

Investment Policy Statement

Manulife International Large Cap Segregated Fund

Investment Objective

Unless otherwise noted, the investment objective of the underlying fund is the same or substantially similar as the segregated fund objective.

The investment objective of the Fund is to aim to achieve above-average long-term risk-adjusted returns and to provide diversification of risk by investing primarily in equity and equity related securities of larger companies located in developed countries outside of Canada and the United States, primarily in Europe, Australasia and the Far East ("EAFE").

Investment Strategy

This Fund will invest in units of the Manulife International Large Cap Fund, a mutual fund trust, or a substantially similar fund (the "Underlying Fund").

The Underlying Fund will employ the following strategies to achieve the objective:

- Systematically, through a bottom-up approach, create a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values.
- Seeks to employ a long-term holding period to allow for investor recognition or corporate growth.

There are no specific limits on the portion of the Underlying Fund's assets that may be directly invested in foreign securities or indirectly exposed to investments in foreign securities. The amount invested in any one country will vary depending upon the economic, investment and market outlook and opportunities in each geographic area.

The Underlying Fund may not make an investment if as a result of the investment more than 20% of the net asset value of the Underlying Fund (at market value at the time of the transaction) would be invested in a particular industry as defined by the Global Industry Classification Standard and their equivalents in the United States or internationally.

The Underlying Fund may hold cash or short-term money market securities for administrative purposes or while searching for investment opportunities and/or due to general market, economic or political conditions.

The Underlying Fund may also invest up to 100% of its assets in other investment funds, including Underlying Funds and ETFs, that may or may not be managed by the Manager (or one of its affiliates or associates), in order to gain indirect exposure to appropriate markets, sectors or asset classes. The Underlying Fund may invest in investment funds managed by unaffiliated investment managers if there are no suitable investment opportunities in affiliated funds. Underlying Funds will be selected with consideration for the Underlying Fund's investment objective and strategies, past performance and volatility, among other factors. For more information, please see "Investing in Exchange-Traded Funds ("ETFs")" in "Exemptions and Approvals" found in the Prospectus of the Underlying Fund.

The Underlying Fund may invest in or use derivatives for hedging and investment purposes in a manner consistent with the investment objective of the Underlying Fund and as permitted by applicable securities legislation or by the exemption described under "Derivatives Relief" in "Exemptions and Approvals" found in the Prospectus of the Underlying Fund. Derivatives may be used for hedging purposes in the event of significant cash flows into or out of the Underlying Fund and to provide protection for the Underlying Fund. Derivatives may be used for investment purposes in order to invest indirectly in securities or financial markets and to gain exposure to other currencies. You will find more information about derivatives, including the types of derivatives expected to be used by the Underlying Fund, under "Derivative Risk" in the Prospectus of the Underlying Fund.

The Underlying 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. For more information, see "Securities Lending, Repurchase and Reverse Repurchase Transaction Risk" and "Investments in Securities Lending, Repurchase and Reverse Repurchase Agreements" in "Responsibility for Mutual Fund Administration Policies and Practices" found in the Prospectus of the Underlying Fund.

Risks

Where a segregated fund invests in units of an underlying fund, the segregated fund may be exposed to the risks associated with the underlying fund. Below is a list of principal risks for the underlying mutual fund(s) in which the Segregated Fund invests. For complete definitions of each principal risk, refer to the general section of the mutual fund Prospectus.

- Capital Depletion Risk
- Currency Risk
- Equity Risk
- ETF Risk
- Foreign Investment Risk
- Income Trust Risk
- Multiple Series Risk
- Securities Lending, Repurchase, and Reverse Repurchase Transaction Risk
- Substantial Securityholder Risk
- Tax Risk

For more information on the strategies, as well as objectives and risks of the Underlying fund(s) in which the Segregated Fund invests, please refer to the Prospectus of the Underlying Fund(s) or contact us for a printed copy.

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 contract holders, 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.



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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