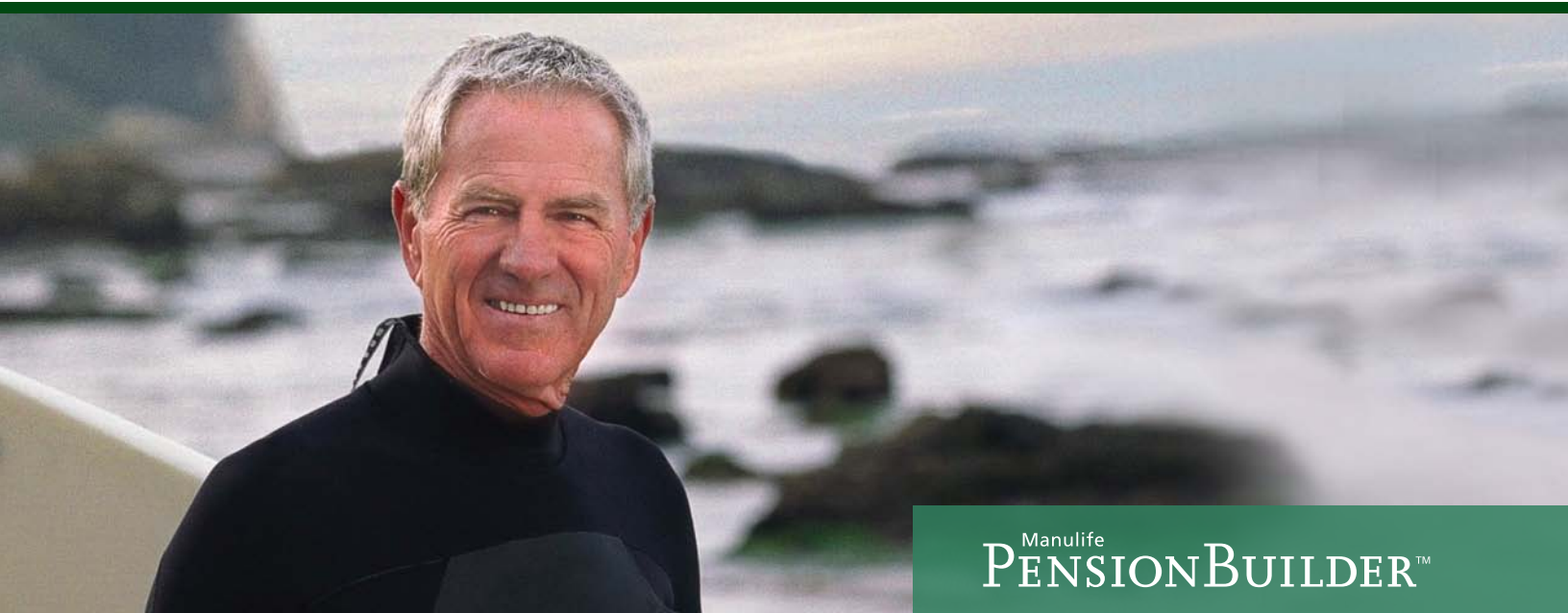




Building guaranteed income for retirement



Manulife  
**PENSIONBUILDER™**

THE MANUFACTURERS LIFE INSURANCE COMPANY

## Canadians in retirement

You've worked hard throughout your life and retirement is your time to reward yourself.

Fortunately, due to medical advances and healthy lifestyles, Canadians are living longer than in the past and are leading active retirements. This period of your life may last as long as your working years, which can be 30 years or more for some. How you fund your retirement is an important consideration. Planning now for the income you will need helps ensure that you'll be able to enjoy retirement and not spend time worrying about it.

Years ago, fewer Canadians were as concerned about funding their retirement. Many people spent their entire career with a single company who in turn, would

provide retirees with a guaranteed income stream they could rely on. As society has changed, the reality of retirement has also changed – fewer companies are offering guaranteed pension plans, also known as “Defined Benefit Pension Plans”, due to the costs and risks associated with administering these types of plans. Today, most Canadians save for retirement through personal savings and other types of investment plans. While these can be effective for accumulation, few – if any of them – allow for guaranteed income. It's up to the investor to manage the income in retirement and hope that their money does not run out.

Only one in four working Canadians have access to an employer-sponsored Defined Benefit Pension Plan.

Source: Statistics Canada, Pension Plans in Canada and Labour Force Survey, April 2009.



## What will your retirement look like?

As the majority of Canadians do not belong to a company-sponsored pension plan, generating guaranteed income is an increasingly important part of every retirement strategy. To illustrate just how important it is to have guaranteed income in retirement, let's look at Jane and Betty.

Jane is a 56 year old teacher who is in good health and leads an active lifestyle in which she spends much of her free time golfing and traveling. In retirement, Jane plans on staying active and travelling even more. She is one of the lucky few that has a Defined Benefit Pension Plan and knows with certainty what her income will be throughout retirement. Having that dependable income that she can rely on, Jane doesn't worry about the markets or the possibility of a future financial crisis because neither will affect her retirement funding.

Now compare Jane's situation with that of her friend, Betty.

Betty is 55 and owns a small flower shop. She has similar retirement dreams as Jane's, but, Betty does not have a guaranteed pension plan. Until a few years ago, Betty was feeling good about her retirement savings – she has been investing on a regular basis and has seen her nest egg grow. With the recent market turmoil, her confidence is shaken and she now worries constantly about the daily ups and downs of the market. Overall, she is quite concerned about her savings and whether she will have enough to fund a long and active retirement.

Betty wishes she had the security and peace of mind in having guaranteed retirement income.

Guaranteed pensions are not as common as they once were, but Betty and the majority of Canadians still need a dependable source of income they can rely on. With different risks affecting retirement security, you need an innovative income solution that helps fill the gap of guaranteed retirement income.

### Did you know?

There is a 44% probability that a healthy female retiring at age 65 will live beyond age 90.

Source: Annuity 2000 Mortality Table, Society of Actuaries.

# Manulife PensionBuilder – part of a sound retirement strategy

Introducing Manulife PensionBuilder, a guaranteed retirement income solution from Manulife Investments. Manulife PensionBuilder is a straight-forward, low-risk investment that allows you to convert some of your retirement savings into a source of guaranteed income that you can't outlive.

This innovative income solution is designed to provide:

- A secure income stream that is guaranteed for life to help form the foundation of a retirement income plan
- A higher level of retirement income the earlier you invest and the later you wait to start drawing income
- Flexibility to choose when to begin taking income, as early as age 50
- The option of uninterrupted income for life for your surviving spouse<sup>1</sup>
- A conservative investment with full access to your market value, should the need arise<sup>2</sup>

<sup>1</sup> Spouse or common-law partner as defined by the *Income Tax Act* (Canada). <sup>2</sup> Fees may apply. Exceeding the withdrawal thresholds of the Manulife PensionBuilder insurance contract and/or withdrawals taken prior to the Election of the Income Benefit may have a negative impact on future income payments. 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 Manulife PensionBuilder, provided no withdrawals are taken. Other conditions may apply.



# Betty's guaranteed income solution

With Manulife PensionBuilder, you can know with certainty the amount of income that you will receive. For example, for every \$100,000 that Betty is able to invest in a Manulife PensionBuilder contract at age 55 she will receive \$563 every month for life when she retires at age 65.

As you can see from the table, investing earlier will increase the amount of income available to her in retirement. And the longer she's able to wait before taking income, the greater her monthly amount will be. If Betty had additional money to invest, her guaranteed retirement income would increase even more.

		Monthly income at election age (\$)			
		60	65	70	75
Age at Deposit	45	583	750	938	1,146
	50	500	656	833	1,031
	55	417	563	729	917
	60	333	469	625	802
	65	250	375	521	688

For illustration purposes only. All ages are at December 31st. Based on the Single Life Payout Option and assumes no withdrawals are made before or excess withdrawals after election age. Amounts include the annual Income Benefit and an annual Income Bonus of 5% when income is deferred, shown as a monthly figure.

**Depending on monthly income amounts available at the time of purchase, those shown are subject to change. To investigate scenarios tailored to your situation, contact your advisor or visit the Features and Benefits section on [manulifepensionbuilder.ca](http://manulifepensionbuilder.ca) for current payout and income bonus percentages or use the Manulife PensionBuilder online calculator.**



## Manulife PensionBuilder offers additional features and benefits

As an insurance contract, Manulife PensionBuilder offers other important protection features.

**Estate Settlement** – Manulife PensionBuilder offers estate planning advantages that can ensure your remaining investment will pass on to family and loved ones. In the event of your death, the proceeds of your contract can pass quickly and privately<sup>1</sup> to your designated beneficiaries, without the delay and expense of estate settlement.

**Creditor Protection** – Manulife PensionBuilder has the potential to protect your assets from creditors. This feature is ideal for professionals and small business owners looking to help protect their personal assets from professional liability.

## Fixed income expertise with Manulife Asset Management

Manulife PensionBuilder is conservatively invested in a fixed-income portfolio managed by the Manulife Asset Management team.

- Veteran portfolio management teams and skilled investment professionals with experience across the spectrum of fixed-income investments
- Manages over \$83 billion<sup>2</sup> in fixed-income securities
- Employs a disciplined risk management process to help protect capital during uncertain times

<sup>1</sup>In Saskatchewan, jointly held property and insurance policies with a named beneficiary are included on the application for probate despite the fact that these assets do not flow through the estate and are not subject to probate. <sup>2</sup>As at December 31st, 2011.



# You can trust in Manulife's financial strength and stability

**Strong** – Funds under management by Manulife Financial and its subsidiaries are Cdn\$500 billion<sup>1</sup>.

**Reliable** – More than one in five Canadians are served by Manulife's leading businesses that provide individual life and health insurance, wealth management, banking, group benefits, group savings plans, plus services to alumni and professional associations across the country.

**Trustworthy** – Manulife has stood solidly behind our promises for 125 years.

**Forward-thinking** – Manulife Financial is a market leader in both financial protection and wealth management businesses. We provide a full suite of products and services to meet the current and future needs of individual and group customers.

## Highly Regarded

- Track record of growth, leading corporate governance practices and strong management teams
- Manulife has strong claims paying ability and financial strength ratings from all of its credit rating agencies
- Is the largest insurance company in Canada and one of the top five in the world
- Manulife was first incorporated in 1887 with Sir John A. Macdonald, Canada's first Prime Minister, as President



<sup>1</sup> As at December 31st, 2011.





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**TO FIND OUT MORE, SPEAK TO YOUR ADVISOR, OR VISIT [MANULIFEPENSIONBUILDER.CA](http://MANULIFEPENSIONBUILDER.CA)**

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 **Manulife Investments**

strong reliable trustworthy forward-thinking

For your future™