

Investment Policy Statement**Manulife American Equity Index (U.S.\$) Fund****Investment Objective**

The fund seeks to achieve a return approximately equal to Standard and Poor's 500 Index return in U.S. dollars. The Fund will be invested in exchange-traded Standard and Poor's 500 futures contracts and Canadian dollar money market instruments.

Investment Strategy

Manulife Investment Management's depth of indexing experience across a broad range of indices enables the team to successfully develop an efficient portfolio. The team aims to earn returns that replicate the total return of the benchmark index through investments in common shares, warrants, and exchange-traded futures.

To accomplish its investment objective, the Fund will purchase collateral and will pledge sufficient collateral to enter into exchange-traded futures contracts on the S&P 500 Index.

Since the Fund will not use futures contracts for speculative trading or create a portfolio that is leveraged, it will set aside sufficient cash to satisfy its obligations under the futures contracts. Positions in derivative instruments shall be included at the fair market value thereof. Fair value estimates must be supplied by an independent source such as a recognized investment dealer.

Because the Fund's assets will be denominated in Canadian currency, an investment in the Fund will not be materially affected by changes in the Canadian dollar, relative to the U.S. dollar.

The Fund will comply with the relevant CLHIA Guidelines on Segregated Funds.

The lending of securities is not permitted except by Manulife through its custodian.

Risks

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

- Capital Depletion Risk
- Counterparty Risk
- Currency Risk
- Derivative Risk
- Equity Risk
- ETF Risk
- Foreign Investment Risk
- Multiple Series Risk
- Securities Lending, Repurchase and Reverse Repurchase Transaction Risk
- Substantial Securityholder Risk
- Tax Risk
- Underlying Fund 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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