

# Insured Retirement Program: A Checklist

This checklist provides important information on the Insured Retirement Program. It is designed to help you decide if the Insured Retirement Program is right for you. Manulife recommends that you consult with an independent professional advisor about the risks and benefits associated with this innovative planning strategy.

<p><input type="checkbox"/> <b>I understand that in the future I have the opportunity to access the cash value of my policy by way of a collateral loan.</b> I am not obligated to leverage my life insurance policy. I may also consider alternative ways to access my policy values.</p> <ul style="list-style-type: none"> <li>■ Consult your insurance advisor for more information. The actual timing and amount of loan advances is flexible. They can be different from those shown in this presentation.</li> <li>■ Ask your insurance advisor for presentations showing different loan advances.</li> </ul>	<p>The loan balance cannot exceed the lending limit specified by Manulife Bank. Depending on the life insurance product selected, the lending limit currently ranges from 75% to 90% of the policy's Cash Surrender Value.</p>
<p><input type="checkbox"/> <b>I understand that the terms of the loan will be similar to other secured loans available in the marketplace.</b> The loan will impact what I can do with my policy.</p> <ul style="list-style-type: none"> <li>■ Consult your insurance advisor for more information. If the terms of the loan agreement are not met the bank has the right to demand payment.</li> <li>■ These terms will be specified in the loan agreement. If the policy is surrendered the bank will receive the proceeds up to the loan balance. I will be responsible for the income tax payable on any policy gain that arises on surrender.</li> <li>■ See the "at cancellation" column in the presentation.</li> </ul>	<p>Ownership rights that may be impacted include policy surrenders or withdrawals, coverage changes or conversions, and ownership changes. If the loan is not paid on demand Manulife Bank could exercise its rights under the loan agreement to force surrender of the policy.</p>
<p><input type="checkbox"/> <b>I understand that economic uncertainties may impact the amount and timing of loan advances.</b> The loan interest rate and product performance may be different than shown in this presentation and will fluctuate over time.</p> <ul style="list-style-type: none"> <li>■ Refer to the Loan Rate Sensitivity Analysis page to see the impact of higher interest rates.</li> <li>■ Ask your insurance advisor for presentations at different product rates.</li> </ul>	<p>The presentation reflects specific loan interest rate and product performance assumptions. A lower interest rate or better product performance may increase the loan advances available. A higher interest rate or lower product performance may decrease the loan advances available.</p>
<p><input type="checkbox"/> <b>I am prepared to work with Manulife Bank if the loan exceeds the lending limit.</b> If interest rates, policy performance, life expectancy or the timing or amount of deposits and loans differ from the assumptions shown in this presentation, the lending limit may be exceeded.</p> <ul style="list-style-type: none"> <li>■ Ask your insurance advisor for presentations with different assumptions.</li> </ul>	<p>If the lending ratio is exceeded your options may include:</p> <ul style="list-style-type: none"> <li>■ interest payments on the loan</li> <li>■ repayment of a portion of the loan</li> <li>■ additional deposits to the policy</li> <li>■ provision of additional collateral security</li> </ul>
<p><input type="checkbox"/> <b>If this presentation assumes that the loan interest is deductible, I can structure my affairs to realize tax savings from the interest deductions.</b> The requirements for these deductions under the Income Tax Act will be met.</p> <ul style="list-style-type: none"> <li>■ See the Insured Retirement Program Consumer Guide.</li> <li>■ Consult with a professional tax advisor for more information. I expect to have taxable income in excess of the interest deductions while the loan is outstanding.</li> <li>■ Refer to the Cash flow with interest deductibility page for the annual interest amount assumed to be deductible.</li> </ul>	<p>If I do not realize the tax savings shown in this presentation, the loan advances available will be lower.</p>