



ELLIOTT & PAGE LIMITED

MANULIFE MUTUAL FUNDS – PART A

MFC GLOBAL INVESTMENT MANAGEMENT (CANADA) – PART B

PROXY VOTING POLICY

Issued: May 2005

Amended: October 2007

Elliott & Page Limited Proxy Voting Policy

Introduction

At Elliott & Page Limited (the “Company”) we place the highest importance on the needs of our clients. In our capacity as Trustee and/or Manager of mutual funds, including the Elliott & Page Funds, Manulife Investment Exchange Funds Corporation, and Manulife Simplicity Portfolios (the “Funds”), as trustee and/or manager of other pooled investment funds (“Pooled Funds”) and as portfolio manager and investment advisor to institutional clients we have a fiduciary responsibility to act solely in the best interests of our clients. One significant aspect of this duty is ensuring that each client’s securities are voted in a timely manner that serves their best interests.

Shareholders generally have both the right and responsibility to vote their shares. We believe that the right to vote is one of the most effective means of advancing shareholders’ economic interests, as well as promoting good corporate governance. Good corporate governance can be promoted by appointing boards of directors with whom the responsibility lies, as well as diligently reviewing their actions to ensure that the governance system is working.

The right to vote is most often exercised through the use of proxies. A proxy is the legal transfer of a shareholder’s right to vote to the professionals who manage their investments. Clients have the unqualified right to rescind the permission given to an advisor to vote proxies on their behalf.

Policy Structure

Part A of this policy outlines the Company’s role as Trustee and/or Manager of the Funds to ensure that the Fund’s right to vote is exercised as delegated by investment management agreements to our sub-advisors. Part B of the policy outlines the Company’s proxy voting role as portfolio manager and investment advisor to institutional clients including our public funds. The investment management activities of the Company are carried out under the brand name MFC Global Investment Management (Canada), hereinafter referred to as “MFC Global (Canada)”.

PART A - FUND POLICIES

The Company, as Trustee and/or Manager of the Funds has the primary responsibility of ensuring voting rights in respect of securities of the Funds are voted in the best interests of the investors. The Company enlists the services of sub-advisors in managing our Funds. As Manager of the Funds, we have delegated to the sub-advisors voting authority with respect to portfolio securities of the Funds. This is described in Part A. Each sub-advisor has a Proxy Voting Policy, which IMS and Compliance have reviewed and

approved. We expect our sub-advisors to comply with their stated policies, as well as adhere to the Company's general proxy voting guidelines. Subject to our investment management agreements, we reserve the right to retract voting authority in respect of any given sub-advisor. As part of its mandates to the funds, the IMS group will continue to survey sub-advisors from time to time with respect to their proxy voting policies and procedures.

PART B – ADVISORY POLICIES

MFC Global (Canada), the institutional investment management division of the Company, manages money on behalf of, or provides investment advice to, many clients, including mutual funds, segregated portfolios and pension funds. MFC Global (Canada) acts as the portfolio advisor to the Funds and will abide by the principles described in Part B of this policy. For the purposes of this policy, all references to sub-advisors in Part A should be understood to include MFC Global (Canada).

BACKGROUND

On March 11, 2005, the Canadian Securities Administrators (“CSA”) issued National Instrument 81-106 *Investment Fund Continuous Disclosure*, Form 81-106F1 *Contents of Annual and Interim Management Report of Fund Performance*, Companion Policy 81-106CP *Investment Fund Continuous Disclosure*, and Related Amendments (collectively “NI 81-106”). The legislation constitutes a nationally harmonized set of continuous disclosure requirements for investment funds. Part 10 of the Instrument contains proxy voting disclosure requirements to establish policies and procedures, and to maintain a proxy voting record. The requirements in the instrument concerning proxy voting records will apply for the annual period beginning July 1 to June 30. The Company has complied with NI 81-106 and will continue to comply with all other applicable law from time to time (the “Applicable Law”), and, to the extent that the provisions of this policy may be inconsistent with Applicable Law from time to time, this policy shall be deemed to be amended to incorporate the provisions of such Applicable Law.

National Instrument 81-107

National Instrument 81-107 applies to both parts of the Company's business. MFC Global (Canada), is the investment management division of E&P which advises many of the mutual funds and investment funds offered by E&P, as well as offering investment management services to other clients.

National Instrument 81-107, Independent Review Committee for Investment Funds (“NI 81-107”) requires that an independent review committee (“IRC”) must be formed by a fund manager to review certain matters applicable to funds offered by the fund manager that are reporting issuers as defined in applicable securities legislation (the “81-107 Funds”).

The IRC formed by E&P (the “E&P IRC”) is not, pursuant to NI 81-107, responsible to review conflicts relating to other portfolios advised by MFC Global (Canada), and is not required to review conflicts relating to 81-107 Funds which are advised by MFC Global (Canada) but offered by firms other than E&P. The E&P IRC may nonetheless agree from time to time to review additional matters if so requested.

As noted above, Part B of this Policy applies to investment advisory activity conducted by the portfolio managers of MFC Global (Canada) for all clients, including 81-107 Funds offered by E&P. However, MFC Global (Canada) portfolio managers do not directly advise all 81-107 Funds offered by E&P and this policy does not apply to any such 81-107 Fund not directly advised by MFC Global (Canada).

A list of 81-107 Funds advised by MFC Global (Canada) is available from Investment Compliance.

The following provisions should be considered in connection with 81-107 Funds, in addition to the other standards outlined in this Policy:

1. When action is taken on behalf of any 81-107 Fund which could potentially create a conflict of interest, the E&P IRC must not approve the action unless it has determined that the action:
 - a. Is proposed by the manager free from any influence by an entity related to the manager and without taking into account any consideration relevant to an entity related to the manager,
 - b. Represents the business judgment of the manager uninfluenced by considerations other than the best interests of the 81-107 Fund,
 - c. Is in compliance with the manager’s written policies and procedures relating to the action, and
 - d. Achieves a fair and reasonable result for the 81-107 Fund.
2. The portfolio managers should apply such standards to their actions on behalf of 81-107 Funds under this Policy, whether such 81-107 funds are offered by E&P or other fund managers.
3. The E&P IRC must be provided by E&P with annual compliance certification in relation to actions covered in this Policy relating to the 81-107 Funds offered by E&P.
4. E&P will review at least annually, the policies and procedures of any sub-advisors of the 81-107 Funds offered by E&P relating to the same subject matter as this policy, to ensure those policies and procedures adequately protect against conflicts of the sub-advisor that are relevant to the 81-107 Funds offered by E&P, that those policies and procedures are substantially similar in content and effect to those of MFC Global (Canada) on the same subject, taking into consideration the activities and

circumstances of the particular sub-advisor and that any conflicts of interest of the sub-advisors on that subject that are relevant to the 81-107 Funds offered by E&P, are referred to the E&P IRC for review and decision in accordance with 81-107.

Part A - FUND POLICIES

Fund Policies

The Company, as Trustee and/or Manager of the Funds has the primary responsibility of ensuring voting rights in respect of securities of the Funds are voted in the best interests of the investors. The Company enlists the services of sub-advisors in managing our various funds. As Manager of the Funds, we have delegated to the sub-advisors voting authority with respect to portfolio securities of the Funds. This is described in Part A. Each sub-advisor is required to have a Proxy Voting Policy, which IMS and Compliance will review and approve from time to time. We expect our sub-advisors to comply with their stated policies, which, in general, must meet similar standards to the general proxy voting guidelines described in this Policy. See “Guidelines Principles” below, for further information. We reserve the right to retract voting authority in respect of any given sub-advisor at any time.

Delegation of Voting Authority With Respect to Portfolio Securities to Sub-Advisors

The Company has delegated to the sub-advisors voting authority with respect to portfolio securities. Each sub-advisor is responsible for the following:

- A. Adopting and implementing written policies and procedures reasonably designed to ensure that the sub-advisor votes portfolio securities in the best interest of investors of the Funds holding those portfolio securities and which include procedures for addressing material conflicts that may arise between on one hand, the interest of the investors of the Funds, and on the other hand, the interest of the Funds’ manager, investment advisor; principal distributor; or any affiliated person of the Funds, its investment advisor; its manager or its principal distributor;
- B. Adopting and implementing written policies and procedures reasonably designed to ensure compliance with NI 81-106, including but not limited to:
 - a. A standing policy for dealing with routine matters on which the sub-advisor may vote;
 - b. The circumstances under which the sub-advisor will deviate from the standing policy for routine matters;
 - c. The policies under which, and the procedures by which, the sub-advisor will determine how to vote or refrain from voting on non-routine matters; and
 - d. Procedures to ensure that portfolio securities held by the sub-advisor are voted in accordance with the instructions of the sub-advisor.

- C. Providing Elliott & Page with a copy and a description of the sub-advisor's proxy voting procedures and any amendment or revisions to those procedures or the description;
- D. Providing the Company with a written record of how the sub-advisor exercised votes with respect to portfolio securities in accordance with instructions provided by the Company; and
- E. Providing an annual report regarding proxy voting according to instructions provided by the Company.

Recordkeeping

Each sub-advisor shall maintain the records relating to proxy voting identified below for a period of not less than seven years from the end of the fiscal year during which the last entry was made on the record. For the first two years of that period, the records shall be maintained in an appropriate and easily accessible office. These records include:

1. The sub-advisor's proxy voting policies and procedures (and any amendments or revisions);
2. Proxy statements that the sub-advisor receives regarding portfolio securities;
3. The name of the issuer;
4. The exchange ticker symbol of the portfolio securities, unless not readily available to the investment fund;
5. The CUSIP number for the portfolio securities;
6. The meeting date;
7. A brief identification of the matter or matters to be voted on at the meeting;
8. Whether the matter or matters voted on were proposed by the issuer, its management or another person or company;
9. Whether the investment fund voted on the matter or matters;
10. If applicable, how the investment fund voted on the matter or matters;
11. Whether votes cast by the investment fund were for or against the recommendations of management of the issuer; and
12. Any document prepared by the sub-advisor that was material to making a decision on how to vote with respect to portfolio securities, or that memorialized a decision to vote.

The Company shall maintain its own proxy voting policies and procedures (and any amendments or revisions) on a similar basis.

The Company shall maintain a record of the proxy voting record of each Fund on the Company's website at www.manulife.ca/investments.

Disclosures

The Company will be responsible for making the following disclosures:

- A. **Description of Proxy Voting Policies and Procedures in Registration Statements:** All annual information forms, and amendments to annual

information forms, filed on or after July 1, 2005, will include a copy of, or a description of, the Elliott & Page Proxy Voting policy and the proxy voting policies of all sub-advisors.

- B. **Availability of Description of Policies and Procedures:** All investors in the Funds may obtain a copy of a description of the Company's proxy voting policies and procedures in the annual information form by the following methods:
- a. Upon request and without charge, by calling a specified toll free (or collect) telephone number, or
 - b. On the Company website at <http://www.manulife.ca/investments>.
- C. **Availability of Fund's Proxy Voting Record:** All annual information forms, and amendments to annual information forms, filed on or after August 31, 2005, will disclose that an investor may obtain a copy of the Fund's actual proxy voting record by the following methods:
- a. Upon request and without charge, by calling a specified toll free (or collect) telephone number, or
 - b. On the Company website at <http://www.manulife.ca/investments>.
- D. **Telephone Requests:** If the Company receives a telephone request for information as provided in Parts B or C, the Company will respond to the request within three business days of receipt of the request, by first class mail or other means designed to ensure equally prompt delivery.

Annual Report on Proxy Voting

The Company will prepare a summary report regarding the proxy voting policies and procedures and proxy voting activity with respect to portfolio securities held in the Funds for presentation to and consideration by the directors of the Company on an annual basis for the period ending on June 30 of each year. It will be posted to the website no later than August 31 of each year. The sub-advisors to the Funds will provide information reasonably requested by the Company for this annual report, including but not limited to:

1. The name of the issuer;
2. The exchange ticker symbol of the portfolio securities, unless not readily available to the investment fund;
3. The CUSIP number for the portfolio securities;
4. The meeting date;
5. A brief identification of the matter or matters to be voted on at the meeting;
6. Whether the matter or matters voted on were proposed by the issuer, its management or another person or company;
7. Whether the Funds voted on the matter or matters;
8. If applicable, how the Funds voted on the matter or matters; and
9. Whether votes cast by the Fund were for or against the recommendations of management of the issuer.

Securities on Loan

The Funds participate in a securities lending program. Nothing in this Policy should be interpreted as requiring the Company or a sub-advisor to a Fund to exercise voting authority with respect to a portfolio security that is out on loan on a proxy record date. In the event that the issue is material a decision may be made to recall a security for voting purposes.

Share Blocking

If required, the Company or a sub-advisor to a Fund may determine that the value of voting is outweighed by the cost of not being able to transact shares during the blocking period. In such a situation the Company or a sub-advisor may abstain from voting those shares.

Proxy Voting Committees

The Company will establish both a Fund Management Proxy Voting Committee (the “Fund Committee”) to consider matters related to the Company’s proxy voting role as Trustee and/or Manager of the Funds, as well as an Management Advisory Proxy Voting Committee (the “Advisory Committee”) to consider matters related to the Company’s proxy voting role as portfolio manager and investment advisor to institutional clients. Both the Fund Committee and the Advisory Committee will be formed by the Legal and Compliance Department. Members of one committee may, but will not necessarily, sit on the other committee. Joint sessions will be held where the need arises.

The Fund Committee will be responsible for evaluating and maintaining proxy voting procedures and guidelines, evaluating the proxy voting procedures and guidelines of our sub-advisors, evaluating proposals and issues not covered by these guidelines and considering changes in policy. The Fund Committee may also meet on an ad hoc basis to address special situations. The Fund Committee may consult sub-advisors, corporate reports, internal and third party research, proxy services (i.e. ISS) for recommendations or advice for voting, presentations of other investor parties, and published media reports.

The role of the Advisory Committee is described in Part B.

In addition, in accordance with National Instrument 81-107, the Company has established an Independent Review Committee (“IRC”) to consider conflict of interest matters that may arise from time to time as outlined above.

The Legal and Compliance department may form other proxy committees to consider particular issues relating to particular votes, Funds, Pooled Funds or any other aspect of his Policy from time to time.

Conflicts of Interest

A conflict of interest may arise when the Company or a sub-advisor to a Fund votes a proxy solicited by an issuer with whom the Company and/or the sub-advisor has a material business or personal relationship that may affect the vote (i.e. Manulife Financial Corporation, Seamark Asset Management, etc). In particular, a conflict of interest is a situation where a reasonable person would consider a manager, or an entity related to the manager, to have an interest that may conflict with the manager's ability to act in good faith and in the best interests of the investment fund. Anyone who becomes aware of a potential conflict shall notify the Legal and Compliance department. To avoid conflicts of interest the Company and any sub-advisor will adhere to the following procedures and applicable standing instructions issued by the IRC:

A. Adherence to Stated Proxy Voting Policies

All votes will be cast according to this written policy (including, without limiting the foregoing in accordance with the Routine Vote Policy set out in appendix A, as amended from time to time), in the best interests of the clients. If votes are cast otherwise, they will be documented and explained.

B. Disclosure of Conflicts

Anyone involved in the decision-making process must disclose any potential conflict that they are aware of. Vote recommendations must be made solely on merits and in accordance with IRC standing instructions without any other considerations.

C. Potential Conflicts

The Company shall establish procedures to identify material relationships that could result in potential conflicts.

D. Review of Proposed Votes

When a possible conflict of interest is encountered it will be reviewed using the following process:

- i The Manager will determine whether a conflict of interest does in fact exist.
- ii Where the Manager has identified a conflict of interest relevant to an 81-107 Fund offered by E&P, the E&P IRC will be notified forthwith in the event IRC standing instructions are not applicable and therefore may not be followed.

In addition to the IMS annual survey of the sub-advisors with respect to their policies and procedures, Compliance will continue assessing sub-advisor's policies for addressing conflicts of interests from time to time to ensure that they offer substantially similar protection.

Proxy Voting Guidelines Principles

Board of Directors

We believe good corporate governance evolves from an independent board.

Selection of Auditors

We believe an independent audit committee can best determine an auditor's qualifications.

Corporate Structure and Shareholder Rights

In general, we support proposals that foster good corporate governance procedures and that provide shareholders with voting power equal to their equity interest in the company.

Equity-based compensation

Equity-based compensation is designed to attract, retain and motivate talented executives and independent directors, but should not be so significant as to materially dilute shareholders' interests.

Corporate and social policy issues

We believe that "ordinary business matters" are primarily the responsibility of management and should be approved solely by the corporation's board of directors.

Schedule A

A. List of Related Issuers¹

- (a) Manulife Financial Corporation (“MFC”).
 - (b) Special Trust Securities of Manulife Financial Capital Trust (“MAC Trust”);
 - (c) John Hancock Canadian Corporation,
 - (d) Manulife Finance (Delaware), L.P.,
 - (e) E&P manages a family of pooled funds (the “E&P Pooled Funds”)
 - (f) E&P manages a family of mutual funds (the “E&P Mutual Funds”)
 - (g) Seamark Asset Management Ltd. (“Seamark”),
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B. List of Connected Issuers

- (a) Canaccord Capital Inc. (“Canaccord”).
- (b) NAL Oil and Gas Trust (“NAL”),

¹ This list is accurate as of Jan 1, 2007

PART B - ADVISORY POLICIES

MFC Global (Canada) Investment Management (Canada), (“MFC Global (Canada)”), the institutional investment management division of the Company, manages money on behalf of, or provides investment advice to, many clients, including mutual funds, segregated portfolios and pension funds. MFC Global (Canada) acts as the portfolio advisor to the Funds and will abide by the principles described in Part B of this policy with respect to those Funds for which it carries out proxy voting responsibilities. For the purposes of this policy, all references to sub-advisors of Funds or Pooled Funds in Part A should be understood to include MFC Global (Canada).

GENERAL STANDARDS

A proxy vote should be cast on behalf of each client holding the security in question. The decision on how to vote is made by the responsible Portfolio Manager, or another person or persons to whom such responsibility has been delegated by the Portfolio Manager, on behalf of the client. Such a person may include a proxy voting service. See “Proxy Services” below.

When voting proxies, the following standards apply:

1. The Portfolio Manager will vote based on what they believe to be in the best interest of the client and in accordance with the client’s investment guidelines.
2. Each voting decision should be made independently. The Portfolio Manager may enlist the services of reputable professionals and/or proxy evaluation services, such as Institutional Shareholder Services (“ISS”) (see “Proxy Service” below), whether inside or outside the organization, to assist with the analysis of voting issues and/or to carry out the actual voting process. However, the ultimate decision as to how to cast a vote will always rest with the Portfolio Manager.
3. Investment guidelines/contracts should outline how voting matters will be treated, and clients should be notified of voting procedures from time to time in accordance with any applicable legislative requirements. MFC Global (Canada) will generally establish policies as to how Portfolio Managers will vote on certain routine matters (“Routine Vote Policy”). The establishment of such policies will be delegated to the Advisory Committee. Refer to the Routine Vote Policy in Appendix A.
4. Any Routine Vote Policy adopted by the Advisory Committee (as defined below) shall be deemed to form a part of this Policy from time to time, and a copy of such policy, and any material amendment to such policy from time to time, shall be presented at the next meeting of the Board of Directors of the Company.

5. The Advisory Committee may adopt the Routine Vote Policy in accordance with the recommendations of a proxy evaluation service, subject to reviewing such recommendations on annual basis to ensure their appropriateness from time to time.
6. A Portfolio Manager may cast votes that differ from the Routine Vote Policy if (i) requested by a client, or (ii) the Portfolio Manager believes this to be in the best interests of the client given the particular circumstances of the vote. In either case, the Portfolio Manager must consult the Managing Director, Equities, or his delegatee, prior to casting the vote, and must document the reasons for the decision.
7. Subject to a client's instructions from time to time, while MFC Global (Canada) will generally not refrain from voting on routine or non-routine matters, there may be infrequent occasions when a proxy is not voted, due to lack of adequate information, untimely receipt of proxy materials or a material conflict of interest (see "Conflict Procedures" in Part A).
8. As a general principle, voting should be consistent among portfolios having the same mandates, subject to the client's preferences and the Conflict Procedures.

MFC Global (Canada) will reasonably consider specific voting instruction requests made to it by clients.

PROXY SERVICES

Each Portfolio Manager is responsible for the voting of securities in portfolios managed by them. In order to assist in voting securities, MFC Global (Canada) may from time to time delegate certain proxy advisory and voting administration responsibilities to a third party proxy service provider.

MFC Global (Canada) has currently delegated certain duties to ISS. ISS specializes in the proxy voting and corporate governance area and provides a variety of proxy advisory and voting administration services. These services include in-depth research, analysis, and voting recommendations as well as vote execution, reporting, auditing and consulting assistance. The Advisory Committee has reviewed the proxy voting policies of ISS and is satisfied with them.

While each Portfolio Manager may rely on ISS's research and recommendations in casting votes, each Portfolio Manager may deviate from any recommendation provided from ISS on general policy issues or specific proxy proposals in accordance with any MFC Global (Canada) proxy policies and procedures that may be in effect from time to time.

MFC Global (Canada) may retain other proxy voting services in place of, or in addition to, ISS from time to time without further notice to clients.

ADVISORY COMMITTEE

The Advisory Committee shall be formed by the Legal and Investment Compliance Department in consultation with the Managing Director of Equities from time to time in order to review the quality and effectiveness of the various services provided by ISS on not less than an annual basis. This will include a review by MFC Global (Canada) staff of a sampling of votes cast for particular securities, and for all securities in a particular portfolio or portfolios, in order to ensure that all securities are being voted in accordance with the directions of the Portfolio Managers. Members of the Advisory Committee should also in their discretion meet with ISS to discuss any issues relating to the provision of such services.

The Advisory Committee may also have such other duties as are delegated to it from time to time.

CONFLICTS OF INTEREST

The policies and procedures contained in Part A “Conflicts of Interest” are applicable to MFC Global (Canada) with respect to its advisory activities, and shall be administered by the Advisory Committee.

RECORDKEEPING

MFC Global (Canada) will fulfill the sub-advisor requirement contained in Part A “Recordkeeping.”, with respect to any (i) Funds, or (ii) mutual funds or Pooled Funds which are advised by it which are subject to NI 81-106., for which it carries out proxy voting responsibilities.

With respect to any other Pooled Funds, MFC Global (Canada) shall keep the records set out in Part A and, subject to Applicable Law and the requirements of the client shall make records available as determined by the Advisory Committee.

OUR GUIDELINES

The Advisory Committee will vote proxies with reference to the guidelines provided in Appendix A: “Routine Vote Policy.” Particular votes will be driven by the particular circumstances of each client account, taking into consideration that relevant facts and circumstances at the time may differ from the guidelines. The guidelines will address the following corporate matters and will be provided to the directors from time to time for their review:

- 1. Election of directors;**

- 2. Appointment of auditors and reporting of results;**
- 3. Changes in capital structure, articles of incorporation or by-laws;**
- 4. Corporate restructure, mergers or acquisitions;**
- 5. Proposals affecting shareholders rights;**
- 6. Corporate governance;**
- 7. Anti-takeover measures;**
- 8. Executive compensation;**
- 9. Director liability and indemnification; and**
- 10. Social, environmental and corporate responsibility.**

Further details are included in Appendix A. From time to time particular votes may be made on a case-by-case basis, taking into consideration relevant facts and circumstances at the time.

Appendix A

Routine Vote Policy

The following policies for voting on routine matters have been adopted by the proxy committee of MFC Global (Canada) effective May 11, 2005. These policies are based upon a review of the standard policies currently adopted by ISS, the proxy service provider to MFC Global (Canada), effective as of that date in respect of the matters listed. Currently, MFC Global (Canada) has retained ISS to provide proxy voting services, including vote recommendations, from time to time and therefore may rely on ISS to perform all of the review and analysis referred to in such policies. Such policies also may be qualified by any more thorough policies on specific issues adopted by ISS from time to time. Such policies may change at any time, whether based upon a change in ISS policies or otherwise, without notice to the client.

1. ELECTION OF DIRECTORS

a) **Director Elections**

Vote FOR management nominees in the election of directors, unless:

- Adequate disclosure has not been provided in a timely manner;
- There are clear concerns over questionable finances or restatements;
- There have been questionable transactions with conflicts of interest;
- There are any records of abuses against minority shareholder interests; and
- The board fails to meet minimum corporate governance standards.

Vote FOR individual nominees unless there are specific concerns about the individual, such as criminal wrongdoing or breach of fiduciary responsibilities.

Vote AGAINST shareholder nominees unless they demonstrate a clear ability to contribute positively to board deliberations.

Vote AGAINST individual directors if repeated absences at board meetings have not been explained (in countries where this information is disclosed).

Vote AGAINST labor representatives if they sit on either the audit or compensation committee, as they are not required to be on those committees.

b) **Board Structure**

Vote FOR proposals to fix board size.

Vote AGAINST the introduction of classified boards and mandatory retirement ages for directors.

Vote AGAINST proposals to alter board structure or size in the context of a fight for control of the company or the board.

c) Discharge of Board and Management

Vote FOR discharge of the board and management, unless:

- there are serious questions about actions of the board or management for the year in question; or
- legal action is being taken against the board by other shareholders.

Vote AGAINST proposals to remove approval of discharge of board and management from the agenda.

2. APPOINTMENT OF AUDITORS AND REPORTING OF RESULTS

a) Financial Results/Director and Auditor Reports

Vote FOR approval of financial statements and director and auditor reports, unless:

- there are concerns about the accounts presented or audit procedures used; or
- the company is not responsive to shareholder questions about specific items that should be publicly disclosed.

b) Appointment of Auditors and Auditor Compensation

Vote FOR the reelection of auditors and proposals authorizing the board to fix auditor fees, unless:

- there are serious concerns about the accounts presented or the audit procedures used;
- the auditors are being changed without explanation; or
- non audit-related fees are substantial or are routinely in excess of standard annual audit fees.

Vote AGAINST the appointment of external auditors if they have previously served the company in an executive capacity or can otherwise be considered affiliated with the company.

ABSTAIN if a company changes its auditor and fails to provide shareholders with an explanation for the change.

c) Appointment of Internal Statutory Auditors

Vote FOR the appointment or reelection of statutory auditors, unless:

- there are serious concerns about the statutory reports presented or the audit procedures used;
- questions exist concerning any of the statutory auditors being appointed; or

- the auditors have previously served the company in an executive capacity or can otherwise be considered affiliated with the company.

3. CHANGES IN CAPITAL STRUCTURE, ARTICLES OF INCORPORATION OR BY-LAWS

a) Increases in Authorized Capital

Vote FOR nonspecific proposals to increase authorized capital up to 100 percent over the current authorization, unless the increase would leave the company with less than 30 percent of its new authorization outstanding.

Vote FOR specific proposals to increase authorized capital to any amount, unless:

- the specific purpose of the increase (such as a share-based acquisition or merger) does not meet ISS guidelines for the purpose being proposed; or
- the increase would leave the company with less than 30 percent of its new authorization outstanding after adjusting for all proposed issuances.

Vote AGAINST proposals to adopt unlimited capital authorizations.

b) Reduction of Capital

Vote FOR proposals to reduce capital for routine accounting purposes, unless the terms are unfavorable to shareholders.

Vote proposals to reduce capital in connection with corporate restructuring on a CASE-BY-CASE basis.

c) Capital Structures

Vote FOR resolutions that seek to maintain or convert to a one share, one vote capital structure.

Vote AGAINST requests for the creation or continuation of dual class capital structures or the creation of new or additional supervoting shares.

d) Amendments to Articles of Association

Vote amendments to the articles of association on a CASE-BY-CASE basis.

e) Change in Company Fiscal Term

Vote FOR resolutions to change a company's fiscal term, unless a company's motivation for the change is to postpone its AGM.

f) Lower Disclosure Threshold for Stock Ownership

Vote AGAINST resolutions to lower the stock ownership disclosure threshold below five percent unless specific reasons exist to implement a lower threshold.

g) Amend Quorum Requirements

Vote proposals to amend quorum requirements for shareholder meetings on a CASE-BY-CASE basis.

h) Debt Issuance Requests

Vote nonconvertible debt issuance requests on a CASE-BY-CASE basis, with or without preemptive rights.

Vote FOR the creation/issuance of convertible debt instruments as long as the maximum number of common shares that could be issued upon conversion meets ISS's guidelines on equity issuance requests.

Vote FOR proposals to restructure existing debt arrangements, unless the terms of the restructuring would adversely affect the rights of shareholders.

i) Pledging of Assets for Debt

Vote proposals to approve the pledging of assets for debt on a CASE-BY-CASE basis.

j) Increase in Borrowing Powers

Vote proposals to approve increases in a company's borrowing powers on a CASE-BY-CASE basis.

4. CORPORATE RESTRUCTURING, MERGERS OR ACQUISITIONS, STOCK TRANSACTIONS

a) Reorganizations/Restructurings

Vote reorganizations and restructurings on a CASE-BY-CASE basis.

b) Mergers and Acquisitions

Vote FOR mergers and acquisitions, unless:

- the impact on earnings or voting rights for one class of shareholders is disproportionate to the relative contributions of the group; or
- the company's structure following the acquisition or merger does not reflect good corporate governance.

Vote AGAINST if the companies do not provide sufficient information upon request to make an informed voting decision.

ABSTAIN if there is insufficient information available to make an informed voting decision.

Re-incorporation Proposals

Vote reincorporation proposals on a CASE-BY-CASE basis.

c) Share Issuance Requests

General Issuances:

Vote FOR issuance requests with preemptive rights to a maximum of 100 percent over currently issued capital.

Vote FOR issuance requests without preemptive rights to a maximum of 20 percent of currently issued capital.

Specific Issuances:

Vote on a CASE-BY-CASE basis on all requests, with or without preemptive rights.

d) Preferred Stock

Vote FOR the creation of a new class of preferred stock or for issuances of preferred stock up to 50 percent of issued capital unless the terms of the preferred stock would adversely affect the rights of existing shareholders.

Vote FOR the creation/issuance of convertible preferred stock as long as the maximum number of common shares that could be issued upon conversion meets guidelines on equity issuance requests.

Vote AGAINST the creation of a new class of preference shares that would carry superior voting rights to the common shares.

Vote AGAINST the creation of blank check preferred stock unless the board clearly states that the authorization will not be used to thwart a takeover bid.

Vote proposals to increase blank check preferred authorizations on a CASE-BY-CASE basis.

e) Expansion of Business Activities

Vote FOR resolutions to expand business activities, unless the new business takes the company into risky areas.

f) Related-Party Transactions

Vote related-party transactions on a CASE-BY-CASE basis.

5. PROPOSALS AFFECTING SHAREHOLDERS RIGHTS

a) Shareholder Proposals

Vote all shareholder proposals on a CASE-BY-CASE basis.

Vote FOR proposals that would improve the company's corporate governance or business profile at a reasonable cost.

Vote AGAINST proposals that limit the company's business activities or capabilities or result in significant costs being incurred with little or no benefit.

b) Share Repurchase Plans

Vote FOR share repurchase plans, unless: clear evidence of past abuse of the authority is available; or the plan contains no safeguards against selective buybacks.

c) Re-issuance of Shares Repurchased

Vote FOR requests to reissue any repurchased shares unless there is clear evidence of abuse of this authority in the past.

d) Capitalization of Reserves for Bonus Issues/Increase In Par Value

Vote FOR requests to capitalize reserves for bonus issues of shares or to increase par value.

6. CORPORATE GOVERNANCE

Vote FOR proposals to promote transparency and accountability - equal access to proxies, a majority of independent directors,

Vote FOR proposals to separating positions of chairman and CEO – case-by-case depending on whether a company has structures in place to counterbalance the combined position - presence of a lead director, board and committee independence, governance guidelines, company performance, review of CEO pay

Vote FOR proposals to support confidential voting, independent vote tabulators, independent inspectors of elections, equal access to proxy

Vote AGAINST proposals to oppose cumulative voting proposals that give disproportionate voice to minority shareholders

7. ANTI-TAKEOVER MEASURES

a) Anti-takeover Mechanisms

Vote AGAINST all antitakeover proposals unless they are structured in such a way that they give shareholders the ultimate decision on any proposal or offer.

b) Mandatory Takeover Bid Waivers

Vote proposals to waive mandatory takeover bid requirements on a CASE-BY-CASE basis.

8. EXECUTIVE COMPENSATION

a) Director Compensation

Vote FOR proposals to award cash fees to nonexecutive directors unless the amounts are excessive relative to other companies in the country or industry.

Vote nonexecutive director compensation proposals that include both cash and share-based components on a CASE-BY-CASE basis.

Vote proposals that bundle compensation for both nonexecutive and executive directors into a single resolution on a CASE-BY-CASE basis.

Vote AGAINST proposals to introduce retirement benefits for nonexecutive directors.

b) Compensation Plans

Vote compensation plans on a CASE-BY-CASE basis.

9. DIRECTOR LIABILITY AND INDEMNIFICATION

a) Director, Officer, and Auditor Indemnification and Liability Provisions

Vote proposals seeking indemnification and liability protection for directors and officers on a CASE-BY-CASE basis.

Vote AGAINST proposals to indemnify auditors.

10. SOCIAL, ENVIRONMENTAL AND CORPORATE RESPONSIBILITY

a) Social /Environmental /Political issues

Vote all social, environmental and political issues on a CASE-BY-CASE basis.

SCHEDULE "B"

Procedures for Proxy Voting

Roles and Responsibilities

Investment Compliance

- Completes periodic reviews of procedures performed by the Portfolio Manager of proxy voting activity to ensure compliance with any relevant policies, procedures, Independent Review Committee (“IRC”) Standing Instructions and with National Instrument 81-106 – *Investment Fund Continuous Disclosure*.
- Provides the IRC of Elliott & Page Limited (“E&P”) with notice and applicable certifications with respect to each instance it relied upon IRC Standing Instructions.

Chief Compliance Officer (“CCO”)

- Monitors and reports on business unit compliance with applicable investment policies, including those relating to its fiduciary duties.
- Reviews the extent to which the business unit compliance functions are effectively operating.
- Perform annual policy review to ensure compliance with legislative changes and administrative practices.

Portfolio Manager

- The Portfolio Manager will vote proxies based on what they believe to be in the best interest of the client and in accordance with the client’s investment policy statement.

Documentation

1. Documentation should demonstrate that the proxies were voted in the best interest of the client, evidence of which must remain on file at the business unit
2. The Portfolio Manager and Compliance Officer are to document each instance that it acted in reliance on IRC Standing Instructions.
3. The documentation referred to in item 2 above should attest that the action taken by the Portfolio Manager:
 - i) was proposed by the portfolio manager free from any influence by an entity related to the portfolio manager and without taking into account any consideration relevant to an entity related to MFC Global Investment (Canada) (hereinafter referred to as “MFC Global(Canada)”);
 - ii) represented the business judgment of the Portfolio Manager (or sub-advisor, as applicable) uninfluenced by considerations other than the best interests of the investment fund;
 - iii) was in compliance with MFC Global (Canada)’s written policies and procedures relating to the action, National Instrument 81-106 and any applicable IRC Standing Instructions; and
 - iv) achieved a fair and reasonable result for the investment fund;

4. The Record must be retained for 7 full calendar years, of which the most recent 2 years must be held in a reasonably accessible location in accordance with securities legislation.
5. Sub-advisors to file with E&P through Manager of Compliance, Mutual Funds or Investment Management Services ("IMS"), at least annually, their policies and procedures on cross trades.

E&P Board Reporting

Investment Compliance performs a quarterly review of proxies voted and provides a quarterly report on compliance with these Policies and Procedures to the E&P Board.

IRC Reporting

The relevant Portfolio Manager and Investment Compliance document compliance with IRC Standing Instructions. This documentation includes the quarterly certification of compliance with this Policy, NI 81-106 and IRC Standing Instructions.



SCHEDULE “C”

**QUARTERLY CERTIFICATE OF ELLIOTT & PAGE LIMITED FOR
PROXY VOTING**

To: Independent Review Committee of the Manulife Mutual Funds
From: Elliott & Page Limited

With reference to a Standing Instruction dated November 1, 2007 from the Independent Review Committee (the “IRC”) of the Manulife Mutual Funds (the “Funds”) delivered to Elliott & Page Limited (“E&P”), the manager and primary portfolio advisor of the mutual funds described therein, each of the undersigned hereby certify on behalf of E&P as follows:

1. E&P is the manager and primary portfolio advisor of each of the Funds listed in Appendix “A” hereto;
2. During the year ended ended [month, day, year], E&P, as portfolio advisor, or other companies as portfolio sub-advisor(s), exercised voting rights attaching to the securities held by the Funds on behalf of the securityholders of the Funds, as summarized in Appendix “B” attached;
3. The decisions referred to in item 2 were made pursuant to and in compliance with the provisions of the Standing Instruction referenced above, National Instrument 81-106, E&P’s Proxy Voting Policy and E&P’s Proxy Voting Procedures.

ELLIOTT & PAGE LIMITED

By: Clive Anderson
Title: **General Counsel and Secretary**
Date:



APPENDIX "A"



APPENDIX “B”
