

Notice of Settlement Approval and Discontinuance

NOTICE OF THE CERTIFICATION AND SETTLEMENT OF A CLASS ACTION

Read this notice carefully as it may affect your rights.

THIS NOTICE IS DIRECTED TO:

All persons, excluding certain persons associated with the Defendants, who are residents of Canada who:

- a) purchased the Mortgage Protection Plan or the Credit Security Plan mortgage creditor insurance product (from January 1, 1995 to November 26, 2020); or**
- b) had their personal information transmitted to any of the Manulife Defendants (from January 1, 1995 to November 26, 2020) in the course of seeking mortgage or other home financing; or**
- c) received from the Manulife Defendants a Safety Catch Letter, i.e. a letter sent on behalf of a mortgage broker which encouraged a Class Member to arrange some form of mortgage insurance (from January 1, 2003 to November 26, 2020),**

(collectively, the “Class” or “Class Members”).

On or about February 20, 2013, a proposed class action was commenced against Manulife Financial Corporation, The Manufacturers Life Insurance Company, Benesure Canada Inc., Broker Support Centre Inc., Credit Security Insurance Agency, (the “Manulife Defendants”) Tacamor Holdings Inc., Davis + Henderson Limited Partnership (now DH Corporation) and John F. Lorriman (together, the “Defendants”) in the B.C. Supreme Court, *Leonard et al. v. The Manufacturers Life Insurance Company et al.*, (Supreme Court of British Columbia, Vancouver Registry, No. S-131263) (the “B.C. Class Action”).

On or about February 26, 2013, a proposed class action was commenced against the Defendants in the Ontario Superior Court of Justice, *Di Paolo et al. v. The Manufacturers Life Insurance Company et al.*, (Superior Court of Justice for Ontario, File No. CV-13-475050-00CP) (the “Ontario Class Action” and together with the B.C. Class Action, the “Class Action Proceedings”).

In the B.C. Class Action, the plaintiffs allege that the Defendants breached the Class Members’ privacy and engaged in other unlawful activities related to the sale and distribution of mortgage creditor insurance.

Substantially similar allegations have been made in the Ontario Class Action.

The B.C. Class Action was amended to cover all Canadian residents (other than Québec residents), including those originally covered by the Ontario Class Action, as reflected in the definition of “Class” above.

The settlement of the B.C. Class Action, without an admission of liability on the part of the Defendants, was approved by Justice Gomery of the B.C. Supreme Court on November 26, 2020.

The discontinuance of the Ontario Class Action was approved by Justice Perell of the Ontario Superior Court of Justice on August 11, 2022.

This notice provides a summary of the settlement.

RELATED CLASS ACTION - DOMINION LENDING CENTRES

Separate but relatedly, on February 8, 2019, a proposed class action was commenced against Dominion Lending Centres Inc. in the Ontario Superior Court of Justice, *Benmouffok et al. v Dominion Lending Centres Inc.* (Superior Court of Justice for Ontario, File No. CV-22-00683459-0000, the “DLC Action”) for its alleged involvement in the solicitation, marketing, sale and distribution, for compensation of such allegedly unlawful insurance.

The DLC Action was dismissed for delay pursuant to section 29.1 of the *Class Proceedings Act, 1992* by Justice Perell of the Ontario Superior Court of Justice on August 11, 2022.

SUMMARY OF THE SETTLEMENT TERMS

The Defendants will pay \$4.25 million in full and final settlement of all claims against them in the Class Action Proceedings and the B.C. Class Action shall be dismissed against all Defendants and the Ontario Class Action shall be discontinued. The settlement, less the lawyers’ fees of \$900,000, disbursements of \$92,599.19, plus tax on disbursements of \$4,630.03, will not be distributed to the Class. Instead, the net settlement fund will be paid for the benefit of the Class to ABC Life Literacy Canada, Prosper Canada and the Law Foundation of British Columbia. For more information about ABC Life Literacy Canada, please visit www.abclifeliteracy.ca for more information about Prosper Canada, please visit prospercanada.org and for more information about the Law Foundation of British Columbia, please visit <http://www.lawfoundationbc.org>. The Settlement Agreement and the Orders of Justice Gomery may be reviewed at <https://www.brucelemer.com/class-actions/current-class-actions/>.

The Defendants and various related parties are released by the Class and various related parties from all claims in the Class Action Proceedings (as set out in further detail in the Settlement Agreement). A number of substantially similar proposed class actions were started in Canadian jurisdictions: *Benmouffok and Bourbonnais v. Manufacturers Life Insurance Company et al.* (Superior Court of Justice for Ontario, File No. 17-73294CP) (the “Benmouffok Action”), *Stringer v. Manufacturers Life Insurance Company et al.* (Court of Queen’s Bench for Saskatchewan, File No. QBG No. 778/15) (the “Stringer Action”) and *Patrick Ehouzou, et al. v. Manufacturers Life Insurance Company* (Superior Court of Québec, No. 500-06-000874-178/Québec Court of Appeal, No. 500-09-028397-198) (the “Ehouzou Action”). The Benmouffok Action has been permanently stayed by the Ontario Superior Court of Justice. The Stringer Action has been discontinued by the plaintiff. Authorization of the Ehouzou Action was

refused by the Superior Court of Québec, which decision was affirmed by the Québec Court of Appeal, leave to appeal dismissed by the Supreme Court of Canada.

TO OPT-OUT OF THE CLASS ACTION PROCEEDINGS

If you do not want to be bound by the settlement, you must complete and send an Opt Out Form by December 14, 2022 to either of the class members' lawyers addresses below (the "Opt Out Deadline"). Opt Out Forms are available at <https://www.brucelemer.com/class-actions/currentclass-actions/> or by calling the class members' lawyers below.

All Class Members will be bound by the terms of the settlement, unless they opt-out of these Class Action Proceedings.

QUESTIONS

Questions for the class members' lawyers may be directed to:

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This notice has been approved by the B.C. Supreme Court. Questions about matters in this notice should NOT be directed to the Court.