

**MANULIFE DIVERSIFIED INCOME PORTFOLIO
(FORMERLY MANULIFE SIMPLICITY INCOME PORTFOLIO)
ADVISOR SERIES**

March 16, 2012

This document contains key information you should know about the Manulife Diversified Income Portfolio (formerly Manulife Simplicity Income Portfolio) (the "Fund"). You can find more detailed information in the Fund's Simplified Prospectus. Ask your advisor for a copy, contact Manulife Mutual Funds (the "Manager"), a division of Manulife Asset Management Limited, at 1 888 588 7999, manulifemutualfunds@manulife.com, or visit manulifemutualfunds.ca.

QUICK FACTS
Date Fund Created: November 28, 2005

Total Fund Value on February 29, 2012: \$465,845,875

Management Expense Ratio (MER): 2.39%

Portfolio Manager: Manulife Asset Management Limited, Manulife Asset Management (US) LLC (sub-advisor)

Distributions: Monthly at month end

Minimum Investment: \$500 initial, \$25 subsequent

WHAT DOES THE FUND INVEST IN?

The Fund invests its assets in other mutual funds, focusing on fixed income and income generating Canadian equity funds. The Fund may also invest in foreign equity funds.

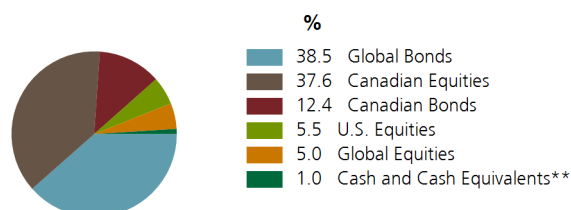
The charts below give you a snapshot of the Fund's investments on February 29, 2012. The Fund's investments will change.

Top 10 Investments as of February 29, 2012

1. [Manulife Canadian Bond Plus Fund](#)
2. [Manulife Corporate Bond Fund](#)
3. [Manulife Canadian Universe Bond Fund](#)
4. [Bissett Canadian High Dividend Fund](#)
5. [Manulife Dividend Fund](#)
6. [Manulife Canadian Equity Index Fund](#)
7. [Manulife Strategic Income Fund](#)
8. [Templeton Global Bond Fund](#)
9. [Manulife Canadian Equity Fund](#)
10. [Manulife Canadian Equity Value Fund](#)

Total Investments: 18

The top 10 investments make up 85.9% of the Fund.

Investment mix as of February 29, 2012


**Cash and cash equivalents, for the purpose of this chart, includes money market funds (if any) and other assets less liabilities.

HOW HAS THE FUND PERFORMED?

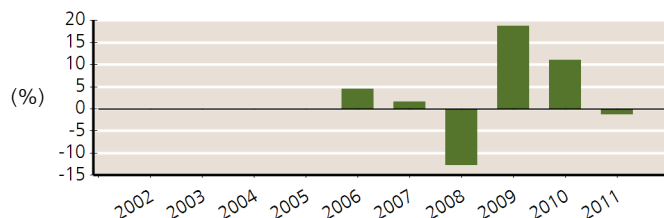
This section tells you how the Fund has performed over the past 6 years. Returns are after expenses have been deducted. These expenses reduce the Fund's returns. It's important to note that this doesn't tell you how the Fund will perform in the future. Also, your actual after-tax return will depend on your personal tax situation and any other fees you pay.

Average return

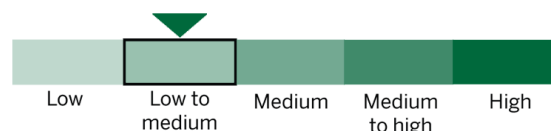
A person who invested \$1,000 in the Fund on November 28, 2005 would have had \$1,267 on February 29, 2012. This works out to an annual compound return of 3.86%.

Year-by-year returns

This chart shows the Fund's annual performance for each of the years shown. The Fund dropped in value in two of six years.


HOW RISKY IS IT?

When you invest in a fund, the value of your investment can go down as well as up. Manulife Mutual Funds has rated this Fund's risk as low to medium. For a description of the specific risks of the Fund, see the Fund's Simplified Prospectus.



ARE THERE ANY GUARANTEES?

Like most mutual funds, this Fund doesn't have any guarantees. You may not get back the money you invest.

WHO IS THIS FUND FOR?

This Fund is suitable for investors who:

- Are looking for consistent distributions
- Are looking for a simple and easy way to diversify their investments
- Prefer a low to medium level of investment risk
- Are investing for the medium to long term – 3 to 5 years

Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.

A WORD ABOUT TAX

In general, you pay income tax on your share of the Fund's taxable earnings distributed to you and on any gains you realize from redeeming your investment. The amount of tax depends on the tax rules and rates that apply to you, and whether you hold the Fund in a registered plan, such as a Registered Retirement Savings Plan or Tax-Free Savings Account (TFSA).

If you hold the Fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested. We send a tax slip or statement that shows your share of the Fund's earnings distributed; however, you must calculate your gains on redemption.

HOW MUCH DOES IT COST?

The following tables show the fees and expenses you could pay to buy, own and sell Advisor Series securities of the Fund. The Fund has other series of securities, each of which has different fees and expenses. Ask your advisor about other series that may be suitable for you.

Sales charges

You have to choose a sales charge option when you buy the Fund. Ask about the pros and cons of each option.

SALES CHARGE OPTION	WHAT YOU PAY		HOW IT WORKS
	IN PERCENT (%)	IN DOLLARS (\$)	
Front-end sales charge	0 to 5 of the amount you buy	0 to 50 on every 1,000 you buy	You and your advisor decide on the rate. The front-end sales charge is deducted from the amount paid at the time you buy. It goes to your investment firm as a commission.
Deferred sales charge (standard option)	If you sell within: 1 year of buying: 6.0 2 years of buying: 5.5 3 years of buying: 5.0 4 years of buying: 4.5 5 years of buying: 4.0 6 years of buying: 3.5 After 6 years: nothing	0 to 60 on every 1,000 you sell	<ul style="list-style-type: none"> ■ The deferred sales charge is a set rate. It is a percentage of the original purchase price. It is deducted from the amount you receive at the time you sell ■ When you buy the Fund, Manulife Mutual Funds pays your investment firm a commission of 5.0% based on the amount you paid. Any deferred sales charge you pay goes to Manulife Mutual Funds ■ You can sell up to 10% of your securities each year without paying a deferred sales charge ■ You can switch to the same series of another fund we offer without paying a deferred sales charge. Instead, the existing deferred sales charge schedule will continue with your new fund

SALES CHARGE OPTION	WHAT YOU PAY		HOW IT WORKS
	IN PERCENT (%)	IN DOLLARS (\$)	
Deferred sales charge (Low load option)	If you sell within: 1 year of buying: 3.0 2 years of buying: 3.0 3 years of buying: 3.0 After 3 years: nothing	0 to 30 on every 1,000 you sell	<ul style="list-style-type: none"> The low load sales charge is a set rate. It is a percentage of the original cost of your investment. It is deducted from the amount you receive at the time you sell When you buy the Fund, Manulife Mutual Funds pays your investment firm a commission of 2.00% based on the amount you paid. Any low load sales charge you pay goes to Manulife Mutual Funds You can switch to the same series of another fund we offer without paying a low load sales charge. Instead, the existing low load sales charge schedule will continue with your new fund

Fund expenses

You don't pay these expenses directly. They affect you because they reduce the returns of this series of the Fund. As of June 30, 2011, the Fund's expenses were 2.45% of its value. This equals \$24.50 for every \$1,000 invested.

	ANNUAL RATE (as a % of the Fund's Value)
Management expense ratio (MER) This is the total of the Fund's management fee and operating expenses. Manulife Mutual Funds waived some of the Fund's expenses. If it had not done so, the MER would have been higher.	2.39
Trading expense ratio (TER) These are the Fund's trading costs.	0.06
Fund expense (MER + TER)	2.45

Trailing commission

Manulife Mutual Funds pays your investment firm a trailing commission for as long as you own the Fund. It is for the services and advice your investment firm provides to you. Investment firms may pay part of the trailing commission to your advisor.

The trailing commission is paid out of the management fee. The rate depends on the sales charge option you choose:

- Front-end sales charge**
 Up to 0.85% of the value of your investment each year. This equals \$8.50 each year for every \$1,000 invested
- Standard deferred sales charge**
 Up to 0.50% of the value of your investment each year. This equals \$5 each year for \$1,000 invested
- Low load deferred sales charge**
 Up to 0.75% of the value of your investment each year. This equals \$7.50 each year for \$1,000 invested

Other Fees

You may have to pay other fees when you hold securities of the Fund, or when you sell or switch securities of the Fund.

FEE	WHAT YOU PAY
Short-term trading fee	2.0% of the value of securities you sell or switch within 90 days of buying them. This fee goes to the Fund.
Switch fee	Your investment firm may charge you up to 2.0% of the value of securities you switch to another fund.

WHAT IF I CHANGE MY MIND?

Under securities law in some provinces and territories, you have the right to:

- Withdraw from an agreement to buy mutual fund securities within two business days after you receive a Simplified Prospectus, or
- Cancel your purchase order within 48 hours after you receive confirmation of the purchase

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the Simplified Prospectus, Annual Information Form or Financial Statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

FOR MORE INFORMATION

For more information, please contact Manulife Mutual Funds or your advisor for a copy of the Fund's Simplified Prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

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
manlifemutualfunds@manulife.com
manlifemutualfunds.ca