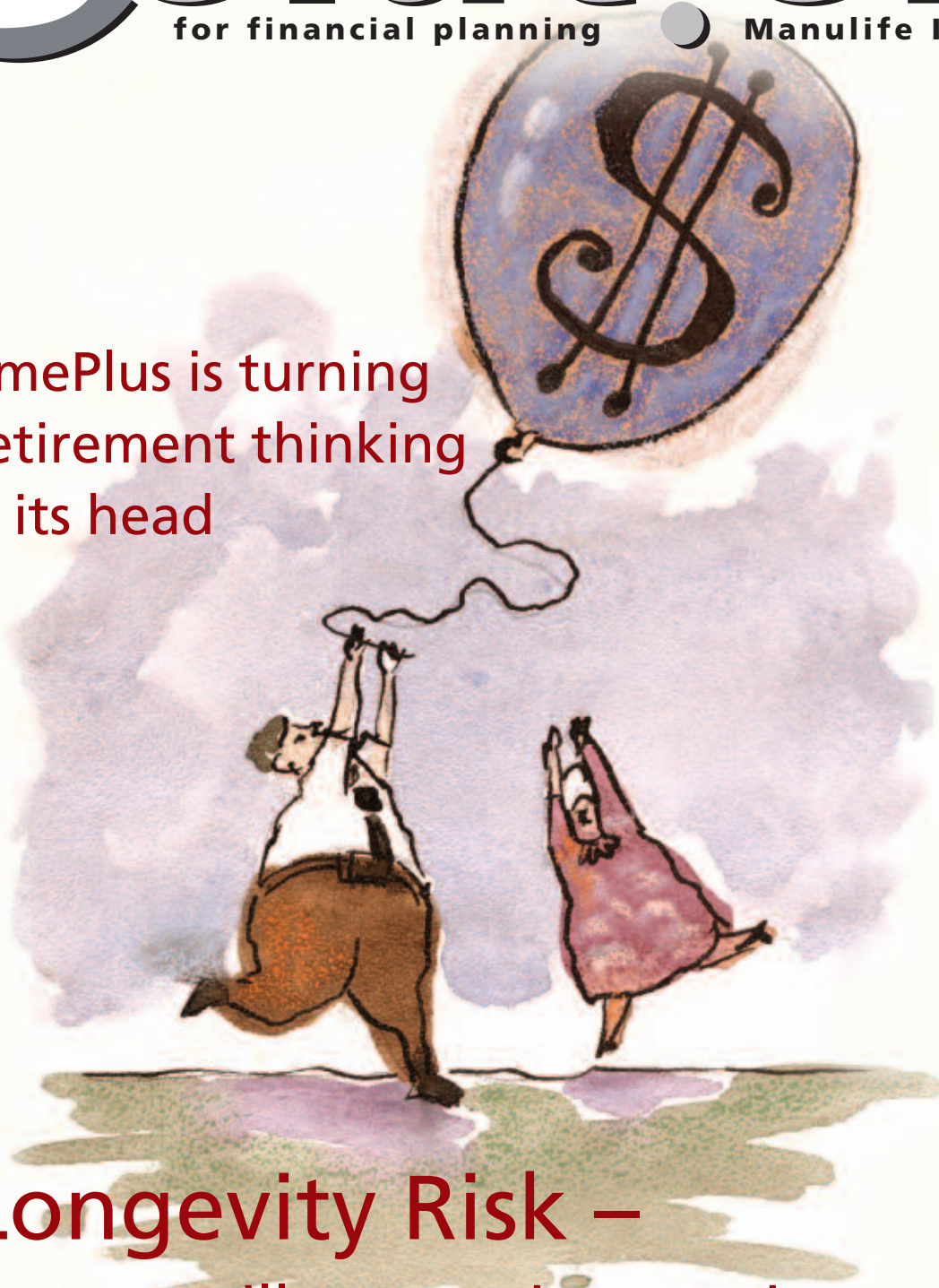


# Solutions

for financial planning ● Manulife Investments

IncomePlus is turning  
retirement thinking  
on its head



**Longevity Risk –**  
will your retirement income last?

# Solut!ons

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Distributed November 2007



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## The face of retirement in Canada is changing



Welcome to a special edition of *Solut!ons* Magazine, published by Manulife Investments. *Solut!ons* is a complimentary publication providing investment information and financial planning strategies for Canadian investors. Typically available only through financial advisors, this special edition is being distributed nationwide to households where retirement planning is likely top of mind.

The face of retirement in Canada is changing. This process could almost be called revolutionary. Baby boomers will experience a retirement like no other generation has before. They will face longer life expectancy, increases in inflation and volatile markets – all of which can take a huge toll on a retirement plan. In direct response to these concerns, last year Manulife was proud to launch Canada's first Guaranteed Minimum Withdrawal Benefit product – GIF Select featuring IncomePlus.

To help you make the most informed financial decisions possible in response to the changing face of retirement, this special edition of *Solut!ons* includes two articles: The first explains what boomers need to know about the challenges facing them in their retirement years; the second outlines the different types of investments available and how they compare to the Guaranteed Minimum Withdrawal Benefit product category as a means of providing predictable, sustainable and potentially increasing retirement income.

We hope these articles provide you with valuable information and we invite you to discuss your own situation and any questions that the articles raise with your advisor. He or she is there to help and can provide the answers you need to understand the changing face of retirement – and what you can do about it.

Sincerely,

**J. Roy Firth**, Executive Vice President  
Individual Wealth Management, Manulife Financial



# Special Edition

## What is Solut!ons?

Solut!ons magazine provides investment and financial planning information that is timely, relevant, interesting and easy to understand. The articles are written to educate and inform readers about a variety of financial planning, investment and insurance concepts. Since its first edition in the fall of 2002, the publication has grown in popularity and circulation exceeds 115,000 per issue.

According to one regular reader of Solut!ons, “The articles are very real – you can relate to the real-life stories in them. I get a lot out of it, but then I pass it on to my Dad who has been retired for 10 years, and he finds the articles useful. There is something for everybody – and it catches my interest and has spurred me to call my advisor.”

Solut!ons is published three times a year – spring, fall and winter – but is not available on newsstands. To request your free copy of Solut!ons, contact your advisor.



## What's Inside

### The Retirement Revolution

What concerns baby boomers about retirement and what can they do about it? This article looks at the three major concerns of those facing retirement in the near future. **4**

### Which investments are best for navigating the Retirement Risk Zone?

Learn about a new investment option that is turning retirement thinking on its head. **10**

Manulife Investments is the brand name identifying the personal wealth management lines of business offered by Manulife Financial (The Manufacturers Life Insurance Company) and its subsidiaries in Canada. As one of Canada's largest integrated financial services providers, Manulife Investments offers a variety of products and services including segregated funds, mutual funds, annuities and guaranteed interest contracts. Manulife and the block design are registered service marks and trademarks of The Manufacturers Life Insurance Company and are used by it and its affiliates including Manulife Financial Corporation.

Commissions, trailing commissions, management fees and expenses all may be associated with segregated fund investments. Please read the information folder before investing. Investment returns are not guaranteed, their values change frequently and past performance may not be repeated.

The Manufacturers Life Insurance Company is the sole issuer and guarantor of the GIF Select contract which offers the IncomePlus benefit.

Your IncomePlus investment is protected, subject to contract provisions.

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THE  
**RETIREMENT**  
**REVOLUTION**

What boomers need to know  
when planning their retirement years

There is a lot of talk about retirement these days – and with good reason. The generation that changed the world is now in the process of changing the face of retirement. Baby boomers – the generation born between 1946 and 1966 – are on the cusp of their golden years. And if current studies prove to be accurate, traditional notions of retirement are about to undergo a significant shift.

One are the stereotypical images of retirees whiling away long afternoons passively playing card games, shuffleboard or lawn bowling at the local club. Today's retirees are considering second careers, volunteering for favourite causes, travelling the world and renewing their pursuit of unfulfilled dreams and ambitions. It would seem that if boomers have it their way, they won't be going quietly as they coast into their sunset years.

As they redefine retirement, boomers will need some help along the way. With many people now expected to spend up to a third of their lives enjoying retirement – whether that means working only part-time or not at all – it will be important to address the financial needs of an entire generation that is expected to live longer than the generation before.

In an independent survey,<sup>1</sup> Manulife Investments asked Canadian boomers

about their biggest financial concerns as they face their retirement years. Top of mind were outliving retirement savings, the corrosive effects of inflation on savings and the potential impact of market volatility on their long-term financial plans.

To illustrate this point, in the last 30 years the price of a cup of coffee in a restaurant has risen approximately 348 per cent, while the cost of a simple postage stamp has gone up by 560 per cent.<sup>2</sup> Indeed, drawing income in the later stages of retirement will be difficult if the combination of retirement savings withdrawals and inflation outstrips the returns retirees are receiving on their investments.

According to Statistics Canada's 2001 *Survey of Household Spending*, retirees are more exposed to inflation-driven price changes than the rest of the population. Between 1992 and 2004, prices rose 26.1 per cent for Canadians 65 years of

#### CONCERN #1: OUTLIVING RETIREMENT SAVINGS

Immediately after World War II, life expectancy was only 63 years for men and 66 years for women. Today's advances in health care and the adoption of healthier lifestyles are largely behind predictions for longer life spans. Yet, living longer comes with its own challenges. A couple aged 65 has a 94 per cent chance of one partner living to age 80, and a 63 per cent chance of one partner living to age 90. This means that today's boomers may have to fund their retirement for 25 years or longer.

<sup>1</sup> Source: Poll of 902 Canadians between the ages of 50 and 70 years by Maritz Research conducted between July 6 and 12, 2006. The results have a margin of error of +/- 3.3%, 19 times out of 20.

<sup>2</sup> Based on a \$0.08 stamp and \$0.46 coffee in 1977 and a \$0.52 stamp and \$1.60 coffee in 2007.



## CONCERN #2: INFLATION

When looking at a retirement period that may last 20, 30 or even 40 years, another risk boomers will have to consider is the effect that inflation will have on their retirement savings. Planning for 30 years of retirement income is very realistic, especially for a couple, but inflation will constantly erode the buying power of their savings.

age and older, compared to 24.4 per cent for non-seniors.<sup>3</sup> Why? Because there are some fairly significant differences in spending patterns. Seniors spend more per household on medical expenses, travel, reading materials, utilities, rent and tenants' expenses. For every \$100 of expenditures, seniors spend, on average, \$56 on food, shelter and utilities, compared with only \$45 for other households.

Of all these expenses, perhaps the greatest area of concern is the rising cost of health care. Canadians enjoy one of the most comprehensive public health care systems in the world, yet rising health care costs and provincial and federal budget restraints are causing governments to download the costs of some services to consumers. And as boomers age, it is expected that their increasing health

care needs will place considerably more stress on Canada's medical system. Unless governments are able to cover spending shortfalls, future retirees should be prepared to pay for more medical costs on their own.

## STRATEGIES THAT CAN HELP

The attitude of the typical retiree is changing. Instead of retiring *from* something, today's boomer is looking forward to retiring *to* something. This change in attitude bodes well for boomers, since generating supplementary income by working during retirement may be necessary to fund the retirement they want.

But beyond working past age 65, there are a number of financial strategies that can make the transition to retirement a less stressful evolution from a financial perspective. Perhaps the most important involves asset allocation – the percentage of assets held in stocks, bonds and cash.

In the past, many retirees would invest the vast majority of their assets in fixed-income investments, such as bonds and Guaranteed Investment Certificates (GICs), which can provide a reliable stream of income and a guarantee of principal. This was considered to be a prudent approach, since investing in stocks can be considerably more risky. Retirees who adopted this strategy were trying to reduce market risk.

The problem with this approach in today's economic environment is that traditional income-producing investments such as bonds, GICs and annuities, pay rates of interest that barely keep up with inflation. It's also important to remember

## THE PROBABILITY OF A HEALTHY 65-YEAR-OLD LIVING UNTIL...

Age	Single female	Single male	At least one member of a couple
70	96%	93%	99%
80	81%	71%	94%
90	44%	33%	63%
95	23%	16%	36%

Source: Annuity 2000 Mortality Table, Society of Actuaries

## EFFECTS OF INFLATION ON \$1,000

Number of years	Rate of inflation				
	0%	1%	2%	3%	4%
1	\$1,000	\$990	\$980	\$970	\$962
10	\$1,000	\$905	\$820	\$739	\$676
20	\$1,000	\$820	\$673	\$545	\$456
30	\$1,000	\$742	\$552	\$402	\$308

<sup>3</sup> Source: Statistics Canada, 2001 Survey of Household Spending



## The attitude of the typical retiree is changing. Instead of retiring *from* something, today's boomer is looking forward to retiring *to* something

that the income generated by these types of investments can attract the highest tax rates of any investment in Canada. This means that once inflation and tax are factored in, these apparently safe investments may actually be costing you money.

To avoid these pitfalls, you may want to consider adding a growth component to your investment portfolio. That means investing a portion of your holdings in equities for potentially superior long-term returns that can help you keep ahead of inflation. Of course, adding equities to a portfolio means that retired boomers will have to embrace some degree of market risk to help ensure that their money will last.

Research conducted by Moshe Milevsky, a York University finance professor and Canadian financial expert, outlines the scope of this problem.<sup>4</sup> Professor Milevsky recently identified a factor that can affect your ability to fund your retirement years. The period of time five to 10 years before and after retirement can have a very important impact on your ability to generate consistent and dependable income throughout your retirement years. This period of time is so critical that Professor Milevsky refers to it as the Retirement Risk Zone.

### THE SEQUENCE OF RETURNS

Let's examine why you are at greater risk from stock market declines near or at retirement, compared to when you're saving for retirement.

When you are in the saving phase of your life, the order – or sequence – of your investment returns is less important, assuming that you remain invested and ride out times of market volatility. For example, if you received a return of seven per cent in year one, lost 13 per cent in year two, and gained 27 per cent in year three, you would average a seven per cent annual return on your investment over the three-year time period. Even if the sequence of these returns changed, your outcome would remain the same.

However, if you're in the Retirement Risk Zone, experiencing poor market returns early in retirement can significantly reduce your ability to withdraw income for as long as you'll need it. The reason is that your portfolio may not have time to recover the way it could for a younger investor, even if the market does eventually rebound. In addition, there is a good chance you'll be making withdrawals from your savings for income during times when markets are dropping. Withdrawing money from investments that have declined in value may mean that you are depleting

#### CONCERN #3: MARKET VOLATILITY

Unpredictable market conditions are certainly a source of concern for investors entering the retirement phase of their lives. Losing money because of poorly timed investment decisions or market volatility is a major cause for anxiety since money, once lost, can be very difficult to replace. This is especially true if you have already left the workforce or if your health no longer allows you to work.

<sup>4</sup> Moshe A. Milevsky and Thomas S. Salisbury, *Asset Allocation and the Transition to Income: The Importance of Product Allocation in the Retirement Risk Zone*. September 27, 2006.



your savings much more quickly than you'd expect.

Let's assume you are a 65-year-old investor with \$100,000 in retirement savings and you need to withdraw nine per cent of your savings annually to provide you with a source of income. The following three scenarios describe how the sequence of returns can affect the health of your portfolio.

## If you're in the Retirement Risk Zone, experiencing poor market returns early in retirement can significantly reduce your ability to withdraw income

### SCENARIO #1 (7, 7, 7...)

If you achieve a seven per cent annual return on your investment every year, your money could last for 21 years, or until you reach age 86.

### SCENARIO #2 (27, 7, -13...)

If you earn a 27 per cent return the first year, gain seven per cent the second year and lose 13 per cent in year three, and this pattern of returns continues to

repeat itself throughout the rest of your retirement, the average rate of return over the time period will remain at seven per cent. However, this time, because of the two good years at the beginning of each cycle, your money can actually last an additional nine years, or until you reach age 95.

### SCENARIO #3 (-13, 7, 27...)

If we change the sequence of returns

again so that you lose 13 per cent in the first year, and then gain seven per cent in the second year and 27 per cent in the third year, the average return will remain at seven per cent. However, something dramatic happens. Under this scenario, your portfolio would be depleted by the time you reach age 81 – a full 14 years earlier than if you had received two early years of positive returns as outlined in Scenario #2.

## THE SEQUENCE OF RETURNS AFFECTS HOW LONG YOUR MONEY WILL LAST

What is most disturbing about the significance of the sequence of returns is that it reveals the role of luck when it comes to ensuring your savings will last. Even if you adopt an asset allocation strategy to help offset the effects of longevity and inflation, there is no guarantee that your money will last your entire lifetime. The financial risks inherent within the period five to 10 years before and after retirement illustrate the need for creative financial solutions for the boomer generation as they head into their retirement years. ●

PORTFOLIO LIFESPAN

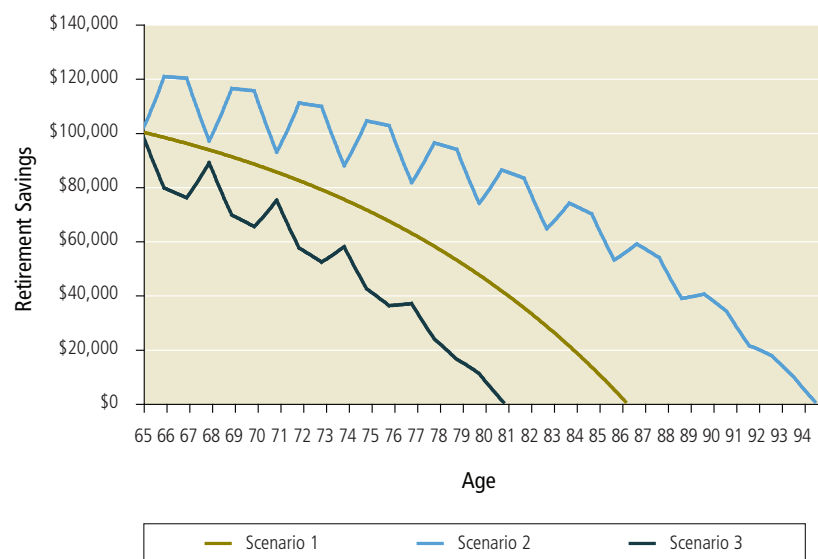


Chart assumptions: 65-year-old investor with \$100,000 in retirement savings, withdrawing nine per cent each year. For illustrative purposes only.



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Some of Canada's  
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are helping turn  
retirement thinking  
on its head  
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**For more information, ask your  
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# WHICH INVESTMENTS ARE BEST FOR NAVIGATING THE RETIREMENT RISK ZONE?

A new investment option  
that is turning retirement  
thinking on its head

The Retirement Risk Zone – the window five to 10 years just before and just after you retire – is the period of time when you are most vulnerable to the volatile nature of the financial markets. To help minimize the risk related to the Retirement Risk Zone, there are a number of investment solutions you can discuss with your advisor.

**T**he mix of products you own is vital during the retirement years, so when setting up your retirement income portfolio, look for a combination of investments with the following features and benefits:

- Predictable income guaranteed not to decrease no matter how investments perform
- Sustainable income that will last **for life**, or at least until the principal is completely repaid
- Potentially increasing guaranteed income to help offset inflation
- The flexibility to change your investment or access your savings at any time
- Tax-efficient income when held in a non-registered account
- Benefits that ensure the smooth transition of your estate

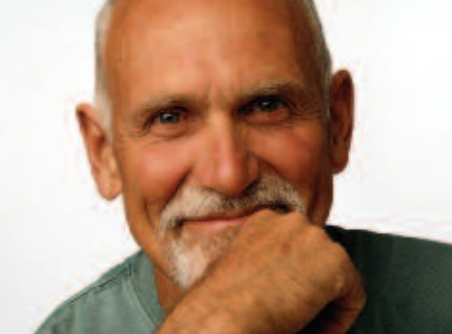
With these suggestions in mind, let's take a closer look at the different classes of investments that are available today to see how they measure up to your financial needs.

### **BONDS AND BANK GICS**

Bonds and Guaranteed Investment Certificates (GICs), most commonly offered through banks, have been popular investments for people who want to protect their savings from market volatility, while they receive a sustainable interest income stream that is guaranteed. GICs guarantee that you will receive your principal investment back when you hold the product to maturity. What's more, GICs have the potential to provide escalating income (if future interest rates are higher), and some allow you to access your money at any time (though they may charge a small fee for doing so).

Unfortunately, the income stream from GICs and bonds may decline if you are forced to reinvest your savings after these investments mature and interest rates are lower at that time. To help protect against this risk, many savvy investors choose GIC or bond ladders – essentially, portfolios that consist of different maturity dates – as a way to diversify rates of return and help minimize the impact of





## Although offering guaranteed returns and safety of principal, a portfolio heavily weighted in GICs and bonds will likely struggle to keep up with the rate of inflation

fluctuating interest rates at the time of reinvestment.

While bonds and GICs have many strong attributes, there are some things you should keep in mind. First, the interest rates that GICs and bonds pay can be relatively low when compared to investments that do not provide guarantees; therefore, these choices usually offer little growth potential. Second, when held outside registered accounts (eg. RRSPs or RRIFs), GICs and bonds are the least tax-efficient types of investments in Canada. Although offering guaranteed returns and safety of principal, a portfolio heavily weighted in GICs and bonds will likely struggle to keep up with the rate of inflation.

### **ANNUITIES**

Annuities are one of the oldest, safest and most reliable retirement income products in Canada. These investments can provide you and your spouse with consistent income that can be guaranteed for a specific period of time. In addition, annuities provide a number of income options and guarantee periods that can help ensure you and/or your named beneficiaries receive a minimum number of income payments even when you pass away.

Life annuities, in particular, which can only be purchased through life insurance

companies, remain one of the few ways to guarantee income for the rest of your life and the life of your spouse. Life annuities help many Canadians overcome one of the biggest retirement concerns: the prospect that they might outlive their savings. This advantage alone makes annuities the preferred choice for very conservative investors or investors who no longer want to be directly involved in managing their investment portfolios.

However, purchasing an annuity means giving up control of how your savings will be invested in return for a guaranteed stream of income. Both the loss of control and the probable irrevocability of an annuity mean that investors cannot access their savings in case of a financial emergency or to fund a one-time purchase. The portion of your retirement income portfolio allocated to annuities should be money you know you can and want to put out of your mind.

### **MUTUAL FUNDS**

Mutual funds can be excellent investments since they provide broad diversification and long-term growth potential to help you stay ahead of increases in the cost of living. What's more, mutual funds are flexible since they have access to a broad selection of asset classes, such as stocks, bonds, and money market securities.



This means you can build a portfolio that suits your risk profile. Mutual funds also allow you to access your capital at any time (may be subject to redemption charges) and increase or decrease the amount you withdraw on a monthly basis. Finally, money withdrawn from a mutual fund for income can be tax-efficient when held within a non-registered account.

For many retired investors, however, there are a number of risks associated with mutual funds that may make these investments, by themselves, less attractive when funding future income needs. First, mutual funds do not guarantee that you will receive a sustainable stream of income from your investment. If your rate of return is consistently lower than your rate of withdrawal, you'll eventually run out of money. Secondly, mutual funds do not guarantee your principal, so there is always the possibility that you'll lose money on your initial investment. Some investors select more conservative mutual funds, including ones that invest exclusively in bonds or money market securities. However, these funds may struggle to keep up with inflation and their growth potential may be limited.

### **TRADITIONAL SEGREGATED FUND CONTRACTS**

If you are a more conservative investor looking for additional levels of security, segregated fund contracts can provide a number of benefits. Like mutual funds, segregated contracts offer a broad selection of investment options to choose from, including funds that invest in stocks, bonds, and money market instruments. Segregated funds also have long-term

growth potential to help you keep ahead of increases in the cost of living. Withdrawals made from a segregated fund can be tax-efficient if your investments are held within a non-registered account.

Because segregated fund contracts are insurance products, they may provide additional benefits, such as potential protection from creditors and the efficient settlement of an estate (with a named beneficiary). These can be highly desirable features for some investors. Other benefits of segregated funds may include unlimited access to your capital should the need arise. This flexibility has drawbacks, however, since withdrawals will affect the guarantee features associated with segregated fund contracts.

Despite their many advantages, traditional segregated fund contracts may not be ideal investments if you are looking for a guaranteed stream of income during retirement. Segregated funds offer no guarantee that you can continue to draw income and receive back all of the money you invested. If the value of your segregated fund contract falls while you are withdrawing income, there is the potential risk that you will use up your savings sooner than expected.

...segregated fund contracts may not be ideal investments for people looking for a guaranteed stream of income during their retirement



## INCOMEPLUS – NEW CREATIVE SOLUTION

**Investments that include a Guaranteed Minimum Withdrawal Benefit (GMWB) are new to Canada** and provide much of the same investment growth potential as mutual funds, but include additional features and benefits designed to provide sustainable, predictable and potentially increasing income. GMWBs, like IncomePlus from Manulife Investments, accomplish this through a combination of principal protection features, bonuses and guarantees designed to help you navigate the Retirement Risk Zone with a lot more confidence.

### Sustainable income

GMWBs are unique since they can guarantee the return of your principal investment through regular withdrawals, while providing you access to a portfolio of market-based investments. This type of guarantee can ensure you receive regular payments that in total, will, at a minimum, equal your principal investment, no matter what happens to the market value of your contract.<sup>1</sup> Some GMWBs, such as

IncomePlus, can offer a lifetime benefit – guaranteeing income payments for life.

For basic GMWBs, if your investment contract performs well, your guaranteed payment period is typically extended and may even provide a higher guaranteed annual payment amount. For GMWBs offering a lifetime benefit, like IncomePlus does, it means a higher guaranteed annual payment for life. If your investment contract performs poorly with a basic GMWB, you will continue to receive the same income payments until your entire principal is repaid. For products offering a lifetime benefit, you will continue to receive the same income payments for life. In either case, you can still receive income payments even if the market value of your investment contract falls to zero.\*

### Predictable income stream

GMWBs offer a predictable stream of income guaranteed not to decrease no matter how the markets perform, as long as you do not withdraw income above the amount specified in the contract. With IncomePlus' lifetime benefit, upon reaching a certain age, the income stream can last for life.

### Potentially increasing income to help offset inflation

GMWBs incorporate a number of important features that allow you to potentially grow your investment and your income stream to stay ahead of inflation. If the value of your investment contract grows over time, the amount of income you receive has the potential to increase as well.

GMWBs aim to allow you to allocate your deposit to market-based investments,

\*Exceeding the withdrawal thresholds may have a negative impact on future payments. The Lifetime Withdrawal Amount is available after December 31st of the year the annuitant turns age 65. Payments can continue until the contract reaches maturity or upon death of the last surviving annuitant.

● = Yes    ◐ = Possibly    ○ = No

NEED	BANK GICS	ANNUITIES	MUTUAL FUNDS (Includes Income & Bond Funds)	TRADITIONAL SEGREGATED FUNDS	INCOMEPLUS* (GMWB)
Predictable income guaranteed to not decrease no matter how the investment performs	○	●	○	○	●
Sustainable income guaranteed to last for your life	◐	●	○	○	●
Potentially increasing guaranteed income	◐	◐	○	○	●
Flexibility to change your investment or access your savings	◐	○	●	●	●
Tax efficient non-registered income	○	◐	●	●	●
Unique estate planning advantages	○	◐	○	●	●

<sup>1</sup> Provided you do not withdraw income above the amount specified in the contract.

## Longevity risk

“At the very end of the life cycle, we face something called longevity risk. This risk, like others we face in life, has to be recognized, managed, and, in some cases, insured...

GMWBs can provide you with longevity risk management as they pay out for the rest of your life.”

– Moshe A. Milevsky, Ph.D., Associate Professor of Finance, Schulich School of Business, August 2007.

such as balanced funds, that may allow you to keep up with inflation. Moreover, because your principal investment can be guaranteed, you won't stay awake at night worrying about whether market volatility will undermine your ability to withdraw steady levels of income from your savings.

### Access to your savings

Products offering a GMWB allow you to make withdrawals at any time to fund a one-time purchase or respond to a financial emergency. In addition, you will always have the option to withdraw less or more money as your needs require. However, it is important to note that withdrawing more money may adversely affect the sustainability of your income payments over time and your principal investment guarantee.

### Range of investment choices

Like mutual funds, investment contracts offering GMWBs typically provide direct or indirect access to a number of different asset classes, ranging from money market instruments, bonds, and dividends to balanced and growth-oriented funds. With this flexibility, you can create a portfolio of investments that suits your financial objectives and tolerance to risk, while adjustments to the portfolio can be made over time.

### Tax-efficient income

When withdrawing retirement income from a non-registered investment, it's important to ensure that the money you receive is as tax-efficient as possible. Because income payments made from GMWBs are treated as regular fund withdrawals, typically, only a portion of the income will be taxed, and that portion is often classified as a more tax-friendly capital gain. As a result, this income stream can be quite tax-efficient when compared to investments in bonds, GICs, or annuities and is complementary to these products in your retirement income portfolio.

### Estate planning benefits

Because investments with GMWBs are insurance products, they are able to provide estate planning and possible creditor protection benefits that are attractive for certain types of investors. If you are planning your estate, GMWBs may help to ensure the smooth transition of your assets to named beneficiaries after death. In particular, the return of principal guarantee can be passed on to a spouse should you die prior to receiving all of your principal investment back. If you are a business owner who is exposed to professional liabilities, GMWBs have the potential to protect your personal assets from creditors, should the need arise. ●

### NEXT STEPS IN CREATING YOUR RETIREMENT INCOME PORTFOLIO

Your advisor can provide an in-depth overview of the range of investments designed to generate retirement income and how the various features and benefits of a GMWB work together to create predictable, sustainable and potentially increasing income that can last for the rest of your life. When combined with a proper allocation of retirement products that allows for long-term growth, the GMWB, such as IncomePlus from Manulife Investments, is a powerful tool that can take some of the worry out of your retirement years. Together, these investments will help you manage your daily expenses, provide longevity insurance and access to the markets, as well as help hedge against inflation.



GIF Select  
**IncomePlus**<sup>™</sup>

Guaranteed  
income *for life.*

All the growth  
potential of  
the market.

You never lose the  
money you invest.

“Isn’t it time you turned *your* retirement thinking on its head?”

IncomePlus is truly one of the best choices you can make when planning your retirement in today’s uncertain investment climate. The first product of its kind in Canada, IncomePlus helps minimize risk and emphasizes rewards. Your retirement income is protected from market downturns yet, when the market goes up, your income can also grow and is guaranteed for life.

And IncomePlus provides an excellent opportunity for added growth when you’re still saving for retirement. You will receive a 5% bonus on your guaranteed income for every year you don’t make a withdrawal. That means you can better plan for retirement knowing that your guaranteed income can increase each year regardless of market conditions.

Most importantly, your retirement income is guaranteed for life and you’re always in control, with the flexibility to change investments or access your money at any time. With IncomePlus, you can plan with confidence.

Turn your retirement thinking on its head. For the kind of peace of mind that makes retirement more rewarding, turn to IncomePlus from Manulife Investments. We’re with you every step of the way.

**For more information, ask your advisor or visit**  
[www.manulifesolutions.ca](http://www.manulifesolutions.ca)

 **Manulife Investments**  
With you every step of the way<sup>®</sup>

The Manufacturers Life Insurance Company (Manulife Financial) is the issuer and guarantor of the GIF Select contract which offers the IncomePlus benefit. The bonus is available for the first 15 years after purchasing funds in the IncomePlus Series. The bonuses are not cash deposits, they increase the amount that is guaranteed for withdrawal. Your investment is protected through guaranteed payments, at maturity, or upon death. Exceeding the withdrawal thresholds may have a negative impact on future payments. Age restrictions apply to the Lifetime Withdrawal Amount. Manulife Investments is the brand name identifying the personal wealth management lines of business offered by Manulife Financial and its subsidiaries in Canada. GIF Select, Manulife and the block design are registered service marks and trademarks of The Manufacturers Life Insurance Company and are used by it and its affiliates including Manulife Financial Corporation.