

**NOTICE OF SETTLEMENT APPROVAL IN THE MANULIFE FINANCIAL CORPORATION (“MFC”) SECURITIES CLASS ACTIONS**

This notice is directed to:

- all persons and entities, wherever they may reside or be domiciled, who acquired MFC common shares over the TSX, or under a prospectus filed with a Canadian securities regulator at any time between April 1, 2004 and February 12, 2009, inclusive (the “**Ontario Class Period**”), and continued to hold the common shares at least until February 12, 2009; but excluding the below:

(1) the Defendants, members of the immediate families of the Individual Defendants, any officers or directors of MFC or of any direct or indirect subsidiary of MFC, any entity in respect of which any such person or entity has a controlling interest, and any legal representatives, heirs, successors or assigns of any such person or entity; and

(2) all persons and entities resident or domiciled in the Province of Québec who are not precluded from participating in a class action by virtue of Article 999 of the Québec Code of Civil Procedure, R.S.Q., c. C-25, and who did not opt out of the proposed class action pending in the Québec Superior Court and styled *Comité Syndical National de Retraite Bâtirente Inc. v. Société Financière Manuvie* (Court File No.: 200-06-000117-096)

(the “**Ontario Class Members**”)

- all residents of Québec, except legal persons established for a private interest, partnerships or associations which, at all times during the twelve (12) month period preceding the motion for authorization, had more than fifty (50) persons bound to it by contract of employment under their direction or control, which, in the period between January 26, 2004 and February 12, 2009 (the “**Québec Class Period**”), bought or otherwise acquired shares or other securities of Manulife Financial Corporation and held them through February 12, 2009 (the “**Québec Class Members**”).

**READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS. YOU MAY NEED TO TAKE PROMPT ACTION.**

**Important Deadline**

**Claims Bar Deadline** (to file a claim for compensation): **October 9, 2017**

***Claims Forms may not be accepted after the Claims Bar Deadline. As a result, it is necessary that you act without delay.***

**Court Approval of the Class Action Settlement**

In 2009, a class proceeding was commenced in the Ontario Superior Court of Justice (the “**Ontario Action**”) against Manulife Financial Corporation (“**MFC**”), as well as Dominic D’Alessandro and Peter Rubenovitch (the “**Releasees**”). A similar action was commenced in the Québec Superior Court (the “**Québec Action**”). The claims allege, among other things, that the Releasees misrepresented the adequacy of MFC’s risk management practices and failed to disclose the extent of the Company’s exposure to equity market and interest rate risks.

On July 8, 2011, the Superior Court of Québec (“**Québec Court**”) authorized the bringing of a class action on behalf of the Québec Class Members.

On April 22, 2014, the Ontario Superior Court of Justice (“**Ontario Court**”) granted leave under the *Securities Act*, RSO 1990, c S 5, as amended, and certified the Ontario Action as a class action on behalf of the Ontario Class Members. Certification by the Ontario Court is not a decision on the merits of the class action.

On January 30, 2017, the Plaintiffs and MFC executed a Settlement Agreement (the “**Settlement Agreement**”) providing for the settlement of the class actions as against the Releasees (the “**Settlement**”). The Settlement Agreement provides for the payment of C\$69,000,000.00 (the “**Settlement Amount**”) by MFC in consideration for full and final settlement of

the claims of Class Members. The Settlement Amount includes all legal fees, disbursements, taxes and administration expenses. In return for the payment of the Settlement Amount, the Releasees will receive releases and a dismissal or termination of the class actions. The Settlement is not an admission of liability, wrongdoing or fault on the part of the Releasees, all of whom have denied, and continue to deny, the allegations against them.

On April 28, 2017 the Ontario Court approved the Settlement and ordered that it be implemented in accordance with its terms. On May 4, 2017 the Québec Court approved the Settlement and ordered that it be implemented in accordance with its terms.

The Québec and Ontario Courts (the “**Courts**”) also awarded Siskinds LLP, Cavalluzzo Shilton McIntyre Cornish LLP and Siskinds, Desmeules, Avocats, sencl (together, “**Class Counsel**”) legal fees, expenses and applicable taxes in the amount of C\$20,044,270.84 (“**Class Counsel Fees**”). As is customary in such cases, Class Counsel conducted the class actions on a contingent fee basis. Class Counsel was not paid as the matter proceeded and funded the expenses of conducting the litigation. The amount awarded for Class Counsel Fees includes C\$2,522,427.28 for the reimbursement of amounts spent by Class Counsel in the conduct of the class actions. The remainder, net of applicable taxes, will be Class Counsel’s only compensation for conducting the class actions. Class Counsel Fees will be deducted from the Settlement Amount before it is distributed to Class Members.

In the Ontario Action, the Plaintiffs entered into a litigation funding agreement with Claims Funding International (“**CFI**”). Pursuant to that agreement, CFI agreed to pay any adverse cost awards against these Plaintiffs, and to pay C\$50,000 towards disbursements. In return, CFI is entitled to C\$50,000 from the Settlement Amount and 7% of the amounts distributed to the Ontario Class Members after the deduction of Class Counsel Fees and Administration Expenses (the “**Funding Expenses**”). Since the action was resolved prior to the filing of the Plaintiffs’ pre-trial conference brief, CFI’s entitlement under the litigation funding agreement may not exceed C\$5 million. The litigation funding agreement with CFI was approved by the Ontario Superior Court of Justice on May 17, 2011. Amounts owing to CFI will be deducted from the amounts to be distributed to the Ontario Class Members, before the actual distribution.

Expenses incurred or payable relating to approval, notification, implementation and administration of the Settlement (“**Administration Expenses**”) will also be paid from the Settlement Amount before it is distributed to Class Members.

#### **Administrator**

The Courts have appointed Crawford & Company and Garden City Group, LLC as the Administrators of the Settlement. The Administrators will, among other things: (i) receive and process the Claim Forms; (ii) make determinations of each Class Member’s eligibility for compensation pursuant to the Plan of Allocation; (iii) communicate with Class Members regarding their eligibility for compensation; and (iv) manage and distribute the Settlement Amount. The Administrator can be contacted at:

Telephone: (844) 634-8911

Mailing Address: Manulife Financial Corporation Securities Class Actions  
c/o Crawford & Company and Garden City Group, LLC  
Suite 3-505  
133 Weber St. North  
Waterloo, ON N2J 3G9  
Canada

Website: [www.manulifeselement.com](http://www.manulifeselement.com)

#### **Class Members’ Entitlement to Compensation**

Class Members will be eligible for compensation pursuant to the Settlement if they timely submit a completed Claim Form, including any supporting documentation, with the Administrator.

To be eligible for compensation under the settlement, Class Members must submit their Claim Form postmarked **no later than October 9, 2017** (the “**Claims Bar Deadline**”). Only Class Members are permitted to participate in the Settlement.

The remainder of the Settlement Amount, after deduction of Class Counsel Fees, Funding Expenses, and Administration Expenses (the “**Net Settlement Amount**”), will be distributed to Class Members in accordance with the Plan of Allocation.

Under the Plan of Allocation, each Class Member who has filed a valid claim will receive a portion of the Net Settlement Amount as set out in the Plan of Allocation.

Any amounts remaining after the distribution of the Net Settlement Amount will be allocated to a charity or other organization approved by the Courts. In Québec, *The Act Respecting the Fonds d'aide aux actions collectives*, CQLR c F-3.2.0.1.1 will apply to the portion of any remaining balance, if any, attributable to Québec Class Members.

### **Copies of the Settlement Documents**

Copies of the Settlement Agreement, the Plan of Allocation, and the orders of the Courts approving the Settlement may be found on the website of Class Counsel at [www.manulifesettlement.com](http://www.manulifesettlement.com) or by contacting Class Counsel at the contact information provided below.

### **Class Counsel**

The law firms of Siskinds LLP, Cavalluzzo Shilton McIntyre Cornish LLP and Siskinds, Desmeules, Avocats, sncrl are Class Counsel. Inquiries may be directed to:

Elizabeth Willatt Siskinds LLP (Toronto) 100 Lombard Street, Suite 302 Toronto, Ontario M5C 1M3 Tel: 1-877-672-2121 x 4221 Fax: 416-362-2610 Email: <a href="mailto:elizabeth.willatt@siskinds.com">elizabeth.willatt@siskinds.com</a>	Melissa O'Connor Cavalluzzo Shilton McIntyre Cornish LLP 474 Bathurst Street, Suite 300 Toronto, ON M5T 2S6 Tel: 416-964-5531 Fax: 416-964-5895 Email: <a href="mailto:moconnor@cavalluzzo.com">moconnor@cavalluzzo.com</a>	Karim Diallo Siskinds, Desmeules, Avocats, sncrl (Québec City) 43 Rue de Buade, Bur 320 Québec City, Québec G1R 4A2 Tel: 418-694-2009 Fax: 418-694-0281 Email: <a href="mailto:karim.diallo@siskindsdesmeules.com">karim.diallo@siskindsdesmeules.com</a>
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### **Interpretation**

If there is a conflict between the provisions of this notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail.

PLEASE DO NOT CONTACT THE COURTS WITH INQUIRIES ABOUT THE CLASS ACTIONS OR THE SETTLEMENT.  
All inquiries should be directed to the Administrator or Class Counsel.

DISTRIBUTION OF THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO SUPERIOR COURT OF JUSTICE  
AND THE SUPERIOR COURT OF QUÉBEC