

How to use what you OWN to reduce what you OWE



Manulife one – An Overview

Most Canadians manage their finances by doing two things:

1. Depositing their income and other short-term assets into chequing and savings accounts.
2. Borrowing when they need to, through mortgages, lines of credit, personal loans, and credit cards.

Sounds simple enough. Unfortunately, they usually receive low or no interest on the money they deposit, while they pay high interest on the money they borrow.

Wouldn't it make more sense if the deposits and borrowings were combined? Why not have every dollar you earn paying down your debts until you need to spend that money?

Manulife ONE does just that – and more! It brings your mortgage, savings and income together into one multi-purpose “borrowing and chequing” account. Now, your income can instantly reduce what you have borrowed. As you pay bills and other expenses throughout the month, the amount you owe will slowly go back up, but you'll still be much further ahead. With Manulife ONE, every day that even a dollar of your income stays in your account, you have less debt and so, you pay less interest.

With even one extra dollar of your income in your Manulife ONE account, you have less debt than you did before and so you pay less interest.

How Manulife ONE works

The idea behind Manulife ONE is simple: having your income and savings work harder to reduce your total debt faster.

Consolidate your debts

When you open a Manulife ONE account, you could borrow up to 80% of the appraised value of your home. You use this money to pay off the balance of your existing mortgage and any other outstanding loans you might have. Now you pay one low interest rate on every dollar you borrow.

Put your savings to work

If you're tired of earning little or no interest on your chequing account, savings balances and short-term investments, Manulife ONE can help put that money to work for you. It applies those balances against your borrowings, instantly reducing your total debt . . . and saving you much more in interest costs than you'd likely ever make in interest earnings! And, you can take it back out whenever you want.

Put your income to work

By adding your regular income to your Manulife ONE account, you further reduce your debt the instant the



deposit is made. Your income is immediately working for you to reduce loan interest costs until you need it for your monthly expenses. With even one extra dollar of your income in your account, you have less debt than you did before and so you pay less interest.

Convenience and flexibility

In one easy step, the key elements of your financial life – your mortgage, short-term savings, chequing account, credit cards, loans and income – are all combined within a single multi-purpose account.

Now, instead of trying to keep track of monthly statements from different sources, you'll always know exactly where you stand financially, thanks to the convenience of your Manulife ONE monthly statement.

You can access your money any time and almost any way, through:

- Debit card
- ABMs
- Cheque writing
- Telephone banking
- Internet banking

Say “good-bye” to fixed payments

By depositing your income into the account, your payment is automatically covered. Plus, whatever money you have left over at the end of the month acts as a lump sum payment against your debt, without a penalty! And, you can always get at that money if you need it.

A “super” line of credit

While Manulife ONE was developed first and foremost to help Canadians be debt free faster, even without a mortgage you'll find benefits in using Manulife ONE.

In fact, you can open a Manulife ONE account if you don't have any debt at all.

If you expect you'll need to borrow money in the future and you don't want the hassles of negotiating a loan each time, Manulife ONE is the answer.

It can simplify your finances. With its low interest charge and “super” debt pay-down capability, Manulife ONE helps you pay back those borrowings quickly and easily.





Manulife one (For illustrative purposes only)

Your Manulife one account Statement for July 2008
Prepared on August 2, 2008

Client name
Client address
City, Province PC

Your account number
1234567

Your representative
Fred Jones
(519) 123-4567

Snapshot of your Manulife ONE account

Your total borrowings at the end of June 2008	
Money that went into your account in July 2008	\$163,958.80
Money that came out of your account in July 2008	4,689.78
Your total borrowings at the end of July 2008	2,612.00
Reduction in your borrowings in July 2008	\$161,881.02
Your maximum borrowing limit	\$2,077.78
Available limit on July 31, 2008	\$185,000.00
	\$23,118.98

Summary of your progress

The graph below shows your progress in paying back your borrowings.

Your Manulife one account is an integral part of your total financial program. That's why we're committed to working with you to help get you debt-free faster. Please give us a call at 1-877-765-2265 or visit the Manulife ONE website at manulifeone.ca to learn more about your account.

Manulife ONE account is provided by Manulife Bank of Canada. If you have any questions about your account, please call us toll-free at 1-877-765-2265.

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High interest chequing account

When you don't have any debt, Manulife ONE offers you one of the highest short-term interest rates in Canada for every dollar you have in the account. The high interest chequing account is automatically applied every time you cross from your "super" line of credit to a positive balance.

Access to cash without surprises

An all-in-one borrowing and savings account is very active in terms of monthly transactions. We have a single low monthly administration fee so you can enjoy the cost savings of Manulife ONE and have access to cash through ABM withdrawals, direct payment purchases, cheque writing as well as Manulife Bank's Telephone and Internet Banking Services.

Example

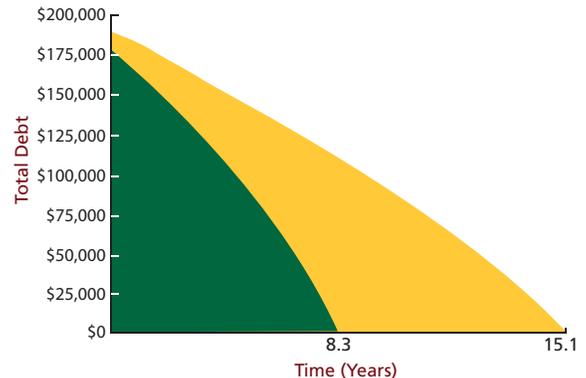
The Cornells have a home worth \$250,000, with a \$160,000 mortgage. They also have a car loan, a small line of credit, a credit card as well as some short-term savings.

They visited the Manulife ONE website, watched a short animated demonstration on how Manulife ONE works and then ran their numbers using the easy, confidential calculator. They discovered that by moving from their traditional mortgage – and old way of banking – to Manulife ONE, they could save \$44,410 in interest costs and pay off their mortgage in 8.3 years.

The old way of banking:				Banking with Manulife ONE:			
SAVINGS							
	Savings		\$6,000	Cash savings are used to reduce debt, saving you more in interest costs than you'd be likely to earn in a savings account.			
	Chequing		\$3,000				
	Total		\$9,000				
DEBTS							
	Amount	Rate	Monthly payment	Amount	Rate	Monthly payment	
Mortgage	\$160,000	5.50%	\$1,300	Manulife ONE balance	\$176,000	4.50%	\$660
Car loan	\$15,000	6.00%	\$350	Payment represents interest-only. So long as you do not exceed your borrowing limit, you can deposit as much or as little as you would like each month.			
Credit card	\$2,000	18.00%	\$100				
Line of credit	\$8,000	7.00%	\$250				
Total	\$185,000		\$2,000				
MONTHLY CASH FLOW							
	Net income		\$4,500	Net income		\$4,500	
	Less debt servicing cost		(\$2,000)	Less debt servicing cost		(\$660)	
	Less non-debt expenses		(\$2,350)	Less non-debt expenses		(\$2,350)	
	Income less all expenses		\$150	Income less all expenses		\$1,490	
				The excess income you leave in the account automatically reduces your debt. But you can always access this money if a need arises.			

	Total Payment	Total Interest	Total Time
■ Current Way	\$262,779	\$77,779	15.1 years
■ one Way	\$210,741	\$33,369	8.3 years

For illustrative purposes only. Assumes all values remain the same throughout the time illustrated. A rate of 4.50% is used in this illustration for the Manulife ONE account. The rate applied to a Manulife ONE account is variable and charged monthly based on the daily closing balance. Note that the rate may change at any time without prior notice. The monthly administration fee is \$14.00 (\$7.00 for seniors). Rates and fees are subject to change and are not guaranteed. For current rates and fees, visit manulifeone.ca.



For more information call **1-877-765-2265**
or visit our website **manulifeone.ca**

Manulife ONE **Make your money work** **for you**

Canada's first flexible mortgage account, Manulife ONE is an all-in-one personal borrowing and chequing account designed to save you thousands in interest costs and simplify your banking.

Manulife ONE truly delivers savings and satisfaction.

Banking, the way it *should* be.®

Banking products are an essential part of a successful financial plan. That's why we offer our banking products only through financial advisors. Since every client has unique financial needs, their advisor can recommend banking products to help them achieve their goals sooner.

Manulife Bank is wholly owned by Manulife Financial, one of Canada's largest and most respected financial institutions.

Our innovative products and great rates help Canadians make their money work harder and give them access to cash for their financial needs. Make a break from traditional banking and discover Banking, the way it *should* be.

Manulife ONE is offered through Manulife Bank of Canada.

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