



**NOTICE OF SPECIAL MEETINGS  
AND  
MANAGEMENT INFORMATION CIRCULAR  
FOR THE SECURITYHOLDERS OF**

Manulife International Value Equity Fund  
Manulife EAFE Equity Fund (formerly *Manulife International Focused Fund*)

(each a “**Fund**” and together, the “**Funds**”)

To be held concurrently on  
Thursday, March 14, 2019 commencing at 10:00 a.m. (Toronto time)  
at 200 Bloor Street East, South Tower, North American Life Room,  
Toronto, Ontario M4W 1E5

February 19, 2019

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## NOTICE OF SPECIAL MEETINGS OF THE SECURITYHOLDERS OF THE FUNDS

This is notice that special meetings of the securityholders of Manulife International Value Equity Fund and Manulife EAFE Equity Fund (the “**Funds**”) will be held concurrently at the offices of Manulife Investments, a division of Manulife Asset Management Limited (the “**Manager**”), in the North American Life Room, 200 Bloor Street East, South Tower, Toronto, Ontario, M4W 1E5 on Thursday, March 14, 2019 at 10:00 a.m. (Toronto time) (together, the “**Meetings**” and individually, a “**Meeting**”). If the Meeting in respect of a Fund is adjourned, this notice shall constitute notice of the adjourned Meeting, which will be held at the offices of the Manager on Thursday, March 21, 2019 at 10:00 a.m. (Toronto time).

The purpose of the Meetings is to consider and, if advisable:

1. for securityholders of Manulife EAFE Equity Fund to:
  - (i) approve a change in the fundamental investment objective of Manulife EAFE Equity Fund (the “**Investment Objective Change**”) on the basis and as described in the accompanying Management Information Circular (the “**Information Circular**”); and
  - (ii) approve the merger of Manulife International Value Equity Fund into Manulife EAFE Equity Fund on the basis as described in the accompanying Information Circular (the “**Merger**”);
2. for securityholders of Manulife International Value Equity Fund to approve the Merger; and
3. to transact such other business as may properly come before a Meeting or any adjournment or postponement thereof.

**Manulife EAFE Equity Fund is subject to both the Investment Objective Change proposal and the Merger proposal. The Investment Objective Change and the Merger will be voted on separately and either can be approved and/or implemented independently of the other and irrespective of whether the other proposed matter is approved or implemented.**

We have provided a description of the matters to be considered at the Meetings in the accompanying Information Circular. The text of the resolutions authorizing the matters referred to above is set out in Schedules “A” and “B” to the Information Circular. Securityholders of record of the Funds as at the close of business on January 31, 2019 will be entitled to vote at the Meeting.

**We ask investors who are unable to attend the Meeting(s) in person to exercise their right to vote by completing, dating, signing and returning the enclosed form of proxy in the envelope provided to Broadridge Financial Solutions, Inc. c/o Data Processing Centre, P.O. Box 3700 Stn. Industrial Park, Markham, Ontario L3R 9Z9. In lieu of delivery by mail or courier, a completed form of proxy may be faxed to 905-507-5352 or 514-281-8911. In the alternative, investors may enter voting instructions by telephone at 1-800-474-7493 (English) or 1-800-474-7501 (French) or via the internet at [www.proxyvote.com](http://www.proxyvote.com) by using the 16-digit control number located across from the name of the Fund in the enclosed form of proxy.**

**In order to be valid and acted upon at the Meeting(s), a properly completed form of proxy or your voting instructions, if provided by mail, fax, electronically or telephonically, must be received by 10:00 a.m. (Toronto time) on March 13, 2019. You may also deposit your proxy with the Chair of the Meeting(s) by the start of the Meeting(s) at the latest. If a Meeting is adjourned**

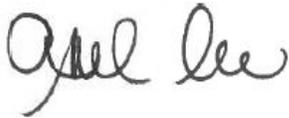
or postponed, a properly completed form of proxy or your voting instructions, if provided by mail, electronically or telephonically, must be received not later than 24 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any adjourned or postponed Meeting, or with the Chair of the adjourned or postponed Meeting prior to commencement of such Meeting.

**The Manager of the Funds recommends that securityholders vote FOR (1) the Investment Objective Change; and (2) the Merger.**

The Independent Review Committee of each of the Funds has reviewed the potential conflict of interest matters related to the Merger and has provided a favourable recommendation having determined that the Merger, if implemented, achieves a fair and reasonable result for Manulife International Value Equity Fund and Manulife EAFE Equity Fund. As the Investment Objective Change does not represent a conflict of interest matter, the IRC was not required to express an opinion on such proposed change.

DATED at Toronto, Ontario this 19<sup>th</sup> day of February 2019.

By order of the Board of Directors of Manulife Asset  
Management Limited (as trustee and as manager of the Funds)



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Anick Morin  
Associate General Counsel and Assistant Secretary

# MANAGEMENT INFORMATION CIRCULAR

February 19, 2019

Manulife International Value Equity Fund  
Manulife EAFE Equity Fund (formerly *Manulife International Focused Fund*)

(each a “**Fund**” and together, the “**Funds**”)

## SOLICITATION OF PROXIES

The information contained in this Management Information Circular (“**Information Circular**”) is provided by Manulife Investments (“**MI**”), a division of Manulife Asset Management Limited (the “**Manager**” or “**MAML**”), **in connection with the solicitation of proxies on behalf of the Manager of the Funds**, to be used at the special meetings (individually a “**Meeting**” and, together, the “**Meetings**”) of the securityholders of the Funds.

The Meetings will be held concurrently on March 14, 2019 at 10:00 a.m. (Toronto time) at the offices of the Manager, 200 Bloor Street East, South Tower, North American Life Room, Toronto, Ontario M4W 1E5 for the purposes outlined below. If a Meeting is adjourned, the adjourned Meeting will be held on March 21, 2019 at 10:00 a.m. (Toronto time) at the same location. If a Meeting is adjourned, a mailed notice may not be provided in respect of the reconvening of the adjourned Meeting. However, MAML may issue a press release announcing the reconvening of the adjourned Meeting.

Quorum for each Meeting is two securityholders present in person or represented by proxy. Quorum for the adjourned meeting will be two securityholders present in person or represented by proxy. We anticipate that the solicitation of proxies will principally be done through the internet and by telephone.

**The Manager will bear all costs of the Meetings, including the solicitation of proxies for the Meetings.** Except as otherwise stated, the information contained in this Information Circular is given as of January 31, 2019.

The Manager is sending proxy-related materials directly to non-objecting beneficial owners of the Funds. An intermediary has been retained and will be paid to send the proxy-related materials to objecting beneficial owners.

**Securityholders of Manulife International Value Equity Fund (also the “Terminating Fund”) can obtain the simplified prospectus and annual information form for Manulife EAFE Equity Fund (also the “Continuing Fund”) by calling the Manager toll-free at 1-888-588-7999, or by visiting [manulifemutualfunds.ca](http://manulifemutualfunds.ca) or at [www.sedar.com](http://www.sedar.com). A French version of this Information Circular can be obtained at no cost by visiting [sedar.com](http://sedar.com) or by contacting the Manager. In addition to this Information Circular, Securityholders of the Terminating Fund are also being provided with, where applicable, the Fund Facts for the Continuing Fund.**

### ***Cautionary Statement Regarding Forward-Looking Statements***

Certain statements included in this Information Circular may constitute “forward-looking statements”. All statements, other than statements of historical fact, included in this Information Circular that address future activities, events, developments or financial performance, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as “*may*”, “*should*”, “*will*”, “*could*”, “*expect*”, “*intend*”, “*plan*”, “*estimate*”, “*anticipate*”, “*believe*”, “*future*” or “*continue*” or the

negatives thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by the Manager and its management in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Securityholders are cautioned not to put undue reliance on such forward-looking statements, which reflect the analysis of management of the Manager only as of the date of this Information Circular and are not a guarantee of performance. Such forward-looking statements are subject to a number of uncertainties, assumptions and other factors, many of which are outside the control of the Manager that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. The Manager undertakes no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law.

## **PURPOSE OF THE MEETINGS**

The purpose of the Meetings is to consider and, if advisable:

1. for securityholders of Manulife EAFE Equity Fund to:
  - (i) approve a change in the fundamental investment objective of such Fund (the “**Investment Objective Change**”) on the basis and as described in this Information Circular; and
  - (ii) approve the merger of Manulife International Value Equity Fund into Manulife EAFE Equity Fund on the basis as described in this Information Circular (the “**Merger**”);
2. for securityholders of Manulife International Value Equity Fund to approve the Merger; and
3. to transact such other business as may properly come before a Meeting or any adjournment or postponement thereof.

**Manulife EAFE Equity Fund is subject to both the Investment Objective Change proposal and the Merger proposal. The Investment Objective Change and the Merger will be voted on separately and either can be approved and/or implemented independently of the other and irrespective of whether the other proposed matter is approved or implemented.**

## **THE PROPOSALS**

### **PROPOSED CHANGE TO THE FUNDAMENTAL INVESTMENT OBJECTIVE OF MANULIFE EAFE EQUITY FUND**

As a result of an ongoing review of its funds line-up, the Manager is seeking the approval of securityholders to consider, and if deemed advisable, to pass resolutions authorizing a change to the fundamental investment objective of Manulife EAFE Equity Fund.

If the requisite securityholder approval is obtained, it is expected that the proposed change to the investment objective will be implemented on or about April 5, 2019 (the “**Effective Date**”).

**Notwithstanding the receipt of securityholder approval, the Manager may postpone implementing the change until a later date (which shall be no later than December 31, 2019) or may elect not to**

**proceed with the change, if it considers such decision to be in the best interests of the securityholders of Manulife EAFE Equity Fund. The decision to implement the Investment Objective Change is independent from, and not contingent upon, the Merger proposal also described in this Information Circular.**

Set out in the chart below is the existing investment objective, the proposed new investment objective, the reason for the proposed change in the investment objective and the Effective Date of the Investment Objective Change.

<b>Manulife EAFE Equity Fund</b>	
<b>Existing investment objective</b>	The fundamental investment objective of the Fund is to protect capital and achieve maximum long-term capital growth by benefiting from the diversification which world capital markets offer to investors by investing primarily in equity securities of companies operating in world markets, whose head offices are located outside North America, characterized by high growth.
<b>Proposed new investment objective</b>	The fundamental investment objective of the Fund is to provide long-term capital appreciation by employing a bottom-up fundamental approach to invest primarily in all-cap non-North American companies, located in developed markets.  Upon approval of the investment objective changes, minor adjustments to the Fund's investment strategies may also be necessary to implement the new investment objective.
<b>Reasons for proposed investment objective change</b>	We are proposing to change the investment objective of Manulife EAFE Equity Fund to better align with sub-advisor management of similar mandates.
<b>Effective date</b>	On or about April 5, 2019

#### **APPROVAL FOR THE INVESTMENT OBJECTIVE CHANGE**

To give effect to the change in the fundamental investment objective for Manulife EAFE Equity Fund described above, applicable legislation requires that approval must be given by the affirmative vote of at least a majority of the votes cast at a Meeting by or on behalf of securityholders of Manulife EAFE Equity Fund by voting in favour of the resolution as set forth in Schedule "A" to this Information Circular.

**If Manulife EAFE Equity Fund receives all necessary approvals for its investment objective change, it may complete such change regardless of whether the Merger proposal in which the Fund is also a party is approved or implemented.**

#### **PROPOSED MERGER**

Pursuant to the requirements of applicable legislation, the Manager is seeking the approval for the Merger from securityholders of each of Manulife International Value Equity Fund, as the terminating fund, and Manulife EAFE Equity Fund, as the continuing fund. The vote of the securityholders of the Continuing Fund is required as the Merger would constitute a material change for the Continuing Fund (since the net asset value of the Continuing Fund is significantly smaller than the net asset value of the Terminating Fund).

The full text of the resolutions relating to the Merger to be considered at the Meetings is set out at Schedule “B” to this Information Circular.

Provided all requisite approvals are obtained, including regulatory approval, the Merger will become effective after the close of business on the Effective Date. The Manager may postpone implementing the Merger until a later date (which shall be no later than December 31, 2019) and, notwithstanding the receipt of all required approvals, may elect not to proceed with the Merger for any reason, including if it considers such decision to be in the best interests of the securityholders of the applicable Fund(s).

A comparison of the similarities and material differences between the Funds are set out under the heading “*Merger Details*” below. The implications of the Merger, including the tax consequences, are also described herein.

## **REASONS FOR THE PROPOSED FUND MERGER**

The Manager believes that the Merger is in the best interests of the securityholders of Manulife International Value Equity Fund for the following reasons:

### ***Preservation of Continuing Fund Tax Losses***

It is proposed that the Merger be completed on a taxable basis. In view of the Manager, it is in the best interest of the securityholders of the Funds to complete the Merger in such manner as the Continuing Fund has significantly more capital losses than the Terminating Fund. Such losses will be preserved by completing the Merger on a taxable basis.

### ***Same or Lower Fees***

In some cases, and depending on the series of the Terminating Fund held, securityholders of the Terminating Fund will benefit from a decrease in management fees. More specifically, Advisor and T Series securityholders will receive a fee reduction of 12bps and Series F and FT series securityholders will receive a fee reduction of 4bps. None of the securityholders of the Terminating Fund will be subject to a higher management fee in the Continuing Fund. It is also anticipated that the management fees of Series F and Series FT units of the Continuing Fund will be reduced by 0.08% on the Effective Date, thereby leading to further cost reductions for applicable Terminating Fund securityholders. Other than Series O where the fixed administration fee for the Continuing Fund is lower by 3bps than the Terminating Fund, the fixed administration fee of the Funds, where applicable, is the same.

### ***Eliminating Redundancy***

In the opinion of the Manager, the Terminating Fund would generally attract the same type of investor as the Continuing Fund. As a result, the Merger is expected to contribute towards reducing duplication and redundancy across the Manulife fund line-up and may potentially reduce the administrative and regulatory operating costs and expenses associated with the Funds.

### ***Creating Critical Mass and Profile***

If the Merger occurs, the Continuing Fund will have an asset base of greater size, thereby allowing for increased portfolio diversification opportunities and a smaller proportion of assets set aside to fund redemptions. The ability to increase diversification may lead to increased returns and a reduction of risk, while at the same time creating a higher profile that should attract more investors – an important factor in helping to create critical mass.

## MERGER DETAILS

### MERGER OF MANULIFE INTERNATIONAL VALUE EQUITY FUND INTO MANULIFE EAFE EQUITY FUND

Fund	Manulife International Value Equity Fund (the Terminating Fund)	Manulife EAFE Equity Fund (formerly <i>Manulife International Focused Fund</i> ) (the Continuing Fund)
<b>Manager</b>	Manulife Asset Management Limited	Manulife Asset Management Limited
<b>Type of Fund</b>	International Equity	International Equity
<b>Fundamental Investment Objective</b>	The fundamental investment objective of the Fund is to seek to provide long-term capital appreciation by investing primarily in equity securities of companies located outside of Canada and the United States.	<p><i>Current Investment Objective</i></p> <p>The fundamental investment objective of the Fund is to achieve a combination of capital growth and income.</p> <p>The Fund invests primarily in a diversified portfolio of U.S. equity and equity-type securities and other income producing investments.</p> <p><i>Proposed New Investment Objective, subject to Securityholder Approval<sup>1</sup></i></p> <p>The fundamental investment objective of the Fund is to provide long-term capital appreciation by employing a bottom-up fundamental approach to invest primarily in all-cap non-North American companies, located in developed markets.</p>
<b>Fund Risk Classification</b>	Medium	Medium
<b>Eligible Registered Plans</b>	Securities are qualified investments for Registered Plans.	Securities are qualified investments for Registered Plans.
<b>Portfolio Advisor</b>	Manulife Asset Management Limited	Manulife Asset Management Limited
<b>Sub-Advisor</b>	Pictet Asset Management Limited	Pictet Asset Management Limited
<b>Net Asset Value</b>	\$278,157,054.25	\$18,499,812.07

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<sup>1</sup> As noted, Manulife is also seeking the approval of securityholders of the Continuing Fund to change its investment objective. For more details on the proposed changes to Manulife EAFE Equity Fund’s investment objective, please refer to the section entitled “*Proposed Change to Fundamental Investment Objective of Manulife EAFE Equity Fund*”, above.

<b>Annual Management Fees</b>	Advisor Series securities: 1.98% Series F securities: 0.90% Series FT6 securities: 0.90% Series T6 securities: 1.98% Series G securities: 0.00% Series M securities: 0.00% Series O securities: 0.00% Series X securities: 0.00%				Advisor Series securities: 1.86% Series F securities: 0.86% <sup>2</sup> Series FT6 securities: 0.86% <sup>3</sup> Series T6 securities: 1.86% Series G securities: 0.00% Series M securities: 0.00% Series O securities: 0.00% Series X securities: 0.00%				
<b>Fixed Administration Fee</b>	All Series except Series O <sup>4</sup> : 0.25% Series O: 0.03%				All Series except Series O <sup>5</sup> : 0.25% Series O: 0.00%				
<b>Management Expense Ratio (“MER”) as at the Fund’s interim period end<sup>6</sup></b>	Advisor Series securities: 2.48% Series F securities: 1.25% Series FT6 securities: 1.30% Series T6 securities: 2.54% Series G securities: 0.00% Series M securities: 0.02% Series O securities: 0.03% Series X securities: 0.00%				Advisor Series securities: 2.33% Series F securities: 1.33% Series FT6 securities: 1.37% Series T6 securities: 2.37% Series G securities: N/A Series M securities: N/A Series O securities: 0.00% Series X securities: N/A				
<b>MER without expense absorption by MI as at Fund’s interim period end</b>	Advisor Series securities: 2.48% Series F securities: 1.25% Series FT6 securities: 1.30% Series T6 securities: 2.54% Series G securities: 0.00% Series M securities: 0.02% Series O securities: 0.03% Series X securities: 0.00%				Advisor Series securities: 2.33% Series F securities: 1.33% Series FT6 securities: 1.37% Series T6 securities: 2.37% Series G securities: N/A Series M securities: N/A Series O securities: 0.00% Series X securities: N/A				
<b>Annual Returns</b>	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>Since Inception</b>	<b>Annual Returns</b>	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>Since Inception</b>
Advisor series	12.4%	7.9%	9.1%	9.0%	Advisor series	13.0%	5.2%	5.9%	2.0%
Series F	13.8%	9.3%	10.6%	10.7%	Series F	14.2%	6.3%	6.9%	3.1%
Series FT6	13.7%	9.2%	10.5%	11.6%	Series FT6	14.1%	5.9%	6.7%	8.1%
Series T6	12.4%	7.9%	9.1%	10.1%	Series T6	13.0%	5.2%	5.8%	2.4%
Series G	15.2%	10.7%	12.1%	12.0%	Series G	N/A	N/A	N/A	N/A
Series M	15.2%	10.7%	N/A	8.5%	Series M	N/A	N/A	N/A	N/A
Series O	15.2%	11.7%	12.6%	12.4%	Series O	15.7%	7.7%	8.5%	4.7%
Series X	15.2%	10.7%	12.0%	12.0%	Series X	N/A	N/A	N/A	N/A
<b>Valuation Procedures</b>	The assets and liabilities of the Funds are determined using the same valuation procedures.								

<sup>2</sup> It is anticipated that the management fees of Series F units of the Continuing Fund will be reduced by 0.08% on the Effective Date.

<sup>3</sup> It is anticipated that the management fees of Series FT units of the Continuing Fund will be reduced by 0.08% on the Effective Date.

<sup>4</sup> The fixed-administration fee does not apply to Series G or Series X securities of Manulife International Value Equity Fund.

<sup>5</sup> The fixed-administration fee does not apply to Series G or Series X securities of Manulife EAFE Equity Fund

<sup>6</sup> The interim period end for the Funds is June 30, 2018.

<b>Distribution Policies</b>	The Funds have similar distribution policies. For all series, except Series FT securities and Series T securities, income and capital gains, if any, are distributed annually in December.  For Series FT and Series T securities, income and/or return of capital is distributed monthly, and capital gains, if any, are distributed annually in December.
<b>Fees Payable Directly by Investors</b>	Manulife EAFE Equity Fund has the same policy as Manulife International Value Equity Fund with respect to fees payable by investors. In particular, securities of Manulife EAFE Equity Fund acquired by securityholders upon the proposed Merger will be subject to the same redemption fees to which their securities of Manulife International Value Equity Fund were subject prior to the Merger.

## **PROCEDURES FOR THE MERGER**

### **IF APPROVALS NOT OBTAINED**

If the Merger does not receive the required securityholder and regulatory approvals, the Manager will consider other options for the Terminating Fund, including, but not limited to, continuing, winding-up, re-opening or terminating the Terminating Fund.

### **COSTS OF THE MERGER**

**Neither Fund will bear any of the costs and expenses associated with the Merger.** Such costs will be borne by the Manager. These costs may include legal and accounting fees, brokerage costs, proxy solicitation, printing and mailing costs, regulatory fees and back-office system conversion costs.

### **SPECIFIC PROCEDURES TO IMPLEMENT MERGER**

The Merger is a trust to trust merger and will be structured substantially as follows:

- (iii) Securityholders of the Terminating Fund and the Continuing Fund will be asked at the Meetings to approve the Merger and such other matters as are set forth in the resolution in respect of the Merger attached as Schedule “B” to this Information Circular.
- (ii) The Declaration of Trust governing the Terminating Fund will be amended, as required, so as to permit such actions as are necessary to complete the Merger.
- (iii) The Terminating Fund will transfer all its assets and liabilities to the Continuing Fund for an amount equal to the net value of assets transferred, which amount will be satisfied as described in (iv) below.
- (iv) The Continuing Fund will issue securities (as described in (vi) below) to the Terminating Fund having a net asset value equal to the net value of assets transferred by the Terminating Fund to the Continuing Fund.
- (v) The Terminating Fund will redeem its outstanding securities and pay the redemption price for these securities by distributing securities of the Continuing Fund to the Terminating Fund’s securityholders.
- (vi) Securityholders of the Terminating Fund will receive securities of the Continuing Fund as follows:

<i>Manulife International Value Equity Fund</i>	<i>into</i>	<i>Manulife EAFE Equity Fund</i>
Advisor Series securities	→	Advisor Series securities
Series F securities	→	Series F securities
Series FT securities	→	Series FT securities
Series T securities	→	Series T securities
Series G securities	→	Series G securities
Series M securities	→	Series M securities
Series O securities	→	Series O securities
Series X securities	→	Series X securities

- (vii) Securities of the Continuing Fund received by the securityholders of the Terminating Fund will have an aggregate net asset value equal to the aggregate net asset value of the securities of the Terminating Fund which are being redeemed.

**Notwithstanding the receipt of all required approvals, the Manager may in its discretion, decide not to proceed with, or may delay, the Merger for any reason. The Merger may also proceed regardless of whether the Investment Objective Change is approved or implemented.**

Should all requisite securityholder and regulatory approvals be received, the Merger is expected to be effective on the Effective Date. Manulife International Value Equity Fund will be capped to switches and transfers out over Fundserv after 4:00pm (Toronto time) on April 4, 2019. Securityholders will have the right to redeem the securities of Manulife International Value Equity Fund up to 4:00pm (Toronto time) on the Effective Date for direct orders and as of 4:00pm (Toronto time) on April 3, 2019 for wire orders over Fundserv. Following the Merger, pre-authorized chequing plans, systematic withdrawal plans and other active optional services which had been established with respect to Manulife International Value Equity Fund, will be re-established with respect to Manulife EAFE Equity Fund unless securityholders advise the Manager otherwise.

#### **REQUIRED APPROVALS FOR THE MERGER**

To give effect to the Merger, approval must be given by the affirmative vote of at least a majority of the votes cast at the Meeting by or on behalf of securityholders of Manulife International Value Equity Fund and Manulife EAFE Equity Fund by voting in favour of the resolution as set forth in Schedule “B” to this Information Circular.

The Manager will make such changes to the Funds prior to the Merger as may be necessary to fulfill regulatory and other requirements, including realigning the investments within Manulife International Value Equity Fund to conform with Manulife EAFE Equity Fund. Manulife International Value Equity Fund may, if necessary, distribute before the Merger, income and/or net realized capital gains for the period from the beginning of Manulife International Value Equity Fund’s taxation year to the Effective Date of the Merger.

Applicable securities legislation also requires that approval of the Merger be granted by the Canadian securities regulatory authorities because the Merger is being conducted on a taxable basis (as per section 5.6(1)(b) of National Instrument 81-102 - *Investment Funds* (“NI 81-102”). On January 24, 2019, the Manager applied to the Canadian securities regulatory authorities for such regulatory approval of the Merger.

## **CANADIAN FEDERAL INCOME TAX CONSIDERATIONS FOR THE PROPOSED FUND MERGER**

### **GENERAL**

The following is a general summary of the principal Canadian federal income tax consequences of the proposed Merger relevant to a securityholder who, for purposes of the *Income Tax Act* (the “**Tax Act**”), at all relevant times, is an individual (other than a trust) resident in Canada who holds securities of the Funds as capital property.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the “**Tax Regulations**”), all specific proposals to amend the Tax Act and the Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and current publicly available administrative practices and assessing policies published by the Canada Revenue Agency. The summary does not otherwise take into account or anticipate any changes in law, whether by judicial, governmental or legislative action or decision, or changes in the administrative practices of the Canada Revenue Agency, nor does it consider other federal, provincial, territorial or foreign income tax consequences.

**This summary is of a general nature only and is not intended to be, nor should it be treated as, legal or tax advice to any particular securityholder. It is not exhaustive of all possible tax consequences. Securityholders should consult their own tax advisors for advice about their specific circumstances.**

In this summary, a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, tax-free savings account or deferred profit sharing plan, all as defined in the Tax Act, are collectively referred to as “**Registered Plans**” and individually referred to as a “**Registered Plan.**”

### **REDEMPTION BEFORE MERGER**

A securityholder who redeems securities of Manulife International Value Equity Fund before the Merger will realize a capital gain (or capital loss) in the amount by which the proceeds of redemption of the securities exceed (or are exceeded by) the aggregate of the securityholder’s adjusted cost base of the securities and any reasonable costs of disposition. A securityholder who holds securities directly, rather than in a Registered Plan, must include one-half of such a capital gain in income and may deduct one-half of any such capital loss (allowable capital loss) against taxable capital gains of the securityholder in accordance with detailed rules in the Tax Act. Allowable capital losses in excess of taxable capital gains realized in any year may, subject to certain limitations under the Tax Act, be carried back three years or forward indefinitely for deduction against taxable capital gains realized in those years. If securities are held by a Registered Plan, capital gains realized on a redemption of securities will be exempt from tax. Withdrawals from the Registered Plan, other than withdrawals from a tax-free savings account and certain permitted withdrawals from a registered education savings plan or a registered disability savings plan, are generally fully taxable.

### **TAX CONSEQUENCES TO MANULIFE INTERNATIONAL VALUE EQUITY FUND**

The Merger will occur on a taxable basis and as such Manulife International Value Equity Fund will realize any remaining accrued capital gains or accrued capital losses as a result of the transfer of its net assets to Manulife EAFE Equity Fund. Manulife International Value Equity Fund will be terminated as soon as reasonably practical after the distribution of securities of Manulife EAFE Equity Fund by Manulife International Value Equity Fund by no later than December 31, 2019. To the extent necessary, Manulife International Value Equity Fund will distribute to its securityholders a sufficient amount of the Fund’s

income for its final taxation year to ensure that the Fund will not be required to pay any income tax. Manulife International Value Equity Fund does not expect to have any net realized capital gains in its final taxation year.

Manulife International Value Equity Fund does not expect to use all of its losses, including any accrued losses realized as described above, with the result that such losses cannot be used to shelter income or gains arising after the Merger and will therefore expire. However, it is expected that Manulife EAFE Equity Fund will have significantly more unexpired tax losses than Manulife International Value Equity Fund. As the Merger is being proposed to be completed on a taxable basis, such tax losses of Manulife EAFE Equity Fund will be available to be used after the Merger.

## **TAX CONSEQUENCES TO SECURITYHOLDERS OF MANULIFE INTERNATIONAL VALUE EQUITY FUND**

Securityholders of Manulife International Value Equity Fund will be subject to the same tax consequences on distributions for the current taxation year as on regular year-end distributions made by the Fund. Unless their securities are held in a Registered Plan, securityholders of Manulife International Value Equity Fund will receive a statement for tax purposes identifying their share of such distributions, if any.

Securityholders of Manulife International Value Equity Fund will be considered to dispose of their securities in such Fund in exchange for securities of Manulife EAFE Equity Fund. Securityholders of Manulife International Value Equity Fund will realize any capital gain or loss for tax purposes as a result of the exchange of securities in the amount by which the fair market value of the securities of Manulife EAFE Equity Fund received on the redemption exceeds (or is exceeded by) the aggregate of the securityholder's adjusted cost base of his or her securities of Manulife International Value Equity Fund. The fair market value on the date of the Merger of a securityholder's securities of Manulife EAFE Equity Fund received on the Merger will become the aggregate adjusted cost base to the securityholder of the securities of the Fund received on the Merger. A securityholder's adjusted cost base of new securities of Manulife EAFE Equity Fund acquired on the Merger will be averaged with the adjusted cost base of other securities of the Fund already owned by the securityholder. A securityholder who holds securities directly, rather than in a Registered Plan, must include one-half of the capital gain in income and may deduct one-half of the capital loss against taxable capital gains subject to and in accordance with detailed rules in the Tax Act.

The chart below provides additional information on potential tax implications to non-registered securityholders of the Terminating Fund in an unrealized gain position as of January 31, 2019.

<b>Number of Securityholders</b>	<b>Number of Non-Registered Securityholders</b>	<b>Non-Registered Securityholders with unrealized Capital Gain</b>	<b>Average of potential Capital Gain per Securityholder (\$)</b>	<b>Potential Capital Gain as a % of the Net Asset Value of the Securityholders' Units</b>
546	288	11	267	1%

In general terms, individuals (and certain trusts) who realize net taxable capital gains in connection with the Merger may be subject to an alternative minimum tax under the Tax Act.

## TAX CONSEQUENCES TO SECURITYHOLDERS OF MANULIFE EAFE EQUITY FUND

Securityholders of the Manulife EAFE Equity Fund will not be regarded as having disposed of securities of the Manulife EAFE Equity Fund by virtue of the Merger or the Investment Objective Change.

### ELIGIBILITY FOR REGISTERED PLANS

Securities of both Manulife International Value Equity Fund and Manulife EAFE Equity Fund are qualified investments for Registered Plans.

### HARMONIZED SALES TAX (HST)

Upon the Merger, HST charged to a series of Manulife EAFE Equity Fund may be greater or less than the HST that would otherwise be charged to the corresponding Manulife International Value Equity Fund or Manulife EAFE Equity Fund depending on the proportion of the total value of the series attributable to each of the Funds immediately after the Merger and the residential information used to calculate the HST for the merging Manulife International Value Equity Fund's and Manulife EAFE Equity Fund's series immediately prior to the Merger.

## MANAGEMENT OF THE FUNDS

Pursuant to the terms of the master management agreement between the Manager and the trustee on behalf of each of the Funds (the "**Management Agreement**"), as amended from time to time, the Manager provides each of the Funds with management and administrative services and facilities described in the Management Agreement in return for a management fee. The Manager pays a portion of these fees to the portfolio advisor of the Funds. The portfolio advisor is an affiliate of the Manager. The Management Agreement will continue in force until terminated by either party to the agreement upon 90 days' prior written notice of termination.

The Manager is an indirect wholly-owned subsidiary of The Manufacturers Life Insurance Company ("**MLI**") which, in turn, is a wholly-owned subsidiary of Manulife Financial Corporation, a Toronto Stock Exchange-listed holding company.

The management fees paid by the Funds to the Manager during the year ended December 31, 2018, and from January 1, 2019 up to and including January 31, 2019, were as follows:

<b>Fund</b>	<b>Management Fees Paid for most recent year end</b>	<b>Management Fees Paid from most recent year end up to and including January 31, 2019</b>
Manulife International Value Equity Fund	\$84,559	\$5,978
Manulife EAFE Equity Fund	\$395,499	\$27,039

As of January 31, 2019, the name, municipality of residence and position held with the Manager of each of the directors and executive officers of the Manager are as follows:

<b>Name and municipality of residence</b>	<b>Position with the Manager</b>
J. Roy Firth Toronto, Ontario	Director, Chairman and Audit Committee Member
Bruce Gordon, Waterloo, Ontario	Director, Audit Committee Member

<b>Name and municipality of residence</b>	<b>Position with the Manager</b>
Bernard Letendre Toronto, Ontario	Director, President and Chief Executive Officer
Paul Lorentz Waterloo, Ontario	Director
Warren Thomson Toronto, Ontario	Director
Stephanie Fadous Scarborough, Ontario	Director
Susan Reibel Waterloo, Ontario	Director
Yanic Chagnon Boucherville, Quebec	Head of Investment Product, Canada
Lisa Hutfloetz Waterloo, Ontario	Chief Financial Officer
Anick Morin Montreal, Quebec	Associate General Counsel and Assistant Secretary
Warren Rudick Toronto, Ontario	General Counsel and Secretary
Derek Saliba Toronto, Ontario	Head of Retail Investment Product
Christopher Walker Stirling, Ontario	Chief Compliance Officer

None of the directors or executive officers of the Manager is paid or otherwise compensated or reimbursed for expenses by Manulife International Value Equity Fund or Manulife EAFE Equity Fund. Other than ownership of securities of the Funds, none of the above individuals was indebted to or had any transaction or arrangement with the Funds during the last fiscal year of Manulife International Value Equity Fund or Manulife EAFE Equity Fund. The Funds have not paid, and are not obligated to pay, any remuneration to the directors and officers of the Manager.

## **VOTING PROCEDURES AND PROXIES**

### **APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the form of proxy sent to you are representatives of the Manager. **You have the right to appoint some other person (who need not be a securityholder of the Funds) to attend or act on your behalf at the Meetings by striking out the printed names and inserting the name of such other person in the blank space provided in the form of proxy, or by completing another proxy in the proper form. To be valid, proxies must be delivered or mailed to Broadridge Financial Solutions, Inc., c/o Data Processing Centre, P.O. Box 3700 Stn. Industrial Park, Markham, Ontario L3R 9Z9. In lieu of delivery by mail or courier, a completed form of proxy may be faxed to 905-507-5352 or 514-281-8911. In the alternative, investors may enter voting instructions by telephone at 1-800-474-7493 (English) or 1-800-474-7501 (French) or via the internet at [www.proxyvote.com](http://www.proxyvote.com) by using the 16-digit control number located across from the name of the Fund in the form of proxy sent to you.**

**In order to be valid and acted upon at the Meeting(s), a properly completed form of proxy or your voting instructions, if provided by mail, fax, electronically or telephonically, must be received by 10:00 a.m. (Toronto time) on March 13, 2019. You may also deposit your proxy with the Chair of the Meeting(s) by the start of the Meeting(s) at the latest. If a Meeting is adjourned or postponed, a**

**properly completed form of proxy or your voting instructions, if provided by mail, fax, electronically or telephonically, must be received not later than 24 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any adjourned or postponed Meeting, or with the Chair of the adjourned or postponed Meeting prior to commencement of such Meeting.**

If you give a proxy, you may revoke it in relation to any matter, provided a vote has not already been taken on that matter. You can revoke your proxy by:

- completing and signing a proxy bearing a later date and depositing it as described above;
- depositing a written revocation executed by you, or by your attorney who you have authorized in writing to act on your behalf, at the above address at any time up to and including the last business day preceding the day of the Meetings, or any postponement(s), adjournment(s) or continuance(s), at which the proxy is to be used, or with the chair of the Meetings prior to the beginning of the Meetings on the day of the Meetings or any postponements(s), adjournment(s) or continuance(s); or
- any other manner permitted by law.

#### **EXERCISE OF DISCRETION BY PROXIES**

The management representatives designated in the enclosed form of proxy will vote the securities for which they are appointed proxy in accordance with your instructions as indicated on the form of proxy.

**In the absence of such direction, such securities will be voted by the management representatives FOR the resolutions set out in Schedules “A” and “B” to this Information Circular.**

The form of proxy sent to you confers discretionary authority on the designated management representatives or any other proxy you may have designated, relating to amendments to, or variations of, matters identified in this Information Circular and relating to other matters which may properly come before the Meetings. As at the date of this Information Circular, the Manager does not know of any such amendments, variations or other matters.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

January 31, 2019 has been established as the record date for the determination of securityholders of the Funds entitled to receive notice of the Special Meetings. Only securityholders of record on such record date are entitled to vote at the Special Meetings except to the extent that any such securityholder has transferred any of his or her Securities after such record date and the new holder of those Securities establishes to the satisfaction of the Manager that such transferee owns the Securities and makes arrangements with the Manager to have his or her name included on the applicable Fund’s register of securityholders before the commencement of the Special Meeting(s), in which case that person will be entitled to vote at such Special Meeting(s). As at the close of business on January 31, 2019, the Funds had the approximate numbers of issued and outstanding securities as set out in the table below:

<b>Fund</b>	<b>Number of Issued and Outstanding Securities</b>
Manulife International Value Equity Fund	23,423,041.92
Manulife EAFE Equity Fund	1,757,292.32

As at January 31, 2019, the directors and executive officers of the Manager as a group beneficially owned, directly or indirectly, less than 10% of the securities of any series of a Fund. To the knowledge of the directors and executive officers of the Manager, as of the close of business on January 31, 2019, no person

or company beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the voting rights attached to the securities of a series of a Fund entitled to be voted at the Meetings, except as set forth in the following table:

Name of Fund	Name of Beneficial Holder	Number of Securities	Percentage of Securities
Manulife International Value Equity Fund	Manulife Simplicity Growth Portfolio	4,689,011.242	20.0%
Manulife International Value Equity Fund	Manulife Simplicity Balanced Portfolio	4,651,170.803	19.9%
Manulife International Value Equity Fund	Manulife Simplicity Global Balanced Portfolio	3,435,466.110	14.7%
Manulife International Value Equity Fund	MLI Simplicity Income Portfolio	2,663,284.575	11.4%
Manulife EAFE Equity Fund	BMO Life Assurance Company	256,844.911	14.8%

Securities of the Funds that are held by mutual funds managed by the Manager or by an affiliate of the Manager will not be voted at the Meetings. The Manager, or an affiliate of the Manager, may however also directly own securities of the Funds which may be used for quorum purposes, if required, and, if so, also voted by the Manager in favour of the proposal. The Manager further understands that affiliates that own securities directly will also be voting in favour of the proposal.

As of the close of business on January 31, 2019, MLI, an affiliate of the Manager, and the Manager owned securities of the Funds, as set forth in the following table:

Name of Fund	Series	Name of Beneficial Holder	Number of Securities Held	Percentage of Securities Held <sup>7</sup>
Manulife International Value Equity Fund	M	The Manufacturers Life Insurance Company	14.37	0.00%
Manulife International Value Equity Fund	Advisor	The Manufacturers Life Insurance Company	13.09	0.00%
Manulife International Value Equity Fund	Advisor	Manulife Asset Management Limited	8.60	0.00%
Manulife International Value Equity Fund	G	The Manufacturers Life Insurance Company	8,740,467.49	100.00%
Manulife International Value Equity Fund	X	The Manufacturers Life Insurance Company	15.71	0.00%
Manulife International Value Equity Fund	F	The Manufacturers Life Insurance Company	14.17	0.05%
Manulife International Value Equity Fund	O	The Manufacturers Life Insurance Company	7.35	0.01%

<sup>7</sup> For figures shown as 0.00%, the percentage is less than 0.01%.

Manulife International Value Equity Fund	T	The Manufacturers Life Insurance Company	18.33	0.63%
Manulife International Value Equity Fund	FT	The Manufacturers Life Insurance Company	20.10	100.00%
Manulife EAFE Equity Fund	F	The Manufacturers Life Insurance Company	61.15	0.06%
Manulife EAFE Equity Fund	O	The Manufacturers Life Insurance Company	22.78	0.01%
Manulife EAFE Equity Fund	T	The Manufacturers Life Insurance Company	25.91	0.04%
Manulife EAFE Equity Fund	H	The Manufacturers Life Insurance Company	7.42	0.17%
Manulife EAFE Equity Fund	Advisor	The Manufacturers Life Insurance Company	6.97	0.00%
Manulife EAFE Equity Fund	Advisor	Manulife Asset Management Limited	8.03	0.00%
Manulife EAFE Equity Fund	FT	The Manufacturers Life Insurance Company	15.72	1.20%

MLI is an insurance company and holds securities of the Funds as principal and in connection with its obligations towards its policyholders, the nature of which is determined by reference to the Funds. The securities of any Funds that are held by MLI will be used for quorum purposes if required. If used for quorum purposes, the Manager understands that these securities will also be voted by MLI in favour of a proposal.

### **AUDITOR**

The auditor of the Funds is Ernst & Young, LLP, 100 Adelaide Street West, Toronto, Ontario, M5H 1S3.

### **ADDITIONAL INFORMATION**

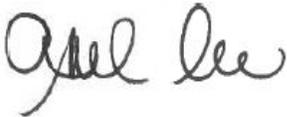
Additional information about the Funds is available in their Simplified Prospectus, Annual Information Form, Fund Facts, Management Report of Fund Performance and Financial Statements. You can get a copy of these documents upon request and at no cost, by calling the Manager toll-free at 1 888 588 7999 or by e-mail at [manulifemutualfunds@manulife.com](mailto:manulifemutualfunds@manulife.com). These documents and other information about the Funds are also available on the Funds' website [www.manulifemutualfunds.ca](http://www.manulifemutualfunds.ca) or at [www.sedar.com](http://www.sedar.com).

## **GENERAL**

The contents of this Information Circular and its distribution have been approved by the Board of Directors of Manulife Asset Management Limited, as trustee of the Funds.

Dated at Toronto, Ontario, this 19<sup>th</sup> day of February 2019.

By order of the Board of Directors of Manulife Asset  
Management Limited (as trustee and as manager of the Funds)



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Anick Morin  
Associate General Counsel and Assistant Secretary

## SCHEDULE “A”

### INVESTMENT OBJECTIVE CHANGE RESOLUTION

#### **Resolution of Securityholders of Manulife EAFE Equity Fund**

**WHEREAS** it is in the best interests of Manulife EAFE Equity Fund (the “**Fund**”) and its securityholders to change the investment objective of the Fund as hereinafter provided;

**BE IT RESOLVED THAT:**

1. the change in the investment objective of the Fund, as described in the management information circular dated February 19, 2019 (the “**Information Circular**”), be and the same is hereby authorized and approved;
2. Manulife Asset Management Limited, as the investment fund manager of the Fund (the “**Manager**”), be and is hereby authorized to change the investment objective of the Fund substantially to the following:

“The Fundamental investment objective is to provide long-term capital appreciation by employing a bottom-up fundamental approach to invest primarily in all-cap non-North American companies, located in developed markets.”
3. all amendments to any agreements or declarations (including, but not limited to, the Declaration of Trust and/or Plan of Establishment relating of the Fund) to which the Fund or the Manager on behalf of the Fund is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
4. the Manager of the Fund shall have the discretion to postpone implementing the investment objective change until a later date (which shall be no later than December 31, 2019) if it considers such postponement to be in the best interests of the Fund and its securityholders;
5. the Manager is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion without further approval of the securityholders of the Fund, at any time prior to the implementation of the changes described above, if it is considered to be in the best interests of the Fund and its securityholders; and
6. any one officer or director of the Manager is authorized and directed to execute or cause to be executed and to deliver or cause to be delivered, all such documents, agreements and instruments and to do or cause to be done all such other acts and things as such officers or directors shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, including any amendment to the material agreements of the Fund, such determination to be conclusively evidenced by their execution and delivery of such document, agreement or instrument or their doing of any such act or thing.

## **SCHEDULE “B”**

### **MERGER RESOLUTIONS**

#### **Resolutions of securityholders of each of:**

##### **Manulife International Value Equity Fund Manulife EAFE Equity Fund**

(each individually, a “Fund” and together, the “Funds”)

**WHEREAS** it is in the best interests of each Fund and their respective securityholders to complete the merger involving the Funds (the “**Merger**”) as hereinafter provided and as more particularly described in the management information circular dated February 19, 2019 (the “**Information Circular**”);

**AND WHEREAS** Manulife Asset Management Limited (the “**Manager**”) is the investment fund manager of the Funds;

#### **BE IT RESOLVED THAT:**

1. the Merger and all matters relating to the Merger, as more particularly described in the Information Circular, be and the same are hereby authorized and approved;
2. the Declaration of Trust and/or Regulation governing a Fund be amended as may be required to implement or give effect to the applicable Merger;
3. all amendments to any agreements to which a Fund or the Manager, on behalf of a Fund, is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
4. the Manager shall have the discretion to postpone implementing a Merger until a later date (which shall be no later than December 31, 2019) if it considers such postponement to be in the best interests of the of the applicable Fund and its securityholders;
5. the Manager is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the securityholders of a Fund, at any time prior to the implementation of the changes described above, if it is considered to be in the best interests of the applicable Fund and its securityholders; and
6. any one officer or director of the Manager is authorized and directed to execute or cause to be executed and to deliver, file and issue or cause to be delivered, filed and issued, all such documents, agreements, and other instruments and to do or cause to be done all such other acts and things as such officers or directors shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, including any amendments to the material agreements of the Fund, such determination to be conclusively evidenced by his or her execution and delivery of such document, agreement, or other instrument or their doing of any such act or thing.