

## RRIF payments for life – guaranteed

GIF Select  
**IncomePlus®**

Registered Retirement Income Funds (RRIFs) are designed to provide retirement income, ideally for life. GIF Select with IncomePlus from Manulife Investments is one of the only RRIF products in Canada with the ability to provide guaranteed income for life!

### INCOMEPLUS – GUARANTEED RRIF PAYMENTS THAT LAST FOR LIFE

INCOMEPLUS PRESENTS RRIF CLIENTS WITH UNIQUE ADVANTAGES

- A guaranteed income floor (depending on the age at which the RRIF is purchased) throughout retirement even if the market value reduces to zero
- In the first year, when no RRIF income is taken, a five per cent income bonus increases the guaranteed annual income giving retirement income a boost
- Automatic IncomePlus resets every three years that can lock-in investment gains when markets rise, and increase future annual guaranteed income
- Flexibility to withdraw more than the IncomePlus guaranteed income amount to meet the required RRIF minimum without affecting the future guaranteed stream of lifetime payments

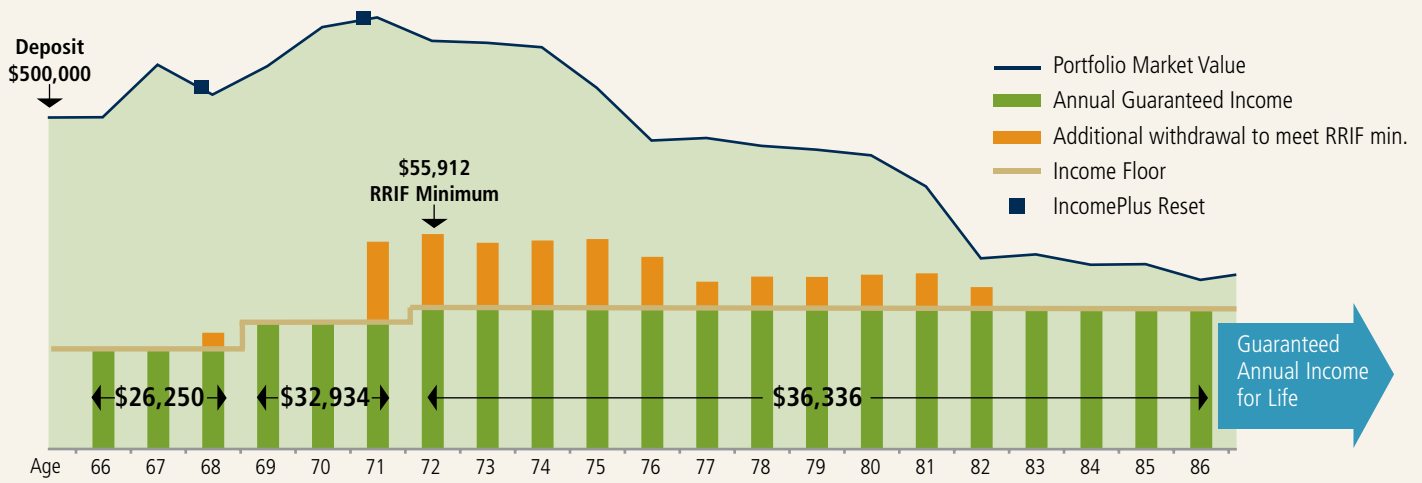
**Each year clients can withdraw the greater of the guaranteed income amount or the RRIF minimum (or Adjusted RRIF minimum) – for life!**

LET'S LOOK AT AN EXAMPLE\*

In January a client, aged 65, transfers \$500,000 to a GIF Select IncomePlus RRIF contract. The \$500,000 is invested in a balanced portfolio and experiences strong early returns followed by a period of declining markets. No income is taken until the next calendar year.

- An initial guaranteed annual income is set at \$25,000 (5 per cent x \$500,000)
- By delaying income until January the next year, a five per cent income bonus is added to the guaranteed annual income
- Starting in January, there will be a guaranteed income stream of at least \$26,250 annually (5 per cent x \$525,000) for life

\* Example shown is for a Single Life Payout Option where the Lifetime Withdrawal Amount (LWA) was elected between age 65 and 74 and an LWA payout percentage is established at 5% annually. (Joint Life Payout Option also available)



For illustration purposes only. Assumes a Single Life Payout Option where LWA was elected between age 65 and 74. Assumes no withdrawal is made in the first year resulting in a bonus of \$25,000 and an LWA of \$26,250 available at age 66. Returns are hypothetical based on the Canadian Balanced Peer Index from 1991 to 2010 (and then repeated). Example factors in an IncomePlus Fund Fee Rate of 1.15%.

In some years, there may be a need to withdraw more than the guaranteed annual income in order to meet the legislated RRIF minimum payment. As the image shows, the withdrawals required for the annual RRIF minimum at age 71 to age 82 were sometimes significantly more than the annual guaranteed income amount, but did not affect the future guaranteed lifetime income.\* The IncomePlus resets have secured a higher guaranteed income at ages 68 and 71. If the markets continue to decline beyond age 86 and the market value reduces to zero, there will still be a guaranteed annual income of \$36,336 for life!

\*For GIF Select contracts holding more than one investment Series, a calculation is used to pro-rate the IncomePlus RRIF Minimum Amount.

### IncomePlus from Manulife Investments – providing exceptional RRIF flexibility and security for retirement.

#### LIF/LRIF and IncomePlus

It's important to remember that pension rules in most provinces stipulate a maximum withdrawal amount for certain locked-in income plans (i.e. LIF and LRIF plans). During extended periods of flat or declining markets, your maximum allowable withdrawal from these types of plans may fall below your guaranteed lifetime income amount. In this case, you may be limited to the legislated maximum payout for that year.

**FOR MORE INFORMATION, PLEASE CONTACT THE MANULIFE SALES TEAM OR VISIT [MANULIFEGIFSELECT.CA](http://MANULIFEGIFSELECT.CA)**

#### FOR ADVISOR USE ONLY.

This information applies to GIF Select contracts sold on or after October 5th, 2009. Any amount that is allocated to a segregated fund is invested at the risk of the contractholder and may increase or decrease in value. Withdrawals proportionally decrease Maturity and Death benefit guarantees. Withdrawals in excess of the LWA and RRIF minimum threshold (or adjusted IncomePlus RRIF minimum) or prior to the Election of LWA will reduce the GWB Benefit Base proportionally and may have a negative impact on future income payments. The Lifetime Withdrawal Amount becomes available on January 1st of the year the annuitant or the younger of the annuitant and the Joint Life (if applicable) turns age 55. Other conditions may apply. Income bonuses are not cash deposits, they increase the basis for calculating guaranteed income. The income bonus is available each year following the initial deposit to the IncomePlus Series, provided no withdrawals are taken. The Manufacturers Life Insurance Company is the issuer of the Manulife GIF Select insurance contract which offers the IncomePlus Series and the guarantor of any guarantee provisions therein. Manulife, Manulife Investments, the Manulife Investments For Your Future logo, the Block Design, Strong Reliable Trustworthy Forward-thinking and GIF Select IncomePlus are trademarks of The Manufacturers Life Insurance Company and are used by it, and by its affiliates under license.

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