

Interest rates

The section below describes different rates associated with your Manulife One account. Manulife Bank regularly reviews a variety of economic and competitive factors to ensure that our Manulife One Base Rate, our Manulife One Fixed Rates and our Manulife One Credited Rate remain competitive with other similar products in Canada.

Manulife One Base Rate

The Manulife One Base Rate is the variable interest rate set out in your Operating Agreement that is charged on all borrowings in your Manulife One Main Account and any Variable-Rate Sub-Accounts. It is the base rate for determining the interest rate of the 5 year open Amortizing Variable Rate Sub-Account; which is the Manulife One Base rate plus or minus an adjustment factor as set out in your Operating Agreement. The adjustment factor is the same for the 5 year term of the Amortizing Variable Rate Sub-Account, the overall rate of this sub-account would change if and when the Manulife One Base rate changes. The Manulife One Base Rate is set independently of Manulife Bank's Prime lending rate, and may change without notice.

Manulife One Fixed Rates

Manulife One allows you to lock a portion of your borrowings into a fixed-rate Sub-Account. The rate you receive on a Fixed-Rate Sub-Account is guaranteed for the term you choose. Terms of six months, one to five years, and seven and ten years are currently available.

Manulife One Credited Rate

This is the annual interest rate that will be applied to any credit (positive) balance you have in your Main Account. This rate is variable and subject to change.

It's important to note that a credit balance in your Main Account will not automatically offset borrowings you have in a Sub-Account (either fixed or variable rate). In the case where you have a credit balance in your Main Account and outstanding borrowings in a Sub-Account, the Sub-Account will be charged interest at the applicable rate, and the Main Account will earn interest at the Credited Rate

Maximum interest rate

Your Operating Agreement (a *liability* document that describes the terms of the loan agreement between you and us) sets out the interest rate(s) you will be charged on your Main Account and any sub-accounts (see sections above for descriptions of the Manulife One Base Rate and the rate for fixed rate sub-accounts).

The *security* document(s) that describe the bank's security interest or charge it takes on your property (ask your Banking Consultant for the name of the form in your province), makes reference to a 'maximum' interest rate, namely the Manulife One Base Rate + 5.0% (the "Security Rate"). All provinces require us to set and disclose a maximum interest rate that can be charged for a mortgage. This Security Rate is not the rate you are liable for; this is simply a maximum rate covered by the security. Stated another way, the security interest the Bank takes in your property is for interest up to a maximum rate.

For current rate information, visit manulifeone.ca or call Manulife Bank at 1-877-765-2265. Rates are subject to change without notice.