

2022/2023 Dividend Scale for Manulife Par* policies

We are pleased to announce that the Dividend Interest Rate for Manulife Par policies will increase to 6.1% effective September 1, 2022 until August 31, 2023. There are no changes to mortality, lapse and expense experience.

The Dividend Interest Rate (DIR) is the rate used in the Dividend Scale to represent past and projected future investment returns. It is important to remember that the investment return is the most important factor influencing the performance of the participating account. A participating policy's projected values will largely depend on the Dividend Interest Rate.

It is always recommended to use product illustrations conservatively and choose a rate that is 1% to 2% lower than the current Dividend Interest Rate.

Manulife's Canadian Participating Account is designed with a diverse asset mix and a smoothing mechanism to deliver long term value to our clients and protect against short term fluctuations. Smoothing spreads gains and losses over several years, which dampens the impact of market volatility.

This announcement applies to Manulife Par policies, which have a policy date of June 23, 2018 or later.

This announcement does not apply to participating policies sold or acquired by Manulife prior to June 23, 2018.

* Participating whole life policies sold by Manulife from June 23, 2018 onwards are sold under the product name Manulife Par. Participating policies sold or acquired by Manulife prior to June 23, 2018 have different product names, and are not included in this announcement.

About participating policies

The premiums paid for participating policies are placed into an account called the participating account. Manulife invests and manages the assets in this account. All of the benefits paid to participating policies and all of the expenses of administering these policies are paid from this account.

Every year, Manulife reviews the performance of the participating account to determine the amount of profit available to be distributed to policyholders in the form of dividends. Performance is affected by a number of factors, including mortality, administration costs and policy lapses as well as investment return.

What is the dividend scale?

The dividend scale is the outcome of a combination of formulas and factors that Manulife uses to determine how the available profit will be distributed to each policy.

As dividends are sensitive to different factors affecting the participating account, they may change from year to year and are not guaranteed. Future dividends may be higher than, lower than or the same as the previous year.

The dividend scale takes effect on September 1 every year and remains in place until August 31 of the following year.

What is the dividend scale interest rate (DIR)?

The DIR is the component of the dividend scale that reflects the investment performance of the participating account. The DIR is based on the smoothed yield of the investments in the participating account but is not necessarily equal to it. It may be higher or lower than the investment return on the participating account. It is not a rate of return earned by a policy, and it does not represent a policy's cash value growth rate.



For more information visit [Advisor Portal](#) or speak to your Manulife Insurance Wholesaler