



Important Tax Notice to U.S. Investors Who are U.S. Taxpayers

This statement is provided to shareholders who are United States persons for purposes of the U.S. Internal Revenue Code of 1986, as amended (“IRC”) and the regulations thereunder. It is not relevant to other shareholders.

Manulife Yield Opportunities Fund (the “Fund”) may be deemed to be classified as a Passive Foreign Investment Company (“PFIC”) as defined in Section 1297(a) of the IRC for the year ending December 31, 2018 and thus, its securityholders are shareholders of the PFIC.

We recommend that all U.S. taxpayer clients consult a tax advisor concerning the overall tax consequences of their ownership of securities of the Fund and their U.S. tax reporting requirements. You can also find information on U.S. tax rules applicable to investments in a PFIC on the IRS website, www.irs.gov, by searching “Form 8621 Instructions”.

Please find below a PFIC Annual Information Statement (“AIS”) for the Fund. The PFIC AIS is being provided pursuant to the requirements of Treasury Regulation §1.1295-1(g)(1). The PFIC AIS contains information to enable you, should you so choose based on the advice of your tax advisor in light of your personal tax circumstances, to elect to treat the Fund as a qualified electing fund (“QEF”).

Generally, an election is filed for each mutual fund for which you wish to make a QEF election. If you hold securities of the Fund and the Fund holds securities of one or more underlying mutual funds, you will receive a combined PFIC AIS containing information that will enable you to elect to treat any or all of the funds as a QEF as you choose, as well as information relating to your securities and values in your indirect holdings.

Note that the information attached with this letter is intended to help you make one or more QEF elections, if you decide to do so, and neither such information nor this letter constitutes tax advice. The taxpayer should seek advice based on their particular circumstances from an independent tax advisor.

If you have any questions regarding this matter, please contact your advisor or a U.S. tax advisor or Client Relations at manulifemutualfunds.ca. Thank you for investing in Manulife Investments Mutual Funds.



**Manulife Yield Opportunities Fund
PFIC Annual Information Statement
For the Year Ending December 31, 2018**

1) This Information Statement applies to the taxable year of the Fund for the year beginning January 1, 2018 and ending on December 31, 2018.

2) Your pro-rata per share amounts of ordinary earnings and net capital gains for each Series of the Fund for the period specified in paragraph (1) is as follows:

Series	Ordinary Earnings (US\$)	Net Capital Gains (US\$)
Advisor	0.000000	0.079444
D	0.027344	0.163506
E	0.000000	0.154080
F	0.004987	0.163506
FT	0.000000	0.130841
G	0.078305	0.163506
H	0.000000	0.161395
HE	0.000000	0.147784
I	0.031552	0.163506
IT	0.040414	0.163506
J	0.059313	0.163506
JT	0.014924	0.163506
K	0.000000	0.113251
Legend	0.029288	0.163506
T	0.000000	0.000000
X	0.074662	0.163506

To determine your pro-rata share of the amounts above, multiply the amounts by the number of securities of each Series you held during the year.

- i. If you owned the same number of securities from January 1, 2018 through December 31, 2018, multiply the number of such securities by the amounts above.
- ii. If you did not own the same number of securities from January 1, 2018 through December 31, 2018, multiply the number of securities you owned by the amounts above as well as by the number of days the securities were held in 2018 and divide the result by 365.

Example 1: On January 1, 2018, you acquired 10,000 units of Advisor Series which earned \$0.000000 ordinary earnings per unit and \$0.079444 net capital gains per unit, and held them throughout the year. Your pro-rata share of Advisor Series' ordinary earnings and net capital gains would be US\$0.00 (i.e., 10,000 units x \$0.000000) and US\$794.44 (i.e., 10,000 units x \$0.079444) respectively.

Example 2: On July 1, 2018, you acquired 10,000 units of Series D which earned \$0.027344 ordinary earnings per unit, and \$0.163506 net capital gains per unit, and held them throughout the remainder of the year (184 days). Your pro rata share of Series D's ordinary earnings and net capital gains per unit would be US\$137.84 (i.e., 10,000 units x \$0.027344 x 184/365) and US\$824.25 (i.e., 10,000 units x \$0.163506 x 184/365) respectively.

Example 3: On August 1, 2018, you acquired another 2,000 units of Advisor Series in addition to the 10,000 units in example 1 and held 12,000 units for the remainder of the year, (153 days.) Your total pro-rata share of Advisor Series' ordinary earnings would be US\$0.00 (\$0.00 + (2,000 units x 0.000000 x 153/365)). Your total pro-rata share of Advisor Series' net capital gains would be US\$861.04 (\$794.44 + (2,000 units x \$0.079444 x 153/365)).



3) Your pro-rata share of cash distributions¹ and property distributions for each Series of the Fund for the period specified in paragraph (1) are as follows:²

Series	Property Distributions (US\$)	Cash Distributions (US\$)
Advisor	0.463722	0.000000
D	0.478921	0.000000
E	0.448396	0.000000
F	0.467451	0.000000
FT	0.760117	0.000000
G	0.302933	0.000000
H	0.443677	0.000000
HE	0.433730	0.000000
I	0.466158	0.000000
IT	0.787269	0.000000
J	0.432488	0.000000
JT	0.615308	0.000000
K	0.610725	0.000000
Legend	0.438259	0.000000
T	0.704869	0.000000
X	0.407656	0.000000

To determine your pro-rata share of the amounts above, multiply the amounts by the number of securities of each Series you held during the year.

- i. If you owned the same number of securities from January 1, 2018 through December 31, 2018, multiply the number of such securities by the amounts above.
- iii. If you did not own the same number of securities from January 1, 2018 through December 31, 2018, multiply the number of securities you owned by the amounts above as well as by the number of days the securities were held in 2018 and divide the result by 365.

4) The Fund will, upon receipt of a request, permit you to inspect and copy its permanent books of account, records, and other such documents as may be maintained by the Fund that are necessary to establish its ordinary earnings and net capital gains are computed in accordance with U.S. income tax principles under IRC Section 1293 and to verify these amounts and your pro-rata share thereof.³

By: Jean-Pierre Morier
 Title: Associate Vice President, Investment Fund Taxation
 Date:

¹ Under U.S. tax reporting rules, cash distributions only include distributions denominated in U.S. currency. Distributions denominated in Canadian currency are reported as property distributions.

² All amounts are reported in U.S. dollars. Distributions represent average distributions that are not reinvested in the fund. If you have elected to reinvest your distributions, the above amount may not be reflective of the actual distribution amount you received during the year. If you have made a QEF election, your basis in your fund securities is based on your investment in the fund before the election, plus your share of ordinary earnings and/or net capital gains less the actual distributions you have received during the year. You should consult your U.S. tax advisor to determine your U.S. tax basis in the fund securities during the year.

³ The per unit amount of ordinary earnings and net capital gains for each Series of the Fund for the period are calculated under U.S. tax principles and may not be reflective of the per unit Canadian dollar amounts reported in your fund account statement.



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