

## RRIF Payments for Life – Guaranteed

Registered Retirement Income Funds (RRIFs) are designed to provide retirement income, ideally for life. Until now, no other RRIF has been able to ensure that security. GIF Select with IncomePlus from Manulife Investments is the exception – it's the only RRIF in Canada to provide guaranteed income for life!

IncomePlus was the first Guaranteed Minimum Withdrawal Benefit introduced in Canada, and now the first product of its kind to offer guaranteed income for life. Beginning at age 65, IncomePlus provides a guaranteed stream of income – regardless of investment performance – for life.

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

IncomePlus presents RRIF clients with unique advantages:

- A guaranteed five per cent income floor throughout retirement even if the market value of the investment reduces to zero
- In years no RRIF income is taken (i.e. no RRIF minimum is required to be paid in the first year), a five per cent bonus increases the guaranteed annual income giving retirement income an initial boost

- Automatic IncomePlus resets every three years that can lock-in investment gains when markets rise, and increase future annual guaranteed income, for life
- The flexibility to withdraw more than the IncomePlus guaranteed income amount to meet the required RRIF minimum without affecting future guaranteed stream of lifetime payments

Each year clients can withdraw the greater of the five per cent guaranteed income or the RRIF minimum – for life!

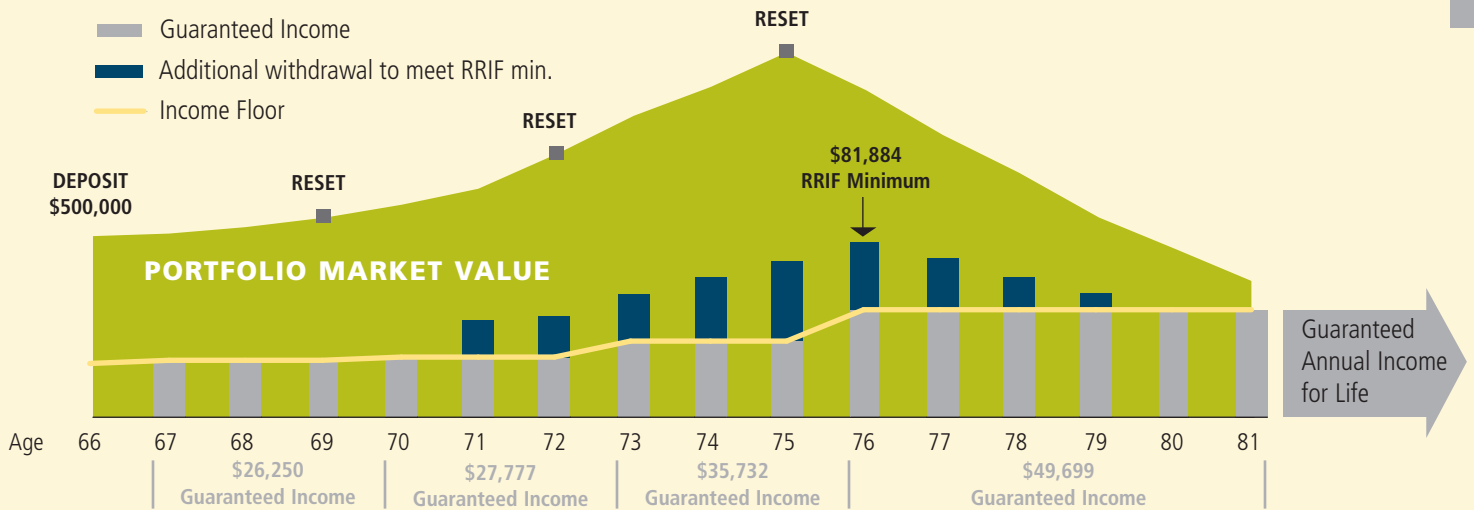
### **LET'S LOOK AT AN EXAMPLE**

In November a client, aged 66, 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 calendar year following the deposit.

- 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 bonus is added to the guaranteed annual income
- Starting in January, there will be a guaranteed income stream of at least \$26,250 (5 per cent x \$525,000) for life



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For illustration purposes only. Returns are hypothetical showing an average return of 7%. Example factors in an IncomePlus Fund Fee Rate of 0.55%.

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. With IncomePlus, that's not a problem. As the image shows, the withdrawals required for the annual RRIF minimum at age 71 to age 79 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 70, 73 and 76. If the markets continue to decline beyond age 81 and the market value reduces to zero, there will still be a guaranteed annual income of \$49,699 for life!

**IncomePlus from Manulife Investments - with you in 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 income amount. If this happens, you may be limited to the legislated maximum payout in that year, which could be lower than your guaranteed income. This situation will delay you from taking full advantage of your income guarantee. Check with your advisors for specific maximum rules that apply to your pension plan.

Withdrawals proportionally decrease Maturity and Death benefit guarantees. Withdrawals from the IncomePlus Series directly decrease the Guaranteed Withdrawal Balance by the amount of the withdrawal. Exceeding the withdrawal thresholds may have a negative impact on future payments. The Lifetime Withdrawal Amount is available after December 31st of the year the annuitant turns age 65. Payments can continue until the contract reaches maturity or upon death of the last surviving annuitant.

The Manufacturers Life Insurance Company is the sole issuer and guarantor of the Manulife GIF Select insurance contract which offers the IncomePlus benefit. Manulife Investments is the brand name identifying the personal wealth management lines of business offered by Manulife Financial and its subsidiaries in Canada. GIF Select, Manulife and the block design are registered servicemarks and trademarks of The Manufacturers Life Insurance Company and are used by it and its affiliates including Manulife Financial Corporation.

For more information on IncomePlus, visit [www.manulifeincomeplus.ca](http://www.manulifeincomeplus.ca)

**Manulife Investments**  
With you every step of the way®