



Registered Retirement Income Fund (RRIF) Frequently Asked Questions (FAQ)

Where can I obtain a full summary of the product offering?

For full details, please visit our [Advisor Portal](#).

What investment options are available for my client's RRIF?

Your client has the following investment options available to them:

1. Retirement Income Advantage Account
 - Offers a high interest rate on all funds in the account
 - Fully accessible at any time without penalty
 - No fees
2. Guaranteed Investment Certificates (GICs)
 - Available in terms of 30 days to 5 years
 - Interest rate guaranteed for the duration of the term

If my client's current RRSP is a locked-in plan, can we transfer the funds to a Manulife Bank RRIF?

No. Locked-in Registered Retirement Savings Plans cannot be transferred to our RRIF. At this time, Manulife Bank does not administer an account with the appropriate tax status – a Locked-in Fund (LIF), for example.

When is a spousal RRIF necessary?

There are two situations that require your client to open a spousal RRIF:

1. When funds are being transferred from an existing spousal RRSP
2. When funds are coming from an existing spousal RRIF or multiple RRIFs that include a spousal RRIF

Can my client transfer funds from their RRIF back to an RRSP?

Yes, clients can choose to transfer their RRIF holdings back to an RRSP as long as it is before December 31 in the year they turn 71. Legislation requires us to hold back the annual minimum payment for that year prior to transferring the funds back to an RRSP.

How does my client apply for a RRIF?

You must complete the Personal Deposit Account Application (AB0168) with your client.

Can I see my clients on BankLink or through my deposit report?

Yes, once the account is established you will be able to monitor the individual's account and run a client report that includes all RRIF accounts.

What is the amount my client must withdraw from their RRIF?

Your client is required to withdraw the annual minimum amount mandated by Canada Revenue Agency (CRA). This amount can be calculated by taking the year-end balance of the plan and multiplying it by the minimum payment factor determined by your client's age (or their spouse's age) as of January 1. Clients can choose to take this payment in monthly, quarterly, semi-annual or annual installments.

Can my client request a scheduled payment that is greater than the annual minimum amount?

Yes. Clients can select a fixed payment greater than the CRA annual minimum amount. Keep in mind that any amount greater than the minimum is subject to withholding taxes.

When will my client's payments start?

Your client will start receiving payments the calendar year following the year in which the RRIF was set-up.

How will my client receive their payments?

Clients have the following options:

1. We recommend direct deposit into a personal non-registered Advantage Account - if your client does not already have one, your client can request one on the same application as the RRIF
 - Your client will have access to these funds immediately
 - Your client will continue to earn a high rate of interest on the funds they don't need to use right away
2. Electronic funds transfer (EFT) to an external Canadian financial institution
3. Cheque
 - Available for annual frequency only

Can my client change their payment selection?

Yes. Once the account is opened, clients can request modifications to their payment selection. However, clients cannot change whose date of birth (annuitant or spouse) is used to determine the minimum payment calculation.

Can my client select which investment their payments are withdrawn from?

No, your client's scheduled payments are withdrawn from the Retirement Income Advantage Account. If those funds become depleted, the payments will then be withdrawn from the GIC with the lowest interest rate.

Are the RRIF GICs redeemable?

No, the 1-5 year GICs are non-redeemable. The only time payments can be taken from GICs is if the Retirement Income Advantage Account balance has been depleted. In this situation, the payments are withdrawn from the GIC with the lowest interest rate. The RRIF short-term deposits are redeemable, subject to 1.25% rate reduction and a \$25 administration fee.

Are unscheduled withdrawals permitted?

Yes, clients can withdraw the funds from their Retirement Income Advantage Account at any time without penalty. However, if the client has funds only within GICs, they will not be able to take an unscheduled payment because those funds are non-redeemable prior to maturity.

Do withholding taxes apply to my client's withdrawals?

Withholding taxes do not apply to RRIF payments that are equal to the client's annual minimum amount. If your client requests scheduled payments that are higher than the CRA minimum or an additional withdrawal from their Retirement Income Advantage Account, then withholding taxes will be applied to the amount that exceeds the CRA minimum. A client may ask to withdraw either a gross amount or an amount net of tax, according to their needs.

What correspondence will my client receive?

Your client will receive a welcome letter upon account opening. This letter will outline all their investment details as well as provide them online and mobile banking access if they don't already have it. They will also receive semi-annual statements that outline their current balances as well as any transactions on their account. Clients have the option to receive these as either electronic or paper statements; both are free of charge.

What functionality will be available to my clients via online and mobile banking?

Your clients will be able to do the following:

- View account balances
- View account transactions
- Update contact information including phone number, email and mailing address
- View GIC details, including maturity dates and instructions

What sales and marketing support is available to help me promote the RRIF to my clients?

We have developed a flyer as well as a RRIF calculator to help promote and demonstrate how a RRIF works to your clients. Please contact your [Business Development Manager](#) for more information.

What compensation I will receive?

Advisor compensation on the Manulife Bank RRIF is as follows:

- Retirement Income Advantage Account – 25 bps based on the minimum monthly balance
- Short-term deposits – 20 bps per annum, pro-rated, paid upfront
- Long-term GICs – 25 bps per year of term, paid upfront

Can I waive my compensation to provide my clients with a higher rate?

You can waive your compensation to increase the rate for your client's GICs, but not for the Retirement Income Advantage Account.