

MANULIFE MUTUAL FUNDS

ANNUAL INFORMATION FORM

November 22, 2011

OFFERING SERIES I SECURITIES

MANULIFE LONG TERM BOND FUND

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. Neither the securities described in this document nor the Fund are registered with the U.S. Securities and Exchange Commission. Certain securities of the Fund may be offered in the United States under an exemption from registration.

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Name, formation and history of the Fund

In this document, as the context requires:

- *Class* or *Classes* refers to one or more Manulife Corporate Classes
- *dealer* refers to both the dealer and the representative registered in your province or territory who advises you on your investments
- *Fund* refers to the Manulife Long Term Bond Fund offered under the simplified prospectus that is combined with this document
- *MAML* refers to Manulife Asset Management Limited
- *Manulife* refers to The Manufacturers Life Insurance Company
- *Manulife Bank* refers to Manulife Bank of Canada
- *Manulife Corporate Class* or *Manulife Corporate Classes* refers to one or more mutual funds managed by MAML that are each a separate class of mutual fund shares of MIX Corp., each of which is offered under a simplified prospectus dated August 19, 2011
- *Manulife Financial* refers to Manulife Financial Corporation
- *Manulife Fund* or *Manulife Funds* refers to one or more mutual funds (including the Fund) managed by MAML which are trust funds and have MAML as Trustee, each of which (other than the Fund offered by this document) is offered under a simplified prospectus dated August 19, 2011
- *Manulife Managed Solution* or *Manulife Managed Solutions* refers to one or more of the asset allocation funds, namely, Manulife Simplicity Conservative Portfolio, Manulife Simplicity Moderate Portfolio, Manulife Simplicity Balanced Portfolio, Manulife Simplicity Global Balanced Portfolio, Manulife Simplicity Growth Portfolio, Manulife Simplicity Aggressive Portfolio, Manulife Leaders Balanced Income Portfolio, Manulife Leaders Balanced Growth Portfolio, Manulife Leaders Opportunities Portfolio, Manulife Leaders Balanced Income Class, Manulife Leaders Balanced Growth Class, Manulife Leaders Opportunities Class, each of which is offered under a simplified prospectus dated August 19, 2011
- *Manulife Mutual Funds*, *MMF*, *we*, *us*, *Manager* and *our*, refers to Manulife Mutual Funds, a division of MAML
- *MIX Corp.* refers to Manulife Investment Exchange Funds Corp., a mutual fund corporation
- *NI 81-102* refers to National Instrument 81-102 – Mutual Funds
- *NI 81-106* refers to National Instrument 81-106 - Investment Fund Continuous Disclosure
- *NI 81-107* refers to National Instrument 81-107 – Independent Review Committee for Investment Funds
- *Registered Plan* refers to each of RESPs, RRSPs (including LIRAs, LRSPs and RLSPs), RRIFs (including LIFs, LRIFs, RLIFs and PRIFs), DPSPs, RDSPs and TFSAs, each as defined under *Eligibility for Registered Plans*, (collectively, *Registered Plans*)
- *securities* of the Fund refers to units of the Fund
- *securityholders* of the Fund refers to unitholders of the Fund
- *Series* refers to classes of units of a Manulife Fund
- *Series I* refers to the I series of securities of the Fund

Manulife Long Term Bond Fund

The Manulife Long Term Fund described in this annual information form is an open-end mutual fund trust established and governed under the laws of Ontario by an amended and restated Master Declaration of Trust dated August 20, 2007, as amended by amendment no. 1 thereto dated March 30, 2009, amendment no. 2 thereto dated August 1, 2011 and a Regulation dated November 18, 2011 for the Fund. The material amendments to the Master Declaration of Trust were made in order to conform the agreement to the requirements of Canadian securities legislation governing mutual funds, to facilitate mergers involving certain of the Manulife Funds, to establish the Independent Review Committee, to permit each Manulife Fund governed by it to issue more than one series of securities and to facilitate the administration of certain of the Manulife Funds.

MAML is the manager, promoter, trustee, principal distributor, registrar and transfer agent of the Fund.

MAML is a wholly-owned subsidiary of Manulife, which in turn is a wholly-owned subsidiary of Manulife Financial, a TSX-listed holding company.

The Master Declaration of Trust and Regulation for the Fund may be examined by securityholders during regular business hours at the registered head office of the Manager located at 200 Bloor Street East, North Tower 3, Toronto, Ontario, M4W 1E5. You can also contact the Manager at 1 888 588 7999 or visit our website at www.manulifemutualfunds.ca.

Investment restrictions and exemptive relief

The Fund is subject to and is managed in accordance with the restrictions and practices contained in securities legislation, including NI 81-102, except as noted below. These investment restrictions and practices are designed in part to ensure that the investments of the Fund are diversified and relatively liquid and to ensure the proper administration of the Fund.

The Manager has received relief from the securities regulatory authorities which allows dealers to send or deliver the most recently filed fund facts document to investors instead of a simplified prospectus (and any amendments thereto). This exemption is subject to the fulfillment of certain conditions by the Manager and/or your dealer, including the requirement for investors in the Fund to receive notice at or before the time they receive the fund facts, indicating that they will have equivalent rights and protections otherwise applicable under securities law in their jurisdiction for sending or delivery of the funds facts. The relief expires on the earlier of (a) six months from any notice by the securities regulators that the order may no longer be relied upon; and (b) the coming into force of any legislation or ruling relating to the sending or delivery of fund facts in lieu of a simplified prospectus (and any amendments thereto).

The Fund has received relief from the requirement to deliver a renewal prospectus (and any amendment thereto) to investors that participate in a regular investment program. You will not be sent a copy of any renewal prospectus (and any amendments to that prospectus) unless you request that it be sent to you at the time you enroll in a Pre-Authorized Chequing Plan

("PAC Plan") or subsequently request it from your dealer, as described under "Pre-Authorized Chequing Plan" in the simplified prospectus.

The Fund has received relief from the requirement that the securities of certain underlying mutual funds managed by the Manager in which the Fund may invest be qualified for distribution pursuant to a current simplified prospectus and annual information form, provided that such underlying mutual funds remain reporting issuers in each jurisdiction in which the Fund is also a reporting issuer.

The Fund shall not invest in mortgages or hypothecs, other than as permitted by securities legislation.

Related party investments

MAML has also obtained exemptive relief to allow certain investments by the Fund that are not otherwise permitted by securities legislation and which are not covered by any exemptions under NI 81-107. Subject to certain conditions, such exemptive relief permits the Fund to make or hold an investment in debt securities of Manulife Financial and other related securityholders of the Fund. The Fund is also permitted to invest in debt securities of other issuers in which Manulife Financial and other related securityholders of the Fund have a significant interest. Such exemptive relief also permits certain inter-fund trades in respect of debt securities between the Fund and other investment funds that are not subject to NI 81-102 or NI 81-107, and that are managed by MAML or an affiliate.

Changes to investment objective

The fundamental investment objective of the Fund may not be changed without the consent of a majority of securityholders of the Fund. The trustee can make changes to the investment strategies and other activities of the Fund without the consent of securityholders and subject to any required approval of the Canadian securities regulators.

Derivatives Relief

The Fund has been granted derivatives relief to: (a) enter into interest rate swaps and credit default swaps or, if the transaction is for hedging purposes, currency swaps or forwards, in all cases with a remaining term to maturity of greater than 3 years (the "Swap and Currency Derivatives Relief"); (b) if cash cover is needed to cover a derivative transaction, to alternatively use as cash cover certain liquid fixed income securities, floating rate notes or Manulife money market funds (the "Fixed Income, Floating Rate Notes and Money Market Fund Cover Relief"); and (c) use as 'put option cover' a right or obligation to sell an equivalent quantity of the underlying interest of the standardized future, forward or swap when either: (i) the Fund opens or maintains a long position in a debt-like security that has a component that is a long position in a forward contract, or in a standardized future or forward contract; or (ii) the Fund enters into or maintains a swap position, and during the periods when the Fund is entitled to receive payments under the swap (the "Put Option Cover Relief").

These exemptions were subject to the following conditions:

- (1) In the case of the Fixed Income, Floating Rate Notes and Money Market Fund Cover Relief:
 - (a) The "Fixed Income Securities" (defined as any bonds, debentures, notes or other evidences of indebtedness that are not "illiquid assets" as defined in NI 81-102) have a remaining term to maturity of 365 days or less and have an "approved credit rating" as defined in NI 81-102;
 - (b) The floating rate notes meet the following requirements:
 - (i) The floating interest rates of the floating rate notes reset no later than every 185 days;
 - (ii) The floating rate notes are floating rate evidences of indebtedness with the principal amounts of the obligations that will continue to have a market value of approximately par at the time of each change in the rate to be paid to the holders of the evidences of indebtedness;
 - (iii) If the floating rate notes are issued by a person or company other than a government or "permitted supranational agency" as defined in NI 81-102, the floating rate notes must have an "approved credit rating" as defined in NI 81-102;
 - (iv) If the floating rate notes are issued by a government or permitted supranational agency, the floating rate notes have their principal and interest fully and unconditionally guaranteed by (I) the government of Canada or the government of a jurisdiction in Canada; or (II) the government of the United States of America, the government of one of the states of the United States of America, the government of another sovereign state or a "permitted supranational agency" as defined in NI 81-102, if, in each case, the floating rate notes has an "approved credit rating" as defined in NI 81-102; and
 - (v) The floating rate notes meet the definition of "conventional floating rate debt instrument" in section 1.1 of NI 81-102.
 - (c) The money market funds meet the definition of "money market funds" in NI 81-102;
- (2) In the case of the Put Option Cover Relief:
 - (a) When the Fund enters into or maintains a swap position for periods when the Fund would be entitled to receive fixed payments under the swap, the Fund holds:
 - (i) Cash cover, Fixed Income Securities or floating rate notes (collectively, "Cover"), in an amount that, together with margin on account for the swap and

the market value of the swap, is not less than, on a daily mark-to-market basis, the underlying market exposure of the swap;

- (ii) A right or obligation to enter into an offsetting swap on an equivalent quantity and with an equivalent term and Cover that together with margin on account for the position is not less than the aggregate amount, if any, of the obligations of the Fund under the swap less the obligations of the Fund under such offsetting swap; or
 - (iii) A combination of the positions referred to in clauses (i) and (ii) that is sufficient, without recourse to other assets of the Fund, to enable the Fund to satisfy its obligations under the swap; and
- (b) When the Fund opens or maintains a long position in a debt-like security that has a component that is a long position in a forward contract, or in a standardized future or forward contract, the Fund holds:
- (i) Cover in an amount that, together with margin on account for the specified derivative and the market value of the specified derivative, is not less than, on a daily mark-to-market basis, the underlying market exposure of the specified derivative;
 - (ii) A right or obligation to sell an equivalent quantity of the underlying interest of the future or forward contract, and Cover that together with margin on account for the position, is not less than the amount, if any, by which the price of the future or forward contract exceeds the strike price of the right or obligation to sell the underlying interest; or
 - (iii) A combination of the positions referred to in subparagraphs (i) and (ii) that is sufficient, without recourse to other assets of the Fund, to enable the Fund to acquire the underlying interest of the future or forward contract.
- (c) The Fund will not (i) purchase a debt-like security that has an option component or an option, or (ii) purchase or write an option to cover any positions under section 2.8(1)(b) through (f) of NI 81-102, if immediately after the purchase or writing of such option, more than 10% of the net assets of the Fund, taken at market value at the time of the transaction, would be in the form of (i) purchased debt-like securities that have an option component or purchased options, in each case, held by the Fund for purposes other than hedging, or (ii) options used to cover any positions under section 2.8(1)(b) through (f) of NI 81-102.
- (3) In the case of the Swap and Currency Derivatives Relief, Fixed Income, Floating Rate Notes and Money Market Cover Relief, and the Put Option Cover Relief, the Fund must disclose the nature and terms of the relief in the Fund's simplified prospectus and annual information form.

Eligibility for registered plans

The Fund is expected to qualify as a mutual fund trust within the meaning of the *Income Tax Act* (Canada) (“Tax Act”) and on this basis its securities are expected to be qualified investments for trusts governed by registered retirement savings plans (RRSPs), registered retirement income funds (RRIFs), deferred profit sharing plans (DPSPs), registered disability savings plans (RDSPs), registered education savings plans (RESPs) and tax-free savings accounts (TFSAAs) (collectively “registered plans”). See *Income tax considerations – Tax Status of the Fund* on page 33.

The Fund intends to apply to be, a “registered investment” within the meaning of the Tax Act for RRSPs, RRIFs and DPSPs.

Securities of the Fund are not currently offered for RESPs, DPSPs and TFSAAs.

Description of securities of the Fund

Only Series I securities of the Fund are offered under this annual information form and its related simplified prospectus.

Series G securities, Series O securities and Series X securities of the Fund also exist but are not offered by simplified prospectus. These series of securities may be issued in connection with other Manulife products or to large institutional investors or accredited investors.

Without your consent or notice to you, the Manager may establish additional series of securities of the Fund and may determine the rights attached to those series.

The principal differences between the various series of securities of the Fund relate to the management fee payable to the Manager, the compensation paid to dealers, distributions and the expenses payable by the series.

All securities are entitled to participate in the Fund’s assets on liquidation on a series basis. As a mutual fund structured as a trust, all securities of the Fund will be fully paid, when issued, in accordance with the terms of its Master Declaration of Trust. Further, the *Trust Beneficiaries’ Liability Act, 2004* (Ontario) provides that holders of units of a trust are not, as beneficiaries, liable for any, default, obligation or liability of the trust if, when the default occurs or the liability arises: (i) the trust is a reporting issuer under the *Securities Act* (Ontario); and (ii) the trust is governed by the laws of Ontario. The Fund will be a reporting issuer under the *Securities Act* (Ontario) prior to the initial issuance to investors of securities of the Fund, and the Fund will be governed by the laws of Ontario by virtue of the provisions of its Master Declaration of Trust. All securities are redeemable at their net asset value. Securityholders of a series of securities have the right to share in any distributions (other than management fee distributions) the Fund makes on that series of securities. Securities of the Fund are expected to be qualified investments for Registered Plans offered by the Manager (“MMF Registered Plans”).

The Fund can issue an unlimited number of securities of each series. All securities within each series of the Fund have equal rights and privileges other than with respect to any management fee reductions.

Voting Rights

Each security of the Fund entitles the registered holder to:

- One vote at all securityholder meetings of the Fund, except meetings at which the holders of another series of securities are entitled to vote separately as a series.
- Participate in distributions and in the division of net assets of the Fund on liquidation based on the relative net asset value of each series and in accordance with the Fund's Master Declaration of Trust and Regulation.
- Redeem securities as described in the simplified prospectus under *Redeeming securities*.

The securities of an underlying Fund held directly by the Fund will not be voted, unless in our discretion we arrange for the securities to be voted by the securityholders of the Fund.

Fractions of securities are proportionately entitled to all of the above rights except voting rights. The rights, restrictions, limitations and conditions attaching to the securities of each series of the Fund may be modified by an amendment to its Master Declaration of Trust and Regulation.

Securityholders are permitted to vote on all matters that require securityholder approval under NI 81-102 or under the constating documents of the Fund. These matters include:

- Changing the basis of the calculation of a fee or expense that is charged to the Fund or directly to its securityholders by the Fund or the Manager in connection with the holding of securities of the Fund, if the change could result in an increase in charges to the Fund or its securityholders;
- Introducing a fee or expense to be charged to the Fund or directly to its securityholders by the Fund or the Manager in connection with the holding of securities of the Fund that could result in an increase in charges to the Fund or its securityholders;
- A change of the Manager, unless the new manager is an affiliate of the current Manager;
- A change in the fundamental investment objective of the Fund;
- A decrease in the frequency of the calculation of the net asset value per security of the Fund;
- Certain material reorganizations of the Fund; and
- The appointment of a successor trustee of the Fund in certain circumstances.

You will receive notice 60 days in advance of a proposed change of auditor or a proposed introduction of or change in fees and expenses as described above charged by an arm's length party. In certain circumstances, instead of you approving a fund merger, the IRC has been permitted under securities legislation to do so. In those circumstances, you will receive written notice of any proposed fund merger at least 60 days prior to the merger.

Except for the changes listed above, the Master Declaration of Trust and Regulation of the Fund may be amended by us with written notice to each securityholder. Any amendment will become effective on the first business day 30 days after mailing the notice for the Fund. Certain amendments to the Master Declaration of Trust and Regulation of the Fund may also be made by us without notice to securityholders.

According to the Master Declaration of Trust, the trustee in its absolute discretion may terminate the Fund with at least 60 days notice to securityholders.

Calculation of net asset value

You buy, switch or redeem a series of securities of the Fund at the net asset value (NAV) per security of that series. The NAV is determined for each series of the Fund after the close of regular trading on the Toronto Stock Exchange ("TSX") each trading day. A "trading" day is any day that the TSX is open for trading or such other time as the Manager deems appropriate. If we receive your order to buy, switch or redeem before 4:00 p.m. (Toronto time) on a trading day and all required money and documents are received in good order, it will be priced as of that date. Otherwise, it will be priced as of the next trading day. If the TSX closes earlier than 4:00 p.m. (Toronto time), we may impose an earlier deadline.

We calculate NAV per security for a series by adding up the assets of the Fund attributable to that series, subtracting the liabilities attributable to that series, and dividing the difference by the total number of securities of that series outstanding. The NAV per security will fluctuate with the value of the Fund's investments attributable to the series, the income received therefrom attributable to the series, and the expenses paid out of the Fund attributable to the series.

For the purpose of this calculation:

- If you buy securities before the close of trading on the TSX on any trading day, they are deemed to be outstanding, and your investment is deemed to be an asset of the Fund, immediately after the close of trading on that day
- If you buy securities at or after the close of trading on the TSX on any trading day, they are deemed to be outstanding, and your investment is deemed to be an asset of the Fund, immediately after the close of trading on the next trading day
- Securities being redeemed are deemed to be outstanding until we determine their redemption value

- If we receive your properly completed request for redemption before the close of trading on the TSX on any trading day, the redemption value will be determined at the close of trading
- If we receive your properly completed request for redemption at or after the close of trading on the TSX on any trading day, the redemption value will be determined at the close of trading on the next trading day
- The liabilities of the Fund on any trading day will include any management fee distributions if they are not payable on that day

Valuation of portfolio securities

When we calculate the NAV of a series of the Fund, we need to know the total assets of the Fund. To determine this, we must put a value on each of the securities and other assets held in the Fund's portfolio. The following paragraphs explain how we do this.

The value of any liquid assets, including:

- Cash on hand or on deposit
- Bills, demand notes and accounts receivable
- Prepaid expenses
- Cash dividends and interest declared or accrued and not yet received

will be their face value, unless we determine that the fair value of an asset is different from its face value, in which case we will value the asset at a fair value determined to be reasonable by us.

Bonds, debentures, notes, money market instruments and other obligations will be valued at the most recent mean of the bid and ask price or yield equivalent as obtained by us from one or more of the major market makers for such instruments and obligations.

In the case of any instrument or obligation for which no price quotation is available, its value will be a fair value determined by us.

The value of any security or interest in a security which is listed on a recognized public securities exchange will be the closing sale price or, if there is no closing sale price, the mean of the closing bid and ask price.

The value of any unlisted security or interest in a security traded in the over-the-counter market will be the closing sale price or, if there is no closing sale price, the mean of the closing bid and ask price.

The value of a futures contract, or a forward contract, is the gain or loss that would be realized if, on the trading date, the position in the futures contract or the forward contract

were to be closed out unless “daily limits” are in effect. In that case, fair value is based on the current market value of the underlying interest.

The value of any security with limited or restricted resale conditions by reason of a representation, undertaking or agreement by the Fund or by the Fund’s predecessor in title or by law will be the lesser of:

- The value of the security based on reported quotations in common use and
- A percentage of the market value of securities of the same class with no limited or restricted resale conditions. The percentage is equal to the acquisition cost of the restricted securities divided by the market value at the time of acquisition of unrestricted securities of the same class.

A gradual taking into account of the actual value of the securities shall be made when the date on which the restrictions will be lifted is known.

The value of any clearing corporation option, option on futures or over-the-counter option will be its current market value, provided that:

- (i) Where the option is written, the premium received will be offset by a deferred credit equal to the current market value of any option that would have the effect of closing the position
- (ii) Any difference resulting from revaluation will be treated as an unrealized gain or loss on investment
- (iii) The deferred credit will be deducted in arriving at the net asset value of the Fund and
- (iv) The value of the securities which are the subject of a clearing corporation option, option on futures or over-the-counter option will be their current market value determined according to the following principles:
 - Long positions in clearing corporation options, options on futures, over-the-counter options, debt-like securities and listed warrants shall be valued at their current market value and
 - The value of a futures contract or a forward contract on any trading day shall be the gain or loss that would be realized if the position in the futures contract or forward contract were to be closed out unless “daily limits” are in effect, in which case the value shall be based on the current market value of the underlying interest

Unless otherwise indicated, for purposes hereof, “current market value” means the most recently available sale price applicable to the relevant security on the principal exchange on which it is traded immediately preceding the close of trading on the TSX each trading day (typically 4:00 p.m. Toronto time) provided that, if no sale has taken place on such trading

day, the average of the bid and asked quotations immediately prior to the close of trading on the TSX on such trading day shall be used.

Translation of amounts in a foreign currency to Canadian currency on any given trading day will be based on the noon rate of exchange as quoted by the Bank of Canada.

We may calculate the Fund's NAV on a day that is not a trading day in a jurisdiction which is relevant for the purposes of valuing investments of the Fund. In this case, the prices or quotations as of the preceding trading day in that jurisdiction shall be used for the valuation.

If we cannot apply the above principles to value a security or property, whether because no price quotations are available or for any other reason, the value of the security or property will be its fair value determined by us.

In addition, Manulife Mutual Funds implements fair value pricing with a view to deter excessive short-term trading in the Fund and to mitigate market timing opportunities. Fair value pricing is designed to provide a more accurate NAV by making fair value factor adjustments to quoted or published prices of the non-North American securities for significant events occurring between the earlier close of non-North American markets and the time at which NAV is determined.

The NAV of the Fund at the close of trading on the TSX each trading day (typically 4:00 p.m. Toronto time) is the value of the assets of the Fund at that time, according to the rules above, less the liabilities of the Fund at that time.

The liabilities of the Fund include, without limitation, all bills, notes and accounts payable, all administrative or operating expenses payable or accrued, all contractual obligations for the payment of money or property, all allowances authorized or approved by the Manager for taxes (if any) or contingencies and all other liabilities of the Fund. We will determine in good faith whether such liabilities are, as applicable, series expenses or common expenses of the Fund. In making the calculation of the NAV for securities of each series of securities of the Fund, we will use the latest reported information available on each trading day. The purchase or sale of portfolio securities by the Fund will be reflected in the first calculation of the NAV for each series of securities of the Fund after the date on which the transaction becomes binding.

The Manager may deviate from these valuation practices and exercise its discretion to determine the fair market value where this would be appropriate. For example, this may occur if trading in a security was suspended because of significant negative news about a company. With respect to the other mutual funds that it manages, the Manager has exercised its discretion in determining the fair market value of securities in the past three years in respect of:

- a) 42 companies as a result of the TSX closure on December 17, 2008;
- b) 176 companies as a result of the closure in the U.S. on November 26, 2009 for Thanksgiving Day and other markets being down;

- c) One company as a result of being halted on the TSX on June 2, 2011; and
- d) 32 companies in the normal course.

If we cannot apply the above principles to value a security or property, whether because no price quotations are available or for any other reason, the value of the security or property will be its fair value determined by us.

Pursuant to NI 81-106, investment funds calculate their NAV using fair value (as defined therein) for purposes of securityholder transactions. The Manager considers the policies above to result in fair valuation of the securities held by the Fund in accordance with NI 81-106 and such policies have been approved by the Board of Directors of the Manager. Net Assets of the Fund will continue to be calculated in accordance with Canadian generally accepted accounting principles (“GAAP”) for the purposes of its financial statements, resulting in the use of bid prices for long positions and ask prices for short positions, unless such value is determined to be unreliable or not readily available by the Manager, in which case the fair value will be estimated using certain valuation techniques on such basis and in such manner as may be determined by the Manager in accordance with CICA Handbook Section 3855 for such purpose. The financial statements of the Fund will include an explanation of the difference between the net assets per security contained in the financial statements and the net asset value per security used for other purposes.

The Canadian Accounting Standards Board (“CASB”) previously confirmed that effective January 1, 2011, IFRS would replace Canadian GAAP for publicly accountable enterprises, which includes investment funds. In September 2010, the CASB approved the optional one year deferral from IFRS adoption for investment companies applying *Accounting Guideline 18 - “Investment Companies”* (“AcG 18”) issued by the Canadian Institute of Chartered Accountants (“CICA”). Further, in January 2011, the CASB approved a one year extension to the optional one year deferral from IFRS adoption for investment companies applying AcG 18. Investment companies will now be required to mandatorily adopt IFRS for interim and annual financial statements relating to annual periods beginning on or after January 1, 2013. Accordingly, IFRS will be applicable for the Fund for fiscal years ending December 31, 2013 and beyond.

The Manager has commenced the development of a changeover plan to meet the timetable published by the CICA for changeover to IFRS. The changeover plan is composed of three phases: a diagnostic assessment to identify potential differences between current policies and IFRS; evaluation and design which includes detailed analysis and quantification of actual differences as well as assessing changes to systems, internal controls, business and reporting processes; and implementation and review of changes required.

Based on the Manager’s diagnostic assessment of the accounting discrepancy between Canadian GAAP and IFRS, the following areas of differences were identified:

- (a) Under *International Accounting Standard 27 – “Consolidated and Separate Financial Statements”* (“IAS 27”), to the extent the investment companies invest in other investment funds and are deemed to control such underlying funds, the

investment companies are required to consolidate the financial statements of such underlying investment funds. In August 2011, the International Accounting Standards Board (“IASB”) issued an exposure draft (“ED”) “Investment Entities” in response to *International Financial Reporting Standard 10 - “Consolidated Financial Statements”* (“IFRS 10”, IFRS 10 replaced IAS 27). The current Exposure Draft (“ED”) proposes criteria for an entity to qualify as an investment company and exempt such entity from consolidation requirements. The investment company would be required to measure investments in controlled entities at fair value through profit and loss in accordance with *International Financial Reporting Standard 9 - “Financial Instruments”* (“IFRS 9”) and expand disclosures to help users evaluate the nature and financial effects of its investments activities. Comments on the ED are due by January 5, 2012. The Manager will monitor the development of the ED and will amend its changeover plans accordingly.

(b) *International Accounting Standard 32 - “Financial Instruments: Disclosure and Presentation”*, requires securityholders’ equity to be classified as a liability unless certain conditions are met. The Manager is currently assessing the Fund’s securityholder structure to determine proper classification.

(c) *International Financial Reporting Standard 13 - “Fair Value Measurements”* (“IFRS 13”), was published in May 2011. This standard provides guidance on the measurement of fair value and allows for the possibility of using closing prices to value investments. The Manager is currently assessing the guidance to determine an appropriate approach. The initial diagnostic assessment also revealed that a Statement of Cash Flow will be required for IFRS reporting purpose. The Manager has presently determined that the impact of IFRS will be limited to additional note disclosure and modifications to existing presentation, with the exception of implementation of IFRS 13, which may impact Net Assets (as defined below) or Net Asset Value per security. Such assessments may change as a result of issuance of new standards.

Buying securities

If you are an eligible investor, you may qualify for Elite Pricing whereby you can purchase Series I (Elite Series) securities of the Fund from us or through your dealer or financial advisor. See *Optional services – Buying securities that offer Elite Pricing*, in the simplified prospectus. There is no limit to the number of securities you can buy. We are the principal distributor of securities of the Fund. See *Responsibility for Fund operations – Principal Distributor* on page 22 for more information.

Elite Pricing

Elite Pricing offers investors a pricing option which reduces the management fee charged to those securities based on the size of their investment in that series. Elite Series securities of the Fund are not subject to sales commissions, however, you will be charged an annual service fee, payable quarterly, negotiated between you and your dealer. Elite Series securities may also be available to employees of Manulife Financial and its Canadian subsidiaries and to qualified mutual funds. No portion of the management fee charged to the Fund is borne by

Series I securities of the Fund. A holder of Series I securities pays a management fee directly to us.

Processing your purchase order

Your dealer will forward your purchase order and payment to our office without cost to you on the same day it is received from you. If we receive your properly completed order by the close of regular trading on the TSX (which is typically 4:00 p.m. Toronto time), we will process your order at the NAV per security for that series of securities on that date. Otherwise, we will process your order at the NAV per security for that series of securities on the next trading day. For reinvested distributions, the purchase price is the first NAV per security for that series of securities determined after the distribution payment.

Here are the rules for buying securities of the Fund:

- We must receive payment within three trading days of purchasing securities for the Fund
- You may pay for your securities with a cheque or by wire transfer
- Any payment received by us for an order that is not accompanied by an investment direction from your dealer may be invested by us in front-end sales charge Advisor Series securities of a money market fund managed by Manulife Mutual Funds at 0% commission until such time as an investment direction is received. Upon receipt of the investment direction, no fees or charges will apply to any switch of your securities of a money market fund into securities of the Fund, other than any applicable sales commissions.
- If we do not receive payment for your securities within the specified time frames, we must redeem your securities of the Fund by the end of the fourth trading day following the day of purchase. If the proceeds are greater than the amount you owe, the Fund keeps the difference. If the proceeds are less than the amount you owe, we will pay the difference to the Fund. We may collect this difference from your dealer, who may collect it from you.
- The minimum investment for the Series I securities of the Fund is as disclosed in the simplified prospectus. These amounts are subject to change at the discretion of the Manager.
- We reserve the right to reject an order within one trading day of receiving it. If we reject your order, we will return your money immediately without interest.

We will send you written confirmation of your purchase. We do not issue security certificates for the Fund.

Switching securities

A switch involves moving money from the Fund to another mutual fund managed by us (or vice-versa). You can switch from Series I securities of the Fund to securities of another mutual fund managed by us of the same series (or vice-versa) through your dealer.

Switches into the Manulife Dollar-Cost Averaging Fund from the Fund or other mutual funds managed by us are not permitted.

Switching between Manulife Funds

A switch from the Fund to another Manulife Fund constitutes and has the same tax consequences as a redemption of the securities currently held and a purchase of new securities. See *Income tax considerations* on page 33. For example, if you switched from Series I securities of the Fund to Series I securities of Manulife Short Term Bond Fund, we would redeem your securities of the Fund and use the proceeds to buy securities in Manulife Short Term Bond Fund. This could result in you realizing a capital gain or capital loss on your securities of the Fund if you hold your securities in a non-registered account.

Switching between Manulife Funds and Manulife Corporate Classes

If you switch between the Fund and a Manulife Corporate Class, or another Manulife-sponsored mutual fund, there will be a redemption for tax purposes of the securities of the Fund you own and switched from and a purchase of securities of the new fund. That means you may realize a capital gain as a result of the redemption. See *Income tax considerations* on page 33.

When you switch securities your dealer may charge you a switch fee. The Fund may also charge you a short-term trading fee of up to 2% (of the net asset value of your securities) if you switch your securities within 90 days of buying them. See *Fees and expenses* in the simplified prospectus.

Redeeming securities

You can redeem your Fund securities through your dealer for cash at any time, unless the redemption of securities has been suspended as described below.

See *Overview of Series I securities* in the simplified prospectus.

Processing your redemption order

Your dealer will forward your application for redemption to our offices when he or she receives it from you. Your written redemption order must have your signature guaranteed by your dealer for your protection if the proceeds of redemption exceed \$25,000 or are being sent to a different payee, and may be required if the proceeds are being sent to a different address, unless the payee or address is the registered dealer or financial institution in trust for the payee.

If we receive your properly completed redemption order before the close of regular trading on the TSX on any trading day, we will process your order at the applicable NAV per security for that series of securities on that date. Otherwise, we will process your order at the applicable NAV per security for that series of securities on the next trading day.

Here are the rules for redeeming your securities in the Fund:

- We will pay you within three trading days of receiving all necessary documentation and the original payment for the securities to be redeemed have cleared the Canadian banking system. We will mail a cheque to the redeeming account holder unless instructed otherwise in your redemption order.

■ If we do not receive all the documentation we need from you to complete the redemption order within ten (10) trading days of processing your order, we must repurchase, on your behalf, the same number of securities that you wished to redeem. The security price may be different on the date of such repurchase from the date of processing your redemption order. If the cost of the repurchase is less than the proceeds of the original redemption order, the Fund keeps the difference. If the cost of the repurchase is greater than the proceeds of the original redemption order, we will pay the Fund the difference. We may collect this difference from your dealer, who may collect it from you.

Under extraordinary circumstances, including the following, we may suspend your right to redeem securities of the Fund:

- If normal trading is suspended on a stock exchange or market on which securities or specified derivatives are traded that represent more than 50% of the Fund's total assets by value, or underlying market exposure, and if those securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Fund
- With the consent of the securities regulatory authorities, if we cannot determine the value of the assets of the Fund

If we suspend trading in the Fund and you had requested a redemption of your securities in that Fund, you can withdraw your request or receive payment based on the first NAV per security determined after the end of the suspension.

Securities redeemed that were originally purchased through a pre-authorized chequing plan will be withheld to ensure the monies have been successfully received from your banking institution. This withholding period will be ten (10) calendar days from the pre-authorized chequing plan trade date.

We intend to observe all redemption policies that may be implemented from time to time by industry participants such as FundSERV, the provider of the transaction system used by mutual funds in Canada.

Responsibility for Fund operations

Manager

Manulife Mutual Funds, a division of
Manulife Asset Management Limited
200 Bloor Street East
North Tower 3
Toronto, Ontario
M4W 1E5
1-888-588-7999
www.manulifemutualfunds.ca
e-mail: manulifemutualfunds@manulife.com

The Manager is an indirect wholly-owned subsidiary of The Manufacturers Life Insurance Company.

In accordance with the master management agreement with the Fund, we:

- Manage the overall activities and operations of the Fund
- Provide or arrange for investment management and administrative services for the Fund including, but not limited to, all investment services and all services related to issuing, distributing and redeeming securities of the Fund. Certain of such administrative services may be provided from countries outside of Canada.
- Provide all necessary information to securityholders of the Fund

The management agreement will continue in effect unless terminated by a Fund or by us with, 90 days' prior written notice to the other party and to securityholders or by the Trustee upon certain events of default by the Manager.

The appointment of any successor manager (who is not an affiliate of the Manager) must be approved by the securityholders of the Fund and by the securities commission or other regulatory authority in each province and territory of Canada.

Fund Expenses

The fees and expenses payable by the Fund are set out in the simplified prospectus under *Fees and Expenses*.

The expenses of the Fund will be allocated to the series of securities of the Fund on a series by series basis. Each series will bear, as a separate series, any expense item that can be specifically attributable to that series. Common expenses will be allocated by us:

- Pro rata among all securities of all series (in the case of expenses such as audit, custody and brokerage fees)
- To each series based on the amount of such expenses calculated by us to have been actually incurred in respect of the series (in the case of expenses such as financial printing and mailing, transfer agent expenses and account administration) or
- In another manner as we may consider fair to investors

Although the expenses of the Fund attributable to a particular series of securities will be deducted in calculating the series price per security of that series, those expenses will continue to be liabilities of the Fund as a whole and the assets of the Fund as a whole could be called upon to satisfy those liabilities. In addition, all deductible expenses of the Fund, both common expenses and series expenses, will be taken into account in computing the income or loss of the Fund for tax purposes and, therefore, all expenses will impact on the tax position of the Fund as a whole. This could result in the expenses allocated to one series of securities being used to reduce the taxable income allocated to another series of securities.

A proposal to introduce a fee or other expense or to change the basis of calculating a fee or other expense which could result in an increase in the charges payable by the Fund or directly by its securityholders would require that the proposal first be approved by a majority of the votes cast at a meeting of securityholders of the Fund unless (i) the party receiving the fees and expenses operates at arm's length to the Fund and the Manager and any associate or affiliate of the Manager; and (ii) securityholders are given at least 60 days' notice before the effective date of the proposed change.

The names and municipalities of residence, position and principal occupation of each of the directors and executive officers of the Manager acting in connection with the Fund are as follows:

Directors and executive officers of MAML

Name and municipality of residence	Office with MAML	Principal occupation
J. Roy Firth Toronto, Ontario	Director, Chairman, Chief Executive Officer and Ultimate Designated Person	Executive Vice President, Individual Wealth Management, Manulife
Richard B. Coles Toronto, Ontario	Director	Retired executive
Kevin Adolphe Toronto, Ontario	Director	Executive Vice President and Chief Operating Officer, Investments, Manulife; President and Chief Executive Officer, Manulife Real Estate, Manulife
Bruce Gordon Waterloo, Ontario	Director	Retired executive
Warren Thomson Toronto, Ontario	Director	Senior Executive Vice President and Chief Investment Officer, Manulife
Paul Rooney Kitchener, Ontario	Director	Senior Executive Vice President and General Manager, Canada, Manulife
Jean-François Courville Toronto, Ontario	Director and President	Executive Vice President and Chief Executive Officer, Manulife Asset Management, Manulife

Name and municipality of residence	Office with MAML	Principal occupation
Paul Lorentz Waterloo, Ontario	Director	Senior Vice President, Investment Products and President, Manulife Investments, Manulife Financial
James den Ouden Kitchener, Ontario	Chief Financial Officer	Assistant Vice President, Finance, Manulife Investments, Manulife Financial and Chief Financial Officer, MAML
Robert Tillmann Oakville, Ontario	Vice President, Marketing and Business Development	Vice President, Marketing and Business Strategy, Manulife
Martin Guest Toronto, Ontario	Chief Compliance Officer, General Counsel and Secretary	Vice President and Chief Counsel, Individual Wealth Management, Manulife
Sheila Hart Carlisle, Ontario	Vice President	Vice President and Chief Financial Officer, Individual Wealth Management, Manulife Financial
Joanna Lohrenz Kitchener, Ontario	Vice President	Vice President, Manulife Investments Operations, Wealth Management, Manulife Financial

Except as indicated below, each of the directors and executive officers listed above holds the office noted opposite his or her name or has held a similar office in a predecessor company or an affiliate during the five years preceding the date of this annual information form.

Mr. Jean-François Courville was employed by State Street Canada since 1996 prior to joining Manulife in August, 2007. At State Street Canada, he occupied a number of positions, including President and Chief Executive Officer since 2005.

Mr. James den Ouden has been employed by Manulife Financial since 1995, holding positions of increasing responsibility in both the Canadian and Corporate divisions. Since 2005, James has been the Assistant Vice President responsible for Corporate Division expenses, and then Total Company expenses and Total Company Management Reporting before moving to Canadian Division in 2009 as the Assistant Vice President Accounting Control in Manulife Investments. In late 2010, James was appointed the Chief Financial Officer for Manulife Asset Management Limited.

Mr. Martin Guest joined Manulife in May 2011. Between 2008 and that time, he was a partner at Torys LLP. Between 1994 and 2008, he was Senior Vice President and Corporate Counsel at Fidelity Investments Canada Limited.

Independent Review Committee

See *Fund Governance – Independent Review Committee* on page 30.

Portfolio advisor

MAML provides the investment advisory services for the investment portfolio of the Fund pursuant to an amended and restated portfolio advisor agreement dated November 22, 2011. Either party may terminate the agreement with 90 days' written notice.

The portfolio advisor:

- Provides investment analysis and recommendations;
- Makes investment decisions; and
- Arranges for the acquisition and disposition of portfolio investments, including all necessary brokerage arrangements

for the Fund. As portfolio advisor, MAML maintains responsibility for the overall management of the investment portfolio of the Fund at all times. We are responsible for all fees paid to the portfolio advisor in its capacity as portfolio advisor to the Fund.

The following individuals are principally responsible for the day-to-day investment decisions of a material portion of the portfolio of the Fund:

<i>Fund</i>	<i>Name of Individual</i>	<i>Title</i>	<i>Length of Service</i>
Manulife Long Term Bond Fund	Hosen Marjaee	Senior Managing Director and Senior Portfolio Manager, Canadian Fixed Income, MAML	Since 2005
	Terry Carr	Senior Managing Director and Head of Canadian Fixed Income, MAML	Since 2002

Each individual listed above holds the office noted opposite his or her name or has held a similar office in a predecessor or affiliated company during the five years preceding the date of this annual information form.

Brokerage arrangements

We have no contractual arrangement with any person or company:

- For any exclusive right to purchase or sell the investment portfolio of the Fund or
- Which provides any dealer or trader a material competitive advantage over other dealers or traders when buying or selling for the investment portfolio of the Fund

We conduct frequent studies of the factors that affect the market price and prospects of various industries, companies and individual securities. In this work, we use reports and statistics from a wide variety of sources, including brokers and dealers who may execute portfolio transactions for the Fund and for our clients, but investment decisions are based primarily on investigations and critical analyses by our own professional staff.

Dealers for securities transactions of the Fund are selected based on broker-dealer capabilities of each on an ongoing basis. This involves a dealer's financial soundness and demonstrated order execution capabilities, its responsibilities to the trading style and liquidity needs of the Fund and the commission or spread involved. Also a dealer's range of research or brokerage related products or services other than order execution are considered. These include research reports, publications, statistical services, electronic data which are produced by the dealer, its affiliates or third parties. The portfolio advisor of the Fund may direct brokerage to certain dealers for receiving research and order execution products and services to assist with investment or trading decisions.

The portfolio advisor of the Fund may allocate brokerage business to affiliates. Any trades allocated in this manner will be done at competitive brokerage fee rates. Subject to regulatory approval (where necessary), the portfolio advisor of the Fund may act as agent for the purchase or sale of securities between the Fund and other mutual funds managed by the Manager. No brokerage fees are paid on such transactions.

The brokerage commissions of the Fund may be directed to dealers by the portfolio advisor for products and services other than order execution, including investment decision-making services in the nature of research reports, quotes, news and wire services, statistical and quantitative analysis.

The names of such dealers or third parties that provide goods and services are available upon request by contacting Manulife Mutual Funds at 1 888 588 7999 or at manulifemutualfunds@manulife.com.

Manulife Securities Investment Services Inc. and Manulife Securities Incorporated, each a subsidiary of Manulife, which is the parent company of MAML, may sell securities of the Fund in the normal course of business.

Principal distributor

Manulife Asset Management Limited
200 Bloor Street East
North Tower 3
Toronto, Ontario
M4W 1E5

We have a master distribution agreement with the Fund to act as its principal distributor. This agreement is dated November 3, 1998, as amended April 1, 2010. Under the distribution agreement, as principal distributor we will use our best efforts to distribute securities of the Fund. Either party may terminate the master distribution agreement with 90 days' written notice.

Trustee of the Fund

The Fund does not have any directors or officers. We are the trustee for the Fund. The directors and executive officers of MAML are named above under *Directors and executive officers of MAML*.

Custodian

RBC Dexia Investor Services Trust
Toronto, Ontario

RBC Dexia Investor Services Trust is a trust company incorporated under the laws of Canada. We have entered into a custodian agreement with RBC Dexia Investor Services Trust on behalf of the Fund in the form required by securities regulatory authorities. The custodian has appointed a sub-custodian in accordance with NI 81-102 in each foreign jurisdiction in which the Fund holds securities of issuers of such foreign jurisdictions.

The Fund may deposit securities or cash as margin:

- With a dealer when it uses clearing corporation options, options on futures or futures contracts or
- With the other party in the case of over-the-counter options or forward contracts

in accordance with the policies of the securities regulatory authorities. In these cases, the dealer or the other party also acts as a custodian.

The custodian agreement may be terminated by the Manager, on behalf of the Fund, by giving a minimum of 180 days prior written notice.

Auditor

PricewaterhouseCoopers LLP
Toronto, Ontario

Registrar

Manulife Asset Management Limited

We maintain the register of securityholders of the Fund in Toronto, Ontario.

Other service providers

International Financial Data Services (Canada) Limited
Toronto, Ontario

Manulife, on behalf of MAML, entered into an amended and restated services agreement with International Financial Data Services (Canada) Limited for the provision of a transfer agency system for the Fund effective November 30, 2001. This agreement was further amended March 1, 2007, May 1, 2009 and June 1, 2010. The terms of the current agreement are in place through March 1, 2012 and the agreement is renewable for additional terms.

RBC Dexia Investor Services Trust
Toronto, Ontario

We have entered into a services agreement with RBC Dexia Investor Services Trust for the provision of fund accounting services for the Fund. The agreement is dated August 21, 2006, as amended February 18, 2011. The term of the agreement extends until August 21, 2013 and is renewable for additional terms.

Conflicts of interest

As at November 22, 2011, Manulife Financial owns 100% of the securities of the Fund in the form of seed capital which is required to launch new funds. This initial investment allows the Fund to invest its assets pursuant to its investment objectives from its inception date.

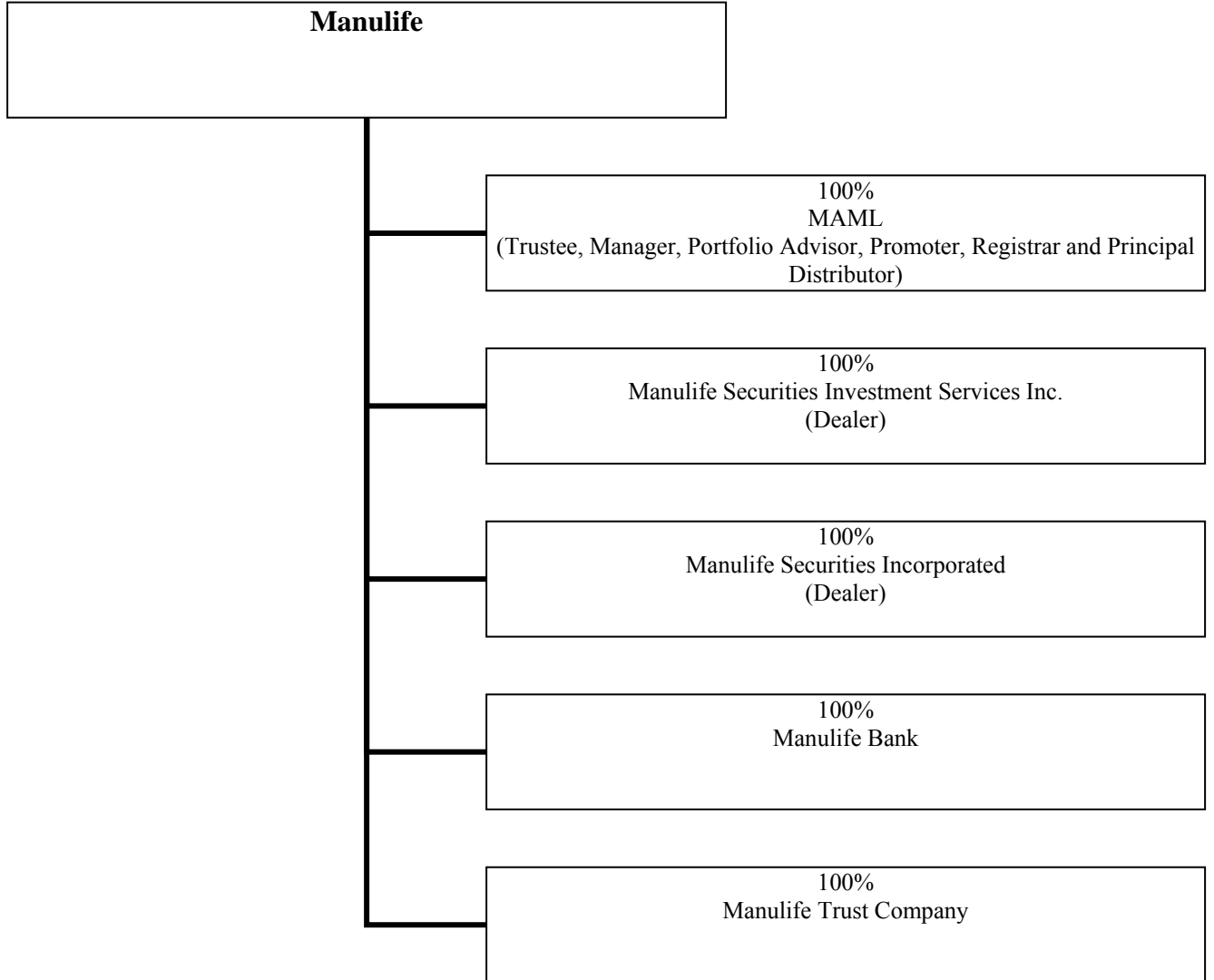
As at November 22, 2011, FNA Financial Inc., a wholly-owned subsidiary of Manulife, owned all of the 217,153 issued and outstanding voting common shares of MAML.

As at November 22, 2011, none of the directors or senior officers of MAML owned any of the shares of MAML or 10% or more of the shares of Manulife Financial.

As at November 22, 2011, no member of the IRC beneficially owned, directly or indirectly, any series or class of voting shares of the Manager or of any person or company that provides services to the Fund or the Manager. The IRC members in aggregate do not beneficially own, directly or indirectly, more than 10% of the voting or equity securities of the Fund.

Affiliated entities

The following companies that provide services to the Fund or to us in relation to the Funds are affiliated with us as follows:



You can review the fees, if any, paid to each company listed above by the Fund in the audited financial statements of the Fund.

The following individuals are directors or executive officers of MAML and also of an affiliated entity of MAML as described above:

<i>Name</i>	<i>Position with MAML</i>	<i>Position with Affiliate</i>
J. Roy Firth	Director, Chairman, Chief Executive Officer and Ultimate Designated Person	Executive Vice President, Investment Wealth Management, Manulife and Manulife Financial; Director, Manulife Securities Incorporated; Director, Manulife Bank; Director, Manulife Trust Company; Director and Chairman, Manulife Securities Investment Services Inc.
Paul Rooney	Director	Senior Executive Vice President and General Manager, Canada, Manulife and Manulife Financial; Director, Manulife Bank; Director, Manulife Trust Company
Bruce Gordon	Director	Director and Chairman, Manulife Bank; Director and Chairman, Manulife Trust Company
Kevin Adolphe	Director	Executive Vice President and Chief Operating Officer, Investments, Manulife; President and Chief Executive Officer, Manulife Real Estate, Manulife
Richard Coles	Director	Director, Manulife Bank; Director, Manulife Trust Company
Warren Thomson	Director	Senior Executive Vice President and Chief Investment Officer, Manulife and Manulife Financial; Director, Manulife Bank; Director, Manulife Trust Company
Jean-François Courville	Director and President	Executive Vice President and Chief Executive Officer, Manulife Asset Management, Manulife and Manulife Financial; Director, Manulife Asset Management (US) LLC
Paul Lorentz	Director	Senior Vice President, Investment Products and President, Manulife Investments, Manulife Financial
Jeff Ray	Vice President	Assistant Vice President, Mutual Funds and Structured Products, Manulife
Jennifer Mercanti	Associate General Counsel and Assistant Secretary	Assistant Vice President and Chief Counsel, Manulife Mutual Funds, Individual Wealth Management, MAML

<i>Name</i>	<i>Position with MAML</i>	<i>Position with Affiliate</i>
James den Ouden	Chief Financial Officer	Assistant Vice President, Finance, Manulife Investments, Manulife Financial
Sheila Hart	Vice President	Vice President and Chief Financial Officer, Individual Wealth Management, Manulife Financial
Robert Tillmann	Vice President, Marketing and Business Development	Vice President, Marketing and Business Strategy, Manulife
Joanna Lohrenz	Vice President	Vice President, Manulife Investments Operations, Wealth Management, Manulife Financial
Martin Guest	Chief Compliance Officer, General Counsel and Secretary	Vice President and Chief Counsel, Individual Wealth Management, Manulife

Fund governance

Fund governance refers to the policies, practices and guidelines of the Fund that relate to:

- Business practices
- Sales practices
- Internal conflicts of interest

The board of directors of MAML, the manager of the Fund, has adopted appropriate policies, procedures and guidelines to ensure the proper management of the Fund. These include fiduciary duty guidelines and policies and procedures required by NI 81-107 relating to conflicts of interest, including policies on personal conflicts of interest, prohibited related party transactions, best execution practices, soft dollar arrangements, brokerage arrangements, trade allocation practices, cross trading, record keeping and personal investing. In addition, MAML has adopted sales, marketing, advertising and accounting policies relating to the Fund. The controls in place monitor and manage the business and sales practices, risk and internal conflicts of interest relating to the Fund while ensuring compliance with regulatory and corporate requirements. The reporting systems in place ensure that these policies and guidelines are communicated to the persons responsible for these matters and monitor their effectiveness.

Investments in other mutual funds

The Fund may hold securities of other mutual funds as permitted by applicable securities legislation.

Investments in derivatives

The Fund may invest in or use derivatives for hedging and non-hedging purposes in a manner consistent with the investment objective of the Fund and as permitted by applicable securities legislation. Derivatives may be used for hedging purposes in the event of significant cash flows into or out of the Fund. Derivatives may be used for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies and to provide protection for the Fund's portfolio. The risks of using these strategies are described under *Derivative risk*, in the simplified prospectus.

The board of directors of the Manager, has adopted policies and practice guidelines applicable to the Fund to manage the risks associated with the use of derivative instruments. Such policies and practice guidelines require that:

- The use of derivative instruments be consistent with the Fund's investment objective and policies
- The risks associated with the use of derivatives be adequately described in the Fund's simplified prospectus and other public disclosure documents
- Authorized officers or directors of the Manager approve the parameters, including trading limits, under which derivatives trading is to be permitted for the Fund and that such parameters comply with applicable securities legislation
- The operational, monitoring and reporting procedures in place ensure that all derivatives transactions are completely and accurately recorded, in accordance with their approved use, and within the limits and regulatory restrictions prescribed for the Fund

These policies and practice guidelines are reviewed as necessary by a Senior Officers' Committee at the Manager. In addition, the Manager's Compliance Department has oversight over all use of derivative instruments by the Fund and reports thereon at least quarterly to the board of directors of the Manager.

Investment in securities lending, repurchase and reverse repurchase agreements

The Fund may enter into securities lending arrangements or repurchase and reverse repurchase agreements. See *What is a mutual fund and what are the risks of investing in a mutual fund?* in the simplified prospectus.

The board of directors of the Manager has adopted policies and practice guidelines applicable to the Fund to manage the risks associated with investments in securities lending, repurchase and reverse repurchase agreements. Such policies and practice guidelines require that:

- Investments in securities lending, repurchase and reverse repurchase agreements be consistent with the Fund's investment objectives and policies
- The risks associated with securities lending and repurchase transactions be adequately described in the Fund's simplified prospectus and other public disclosure documents

- Authorized officers or directors of the Manager approve the parameters, including transaction limits, under which securities lending and repurchase transactions are to be permitted for the Fund and that such parameters comply with applicable securities legislation
- The operational, monitoring and reporting procedures in place ensure that all securities lending and repurchase transactions are completely and accurately recorded, in accordance with their approved use, and within the limits and regulatory restrictions prescribed for the Fund
- The Manager must review at least annually all securities lending and repurchase transactions to ensure that they are being conducted in accordance with applicable securities legislation
- The Manager will review at least annually the policies and practice guidelines described above to ensure that the risks associated with securities lending are properly managed

The Fund may not commit more than 50% of its securities in securities lending or repurchase transactions at any time. Securities lending transactions may be terminated at any time and all repurchase transactions must be completed within 30 days.

MAML has delegated the custodian to act as agent for the Fund in administering securities lending transactions. The risks associated with these transactions will be managed by requiring that the agent enter into such transactions for the Fund with reputable counterparties that meet MAML's quantitative and qualitative criteria regarding market making and creditworthiness, and are in good standing with all applicable regulators.

Proxy Voting Procedures

As Trustee and Manager of the Fund, we have a fiduciary responsibility to act in the best interests of the Fund and its securityholders. One significant aspect of this duty is ensuring that the securities held by the Fund are voted in a timely manner that serves the best interests of the Fund and its securityholders. We have delegated to the portfolio advisor of the Fund voting authority with respect to the portfolio securities of the Fund, subject to MAML's review from time to time.

The portfolio advisor is expected to take reasonable steps to vote all proxies received. However, the portfolio advisor may refrain from voting where administrative or other procedures result in the costs of voting outweighing the benefits. The portfolio advisor may also refrain from voting if in its opinion abstaining or otherwise withholding its vote is in the best interests of the Fund's securityholders.

We have established a proxy voting policy (the "Proxy Voting Policy") that has been designed to provide general guidance, in compliance with applicable legislation, for the voting of proxies. We expect the portfolio advisor to comply with its stated policies, which, in general, must meet standards similar to our Proxy Voting Policy and applicable legislation. We reserve the right to retract the voting authority given to the portfolio advisor at any time.

The Proxy Voting Policy summarizes our position on various issues and provides a general indication as to how the portfolio advisor is expected to vote proxies on each issue. The portfolio advisor will usually vote proxies in accordance with the Proxy Voting Policy. However, the portfolio advisor reserves the right to vote on certain issues counter to the Proxy Voting Policy if, after a review of the matter (which analysis will be documented in writing), the portfolio advisor believes that the Fund's best interests would be better served by such counter vote.

Issuers' proxies most frequently contain proposals to elect corporate directors, to appoint external auditors and fix their compensation, to amend the capitalization of the company and to adopt or amend management compensation plans. Consistent with our Proxy Voting Policy, it is expected that the portfolio advisor would cause the Fund to vote on these matters as follows:

- Board of Directors - We vote for management nominees unless the board fails to meet minimum corporate governance standards, such as being comprised of a majority of independent directors or there are records of abuse against the interests of minority shareholders.
- Appointment of Auditors and Compensation - We vote for the election of auditors and proposals authorizing the board to fix the auditors' compensation unless we have concerns about the accounts presented or the audit procedures used or if questions are raised regarding the independence of the auditors.
- Changes in Capital Structure - We vote for resolutions that seek to maintain, or convert into, a one vote for one share capital structure and generally vote against resolutions authorizing a multiple class voting structure or the creation or addition of shares with superior voting rights.
- Management Compensation - We vote for proposals to compensate non-executive directors unless the amounts are excessive relative to other companies in the industry. We will vote on equity compensation plans and other proposals relating to management compensation on a case-by-case basis having regard to the best interests of the securityholders of the Fund.

Other issues, including those business issues specific to the issuer or those raised by shareholders of the issuer, are addressed on a case-by-case basis with a focus on the best interests of the securityholders of the Fund and the potential impact of the vote on shareholder value.

Conflicts of Interest

A conflict of interest may arise when we (or the portfolio advisor to the Fund) vote a proxy solicited by an issuer with whom we and/or the portfolio advisor has a material business or personal relationship that may affect the vote. To avoid conflicts of interest we and the portfolio advisor will adhere to the following procedures:

- All votes will be cast according to the Proxy Voting Policy, in the best interests of the Fund and its securityholders. If votes are cast otherwise, they will be documented and explained
- All persons involved in the proxy voting process must disclose any potential conflict of which they are aware. Voting recommendations must be made according to the best interests of the Fund and its securityholders and without any other considerations
- A proxy committee consisting of members of our Legal and Compliance Departments maintains procedures to identify material relationships that could result in potential conflicts
- When a possible conflict of interest is encountered, our Compliance Department will determine whether a conflict of interest does in fact exist and where a conflict of interest has been determined, the proxy committee shall consider the matter for final determination

We will review the portfolio advisor's policies for addressing conflicts of interests from time to time to ensure that they offer substantially similar protection.

Our Proxy Voting Policy and the policies of the portfolio advisor are available on request, at no cost, by calling us toll-free at 1 888 588 7999 or by writing us at 200 Bloor Street East, North Tower 3, Toronto, Ontario M4W 1E5. We disclose the Fund's annual proxy voting record, for the most recent twelve-month period ending June 30 by August 31 of each year. The Fund's proxy voting record is also available on our website at www.manulifemutualfunds.ca.

Independent Review Committee

On behalf of the Fund, we have established an independent review committee ("IRC") pursuant to the requirements set out in NI 81-107.

The IRC oversees decisions relating to actual or perceived conflicts of interest involving the Fund. The IRC is comprised of the following three members:

R. Warren Law (Chair)
Senior Vice President, ICICI Bank Canada

Robert S. Robson
Former Senior Bank Executive

William J. L. Swirsky
Chartered Accountant and former Vice President of the Canadian Institute of Chartered Accountants

The members of the IRC are independent and must act in the best interests of the Fund and the Fund's investors.

In accordance with NI 81-107, the IRC considers and provides recommendations to the Manager on conflicts of interest to which the Manager is subject when managing the Fund. The Manager is required under NI 81-107 to identify conflicts of interest inherent in its management of the Fund, and to request input from the IRC into how it manages those conflicts of interest, as well as its written policies and procedures in respect of those conflicts of interest.

The IRC provides its recommendations to the Manager with a view to the best interests of the Fund. The IRC reports annually to securityholders of the Fund as required by NI 81-107. It also must advise the securities regulatory authorities if it determines that an investment decision was not made in accordance with the foregoing requirements or if any condition of its approval or recommendation has not been satisfied.

The IRC also prepares an annual report that describes its activities as the independent review committee of the Fund. For a free copy of this report, call us at 1 888 588 7999 or ask your dealer. You can also get a copy of this report on our website at www.manulifemutualfunds.ca or by sending an e-mail to manulifemutualfunds@manulife.com. This report and other information about the Fund are also available at www.sedar.com.

Each IRC member receives \$1,750 plus expenses for each meeting (\$2,250 plus expenses in the case of the Chair) as well as an annual retainer of \$20,000 (\$25,000 for the Chair) for the Manulife Mutual Funds. IRC members are also reimbursed for travel expenses in connection with meeting attendance. Other fees and expenses payable in connection with the IRC include insurance costs, legal fees, and attendance fees for educational seminars. All such fees are allocated among the funds managed by Manulife Mutual Funds, including the Fund, in a manner that is considered by the IRC to be fair and reasonable to such funds. These amounts are allocated equally among the funds managed by Manulife Mutual Funds and, secondly, pro rata among the different series of securities of a fund, on the basis of assets under management.

Short-Term Trading

Manulife Mutual Funds has adopted policies and procedures to detect and deter inappropriate short-term trading. An inappropriate short-term trade is defined as a combination of a purchase and redemption, including switches between the funds managed by Manulife Mutual Funds, within 90 days that we believe is detrimental to other investors in the Fund.

The interests of Fund investors and the Fund's ability to manage its investments may be adversely affected by short-term trading because, among other things, these types of trading activities can dilute the value of Fund securities, can interfere with the efficient management

of the Fund's portfolio and can result in increased brokerage and administrative costs to the Fund. While we will actively take steps to monitor, detect and deter short-term trading, we cannot ensure that such trading activity will be completely eliminated.

Any inappropriate short-term trading as determined by Manulife Mutual Funds may be subject to a short-term trading fee of 2%. See *Fees and expenses*, in the simplified prospectus. The fee payable will be deducted from the redemption proceeds when you redeem your securities and such fees will be paid to the applicable Fund.

We may take such additional action as we consider appropriate to prevent further similar activity by the investor. These actions may include the delivery of a warning to the investor, placing the investor/account on a watch list to monitor his or her trading activity, the subsequent refusal of further trades by the investor if the investor continues to attempt such trading activity and/or closure of the investor's account.

The restrictions imposed on short-term trading, including the short-term trading fees, will generally not apply in connection with redemptions initiated by us and redemptions initiated by investors in special circumstances as determined by us in our sole discretion, including the following:

- From money market or similar funds
- Relating to optional systematic plans, such as pre-authorized chequing plans or systematic withdrawal plans
- Initiated by us (including as part of a fund reorganization or merger) or by the Fund or another investment fund, a segregated fund or investment product which has been approved by us
- Relating to securities held by the Manager upon the launch of new investment funds
- In the case of what we, in our discretion, consider a special circumstance, such as the death of a securityholder or a hardship situation
- Relating to the payment of fees on Series I securities and
- Relating to securities received on the reinvestment of distributions

While these restrictions and our monitoring attempt to deter inappropriate short-term trading, we cannot ensure that such trading will be completely eliminated. We may reassess what is inappropriate short-term trading in the Fund at any time and may charge short-term trading fees or exempt transactions from these fees in our discretion.

Fees and expenses

Series I securities of the Fund do not pay any management fee. Securityholders of Series I securities of the Fund pay a negotiated management fee directly to us. For more information, please refer to the Fund description in the simplified prospectus.

The management fees will be calculated daily, based on the net asset value of each series of the Fund on each trading day.

Any increase in management fees will require securityholder approval.

Income tax considerations

This section describes the principal Canadian federal income tax consequences of buying and owning securities of the Fund as of the date of this annual information form. This summary assumes you are an individual (other than a trust) resident in Canada dealing at arm's length with the Fund and you hold your securities as capital property.

This summary takes into account the current provisions of the *Tax Act* and the regulations thereunder, as well as all publicly announced proposed amendments to the *Tax Act* and regulations. It also takes into account the currently publicly available published administrative practices of the CRA.

This description is not exhaustive, and tax laws may change between the time this summary is prepared and the time you read it. In addition, the tax consequences of buying and owning Fund securities vary according to your situation and the province or territory in which you reside or operate a business. Please consult your tax advisor about your individual situation, including the deductibility of management fees payable directly by securityholders of Series I securities of the Fund.

THE FUND

Except as noted below, the Fund is structured as a “mutual fund trust” for tax purposes. The Fund will issue units of the trust to its unitholders who invest in it.

Mutual funds earn:

- Income, principally from interest and dividends paid on the securities in their portfolios
- Capital gains, from selling securities in their portfolio for more than was paid for them

A mutual fund trust pays out distributions to its unitholders.

Tax Status of the Fund

The discussion that follows assumes that the Fund qualifies as a unit trust and as a mutual fund trust for tax purposes. Manulife Long Term Bond Fund does not currently qualify as a mutual fund trust for tax purposes. However, if the Fund satisfies certain requirements regarding the distribution of its units and related matters before the 91st day after the end of its first taxation year, it may file an election under the *Tax Act* to be deemed to be a mutual fund trust for tax purposes effective from the date it was established. We anticipate that the Fund will satisfy the relevant requirements within this time frame. The balance of this summary assumes that the Fund will so qualify. However, there can be no assurance that this will be the case. If the Fund were to fail to qualify as a mutual fund trust for tax purposes, the income tax consequences would in some respects be different from those described below.

The Fund intends to apply to be a registered investment. A registered investment may have to pay penalty taxes if it fails to comply with certain restrictions related to types of investments it holds unless it is a mutual fund trust for tax purposes. As a registered investment, the Fund is subject to investment restrictions that are intended to ensure that it

will not become liable for these penalty taxes. As a registered investment, units of the Fund are qualified investments for registered plans (i.e. RRSPs, RRIFs, DPSPs, RDSPs, RESPs and TFSAs), regardless of whether the Fund is a mutual fund trust for tax purposes.

Taxation of the Fund

The Fund will distribute sufficient net income and net capital gains to its investors so that the Fund will not have to pay income taxes under the *Tax Act*. However, income earned by the Fund from foreign sources may be subject to foreign withholding taxes. Such foreign taxes may be used by the Fund to reduce its income or the Fund may designate its foreign source income to you such that you may claim a foreign tax credit. The Fund is not permitted to allocate losses it incurred to its securityholders, but the Fund may carry forward and deduct such losses in future years within the limits of the *Tax Act*. If the Fund is a mutual fund trust, it may be entitled to retain (i.e. not distribute) certain capital gains without being subject to tax thereon.

The Fund will treat certain transactions involving futures contracts, options on futures, forward contracts and other derivatives as giving rise to ordinary income or losses rather than capital gains or losses for tax purposes.

If the Fund invests in securities that are not denominated in Canadian dollars, the Fund may realize gains or losses by virtue of fluctuations in the value of foreign currencies relative to Canadian dollars.

FOR INVESTMENT IN THE FUND HELD IN A NON-REGISTERED ACCOUNT

Distributions

Distributions affect fund prices

When the Fund makes a distribution of earnings or capital, the price or NAV per security of the Fund falls by the amount of the distribution. For example, if the Fund has a NAV per security of \$10.00 and distributes earnings of \$1.00 per security, the price will fall to \$9.00. If you are an investor in the Fund, your net position remains the same: you have your original securities plus your distribution, either as cash or additional securities.

You must report in Canadian dollars all distributions paid or payable paid to you during the year, whether they are paid in cash or reinvested in additional securities. The income and capital gains distributed to you can include income and capital gains accrued or earned by the Fund before you acquired your securities. You will still be taxable on all the distributions, except as described below.

Distributions from the Fund can be ordinary income or capital gains. You generally pay tax on these different kinds of distributions as though you received them directly. In some cases, distributions by the Fund in a year may exceed the net income and net realized capital gains of the Fund for the year. These distributions are treated as a tax-free return of capital that reduces the adjusted cost base (ACB) of your securities for tax purposes. If the ACB of your securities becomes a negative amount (i.e., less than zero) at any time in a taxation year, you

will be deemed to realize a capital gain equal to that amount and the ACB of your securities will be reset to zero.

Any capital gains distribution received by you on securities of the Fund will be treated as a capital gain realized by you, one half of which will generally be included in calculating your income as a taxable capital gain.

The Fund may have a portfolio turnover rate greater than 70%. The higher the Fund's portfolio turnover rate, the greater the trading costs payable by the Fund, and the greater the chance that you may receive a taxable capital gain for that year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

At the beginning of each year, we will send you a tax form or statement showing all of the income, capital gains and returns of capital that were distributed to you by the Fund during the previous year.

Calculating your Adjusted Cost Base

In order to calculate your capital gain or loss for tax purposes, you need to know the ACB of your securities before disposition. Your ACB of a security of a particular series of the Fund will generally be the weighted average cost of all of your securities of that series of the Fund, including securities acquired on a reinvestment of distributions.

You should keep detailed records of the purchase cost, sales charges and distributions related to your Fund securities in order to calculate the adjusted cost base of those securities. You may wish to consult a tax advisor to help you with these calculations.

Calculating the adjusted cost base of your securities of the Fund

ACB per security	=	your initial investment (including any sales charges)
		<i>plus</i> the cost of any additional purchases (including any sales charges)
		<i>plus</i> reinvested distributions
		<i>minus</i> the capital returned in any distributions
		<i>minus</i> the ACB of any previously redeemed securities
		<i>divided by</i> the number of securities currently held by you

All of the foregoing must be computed in Canadian dollars.

Redemptions

In computing your income, you must take into account any capital gain or capital loss you realized on redeeming a security of the Fund.

Your capital gain will be the amount by which the proceeds of disposition (the redemption amount or the transfer price) for the security exceeds the adjusted cost base of the security and any costs of disposition (redemption charge). Generally, one half of your capital gain

will be included in calculating income as a taxable capital gain. See *Calculating your Adjusted Cost Base* on page 35.

If the proceeds of disposition for a security on a redemption are less than the total of the adjusted cost base of the security and any costs of disposition, you will have a capital loss. One-half of any capital loss is an allowable capital loss. In general, allowable capital losses must be deducted against taxable capital gains realized in the same year, and any excess may be carried back up to 3 prior years and deducted against taxable capital gains in such prior years or carried forward indefinitely and deducted against taxable capital gains in subsequent years.

In certain situations where you dispose of securities of the Fund and would otherwise realize a capital loss, the loss will be denied. This may occur if you, your spouse or another person affiliated with you (including a corporation controlled by you) has acquired securities of the Fund (which are considered to be “substituted property”) within 30 days before or after you dispose of your securities. In these circumstances, your capital loss may be deemed to be a “superficial loss” and denied. The amount of the denied capital loss will be added to the adjusted cost base to the owner of the securities which are substituted property.

The redemption of securities of the Fund to satisfy any short-term trading fee payable by you will be a taxable disposition of those securities.

Switches

If you switch from securities of the Fund to securities of another Manulife-sponsored mutual fund or vice-versa, this will constitute a redemption of your securities and the tax treatment will be as described above under *Redemptions*.

If your investment is reclassified from one series of securities of the Fund into another series of securities of the Fund, the reclassification will not result in a disposition for tax purposes and you will not realize a capital gain or capital loss on the transaction. The cost of the new securities acquired on a reclassification will be equal to the adjusted cost base of the previously-owned securities (subject to any requirement to average the cost with other securities identical to the new securities you already owned).

Alternative Minimum Tax

Depending on your circumstances, you may be affected by the alternative minimum tax provisions in the *Tax Act*. Generally, if you are an individual and receive a distribution of income designated as a taxable dividend from taxable Canadian corporations or a distribution of capital gains from the Fund OR realize capital gains on the disposition of securities of the Fund, your liability for alternative minimum tax may increase.

FOR INVESTMENTS IN THE FUND HELD IN A REGISTERED PLAN

If you hold the Fund in a registered plan, as long as you do not make withdrawals from the plan, and provided the securities of the Fund are qualified investments for the registered plan, you pay no tax on:

- Distributions from the Fund, whether or not they are reinvested in additional securities and
- Any capital gains the plan makes from redeeming securities or switching between funds

You will be taxed at your personal tax rate if you withdraw money or securities of the Fund from the registered plan (other than withdrawals from a TFSA and certain permitted withdrawals from an RESP or RDSP). Your plan administrator is required to withhold taxes from the amount withdrawn as a prepayment of taxes to the government. You will not be taxed if you withdraw your capital contributions from your RESP.

Since the Fund is, or is expected to be, a mutual fund trust or registered investment for tax purposes, securities of the Fund are or are expected to be qualified investments for your registered plan, such as an RRSP, RRIF, DPSP, RDSP, RESP or TFSA.

Securities of the Fund will not be “prohibited investments” for a trust governed by a TFSA provided the holder of the TFSA deals at arm’s length (within the meaning of the *Tax Act*) with the Fund, and does not have a significant interest (within the meaning of the *Tax Act*) in the Fund, or in any person or partnership with which the Fund does not deal at arm’s length for purposes of the *Tax Act*. The current tax proposals propose to extend the "prohibited investment" rules to RRSPs, RRIFs and their annuitants.

Investors are urged to consult their own tax advisors for full particulars of the tax implications of establishing, amending and terminating registered plans. It is the responsibility of investors in these plans to determine the consequences to them under the relevant tax legislation.

MANAGEMENT FEES

No portion of any management fee charged to the Fund is borne by Series I securities of the Fund. Holders of Series I securities of the Fund pay a management fee directly to us. Holders of Series I securities of the Fund should consult their own tax advisors concerning the deductibility of such fee. Holders of Series I securities should also consult their tax advisors concerning fees payable to their financial advisors and/or dealers.

Remuneration of Directors, Officers and Trustees

The Fund does not have directors or officers. We are not entitled to any remuneration as trustee of the Fund. The Fund’s operating expenses are in addition to any management fees payable to the Manager. Where employees of the Manager provide services to both the Fund

and the Manager, only that portion of their expenses relating to Fund operations is reimbursed by the Fund.

See *Fund Governance – Independent Review Committee* on page 30 for information on the compensation paid by the Fund to members of the IRC.

Material contracts

The following material contracts entered into in respect of the Fund are currently in effect:

Fund	Contract	Date
Manulife Long Term Bond Fund	Amended and Restated Master Declaration of Trust	August 20, 2007
	Amendment No. 1 to the Amended and Restated Master Declaration of Trust	March 30, 2009
	Amendment No. 2 to the Amended and Restated Master Declaration of Trust	August 1, 2011
	Regulation	November 18, 2011
	Amended and Restated Master Management Agreement	November 18, 2011
	Custodian Agreement	July 23, 2007
	Master Distribution Agreement	November 3, 1998
	Amendment to the Master Distribution Agreement	April 1, 2010
	Amended and Restated Portfolio Advisor Agreement	November 22, 2011

You may inspect the contracts for the Fund, all of which are described elsewhere in this annual information form, at the head office of the Fund at 200 Bloor Street East, North Tower 3, Toronto, Ontario, M4W 1E5, on any business day during normal business hours.

Legal Proceedings

There are no outstanding material legal proceedings to which the Fund or the Manager are a party, nor are there any such proceedings known to be contemplated.

Auditor's Consent

Manulife Long Term Bond Fund (the "**Fund**")

We have read the simplified prospectus of the Fund and the accompanying annual information form dated November 22, 2011 relating to the offering of the Series I securities of the Fund. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use, through incorporation by reference in the above-mentioned simplified prospectus, of our report dated November 22, 2011 to the Unitholder and Trustee of the Fund, on the statement of net assets of the Fund as at November 18, 2011.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants, Licensed Public Accountants
Toronto, Ontario

November 22, 2011

Certificate on behalf of the Fund and of the Manager and Promoter of the Fund

November 22, 2011

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of all of the provinces and territories of Canada, and do not contain any misrepresentations.

“Joseph Roy Firth”

“James den Ouden”

JOSEPH ROY FIRTH
Chairman, Chief Executive Officer and
Ultimate Designated Person
Manulife Asset Management Limited

JAMES DEN OUDEN
Chief Financial Officer
Manulife Asset Management Limited

On Behalf of the Board of Directors of Manulife Asset Management Limited as trustee, manager and promoter of the Fund

“Paul Lorentz”

“Jean-François Courville”

PAUL LORENTZ
Director
Manulife Asset Management Limited

JEAN-FRANÇOIS COURVILLE
Director
Manulife Asset Management Limited

Certificate of the Principal Distributor of the Fund

November 22, 2011

To the best of our knowledge, information and belief, this annual information form, the financial statements for Manulife Long Term Bond Fund (the “**Fund**”) for the financial period ended November 18, 2011 and the auditors’ report on those financial statements, together with the simplified prospectus and the fund facts document dated November 22, 2011 for the Fund, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus and do not contain any misrepresentation.

**MANULIFE ASSET MANAGEMENT
LIMITED**

“Martin Guest”

MARTIN GUEST
Chief Compliance Officer, General Counsel
and Secretary

MANULIFE MUTUAL FUNDS

Manulife Long Term Bond Fund

Manulife Mutual Funds
A Division of Manulife Asset Management Limited
200 Bloor Street East
North Tower 3
Toronto, Ontario
M4W 1E5

Additional information about the Fund is available in the Fund's fund facts, management reports of fund performance and financial statements.

You can obtain a copy of these documents, including a statement of portfolio transactions, at no cost by calling 1 888 588 7999, by faxing 416 581 8427, from your dealer or by e-mail at manulifemutualfunds@manulife.com.

These documents and other information about the Fund, such as information circulars and material contracts, are also available on our website at manulifemutualfunds.ca or at sedar.com.

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