact the maturity guarantee and/or Death Benefit Guarantee⁵.

Creditor protection

A segregated fund contract has the potential to protect a client's assets from creditors. This feature can be ideal for professionals and small business owners looking to help protect their personal assets from professional liability.

⁵ Resets are not available with all products, and the way they work varies by product. Please refer to the appropriate Information Folder and Contract for details.

Estate planning advantages

In addition to guarantees, segregated fund contracts offer estate planning advantages that can help loved ones receive an inheritance more quickly, and may even help investors leave more to heirs than they would be able to with other types of investment products. As insurance contracts, they have the ability to pass proceeds quickly and privately⁷ to designated beneficiaries (other than an estate), without legal, estate administration and probate fees. Investors, who are focused on securing a financial future for their family, after they are gone, can rest assured knowing that their loved ones will not endure additional stress during a difficult time.

The value of bypassing probate: based on \$500,000 example in Ontario

Fee	Structure	Typical investment fund (\$)	Segregated fund contract (\$)
Deferred Sales Charge (DSC)	0% to 6% charged on redemption (0% used in this example) ⁶	0	0
Probate	\$250 + \$15 per \$1,000 > \$50,000	7,000	0
Estate Administration Fees	Executor: Varies by province (up to 5% for corporate executors) Legal and Accounting: Varies depending on complexity (total fees: 1.5% of assets used in this example)	7,500	0
Total cost		14,500	0

For illustration purposes only. Costs will vary depending on the province, complexity of the estate and length of time the assets were held in the contract. This table illustrates a scenario of what could happen in the case where DSC is waived at death.

Additional estate planning advantages include:

- Potential creditor protection:** assets flowing through an estate (which generally occurs when non-registered assets are paid by financial institutions other than insurance companies) may be subjected to creditors of the deceased, which could mean a smaller inheritance for heirs.
- Privacy:** bypassing the estate can preserve confidentiality as the application for probate is a matter of public record. Payments made to named beneficiaries of an insurance contract do not flow through the estate and are therefore a private matter.⁷
- Speed:** settling an estate can be lengthy, frequently taking months or even years if the will is challenged. With a named beneficiary, other than the estate, death benefit proceeds of a segregated fund contract can pass directly to the beneficiary and avoid these delays.
- Annuity Settlement Option:** automatically transfer segregated fund proceeds upon death into an annuity, the terms of which are chosen by the client. Replace a lump sum death benefit with smaller, scheduled payments while providing savings of legal, estate administration and probate fees, increased privacy and potential creditor protection.

⁶ Many fund companies, including Manulife Investments, may waive the DSC or low-load sales charge on the death of the owner.

⁷ In Saskatchewan, jointly held-property and insurance policies with a named beneficiary are included on the application for probate despite the fact that these assets do not flow through the estate and are not subject to probate.

Manulife's Segregated Fund Product Shelf

Offering a wealth of choices to meet your clients' needs.

Accumulation Solutions

- GIF Select InvestmentPlus
- Manulife Ideal Signature Select™ – Ideal 75/75 Series
- Manulife Ideal Signature Select™ – Ideal 75/100 Series
- Manulife Private Investment Pools – MPIP Segregated Pools

Asset preservation solutions

- Manulife Ideal Signature Select™ – Ideal 75/100 Series
- Manulife Ideal Signature Select™ – Ideal 100/100 Series

Affluent investor solutions

- Manulife Private Investment Pools – MPIP Segregated Pools
- Manulife Ideal Signature Select™ – Platinum no-load option

Income Solutions

Income for life

- Manulife PensionBuilder®
- Manulife RetirementPlus®

Income protection

- Manulife Ideal Signature Select™ – Payout Benefit Guarantee

Special Opportunities

- Manulife Segregated Fund RESP: Helps clients prepare for their children's future post-secondary education needs
- Access to absolute return investment strategies, available in Manulife Ideal Signature Select™ – Ideal 75/75 Series and GIF Select InvestmentPlus
- Manulife Asset Allocation Portfolios, available in the InvestmentPlus Series of the Manulife GIF Select contract. The portfolios provide a simple one-ticket solution that delivers sophisticated pension-style asset management, active asset allocation, and a highly efficient approach to investing that would be difficult and costly to reproduce.

Accumulation Solutions

For business owners, professionals, and those seeking the value of insurance.

GIF Select InvestmentPlus

- 75% Maturity Guarantee (at age 100)⁸
- 75% Death Benefit Guarantee⁸
- Our most robust fund line-up
- Competitive fees
- Maximum issue age is December 31 of year Annuitant turns 90
- Access to absolute return investment strategies

Manulife Ideal Signature Select™ – Ideal 75/75 Series⁹

- 75% Maturity/Payout Benefit Guarantee⁸
- 75% Death Benefit Guarantee⁸
- Access to absolute return investment strategies, available in Manulife Ideal Signature Select™ – Ideal 75/75 Series

Manulife Ideal Signature Select™ – Ideal 75/100 Series⁹

- 75% Maturity/Payout Benefit Guarantee⁸
- 100% Death Benefit Guarantee (75% if the Annuitant is 80 years of age or older at time of first premium payment into the Series)⁸
- Automatic resets every three years on the Death Guarantee Value
- More than 40 funds to choose from
- Many opportunities to diversify

Manulife Private Investment Pools – MPIP Segregated Pools

- A wealth-building solution for clients with an investment of at least \$100,000 per pool, per contract¹⁰
- 75% Maturity Guarantee (at age 100)⁸
- 75% Death Benefit Guarantee⁸
- Default contract maturity on December 31 at age 100 (of Annuitant)
- Choice of segregated pools, up to 100% equity
- Client proposal service, premium client presentation (statements and marketing)

⁸ Reduced proportionally by withdrawals. For Manulife Ideal Signature Select guarantees only, certain Series must be in effect for a specified length of time. See the Information Folder and Contract for full details.

⁹ Initial or subsequent deposits to the no-load option equal to or exceeding \$250,000 will be invested into the Platinum no-load option and benefit from its reduced management expense ratio.

¹⁰ Minimum initial investment per pool, may be reduced depending on the total amount of assets invested. For invested assets between \$100,000 and \$249,999, minimum per pool is \$100,000. For invested assets of \$250,000 or more, the minimum per pool is \$1,000.



Asset preservation solutions

For investors looking for the asset preservation benefits of insurance.

Manulife Ideal Signature Select™ – Ideal 75/100 Series⁹

- 75% Maturity/Payout Benefit Guarantee⁸
- 100% Death Benefit Guarantee (75% if the Annuitant is 80 years of age or older at time of first premium payment into the Series)⁸
- Automatic resets every three years on the Death Guarantee Value
- More than 40 funds to choose from
- Many opportunities to diversify

Manulife Ideal Signature Select™ – Ideal 100/100 Series⁹

- 100% Maturity/Payout Benefit Guarantee⁸
- 100% Death Benefit Guarantee (75% if the Annuitant is 80 years of age or older at time of first premium payment into the Series)⁸
- Automatic resets every three years on the Death Guarantee Value
- More than 40 funds to choose from
- Many opportunities to diversify

Affluent Investor Solutions

For your High Net Worth clients.

Manulife Private Investment Pools – MPIP Segregated Pools

- A wealth-building solution for clients with an investment of at least \$100,000 per pool, per contract¹⁰
- 75% Maturity Guarantee (at age 100)⁸
- 75% Death Benefit Guarantee⁸
- Choice of 16 segregated pools, up to 100% equity
- Client proposal service, premium client presentation (statements and marketing)

Manulife Ideal Signature Select™ – Platinum no-load option⁹

- Available in the Manulife Ideal Signature Select contract with a minimum initial or subsequent premium deposit of \$250,000
- Choice of guarantee options: Ideal 75/100 Series, Ideal 100/100 Series, Ideal 75/75 Series
- Allows you to show clients the benefits of consolidating their wealth: lower management fees can significantly enhance their savings

Elite option, available with both Manulife PensionBuilder® and Manulife RetirementPlus®

- Initial or subsequent deposits equal to or exceeding \$1,000,000 will be invested into the Elite option and qualify for a reduced management expense ratio.

⁸ Reduced proportionally by withdrawals. For Manulife Ideal Signature Select guarantees only, certain Series must be in effect for a specified length of time. See the Information Folder and Contract for full details.

⁹ Initial or subsequent deposits to the no-load option equal to or exceeding \$250,000 will be invested into the Platinum no-load option and benefit from its reduced management expense ratio.

¹⁰ Minimum initial investment per pool, may be reduced depending on the total amount of assets invested. For invested assets between \$100,000 and \$249,999, minimum per pool is \$100,000. For invested assets of \$250,000 or more, the minimum per pool is \$1,000.

Income Solutions

Income for life

For clients who want the peace of mind that comes with guaranteed income.

Manulife PensionBuilder®

- A flexible solution for all key phases of retirement preparation – from building savings to enjoying optional guaranteed income for life
- Single Life and Joint Life Payout Options
- Flexibility to start income as early as age 50
- Low-risk investment solution¹¹
- Full liquidity¹²
- Maximum issue age is December 31 of year Annuitant turns 90 for non-registered and TFSA contracts, and December 31 of the year the Annuitant turns age 80 for registered contracts

Manulife RetirementPlus®

- More than 40 funds to choose from
- Potential to benefit from rising interest rates¹¹
- Option for guaranteed income for life
- Single Life and Joint Life Payout Options
- Flexibility to start income as early as age 50
- Full liquidity¹²
- Maximum issue age is December 31 of year Annuitant turns 90 for non-registered and TFSA contracts, and December 31 of the year the Annuitant turns age 80 for registered contracts

Income protection

For clients who want the potential to protect their scheduled retirement income, but don't want the added costs of a lifetime income guarantee.

Manulife Ideal Signature Select™

Ideal 75/75 Series, Ideal 75/100 Series or Ideal 100/100 Series. All Series offer access to a Payout Benefit Guarantee for registered retirement income plans. The Payout Benefit Guarantee, combined with its dollar-for-dollar reductions, works extra hard to manage risk for people who are drawing

income from a retirement plan. It guarantees that they get, as scheduled income payments, at least the money they invested (or a portion, depending on the Series they choose). In down markets, this guarantee offers additional protection.

¹¹ The Manulife PensionBuilder insurance contract invests in the fixed income fund category which may increase or decrease in value.

¹² Fees may apply.

Special Opportunities

Manulife Segregated Fund RESP

For investors saving for post-secondary education

- 75% Maturity Guarantee⁸
- 75% Death Benefit Guarantee⁸
- Offer clients a convenient investment solution to help them prepare for a child's post-secondary education needs
- Appeals to a broad market, including younger clients who can provide you with ongoing opportunities to grow your total book of business

Global Absolute Return Strategies (GARS) mandate¹³

- Available in Manulife Ideal Signature Select™ – Ideal 75/75 Series and GIF Select InvestmentPlus
- Aims to deliver positive absolute returns over the medium to long-term, in all market conditions. The performance target for the GARS Fund is cash +5% per annum (gross of fees) over rolling three-year periods.¹⁴ The portfolio manager adopts a risk-based approach, which leads them to expect volatility to be lower than in a traditional global equity portfolio with similar long-term objectives.
- 75% Maturity Benefit Guarantee⁸
- 75% Death Benefit Guarantee⁸

⁸ Reduced proportionally by withdrawals. For Manulife Ideal Signature Select guarantees only, certain Series must be in effect for a specified length of time. See the Information Folder and Contract for full details.

¹³ The segregated fund invests substantially all its assets in Canadian dollar hedged Class Z shares of the Standard Life Investments Global SICAV Global Absolute Return Strategies Fund (the "GARS Fund"). The assets of the GARS Fund are managed by Standard Life Investments Limited. Performance of the Standard Life Investments Global SICAV Global Absolute Return Strategies Fund is not guaranteed. This Fund is not a substitute for cash or deposits. In order to achieve its investment objective, the Standard Life Investments Global SICAV Global Absolute Return Strategies Fund will make extensive use of derivatives. The value of an investment may rise as well as fall.

¹⁴ Cash is defined as the 6-month Canadian Dealer Offered Rate (CDOR). There is no guarantee that the performance target will be attained over this or any time period.



Explore our comprehensive segregated fund product shelf, offering clients investment solutions with insurance-based guarantees.

To learn more please visit Repsource.ca/SegregatedFunds or contact your Manulife Investments sales team today.



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This document is not intended to provide details of any product. For detailed information, please consult the applicable Information Folder, Contract and Fund Facts.

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