

THE MANUFACTURERS LIFE INSURANCE COMPANY

And

THE MARITIME LIFE ASSURANCE COMPANY

FORM 51-102F3 – JOINT MATERIAL CHANGE REPORT

ITEM 1. **Name and Address of Company**

The Manufacturers Life Insurance Company
200 Bloor Street East
Toronto, Ontario
M4W 1E5

The Maritime Life Assurance Company
7 Maritime Place, P.O. Box 1030
Halifax, Nova Scotia
B3J 2X5

ITEM 2. **Date of Material Change**

September 10, 2004

ITEM 3. **Press Release**

The press release attached as Schedule A was issued on Friday, September 10, 2004 at Toronto, Ontario.

ITEM 4. **Summary of Material Change**

The Boards of Directors of The Manufacturers Life Insurance Company (Manulife), The Maritime Life Assurance Company (Maritime Life) and MFC Insurance Company Limited (MFC Insurance) – three separate subsidiaries of Manulife Financial Corporation – announced on September 10, 2004 that they had approved a plan to combine the operations of the three companies into a single Canadian insurance business under the name “The Manufacturers Life Insurance Company.” If approved by the voting policyholders of the three companies and by the preferred shareholders of Maritime Life at special meetings to be held on November 24, 2004, the merger is scheduled to take place December 30, 2004.

In addition, the Boards of Directors of Manulife and Maritime Life approved a plan to simplify the capital structure of the overall organization. This plan involves (1) the redemption of all outstanding Maritime Life First Preferred Shares, Series A on October 15, 2004; (2) the redemption of all outstanding Maritime Life Second Preferred Shares, Series 1 on December 31, 2004; and (3) an offer to the holders of Maritime Life Second Preferred Shares, Series 3 to exchange those shares on a one for one basis for a new class of Manulife shares having identical economic terms to the Series 3 Shares.

The Board of Directors of Maritime Life have also approved a by-law providing for the consolidation of Series 3 Shares on the basis of one consolidated Series 3 Share for each existing 1,000,000 Series 3 Shares. The by-law amendment is subject to approval by the

voting policyholders and preferred shareholders of Maritime Life. If approved, the holders of Series 3 Shares at the time of consolidation will receive a cash payment for each Series 3 Share equal to \$26.82 plus prorated unpaid dividends to the day immediately preceding the consolidation.

ITEM 5. **Full Description of Material Change**

Please refer to the press release attached as Schedule A for a description of the material change.

ITEM 6. **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

ITEM 7. **Omitted Information**

Not applicable.

ITEM 8. **Executive Officer**

Richard Lococo, Vice President and Deputy General Counsel
The Manufacturers Life Insurance Company

Telephone: (416) 926-6620

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ITEM 9. **Date of Report**

September 13, 2004



media statement

FOR IMMEDIATE RELEASE
September 10, 2004

TSX/NYSE/PSE: MFC; SEHK: 0945

Manulife, Maritime Life and MFC Insurance plan to combine Canadian operations

**Maritime Life Series 1 and Series A preferred shares to be redeemed;
Manulife to offer Series 3 preferred share exchange**

TORONTO – The Boards of Directors of The Manufacturers Life Insurance Company (Manulife), The Maritime Life Assurance Company (Maritime Life) and MFC Insurance Company Limited (MFC Insurance) – three separate subsidiaries of Manulife Financial Corporation – today approved a plan to combine their current operations into a single Canadian insurance business under the name “The Manufacturers Life Insurance Company.” The merger would also result in certain changes to Maritime Life’s outstanding securities.

The merger plan requires approval of the voting policyholders of each of Manulife, Maritime Life, and MFC Insurance, and by preferred shareholders of Maritime Life, who will vote at special meetings scheduled for November 24, 2004. The Minister of Finance for Canada and the Superintendent of Financial Institutions also must approve the merger. If approved, the merger is scheduled to take place on December 30, 2004.

Following the combination, existing policyholders of each of the three companies will be policyholders of The Manufacturers Life Insurance Company. Completion of the merger will not impact benefits, premiums, values or guarantees of current policies or contracts. Any policy eligible to receive dividends prior to the combination will continue to be eligible for dividends.

Merger of insurance operations

“The strengthened market and financial position of the combined businesses, together with cost savings from the integration and simplification of business operations, are expected to benefit all policyholders,” said Bruce Gordon, Senior Executive Vice President and General Manager of Manulife Financial Corporation’s Canadian Operations.

Terms of the merger have been reviewed by an independent actuary, who concluded the combination and planned integration of operations are to the advantage of policyholders of all three companies.

Maritime Life securities redemption

To simplify and improve the efficiency of Manulife Financial Corporation’s consolidated capital structure, the Board of Directors of Maritime Life have authorized the redemption of:

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- \$35 million First Preferred Shares, Series A, of Maritime Life (TSX: [MMF.PR.A](#)), effective October 15, 2004. Notices of redemption will be sent out to these shareholders shortly, together with other information on how they may receive their cash proceeds.
- \$100 million principal amount Second Preferred Shares, Series 1, of Maritime Life (TSX: [MMF.PR.B](#)). As provided in the series terms, the redemption will be completed on December 31, 2004. Notices of redemption and other information regarding receipt of the redemption proceeds will be sent out to shareholders in November 2004.

Series 3 exchange and consolidation

Manulife will make a securities exchange offer to holders of the \$100 million principal amount Second Preferred Shares, Series 3 of Maritime Life (TSX: [MMF.PR.C](#)). A new preferred share of Manulife with identical economic terms will be offered for each outstanding Series 3 Share. Subject to receipt of certain regulatory approvals, it is expected that the offer documentation will be mailed to holders of Series 3 Shares in late September, with the exchange of shares being completed in late October 2004.

“We are pleased to offer the holders of Series 3 Shares the opportunity to exchange their shares and become shareholders of Manulife, and enjoy the enhanced credit and financial strength of a larger, more diversified financial services company.” said Peter Copestake, Senior Vice President and Treasurer of Manulife.

In the event that not all the Series 3 shares are exchanged, the Board of Directors of Maritime Life has also approved a by-law providing for the consolidation of the Series 3 Shares on the basis of one consolidated Series 3 Share for each existing 1,000,000 Series 3 Shares. The by-law requires approval of both Maritime Life’s policyholders and preferred shareholders at Maritime Life’s special meeting in November and, if approved, will be implemented following the meeting. Series 3 shareholders who have previously exchanged their shares for Manulife preferred shares will not be affected by the consolidation. Manulife intends to vote all of the Series 3 Shares it acquires pursuant to the exchange offer in favour of the consolidation by-law.

As a result of the consolidation and in accordance with the by-law, holders of Series 3 Shares at the time of the consolidation will receive a cash payment for each of their Series 3 Shares. The cash payment will be equal to \$26.82 (the 20-day average closing price of the Series 3 Shares on the Toronto Stock Exchange as of the close of trading on September 9, 2004, calculated net of prorated unpaid dividends) plus prorated unpaid dividends to the date immediately prior to the consolidation.

About Manulife Financial

Manulife Financial is a leading Canadian-based financial services group serving millions of customers in 19 countries and territories worldwide. Operating as Manulife Financial in Canada and most of Asia, and primarily through John Hancock in the United States, the Company offers clients a diverse range of financial protection products and wealth management services through its extensive network of employees, agents and distribution partners.

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Funds under management by Manulife Financial and its subsidiaries were Cdn\$360 billion (US\$269 billion) as at June 30, 2004. Manulife Financial Corporation trades as 'MFC' on the TSX, NYSE and PSE, and under '0945' on the SEHK. Manulife Financial can be found on the Internet at www.manulife.com.

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Forward-Looking Statements

This news release includes Forward-Looking statements with respect to Manulife Financial Corporation, Manulife, Maritime Life, and MFC Insurance (the “Companies”), including their business operations and strategy as well as their financial performance and condition. These statements generally can be identified by the use of Forward-Looking words such as: “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, or “continue” or the negative thereof or similar variations. Although management of the Companies believe that the expectations reflected in such Forward-Looking statements are reasonable, such statements involve risks and uncertainties and actual results may differ materially from those expressed or implied by such Forward-Looking statements. Important factors that could cause actual results to differ materially from expectations include among other things, general economic conditions worldwide, market factors, including global capital market activity, interest rate and currency value fluctuations, business competition, changes in government regulations or in tax laws, technological changes, changes in consumer demand for the products and services of the Companies, realizing increased revenue from the expansion and development of distribution channel capacity, the ability of the Companies to compete strategic acquisitions and to integrate acquisitions, catastrophic events, political conditions and developments and international conflicts. The Companies do not undertake to update any Forward-Looking statements.

For more information, please contact:

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Policyholders and Shareholders:

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