

**The notice contains important information that requires your immediate attention.
Should you have any query about this notice, please seek independent professional advice.**

February 20, 2020

**To Policyowners of Manulife Investment Plus (“MI Plus”) / Manulife Investment Solutions (“MISo”) /
Manulife Wealth Creator (“MWC”) / Alpha / Alpha Regular Investor (“ARI”) / Matrix /
ManuSelect Investment Protector (“MIP”) / Flexible Investment Protector (“FIP”)
(each a “Plan” and collectively, the “Plans”)**

**Amendments to Reflect Requirements under the Revised Code on Unit Trusts and Mutual Funds in
respect of the Underlying Funds**

We would like to notify you of the following changes with regard to the following underlying funds (each an “**Underlying Fund**” and collectively, the “**Underlying Funds**”) corresponding to the following investment choices under the Plans, following our receipt of the shareholder notice of the Underlying Funds dated January 31, 2020 (the “**Shareholder Notice**”).

| Name of Plan | Name of Investment Choice | Name of Underlying Fund | Share Class of Underlying Fund |
|-----------------------|--|--|---------------------------------------|
| MI Plus and MISo | Manulife Inv Franklin U.S. Opportunities Fund | Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund | Class A-Acc USD |
| Alpha, ARI and Matrix | MIL Franklin U.S. Opportunities Fund | | |
| MI Plus and MISo | Manulife Inv Templeton Frontier Markets Fund | Franklin Templeton Investment Funds – Templeton Frontier Markets Fund | Class A |
| Alpha, ARI and Matrix | MIL Templeton Frontier Markets Fund | | |
| MI Plus and MISo | Manulife Inv Templeton Global Total Return Fund | Franklin Templeton Investment Funds – Templeton Global Total Return Fund | Class A Acc USD |
| | Manulife Inv Templeton Global Total Return Fund (dist) | | Class A (Mdis) USD |
| Alpha, ARI and Matrix | MIL Templeton Global Total Return Fund | | Class A Acc USD |
| MI Plus, MISo & MWC | Manulife Inv International Bond Fund | Franklin Templeton Investment Funds - Templeton Global Bond Fund | Class A |
| Alpha, ARI and Matrix | MIL International Bond Fund | | |
| MIP | ManuSelect International Bond Fund | | |
| FIP | International Bond Fund (Series II) | | |

Franklin Templeton Investment Funds and certain of its sub-funds, including the Underlying Funds, are subject to the applicable requirements under the Code on Unit Trusts and Mutual Funds (the “**Code**”) issued by the Securities and Futures Commission in Hong Kong (“**SFC**”). The Code has been revised.

The following key changes (the “**Changes**”) are made to the Hong Kong offering documents of the Underlying Funds (the “**Hong Kong Offering Documents**”) to reflect applicable requirements under the revised Code:

a) *Enhancement of disclosures on net derivative exposure*

The Explanatory Memorandum and the Product Key Facts Statements of the Underlying Funds have been amended to include disclosures on the expected maximum net derivative exposure arising from derivative investments. The net derivative exposure of each Underlying Fund is calculated in accordance with the requirements and guidance issued by the SFC, which may be updated from time to time. Please refer to the table below for information on the net derivative exposure of each Underlying Fund.

| <u>Name of Underlying Fund</u> | <u>Net Derivative Exposure (percentage of the net asset value of the Underlying Fund)</u> |
|--|--|
| Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund | Up to 50% |
| Franklin Templeton Investment Funds – Templeton Frontier Markets Fund | Up to 50% |

| | |
|--|------------------------------|
| Franklin Templeton Investment Funds – Templeton Global Total Return Fund | More than 50% but up to 100% |
| Franklin Templeton Investment Funds – Templeton Global Bond Fund | Up to 50% |

b) *Other updates, amendments and enhancements of disclosures*

Other updates, amendments and enhancements of disclosures to reflect the requirements of the revised Code including the following:

- (i) amendments to reflect the requirements under the revised Code on transactions with connected persons, rebates and soft dollars arrangements;
- (ii) enhanced disclosures to reflect the requirements under the revised Code on valuation of assets;
- (iii) enhanced disclosures to reflect the requirements under the revised Code on suspension of dealings;
- (iv) enhanced disclosures on the Franklin Templeton Investment Funds – Templeton Global Total Return Fund in relation to its exposures to debt instruments with loss-absorption features and the associated risks;
- (v) updates to the warning statement to align with the provisions in the revised Code, setting out that the SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Please refer to the revised Hong Kong Offering Documents for further details of the Changes.

The Changes will not result in any material change to the investment objective and risk profile of each of the Underlying Funds. There will be no increase in the fees payable out of the assets of the Underlying Funds, or any additional costs and expenses for shareholders of the Underlying Funds (other than the cost of publishing the Shareholder Notice, which is estimated to be approximately HKD150,000 and which will be charged and allocated to the sub-funds of Franklin Templeton Investment Funds covered in the Shareholder Notice based on the pro rata share of the net asset value of the sub-funds), as a result of the Changes. Any additional costs and expenses arising from the Changes will be borne by the management company of the Underlying Funds. The Changes will also not result in a change in the manner in which Franklin Templeton Investment Funds and the Underlying Funds currently operate or are being managed.

Please refer to the Shareholder Notice and latest offering documents of the Underlying Funds for further information relating to the above changes.

If you have any enquiry, please do not hesitate to contact your Manulife Insurance Advisor or call our Customer Service Hotline at (852) 2108 1110 (in relation to MI Plus, MISo and MWC) and (852) 2510 3941 (in relation to ARI, Alpha, Matrix, MIP and FIP) (in Hong Kong or (853) 8398 0383 in Macau during office hours: 9:00am - 6:00pm, Monday to Friday.

Customer Services

Individual Financial Products

Manulife (International) Limited

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