

Investment Policy Statement
Ideal Balanced Fund

Investment Objective

The investment objective of the Ideal Balanced Fund is to provide superior long-term capital appreciation and steady income while limiting risk through asset diversification with an emphasis on quality and liquidity. To achieve its objective, the Fund invests in a diversified portfolio of Canadian and foreign equities and fixed income securities.

Investment Strategy

The Ideal Balanced Fund invests in a diversified mix of Canadian and foreign stocks, government and corporate bonds, and high-quality money market investments based on a 12 to 18 month outlook for capital markets. It emphasizes quality and liquidity in its investments, and it manages the impact of stock market volatility by diversifying its asset mix. The Fund is actively managed based on total return expectations derived from change in interest rates and changing market conditions overall.

Fixed-income instruments may be denominated in Canadian or foreign currency.

The Fund may also enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

The Ideal Balanced Fund's portfolio is structured within these parameters:

Asset Category	Minimum (%)	Maximum (%)
Total Equities	40	65
Canadian Equities	20	65
Foreign Equities	0	30
Fixed Income	20	45
Money Market Instruments and Cash	0	20

The percentages listed above are approximate due to continuous market fluctuations and administrative efficiencies. As a result, the actual percentages invested in the asset classes on any given day may not exactly conform to the percentages set forth above. Rebalancing will be done at the discretion of the portfolio advisor and portfolio sub-advisor.

*Manulife reserves the right to change the above targets, ranges and/or to remove, replace or add additional funds to the Segregated Fund's portfolio as deemed necessary to achieve and continue to adhere to the Segregated Fund's investment objective.

Risks

The risks of investing in the Fund can include but are not limited to the following:

- Asset-Backed and Mortgage-Backed Securities Investment Risk
- Credit Risk
- Derivative Risk
- Foreign Currency Risk
- Foreign Investment Risk
- Income Trust Risk
- Interest Rate Risk
- Risk of Price Change
- Series Risk
- Substantial Contractholder Risk
- Securities Lending, Repurchase and Reverse Repurchase Transaction Risk

Descriptions of these risks can either be found in the Information Folder or can be provided upon request.

Where can I get more information or help?

For more information, please read the Information Folder and Contract, or you may contact us at:

Manulife
500 King St. N
Waterloo, ON N2J 4C6

www.manulifeim.ca

Canada, Outside of Quebec
1-888-790-4387

Quebec & French Business
1-800-355-6776

For information about handling issues you are unable to resolve with us, contact the OmbudService for Life and Health Insurance at 1-800-268-8099 or on the web at www.olhi.ca.

For information about additional protection that is available for all life insurance contractholders, contact Assuris, a company established by the Canadian life insurance industry. See www.assuris.ca for details.

For information regarding how to contact the insurance regulator in your province, visit the Canadian Council of Insurance Regulators website at www.ccir-ccrra.org.

Manulife Investment Management

Manulife Investment Management is a trade name of The Manufacturers Life Insurance Company. The Manufacturers Life Insurance Company (Manulife) is the issuer of insurance contracts containing Manulife segregated funds and the guarantor of any guarantee provisions therein.

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