

Manulife Annuities



INCOME SOLUTIONS YOU CAN COUNT ON

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Canadians today are enjoying a healthier and more active retirement. We are living longer and in some cases, may spend as much time in retirement as working.

How you turn your savings into retirement income is a significant financial decision. For those who prefer a one-step solution that can guarantee a secure income for life, or a specific period of time, annuities are a popular choice.

Annuities provide a number of advantages since they are simple and don't expose a lifetime of savings to the volatile nature of the financial markets.

Manulife offers a choice of annuity income solutions. Your particular income needs will help determine which solution is right for you.

WHAT IS AN ANNUITY?

In exchange for a single lump sum investment, an insurer makes guaranteed regular income payments to an investor that contain both interest and a return of principal. Annuity payments can continue for a chosen period of time or for the lifetime(s) of one or two people.



Guaranteed retirement income for life

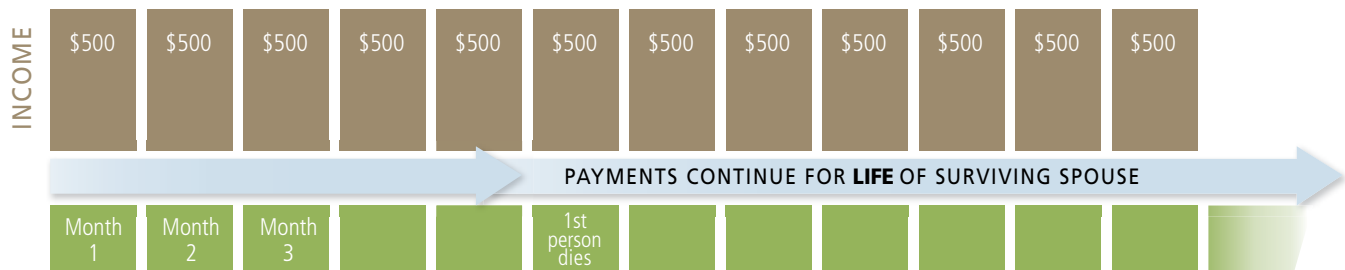
If you are interested in securing guaranteed income for your retirement, you will want to consider a Life Annuity. With a single up-front investment, a Life Annuity can provide income to you and your spouse (if selected) for the rest of your life, regardless of market conditions or interest rate fluctuations.

EXAMPLE

Bert and Barbara are retiring this year and want to ensure they have regular income from their

investments for the rest of their lives to cover the majority of their fixed living expenses. After discussing this situation with their advisor, they decide to invest a portion of their registered savings in a Joint and Survivor Life Annuity. By purchasing this type of Life Annuity, they have guaranteed a retirement income until the last spouse dies. Now Bert and Barbara have the added comfort of knowing they will receive a dependable income for the rest of their lives, no matter what happens.

Monthly income payments continue until the death of the last surviving person



Payment amounts will vary. For illustration purposes only.

Life Annuities from Manulife can provide the following benefits:

- Guaranteed income for life
- A higher income rate than many other guaranteed income products offer
- A simple income strategy without ongoing investment decisions
- An income source not exposed to market volatility
- A way to cover fixed and essential expenses in retirement that allows you to invest the rest of your retirement portfolio more aggressively if desired
- Optional automatic payment increases that can help offset the effects of inflation
- Preferential tax treatment when the annuity is purchased with non-registered funds (some conditions apply)
- The ability to use part of your guaranteed income to support your favourite charity on an ongoing basis

PAYMENT GUARANTEES

Payment guarantees ensure a minimum amount of income is paid from the investment to you or your beneficiaries, no matter what happens. Manulife offers two payment guarantee options:

Principal Protection (also known as a cash refund guarantee): provides a lump sum payment to a beneficiary equal to the difference between the total payments received by the investor* before death and the original investment amount. Selecting this payment guarantee provides you with the Manulife Principal Protected Annuity™.

Guarantee Period: allows an investor to select from zero to thirty years of guaranteed payments. In the event the investor dies earlier than expected*, the beneficiary continues to receive income payments during the guarantee period.**

*Or the death of the last surviving annuitant in the case of Joint and Survivor Life Annuity policies.

**Alternatively, if there is a lump sum death benefit required or chosen, the amount payable will be less than the total remaining income payments.

Income for a specific time period

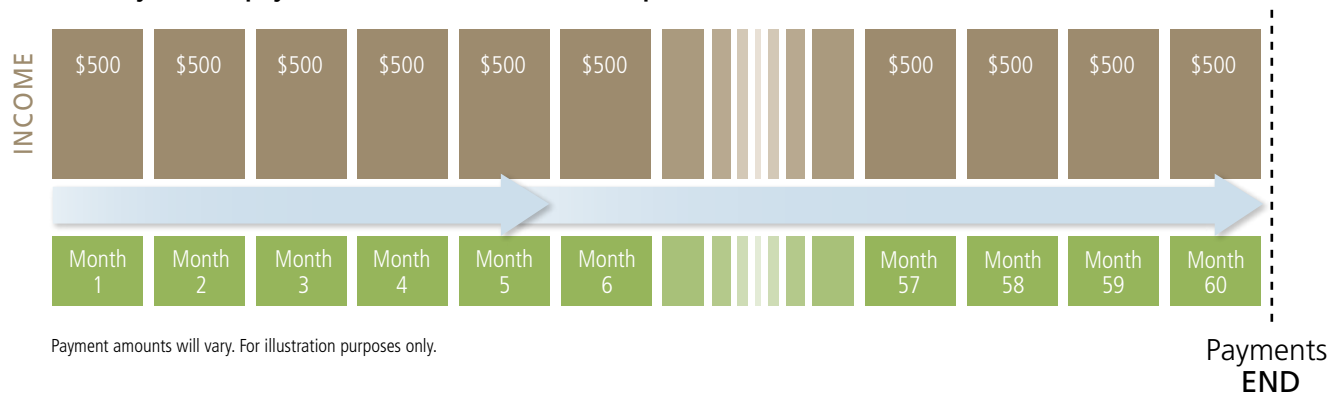
Term Certain Annuities provide a guaranteed, regular income for a pre-selected period of time. Once this period is over, income payments cease and the annuity contract ends. If you happen to die before your payments are scheduled to end, Manulife will continue to make payments to your beneficiaries until the specified period has expired.

EXAMPLE

John and Janet's daughter was 35 years old when she went through a divorce. Now a single mom with

two daughters, she wants to go back to school to upgrade her qualifications for a new career. Her divorce settlement provided enough income to cover all child-related expenses, but she needs additional income to pay for her education and some out-of-pocket expenses. John and Janet decide to help. By making a single lump-sum investment in a 5-Year Manulife Term Certain Annuity, their daughter now receives a monthly income for the next five years without having to face a large debt upon graduation.

Monthly income payments cease at the end of the specified term



A Manulife Term Certain Annuity provides the following benefits:

- A higher income rate than many other guaranteed income products offer
- A simple income strategy without ongoing investment decisions
- An income source not exposed to market volatility
- A guaranteed method for funding fixed period obligations like a child's education or sabbatical
- Optional automatic payment increases that can help offset the effects of inflation
- The flexibility to choose the term length to match the need, i.e. from three to 30 years (some restrictions apply)
- Preferential tax treatment if the annuity is purchased with non-registered funds (some conditions apply)

INCOME FOR BENEFICIARIES

With a Manulife Term Certain Annuity, you will gain comfort in knowing that your investment will continue to generate income payments in the event you die during the term length and you can name beneficiaries to receive those payments.



Gradual inheritance transfers

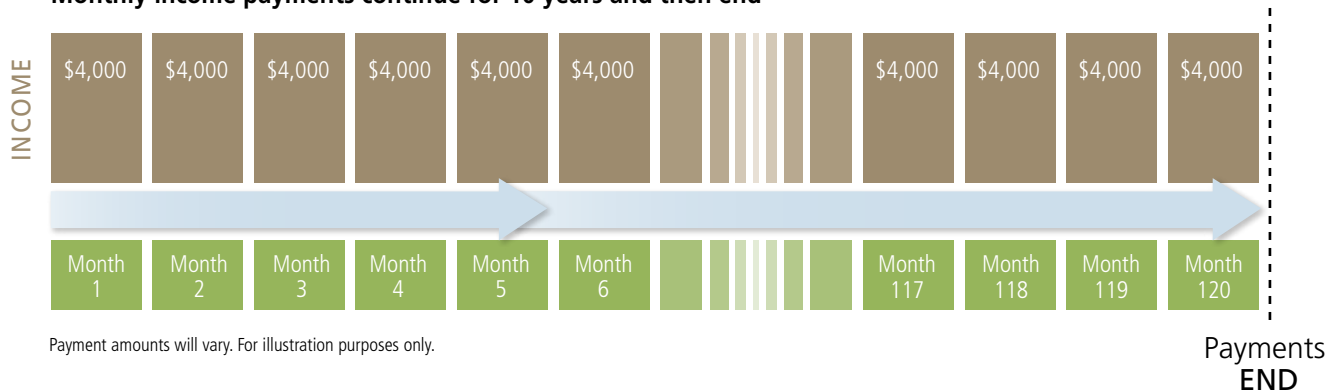
Depending on your circumstances, you may want to transfer an inheritance to your spouse or children gradually, as opposed to one lump sum payment after your death. An Annuity Settlement Option can be added to a number of Manulife Financial's products, such as the Manulife Investments Guaranteed Interest Contract (GIC), any of Manulife's segregated fund contracts, or a life insurance policy to help you achieve this goal.

The Annuity Settlement Option can automatically transfer the proceeds of your applicable Manulife contract/policy upon death, into a Term Certain Annuity or a Life Annuity that will make periodic payments to your beneficiaries over a specific time period, or their lifetime (certain conditions may apply). This option is available at no additional charge.

EXAMPLE

Richard and Joan own a large Manulife Investments GIC, which they want to leave to their 20-year-old son, Scott, in the event of their deaths. But Richard and Joan are concerned about Scott's ability to manage this money and would prefer to have their investment paid out to Scott over a period of time. After discussing the situation with their advisor, Richard and Joan select a 10-Year Term Certain Annuity Settlement Option on their Manulife Investments GIC. Now, Richard and Joan have the added comfort of knowing that a portion of their estates will pass to their son gradually over a 10-Year period after their deaths.

Monthly income payments continue for 10 years and then end



A Manulife Annuity Settlement Option provides the following benefits:

- Allows you to control the manner in which assets within your estate are allocated to beneficiaries upon death
- Ensures that younger beneficiaries, such as children or grandchildren, receive a controlled income stream, rather than a large lump sum amount
- Provides parents with disabled children a comprehensive estate-planning tool
- Eliminates the need and cost of setting up a formal trust
- Provides an increased level of privacy while avoiding costly probate and estate administration fees

PAYMENT GUARANTEES

The payment guarantee options available for the Annuity Settlement Option will depend upon the annuity you choose. Please speak with your advisor to select the annuity and payment guarantee that may best suit your beneficiaries' income needs.



Invest with certainty

Guaranteed income — for life or a chosen period of time.

Higher income rate — you can receive a higher income rate than many other guaranteed income products offer.

Optional protection for your spouse — income can be based on two lives to guarantee future income for you and your spouse.

Payment guarantees — ensure a specific amount is paid to you or your beneficiaries, no matter what happens.

Tax advantages — for non-registered funds, partial tax-deferral is available and you have the ability to pay less tax.

Simplicity — a single lump sum investment can provide financial security and peace of mind, while reducing ongoing investment decisions.

Confidence — you'll rest assured knowing that your income source will not be exposed to volatile financial markets.



Your advisor is here to help with a wealth of expertise and sound advice

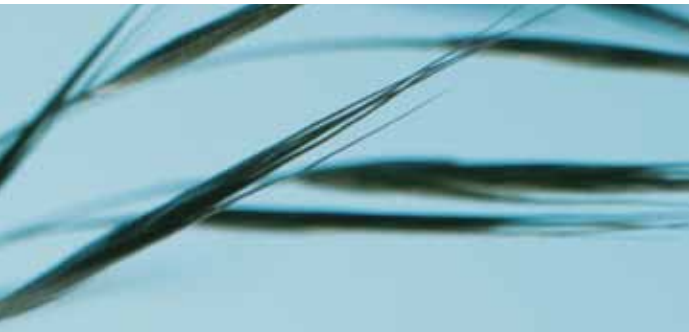
When it's time to convert your savings into income, your advisor can:

- Search for the best product options to help meet your income needs
- Illustrate how different options will affect the amount of income you receive
- Clarify the tax advantages of different income options
- Provide alternatives for inheritance transfers

Together with Manulife Investments, your advisor will help you find the financial solutions that work best for you.

Financial strength

The purchase of an annuity marks the beginning of a long-term financial commitment between the annuity provider and you. The Manufacturers Life Insurance Company is consistently ranked in the highest ranges for financial strength, claims paying ability, and credit ratings, positioning the company among the strongest in the life insurance industry. To view Manulife's current financial ratings, visit manulife.com, under the "Investor Relations" section.



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