

**CANADA LIFE FINANCIAL CORPORATION AND GREAT-WEST LIFECO INC**  
**CLASS ACTION SETTLEMENT**  
**Frequently Asked Questions**

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QUESTIONS? EMAIL [CLFCCLASSACTION@SISKINDS.COM](mailto:CLFCCLASSACTION@SISKINDS.COM) OR CALL TOLL-FREE IN NORTH AMERICA 1-800-461-6166 AND IN THE UNITED KINGDOM OR IRELAND 00-800-0399-9999.  
CLAIM FORMS MUST BE POSTMARKED, FAXED OR EMAILED NO LATER THAN AUGUST 11, 2010.

## 1. WHAT IS THIS CASE ABOUT?

This class action lawsuit relates to the acquisition of Canada Life Financial Corporation ("CLFC") by Great-West Lifeco Inc. ("Lifeco") in July 2003 (the "Transaction"). The class action alleges that the Defendants failed to take reasonable steps to notify certain shareholders of CLFC of the Transaction and to provide to these shareholders the Consideration (a combination of cash and Lifeco shares) to which they were entitled as a result of the Transaction.

A settlement has been reached with the Defendants that resolves the class action lawsuit. Generally speaking, you may be eligible for compensation under the class action settlement if:

1. You owned a participating policy issued by Canada Life in 1999, when Canada Life transitioned from a mutual insurance company to a stock life insurance company. As part of that process, Canada Life policyholders were allocated shares in CLFC.

**OR**

2. You purchased shares of CLFC over a stock exchange.

**AND**

You did not receive notice of the Transaction.

Please see Question 5 for more information about who is eligible for compensation under the class action settlement.

Some CLFC shareholders were not sent notice of the Transaction and therefore might not have known that they were entitled to the Consideration. Since the Transaction, some former CLFC shareholders have come forward and claimed the Consideration to which they are entitled. Those persons may be entitled to additional compensation under the terms of the class action settlement. Other former CLFC shareholders are still owed the Consideration allocated to them in the Transaction. As part of the class action settlement, the Defendants are required to assist in the process of locating these CLFC shareholders. These CLFC shareholders may be entitled to full payment of the Consideration, plus additional compensation, under the terms of the class action settlement.

More information regarding the Transaction is available online at [www.clfcclassaction.ca](http://www.clfcclassaction.ca). This information includes various documents issued by the Defendants in relation to the Transaction.

The class action settlement is a compromise of disputed claims and is not an admission of liability, wrongdoing or fault on the part of the Defendants, who deny the allegations against them. A copy of the Settlement Agreement executed by the parties and approved by the Court of Queen's Bench of Manitoba is available online at [www.clfcclassaction.ca](http://www.clfcclassaction.ca) or by contacting Class Counsel by calling toll-free: in North America 1-800-461-6166 and in the United Kingdom or Ireland 00-800-0399-9999.

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By order of the Court of Queen's Bench of Manitoba on January 27, 2010 (the "Approval Order"), the action was certified as a class action for settlement purposes and the Settlement Agreement was approved as fair, reasonable and in the best interests of the class members. A copy of the Approval Order is available online at [www.clfcclassaction.ca](http://www.clfcclassaction.ca) or by contacting Class Counsel by calling toll-free: in North America 1-800-461-6166 and in the United Kingdom or Ireland 00-800-0399-9999.

## **2. WHAT IS A CLASS ACTION?**

A class action is a lawsuit in which the claims and rights of many people are decided in a single court proceeding brought by a representative plaintiff. This avoids the necessity for hundreds or even thousands of people to file similar individual lawsuits, enables the court to resolve these claims in a more efficient and economical manner, and seeks to ensure that people with similar claims are treated similarly. In a class action, the court has a responsibility to ensure that interests of class members are being adequately protected and that any settlement of the class action is fair, reasonable and in the best interests of the class.

## **3. WHY DID I RECEIVE A NOTICE AND CLAIM FORM?**

If you received a copy of the Approval Notice and Claim Form by mail, you have been identified (based on the Defendants' records) as someone who did not receive notice of the Transaction and who may be entitled to benefits under the class action settlement. Please refer to question 5 for more information about the eligibility criteria.

## **4. I WAS CONTACTED BY INTERNATIONAL GENEALOGICAL SEARCH INC. ("IGS"). WHO IS IGS?**

IGS is the firm that has been retained by the Parties to conduct searches for Class Members who have not yet received the Consideration to which they are entitled as a result of the Transaction. As part of its search process, IGS might contact you and attempt to verify that you are the person to whom the Approval Notice and Claim Form should be sent (i.e., to confirm that you are the correct "John Smith").

IGS is conducting the searches under the supervision of the Court and is under strict confidentiality obligations. IGS will not disclose any personal information, but might ask that you verify your previous address, date of birth, or last four digits of your SIN/SSN/TIN in order to confirm identity.

## **5. WHO IS ELIGIBLE FOR COMPENSATION UNDER THE CLASS ACTION SETTLEMENT?**

"Class Members" are entitled to claim compensation under the class action settlement. In order to determine whether you are a "Class Member", you should review the definitions contained in Schedule "A". "Class Members" include:

All persons who were Registered Shareholders of CLFC as of March 26, 2003, and

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- (a) to whom the Transaction Notice was not mailed, or
- (b) to whom the Transaction Notice was mailed but the Letter of Election was not mailed,

in either case because mail addressed to the person had previously been returned to Computershare by the relevant public postal authority as undeliverable or because there was no Address of Record in respect of the person,

except:

- (c) those persons who made an election as contemplated by the Letter of Election, and
- (d) CDS & Co. (CDS Clearing and Depository Services Inc.) or CEDE & Co. (The Depository Trust & Clearing Corporation).

The class action settlement applies to all Class Members regardless of their place of residence.

Claim Forms may be filed by Class Members or their authorized personal representatives (including an estate trustee or executor, trustee in bankruptcy and holder of a power of attorney for property).

If you received a copy of the Approval Notice and Claim Form by mail, you have been identified as someone who did not receive notice of the Transaction and who may be Class Member.

**If you are uncertain as to whether you are a Class Member, you should contact Class Counsel by calling toll-free: in North America 1-800-461-6166 and in the United Kingdom or Ireland 00-800-0399-9999.** Pursuant to the terms of the Settlement Agreement, the Defendants have provided Class Counsel with a list of Class Members. As a result, Class Counsel will be able to indicate whether you are likely a Class Member. Please be advised however that a final determination of Class Membership is not possible until after you have filed a Claim Form.

## **6. HOW DO I ESTABLISH CLASS MEMBERSHIP?**

In order to establish Class Membership, you must complete section 2 of the Claim Form. Section 2 asks you to provide the following:

- Section 2A – Class Member name and address
- Section 2B – Proof of identification
- Section 2C – Claims filed by Authorized Personal Representatives (if applicable)
- Section 2D – Evidence of Class Membership (optional)

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**A. What information do I need to provide?**

Section 2A of the Claim Form requires you to provide your name, date of birth, address information, and Canada Life policy number (if applicable). If the CLFC shares were jointly held, you must include information for each former CLFC shareholder. It also asks you to provide your SIN/SSN/TIN and email address, but these are optional. Residents of the Republic of Ireland should not provide their SIN/SSN/TIN.

If your address information changes subsequent to the filing of your Claim Form, you must provide your updated address information to Class Counsel in writing at the following address:

Email: [clfcclassaction@siskinds.com](mailto:clfcclassaction@siskinds.com)

Fax: 519.660.7873

Mail: Michael Robb, Siskinds LLP, 680 Waterloo Street, London, Ontario, N6A 3V8, Canada

Section 2A of the Claim Form asks whether you wish to have your records updated with the Defendants, Canada Life and Computershare using the address information provided on the Claim Form. If you wish to have your records updated, you should check the appropriate box.

**B. How do I prove my identity?**

Section 2B of the Claim Form requires you to provide proof of identification. Proof of identification might include a copy of your driver's license, passport or other government-issued photo identification.

If you have changed your name, you must state your former name and attach proof of name change. Proof of name change might include a marriage certificate or a government-issued document confirming a legal name change.

You must describe the documents that you are attaching and include the documents with your Claim Form. Please do not include originals as documents will not be returned.

**C. What is required for claims filed by Authorized Personal Representatives?**

An Authorized Personal Representative is a person who has authority to act on behalf of a former CLFC shareholder, such as an estate trustee or executor, trustee in bankruptcy, or holder of a power of attorney.

Authorized Personal Representatives are required to complete Section 2C of the Claim Form. To the extent possible, Authorized Personal Representatives should also provide the information requested under section 2A of the Claim Form.

Section 2C of the Claim Form requires the Authorized Personal Representative to provide his/her/its name and address information.

Section 2C also requires the Authorized Personal Representative to attach copies of the documents authorizing him/her/it to act on behalf of the former CLFC shareholder. Such documents may include, for example, a will, court order or power of attorney. You must

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describe the documents that you are attaching and include the documents with your Claim Form. Please do not include originals as documents will not be returned.

**D. What evidence can I provide to show that I am entitled to make a claim?**

Section 2D of the Claim Form asks you to provide any evidence reasonably available to you that establishes that you are a former CLFC shareholder who did not receive notice of the Transaction, or that you are the Authorized Personal Representative thereof. Such evidence may include your Canada Life participating policy, or correspondence from a government taxing agency indicating that you have been reassessed as a result of the failure to claim as revenue the Consideration you were deemed to have received as a result of the Transaction.

If you provide documents, you must describe the documents and include the documents with the Claim Form. Please do not include originals as documents will not be returned.

Section 2D of the Claim Form is optional. You are not required to provide the information requested in Section 2D.

**7. WHAT BENEFITS ARE AVAILABLE UNDER THE CLASS ACTION SETTLEMENT?**

The benefits payable under the class action settlement vary based on, among other things, your former CLFC shareholdings, whether you have received the Consideration, and whether you provided the Defendants, Canada Life or Computershare with updated address information during the relevant period (as indicated in Question 7D).

The Settlement Agreement provides for two levels of settlement benefits:

- Level 1 Settlement Benefits: Level 1 Settlement Benefits are available to all eligible Class Members.
- Level 2 Settlement Benefits: Level 2 Settlement Benefits are greater than Level 1 Settlement Benefits and are available to certain Class Members who provided updated address information to the Defendants, Canada Life or Computershare, but did not receive notice of the Transaction at that updated address.

**A. How do I select as between claiming Level 1 or Level 2 Settlement Benefits?**

Section 3B of the Claim Form requires Class Members to elect to claim for Level 1 Settlement Benefits **OR** Level 2 Settlement Benefits. In order to make an election, Class Members need only check the appropriate box. Please check only one box.

If you elect to claim for Level 1 Settlement Benefits, you will forego any right to make a claim for the greater benefits available under the Level 2 Settlement Benefits.

If you elect to claim for Level 2 Settlement Benefits, the Defendants will be required to review their records, the records of Canada Life and Computershare (including certain records of Montreal Trust), to the extent necessary, to determine whether you are entitled to Level 2

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Settlement Benefits. **This review will be conducted entirely at the expense of the Defendants. Class Members will not be responsible for any costs associated with the review.** If you apply for, but are not eligible for Level 2 Settlement Benefits, you will still receive Level 1 Settlement Benefits, provided that you are otherwise eligible for compensation under the class action settlement.

**B. What is included in Level 1 Settlement Benefits?**

The Level 1 Settlement Benefits are as follows:

- (a) to the extent it has not already been paid, full payment of the cash portion of the Consideration to which the Class Member was entitled. The average value of the cash portion of the Consideration is approximately Cdn \$10,000 per Class Member. However, any individual Class Member's entitlement may be significantly less than or greater than Cdn \$10,000, as this entitlement is based on the number of CLFC shares the Class Member held. **Class Counsel can provide an approximate value for each person who appears on the list of likely Class Members. Class Counsel can be reached by calling toll-free: in North America 1-800-461-6166 and in the United Kingdom or Ireland 00-800-0399-9999;**
- (b) to the extent not already paid, full payment of the CLFC Dividends to which the Class Member was entitled;
- (c) to the extent not already received, the Series F Shares allocated to the Class Member, and the proceeds of the redemption of the Series E shares allocated to the Class Member as a result of the Transaction;
- (d) to the extent not already paid, simple interest at 1.1985% per annum on the amounts payable to the Class Member under paragraphs (a) and (b) above, for the period from July 15, 2003 until June 1, 2004; and
- (e) to the extent not already paid, simple interest at 3.5% per annum on the amounts payable to the Class Member under paragraphs (a) and (b) above, for the period from the later of June 1, 2004 and the date that these amounts were payable to the Class Member to the date that payment is or was made to the Class Member.

**C. What is included in Level 2 Settlement Benefits?**

Level 2 Settlement Benefits may include, based on satisfactory proof:

- (a) to the extent it has not already been paid, full payment of the cash portion of the Consideration to which the Class Member was entitled. The average value of the cash portion of the Consideration is approximately Cdn \$10,000 per Class Member. However, any individual Class Member's entitlement may be significantly less than or greater than Cdn \$10,000, as this entitlement is based on the number of CLFC shares the Class Member held. **Class Counsel can provide an approximate value for each person who appears on the list of likely Class**

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**Members. Class Counsel can be reached by calling toll-free: in North America 1-800-461-6166 and in the United Kingdom or Ireland 00-800-0399-9999;**

- (b) to the extent not already paid, full payment of the CLFC Dividends to which the Class Member was entitled;
- (c) to the extent not already received, the Series F Shares allocated to the Class Member as a result of the Transaction and the proceeds of the redemption of the Series E shares allocated to the Class Member as a result of the Transaction;
- (d) to the extent not already paid, simple interest at 4.5% per annum on the Amounts payable to the Class Member under paragraphs (a) and (b) above, calculated from July 15, 2003 to the date that payment is or was made to the Class Member;
- (e) to the extent not already reimbursed, and to the extent that the Class Member failed to timely report to a governmental taxing authority for income tax purposes the capital gain deemed to have been realized by the Class Member on completion of the Transaction because the Transaction Notice or the Letter of Election was not mailed to the Class Member, any interest and/or other penalties paid or payable by the Class Member to a governmental taxing authority as a consequence of the failure to report and remit on a timely basis;
- (f) reimbursement of any accounting or other financial services fees, to a maximum of CAD\$500.00 plus any applicable taxes, paid or payable by the Class Member in relation to any advice or assistance provided to the Class Member regarding any interest and/or other penalties paid or payable by the Class Member as referred to in paragraph (e) above.

**D. Who is entitled to Level 2 Settlement Benefits?**

Generally speaking, Class Members are entitled to Level 2 Settlement Benefits if they provided updated address information to Canada Life, CLFC, Computershare, or Montreal Trust prior to the Transaction, but was not mailed notice of the Transaction at that address.

More specifically, the following Class Members, who file a timely and complete Claim Form and whose claims are verified and accepted, are entitled to Level 2 Settlement Benefits:

- (a) a Class Member in relation to whom Canada Life, at the time it provided addresses to Montreal Trust to establish Addresses of Record, had either a documented change of address request or an application form or similar document specifying a new address, and therefore had a more current address than that which it provided to Montreal Trust;
- (b) a Class Member in relation to whom CLFC or Computershare, at the date of the mailing of the Transaction Notice, had either a documented change of address request or an application form or similar document specifying a new address, and

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therefore had a more current address than that reflected in the Address of Record, but failed to send the Transaction Notice to the more current address; or

- (c) a Class Member who was entitled to shares of CLFC as a consequence of Demutualization and in relation to whom Canada Life did not provide a current address to Montreal Trust at the time it provided addresses to Montreal Trust to establish Addresses of Record because mail addressed to the person had previously been returned to Canada Life by the relevant public postal authority as undeliverable or because the records of Canada Life disclosed no address for the person, and in relation to whom, at any time after Demutualization, Canada Life or one of the Defendants had either a documented change of address request or an application form or similar document specifying a new address, and therefore had a more current address, but did not advise Montreal Trust or Computershare of the more current address,

with the result that the Transaction Notice was not mailed to the Class Member, or the Transaction Notice was mailed but the Letter of Election was not mailed to the Class Member.

#### **E. How do I establish eligibility for Level 2 Settlement Benefits?**

For Class Members who elect to claim for Level 2 Settlement Benefits, the Defendants will review their records and the records of Canada Life, Computershare and Montreal Trust, to the extent necessary, to help determine whether the Class Members are entitled to Level 2 Settlement Benefits. **This review will be conducted entirely at the Defendants' expense.**

Section 3C of the Claim Form relates to eligibility for Level 2 Settlement Benefits and need only be completed by Class Members who elect to claim for Level 2 Settlement Benefits. There are three requirements in Section 3C of the Claim Form.

The first requirement of Section 3C of the Claim Form requires Class Members to indicate the entity to whom they provided updated address information and the time period during which such updated address information was provided. Class Members need only check the appropriate box(es).

The second requirement of Section 3C asks Class Members to provide any evidence to support that they are entitled to Level 2 Settlement Benefits. Such evidence may include any documentation showing that you provided updated address information to the Defendants, Canada Life, Montreal Trust or Computershare. This evidence may include a change of address request, a policy application with the more current address or any other similar document specifying a new address.

You must describe the documents that you are attaching and include the documents with the Claim Form. Please do not include originals as documents will not be returned.

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The third requirement of Section 3C requires Class Members to provide their prior addresses since 1987. You should complete the table to the best of your knowledge. Please attach additional pages if necessary.

Section 3C of the Claim Form is optional. The failure to provide the evidence requested in Section 3C will not preclude you from being entitled to Level 2 Settlement Benefits should the Defendants, in their review of their files and the files of Canada Life, Computershare and Montreal Trust, locate evidence indicating that you are entitled to Level 2 Settlement Benefits. However, this information will be helpful to the Defendants in conducting their review and establishing entitlement to Level 2 Settlement Benefits.

**F. If I claim Level 2 Settlement Benefits, how do I claim for tax expenses?**

Class Members who elect to claim for Level 2 Settlement Benefits can claim reimbursement of any interest and/or other penalties paid or payable by the Class Member to a governmental taxing authority as a consequence of the failure by the Class Member to report the capital gain deemed to have been realized by the Class Member upon the completion of the Transaction because the notice of Transaction was not mailed to the Class Member.

In submitting a claim for reimbursement, you are confirming that the failure to report the capital gain was the result of having not received notice of the Transaction.

In order to claim for reimbursement, you must complete Section 3D of the Claim Form. You must provide documentation issued by the relevant taxing authority establishing the interest and/or any other penalties paid or payable by you in relation to the Transaction, including the amount of the interest and/or other penalties for which compensation is sought. If you have already paid the interest and/or other penalties, you must also provide proof of payment.

You must describe the documents that you are attaching and include the documents with the Claim Form. Please do not include originals as documents will not be returned.

**G. If I claim Level 2 Settlement Benefits, how do I claim for accounting expenses?**

Class Members who elect to claim for Level 2 Settlement Benefits can claim reimbursement of any accounting or other financial services fees, to a maximum of CAD\$500.00 plus any applicable taxes, paid or payable by the Class Member in relation to advice or assistance provided to the Class Member regarding any interest and/or other penalties paid or payable by the Class Member to a governmental taxing authority as described in Question 7F above.

In order to claim for reimbursement, you must complete Section 3E of the Claim Form. You must provide an invoice, account statement or other similar document establishing eligible accounting or other financial services fees paid or payable, including the amount of the accounting or other financial services fees for which compensation is sought. If you have already paid the accounting or other financial services fees, you must also provide proof of payment.

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You must describe the documents that you are attaching and include the documents with the Claim Form. Please do not include originals as documents will not be returned.

## **8. HOW DO I CLAIM BENEFITS UNDER THE CLASS ACTION SETTLEMENT?**

### **A. How do I file a claim?**

In order to be eligible for compensation under the class action settlement, Class Members must submit a completed Claim Form, along with any required information, postmarked, faxed or emailed to the following address:

Mail: Michael Robb, Siskinds LLP, 680 Waterloo Street, London, Ontario, N6A 3V8, Canada

Fax: 519.660.7873

Email: [clfcclassaction@siskinds.com](mailto:clfcclassaction@siskinds.com)

Most of the requirements for completing a Claim Form have been discussed elsewhere in this document:

- Question 6 explains the requirements for establishing Class Membership.
- Question 7A explains the process for electing to claim for Level 1 or Level 2 Settlement Benefits.
- Question 7E explains how to establish entitlement to Level 2 Settlement Benefits.
- Question 7F explains how to claim for your tax expenses (if you have chosen to claim for Level 2 Settlement Benefits).
- Question 7G explains how to claim for your accounting expenses (if you have chosen to claim for Level 2 Settlement Benefits).

The only remaining requirement is Section 4 of the Claim Form. Section 4 requires you to declare that all the information and statements made in the Claim Form are true, correct and complete to the best of your knowledge, information and belief. If the CLFC shares were jointly held, each former CLFC shareholder must sign and date the declaration.

### **B. Where can I get a copy of the Claim Form?**

A copy of the Claim Form is available in English and French online at [www.clfcclassaction.ca](http://www.clfcclassaction.ca) or by contacting Class Counsel by calling toll-free: in North America 1-800-461-6166 and in the United Kingdom or Ireland 00-800-0399-9999.

### **C. When is the deadline for filing a Claim Form?**

**If you do not submit a Claim Form postmarked, faxed or emailed on or before August 11, 2010, you will not be able to claim the Consideration and the other benefits available under the class action settlement.**

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You should, however, complete and return the Claim Form as soon as possible. Class Counsel will review your Claim Form before it is submitted to Lifeco for determination of your claim. If additional information is required on your Claim Form, Class Counsel will contact you to help in ensuring that your Claim Form is complete and that you have included any required supporting documents. Returning your Claim Form early will enable Class Counsel to conduct this preliminary review and leave time to remedy any deficiencies.

**D. Will the information I am providing on the Claim Form be kept confidential?**

All information provided on the Claim Form will be kept in strict confidence. The information will be used only for the purposes of evaluating eligibility for compensation under the class action settlement, updating your address in the records of the Defendants, Canada Life and/or Computershare as you have directed, and for tax withholding and reporting purposes.

**E. How will I know if my Claim Form is received?**

If you provided an email address on your Claim Form, Class Counsel will notify you by email when they have received your Claim Form.

**F. What if I missed completing something on my Claim Form?**

Claim Forms will be received by Class Counsel. Class Counsel will review your Claim Form for completeness. If your Claim Form is incomplete, Class Counsel will contact you to help ensure that your Claim Form is complete and that you have included any required supporting documents. Returning your Claim Form early will enable Class Counsel to conduct this preliminary review. You will not receive a bill from Class Counsel for any such assistance, nor will you be asked to send any money.

**G. Who will administer the claims process?**

After Class Counsel has completed the preliminary review described in Question 8F, Class Counsel will forward your Claim Form to the Defendants in order to determine your eligibility for Settlement Benefits. The Defendants' review of the Claim Forms will be performed under the supervision of the Court of Queen's Bench of Manitoba.

The Defendants are responsible for their costs in administering the claims process.

The Defendants are also responsible for certain costs incurred in the search process and the costs of notifying Class Members of the Settlement Agreement.

**H. If my claim is accepted, when can I expect to receive Settlement Benefits?**

Claim Forms will be processed as they come in. Accordingly, the earlier you file a Claim Form, the earlier you can expect to receive Settlement Benefits (assuming that you have satisfied the eligibility requirements). In any event, all Claim Forms should be processed by December 9, 2010. No later than 45 days after that date a claims decision will be sent to you by mail informing of your eligibility for Settlement Benefits. If you are entitled to Settlement Benefits, your Settlement Benefits will be included with the notice.

QUESTIONS? EMAIL <a href="mailto:CLFCCLASSACTION@SISKINDS.COM">CLFCCLASSACTION@SISKINDS.COM</a> OR CALL TOLL-FREE IN NORTH AMERICA 1-800-461-6166 AND IN THE UNITED KINGDOM OR IRELAND 00-800-0399-9999. CLAIM FORMS MUST BE POSTMARKED, FAXED OR EMAILED NO LATER THAN AUGUST 11, 2010.
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As explained further in Question 11, a percentage of the Settlement Benefits to which Class Members are entitled will be deducted before payment is made to provide for the payment of the fees of Class Counsel. Deductions may also be made for (1) tax withholdings, if required, and (2) the fees of IGS, the search firm retained to locate Class Members, to a maximum of Cdn \$200, depending on the extent of the searches required.

If you were a certificated shareholder of CLFC (that is, you were issued one or more physical share certificates representing your shares) you will be required to surrender your share certificates to the Defendants or provide an affidavit of loss and surety bond in order to receive your Settlement Benefits. Class Members who were certificated shareholders should contact Class Counsel for advice about how to tender their share certificates, and what to do if they have lost their share certificates.

**I. What are the tax consequences associated with the receipt of Settlement Benefits?**

There might be tax consequences associated with the receipt of the Settlement Benefits. You should consult with your accountant or tax advisor about this.

**J. If all or part of my claim is rejected, do I have any appeal rights?**

If all or part of your claim is rejected, you will receive a claims decision with a brief explanation of the basis for the rejection. You will be entitled to have the rejection reviewed by an independent referee appointed by the Court of Queen's Bench of Manitoba to conduct reviews and make final decisions on entitlement. Complete details on how and when to apply for review will be included with the claims decision.

**9. WHAT IF I DO NOT WANT TO PARTICIPATE IN OR BE BOUND BY THE CLASS ACTION SETTLEMENT?**

Class Members who do not want to participate in or be bound by the class action settlement must exclude themselves from the litigation by "opting out".

**If you do nothing (i.e., you do not file an Opt-Out Form or a Claim Form), you will be forever barred from asserting any claims (whether in Canada, the United States, the United Kingdom, Ireland, or elsewhere) relating to the failure of the Defendants to provide notice of the Transaction and to timely deliver the Consideration against the Defendants, their parent and subsidiary companies, affiliates, partners, insurers, officers, directors, employees, agents, shareholders, attorneys, trustees, servants and representatives.** The specific terms of this release are available in the Settlement Agreement and the Approval Order, both of which are available online at [www.clfcclassaction.ca](http://www.clfcclassaction.ca) or by contacting Class Counsel by calling toll-free: in North America 1-800-461-6166 and in the United Kingdom or Ireland 00-800-0399-9999.

Class Members who opt out of the litigation will not be entitled to receive any of the settlement benefits described in this Notice. They will, however, preserve their rights to assert claims against the Defendants independently should they wish to do so.

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CLAIM FORMS MUST BE POSTMARKED, FAXED OR EMAILED NO LATER THAN AUGUST 11, 2010.



Class Members who wish to opt out of the litigation must submit a completed Opt-Out Form, postmarked no later than **August 11, 2010** to the following address:

Mail: Michael Robb, Siskinds LLP, 680 Waterloo Street, London, Ontario, N6A 3V8,  
Canada  
Fax: 519.660.7873  
Email: [clfclassaction@siskinds.com](mailto:clfclassaction@siskinds.com)

The Opt-Out Form is available in English and French online at [www.clfclassaction.ca](http://www.clfclassaction.ca) or by contacting Class Counsel by calling toll-free: in North America 1-800-461-6166 and in the United Kingdom or Ireland 00-800-0399-9999.

#### **10. WHERE CAN I GET ADDITIONAL INFORMATION ABOUT THE SETTLEMENT AND THE CLAIMS PROCESS?**

Copies of the Settlement Agreement, Claim Form, Opt-Out Form and the Approval Order are available online at [www.clfclassaction.ca](http://www.clfclassaction.ca) or from Class Counsel. The Claim Form, Opt-Out Form and Settlement Agreement are available in English and French.

Questions about the class action settlement and the claims process should be directed to Class Counsel:

Email: [clfclassaction@siskinds.com](mailto:clfclassaction@siskinds.com)  
Telephone (North America): 1-800-461-6166 (toll-free)  
Telephone (United Kingdom or Ireland): 00-800-0399-9999 (international toll-free)  
Telephone (outside North America, United Kingdom or Ireland): (519) 660-7700 (collect calls will be accepted)  
Fax: 519.660.7873  
Mail: Michael Robb, Siskinds LLP, 680 Waterloo Street, London, Ontario, N6A 3V8,  
Canada

You will not receive a bill from Class Counsel, nor will you be asked to send any money. Class Counsel will, subject to the approval of the Court, be compensated out of the settlement benefits payable to Class Members.

#### **11. HOW WILL THE LAWYERS REPRESENTING THE CLASS BE PAID?**

Class Counsel are being paid on a contingency basis and their fees will be deducted from the settlement benefits before they are paid.

This arrangement is consistent with the terms of the retainer agreement that was entered into between Class Counsel and the representative plaintiff at the outset of the litigation. The retainer agreement provides that Class Counsel is to be paid on a contingency basis. Class Counsel undertook the litigation on the basis that it would fund all aspects of pursuing the class action lawsuit and would only be paid in the event that a recovery is obtained on behalf of the representative plaintiff and the Class. The retainer agreement provides that Class Counsel is entitled to seek the Court's approval for a fee of up to 25% of the value of any recovery obtained

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for the Plaintiff and the Class, payable from the recovery. Contingency fee agreements are customary in class action litigation in Canada.

Class Counsel has not been paid any fees to date and has paid certain costs associated with advancing the class action.

The Approval Order provides that a certain percentage of the settlement benefits payable pursuant to the class action settlement shall be set aside in an account held by Class Counsel. The Approval Order provides for the following amounts to be set aside for that purpose:

- a) 5% of the value of all amounts paid pursuant to the class action settlement on account of the Consideration and the CLFC Dividends;
- b) 25% of all other benefits paid pursuant to the class action settlement.

Upon completion of the administration of the class action settlement, Class Counsel will apply to the Court for an order that its fees and expenses be paid from this account. Class Counsel may seek all of the money held in this account or only a portion thereof. The Court may award any amount it deems appropriate. In the event the Court awards less than the entire amount available in the account, the balance may be distributed proportionately to Class Members who are entitled to benefits or otherwise as the Court may direct.

**12. WHAT IF I AM APPROACHED BY AN AGENCY OFFERING TO FILE A CLAIM ON MY BEHALF?**

Class Members may be approached by private agencies who offer to file a claim on the Class Member's behalf. Such agencies will want to be compensated in return for their services. Class Members do not need the assistance of a private agency in filing a claim. Class Counsel can answer any questions Class Members have in filing a claim at no cost (other than the fees to be deducted from the Settlement Benefits with the approval of the Court, as explained in Question 11).

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## SCHEDULE "A" – DEFINITIONS

In order to understand whether you are eligible for benefits under the class action settlement and what those benefits are, you should review the following definitions from the Settlement Agreement:

- (a) “Address of Record” means, in relation to a Class Member, the address entry maintained by Montreal Trust or Computershare for purposes of mailings relating to the Class Member’s shareholdings in CLFC or Lifeco.
- (b) “Certificated Shareholder” means a shareholder of CLFC other than Computershare whose name appeared on the CLFC securities register maintained by Computershare and to whom one or more physical share certificates were issued.
- (c) “CLFC Dividends” means any dividends declared by CLFC to which a Class Member is entitled as a result of the Class Member’s holdings of common shares of CLFC.
- (d) “Computershare” means Computershare Trust Company of Canada or Computershare Investor Services Inc.
- (e) “Consideration” means any cash, Series E Shares (together with any accrued dividends) or Series F Shares (together with any accrued dividends) to which a shareholder of CLFC was entitled (in the case of a Certificated Shareholder, without regard to the requirement to provide a letter of transmittal and surrender the shareholder’s CLFC share certificates) as a result of the Transaction.
- (f) “Letter of Election” means the document dated May 6, 2003 enclosing the document entitled “Letter of Election Form for Holders of Ownership Statements Representing Common Shares of CLFC Corporation” or, for Certificated Shareholders, the document entitled “Letter of Election and Transmittal Form to Accompany Certificates Representing Common Shares of CLFC Corporation.”
- (g) “Montreal Trust” means Montreal Trust Company of Canada.
- (h) "Ownership Statement Shareholder" means a shareholder of CLFC whose name appeared on the registry of ownership statement shareholders maintained by Computershare and to whom no physical share certificate was issued.
- (i) "Registered Shareholder" means (i) a Certificated Shareholder or (ii) an Ownership Statement Shareholder.
- (j) “Series E Shares” means the 4.80% Non-Cumulative First Preferred Shares, Series E, in the capital of Lifeco or, if these shares are redeemed, the consideration in relation to these shares arising from the redemption.

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- (k) “Series F Shares” means the 5.90% Non-Cumulative First Preferred Shares, Series F, in the capital of Lifeco.
- (l) “Transaction Notice” means the Notice of the Special Meeting of Shareholders of CLFC dated March 22, 2003.

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CLAIM FORMS MUST BE POSTMARKED, FAXED OR EMAILED NO LATER THAN AUGUST 11, 2010.