

## Manulife Investments Announces Mutual Fund Platform Changes

**TORONTO** – Manulife Investments today announced a number of proposed changes to its mutual fund platform and to the Canadian Small Cap Equity team.

In an effort to streamline and improve the experience for investors and advisors, subject to applicable regulatory and securityholder approvals, Manulife Investments proposes to:

- implement a series of fund mergers
- re-open an existing closed fund to new purchases
- change the names of certain funds
- change the investment objectives of certain funds
- close certain funds to all purchases
- adjust the distribution policy for certain funds
- reduce the management fees for certain funds

“We are focused on delivering value for our clients,” said Bernard Letendre, Head of Wealth and Asset Management, Canada and President & CEO, Manulife Investments. “These changes simplify our product offering to provide both our clients and advisors with a more streamlined platform of high quality funds.”



## **Fund Mergers**

The proposed changes are designed to eliminate overlap and streamline Manulife's platform for advisors and investors.

The Independent Review Committee of the funds has reviewed the proposed mergers and concluded that they achieve a fair and reasonable result for the impacted funds.

The securityholders of the Terminating Funds will receive advance notice of the mergers or, in the case of those mergers that require securityholder approval (including in some cases, the securityholders of the Continuing Funds), a Notice of Meeting and Management Information Circular, in accordance with applicable securities laws. The required securityholder approvals will be sought at special meetings to be held on or about April 4, 2018 for securityholders of record as of February 20, 2018.

Subject to those approvals, Manulife Investments is proposing to merge the following funds on or about the close of business on April 20, 2018:

<b>Terminating Fund</b>	<b>Continuing Fund</b>
Manulife Asia Total Return Bond Fund	Manulife Global Tactical Credit Fund
Manulife U.S. Dollar Floating Rate Income Fund	Manulife U.S. Dollar Strategic Income Fund
Manulife Canadian Opportunities Balanced Class	Manulife Canadian Monthly Income Class
Manulife Canadian Dividend Growth Class	Manulife Canadian Dividend Income Class
Manulife Preferred Income Class	Manulife Dividend Income Class
Manulife Canadian Opportunities Class	Manulife Canadian Stock Class
Manulife U.S. Dividend Income Registered Fund	Manulife U.S. Dividend Income Fund

Manulife Investments is also proposing to merge the following funds on or about the close of business on May 25, 2018:



<b>Terminating Fund</b>	<b>Continuing Fund</b>
Manulife Money Fund	Manulife Money Market Private Trust
Manulife Short Term Bond Fund	Manulife Money Market Private Trust
Manulife Canadian Corporate Bond Fund	Manulife Canadian Bond Plus Fund
Manulife High Yield Bond Fund	Manulife U.S. Tactical Credit Fund
Manulife Emerging Markets Debt Fund	Manulife Global Tactical Credit Fund
Manulife Canadian Opportunities Balanced Fund	Manulife Canadian Monthly Income Fund
Manulife Tactical Income Fund	Manulife Canadian Monthly Income Class
Manulife Unhedged U.S. Monthly High Income Fund	Manulife U.S. Monthly High Income Fund
Manulife Conservative Income Fund	Manulife Yield Opportunities Fund
Manulife Canadian Opportunities Fund	Manulife Canadian Stock Fund
Manulife U.S. Dividend Income Class	Manulife U.S. Dividend Income Fund
Manulife Emerging Markets Class	Manulife Emerging Markets Fund
Manulife U.S. Fixed Income Private Trust	Manulife Global Fixed Income Private Trust

The risk rating of Manulife Preferred Income Class is low to medium and the risk rating of Manulife Dividend Income Class is medium. This merger will result in a risk rating increase to the securityholders of Manulife Preferred Income Class.

In the event a merger would have resulted in a higher management fee for an investor, Manulife Investments will instead honor the lower management fee and, if necessary, create additional series for the Continuing Fund to give effect to the lower management fee for units outstanding as of the effective date of the merger and the related automatic reinvestment of distributions for those units. No pre-authorized chequing plans will be re-established in the series created for grandfathering purposes.

All Terminating Funds for the proposed April 20, 2018 mergers will be capped to new purchases and redemptions as of 4:00pm (Toronto time) on April 18, 2018 for wire orders over Fundserv and as of 4:00pm (Toronto time) on April 20, 2018 for direct orders to allow for the mergers to be processed. In addition, all Terminating Funds will be capped to switches and transfers over Fundserv as of 4:00pm (Toronto time) on April 19, 2018.



All Terminating Funds for the proposed May 25, 2018 mergers will be capped to new purchases and redemptions as of 4:00pm (Toronto time) on May 23, 2018, or on May 24, 2018 for the Manulife Money Fund, for wire orders over Fundserv and as of 4:00pm (Toronto time) on May 25, 2018 for direct orders to allow for the mergers to be processed. In addition, all Terminating Funds will be capped to switches and transfers over Fundserv as of 4:00pm (Toronto time) on May 24, 2018.

### **Portfolio Manager Update**

Manulife Asset Management today announced changes to its Canadian Small Cap Equity team. Manulife Asset Management is merging its Canadian Small Cap Equity team with its Canadian Large Cap Growth team to form a single Canadian Growth team. Shauna Sexsmith, Senior Managing Director and Senior Portfolio Manager, will assume leadership responsibilities for the combined Canadian Growth team.

Luciano Orengo, long-time co-portfolio manager on Manulife Asset Management's Canadian Small Cap strategies, will now become lead manager, replacing Ted Whitehead as head of the Canadian Small Cap strategies. Ted will be leaving the company as of February 28, 2018 to pursue other opportunities.

Luciano has been named Managing Director and Senior Portfolio Manager of:

- Manulife Growth Opportunities Fund
- Manulife Growth Opportunities Class

Luciano has worked on these funds for ten years and has 20 years' investment experience.

As previously mentioned in the Fund Mergers section, we expect, subject to the necessary approvals, that the following four funds will undergo mergers in April/May.

- Manulife Canadian Opportunities Fund
- Manulife Canadian Opportunities Class
- Manulife Canadian Opportunities Balanced Fund



- Manulife Canadian Opportunities Balanced Class

Luciano will be the lead manager of these funds until the merger dates.

### **Fund Re-opening**

The Manulife U.S. Dividend Income Fund will be re-opened to new investors on or about January 31, 2018. The Fund, managed by the Manulife Value Equity Team, was proactively capped to new investors on January 25, 2016 as part of a business decision related to the integration with Standard Life.

### **Fund Name Changes**

The following Funds will change names effective on or about April 6, 2018:

<b>Current Fund Name</b>	<b>New Fund Name</b>
Manulife Money Market Private Trust*	Manulife Money Market Fund
Manulife Canadian Bond Plus Fund	Manulife Canadian Unconstrained Bond Fund
Manulife U.S. Tactical Credit Fund	Manulife U.S. Unconstrained Bond Fund
Manulife Global Tactical Credit Fund	Manulife Global Unconstrained Bond Fund
Manulife Canadian Monthly Income Fund	Manulife Fundamental Income Fund
Manulife Canadian Monthly Income Class	Manulife Fundamental Income Class
Manulife Canadian Equity Balanced Class	Manulife Fundamental Balanced Class
Manulife Canadian Dividend Income Fund	Manulife Fundamental Dividend Fund
Manulife Canadian Dividend Income Class	Manulife Fundamental Dividend Class
Manulife Canadian Stock Fund	Manulife Fundamental Equity Fund
Manulife Canadian Stock Class	Manulife Fundamental Equity Class
Manulife Canadian Focused Fund	Manulife Dividend Income Plus Fund
Manulife Canadian Focused Class	Manulife Dividend Income Plus Class

\*Subsequent to the May 25, 2018 merger involving this fund, it will no longer be considered part of Manulife Private Investments Pools.

### **Investment Objective Changes**

Effective on or about April 6, 2018, subject to securityholder approval to be obtained at a special meeting to be held on or about April 4, 2018, Manulife Investments will change the investment objectives for the following Funds:



- Manulife Dividend Income Private Pool
- Manulife Dividend Income Fund
- Manulife Dividend Income Class
- Manulife Canadian Focused Fund
- Manulife Canadian Focused Class
- Manulife Money Market Private Trust
- Manulife Canadian Bond Plus Fund
- Manulife Dollar Cost Averaging Fund

### **Funds and Series Closed to All Investment**

Series D of Manulife U.S. Dollar Floating Rate Income Fund along with Series T, FT, LT, C and CT of Manulife U.S. Fixed Income Private Trust will be capped effective on or about January 17, 2018. Manulife Short Term Yield Class will be capped on or before April 6, 2018.

### **Distribution Changes**

The following funds will change their distribution policies for series other than Series FT or Series T effective on or about the close of business on April 27, 2018 as follows:

<b>Fund Name</b>	<b>Current</b>	<b>New</b>
Manulife Canadian Bond Plus Fund	Quarterly	Monthly
Manulife Bond Fund	Quarterly	Monthly
Manulife U.S. Tactical Credit Fund	Fixed	Variable
Manulife Global Tactical Credit Fund	Fixed	Variable
Manulife Canadian Focused Fund	Variable/Annual	Fixed/Monthly
Manulife U.S. Dividend Income Fund	Variable/Quarterly	Fixed/Monthly

It should be noted that distribution policies have no impact on the performance of a fund. Unless you have requested that the distribution be paid in cash to you, the changes to the distribution policies will have no impact on you. If you have regular income requirements, you should consider setting up a systematic withdrawal program



or use Series FT or Series T, when available. Please contact your advisor for more details.

The Manager expects that the distribution rates for Series T and Series FT will be harmonized during its annual prospectus renewal process later in 2018.

### **Management Fee Reductions**

The following management fee reductions will be effective after the close of business on April 6, 2018 and are conditional on approval of each securityholder vote.

<b>Fund</b>	<b>Series affected</b>	<b>Fee reduction</b>
Manulife Canadian Bond Plus Fund	Advisor Series;	0.15%
	Series F and Series D	0.10%
Manulife U.S. Tactical Credit Fund	Advisor Series and Series T	0.35%
	Series F, Series FT and Series D	0.05%
Manulife Global Tactical Credit Fund	Advisor Series and Series T	0.33%
Manulife Canadian Dividend Income Class	Advisor Series and Series T	0.06%
Manulife Canadian Focused Class	Series F, Series FT and Series D	0.07%
Manulife Canadian Focused Fund	Series F and Series FT	0.07%
Manulife Canadian Stock Class	Series F and Series FT	0.06%
Manulife Canadian Stock Fund	Series F and Series FT	0.06%
Manulife U.S. Dividend Income Fund	Advisor Series	0.04%

The Manager is currently reviewing fees and decisions on other fee reductions will follow.



## **About Manulife Investments**

Manulife Investments, a division of Manulife Asset Management Limited, builds on 125 years of Manulife's wealth and investment management expertise in managing assets for Canadian investors. As one of Canada's leading integrated financial services providers, Manulife Investments and its affiliates offer a variety of products and services including exchange traded funds, segregated fund contracts, mutual funds, annuities and guaranteed interest contracts.

## **About Manulife**

Manulife Financial Corporation is a leading international financial services group that helps people achieve their dreams and aspirations by putting customers' needs first and providing the right advice and solutions. We operate primarily as John Hancock in the United States and Manulife elsewhere. We provide financial advice, insurance, as well as wealth and asset management solutions for individuals, groups and institutions. At the end of 2016, we had approximately 35,000 employees, 70,000 agents, and thousands of distribution partners, serving more than 22 million customers. As of September 30, 2017, we had over \$1 trillion (US\$806 billion) in assets under management and administration, and in the previous 12 months we made \$27.1 billion in payments to our customers. Our principal operations are in Asia, Canada and the United States where we have served customers for more than 100 years. With our global headquarters in Toronto, Canada, we trade as 'MFC' on the Toronto, New York, and the Philippine stock exchanges and under '945' in Hong Kong.

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