

Name of the Fund	US Dollar Bond Fund
General Information about the Fund	
Fund Type	Bond Fund
Launch Date	November 2004
Fund Manager	Manulife Philippines
Fund Custodian	HSBC Philippines
Valuation Method	Marked-to Market
Bid-Offer Spread	1.5%
Valuation Frequency	Daily Valuation
Annual Fund Management Fee	1.75%
Denomination	US Dollar
Investment Objectives	The Fund seeks to achieve a stable and long-term growth by investing in USD denominated sovereign and corporate debt securities and/or pooled fund/s that invest in these securities and other liquid instruments.
Investment Policy	<p>The Fund may invest in the following USD-denominated securities:</p> <ul style="list-style-type: none"> <li>▪ securities issued or fully guaranteed by the Republic of the Philippines</li> <li>▪ securities issued by foreign governments and corporations with credit rating of at least BBB, as rated by an international credit rating agency</li> <li>▪ pooled fund/s that invest in securities issued by the Republic of the Philippines and/or foreign governments and corporations with credit rating of at least BBB, as rated by an international credit rating agency and other liquid instruments such as term deposits</li> </ul>
Risk Disclosure	<p>Conservative</p> <p>US Dollar Bond Fund offers capital preservation and low volatility through investments in fixed-income instruments. This fund is suited for investors with a conservative risk personality - those who can forgo significant upside potential to minimize losses – and who can tolerate foreign currency risk. Investors in this fund prefer investments that are expected to grow at a slower rate over the long term coupled with minimal fluctuations.</p>

<p>Calculation of Net Asset Value and Unit Prices</p>	<p>The Company will determine the net asset value of each Fund by using market prices of the underlying funds or the quoted prices of direct investments, allowing for fund management fee, any fund administration charge, purchase and sell expense, tax or other statutory levy, deposit and withdrawal made since last Valuation Date. The Bid Price of each Fund will be determined by dividing its net asset value by the corresponding number of outstanding units. The Offer Price is the corresponding Bid Price divided by (1 – Bid Offer Spread).</p>
<p>Fund Deductions</p>	<p>The Company shall be entitled to deduct from each Investment Fund the following:</p> <ul style="list-style-type: none"> <li>(i) all expenses incurred by the Company directly or indirectly upon purchase and sale of investments;</li> <li>(ii) all expenses incurred by the Company directly or indirectly in managing, maintaining and valuing assets in such Fund;</li> <li>(iii) any tax or other statutory levy attributable to the investment income, and capital gain on assets of the Fund;</li> <li>(iv) management fee, subject to the Company’s sole discretion to change the said percentage by giving the Owner at least three months written notice;</li> <li>(v) all other additional charges as determined by the Company subject to approval of the Insurance Commission.</li> </ul>
<p>Investment Account</p>	<p>The balance of an Investment Account at any time is the total value of the Units of that Fund in that account at the Bid Price, after adjusting for the following transactions net of fees at the Next Valuation Date:</p> <ul style="list-style-type: none"> <li>(i) increased by the amount of premiums allocated and applied to that Investment Account;</li> <li>(ii) increased by any amount transferred from another Investment Account to that Investment Account;</li> <li>(iii) decreased by any amount transferred to another Investment Account from that Investment Account;</li> <li>(iv) decreased by any amounts withdrawn from that Investment Account;</li> <li>(v) decreased by the amount of any Monthly Deduction and any other charges made by the Company from that Investment Account; and</li> <li>(vi) increased or decreased by the increase or decrease in the Bid Price of the Units of the Fund in that Investment Account.</li> </ul>

<p>Exceptional Circumstances</p>	<p>Where for any purposes other than the payment of the death benefit under the Policy, the realization of Units in any Investment Account(s) becomes necessary, then in such an event, if the Company in its absolute discretion considers the circumstances to be prejudicial to the interests of its policyholders, the realization of Units in the Investment Account(s) shall be deferred for a period not exceeding six months from the date the realization would in normal circumstances have taken place.</p> <p>Exceptional circumstances shall include but not be limited to the closure or suspension of dealings on recognized stock exchanges, suspension of valuation or dealings of the underlying funds, or during any period when assets in an Investment Fund cannot be valued or invested in accordance with its investment objective.</p>
<p>Insurance Supervision</p>	<p>The Insurance Commission, with offices in Manila, Cebu and Davao, is the government office in charge of the enforcement of all laws related to insurance and has supervision over insurance companies. It is ready at all times to assist the general public in matters pertaining to insurance. For any inquiries or complaints, please contact the Public Assistance and Information Division (PAID) of the Insurance Commission at 1071 United Nations Avenue, Manila with telephone numbers +632-5238461 to 70 and with email address <a href="mailto:pubassist@insurance.gov.ph">pubassist@insurance.gov.ph</a>. The official website of the Insurance Commission is <a href="http://www.insurance.gov.ph">www.insurance.gov.ph</a>.</p>
<p>Definition of Terms</p>	<p>“Bid Price” is the value at which units of the Fund can be liquidated from that Fund.</p> <p>“Fund” or “Investment Fund” refers to any of the separate funds established by the Company through which the Owner’s Basic Premium and Top-Up Premium, if any, are invested.</p> <p>“Next Valuation Date” is the Valuation Date immediately following the date of any given transaction. Such transaction should occur before the set cut-off schedule.</p> <p>“Offer Price” is the value at which units of the Funds can be purchased by investment in that Fund.</p> <p>“Unit” is the unit of ownership in the Account.</p> <p>“Valuation Date” is the date that the Company calculates the Unit Price of the relevant Funds applicable to this Policy.</p>



<p>About Manulife Philippines</p>	<p>The Manufacturers Life Insurance Company opened its doors for business in the Philippines in 1907. Since then, Manulife’s Philippine Branch and later The Manufacturers Life Insurance Co. (Phils.), Inc. (Manulife Philippines) has grown to become one of the leading life insurance companies in the country. Manulife Philippines is a wholly-owned domestic subsidiary of Manulife Financial Corporation, among the world’s largest life insurance companies by market capitalization (as of July 31, 2013).</p> <p>Manulife Financial is a leading Canada-based financial services group with principal operations in Asia, Canada and the United States. Clients look to Manulife for strong, reliable, trustworthy and forward-thinking solutions for their most significant financial decisions. Our international network of employees, agents and distribution partners offers financial protection and wealth management products and services to millions of clients. We also provide asset management services to institutional customers. Funds under management by Manulife Financial and its subsidiaries were C\$567 billion (US\$539 billion) as of June 30, 2013. The Company operates as Manulife Financial in Canada and Asia and primarily as John Hancock in the United States.</p> <p>Manulife Financial Corporation trades as ‘MFC’ on the TSX, NYSE and PSE, and under ‘945’ on the SEHK. Manulife Financial can be found on the Internet at <a href="http://manulife.com">manulife.com</a>.</p>
<p>Disclaimer</p>	<p>The Investment Funds (“Funds”) mentioned in this document are specific to variable life insurance contracts and are not considered mutual funds. Yields depend on interest and foreign exchange rate levels, both of which may fluctuate. Other factors that affect yield include changes in the credit standing of the issuers and changes in the value of the stocks and dividends received. Further, investments of the Funds may provide that their values be determined based on prices or yields of other securities, instruments or foreign currencies, and such provisions may result in negative fluctuations in the value of these investments and, in turn, the Fund’s yields. Thus, the performance of each Fund is not guaranteed and the value of the policy could be less than the capital invested subject to any specified minimum guarantees, if any. THE VARIABLE LIFE POLICYHOLDER SHALL BEAR ALL THE INVESTMENT RISK. Past performance of the Funds is not necessarily indicative of future performance. Yields are not guaranteed.</p>

