Manulife Bank

One account for your retirement

Manulife one

As Canadians approach and enter retirement, most of us arrange our finances carefully so that we'll have a stable income from month to month once we stop working. Typically we receive income from several sources including personal savings, company pension plans and government programs. However, although we've taken care to ensure we have a stable retirement *income*, we often don't fully prepare for the fact that we probably won't have stable retirement *expenses*. In other words, we don't build in enough financial flexibility.

Why is financial flexibility important?

Retirement brings with it a host of unpredicted financial needs – both good, such as an opportunity to travel or help a family member buy a home and bad, such as unplanned medical expenses or a car that expires prematurely. An inflexible monthly income can make it difficult to address these financial needs as they arise.

Luckily, many retirees are sitting on (or in) a significant asset they didn't take into account when planning their retirement income – their home.

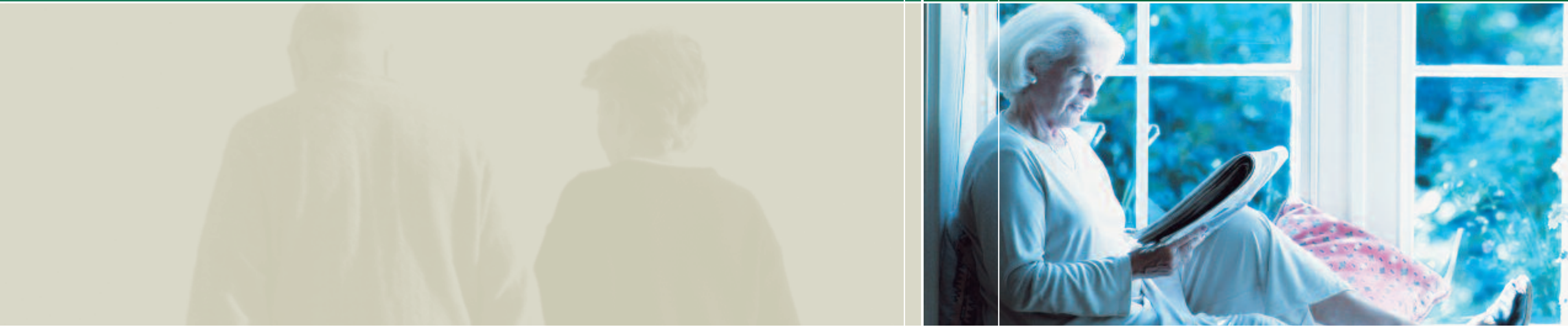
Your home can provide you with tremendous flexibility

For most of us, our home is one of our largest assets. In some cases it may even be worth more than the retirement savings we've managed to accumulate. It may make sense, then, to take this asset into account when planning our retirement income. This doesn't necessarily mean systematically drawing down our home equity as income but rather, simply gaining access to that equity so that our financial ups and downs have less impact on our retirement lifestyle.

Add flexibility to your retirement income with Manulife one

Manulife one is an all-in-one borrowing, savings and chequing account that is secured by your home. Often, if your income meets or exceeds your expenses, your account may be in a positive balance and your money will earn a competitive rate of interest. And, if an unexpected expense comes along, you can easily access your home equity, up to your borrowing limit (typically 50% to 80% of the value of your home). Because Manulife one acts as your day-to-day account, accessing your money is as simple as writing a cheque, making a debit purchase or transferring money electronically.

A stable income can be very important in retirement. And, as the following section describes, financial flexibility may be just as important.



Manulife one can provide financial flexibility in retirement

Smooth out your monthly cash flow

Even if your retirement income matches or exceeds your expenses over the long-term, there's no guarantee you'll have a surplus every month. Manulife one acts as a buffer to help smooth out your monthly cash flow.

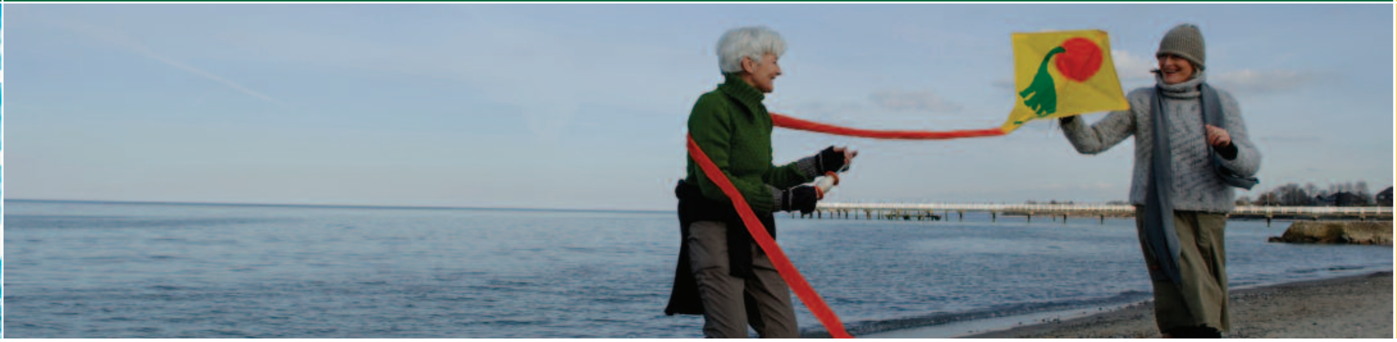
In **lower-expense months**, the extra money can stay in your account, either reducing your debt or, if you have a positive balance, earning a competitive rate of return.

In **higher-expense months**, you're able to access your accumulated savings and your line of credit, up to your borrowing limit.

Reduce the impact of temporary market downturns

Many Canadians rely on investments such as stocks and mutual funds to provide a portion of their investment income. However selling these investments when their value has declined could have a significant negative impact on how long these investments will last.

When the value of your investments has declined, it may make sense to temporarily take income from your Manulife one account and leave your investments intact. Then, when the value of your investments has recovered, you can again use these investments to supplement your income and repay any debt you've accumulated. Your financial advisor can help you determine if this strategy is right for you.



Prepare for the "what-ifs?"

Aside from the regular month-to-month fluctuations in retirement expenses, you may also encounter larger one-time expenses. These are sometimes called "what-if" events: "What if I have unexpected medical expenses? What if I need to help out the kids? What if the house needs major repairs?" If you haven't planned for these, you may have limited or unattractive options when the time comes.

The best time to prepare for a "what-if" event is now, before the event has taken place. By giving you access to 50% to 80% of the value of your home, Manulife One can provide you with an immediate option for addressing the expense and may give you the time you need to restructure your finances to reflect your new circumstances.

Help out your children or grandchildren

One of the benefits of a lifetime of hard work and saving is the ability to give your children or grandchildren a leg-up by helping them with larger expenses, such as a down-payment on a home or tuition for post-secondary education. However, if this help comes from your retirement savings, it could derail your financial plans, particularly if your investments have recently declined in value.

With Manulife One, you can tap into your home equity to help your children or grandchildren and keep your retirement savings intact. Plus, if you'd prefer to loan the money rather than gift it, you can track the debt repayment and interest separately in a sub-account.

Supplement your retirement income

In some cases, it may make sense to supplement your retirement income by making temporary or longer-term systematic withdrawals from your Manulife One account. If this option is of interest to you, your financial advisor can review your individual situation and help you determine what withdrawal amount is sustainable.[1]

Convenient and easy to use

Manulife one simplifies your financial life by allowing all of your retirement income and expenses to flow through a single account. Consolidating your income and expenses in a single account makes it easier to manage and keep track of your day-to-day cash flow.

Easy to access

You can access your money at any time in a number of ways such as:

- Debit card
- ABM transactions
- Cheque writing
- Telephone and internet transfers

Flexible borrowing and repayment[1]

With Manulife one, unlike some home-equity products targeting seniors, *you're not required to borrow money*. If you don't come across a need to borrow, you can simply enjoy the flexibility of the account and a competitive interest rate on positive balances.

If you do choose to borrow, you have a tremendous amount of flexibility:

- You can repay any variable-rate debt without penalty simply by making a deposit
- If you would like to track a portion of your debt separately, such as a loan to one of your children, you can do so in a variable-rate sub-account
- You can even choose to lock in a portion of your debt at a fixed rate

Comprehensive reporting

Each month, you'll receive a comprehensive statement that shows the change in your balance, lists each transaction that took place during the month and shows you the interest earned or charged on your main account and any sub-accounts you may have. In addition, you can access information about your account at any time through online or automated telephone banking.

[1] With Manulife one, client withdrawals cannot exceed the maximum approved borrowing limit and you must pay any accrued interest and fees which would increase the total debt beyond the borrowing limit. This differs from a Reverse Mortgage, where a client may not be required to make deposits into the account.

For more information call **1-877-765-2265**
or visit our website **manulifeone.ca**

Banking, the way it *should* be.®

Banking products are an essential part of a successful financial plan. That's why we offer our banking products through financial advisors. Since every client has unique financial needs, their advisor can recommend banking products to help them achieve their goals sooner.

Manulife Bank is wholly owned by Manulife Financial, one of Canada's largest and most respected financial institutions.

Our innovative products and great rates help Canadians make their money work harder and give them access to cash for their financial needs. Make a break from traditional banking and discover Banking, the way it *should* be.

Manulife one is offered through Manulife Bank of Canada.

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