

**Annex C-4**

**Form 41-101F3**

***Information Required in a Scholarship Plan Prospectus***

**Contents**

**PART A – PLAN SUMMARY FOR A SCHOLARSHIP PLAN**

- Item 1 – Information about the Plan**
- Item 2 – Withdrawal and Cancellation Rights**
- Item 3 – Description of the Scholarship Plan**
- Item 4 – Suitability**
- Item 5 – The Plan's Investments**
- Item 6 – Contributions**
- Item 7 – Payments**
- Item 8 – Risks**
- Item 9 – Cancellation Rate**
- Item 10 – Costs**
- Item 11 – Guarantees**
- Item 12 – For More Information**

**PART B – DETAILED PLAN DISCLOSURE – GENERAL INFORMATION**

**Item 1 – Cover Page Disclosure**

Preliminary Prospectus Disclosure  
Required Statement  
Basic Disclosure about the Distribution

**Item 2 – Inside Cover Page**

Introduction  
No Social Insurance Number  
Payments Not Guaranteed  
Withdrawal and Cancellation Rights

**Item 3 – Table of Contents**

Table of Contents

**Item 4 – Introduction and Glossary**

Introduction and Documents Incorporated by Reference  
Terms Used in the Prospectus

**Item 5 – Overview of Scholarship Plans**

Introductory Heading  
Description of Scholarship Plans  
List of Scholarship Plans Offered

## **Item 6 – General Information about Scholarship Plan Life Cycle**

- Overview of Scholarship Plan Life Cycle
- Enrolling in a Scholarship Plan
- Unregistered Accounts
- Government Grants
- Contribution Limits
- Additional Services
- Fees and Expenses
- Eligible Studies
- Payments from the Scholarship Plan
- Unclaimed Accounts

## **Item 7 – Scholarship Plans with Same Investment Objectives (Multiple Prospectus)**

- Investment Objectives

## **Item 8 – Scholarship Plans with Same Investment Strategies (Multiple Prospectus)**

- Investment Strategies

## **Item 9 – Scholarship Plans with Same Investment Restrictions (Multiple Prospectus)**

- Investment Restrictions

## **Item 10 – Risks of Investing in a Scholarship Plan**

- Risks of Investing in a Scholarship Plan

## **Item 11 – Income Tax Considerations**

- Status of the Scholarship Plan
- Taxation of the Scholarship Plan
- Taxation of the Subscriber
- Taxation of the Beneficiary

## **Item 12 – Organization and Management Details of the Scholarship Plan**

- Organization and Management Details

## **Item 13 – Statement of Rights**

- Statement of Rights

## **Item 14 – Other Material Information**

- Other Material Information

## **Item 15 – Back Cover**

- Back Cover

## **PART C – DETAILED PLAN DISCLOSURE – PLAN-SPECIFIC INFORMATION**

### **Item 1 – General**

#### **Item 2 – Introductory Disclosure**

For a Single Prospectus  
For a Multiple Prospectus

#### **Item 3 – Plan Description**

Plan Description

#### **Item 4 – Eligibility and Suitability**

Eligibility and Suitability

#### **Item 5 – Beneficiary Group**

Beneficiary Group

#### **Item 6 – Eligible Studies**

Summary of Eligible Studies  
Description of Eligible Programs  
Description of Ineligible Programs

#### **Item 7 – Investment Objectives**

Investment Objectives

#### **Item 8 – Investment Strategies**

Investment Strategies

#### **Item 9 – Investment Restrictions**

Investment Restrictions

#### **Item 10 – Plan-Specific Risks**

Plan Risks  
Investment Risks

#### **Item 11 – Annual Returns**

Annual Returns

#### **Item 12 – Contributions**

Making Contributions  
Missing Contributions

### **Item 13 – Withdrawing Contributions**

Withdrawing Contributions

### **ITEM 14 – FEES AND EXPENSES**

Costs of Investing in the Scholarship Plan  
Fees Payable by Subscriber from Contributions

#### **Fees Payable by the Scholarship Plan**

Transaction Fees  
Fees for Additional Services  
Refund of Sales Charges and Other Fees

### **ITEM 15 – MAKING CHANGES TO A SUBSCRIBER'S PLAN**

Changing Contributions  
Changing Maturity Date  
Changing Year of Eligibility  
Changing Subscriber  
Changing Beneficiary  
Death or Disability of Beneficiary

### **Item 16-Transfer of Scholarship Plan**

Transferring to another plan managed by the investment fund manager  
Transferring to another RESP Provider  
Transferring from another RESP Provider to the Scholarship Plan

### **Item 17 – Default, Withdrawal or Cancellation**

Withdrawal or Cancellation by Subscriber  
Subscriber Default  
Cancellation by Investment Fund Manager  
Re-activation of Subscriber's Plan  
Plan Expiration

### **Item 18 – Plan Maturity**

Description of Plan Maturity  
If the Beneficiary Does Not Enrol in Eligible Studies

### **Item 19 – Payments from the Scholarship Plan**

Return of Contributions  
Payments to Beneficiaries  
Amount of EAPs  
Payments from the EAP Account  
If Beneficiary Does Not Complete or Advance in Eligible Studies

### **Item 20 – Accumulated Income Payments**

Accumulated Income Payments

**Item 21 – Discretionary Payments to Beneficiaries**

Discretionary Payments to Beneficiaries  
Historical Amount of Discretionary Payments

**Item 22 – Attrition**

Attrition  
Pre-Maturity Attrition  
Post-Maturity Attrition

**Item 23 – Other Material Information**

Other Material Information

**PART D – DETAILED PLAN DISCLOSURE – INFORMATION ABOUT THE ORGANIZATION**

**Item 1 – Legal Structure of the Scholarship Plan**

Legal Structure

**Item 2 – Organization and Management Details**

Directors and Officers of the Plan  
Investment Fund Manager  
Trustee  
The Foundation  
Independent Review Committee  
Other Groups  
Remuneration of Directors, Officers, Trustees and Independent Review Committee Members  
Portfolio Adviser  
Principal Distributor  
Dealer Compensation  
Custodian  
Auditor  
Transfer Agent and Registrar  
Promoter  
Other Service Providers  
Ownership of the Investment Fund Manager and Other Service Providers  
Affiliates of the Investment Fund Manager  
Designated Website

**Item 3 – Experts**

Names of Experts  
Interests of Experts

**Item 4 – Subscriber Matters**

Subscriber Matters

Matters Requiring Subscriber Approval  
Amendments to Declaration of Trust  
Reporting to Subscribers and Beneficiaries

**Item 5 – Business Practices**

Policies  
Brokerage Arrangements  
Valuation of Portfolio Investments  
Proxy Voting Disclosure for Portfolio Securities Held

**Item 6 – Conflicts of Interest**

Conflicts of Interest  
Interests of Management and Others in Material Transactions

**Item 7 – Material Contracts**

Material Contracts

**Item 8 – Legal Matters**

Exemptions and Approvals  
Legal and Administrative Proceedings

**Item 9 – Certificates**

Certificate of the Scholarship Plan  
Certificate of the Investment Fund Manager  
Certificate of the Principal Distributor  
Certificate of the Promoter  
Amendments

## **General Instructions**

- (1) *This Form describes the disclosure required in a scholarship plan prospectus. Each Item of this Form outlines disclosure requirements. Instructions as to how to complete this Form are printed in italic type.*
- (2) *The objective of the scholarship plan prospectus is to provide information about the scholarship plan that an investor needs in order to make an informed investment decision. This Form sets out specific disclosure requirements that are in addition to the general requirement under securities legislation to provide full, true and plain disclosure of all material facts relating to the securities to be distributed.*
- (3) *Terms defined in National Instrument 14-101 Definitions, National Instrument 41-101 General Prospectus Requirements, National Instrument 81-105 Mutual Fund Sales Practices, National Instrument 81-106 Investment Fund Continuous Disclosure or National Instrument 81-107 Independent Review Committee for Investment Funds and used in this Form have the same meanings that they have in those national instruments except that references in those instruments to "mutual fund" must be read as references to "investment fund" or "scholarship plan" as the context requires.*
- (4) *A scholarship plan prospectus must contain only the information that is mandated or permitted under this Form.*
- (5) *A scholarship plan prospectus must present the information in each Part of this Form briefly and concisely, in the order provided for by this Form, and use only the headings and sub-headings stipulated in this Form except that sub-headings not required by this Form may be used where permitted under an Item in this Form.*
- (6) *Specific instructions are sometimes provided in this Form for a single prospectus and a multiple prospectus. Portions of Part B and Part D of this Form generally refer to disclosure required for "a scholarship plan" in a "prospectus". This disclosure must be modified as appropriate to reflect multiple scholarship plans covered by a multiple prospectus.*
- (7) *National Instrument 41-101 requires that a prospectus be prepared using plain language and in a format that assists in readability and comprehension. For additional guidance, see the plain language principles listed in section 4.1 of Companion Policy 41-101 CP General Prospectus Requirements. If the use of technical terms is required, clear and concise explanations of those terms must be included.*
- (8) *Respond as simply and directly to the requirements of this Form as is reasonably possible.*
- (9) *No reference need be made to inapplicable items and, unless otherwise required in this Form, negative answers to items may be omitted.*
- (10) *Certain Items in this Form require that a prospectus include wording that is the same or substantially the same as set out in those Items. A scholarship plan may modify the prescribed wording to more accurately reflect its features if the wording does not apply to the plan.*
- (11) *Unless otherwise stated, this Form does not mandate the use of a specific font size or style but the font used must be legible. If the prospectus is made available online, information must be presented in a way that is both readable online and can be printed in a readable format.*
- (12) *A prospectus may contain photographs and artwork only if they are relevant to the business of the scholarship plan or members of the organization of the scholarship plan and are not misleading.*
- (13) *A prospectus must not contain design elements (e.g., graphics, photos, artwork) that would, to a reasonable person, detract from the information disclosed in the document.*

- (14) *If disclosure is required as of a specific date and there has been a material change or a change that is otherwise significant to a reasonable investor to the required information subsequent to that date, present the information as of the date of the change or a date subsequent to the change.*

### **Contents of a Scholarship Plan Prospectus**

- (15) *This Form permits two formats: a prospectus for a single scholarship plan and a multiple prospectus for multiple scholarship plans.*
- (16) *A scholarship plan prospectus must consist of four parts as set out below. Part A is the Plan Summary. Parts B, C and D are collectively the Detailed Plan Disclosure. The Plan Summary and the Detailed Plan Disclosure together form the scholarship plan prospectus. The four parts may be further described as follows:*
- (a) *Part A contains the responses to the Items in Part A of this Form. The information in this Part contains a summary of key information about investing in a scholarship plan.*
  - (b) *Part B contains the responses to the Items in Part B of this Form and contains introductory information about the scholarship plan and general information about the scholarship plan family.*
  - (c) *Part C contains the responses to the Items in Part C of the Form and contains plan-specific information about the scholarship plan(s) offered in the prospectus.*
  - (d) *Part D contains the responses to the Items in Part D of this Form and contains information about the scholarship plan organization, the persons and entities involved in running the scholarship plan, and the prospectus certificates.*

### **Consolidation of Scholarship Plan Prospectuses into a Multiple Prospectus**

- (17) *Section 3A.2 of National Instrument 41-101 requires that a scholarship plan prospectus must not be consolidated with one or more scholarship plan prospectuses to form a multiple prospectus unless the disclosure in each of the Part B and Part D sections of this Form is substantially similar for each scholarship plan. This provision permits a scholarship plan organization to create a document that contains the disclosure for a number of scholarship plans in the same family.*
- (18) *Similar to a single prospectus, a multiple prospectus must consist of four segments:*
- (a) *The first segment consists of a number of Part A sections of this Form. Each Part A section must contain the information required under Part A of this Form about a single scholarship plan. The information required by the Part A section must be disclosed separately for each scholarship plan in the multiple prospectus. Each Part A section in a multiple prospectus must start on a new page.*
  - (b) *The second segment contains the information required under Part B of this Form for the scholarship plans described in the document. There must not be more than one Part B section for all of the scholarship plans in the prospectus.*
  - (c) *The third segment consists of a number of Part C sections of this Form. Each Part C section must contain the information required under Part C of this Form about a single scholarship plan. The information required by the Part C section must be disclosed separately for each scholarship plan in the multiple prospectus. Each Part C section in a multiple prospectus must start on a new page.*
  - (d) *The fourth segment contains the information required under Part D of the Form for the scholarship plans described in the document. There must not be more than one Part D section for all of the scholarship plans in the prospectus.*





## Part A – Plan Summary for a Scholarship Plan

### Item 1 – Information about the Plan

Include at the top of a new page a heading consisting of

- (a) the title "Plan Summary",
- (b) the name of the scholarship plan to which the Plan Summary pertains and, if the scholarship plan has more than one class or series of securities, the name of the class or series of securities covered in the Plan Summary,
- (c) the type of scholarship plan,
- (d) the name of the investment fund manager of the scholarship plan, and
- (e) the date of the Plan Summary.

#### INSTRUCTIONS

*(1) The title "Plan Summary" and the name of the scholarship plan must be in bold type using a substantially larger font size than the other headings and text in the Plan Summary.*

*(2) The "type of scholarship plan" refers to whether the scholarship plan is a group scholarship plan, individual or family scholarship plan.*

*(3) The date for a Plan Summary that is filed as part of a preliminary scholarship plan prospectus or scholarship plan prospectus must be the date of the certificate of the scholarship plan required under Part D of this Form.*

### Item 2 – Withdrawal and Cancellation Rights

Immediately following the disclosure in Item 1, state the following using the same or substantially similar wording, with the last two sentences in bold type:

This summary tells you some key things about investing in the plan. You should read this Plan Summary and the Detailed Plan Disclosure carefully before you decide to invest.

#### **If you change your mind**

You have up to 60 days after signing your contract to withdraw from your plan and get back all of your money.

If you (or we) cancel your plan after 60 days, you'll get back your contributions, less sales charges and fees. You will lose the earnings on your money. Your government grants will be returned to the government. **Keep in mind that you pay sales charges up front. If you cancel your plan in the first few years, you could end up with much less than you put in.**

#### INSTRUCTION

*The prescribed wording in this Item must be presented using a substantially larger font size relative to the rest of the text of the Plan Summary.*

### Item 3 – Description of the Scholarship Plan

(1) Under the heading "What is the *[insert type of scholarship plan]* scholarship plan?", state the following using the same or substantially similar wording:

The *[insert name of plan]* is a *[insert type of plan]* scholarship plan designed to help you save for a child's post-secondary education. When you open your *[insert name of plan]*, we will apply to the Canada Revenue Agency to register the plan as a Registered Education Savings Plan (RESP). This allows your savings to grow tax-free until the child named as the beneficiary of the plan enrolls in their studies. The Government of Canada and some provincial governments offer government grants to help you save even more. To register your plan as an RESP, we need social insurance numbers for yourself and the child you name in the plan as the beneficiary.

In a *[insert type of plan]* scholarship plan, you are part of a group of investors. Everyone's contributions are invested together. When the plan matures, each child in the group shares in the earnings on that money. Your share of those earnings plus your government grant money is paid to your child as educational assistance payments (EAPs).

There are two main exceptions. Your child will not receive EAPs, and you could lose your earnings, government grants and grant contribution room, if:

- your child does not enrol in a school or program that qualifies under this plan, or
- you leave the plan before it matures.

(2) For a group scholarship plan, state the following using the same or substantially similar wording, in bold type:

**If you leave the plan, your earnings go to the remaining members of the group. However, if you stay in the plan until it matures, you might share in the earnings of those who left early.**

#### INSTRUCTION

*If the scholarship plan allows a subscriber to name more than one beneficiary at a time, amend the wording in section (1) to refer to multiple children or beneficiaries.*

### Item 4 – Suitability

(1) For a group scholarship plan, under the heading "Who is this plan for?", state the following using the same or substantially similar wording:

A group scholarship plan can be a long-term commitment. It is for investors planning to save for a child's post-secondary education and who are fairly sure that:

- they can make all their contributions on time
- they will stay in the plan until it matures
- their child will attend a qualifying school and program under the plan

*[Insert, for plan providers that also offer an individual or family scholarship plan – If this doesn't describe you, you should consider another type of plan. For example, an individual or family plan has fewer restrictions. See the Plan Summar[y/ies] for our *[insert as applicable – individual plan/family plan/ individual and family plans]* or pages *[insert applicable page references]* in the Detailed Plan Disclosure for more information.]*

**(2)** For an individual or family scholarship plan, under the heading "Who is this plan for?", state the following using the same or substantially similar wording:

*[Insert, as applicable – An individual/ A family] scholarship plan is for investors planning to save for a child's post-secondary education and who are fairly sure that:*

- *[Insert, for family plans only – they want to save for more than one child at a time]*
- they want more flexibility over when and how much to contribute to their plan
- *[Insert, for individual plans only – their child will attend a qualifying school and program under the plan]*
- *[Insert, for family plans only – one or more of their children will attend a qualifying school or program under the plan]*

*[Insert, for plan providers that also offer a group scholarship plan – The [insert name of plan] generally has fewer restrictions and is more flexible than our group scholarship plan.]*

## **Item 5 – The Plan's Investments**

Under the heading "What does the plan invest in?", state the following using the same or substantially similar wording:

The plan invests mainly in *[specify the plan's primary investments]*. The plan's investments have some risk. Returns will vary from year to year.

### **INSTRUCTION**

*The disclosure must state the type or types of securities, such as mortgages, bonds, government treasury bills, or equity securities, as applicable, in which the plan will be primarily invested under normal market conditions.*

## **Item 6 – Contributions**

**(1)** For a group scholarship plan, under the heading "How do I make contributions?", state the following using the same or substantially similar wording:

With your contributions, you buy one or more "units" of the plan. These units represent your share of the plan. You may pay for them all at once, or you may make *[state the most common contribution frequency options]* contributions.

You may change the amount of your contribution as long as you make the minimum contribution permitted under the plan. You may also change your contribution schedule after you've opened your plan. *[Insert if applicable – A fee applies.]* All of the different contribution options for the plan are described in the Detailed Plan Disclosure, or you can ask your sales representative for more information.

**(2)** For an individual or family scholarship plan, under the heading "How do I make contributions?", briefly describe how a subscriber can make contributions to their scholarship plan.

**(3)** State (i) the minimum total investment and (ii) the minimum amount per contribution, permitted under the scholarship plan's rules.

## INSTRUCTIONS

(1) The disclosure regarding contribution frequency options in the first paragraph of subsection (1) of Item 6 must make reference only to the most commonly selected contribution options, and not to each contribution option that is available to a subscriber.

(2) If the individual or family scholarship plan uses the concept of "units" or has prescribed schedules for making contributions, this fact must be described in the required disclosure for subsection (2) of Item 6, using wording that is similar to the wording in subsection (1) of Item 6.

(3) For the purposes of the disclosure required under subsection (3) of Item 6, the "minimum total investment permitted under the scholarship plan's rules" must be stated as (i) a dollar amount or (ii) a quantity of units or securities of the scholarship plan (if applicable), and the "minimum amount per contribution under the plan's rules" must be stated as a dollar amount.

## Item 7 – Payments

(1) Under the heading "What can I expect to receive from the plan?", state the following using the same or substantially similar wording:

In your child's first year of college or university, you'll get back your contributions, less fees. You can have this money paid to you or directly to your child.

(2) For a group scholarship plan, state the following using the same or substantially similar wording:

Your child will be eligible to receive EAPs in their [state, as applicable – first, second, third and fourth] year[s] of post-secondary education. [See instruction (1)] For each year, your child must show proof they are enrolled in a school and program that qualifies under this plan to get an EAP.

(3) For an individual or family scholarship plan, briefly describe when EAPs can be paid to a beneficiary, and whether EAPs can be paid in one year or must be paid in instalments for each year of eligible studies.

(4) State the following, in a separate paragraph:

EAPs are taxed in the child's hands.

## INSTRUCTIONS

(1) If the group scholarship plan has multiple options for paying EAPs, disclose the other options in the disclosure in subsection (2) of Item 7, using a similar format.

(2) For the disclosure in subsection (3) of Item 7, the format set out for the disclosure in section (2) must be used.

## Item 8 – Risks

(1) Under the heading "What are the risks?", state the following using the same or substantially similar wording:

If you do not meet the terms of the plan, you could lose some or all of your investment. Your child may not receive their EAPs.

(2) For a group scholarship plan, state the following using the same or substantially similar wording:

You should be aware of five things that could result in a loss:

1. **You leave the plan before the maturity date.** People leave the plan for many reasons. For example, if their financial situation changes and they can't afford their contributions. If your plan is cancelled more than 60 days from signing your contract, you'll lose part of your contributions to sales charges and fees. You'll also lose the earnings on your investment and your government grants will be returned to the government.
2. **You miss contributions.** If you want to stay in the plan, you'll have to make up the contributions you missed. You'll also have to make up what the contributions would have earned if you had made them on time. This could be costly.

If you have difficulty making contributions, you have options. You can reduce or suspend your contributions, transfer to another of our plans or to an RESP offered by a different provider, or cancel your plan. Restrictions and fees apply. Some options will result in a loss of earnings and government grants. *[Insert if applicable – If you miss a contribution and don't take any action within [insert the number of months] months, we may cancel your plan].*

3. **You miss or your child misses a deadline.** This can limit your options later on. You could also lose the earnings on your investment. Two of the key deadlines for this plan are:

- Maturity date – the deadline for making changes to your plan

You have until the maturity date to make changes to your plan. This includes switching the plan to a different child, changing the maturity date if your child wants to start their program sooner or later than expected, and transferring to another RESP. Restrictions and fees apply.

- *[Insert date]* – the EAP application deadline

If your child qualifies for an EAP, he or she must apply by *[insert date]* before each year of eligible studies to receive a payment for that year. Otherwise, your child may lose this money.

4. **Your child doesn't go to a qualifying school or program.** For example, *[State the types of programs or institutions that generally do not qualify for EAPs under the plan]* don't qualify for EAPs under this plan. *[Insert, if applicable – Under this plan, fewer programs will qualify for an EAP than would otherwise qualify under the government's rules for RESPs. See the Detailed Plan Disclosure for more information.]* If your child will not be going to a qualifying school or program under this plan, you have the option to name another child as beneficiary, transfer to another of our plans or to an RESP offered by a different provider, or cancel your plan. Restrictions and fees apply. Some options can result in a loss of earnings and government grants.
5. **Your child doesn't complete their program.** Your child may lose some or all of their EAPs if he or she takes time off from their studies, does not complete all required courses in a year or changes programs. *[Insert if applicable – In some cases, your child may be able to defer an EAP for up to [insert number of years] year[s]]. [Insert, if applicable – Deferrals are at our discretion.]*

(3) For an individual or family scholarship plan, list no more than 5 situations that could result in a loss of earnings in the scholarship plan for subscribers or EAPs for the beneficiary. Briefly describe the losses that could result in these outcomes as well as some options to mitigate this loss.

(4) State the following, in bold type:

**If any of these situations arise with your plan, contact us or speak with your sales representative to better understand your options to reduce your risk of loss.**

#### **INSTRUCTIONS**

*(1) For an individual or family scholarship plan, the disclosure required in subsection (3) of Item 8 must include the following situations: a subscriber leaving a scholarship plan before it matures, a beneficiary failing to enrol in a qualifying school or program, and the subscriber or beneficiary failing to meet the scholarship plan's key deadlines.*

*(2) If the individual or family scholarship plan uses the concept of units paid for under a fixed contribution schedule, or otherwise requires subscribers to follow a prescribed schedule for making contributions to the scholarship plan, the disclosure required in subsection (3) of Item 8 must also include a situation in which a subscriber misses one or more contributions.*

*(3) The disclosure in subsection (3) of Item 8 must use a similar format and structure as the disclosure required for group scholarship plans in section (2).*

#### **Item 9 – Cancellation Rate**

For a group scholarship plan, using the margin of the page, add a sidebar under the heading "What are the risks?", and state the following using the same or substantially similar wording with the title of the sidebar in bold type:

##### **Cancellation Rate**

Of the last five beneficiary groups of the [insert name of group scholarship plan] plan to reach maturity, an average of [see the Instructions]% of the plans in each group were cancelled before their maturity date.

#### **INSTRUCTIONS**

*(1) To calculate the average percentage as required under Item 9, do the following:*

- (a) for each of the last five beneficiary groups in the group scholarship plan to reach maturity, calculate the percentage of scholarship plans in the beneficiary group that were cancelled before their maturity date, and*
- (b) calculate the simple average of the five percentages calculated pursuant to Instruction 1(a).*

*(2) For a beneficiary group referred to in Instruction (1)(a), calculate the percentage of the scholarship plans in each beneficiary group that were cancelled before their maturity date by dividing x by y, where*

*x = the number of scholarship plans with the same maturity date that were cancelled before maturity, and*

*y = the total number of scholarship plans with the same maturity date, including plans with the same maturity date that were cancelled before maturity.*

*(3) For the purposes of the disclosure required under Item 9, a "plan that was cancelled before maturity" is a scholarship plan that is not eligible to receive a share of the EAP account as at the maturity date because the total contributions required by the subscriber's contract have not been made by the maturity date. The number of scholarship plans with the same maturity date that did not reach maturity will be the difference between the total number of scholarship plans with the same maturity date and the number of scholarship plans that matured.*

(4) Subject to Instruction (6), the number of scholarship plans with the same maturity date consists of every scholarship plan sold to subscribers who selected the same maturity date, including scholarship plans that were cancelled or transferred before maturity.

(5) For the purposes of calculating the percentage of scholarship plans in a beneficiary group that were cancelled before maturity, a scholarship plan whose subscriber changed the maturity date to an earlier date is considered to have the earlier maturity date and must be included in the calculations for the beneficiary group with the earlier maturity date. Similarly, a scholarship plan whose subscriber changed the maturity date to a later date is considered to have the later maturity date and must be included in the calculations for the beneficiary group with the later maturity date.

(6) Do not include a plan in the calculation of x or y under Instruction (2) if the subscriber withdrew from their scholarship plan within 60 days of the signing the contract to open the scholarship plan and received back all of their contributions and fees paid.

## Item 10 – Costs

(1) Under the heading "How much does it cost?", provide information, in the form of the following tables, about the fees and expenses of the scholarship plan. Introduce the tables using the following wording or wording that is the same or substantially similar:

There are costs for joining and participating in the plan. The following tables show the fees and expenses of the plan. *[Insert, if applicable – The fees and expenses of this plan are different than the other plans we offer.]*

### Fees you pay

These fees are deducted from the money you put in the plan. They reduce the amount that gets invested in your plan, which will reduce the amount available for EAPs.

Fee	What you pay	What the fee is for	Who the fee is paid to
Sales charge	<i>[Specify amount]</i>	This is the commission for selling your plan	<i>[Insert name of entity]</i>
Account maintenance fee	<i>[Specify amount]</i>	<i>[Specify the purpose of the fee]</i>	<i>[Insert name of entity]</i>
<i>[Insert if applicable – Insurance Premium]</i>	<i>[Specify amount]</i>	This is for insurance that makes sure your contributions continue if you die or become totally disabled.	<i>[Insert name of entity]</i>

### Fees the plan pays

You don't pay these fees directly. They're paid from the plan's earnings. These fees affect you because they reduce the plan's returns, which reduces the amount available for EAPs.

Fee	What the plan pays	What the fee is for	Who the fee is paid to
Administrative fee	<i>[Specify amount]</i>	This is for operating your plan.	<i>[insert name of entity]</i>



Portfolio management fee	[Specify amount]	This is for managing the plan's investments.	[insert name of entity]
Custodian fee	[Specify amount]	This is for holding the plan's investments in trust.	[Insert name of entity]
Independent review committee	[Specify amount]	This is for the services of the plan's independent review committee. The committee reviews conflict of interest matters between the investment fund manager and the plan.	[Insert name of entity]

**(2)** If the sales charge listed in the "Fees you pay" table required by subsection (1) is deducted from contributions at a higher rate in the early period of participating in the scholarship plan, add a sidebar under the heading "How much does it cost", using the margin of the page adjacent to the table titled "Fees you pay", and state the following using the same or substantially similar wording with the title of the sidebar in bold type:

**Paying off the sales charge**

If, for example, you buy one unit of the plan on behalf of your newborn child, and you commit to paying for that unit by making monthly contributions until your plan's maturity date, then, based on how the sales charge is deducted from your contributions, it will take [insert number of months] months to pay off the sales charge. During this time, [insert percentage]% of your contributions will be invested in the plan.

**(3)** Using the margin of the page adjacent to the table titled "Fees the plan pays", add a sidebar under the heading "How much does it cost?", and state the following using the same or substantially similar wording with the title of the sidebar in bold:

**Other fees**

Other fees apply if you make changes to your plan. See page [specify page number] in the Detailed Plan Disclosure for details.

**INSTRUCTIONS**

*(1) The tables must only summarize the most common fees that (i) all subscribers to the scholarship plan are required to pay or (ii) the scholarship plan is required to pay, as applicable. Do not include the entire list of fees required to be disclosed under Items 14.2 and 14.3 of Part C of the Form, or any of the fees required to be disclosed under Item 14.4 and 14.5 of Part C of the Form. Each fee must be listed in a separate row of the applicable table.*

*(2) If there are certain types of fees listed in the tables required under Item 10 above that are not payable, either by subscribers or the scholarship plan, in respect of the scholarship plan described in the Plan Summary, amend the tables as is necessary to reflect that fact.*

*(3) If certain fees listed in the tables required under Item 10 above are normally combined into a single fee payable by either the subscriber or the scholarship plan as applicable, the tables may be amended as is necessary to accurately reflect that fact.*

*(4) State the amount of each fee listed in the tables. In the table titled "Fees you pay" state the amount(s) in the column titled "What you pay". In the table titled "Fees the plan pays" state the amount(s) in the column titled "What the plan pays". The amount of each fee must be disclosed based on how the fee is calculated. For example, if a particular fee is calculated as a*

*fixed dollar amount per unit, or a fixed amount per year, it must be stated as such. Similarly, if a fee is calculated as a percentage of the scholarship plan's assets, that percentage must be stated. A statement or note that a fee is subject to applicable taxes, such as goods and services taxes or harmonized sales taxes, is permitted, if applicable.*

*(5) For a group scholarship plan or other type of scholarship plan that normally calculates the sales charge payable as a fixed dollar amount linked to the amount of contribution by a subscriber (i.e. x.x x\$ per unit), in addition to stating the fixed amount of sales charge per unit as required under Instruction (3), the disclosure of the amount of the sales charge in the table titled "Fees you pay" in the column titled "What you pay" must also be expressed as a percentage of the cost of a unit of the scholarship plan. If the total cost of a unit of the scholarship plan varies depending on the contribution option or frequency selected, the percentage sales charge must be expressed as a range, between the lowest and the highest percentage of the unit cost the sales charge can represent, based on the different contribution options available to subscribers under the scholarship plan. This must be calculated as follows: (i) divide the sales charge per unit by the contribution option that has the highest total cost per unit, and (ii) divide the sales charge per unit by the contribution option that has the lowest total cost per unit. For example, if a scholarship plan calculates its sales charge as \$200/unit, and the total cost per unit for a subscriber can range from \$1000 to \$5000 (based on the different options available to subscribers), the percentage range of the sales charge disclosed in the table would be 4% (200/5000) to 20% (200/1000). The disclosure in the table must also state that the exact percentage of the sales charge per unit for a subscriber will depend on the contribution option selected for contributing to the scholarship plan and how old their beneficiary is at the time they open the scholarship plan.*

*(6) For the table titled "Fees you pay", in the column titled "What you pay" describe how the fee is deducted from contributions if the amount deducted from each contribution is not the same. For example, if deductions for sales charges are not made from each contribution at a constant rate for the duration of a subscriber's investment in the scholarship plan or the duration for which contributions are required to be made if it is less than the scholarship plan's duration, describe the amounts from contributions that are deducted for sales charges.*

*(7) In both tables, in the column titled "What the fee is for" provide a concise explanation of what the fee is used for, using the same or substantially similar wording provided above in the tables.*

*(8) In both tables, in the column titled "Who the fee is paid to", state the name of the entity to which the fee is paid, e.g. the investment fund manager, the portfolio manager, the principal distributor or dealer, the foundation, etc.*

*(9) For the table titled "Fees the plan pays", the independent review committee fee must be disclosed as the total dollar amount paid in connection with the independent review committee for the most recently completed financial year of the scholarship plan.*

*(10) Disclosure of insurance premiums in the "Fees you pay" table is permitted only if the scholarship plan requires a subscriber to purchase insurance coverage in a jurisdiction in which the scholarship plan's securities are being distributed. If the scholarship plan's rules only require insurance coverage to be purchased by subscribers in some, but not all jurisdictions in which the scholarship plan's securities are distributed, then include disclosure stating the jurisdictions in which the scholarship plan requires subscribers to purchase insurance, under the heading titled "What the fee is for" in that table.*

*(11) The disclosure required under subsection (2) of Item 10 must be based on the following assumptions: (i) the beneficiary is a newborn, (ii) the subscriber is purchasing one unit of the scholarship plan, (iii) the subscriber has agreed to a monthly contribution schedule with contributions payable until the scholarship plan's maturity date, and (iv) all of the mandatory fees that are normally deducted from a subscriber's contributions are deducted during the relevant period.*

*(12) For the disclosure required in subsection (2) of Item 10, if the scholarship plan does not offer units but uses a similar method for deducting sales charges as is described under subsection (2) of Item 10, the wording may be amended as is necessary to properly reflect the scholarship plan's features.*

*(13) The "Other fees" sidebar required under subsection (3) of Item 10 refers to fees for specific transactions, such as changing a beneficiary, that are described in the table titled "Transaction Fees" in Item 14.4 of Part C of the Form.*

## Item 11 – Guarantees

Under the heading "Are there any guarantees?", state the following using the same or substantially similar wording:

We cannot tell you in advance if your child will qualify to receive any payments from the plan or how much your child will receive. We do not guarantee the amount of any payments or that the payments will cover the full cost of your child's post-secondary education.

Unlike bank accounts or GICs, investments in scholarship plans are not covered by the Canada Deposit Insurance Corporation or any other government insurer.

## Item 12 – For More Information

(1) Under the sub-heading "For more information", state the following using the same or substantially similar wording:

The Detailed Plan Disclosure delivered with this Plan Summary contains further details about this plan, and we recommend you read it. You may also contact *[insert name of investment fund manager]* or your sales representative for more information about this plan.

(2) State the name, address, toll-free telephone number and email address of the investment fund manager of the plan and the scholarship plan's designated website address. If applicable, also state the website address of the investment fund manager of the plan.

## Part B – Detailed Plan Disclosure – General Information

### Item 1 – Cover Page Disclosure

#### Preliminary Prospectus Disclosure

1.1 A preliminary prospectus must have printed in red ink and in italics at the top of the cover page of the Detailed Plan Disclosure immediately above the disclosure required in section 1.2 the following:

*A copy of this preliminary prospectus has been filed with the securities regulatory authority/ies in [insert, as applicable the names of the provinces and territories of Canada] but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authority/ies.*

#### INSTRUCTION

A scholarship plan must complete the bracketed information by:

- (a) *inserting the names of each jurisdiction in which the scholarship plan intends to offer securities under the prospectus,*
- (b) *stating that the filing has been made in each of the provinces of Canada or each of the provinces and territories of Canada, or*

- (c) *identifying the filing jurisdictions by exception (i.e., every province of Canada or every province and territory of Canada, except [insert excluded jurisdictions]).*

## **Required Statement**

- 1.2** State in italics at the top of the cover page the following:

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

## **Basic Disclosure about the Distribution**

- 1.3 (1)** State the following immediately below the disclosure required under sections 1.1 and 1.2:

*[Insert as applicable – PRELIMINARY/ PRO FORMA] PROSPECTUS*

*CONTINUOUS OFFERING*

*DETAILED PLAN DISCLOSURE*

*[Insert Date]*

*[Insert Name of Scholarship Plan(s)]*

*[State the type of securities qualified for distribution under the prospectus, and the price per security or minimum subscription amount]*

- (2)** State the following:

*[Insert, as applicable – This/These] investment fund[s] [insert, as applicable – is a/are] scholarship plan[s] that [Insert, as applicable – is/are] managed by [state the name of the investment fund manager of the scholarship plan].*

## **INSTRUCTION**

*Write the date in full with the name of the month in words. A pro forma prospectus does not have to be dated, but may reflect the anticipated date of the prospectus.*

## **Item 2 – Inside Cover Page**

### **Introduction**

- 2.1** Starting on a new page on the inside cover page under the heading "Important information to know before you invest", include an introduction to the information provided in response to sections 2.2, 2.3, and 2.4 of this Part using the following wording:

The following is important information you should know if you are considering an investment in a scholarship plan.

## No Social Insurance Number

**2.2** Under the sub-heading "No social insurance number = No government grants, no tax benefits", state the following using the same or substantially similar wording with the last paragraph in bold type:

We need social insurance numbers for you and each child named as a beneficiary under the plan before we can register your plan as a Registered Education Savings Plan (RESP). The *Income Tax Act* (Canada) won't allow us to register your plan as an RESP without these social insurance numbers. Your plan must be registered before it can:

- qualify for the tax benefits of an RESP, and
- receive any government grants.

You can provide the beneficiary's social insurance number after the plan is open. If you don't provide the beneficiary's social insurance number when you sign your contract with us, we'll put your contributions into an unregistered education savings account. During the time your contributions are held in this account, we will deduct sales charges and fees from your contributions as described under "Costs of investing in this plan" in the prospectus. You will be taxed on any income earned in this account.

If we receive the beneficiary's social insurance number within *[insert the number of months – see Instruction (1)]* months of your application date, we'll transfer your contributions and the income they earned to your registered plan.

If we do not receive the social insurance numbers within *[insert number of months – see Instruction (1)]* months of your application date, we'll cancel your plan. You'll get back your contributions and the income earned, less sales charges and fees. Since you pay sales charges up front, you could end up with much less than you put in.

**If you don't expect to get the social insurance number for your beneficiary within *[insert number of months – see Instruction (1)]* months of your application date, you should not enrol or make contributions to the plan.**

## INSTRUCTIONS

*(1) State the maximum number of months after the application date of a subscriber's plan the following which the investment fund manager will cancel the scholarship plan for failure to provide the social insurance numbers required for registering the scholarship plan as an RESP.*

*(2) If the scholarship plan's rules do not permit a subscriber to open the plan or accept contributions without the beneficiary's social insurance number, amend the disclosure in this section to reflect that fact.*

## Payments Not Guaranteed

**2.3 (1)** Following the disclosure required under section 2.2, state the following, on the inside cover page under the sub-heading "Payments not guaranteed", using the same or substantially similar wording:

We cannot tell you in advance if your beneficiary will qualify to receive any educational assistance payments (EAPs) *[insert, if applicable – or any discretionary payments]* from the plan or how much your beneficiary will receive. We do not guarantee the amount of any payments or that they will cover the full cost of your beneficiary's post-secondary education.

**(2)** For a group scholarship plan, under the sub-heading "Payments from group plans depend on several factors", state the following using the same or substantially similar wording:

The amount of the EAPs from a group plan will depend on how much the plan earns and the number of beneficiaries in the group who do not qualify for payments.

- (3) If the scholarship plan provides for any discretionary payments, immediately following the disclosure required under subsection 2.3(1) or 2.3(2), as applicable, list the discretionary payments that may be provided and state the following using the same or substantially similar wording with the first sentence in bold type:

**Discretionary payments are not guaranteed.** You must not count on receiving a discretionary payment. The *[insert the name of the entity funding the discretionary payment]* decides if it will make a payment in any year and how much the payment will be. If the *[insert the name of the entity funding the discretionary payment]* makes a payment, you may get less than what has been paid in the past.

- (4) Under the sub-heading "Understand the risks", state the following using the same or substantially similar wording in bold type:

**If you withdraw your contributions early or do not meet the terms of the plan, you could lose some or all of your money. Make sure you understand the risks before you invest. Carefully read the information found under "Risks of investing in a scholarship plan" and "Risks of investing in this plan" in this Detailed Plan Disclosure.**

### Withdrawal and Cancellation Rights

- 2.4 Under the sub-heading "If you change your mind", state the following using the same or substantially similar wording with the last two sentences in bold type:

You have up to 60 days after signing your contract to withdraw from your plan and get back all of your money.

If you (or we) cancel your plan after 60 days, you'll get back your contributions, less sales charges and fees. You will lose the earnings on your money. Your government grants will be returned to the government. **Keep in mind that you pay sales charges up front. If you cancel your plan in the first few years, you could end up with much less than you put in.**

### Item 3 – Table of Contents

#### Table of Contents

- 3.1 (1) Include a table of contents.
- (2) Begin the table of contents on a new page.
- (3) Include in the table of contents, under the heading "Specific information about our plan[s]", a list of all of the scholarship plans offered under the prospectus, with a reference to the page numbers where the plan-specific information about each scholarship plan required to be provided under Part C of this Form can be found.

## Item 4 – Introduction and Glossary

### Introduction and Documents Incorporated by Reference

**4.1 (1)** On a new page or immediately after the table of contents, under the heading "Introduction", incorporate by reference the following documents in the prospectus by using the following wording or wording that is substantially similar:

This Detailed Plan Disclosure contains information to help you make an informed decision about investing in our scholarship plan[s] and to understand your rights as an investor. It describes the plan[s] and how [it/they] work[s], including the fees you pay, the risks of investing in a plan and how to make changes to your plan. It also contains information about our organization. The prospectus is comprised of both this Detailed Plan Disclosure and each Plan Summary that was delivered with it.

You can find additional information about the plan[s] in the following documents:

- the plan's most recently filed annual financial statements,
- any interim financial reports filed after the annual financial statements, and
- the most recently filed annual [fund report](#) ~~management report of fund performance~~.

These documents are incorporated by reference into the prospectus. That means they legally form part of this document just as if they were printed as part of this document.

You can get a copy of these documents at no cost by calling us at *[insert the toll-free telephone number or telephone number where collect calls are accepted]* or by contacting us at *[insert the scholarship plan's e-mail address]*.

You'll also find these documents on our website at *[insert the scholarship plan's designated website address]*.

These documents and other information about the plan[s] are also available at [www.sedarplus.com](http://www.sedarplus.com).

**(2)** State that any documents of the type described in subsection 4.1(1) above, if filed by the scholarship plan after the date of the prospectus and before the termination of the distribution, are deemed to be incorporated by reference in the prospectus.

**(3)** Include a description of each of the documents referred to in subsection 4.1(1) above and briefly explain the importance each document.

### Terms Used in the Prospectus

**4.2** Under the heading "Terms used in this prospectus", provide the following list of defined terms using the same or substantially similar wording:

In this document, "we", "us" and "our" refer to *[name of entities involved in the administration and distribution of scholarship plan securities]*. "You" refers to potential investors, subscribers and beneficiaries.

The following are definitions of some key terms you will find in this prospectus:

**Accumulated income payment (AIP):** the earnings on your contributions and/or government grants that you may get from your plan if your beneficiary does not pursue post-secondary education and you meet certain conditions set by the federal government or by the plan.

**AIP:** see Accumulated income payment.

**Application date:** the date you opened your plan with us, which is the date you sign your contract.

**Attrition:** under a group plan, a reduction in the number of beneficiaries who qualify for EAPs in a beneficiary group. See also pre-maturity attrition and post-maturity attrition.

**Beneficiary:** the person you name to receive EAPs under the plan.

**Beneficiary group:** beneficiaries in a group plan who have the same year of eligibility. They are typically born in the same year.

**Contract:** the agreement you enter into with us when you open your education savings plan.

**Contribution:** the amount you pay into a plan. Sales charges and other fees are deducted from your contributions and the remaining amount is invested in your plan.

**Discretionary payment:** a payment, other than a fee refund, that beneficiaries may receive in addition to their EAPs, as determined by *[insert name of entity funding the discretionary payment]* in its discretion.

**Discretionary payment account:** any account that holds money used to fund discretionary payments to beneficiaries.

**EAP:** see Educational Assistance Payment.

**EAP account:** for group plans, an account that holds the income earned on contributions made by subscribers. There is a separate EAP account for each beneficiary group. An EAP account includes the income earned on contributions of subscribers who have cancelled their plan or whose plan was cancelled by us. The money in this account is distributed to the remaining beneficiaries in the beneficiary group as part of their EAPs.

**Earnings:** any money earned on your (i) contributions and (ii) government grants, such as interest and capital gains. For group plans, it does not include any income earned in the discretionary payment account, such as interest earned on income after the maturity date.

**Educational assistance payment (EAP):** In general, an EAP is a payment made to your beneficiary after the maturity date for eligible studies. An EAP consists of your earnings and your government grants. *[Insert, if the prospectus includes a group scholarship plan – For a group plan, an EAP consists of your government grants, earnings on your government grants and your beneficiary's share of the EAP account.]* EAPs do not include discretionary payments or fee refunds.

**Eligible studies:** a post-secondary educational program that meets the plan's requirements for a beneficiary to receive EAPs.

**Government Grant:** any financial grant, bond or incentive offered by the federal government, (such as the Canada Education Savings Grant, or the Canada Learning Bond), or by a provincial government, to assist with saving for post-secondary education in an RESP.

**Grant contribution room:** the amount of government grant you are eligible for under a federal or provincial government grant program.

**Income:** has the same meaning as Earnings.



**Maturity date:** the date on which the plan matures. In general, it is in the year your beneficiary is expected to enrol in their first year of post-secondary education.

**Plan:** means *[list the name(s) of each of scholarship plan sold under this prospectus]*, *[insert for a multiple prospectus – each]* a scholarship plan that provides funding for a beneficiary's post-secondary education.

**Post-maturity attrition:** under a group plan, a reduction in the number of beneficiaries who qualify for EAPs in a beneficiary group after the maturity date. See also **Attrition**.

**Pre-maturity attrition:** under a group plan, a reduction in the number of beneficiaries who qualify for EAPs in a beneficiary group before the maturity date. See also **Attrition**.

**Subscriber:** the person who enters into a contract with *[insert legal name of entity entering into contract with subscribers]* to make contributions to a plan.

**Unit:** under a group plan, a unit represents your beneficiary's proportionate share of the EAP account. The terms of the contract you sign determine the value of the unit.

**Year of eligibility:** the year in which a beneficiary is first eligible to receive EAPs under a plan. For a group plan, it is typically the year the beneficiary will enter his or her *[insert as applicable – first or second]* academic year of eligible studies. In general, the year of eligibility is *[insert as applicable – one year after/ the same year as]* the maturity date. For other types of plans, the year of eligibility can be any time after the maturity date.

## INSTRUCTIONS

*(1) The list of defined terms must not contain material information not found elsewhere in the prospectus. The glossary must be limited to the terms provided.*

*(2) Use the terms set out in section 4.2 in the prospectus to facilitate comparability between scholarship plans.*

*(3) Include only the terms that are applicable to a scholarship plan included in the prospectus. For example, a prospectus that does not include a group scholarship plan must not include those terms that would be applicable only to a group scholarship plan.*

## Item 5 – Overview of Scholarship Plans

### Introductory Heading

**5.1** Provide, at the top of a new page, the heading "Overview of our scholarship plan[s]".

### Description of Scholarship Plans

**5.2** Under the heading "What is a scholarship plan?", state the following using the same or substantially similar wording:

A scholarship plan is a type of investment fund that is designed to help you save for a beneficiary's post-secondary education. Your plan must be registered as a Registered Education Savings Plan (RESP) in order to qualify for government grants and tax benefits. To do this, we need social insurance numbers for you and the person you name in the plan as your beneficiary.

You sign a contract when you open a plan with us. You make contributions under the plan. We invest your contributions for you, after deducting applicable fees. You will get back your contributions, less fees, whether or not your beneficiary goes on to post-secondary education. Your beneficiary will receive educational assistance payments (EAPs) from us if they enrol in eligible studies and all the terms of the contract are met.

Please read your contract carefully and make sure you understand it before you sign. If you or your beneficiary does not meet the terms of your contract, it could result in a loss and your beneficiary could lose some or all of their EAPs.

## **List of Scholarship Plans Offered**

**5.3 (1)** If the investment fund manager offers more than one type of scholarship plan, under the heading "Types of plans we offer", list the scholarship plans offered.

**(2)** State, as applicable, that there are differences in the enrolment criteria, contribution requirements, fees, eligible studies, payments to beneficiaries, options for receiving EAPs and options if the beneficiary does not pursue eligible studies among the scholarship plans offered. For a multiple prospectus, include a cross-reference to the plan-specific disclosure for each scholarship plan provided under Part C of this Form.

### *INSTRUCTION*

*For each scholarship plan listed under subsection 5.3(1), state the name of the issuer of the securities.*

## **Item 6 – General Information about Scholarship Plan Life Cycle**

### **Overview of Scholarship Plan Life Cycle**

**6.1 (1)** Using the heading "How our plan[s] work[s]", provide a brief description of the life cycle of the plan(s) offered under the prospectus, from enrolment in the plan(s) to EAPs being paid to the beneficiary.

**(2)** Using the margin of the page, add a sidebar under the heading "How our plan[s] work[s]", and state the following using the same or substantially similar wording with the title of the sidebar in bold type:

#### **Make sure your contact information is up to date**

It is important that you keep your address and contact information up to date. We will need to communicate important information to you throughout the life of your plan. We will also need to find you and the beneficiary when the plan matures so we can return your contributions and make payments to the beneficiary.

### *INSTRUCTIONS*

*(1) The disclosure provided under section 6.1 must not exceed one page in length, and may be provided by means of a table or diagram.*

*(2) In providing the disclosure required under section 6.1, briefly describe the life cycle of the scholarship plan(s) offered under the prospectus, including significant stages such as enrolling and registering the scholarship plan as an RESP under the Income Tax Act (Canada), making contributions and paying fees from contributions, investing contributions and government grants, ceasing investments in accordance with the scholarship plan's investment objectives and strategies upon plan maturity, returning contributions to subscribers at maturity and paying EAPs to beneficiaries for eligible studies.*

*(3) Do not provide a separate life cycle description for each scholarship plan offered under a multiple prospectus. Provide one life cycle description containing the elements that are common to the life cycle of each of the scholarship plans offered under the prospectus.*

## **Enrolling in a Scholarship Plan**

**6.2 (1)** Under the sub-heading "Enrolling in a plan", describe the enrolment process for the scholarship plan(s) offered under the prospectus, including the requirement that the subscriber provide a social insurance number at the time of enrolment to register the plan as an RESP under the *Income Tax Act* (Canada).

**(2)** Describe the requirements for designation of a beneficiary of the scholarship plan, including Canadian residency and social insurance number requirements.

## **Unregistered Accounts**

**6.3 (1)** Under the sub-sub-heading "If your beneficiary does not have a social insurance number", list the options available to a subscriber whose beneficiary does not yet have a social insurance number, including the option to wait until the beneficiary has a social insurance number to purchase a scholarship plan that is eligible to be held in an RESP.

**(2)** If the scholarship plan provider offers an unregistered education savings account, describe

- (a) the features of the unregistered education savings account, including what happens to contributions made to the account,
- (b) whether the account is eligible to receive government grants, and
- (c) the tax treatment of the account.

**(3)** State the deadline for providing the beneficiary's social insurance number after which the investment fund manager will close the account.

## **INSTRUCTION**

*Any plan or account offered by the scholarship plan provider that is not eligible for registration by the federal government as an RESP or is not held in a registered education savings account must be referred to and described as an "unregistered education savings account".*

## **Government Grants**

**6.4 (1)** Under the sub-heading "Government grants", list the government grants that the investment fund manager will apply for on a beneficiary's behalf. For each government grant program, provide

- (a) a brief description of the program,
- (b) the maximum amount that may be granted under the program annually and over the duration of an RESP,
- (c) if applicable, the annual contribution amount that would attract the maximum annual government grant, and

- (d) any requirement to repay government grants.

**(2)** Describe what happens to the government grants received by the investment fund manager on behalf of a beneficiary, including

- (a) the legal ownership of the money throughout the life span of an investment in the scholarship plan,
- (b) whether the money is pooled with the government grants of other beneficiaries,
- (c) whether the money is invested together with subscriber contributions or separately from contributions, and
- (d) how the money is allocated on distribution to a qualified beneficiary.

**(3)** State that a subscriber may contact their sales representative or the investment fund manager about the applications that the investment fund manager will make on behalf of the subscriber and disclose where a subscriber can obtain more information about available government grants.

#### **INSTRUCTION**

*The disclosure provided under section 6.4 must not exceed two pages. The disclosure may be provided in the form of a table.*

#### **Contribution Limits**

**6.5 (1)** Under the sub-heading "Contribution limits", disclose whether the scholarship plan imposes a cumulative limit for contributions and indicate whether this is exclusive of any government grants.

**(2)** Disclose whether a subscriber can make contributions annually beyond the amount(s) that would result in the receipt of the maximum annual amount in government grants.

**(3)** If a subscriber is permitted to make additional contributions as described in subsection (2), disclose that the additional contributions are not eligible to attract further government grants and disclose how the additional contributions are invested.

**(4)** Disclose the maximum amount that may be contributed to an RESP under the *Income Tax Act* (Canada), and provide a cross-reference to the tax consequences of contributions beyond the limit set by the *Income Tax Act* (Canada) as disclosed under section 11.3 of this Part of this Form.

#### **Additional Services**

**6.6** If applicable, under the sub-heading "Additional services", describe additional services relating to an investment in the scholarship plan that are available to subscribers from the investment fund manager or the principal distributor.

#### **INSTRUCTION**

*If insurance for contributions is offered for purchase by the principal distributor, provide a brief description of the insurance coverage, including the name of the insurer and whether the insurance is mandatory or optional for the subscriber. Include a cross-reference to the disclosure provided under section 14.5 of Part C of this Form.*

## Fees and Expenses

**6.7 (1)** Under the sub-heading "Fees and expenses", state the following using the same or substantially similar wording:

There are costs for joining and participating in our plan[s]. You pay some of these fees and expenses directly from your contributions. The plan[s] pay[s] some of the fees and expenses, which are deducted from the [plan's/plans'] earnings. See "Costs of investing in this plan" in this Detailed Plan Disclosure for a description of the fees and expenses of [each of] our plan[s]. Fees and expenses reduce the plan's returns which reduces the amount available for EAPs.

**(2)** If the investment fund manager offers more than one type of scholarship plan, state, if applicable, that each scholarship plan offered requires the subscriber to pay different fees and expenses and, if applicable, that the choice of scholarship plan affects the amount of compensation paid to the dealer by a member of the organization of the scholarship plan or a subscriber.

## Eligible Studies

**6.8** Under the sub-heading "Eligible studies", state the following using the same or substantially similar wording:

EAPs will be paid to your beneficiary only if he or she enrolls in eligible studies. For a summary of the educational programs that qualify for EAPs under our plan[s], see "Summary of eligible studies" in this Detailed Plan Disclosure. [Insert if applicable – The plans offered under the prospectus each have their own criteria for what post-secondary programs qualify as eligible studies for receiving EAPs. We recommend that you carefully read the "Specific information about the plan" sections for each plan in this Detailed Plan Disclosure to better understand the differences among the plans.]

## Payments from the Scholarship Plan

**6.9 (1)** Under the sub-heading "Payments from the plan" with the sub-sub-heading "Return of contributions", state the following using the same or substantially similar wording:

We always return your contributions less fees to you or to your beneficiary. Earnings from the plan will generally go to your beneficiary. If your beneficiary does not qualify to receive the earnings from your plan, you may be eligible to get back some of those earnings as an "accumulated income payment (AIP)". See the "Accumulated income payments" section(s) in this Detailed Plan Disclosure for more information about AIPs.

**(2)** Under the sub-sub-heading "Educational assistance payments", state the following using the same or substantially similar wording:

We will pay EAPs to your beneficiary if you meet the terms of your plan, and your beneficiary qualifies for the payments under the plan. The amount of each EAP depends on the type of plan you have, how much you contributed to it, the government grants in your plan and the performance of the plan's investments.

You should be aware that the *Income Tax Act* (Canada) has restrictions on the amount of EAP that can be paid out of an RESP at a time. [See *Instruction*].

## INSTRUCTION

For the disclosure under subsection (2), briefly describe the restrictions under the *Income Tax Act* (Canada) on the amount of EAPs that can be paid at a time.

## **Unclaimed Accounts**

**6.10 (1)** Under the sub-heading "Unclaimed accounts", briefly describe what an unclaimed account is.

**(2)** Describe the steps that the investment fund manager will take to contact the subscriber and the beneficiary with respect to an unclaimed account.

**(3)** Describe what will happen to any unclaimed contributions, unclaimed earnings on contributions, government grants and earnings on government grants if the investment fund manager is unable to locate the subscriber or the beneficiary.

**(4)** Describe how a subscriber or beneficiary can obtain payments of any unclaimed money.

## **Item 7 – Scholarship Plans with Same Investment Objectives (Multiple Prospectus)**

### **Investment Objectives**

**7.1 (1)** This section applies to a multiple prospectus for scholarship plans that have the same investment objectives, investment strategies and investment restrictions.

**(2)** Set out, under the heading "How we invest your money" with the sub-heading "Investment objectives", the fundamental investment objectives of the scholarship plans, including any information that describes the fundamental nature of the scholarship plans or the fundamental features of the scholarship plans that distinguish them from other types of scholarship plans.

**(3)** Describe the nature of any securityholder or other approval that may be required to change the investment objectives of the scholarship plans.

**(4)** Describe any of the material investment strategies to be used to achieve those investment objectives.

**(5)** If each scholarship plan purports to arrange a guarantee or insurance in order to protect all or some of the principal amount of the investments made by subscribers, include this fact as a fundamental investment objective of the scholarship plans and

(a) identify the person or company providing the guarantee or insurance,

(b) provide the material terms of the guarantee or insurance, including the maturity date of the guarantee or insurance, and

(c) provide the reasons for which the guarantor or insurer, as applicable, could limit or avoid execution of the guarantee or insurance policy.

### **INSTRUCTIONS**

*(1) State the type or types of securities, such as money market instruments, first mortgages and bonds, in which the scholarship plans will be primarily invested under normal market conditions.*

*(2) If a particular investment strategy is an essential aspect of the scholarship plans, as evidenced by the manner in which the scholarship plans are marketed, disclose this strategy as an investment objective.*

## **Item 8 – Scholarship Plans with Same Investment Strategies (Multiple Prospectus)**

### **Investment Strategies**

**8.1 (1)** This section applies to a multiple prospectus for scholarship plans that have the same investment objectives, investment strategies and investment restrictions.

**(2)** Describe under the sub-heading "Investment strategies" the following:

- (a) the principal investment strategies that the scholarship plans intend to use in achieving the investment objectives, and
- (b) the process by which the scholarship plans' portfolio adviser selects investments for the portfolios of the scholarship plans, including any investment approach, philosophy, practices or techniques used by the portfolio adviser or any particular style of portfolio management that the portfolio adviser intends to follow.

**(3)** Indicate the types of investments, other than those held by the scholarship plans in accordance with their fundamental investment objectives, which may form part of the portfolio assets of the scholarship plans under normal market conditions.

**(4)** If the scholarship plans may depart temporarily from their fundamental investment objectives as a result of adverse market, economic, political or other considerations, disclose any temporary defensive tactics the portfolio adviser may use or intends to use in response to such conditions.

### **INSTRUCTION**

*Scholarship plans may, in responding to subsection 8.1(2), provide a discussion of the general investment approach or philosophy followed by the portfolio adviser of the scholarship plan.*

## **Item 9 – Scholarship Plans with Same Investment Restrictions (Multiple Prospectus)**

### **Investment Restrictions**

**9.1 (1)** This section applies to a multiple prospectus for scholarship plans that have the same investment objectives, investment strategies and investment restrictions.

**(2)** Under the sub-heading "Investment restrictions", describe any restrictions on investments adopted by the scholarship plans, beyond what is required under securities legislation.

**(3)** If the scholarship plans have received the approval of the securities regulatory authorities to vary any of the investment restrictions and practices contained in securities legislation, provide details of the permitted variations.

**(4)** Describe the nature of any securityholder or other approval that may be required in order to change the investment restrictions of the scholarship plans.

## Item 10 – Risks of Investing in a Scholarship Plan

### Risks of Investing in a Scholarship Plan

**10.1 (1)** Under the heading "Risks of investing in a scholarship plan", include an introduction using the following wording or wording that is substantially similar:

If you or your beneficiary does not meet the terms of your contract, it could result in a loss and your beneficiary could lose some or all of their EAPs. Please read the description of the plan-specific risks under "Risks of investing in this plan" in this Detailed Plan Disclosure.

**(2)** Under the sub-heading "Investment risks", include an introduction using the following wording or wording that is substantially similar:

The prices of the investments held by the scholarship plan[s] can go up or down. *[State, as applicable – [Refer to "Risks of investing in this plan" in this Detailed Plan Disclosure for a description of/Below are [some of]] the risks that can cause the value of the scholarship plan [s/s'] investments to change, which will affect the amount of EAPs available to beneficiaries.]* Unlike bank accounts or guaranteed investment certificates, your investment in a scholarship plan is not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

**(3)** For a multiple prospectus, list and describe the investment risks applicable to each of the scholarship plans offered under the prospectus.

**(4)** For a multiple prospectus that contains the disclosure required by section 7.1 of this Part of the Form, if, at any time during the 12-month period immediately preceding the date of the prospectus, more than 10% of the net assets of a scholarship plan were invested in the securities of an issuer other than a government security, disclose

- (a) the name of the issuer and the securities,
- (b) the highest percentage of the net assets of the scholarship plan that securities of that issuer represented during the 12-month period, and
- (c) the risks associated with the investments, including the possible or actual effect on the liquidity and diversification of the scholarship plan.

### INSTRUCTIONS

*(1) Each risk factor listed must be described under a separate sub-sub-heading.*

*(2) Describe the risks in the order of the most serious to the least serious.*

*(3) Do not de-emphasize a risk factor by including excessive caveats or conditions.*

*(4) Include a discussion of general market, political, market sector, liquidity, interest rate, foreign currency, diversification and credit risks that apply to the portfolio of the scholarship plan, as appropriate.*

*(5) The term "government security" has the same meaning as in National Instrument 81-102 Investment Funds.*



## **Item 11 – Income Tax Considerations**

### **Status of the Scholarship Plan**

**11.1** Under the heading "How taxes affect your plan", briefly describe the status of the scholarship plan for income tax purposes.

### **Taxation of the Scholarship Plan**

**11.2** Under the sub-heading "How the plan is taxed", state in general terms the basis upon which the income and capital received by the scholarship plan are taxed.

### **Taxation of the Subscriber**

**11.3 (1)** Under the sub-heading "How you are taxed", state in general terms how the subscriber will be taxed. State in general terms, as applicable to the scholarship plan(s) offered under the prospectus, using sub-sub-headings, the income tax consequences of

- (a) a return of contributions at the maturity date,
- (b) a withdrawal of contributions before the maturity date,
- (c) a refund of sales charges or other fees,
- (d) any other distributions to the subscriber in the form of income, capital or otherwise,
- (e) a cancellation of units prior to the maturity date,
- (f) a purchase of additional units,
- (g) a transfer between scholarship plans,
- (h) an additional contribution made to address backdating of a plan,
- (i) an additional contribution made to cure defaults under the scholarship plan, and
- (j) a contribution beyond the limit set by the Income Tax Act (Canada).

**(2)** Under the sub-sub-heading "If you receive an Accumulated income payment (AIP)",

- (a) state the tax consequences of receiving an AIP,
- (b) describe how an AIP may be transferred to a registered retirement savings plan, and
- (c) describe the tax consequences of a transfer of an AIP to a registered retirement savings plan.

## **Taxation of the Beneficiary**

**11.4** Under the sub-heading "How your beneficiary is taxed", state in general terms the income tax consequences to a beneficiary of a payment made to the beneficiary under the scholarship plan, including, as applicable, an EAP, a discretionary payment and a fee refund.

## **Item 12 – Organization and Management Details of the Scholarship Plan**

### **Organization and Management Details**

**12.1 (1)** Provide in a diagram or table, under the heading "Who is involved in running the plan[s]", information about the entities involved in operating the scholarship plan, including the investment fund manager, foundation, trustee, portfolio adviser, principal distributor, independent review committee, custodian, registrar and auditor of the scholarship plan.

**(2)** For each entity listed in the diagram or table, briefly describe the services provided by that entity, and the relationship of that entity to the investment fund manager. Include a description of how each of the following aspects of the operations of the scholarship plan is administered and who administers those functions:

- (a) the management and administration of the scholarship plan, including valuation services, fund accounting and securityholder records, other than the management of the portfolio assets;
- (b) the management of the portfolio assets, including the provision of investment analysis or investment recommendations and the making of investment decisions;
- (c) the purchase and sale of portfolio assets by the scholarship plan and the making of brokerage arrangements relating to the portfolio assets;
- (d) the distribution of the securities of the scholarship plan;
- (e) if the scholarship plan is a trust, the trusteeship of the scholarship plan;
- (f) if the scholarship plan is a corporation, the oversight of the affairs of the scholarship plan by the directors of the corporation;
- (g) the custodianship of the assets of the scholarship plan;
- (h) the oversight of the investment fund manager of the scholarship plan by the independent review committee;
- (i) the oversight of the scholarship plan by any other body.

**(3)** For each entity listed in the diagram or table, other than the investment fund manager, provide, if applicable, the municipality and the province or country where it principally provides its services to the scholarship plan. Provide the complete municipal address for the investment fund manager of the scholarship plan.

### **INSTRUCTION**

*The "foundation" refers to the not-for-profit entity that is the sponsor of the scholarship plan.*

## Item 13 – Statement of Rights

### Statement of Rights

**13.1** Under the heading "Your rights as an investor", state the following using the same or substantially similar wording:

You have the right to withdraw from an agreement to buy scholarship plan securities and get back all of your money (including any fees or expenses paid), within 60 days of signing the agreement. If the plan is cancelled after 60 days, you will only get back your contributions, less fees and expenses.

Any government grants you've received will be returned to the government.

In several provinces and territories, securities legislation also gives you the right to withdraw from a purchase and get back all of your money, or to claim damages, if the prospectus and any amendment contain a misrepresentation or are not delivered to you. You must act within the time limit set by the securities legislation in your province *[insert if the scholarship plan(s) is/are distributed in one or more territories of Canada – or territory]*.

You can find out more about these rights by referring to the securities legislation of your province *[insert if the scholarship plan(s) is/are distributed in one or more territories of Canada – or territory]* or by consulting a lawyer.

## Item 14 – Other Material Information

### Other Material Information

**14.1 (1)** Under the heading "Other important information", state any other material facts relating to the securities being offered that are not disclosed under any other item in this Form and are necessary for the prospectus to contain full, true and plain disclosure of all material facts about the securities to be distributed.

**(2)** Provide any specific disclosure required to be disclosed in a prospectus under securities legislation that is not otherwise required to be disclosed by this Form.

**(3)** Subsection (2) does not apply to requirements of securities legislation that are form requirements for a prospectus.

### INSTRUCTIONS

*(1) Sub-headings that are not mandated by this Form may be used in this Item.*

*(2) For a single prospectus, provide this disclosure either under this Item or under Item 23 of Part C of this Form, whichever is more appropriate.*

*(3) For a multiple prospectus, provide this disclosure under this Item if the disclosure pertains to all of the scholarship plans described in the document. If the disclosure does not pertain to all of the scholarship plans, provide the disclosure under Item 23 of Part C of this Form.*

## Item 15 – Back Cover

### Back Cover

**15.1 (1)** State on the back cover of the Detailed Plan Disclosure the name of the scholarship plan(s) offered under the prospectus, and the name, address and telephone number of the investment fund manager of the scholarship plan(s).

**(2)** State the following using the same or substantially similar wording:

You can find additional information about the plan[s] in the following documents:

- the plan's most recently filed annual financial statements,
- any interim financial reports filed after the annual financial statements, and
- the most recently filed annual [fund report](#) ~~management report of fund performance~~.

These documents are incorporated by reference into this prospectus. That means they legally form part of this document just as if they were printed as part of this document.

You can get a copy of these documents at no cost by calling us at *[insert the toll-free telephone number or telephone number where collect calls are accepted]* or by contacting us at *[insert the scholarship plan's e-mail address]*.

You'll also find these documents on our website at *[insert the scholarship plan's designated website address]*

These documents and other information about the plan[s] are also available at [www.sedarplus.com](http://www.sedarplus.com).

## Part C – Detailed Plan Disclosure – Plan-Specific Information

### Item 1 – General

The Items in this Part apply to each type of scholarship plan unless otherwise stated.

### Item 2 – Introductory Disclosure

#### For a Single Prospectus

**2.1** Include at the top of the first page of the Part C section of the prospectus the heading "Specific information about the *[insert the name of the scholarship plan]*".

#### For a Multiple Prospectus

**2.2** Include,

- (a) at the top of the first page of the first Part C section of the prospectus, the heading "Specific information about our plans", and

- (b) at the top of each page of a Part C section of the prospectus, a heading consisting of the name of the scholarship plan described on that page.

### **Item 3 – Plan Description**

#### **Plan Description**

**3.1** Under the heading "Type of plan", disclose in the form of a table

- (a) the type of scholarship plan, and
- (b) the date on which the scholarship plan was started.

#### **INSTRUCTION**

*In disclosing the date on which the scholarship plan was started, use the date on which the securities of the scholarship plan first became available for offer to the public, which will be on or about the date of the issuance of the first receipt for a prospectus of the scholarship plan.*

### **Item 4 – Eligibility and Suitability**

#### **Eligibility and Suitability**

**4.1 (1)** Under the heading "Who this plan is for", list the eligibility requirements for enrolment in the scholarship plan.

**(2)** Provide a brief statement of the suitability of the scholarship plan for particular investors, describing the characteristics of the subscriber and beneficiary for whom the scholarship plan may be an appropriate investment and for whom it may not be an appropriate investment.

#### **INSTRUCTION**

*The disclosure provided under subsection 4.1 (2) must be consistent with the disclosure provided under Item 4 of Part A of this Form. Discuss whether the scholarship plan is particularly suitable for certain types of investors. Conversely, if the scholarship plan is particularly unsuitable for certain types of investors, emphasize this aspect of the plan and disclose the types of investors who should not invest in the scholarship plan, on both a short- and long-term basis.*

### **Item 5 – Beneficiary Group**

#### **Beneficiary Group**

**5.1 (1)** This Item applies to a group scholarship plan.

**(2)** Under the sub-heading "Your beneficiary group", describe

- (a) what a beneficiary group is and the significance of belonging to a beneficiary group, and
- (b) how the maturity date and year of eligibility are determined and the significance of the dates.

- (3) Include the table below, introduced using the following wording or wording that is substantially similar:

The table below can help you determine your beneficiary group. In general, the beneficiary group is determined by the age of the beneficiary when you sign your contract.

Age of beneficiary when the plan is purchased	Beneficiary group
<i>[Insert age of oldest beneficiary eligible to join the group scholarship plan] years old</i>	<i>[Insert year of eligibility for oldest beneficiary]</i>
<i>[Insert age corresponding to next year of eligibility in descending order] years old</i>	<i>[Insert year of eligibility for next oldest beneficiary]</i>
...	
0 years old	<i>[Insert year of eligibility for youngest beneficiary]</i>

#### INSTRUCTIONS

(1) In responding to subsection 5.1(2), provide disclosure regarding the sharing of earnings on contributions based on the number of beneficiaries in a beneficiary group, including the sharing of earnings on contributions where there is pre-maturity and post-maturity attrition.

(2) The table required under subsection 5.1 (3) is used to demonstrate how the year of eligibility relates to the age of the beneficiary on the application date. The disclosure in the column of this table titled "Age of beneficiary when the scholarship plan is purchased" must present the ages of the beneficiaries for whom subscribers may purchase a group scholarship plan, starting from the oldest to the youngest. For example, if a beneficiary cannot join the group scholarship plan after age 12, then that must be the age disclosed in the top row of that column. The ages disclosed in the subsequent row must follow in descending order.

(3) For the column titled "Beneficiary Group" in the table required under subsection 5.1(3), the "year of eligibility" disclosed in each row must be based on the year of eligibility that would typically correspond to a beneficiary of the age described in adjacent column of that table titled "Typical age of beneficiary when the scholarship plan is purchased" as of the date of the prospectus. For example, if the age of the beneficiary listed in the table is 12, the disclosure under "Beneficiary Group" must show the typical year of eligibility for a 12 year old beneficiary joining the scholarship plan as of the date of the prospectus.

#### Item 6 – Eligible Studies

##### Summary of Eligible Studies

- 6.1 Under the heading "Summary of eligible studies", state the following using the same or substantially similar wording:

The following is a description of the post-secondary programs that are eligible studies and qualify for EAPs under the [insert name of the scholarship plan].

Contact us or your sales representative to find out if the educational programs your beneficiary is interested in are eligible studies. We can provide you with a current list of qualifying institutions and programs on request. This list is also available on the plan's designated website.

For more information about receiving EAPs, see "Educational assistance payments" on page *[insert page reference to the disclosure provided under section 19.2 of Part C of this Form]* of this Detailed Plan Disclosure.

## **Description of Eligible Programs**

**6.2** Under the sub-heading "What's eligible", briefly describe the types of programs that qualify for EAPs under the scholarship plan.

## **Description of Ineligible Programs**

**6.3 (1)** Under the sub-heading "What's not eligible", briefly describe the types of programs that do not qualify for EAPs under the scholarship plan.

**(2)** If any post-secondary program that would qualify for an EAP under the Income Tax Act (Canada) would be considered eligible studies under the scholarship plan, state this fact. If there are differences between the types of programs eligible for payment of an EAP under the Income Tax Act (Canada) and programs recognized as eligible studies under the scholarship plan, state this fact and describe how the scholarship plan's requirements are different than the Income Tax Act (Canada) requirements.

**(3)** State, if applicable, that beneficiaries who do not enrol in eligible studies under the requirements of the scholarship plan will also not receive payments of government grants.

**(4)** If the scholarship plan does not recognize all of the same post-secondary programs that would qualify for an EAP under the *Income Tax Act* (Canada), then state the following using the same or substantially similar wording:

If you are interested in a post-secondary program that doesn't qualify for EAPs under the *[insert the name of the scholarship plan]* but would qualify for an EAP under the *Income Tax Act* (Canada), you should consider another type of plan. *[Insert if applicable – For example, in our [insert, as applicable the name of the scholarship plan(s)], any post-secondary program that would qualify for an EAP under the Income Tax Act (Canada) is considered eligible studies for receiving an EAP under the plan.]*

## **INSTRUCTIONS**

*(1) The list of institutions and programs that are "eligible studies" under the scholarship plan and are referred to in section 6.1 must be provided in a format that facilitates comprehension by the investor. The list must also be available on the plan's designated website in a location that does not have restricted access, i.e., it does not require a password or login account.*

*(2) The disclosure required by sections 6.2 and 6.3 may be provided in the form of a table to assist readability.*

*(3) Describe the programs required to be disclosed under sections 6.2 and 6.3 based on characteristics such as the type of educational institutions offering the programs, the duration of the programs and the location of the educational institutions.*

## **Item 7 – Investment Objectives**

### **Investment Objectives**

**7.1 (1)** This section does not apply to a scholarship plan that is required to provide the disclosure under section 7.1 of Part B of this Form.

(2) Under the heading "How we invest your money" with the sub-heading "Investment objectives", state the fundamental investment objectives of the scholarship plan, including any information that describes the fundamental nature of the scholarship plan or the fundamental features of the scholarship plan that distinguish it from other types of scholarship plans.

(3) Describe the nature of any securityholder or other approval that may be required to change the investment objectives of the scholarship plan.

(4) Describe any of the material investment strategies to be used to achieve the scholarship plan's investment objectives.

(5) If the scholarship plan purports to arrange a guarantee or insurance in order to protect all or some of the principal amount of the investments made by subscribers, include this fact as a fundamental investment objective of the scholarship plan and

- (a) identify the person or company providing the guarantee or insurance,
- (b) provide the material terms of the guarantee or insurance, including the maturity date of the guarantee or insurance, and
- (c) provide the reasons for which the guarantor or insurer could limit or avoid execution of the guarantee or insurance policy.

#### **INSTRUCTION**

*In providing the disclosure required by this Item, follow the Instructions that apply to section 7.1 of Part B of this Form.*

### **Item 8 – Investment Strategies**

#### **Investment Strategies**

**8.1 (1)** This section does not apply to a scholarship plan that is required to provide the disclosure under section 8.1 of Part B of this Form.

(2) Describe under the sub-heading "Investment strategies" the following:

- (a) the principal investment strategies that the scholarship plan intends to use in achieving its investment objectives, and
- (b) the process by which the scholarship plan's portfolio adviser selects investments for the scholarship plan's portfolio, including any investment approach, philosophy, practices or techniques used by the portfolio adviser or any particular style of portfolio management that the portfolio adviser intends to follow.

(3) Indicate the types of investments, other than those held by the scholarship plan in accordance with its fundamental investment objectives, which may form part of the scholarship plan's portfolio assets under normal market conditions.

(4) If the scholarship plan may depart temporarily from its fundamental investment objectives as a result of adverse market, economic, political or other considerations, disclose any temporary defensive tactics the scholarship plan's portfolio adviser may use or intends to use in response to such conditions.



## INSTRUCTION

*A scholarship plan may, in responding to subsection 8.1(2), provide a discussion of the general investment approach or philosophy followed by the portfolio adviser of the scholarship plan.*

### Item 9 – Investment Restrictions

#### Investment Restrictions

**9.1 (1)** This section does not apply to a scholarship plan that is required to provide the disclosure specified under section 9.1 of Part B of this Form.

**(2)** Under the sub-heading "Investment restrictions", describe any restrictions on investments adopted by the scholarship plan, beyond what is required under securities legislation.

**(3)** If the scholarship plan has received the approval of the securities regulatory authorities to vary any of the investment restrictions and practices contained in securities legislation, provide details of the permitted variations.

**(4)** Describe the nature of any securityholder or other approval that may be required in order to change the investment restrictions of the scholarship plan.

### Item 10 – Plan-Specific Risks

#### Plan Risks

**10.1 (1)** Under the heading "Risks of investing in this plan" with the sub-heading "Plan risks", include an introduction using the following wording or wording that is substantially similar:

You sign a contract when you open a plan with us. Read the terms of the contract carefully and make sure you understand the contract before you sign. If you or your beneficiary does not meet the terms of your contract, it could result in a loss and your beneficiary could lose some or all of his or her EAPs.

Keep in mind that payments from the plan are not guaranteed. We cannot tell you in advance if your beneficiary will qualify to receive any EAPs from the plan or how much your beneficiary will receive. We do not guarantee the amount of any payments or that the payments will cover the full cost of your beneficiary's post-secondary education.

In addition to the investment risks described under "Investment risks" on page(s) *[insert a page reference to the investment risks disclosed under section 10.1(3) of Part B of this Form or section 10.2 of this Part of the Form, as applicable]* of the prospectus, the following is a description of the risks of participating in this plan:

**(2)** List and describe any material risks associated with an investment in the scholarship plan, other than the investment risks associated with the portfolio held by the scholarship plan that are disclosed under section 10.1 of Part B of this Form or section 10.2 of this Part, including, as applicable to the scholarship plan,

- (a) the risk of a change in attrition rates affecting the amount of EAPs available to beneficiaries,
- (b) the risk of a decision not to provide a discretionary payment affecting the amount of money available to beneficiaries who enrol in eligible studies,

- (c) the risk that the current sources of funding for discretionary payments may not be available at plan maturity,
- (d) if there is no guarantee for any refunds of sales charges or other fees, the risk that the current sources of funding for the refunds may not be available at or after the maturity date of the subscriber's scholarship plan, and
- (e) if the scholarship plan has more than one class or series of securities, the risk that the investment performance, expenses or liabilities of one class or series may affect the value of the securities of another class or series.

#### **INSTRUCTION**

*In responding to section 10.2, follow Instructions (1)– (3) to section 10.1 of Part B of this Form.*

#### **Investment Risks**

**10.2 (1)** Subsections (2) to (5) do not apply to a scholarship plan that is required to provide the disclosure under section 7.1 of Part B of this Form.

**(2)** Under the heading "Risks of investing in this plan" with the sub-heading "Investment risks", include an introduction using the following wording or wording that is substantially similar:

The prices of the investments held by the scholarship plan can go up or down. Below are the risks that can cause the value of the plan's investments to change, which will affect the amount of EAPs available to beneficiaries.

**(3)** List and describe the investment risks applicable to the scholarship plan, other than those risks previously discussed under subsection 10.1(3) of Part B of this Form.

**(4)** Include specific cross-references to the risks described in response to subsection 10.1(3) of Part B of this Form that are applicable to the scholarship plan.

**(5)** If, at any time during the 12-month period immediately preceding the date of the prospectus, more than 10% of the net assets of a scholarship plan were invested in the securities of an issuer other than a government security, disclose

- (a) the name of the issuer and the securities,
- (b) the maximum percentage of the net assets of the scholarship plan that securities of that issuer represented during the 12-month period, and
- (c) the risks associated with the investment in the securities, including the possible or actual effect on the liquidity and diversification of the scholarship plan.

**(6)** If the scholarship plan is required to provide the disclosure under section 7.1 of Part B of this Form, under the heading "Risks of investing in this plan" with the sub-heading "Investment risks", state the following using the same or substantially similar wording:

The prices of the investments held by the scholarship plan can go up or down. You can find a list of risks that can cause the value of the plan's investments to change under "Investment risks" on page *[insert page reference to the risks disclosed under section 10.1(3) of Part B of this Form]*.

**INSTRUCTION**

*In providing disclosure under this section, follow the Instructions to section 10.1 of Part B of this Form.*

**Item 11 – Annual Returns**

**Annual Returns**

**11.1** Under the heading "How the plan has performed", provide, in the form of the following table, the annual return of the scholarship plan for each of the past five years (or for a scholarship plan that has existed for less than five years, for each year the scholarship plan has been in existence) as disclosed in [previously filed fund reports](#) ~~the most recently filed annual management report of fund performance~~ of the scholarship plan, introduced using the following wording or wording that is substantially similar:

The table below shows how the investments in *[insert name of the scholarship plan]* performed in each of the past five financial years ending on *[insert date of end of financial year for the scholarship plan]*. Returns are after expenses have been deducted. These expenses reduce the returns you get on your investment.

It's important to note that this doesn't tell you how the plan's investments will perform in the future.

	<i>[Insert most recently completed Financial Year]</i>	<i>[Insert most recently completed Financial Year minus 1]</i>	<i>[Insert most recently completed Financial Year minus 2]</i>	<i>[Insert most recently completed Financial Year minus 3]</i>	<i>[Insert most recently completed Financial Year minus 4]</i>
<b>Annual Return</b>	<i>[Specify annual return]%</i>	<i>[Specify annual return]%</i>	<i>[Specify annual return]%</i>	<i>[Specify annual return]%</i>	<i>[Specify annual return]%</i>

**Item 12 – Contributions**

**Making Contributions**

**12.1 (1)** Under the heading "Making contributions", state the minimum investment in the scholarship plan permitted under the prospectus and the maximum length of time a subscriber can make contributions under the plan.

**(2)** If the scholarship plan uses units, under the sub-heading "What is a unit?", describe the unit and state why the scholarship plan uses units. State if the value of a unit is based only on the value of the portfolio assets held by the scholarship plan and, if not, state what other factors the value of a unit is based on.

**(3)** Under the sub-heading "Your contribution options", describe all available contribution options.

**(4)** If the scholarship plan requires subscribers to make contributions to the plan in accordance with a contribution schedule, under the sub-heading "Contribution schedule", include an introduction to the contribution schedule using the following wording or wording that is substantially similar:

The contribution schedule below shows how much you have to contribute to buy a unit. The price you pay depends on your beneficiary group and whether you pay for your units all at once or make periodic contributions to pay for

your units. *[For a group scholarship plan, state – The prices are calculated so that the contributions of each subscriber for a beneficiary group will generate the same earnings per unit.]*

Certain fees and expenses are deducted from your contributions. For more information, please see "Fees you pay" on page *[insert page reference to the disclosure provided under section 14.2 of Part C of this Form]*.

The contribution schedule was prepared by *[indicate name of entity/entities that prepared the contribution schedule]* in *[specify year the contribution schedule was prepared]*.

- (5) Include the contribution schedule of the scholarship plan in the form of the following table, together with the following examples to explain how to use the contribution schedule to determine the contributions required to pay for each unit. Introduce the table using the following wording or wording that is substantially similar with the title "How to use this table" in bold type:

**How to use this table:**

For example, let's assume your beneficiary is a newborn. If you want to make monthly contributions until maturity, it will cost *\$(insert amount payable monthly for this option)* each month for each unit you buy. You would have to make *[insert total number of payments for this option]* contributions over the life of your plan, for a total investment of *\$(insert total amount payable for this option)*.

If your child is five years old and you want to make annual contributions until maturity, it will cost *\$(insert amount payable annually for this option)* each year for each unit you buy. You would have to make *[insert total number of payments for this option]* contributions over the life of your plan, for a total investment of *\$(insert total amount payable for this option)*.

Contribution schedule				
Contribution options <i>[See Instruction (2)]</i>	<i>[Insert youngest beneficiary by age] [See Instruction (3)]</i>	<i>[Insert next youngest beneficiary by age]</i>	...	<i>[Insert oldest beneficiary by age]</i>
<b>Monthly contribution</b> Contribution amount Total number of contributions Total amount of contributions	<i>[See Instruction (4)]</i>			
<b>Annual contribution</b> Contribution amount Total number of contributions Total amount of contributions				
...				
<b>Lump sum contribution</b> Contribution amount				

- (6) State the assumptions on which the contribution schedule is based and confirm that the assumptions are still reflective of current conditions and circumstances.

## INSTRUCTIONS

- (1) The contribution schedule must outline all available contribution options, including the lump sum contribution option.*
- (2) List the contribution options in the order based on the total number of contributions, from the largest number of contributions to the smallest number of contributions. For example, if the scholarship plan permits monthly, annual and lump sum contributions, list the contribution options in that order.*
- (3) The contribution schedule must be presented in the order based on the age of the beneficiaries, from the youngest to oldest.*
- (4) For each contribution option, set out the amount of each contribution, the total number of contributions, and the total amount payable for one unit.*
- (5) If the scholarship plan permits a subscriber to date their plan as at a date that is earlier than the application date, disclose the conditions or requirements that must be met to backdate a plan, including the maximum number of months that a plan may be backdated and the basis of calculation of any amount(s) payable by the subscriber in addition to the contributions required under the contribution schedule. Include a cross-reference to the disclosure provided under paragraph 11.3(1)(h) of Part B of this Form.*
- (6) The contribution amounts in the contribution schedule must not include fees for insurance.*

## Missing Contributions

**12.2 (1)** Under the sub-heading "If you have difficulty making contributions", state the following using the same or substantially similar wording:

If you miss one or more contributions, you may be in default of your plan. To stay in the plan, you'll have to make up the contributions you missed. *[State if applicable – You'll also have to make up what the contributions would have earned if you had made them on time].* This can be costly.

For information about the steps you have to take to stay in the plan after missing contributions, see "Default, withdrawal or cancellation" on page *[insert page reference to the disclosure provided under Item 17 of Part C of this Form]*.

- (2)** Under the sub-sub-heading "Your options", describe the options available to subscribers having difficulty making contributions, including reducing the amount of contributions, suspending contributions, transferring to another RESP and cancelling their scholarship plan.
- (3)** Describe any restrictions on the availability of the options referred to in subsection (2).
- (4)** For each option set out under subsection (2), disclose the fee payable for the option and the losses that may be incurred by the subscriber as a result of the option.
- (5)** Describe what will happen if a subscriber has difficulty making contributions and does not select any of the options set out under subsection (2).

## INSTRUCTIONS

- (1) A scholarship plan that does not require subscribers to make regular contributions to keep their plan in good standing must modify the disclosure under subsection 12.2(1) accordingly.*

*(2) If the cost of putting a plan in good standing after a voluntary suspension of the plan includes the payment of an amount equal to the interest that would have been earned on the missing contributions, disclose the current interest rate used as an annualized rate of interest and disclose how the interest is calculated.*

*(3) In disclosing any losses that may be incurred by a subscriber under subsection (4), state whether the subscriber may incur any loss of earnings, government grants, grant contribution room, amounts paid for sales charges and fees or loss of any other amount.*

*(4) If the disclosure for an option required by subsections (3) and (4) is provided elsewhere in Part C of the prospectus, a cross-reference to the disclosure for the option may be provided in response to subsections (3) and (4). For example, if transferring to another scholarship plan managed by the investment fund manager is an option available to the subscriber, a scholarship plan may refer investors to details of this type of transfer by providing a cross-reference to the disclosure provided under section 16.1 of Part C of this Form.*

## **Item 13 – Withdrawing Contributions**

### **Withdrawing Contributions**

**13.1 (1)** Under the heading "Withdrawing your contributions", describe a subscriber's entitlement to a return of contributions made, less fees, at any time before the maturity date of their scholarship plan.

**(2)** Describe the steps a subscriber must take to withdraw some or all of their contributions before the maturity date of their scholarship plan.

**(3)** Disclose the fee for a withdrawal from their scholarship plan and describe the losses that may be incurred by a subscriber upon a withdrawal.

**(4)** Disclose whether a subscriber's plan will be cancelled if the subscriber withdraws all the contributions made to their plan. If so, provide a cross-reference to the disclosure provided under section 17.3 of Part C of this Form.

### **INSTRUCTION**

*In describing any losses that may be incurred by a subscriber under subsection (3), disclose whether the subscriber may incur any loss of earnings, government grants, grant contribution room, amounts paid for sales charges and fees or loss of any other amount.*

## **Item 14 – Fees and Expenses**

### **Costs of Investing in the Scholarship Plan**

**14.1** Under the heading "Costs of investing in this plan", state the following using the same or substantially similar wording:

There are costs for joining and participating in the *[insert name of scholarship plan]*. The following tables list the fees and expenses of this plan. You pay some of these fees and expenses directly from your contributions. The plan pays some of the fees and expenses, which are deducted from the plan's earnings.

**Fees Payable by Subscriber from Contributions**

**14.2 (1)** Under the sub-heading "Fees you pay", provide a list of the fees and expenses that are deducted from contributions and that are not required to be provided in the table under section 14.4 of Part C of this Form in the form of the following table. Introduce the table using the following wording:

These fees are deducted from your contributions. They reduce the amount that gets invested in your plan, which will reduce the amount available for EAPs.

Fee	What you pay	What the fee is for	Who the fee is paid to
Sales charge	[Specify amount]	[Specify the purpose]	[Insert name of entity]
Account Maintenance Fee	[Specify amount]	[Specify the purpose]	[Insert name of entity]
[Specify other fees and expenses]	[Specify amount]	[Specify the purpose]	[Insert name of entity]

**(2)** If the sales charge listed in the table required by subsection (1) is deducted from contributions at a higher rate in the early period of participating in the scholarship plan, add a sidebar under the sub-heading "Fees you pay", using the margin of the page and state the following using the same or substantially similar wording with the title of the sidebar in bold type:

**Paying off the sales charges**

For example, assume that you buy one unit of the [Insert name of scholarship plan] on behalf of newborn child, and you commit to making monthly contributions until the maturity date to pay for that unit. [All/[specify lower percentage, if applicable]] of your first [insert number of contributions] contributions go toward the sales charge until [half/[specify other percentage if applicable]] of the sales charge is paid off. [State, as applicable – [Half/[specify other percentage if applicable]] of your next [insert number of contributions] contributions go toward the sales charge until it's fully paid off.] Altogether, it will take you [insert number of months] months to pay off the sales charge. During this time, [insert percentage] of your contributions will be used to pay the sales charge and [insert percentage] of your contributions will be invested in your plan.

**(3)** State whether any of the fees listed in the table in subsection (1) may be increased without subscriber approval.

**INSTRUCTIONS**

- (1) In the table required under subsection 14.2(1), list the fees payable by subscribers' contributions. Each fee must be listed on a separate row in the table.
- (2) In the table required under subsection 14.2(1) in the column titled "What you pay" state the amount of each fee. The amount of each fee must be disclosed based on how the fee is calculated. For example, if a particular fee is calculated as a fixed dollar amount per unit, or a fixed amount per year, it must be stated as such. Similarly, if a fee is calculated as a percentage of plan assets, that percentage must be stated. A statement or note that a fee is subject to applicable taxes, such as goods and services taxes or harmonized sales taxes, is permitted, if applicable.
- (3) For a group scholarship plan or other type of scholarship plan that normally calculates the sales charge payable as a fixed dollar amount linked to the amount of contribution by a subscriber (i.e. \$x.xx per unit), in addition to stating the fixed amount of sales charge per unit as required under Instruction (2), the disclosure of the amount of sales charge in the table required under subsection 14.2(1) in the column titled "What you pay" must also be expressed as a percentage of the cost of a unit of the

*scholarship plan. If the total cost of a unit of the scholarship plan varies depending on the contribution option or frequency selected, the percentage sales charge must be expressed as a range, between the lowest and the highest percentage of the unit cost the sales charge can represent, based on the different contribution options available to subscribers under the scholarship plan. This must be calculated as follows: (i) divide the sales charge per unit by the contribution option that has the highest total cost per unit, and (ii) divide the sales charge per unit by the contribution option that has the lowest total cost per unit. For example, if a scholarship plan calculates its sales charge as \$200/unit, and the total cost per unit for a subscriber can range from \$1000 to \$5000 (based on the different options available to subscribers), the percentage range of the sales charge disclosed in the table would be 4% (200/5000) to 20% (200/1000). The disclosure in the table must also state that the exact percentage of the sales charge per unit for a subscriber will depend on the contribution option selected for contributing to the scholarship plan and how old their beneficiary is at the time they open the scholarship plan.*

*(4) In the table required under subsection 14.2(1) in the column titled "What you pay" describe how the fee is deducted from contributions if the fee amount deducted from each contribution is not the same. For example, if deductions for sales charges are not made from each contribution at a constant rate for the duration of the plan or for the period for which contributions are required to be made under the scholarship plan if it is less than the scholarship plan's duration, describe the amounts from contributions that are deducted to pay sales charges.*

*(5) In the table required under subsection 14.2(1) in the column titled "What the fee is for" provide a concise explanation of what the fee is used for.*

*(6) In the table required under subsection 14.2(1) in the column titled "Who the fee is paid to", state the name of the entity to which the fee is paid, such as the investment fund manager, the portfolio manager, the dealer, the foundation, etc.*

*(7) The disclosure required under subsection 14.2(2) must be based on the following assumptions: (i) the beneficiary is a newborn, (ii) the subscriber is purchasing one unit of the scholarship plan, (iii) the subscriber has agreed to a monthly contribution schedule with contributions payable until the scholarship plan's maturity date, and (iv) all of the mandatory fees that are normally deducted from a subscriber's contributions are deducted during the relevant period. The disclosure provided under subsection 14.2(2) must be consistent with the disclosure provided under subsection (2) of Item 10 of Part A of the form.*

*(8) The disclosure required in subsection 14.2(2) may alternatively be provided in a text box below the table required under subsection 14.2(1).*

*(9) For the disclosure required in subsection 14.2(2), if the scholarship plan does not offer units but uses a similar method for deducting sales charges as is described under subsection 14.2(2), the wording may be amended as is necessary to properly reflect the scholarship plan's features.*

## **Fees Payable by the Scholarship Plan**

**14.3 (1)** Under the sub-heading "Fees the plan pays", provide a list of the fees and expenses that are payable by the scholarship plan in the form of the following table and introduced using the following wording:

The following fees are payable from the plan's earnings. You don't pay these fees directly. These fees affect you because they reduce the plan's returns which reduces the amount available for EAPs.

<b>Fee</b>	<b>What the plan pays</b>	<b>What the fee is for</b>	<b>Who the fee is paid to</b>
Administrative fee	[Specify amount]	[Specify purpose]	[Insert name of entity]
Portfolio management fee	[Specify amount]	[Specify purpose]	[Insert name of entity]
Custodian fee	[Specify amount]	[Specify purpose]	[Insert name of entity]



Independent review committee fee	[Specify amount]	[Specify purpose]	[Insert name of entity]
[Specify other fees and expenses]	[Specify amount]	[Specify purpose]	[Insert name of entity]

(2) State whether any of the fees or expenses listed in the table in subsection (1) may be increased without subscriber approval.

#### INSTRUCTIONS

(1) In the table, show all fees and expenses payable by the scholarship plan, even if it is expected that the investment fund manager or other member of the organization of the scholarship plan will waive or absorb some or all of those fees and expenses. Each fee must be listed in a separate row in the table.

(2) If one or more fees listed or required to be listed in the table are normally combined into an "all-inclusive fee" payable by the scholarship plan, the table may be amended as is necessary to reflect this fact.

(3) In the column titled "What the plan pays" state the amount of each fee listed in the table. The amount of fee stated must be disclosed based on how the fee is calculated. For example, if a fee is calculated based on a percentage of the scholarship plan's assets, it must be stated as such. For the "independent review committee fee", state the amount of any retainer payable to each member of the committee and any additional fees payable for meeting attendance and indicate if committee members expenses are reimbursed, and disclose the total dollar amount paid in connection with the independent review committee for the most recently completed financial year of the scholarship plan. A statement or note that a fee is subject to applicable taxes, such as goods and services taxes or harmonized sales taxes, is permitted, if applicable.

(4) In the column titled "What the fee is for" provide a concise explanation of what the fee is used for. If a fee is charged to the scholarship plan for on-going fund expenses, list the main components of those expenses covered by the fee.

(5) In the column titled "Who the fee is paid to", state the name of the entity to which the fee is paid, such as the investment fund manager, the portfolio manager, the dealer, the foundation, etc.

#### Transaction Fees

**14.4** Under the sub-heading "Transaction fees", provide a list of the transaction fees in the form of the following table introduced using the following wording:

We will charge the following fees for the transactions listed below.

Fee	Amount	How the fee is paid	Who the fee is paid to
[Insert type of fee]	[\$[Specify amount]]	[Insert how the fee is charged]	[Insert name of entity]

#### INSTRUCTIONS

(1) In the column titled "fee" describe the type of transaction for which the fee is charged; for example, replacing a cheque, changing the contribution schedule, changing the beneficiary, changing the maturity date, transferring a plan and a late application for EAPs. Each fee must be listed on a separate row in the table.

(2) In the column titled "Amount" specify the amount of each fee. The amount must be disclosed based on how the fee is calculated. For example if the fee is calculated as a fixed dollar amount or a percentage it must be disclosed as such.

(3) In the column titled "How the fee is paid" state how the fee for each transaction is charged, for example, if the fee is payable directly by the subscriber or beneficiary, or if it is deducted from the earnings of the scholarship plan.

(4) In the column titled "Who the fee is paid to" specify the entity to which the fee is paid, such as the scholarship plan dealer, the investment fund manager, the Foundation, etc.

**Fees for Additional Services**

**14.5** If applicable, under the sub-heading "Fees for additional services", provide a list of the fees payable for the additional services disclosed under section 6.6 of Part B of this Form in the form of the following table and introduced using the following wording:

The following fees are payable for the additional services listed below:

Fee	What you pay	How the fee is paid	Who the fee is paid to
[Specify type of fee]	[\$[Specify amount]]	[Specify how the fee is charged]	[Insert name of entity]

**INSTRUCTIONS**

(1) In the column titled "Fee", describe the type of service for which the fee is charged (for example, insurance services). Each fee must be listed in a separate row in the table.

(2) Under the column titled "What you pay" specify the amount of each fee. The fee must be disclosed based on how it is calculated. A statement or note that a fee is subject to applicable taxes, such as goods and services taxes or harmonized sales taxes, is permitted, if applicable.

(3) If insurance services are provided, under the column "What you pay", disclose the fee for insurance and disclose the portion of the fee that is paid by the insurer to the principal distributor, the investment fund manager, or an affiliate.

(4) If the fee payable for an additional service varies so that specific disclosure of the amount of the fee cannot be provided in the prospectus, provide the range of fees payable under the column titled "What you pay".

(5) In the column titled "How the fee is paid" state how the fee for each service is charged, for example, if the fee is an amount payable by the subscriber on a monthly basis in addition to contributions made under the contribution schedule.

(6) In the column titled "Who the fee is paid to" state the name of the entity to which the fee is paid, such as the scholarship plan dealer, the investment fund manager, the Foundation, etc. If insurance services are provided, the name of the insurer must be disclosed.

**Refund of Sales Charges and Other Fees**

**14.6 (1)** Under the sub-heading "Refund of sales charges [and other fees]", disclose the details of all arrangements for the refunding of sales charges and any other fee paid by subscribers.

- (2) In the disclosure required by subsection (1), for each fee that may be refunded, describe
- (a) who pays the fee refund,
  - (b) who funds the fee refund and the sources of funding for the fee refund,
  - (c) whether the refund is guaranteed or not and what that means,
  - (d) the conditions or requirements that must be met to receive the fee refund,
  - (e) when the refund will be paid,
  - (f) whether the amount refunded will include interest,
  - (g) whether the refund is paid in cash to the subscriber or is credited to their plan,
  - (h) if applicable, whether the amount refunded will be considered a contribution to the scholarship plan for tax purposes, and
  - (i) whether the amount refunded is taxable to the subscriber or beneficiary.
- (3) Describe the circumstances that may affect the ability of the current sources of funding for the fee refunds to continue to fund such payments.
- (4) State whether the investment fund manager or any other entity has put any mechanism in place to continue to make fee refunds if any of the circumstances referred to in subsection (3) occurs.
- (5) If a fee refund is payable on a discretionary basis, state the following wording with the first sentence in bold type:
- Discretionary refunds are not guaranteed.** You should not count on receiving a discretionary refund. *[Specify entity]* decides if it will provide a fee refund in any year.

## INSTRUCTIONS

- (1) *A return of an enrolment fee is considered to be a refund of sales charges for the purposes of disclosure under this section.*
- (2) *If a fee refund is paid in instalments, disclose each payment date and the amount or proportion of the refund payable at each date.*

## Item 15 – Making Changes to a Subscriber's Plan

### Changing Contributions

**15.1 (1)** Under the heading "Making changes to your plan" and the sub-heading "Changing your contributions", disclose whether or not a subscriber can change the contributions under a scholarship plan.

- (2) If a subscriber can change the contributions under a scholarship plan, disclose
- (a) the steps the subscriber must take to make the change,

- (b) the conditions or requirements that must be met to make the change,
- (c) the fee for making the change, and
- (d) the losses that may be incurred by the subscriber or the beneficiary if the change is made.

### **Changing Maturity Date**

**15.2 (1)** Under the sub-heading "Changing the maturity date", disclose whether or not a subscriber can change the maturity date of their plan.

**(2)** If a subscriber can change the maturity date, disclose

- (a) the steps the subscriber must take to make the change,
- (b) the conditions or requirements that must be met to make the change,
- (c) the fee for making the change, and
- (d) the losses that may be incurred by the subscriber or the beneficiary if the change is made.

### **Changing Year of Eligibility**

**15.3 (1)** Under the sub-heading "Changing your beneficiary's year of eligibility", disclose whether or not a subscriber can change the year of eligibility of a beneficiary.

**(2)** If a subscriber can change the year of eligibility, disclose

- (a) the steps the subscriber must take to make the change,
- (b) the conditions or requirements that must be met to make the change,
- (c) the fee for making the change, and
- (d) the losses that may be incurred by the subscriber or the beneficiary if the change is made.

### **Changing Subscriber**

**15.4 (1)** Under the sub-heading "Changing the subscriber", disclose whether the contract permits the subscriber to be changed at any time during the life of a scholarship plan.

**(2)** If the subscriber may be changed, disclose

- (a) the steps that are required to make the change,
- (b) the conditions or requirements that must be met to make the change,
- (c) the fee for making the change, and

- (d) the losses that may be incurred by the subscriber or the beneficiary if the change is made.

### **Changing Beneficiary**

**15.5 (1)** Under the sub-heading "Changing your beneficiary", disclose whether or not a subscriber can change the beneficiary of a scholarship plan.

**(2)** If the beneficiary may be changed, disclose

- (a) the steps the subscriber must take to make the change,
- (b) the conditions or requirements that must be met to make the change,
- (c) the fee for making the change, and
- (d) the losses that may be incurred by the subscriber or the beneficiary if the change is made.

### **Death or Disability of Beneficiary**

**15.6 (1)** Under the sub-heading "Death or disability of the beneficiary", disclose the options available to a subscriber in the event of the death or disability of the beneficiary of the scholarship plan.

**(2)** The disclosure under this item must include

- (a) how a disability is defined,
- (b) how each option may be initiated and the conditions or requirements that must be met for each option,
- (c) the fee for each option, and
- (d) the losses that may be incurred by the subscriber or the beneficiary if the option is selected.

### **INSTRUCTIONS**

*(1) In discussing a change in contributions under a scholarship plan in response to section 15.1, state if the change in contributions may be made as a result of changing the contribution frequency or the number of units for which contributions are made.*

*(2) The disclosure of the conditions or requirements for making a change to the subscriber's plan required under this Item must include a description of any amounts required to be paid to make the change and the deadline for making the change.*

*(3) In disclosing the losses that may be incurred by a subscriber or a beneficiary in response to this Item, state if the subscriber or the beneficiary might incur any loss of earnings, government grants, grant contribution room, amounts paid for sales charges and fees or loss of any other amount.*

## **Item 16-Transfer of Scholarship Plan**

### **Transferring to another plan managed by the investment fund manager**

**16.1 (1)** Under the heading "Transferring your plan" with the sub-heading "Transferring to *[name the other scholarship plans managed by the investment fund manager of the scholarship plan]*", state whether or not the scholarship plan allows a subscriber to transfer from the current plan to any of the other plans offered by the investment fund manager.

**(2)** Disclose

- (a) the steps a subscriber must take to effect the transfer,
- (b) the conditions or requirements that must be met to effect the transfer,
- (c) the fee for the transfer,
- (d) the losses that may be incurred by the subscriber or the beneficiary if the transfer is made, and
- (e) for a group scholarship plan, whether or not a subscriber who has transferred out of a group plan may transfer back to the group plan.

### **Transferring to another RESP Provider**

**16.2 (1)** Under the sub-heading "Transferring to another RESP provider", state whether or not the scholarship plan allows a subscriber to transfer to an RESP provider unrelated to the investment fund manager.

**(2)** Disclose

- (a) the steps a subscriber must take to effect the transfer,
- (b) the conditions or requirements that must be met to effect the transfer,
- (c) the fee for the transfer, and
- (d) the losses that may be incurred by the subscriber or the beneficiary if the transfer is made.

### **Transferring from another RESP Provider to the Scholarship Plan**

**16.3 (1)** Under the sub-heading "Transferring to this plan from another RESP provider", state whether or not the scholarship plan allows a subscriber to transfer from an RESP provider unrelated to the investment fund manager to the scholarship plan.

**(2)** Disclose

- (a) the steps a subscriber must take to effect the transfer,
- (b) the conditions or requirements that must be met to effect the transfer, and
- (c) the fee for the transfer.

## INSTRUCTIONS

*(1) The disclosure of the conditions or requirements that must be met to effect a transfer of a plan described under this Item must include a description of any amounts required to be paid to effect the transfer and the deadline for effecting the transfer.*

*(2) In disclosing the losses that may be incurred by a subscriber or a beneficiary in response to this Item, state if the subscriber or the beneficiary might incur any loss of earnings, government grants, grant contribution room, amounts paid for sales charges and fees or loss of any other amount.*

### **Item 17 – Default, Withdrawal or Cancellation**

#### **Withdrawal or Cancellation by Subscriber**

**17.1 (1)** Under the heading "Default, withdrawal or cancellation" with the sub-heading "If you withdraw from or cancel your plan", describe how a subscriber can withdraw from or cancel a scholarship plan.

**(2)** Describe the amounts a subscriber is entitled to receive if the subscriber withdraws from a scholarship plan up to 60 days after signing a contract.

**(3)** Describe the amounts a subscriber is entitled to receive if the subscriber cancels a scholarship plan more than 60 days after signing a contract.

**(4)** Disclose the charges payable by a subscriber for a cancellation or withdrawal.

**(5)** Disclose the losses that may be incurred by the subscriber or the beneficiary if the subscriber cancels or withdraws from their scholarship plan.

#### **Subscriber Default**

**17.2 (1)** Under the sub-heading "If your plan goes into default", describe the circumstances in which a subscriber may be noted in default under the scholarship plan.

**(2)** Disclose the steps the investment fund manager will take to notify the subscriber when a default described in subsection (1) occurs.

**(3)** Disclose the steps a subscriber can take to remedy a default and disclose the costs associated with remedying the default, including any amounts payable by the subscriber. For a default due to missed contributions, describe how any amount payable by a subscriber as a result of missed contributions is calculated.

**(4)** For each default, disclose whether remedying the default will qualify a subscriber and a beneficiary for the same payments under the scholarship plan as if the default had not occurred.

**(5)** Disclose whether a default results in the cancellation of a subscriber's plan by the investment fund manager if the default is not remedied. If an unremedied default does not result in the cancellation of the subscriber's plan, disclose the losses that may be incurred by the subscriber or the beneficiary due to the default.

## **Cancellation by Investment Fund Manager**

**17.3 (1)** Under the sub-heading "If we cancel your plan", describe any circumstances other than a subscriber's default in which the investment fund manager of the scholarship plan may cancel a subscriber's plan.

**(2)** Describe the amounts a subscriber is entitled to receive if the subscriber's scholarship plan is cancelled by the investment fund manager.

**(3)** Disclose the costs payable by a subscriber in connection with a cancellation by the investment fund manager.

**(4)** Disclose the losses that may be incurred by the subscriber or the beneficiary if the investment fund manager cancels the subscriber's scholarship plan.

## **Re-activation of Subscriber's Plan**

**17.4 (1)** If applicable, under the sub-heading "Re-activating your plan", describe the circumstances in which a subscriber may re-activate a plan after cancellation of the scholarship plan, and specify the costs associated with re-activation and who bears the costs.

**(2)** Disclose whether re-activating a plan will qualify a subscriber and a beneficiary for the same payments under the scholarship plan as if the cancellation had not occurred.

## **Plan Expiration**

**17.5** Under the sub-heading, "If your plan expires", discuss the maximum duration of a subscriber's scholarship plan before it must be collapsed and what happens to the money from a collapsed scholarship plan.

## **INSTRUCTIONS**

*(1) In disclosing the losses that may be incurred by a subscriber or a beneficiary in response to Item 17, state whether the subscriber or the beneficiary may incur any loss of earnings, government grants, grant contribution room, amounts paid for sales charges and fees or loss of any other amount.*

*(2) If the costs of putting a scholarship plan in good standing after missing contributions or re-activating a scholarship plan after cancellation include the payment of an amount equal to the interest that would have been earned on contributions required by the scholarship plan, disclose the rate as an annualized rate of interest and disclose how the rate is calculated.*

*(3) If an AIP may be received upon cancellation of a scholarship plan, include a cross-reference to the disclosure provided under Item 20 of Part C of this Form.*

## **Item 18 – Plan Maturity**

### **Description of Plan Maturity**

**18.1 (1)** Under the heading "What happens when your plan matures", briefly explain what happens to a subscriber's scholarship plan at the maturity date.

**(2)** State whether the investment fund manager will notify the subscriber about the maturity date of their scholarship plan and how the notice is provided.



## INSTRUCTION

*In responding to section 18.1, briefly explain what happens to the contributions, government grants and earnings at the maturity date, such as the earnings for a beneficiary group being transferred into an EAP account for distribution to qualified beneficiaries.*

### **If the Beneficiary Does Not Enrol in Eligible Studies**

**18.2 (1)** Under the sub-heading "If your beneficiary does not enrol in eligible studies", state that a beneficiary who does not enrol in eligible studies will not receive EAPs from the scholarship plan.

**(2)** Describe the options for a subscriber whose beneficiary does not enrol in eligible studies and disclose the losses that may be incurred by the subscriber under each option.

**(3)** State whether a subscriber may be eligible to receive an AIP. If an AIP may be payable, provide a cross-reference to the disclosure provided under Item 20 of Part C of this Form.

## INSTRUCTIONS

*(1) In responding to section 18.2, describe options including naming another beneficiary before the maturity date, transferring to another RESP or cancelling the scholarship plan.*

*(2) In describing the losses that may be incurred by the subscriber in response to subsection 18.2(2), cross-references to the disclosure provided under Items 15 to 17 of Part C of this Form may be provided, as applicable.*

### **Item 19 – Payments from the Scholarship Plan**

#### **Return of Contributions**

**19.1 (1)** Under the heading "Receiving payments from the plan" with the sub-heading "Return of contributions", describe when and how contributions are returned to the subscriber. State whether the amount returned is net of sales charges and fees deducted from contributions.

**(2)** If all or a part of a subscriber's contributions are returned, state what happens to the government grants. State whether it is possible for government grants to remain in the name of the beneficiary and if so, state the conditions or requirements that must be met to do so.

#### **Payments to Beneficiaries**

**19.2 (1)** Under the sub-heading "Educational assistance payments", disclose the conditions and requirements necessary for a beneficiary to receive EAPs under the scholarship plan, including the deadline for applying for EAPs, and state what happens if the beneficiary misses the deadline.

**(2)** Describe each option for paying EAPs to beneficiaries. For each option, disclose

(a) the number of payments,

(b) when each payment is made, and

- (c) for a group scholarship plan, the percentage of the maximum total amount of EAPs payable at each payment date.

**(3)** For a group scholarship plan, if the total amount of EAPs payable to beneficiaries differs based on the number of years of eligible studies, disclose the number of years of eligible studies that qualifies for the payment of the maximum total amount of EAPs and briefly describe the eligible studies with that duration.

**(4)** For a group scholarship plan that does not offer EAP payment options tailored to reduced programs, state, if applicable, that beneficiaries who enrol in eligible studies of a shorter duration than the full period will not qualify for the maximum number of EAPs and will receive a lower total amount of EAPs over the duration of their eligible studies than beneficiaries who enrol in eligible studies for the full period.

**(5)** For a group scholarship plan that offers EAP payment options tailored to reduced programs, if the total amount of EAPs payable under an EAP payment option tailored to reduced programs is less than the maximum total amount of EAPs, state the total amount of EAPs payable under the EAP payment option as a percentage of the maximum total amount of EAPs.

## INSTRUCTIONS

*(1) In providing the disclosure under subsection 19.2(1), do not repeat the type of studies that qualify for EAPs. Instead, include a cross-reference to the disclosure provided under section 6.2 of Part C of this Form.*

*(2) The disclosure under subsection 19.2(1) must include a discussion of any requirements for a beneficiary to remain eligible for EAPs under the scholarship plan for each successive year of study.*

*(3) The "maximum total amount of EAPs" is the total amount of EAPs that can be received by a beneficiary who meets the requirements of the scholarship plan for receiving the maximum number and amount of EAPs.*

*(4) In providing the disclosure under subsection 19.2(3), describe generally the types of programs for which a beneficiary will receive the maximum total amount of EAPs (for example, four years of eligible studies that may consist of a 4-year program or two 2-year programs).*

*(5) The "full period" is the number of years of eligible studies that qualifies for the payment of the maximum total number and amount of EAPs.*

*(6) An "EAP payment option tailored to reduced programs" is an EAP payment option that pays approximately same total amount of EAPs for eligible studies with a shorter duration as the EAPs payable under the scholarship plan for eligible studies of longer duration. For example, an EAP payment option that makes two payments for a 2-year post-secondary program, where each payment is twice the amount of each of the four payments that would be made for a 4-year post-secondary program, is an EAP payment option tailored to reduced programs.*

*(7) A scholarship plan may use a table to illustrate the schedule of payments and the amount paid in each year of eligible studies for each EAP payment option offered.*

## Amount of EAPs

**19.3 (1)** Under sub-sub-heading, "How we determine EAP amounts", state the components of EAPs paid under the scholarship plan.

**(2)** Describe how the value of EAPs is determined for each year of eligible study. State whether or not any oversight of the calculation of EAPs is provided by an entity other than the investment fund manager.

(3) Describe any restrictions, under the *Income Tax Act* (Canada) or the scholarship plan's rules, on the amount of EAP that can be paid for each year of eligible studies.

(4) Describe, as applicable to the type of scholarship plan,

- (a) how unrealized capital gains or losses on investments in the scholarship plan are allocated;
- (b) how earnings attributable to units or plans cancelled before the maturity date are allocated;
- (c) how earnings attributable to units or plans cancelled after the maturity date are allocated;
- (d) how the difference between the maximum total amount of EAPs and the lower amount collected by beneficiaries who enrol in eligible studies that do not qualify for the maximum total amount of EAPs is allocated;
- (e) how the government grants accrued in the scholarship plan and the earnings from government grants are allocated.

#### INSTRUCTION

*The amount for which disclosure is required under paragraph 19.3(4)(d) is the amount that is not collected by beneficiaries in a beneficiary group because they do not enrol in eligible studies of sufficient duration to qualify for the maximum total amount of EAPs.*

#### Payments from the EAP Account

**19.4 (1)** This section applies to a group scholarship plan.

(2) Under the sub-sub-heading "Payments from the EAP account", provide information in the form of the following table about the funding of the EAP account. Introduce the table using the following wording or wording that is substantially similar with the title of the table "Past breakdown of income in the EAP account" in bold type:

A portion of each EAP consists of a beneficiary's share of the EAP account. The rest of an EAP is made up of the beneficiary's government grants and the earnings on those government grants.

The EAP account holds the income earned on contributions made by subscribers. This includes the income earned on contributions of subscribers who have cancelled their plan or whose plan was cancelled by us. There is a separate EAP account for each beneficiary group.

#### **Past breakdown of income in the EAP account**

The table below shows the breakdown of income in the EAP account at the maturity date for the five beneficiary groups that most recently reached their year of eligibility.

The breakdown of income can vary by beneficiary group. The amount of income earned on contributions depends on the performance of the plan's investments. The amount of income from cancelled plans depends on how many plans were cancelled, as well as the investment performance of that money.

	Beneficiary group
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	<b>[Most recent year]</b>	<b>[Most recent year minus 1]</b>	<b>[Most recent year minus 2]</b>	<b>[Most recent year minus 3]</b>	<b>[Most recent year minus 4]</b>
Income earned on contributions	<i>[Specify as percentage of total EAP account]</i>	<i>[Specify as percentage of total EAP account]</i>	<i>[Specify as percentage of total EAP account]</i>	<i>[Specify as percentage of total EAP account]</i>	<i>[Specify as percentage of total EAP account]</i>
Income from cancelled plans	<i>[Specify as percentage of total EAP account]</i>	<i>[Specify as percentage of total EAP account]</i>	<i>[Specify as percentage of total EAP account]</i>	<i>[Specify as percentage of total EAP account]</i>	<i>[Specify as percentage of total EAP account]</i>
<b>EAP account Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**(3)** Provide information in the form of the following table about the historical payment of amounts from the EAP account. Introduce the table using the following wording or wording that is substantially similar with the title of the table "Past payments from the EAP account" in bold type:

**Past payments from the EAP account**

The table below shows how much was paid from the EAP account per unit for the five beneficiary groups that most recently reached their year of eligibility. *[For a scholarship plan that offers EAP payment options tailored to reduced programs, state – This table shows only the amount paid per unit for beneficiaries who selected the [specify EAP payment option for the full period]. We also offer [a] payment option[s] that pay[s] EAPs tailored to shorter programs].*

Keep in mind that scholarship plans are generally long-term investments. The payments shown largely reflect investments made years ago. It's important to note that this doesn't tell you how much a beneficiary will receive in the future.

<b>Year of studies</b>	<b>Payments from EAP account by beneficiary group</b>				
	<b>[Most recent year]</b>	<b>[Most recent year minus 1]</b>	<b>[Most recent year minus 2]</b>	<b>[Most recent year minus 3]</b>	<b>[Most recent year minus 4]</b>
First year <i>[if applicable]</i> <i>[See Instruction (2)]</i>	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>
Second year	See note 1	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>
Third year	See note 1	See note 1	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>
Fourth year	See note 1	See note 1	See note 1	<i>[\$[Specify amount] per unit]</i>	<i>[\$[Specify amount] per unit]</i>

Note 1: The amount is not shown because the beneficiaries in this beneficiary group are not yet enrolled in that year of studies.

#### INSTRUCTION

*The tables required in section 19.4 must list the five beneficiary groups that most recently reached their year of eligibility as at the date of the prospectus.*

#### **If Beneficiary Does Not Complete or Advance in Eligible Studies**

**19.5 (1)** For a group scholarship plan, immediately under the sub-heading "If your beneficiary does not complete or advance in eligible studies", state the following using the same or substantially similar wording:

If your beneficiary does not complete or advance in their program, they may lose one or more EAPs. This can happen if your beneficiary does not complete all the courses required to advance to the next year of the program, decides to enrol in another program that is not considered an advancement from prior study, or drops out of school before completing their program.

*[state, if applicable – Your beneficiary may be able to defer a payment if they go back to a qualifying program. Deferrals are at our discretion.]*

**(2)** Under the sub-heading "If your beneficiary does not complete or advance in eligible studies", disclose available options if the beneficiary does not complete or advance in their program.

**(3)** Disclose what happens to the earnings of the subscriber's scholarship plan if the beneficiary does not complete or advance in their program. For a group scholarship plan, also provide a cross-reference to the disclosure provided under section 22.3 of Part C of this Form.

#### INSTRUCTIONS

*(1) If the scholarship plan provides the option for a beneficiary to defer the payment of an EAP, state the period of time that an EAP may be deferred and the conditions and requirements that must be met to receive a deferred payment after the disclosure in the second paragraph of subsection 19.5(1).*

*(2) If the details of an option provided under subsection 19.5(2) have been disclosed elsewhere in the prospectus, provide a cross-reference to the disclosure contained in the prospectus. For example, if a subscriber may cancel their scholarship plan and receive an AIP, provide a cross-reference to the disclosure provided under Item 17 and Item 20 of Part C of this Form.*

#### **Item 20 – Accumulated Income Payments**

##### **Accumulated Income Payments**

**20.1 (1)** Under the sub-heading "Accumulated income payments", disclose

- (a) the conditions or requirements necessary to receive an AIP,
- (b) the components of an AIP,
- (c) the option for a subscriber who has received an AIP to transfer the payment to a registered retirement savings plan, and

(d) any costs or other losses that the subscriber or the beneficiary could incur in receiving an AIP.

(2) State whether there may be tax consequences as a result of receiving an AIP and provide a cross- reference to the disclosure provided under subsection 11.3(2) of Part B of this Form.

## Item 21 – Discretionary Payments to Beneficiaries

### Discretionary Payments to Beneficiaries

**21.1 (1)** Under the sub-heading "Discretionary payments", if discretionary payments may be made to beneficiaries, state that beneficiaries may receive a discretionary payment in addition to their EAPs.

(2) Disclose when discretionary payments are made.

(3) State who decides whether a discretionary payment will be made and state the requirements or conditions that must be met in order to be eligible to receive a discretionary payment.

(4) Disclose how the amount of discretionary payments is determined and the sources of funding for the discretionary payments.

(5) Describe the circumstances that may affect the ability of the current sources of funding for the discretionary payments to continue to fund the discretionary payments.

(6) State whether the investment fund manager or any other entity has put any mechanism in place to continue to make discretionary payments if any of the circumstances referred to in subsection (5) occur.

(7) State whether the investment fund manager has established a funding and investment policy intended to ensure sufficient money is available to continue to fund discretionary payments at the historical levels reported in section 21.2 of Part C of this Form. Provide details of any funding policy and the current value of any fund. If no funding policy exists, state that fact and state the consequences of not having a policy.

(8) State the following using the same or substantially similar wording with the first sentence in bold type:

**Discretionary payments are not guaranteed.** You must not count on receiving a discretionary payment. The [insert *name of the entity funding the discretionary payment*] decides if it will make a payment in any year and how much the payment will be. If the [insert *name of the entity funding the discretionary payment*] makes a payment, you may get less than what has been paid in the past. You may also get less than what is paid to beneficiaries in other beneficiary groups.

### Historical Amount of Discretionary Payments

**21.2** Provide information in the form of the following table about the historical discretionary payments made. Introduce the table using the following wording or wording that is substantially similar with the title of the table "Past discretionary payments" in bold:

#### **Past discretionary payments**

The table below shows the amount of discretionary payments paid per unit for the five beneficiary groups that most recently reached their year of eligibility.

It's important to note that this doesn't tell you if a beneficiary will receive a payment or how much they will receive. We may decide not to make these payments in future years. If we do make payments, they could be less than what we've paid in the past.

	Discretionary payments by beneficiary group				
Year of studies	[Most recent year]	[Most recent year minus 2]	[Most recent year minus 3]	[Most recent year minus 4]	[Most recent year minus 5]
First year <i>[if applicable]</i>	[\$Specify amount] per unit	[\$Specify amount] per unit	[\$Specify amount] per unit	[\$Specify amount] per unit	[\$Specify amount] per unit
Second year	See note 1	[\$Specify amount] per unit	[\$Specify amount] per unit	[\$Specify amount] per unit	[\$Specify amount] per unit
Third year	See note 1	See note 1	[\$Specify amount] per unit	[\$Specify amount] per unit	[\$Specify amount] per unit
Fourth year	See note 1	See note 1	See note 1	[\$Specify amount] per unit	[\$Specify amount] per unit

Note 1: The amount is not shown because the beneficiaries in this beneficiary group are not yet enrolled in that year of studies.

## INSTRUCTIONS

(1) If the scholarship plan offers an EAP payment option tailored to reduced programs and the amount of discretionary payment per unit is the same for each EAP payment option, state, if applicable, that beneficiaries who select the EAP payment option tailored to reduced programs may receive a lesser total amount of discretionary payments than beneficiaries who receive the largest number of EAPs.

(2) If the amount of discretionary payment per unit is not the same for each EAP payment option, provide information, substantially in the form of the table required in section 21.2, for the historical discretionary payments per unit for each EAP payment option tailored to reduced programs.

## Item 22 – Attrition

This Item applies to a group scholarship plan.

### Attrition

**22.1 (1)** Under the heading "Attrition", state the following using the same or substantially similar wording:

You and your beneficiary must meet the terms of the plan in order for your beneficiary to qualify for all of the EAPs under the plan. If beneficiaries fail to qualify for some or all of their EAPs, there will be fewer beneficiaries remaining in the beneficiary group to share the amount of money available for paying EAPs. This is known as "attrition".

Your beneficiary may not qualify for some or all of their EAPs if:

- before the maturity date of the plan, you cancel your plan or transfer your plan to another RESP, or we cancel your plan because you failed to make contributions on schedule and did not take action to keep your plan in good standing. This is known as "pre-maturity attrition"; or
- after the maturity date of the plan, your beneficiary decides not to pursue a post-secondary education, does not attend a qualifying education program, or does not attend a qualifying education institution for the maximum period provided for in the plan. This is known as "post-maturity attrition".

## Pre-Maturity Attrition

**22.2 (1)** Under the sub-heading "Pre-maturity attrition", state the following using the same or substantially similar wording:

If you leave the plan before it matures, you will get back your contributions less fees. You will not get back any earnings. The earnings on your contributions up to the time your plan is cancelled will go to the EAP account and be paid to the remaining beneficiaries in your beneficiary group as part of their EAPs.

**(2)** If the group scholarship plan permits a subscriber to receive an AIP on the earnings from government grants, state the following using the same or substantially similar wording:

You may, however, be eligible to receive an AIP on the earnings from the government grants in your plan. See "Accumulated income payments" for information on how to determine if you are eligible for an AIP from the plan.

**(3)** Provide information in the form of the following table about the income from cancelled units for each beneficiary group as at the scholarship plan's most recent financial year end. Introduce the table using the following wording or wording that is substantially similar with the title of the table "Income from cancelled units" in bold type:

### Income from cancelled units

The table below shows the current value of the income from cancelled units by beneficiary group. The amount of income from cancelled plans available to beneficiaries after the maturity date will depend on how many subscribers cancel their plan, how many beneficiaries qualify for EAPs and the investment performance of the scholarship plan.

Beneficiary group	Percentage of units that have been cancelled	Total income from cancelled units available to remaining units	Income from cancelled units available to each remaining unit
<i>[Specify year of eligibility of oldest beneficiary group available for enrolment under the prospectus]</i>	<i>[Specify as percentage of total number of units purchased for beneficiary group]</i>	<i>[\$[Specify amount]]</i>	<i>[\$[Specify amount] per unit]</i>
<i>[Specify year of eligibility of next oldest beneficiary group available for enrolment under the prospectus]</i>	<i>[Specify as percentage of total number of units purchased for beneficiary group]</i>	<i>[\$[Specify amount]]</i>	<i>[\$[Specify amount] per unit]</i>
...			



<i>[Specify year of eligibility of youngest beneficiary group available for enrolment under the prospectus]</i>	<i>[Specify as percentage of total number of units purchased for beneficiary group]</i>	<i>[\$[Specify amount]]</i>	<i>[\$[Specify amount] per unit]</i>
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**(4)** Provide information in the form of the following table about the pre-maturity attrition rate for the scholarship plan. Introduce the table using the following wording or wording that is substantially similar with the title of the table "Plans that did not reach maturity" in bold type:

**Plans that did not reach maturity:**

The table below shows the percentage of plans that did not reach maturity for each of the five beneficiary groups shown below. The most common reasons why plans did not reach maturity were because the subscriber cancelled their plan, we cancelled their plan due to a default, the subscriber transferred to another type of plan we offer, or the subscriber transferred to another RESP provider.

Of the last five beneficiary groups of the [insert name of group scholarship plan], an average of [see Instruction (1)]% of the plans in each group were cancelled before their maturity dates.

Maturity date of beneficiary group	Percentage of plans that did not reach maturity
[Most recent maturity date by year]	<i>[See Instruction (2)]%</i>
[Most recent maturity date by year minus 1]	<i>[See Instruction (2)]%</i>
[Most recent maturity date by year minus 2]	<i>[See Instruction (2)]%</i>
[Most recent maturity date by year minus 3]	<i>[See Instruction (2)]%</i>
[Most recent maturity date by year minus 4]	<i>[See Instruction (2)]%</i>
<b>Average</b>	<i>[See Instruction (1)]%</i>

**INSTRUCTIONS**

(1) Disclose the average rate required under subsection 22.2(3) using the same calculation set out in the Instructions that apply to Item 9 of Part A of this Form.

(2) For each beneficiary group that had a maturity date in the five most recent years, calculate the percentage of plans that did not reach maturity by following Instructions (2) to (5) that apply to Item 9 of Part A of this Form.

**Post-Maturity Attrition**

**22.3 (1)** Under the sub-heading "Post-maturity attrition", state the following using the same or substantially similar wording:

If your beneficiary does not pursue or complete eligible studies, you will get back your contributions, less fees. You will not get back any earnings. *[Insert if applicable – A beneficiary may lose one or more EAPs if they do not enrol in four years of eligible studies.]*

**(2)** Provide information in the form of the following table about the EAP payment rates of the scholarship plan after maturity. Introduce the table using the following wording or wording that is substantially similar with the title of the table "Past payments of EAPs" in bold:

**Past payments of EAPs** *[state if the scholarship plan offers an EAP payment option tailored to reduced programs – four years of eligible studies]*

The table below shows the percentage of beneficiaries who received the maximum of *[insert maximum number of EAPs payable under the scholarship plan]* EAPs under the plan and those who received some or no EAPs, for each of the five beneficiary groups that would have most recently completed their eligible studies.

	Beneficiary group <i>[See Instruction (1)]</i>				
	<b>[Most recent year]</b>	<b>[Most recent year minus 1]</b>	<b>[Most recent year minus 2]</b>	<b>[Most recent year minus 3]</b>	<b>[Most recent year minus 4]</b>
Beneficiaries who received all [3 or 4] EAPs	<i>[Specify percentage]% [See Instructions (2) and (3)]</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>
Beneficiaries who received only 3 out of 4 EAPs [as applicable]	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>
Beneficiaries who received only 2 out of [3 or 4] EAPs	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>
Beneficiaries who received only 1 out of [3 or 4] EAPs	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>
Beneficiaries who received no EAPs	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**(3)** If the scholarship plan offers an EAP payment option tailored to reduced programs, provide information in the form of the following table about the EAP payment rates of the scholarship plan after maturity. Introduce the table using the following wording or wording that is substantially similar with the title of the table "Past payments of EAPs – *[specify reduced number of years]-year program]*" in bold:

**Past payments of EAPs – *[specify reduced number of years]-year program]***

For EAP payment options tailored to eligible studies of *[specify reduced number of years]* years, the table[s] below show[s] the number of beneficiaries who received all of their EAPs and the number who received some or none of their EAPs, for each of the five beneficiary groups that would have most recently completed their eligible studies.

	Beneficiary group <i>[See Instruction (1)]</i>				
	<b>[Most recent year]</b>	<b>[Most recent year minus 1]</b>	<b>[Most recent year minus 2]</b>	<b>[Most recent year minus 3]</b>	<b>[Most recent year minus 4]</b>
Beneficiaries who received [all] [1, 2, or 3] EAP[s]	<i>[Specify percentage]% [See Instructions (2) – (4)]</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>
Beneficiaries who received only 2 out of 3 EAPs [as applicable]	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>
Beneficiaries who received only 1 out of [2 or 3] EAPs [as applicable]	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>
Beneficiaries who received no EAPs	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>	<i>[Specify percentage]%</i>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**(4)** Disclose in a footnote to the tables required under subsections (2) and (3) any change to the EAP payout option available to beneficiaries, if a change occurred in the past five years.

#### INSTRUCTIONS

(1) In the tables required under subsections 22.3(2) and (3), present the five most recent beneficiary groups by year of eligibility for which the maximum number of EAPs under the EAP payment option has been paid as at the most recent financial year end of the scholarship plan and beneficiaries in the beneficiary group have no further opportunity to collect EAPs. For example, do not include a beneficiary group that has been eligible to be paid only one EAP if the maximum number of EAPs payable is four.

(2) For a group scholarship plan that does not offer EAP payment options tailored to reduced programs, calculate each percentage as a percentage of the total number of beneficiaries in the beneficiary group at the maturity date.

For a group scholarship plan that offers EAP payment options tailored to reduced programs, calculate each percentage as a percentage of the total number of beneficiaries in the beneficiary group at the maturity date who selected the relevant payment option.

(3) Present the percentages as at the financial year end referred to in Instruction (1).

*(4) For a group scholarship plan that offers EAP payment options tailored to reduced programs, in response to subsection 22.3(3), prepare a table for each payout option, modifying the number of rows in the table as applicable. For example, for a scholarship plan that provides the option to elect payment of two EAPs for a 3- year program, present a table containing rows to show the number of beneficiaries who received two out of two EAPs, the number of beneficiaries who received only one out of two EAPs and the number of beneficiaries who received no EAPs.*

## **Item 23 – Other Material Information**

### **Other Material Information**

**23.1 (1)** Under the heading "Other important information", state any other material facts relating to the securities being offered that are not disclosed under any other item in this Form and are necessary for the prospectus to contain full, true and plain disclosure of all material facts about the securities to be distributed.

**(2)** Provide any specific disclosure required to be disclosed in a prospectus under securities legislation that is not otherwise required to be disclosed by this Form.

**(3)** Subsection (2) does not apply to requirements of securities legislation that are form requirements for a prospectus.

### **INSTRUCTIONS**

*(1) Sub-headings that are not mandated by this Form may be used in this Item.*

*(2) For a single prospectus, provide this disclosure either under this Item or under Item 14 of Part B of this Form, whichever is more appropriate.*

*(3) For a multiple prospectus, provide this disclosure under this Item if the disclosure does not pertain to all of the scholarship plans described in the document. If the disclosure pertains to all of the scholarship plans described in the Detailed Plan Disclosure, provide the disclosure under Item 14 of Part B of this Form.*

## **Part D – Detailed Plan Disclosure – Information about the Organization**

### **Item 1 – Legal Structure of the Scholarship Plan**

#### **Legal Structure**

**1.1 (1)** At the top of the first page of the Part D section of the prospectus, under the heading "About *[insert name of the scholarship plan provider]*" with the sub-heading "An overview of the structure of our plan[s]", state the full corporate name of the scholarship plan or, if the scholarship plan is an unincorporated entity, the full name under which it carries on business, and the address of its head or registered office.

**(2)** State the names of the scholarship plan's directors, officers, trustees and partners, as applicable.

**(3)** State the laws under which the scholarship plan was formed or, if the scholarship plan is an unincorporated entity, the laws under which it carries on business, and the date and manner of its formation.

**(4)** Identify the constating documents of the scholarship plan and, if any material amendments have occurred in the last 10 years, state that the constating documents have been amended in the last 10 years and describe the amendments.

- (5) If the scholarship plan's name has changed in the last 10 years, state the scholarship plan's former name and the date(s) on which it was changed.

#### **INSTRUCTION**

*The information required for this Item may be presented in the form of a table.*

## **Item 2 – Organization and Management Details**

### **Directors and Officers of the Plan**

**2.1 (1)** Under the sub-heading "Directors and officers of the Plan", list the names, the municipality of residence or postal address, and the principal occupations at, or within the five years preceding the date of the prospectus, of all directors or executive officers of the scholarship plan.

(2) If the principal occupation of a director or executive officer of the scholarship plan is that of a partner, director or officer of a company other than the scholarship plan, state the business in which the company is engaged.

(3) If a director or executive officer of a scholarship plan has held more than one position in the scholarship plan, state only the first and last positions held.

### **Investment Fund Manager**

**2.2 (1)** Under the sub-heading "Manager of the scholarship plan", state the name, address, telephone number, e-mail address and, if applicable, website address of the investment fund manager of the scholarship plan.

(2) Provide particulars of the investment fund manager, including the legal structure of the investment fund manager, the history and background of the investment fund manager.

(3) Under the sub-sub-heading "Duties and services to be provided by the manager", describe the duties and services provided by the investment fund manager of the scholarship plan.

(4) Under the sub-sub-heading "Details of the management agreement", provide a brief description of the essential terms of any agreement with the investment fund manager entered into or to be entered into with the scholarship plan, including any termination rights.

(5) Under the sub-sub-heading "Officers and directors of the manager", state

- (a) the name and municipality of residence of each partner, director and executive officer of the investment fund manager and indicate the respective positions held with the investment fund manager and their respective principal occupations within the five preceding years,
- (b) if a partner, director or executive officer of the investment fund manager has held more than one office with the investment fund manager within the past five years, state only the current office held, and
- (c) if the principal occupation of a partner, director or executive officer of the investment fund manager is with an organization other than the investment fund manager, state the principal business in which the organization is engaged.

(6) Under the sub-sub-heading "Cease trade orders and bankruptcies",

- (a) if applicable, state if a partner, director or executive officer of the investment fund manager, the scholarship plan, the foundation or any other entity responsible for the day-to-day administration of the scholarship plan is, as at the date of the prospectus or pro forma prospectus, as applicable, or was within 10 years before the date of the prospectus or pro forma prospectus, as applicable, a director, chief executive officer or chief financial officer of any other issuer, that was
  - (i) subject to an order that was issued while the partner, director or executive officer was acting in the capacity of director, chief executive officer or chief financial officer, or
  - (ii) was subject to an order that was issued after the partner, director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer, and
- (b) if a statement is required by paragraph (a), describe the basis on which the order was made and whether the order is still in effect.

**(7)** For the purposes of subsection (6), "order" means any of the following, if in effect for a period of more than 30 consecutive days:

- (a) a cease trade order;
- (b) an order similar to a cease trade order;
- (c) an order that denied the relevant issuer access to any exemption under securities legislation.

**(8)** If applicable, state if a partner, director or executive officer of the investment fund manager, the scholarship plan, the foundation or any other entity responsible for the day-to-day administration of the scholarship plan

- (a) is, as at the date of the prospectus or pro forma prospectus, or has been within the 10 years before the date of the prospectus or pro forma prospectus, as applicable, a partner, director or executive officer of any issuer that, while that person was acting in that capacity, or within one year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or
- (b) within the 10 years before the date of the prospectus or pro forma prospectus, as applicable, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the partner, director or executive officer.

## INSTRUCTIONS

*(1) If any of the duties or functions of the investment fund manager are performed by another entity, the disclosure required under subsections (2), (3), (4) and (5) must also be provided for that entity.*

*(2) The disclosure required by subsections (6) and (8) also applies to any personal holding companies of any of the persons referred to in subsections (6) and (8).*

*(3) A management cease trade order that applies to directors and executive officers of the scholarship plan is an "order" for the purposes of paragraph (10)(a) and must be disclosed, whether or not the director, chief executive officer or chief financial officer was specifically named in the order.*

## Trustee

**2.3** Under the sub-heading "Trustee", provide details of the trustee of the scholarship plan, including the municipality and the province or country where the trustee principally provides its services to the scholarship plan.

## The Foundation

**2.4 (1)** Under the sub-heading "The Foundation", state the name and municipal address of the Foundation.

**(2)** Describe the role of the Foundation, including its mandate and responsibilities.

**(3)** List the names and municipality of residence of the directors and executive officers of the Foundation, the respective positions and offices held with the Foundation, and their respective principal occupations at, or within the five years preceding, the date of the prospectus.

**(4)** If a director or executive officer of the Foundation has held more than one office with the Foundation within the last five years, state only the current office held.

**(5)** If the Foundation provides reports of its activities to subscribers, provide information about how frequently reports are prepared, how a subscriber may obtain a copy of the report, and whether there is any cost to obtaining a report.

## Independent Review Committee

**2.5 (1)** Under the sub-heading "Independent review committee", briefly describe the independent review committee of the scholarship plan, including

- (a) the mandate and responsibilities of the independent review committee, and
- (b) the composition of the independent review committee, including the names of its members, and the reasons for any change in its composition since the date of the most recently filed prospectus of the scholarship plan, as applicable.

**(2)** State the following using the same or substantially similar wording:

At least annually, the independent review committee prepares a report of its activities for subscribers that is available on the [scholarship plan's/investment fund family's] designated website at *[insert scholarship plan's designated website address]*, or at the subscriber's request at no cost, by contacting the [scholarship plan/investment fund family] at [scholarship plan's/investment fund family's email address].

## Other Groups

**2.6** Under separate sub-headings with the name of each applicable body or group, provide detailed information describing any other body or group that has responsibility for plan governance or performs any kind of oversight function over the scholarship plan and its activities, and the extent to which its members are independent of the investment fund manager of the scholarship plan.

## INSTRUCTION

*For greater certainty, an applicable body or group includes any committees or sub-committees of the investment fund manager or the Foundation that are established for a specific purpose in respect of the scholarship plan, as well as any third-party dispute resolution service to which the scholarship plans belong or subscribe to.*

## **Remuneration of Directors, Officers, Trustees and Independent Review Committee Members**

**2.7 (1)** Under the sub-heading "Compensation of directors, officers, trustees, and independent review committee members", if the management functions of the scholarship plan are carried out by employees of the scholarship plan, provide for each employee the disclosure concerning executive compensation that is required to be provided for executive officers of an issuer under securities legislation.

**(2)** Describe any arrangements under which compensation was paid or payable directly or indirectly by the scholarship plan during the most recently completed financial year of the scholarship plan, for the services of the directors of the scholarship plan, the directors of the Foundation or other independent board of governors or advisory board that may perform a similar function, and the members of the independent review committee of the scholarship plan and include the amounts paid, the name of the individual and any expenses reimbursed by the scholarship plan to the individual:

- (a) in any of those capacities, including any additional amounts payable for committee participation or special assignments;
- (b) in the capacity as a consultant or expert.

**(3)** For a scholarship plan that is a trust, describe the arrangements, including the amounts paid and expenses reimbursed, under which compensation was paid or payable by the scholarship plan during the most recently completed financial year of the scholarship plan for the services of the trustee or trustees of the scholarship plan.

### **INSTRUCTION**

*The disclosure required under subsection 2.5 (1) regarding executive compensation for management functions carried out by employees of a scholarship plan must be made in accordance with the disclosure requirements of Form 51-102F6 Statement of Executive Compensation.*

## **Portfolio Adviser**

**2.8 (1)** Under the sub-heading "Portfolio adviser" if the investment fund manager provides portfolio management services in connection with the scholarship plan, state that fact.

**(2)** If the investment fund manager does not provide portfolio management services to the scholarship plan, state the name(s) and municipality and the province or country of the principal or head office for each portfolio adviser of the scholarship plan.

**(3)** State

- (a) the extent to which investment decisions are made by certain individuals employed by the investment fund manager or a portfolio adviser and whether those decisions are subject to the oversight, approval or ratification of a committee, and
- (b) the name, title and length of time of service of the persons employed by or associated with the investment fund manager or a portfolio adviser of the scholarship plan who are principally responsible for the day-to-day management of a material portion of the portfolio of the scholarship plan, implementing a



particular material strategy or managing a particular segment of the portfolio of the scholarship plan, and each person's business experience in the last five years.

(4) Under the sub-sub-heading "Details of the portfolio advisory agreement", provide a brief description of the essential details of any portfolio advisory agreement that a portfolio adviser has entered into or will be entering into with the scholarship plan or the investment fund manager of the scholarship plan, including any termination rights.

### **Principal Distributor**

2.9 (1) Under the sub-heading "Principal distributor", state the name and address of the principal distributor of the scholarship plan.

(2) Describe the circumstances under which any agreement with the principal distributor of the scholarship plan may be terminated, and include a brief description of the essential terms of this agreement.

### **Dealer Compensation**

2.10 (1) Under the sub-heading "Dealer compensation", describe

- (a) all compensation payable by members of the organization of the scholarship plan to all principal distributors and any participating dealers of the scholarship plan, and
- (b) the sales practices followed by the members of the organization of the scholarship plan for distribution of securities of the scholarship plan.

(2) Disclose, under the sub-sub-heading "Dealer compensation from management fees", the approximate percentage obtained from a fraction

- (a) the numerator of which is the aggregate amount of cash paid to registered dealers in the last completed financial year of the investment fund manager of the scholarship plan, for payments made
  - (i) by
    - (A) the investment fund manager of the scholarship plan, or
    - (B) an associate or an affiliate of the investment fund manager,
  - (ii) in order to
    - (A) pay compensation to registered dealers in connection with the distribution of securities of the scholarship plan or scholarship plans that are members of the same investment fund family as the scholarship plan, or
    - (B) pay for any marketing, fund promotion or educational activity in connection with the scholarship plan or scholarship plans that are members of the same investment fund family as the scholarship plan, and
- (b) the denominator of which is the aggregate amount of management or administrative fees received by the investment fund manager of the scholarship plan and all other scholarship plans in the same investment fund family as the scholarship plan in the last completed financial year of the investment fund manager.

## INSTRUCTIONS

(1) Briefly state the compensation paid and the sales practices followed by the members of the organization of the scholarship plan in a concise and explicit manner. The term "member of the organization" has the same meaning as in NI 81-105, except that "scholarship plan" is substituted for "mutual fund" in this Form.

(2) The disclosure presented under this Item must be described as information about the approximate percentage of management fees paid by scholarship plans in the same investment fund family as the scholarship plan that were used to fund commissions or other promotional activities of the investment fund family in the most recently completed financial year of the investment fund manager of the scholarship plan.

(3) The calculations made under this Item must take into account the payment of sales commissions, other commissions and the costs of participation in co-operative marketing, fund promotion and educational conferences.

(4) If the investment fund manager of the scholarship plan charges an "all-inclusive fee", which includes the management or administrative fee, and other types of fees normally paid by the scholarship plan, such as custodian, trustee or portfolio management fees, only the portion of that all-inclusive fee that is attributable to the management or administrative fees payable to the investment fund manager must be used in calculating the denominator referred to in paragraph 2.10(2)(b).

### Custodian

**2.11 (1)** Under the sub-heading "Custodian", state the name, municipality of the principal or head office, and nature of business of the custodian and any principal sub-custodian of the scholarship plan.

**(2)** Describe generally the sub-custodial arrangements of the scholarship plan.

## INSTRUCTION

A "principal sub-custodian" is a sub-custodian to whom custodial authority has been delegated in respect of a material portion or segment of the portfolio assets of the scholarship plan.

### Auditor

**2.12** Under the sub-heading "Auditor", state the name and address of the auditor of the scholarship plan.

### Transfer Agent and Registrar

**2.13** Under the sub-heading "Transfer agent and registrar", for each class or series of securities offered by the scholarship plan under the prospectus, state the name of the scholarship plan's transfer agent(s), registrar(s), trustee, or other agent appointed by the scholarship plan to maintain the securities register and the register of transfers for such securities and indicate the location (by municipalities) of each of the offices of the scholarship plan or transfer agent, registrar, trustee or other agent where the securities register and register of transfers are maintained or transfers of securities are recorded.

### Promoter

**2.14 (1)** Under the sub-heading "Promoter", for a person or company that is, or has been within the two years immediately preceding the date of the prospectus or pro forma prospectus, a promoter of the scholarship plan, and if that person or company is not otherwise identified as the investment fund manager or dealer of the scholarship plan, state

- (a) the person or company's name and municipality and the province or country of residence,
- (b) the number and percentage of each class or series of voting securities and equity securities of the scholarship plan or any of its subsidiaries owned, or controlled or directed, directly or indirectly, by the person or company,
- (c) the nature and amount of anything of value, including money, property, contracts, options or rights of any kind, received or to be received by the promoter, directly or indirectly from the scholarship plan or from an associate or an affiliate of the scholarship plan, and the nature and amount of any assets, services or other consideration received or to be received by the scholarship plan, or an associate or an affiliate of the scholarship plan, in return, and
- (d) for an asset acquired within the two years before the date of the preliminary prospectus or pro forma prospectus, or to be acquired, by the scholarship plan or by an associate or an affiliate of the scholarship plan from a promoter,
  - (i) the consideration paid or to be paid for the asset and the method by which the consideration has been or will be determined,
  - (ii) the person or company making the determination referred to in subparagraph (i) and the person's or company's relationship with the scholarship plan, the promoter or an associate or an affiliate of the scholarship plan or of the promoter, and
  - (iii) the date that the asset was acquired by the promoter and the cost of the asset to the promoter.

**(2)** If a promoter referred to in subsection (1) is, as at the date of the prospectus or pro forma prospectus, as applicable, or was within 10 years before the date of the prospectus or pro forma prospectus, as applicable, a director, chief executive officer or chief financial officer of any person or company that was subject to an order that was issued while the promoter was acting in the capacity of director, chief executive officer or chief financial officer, state the fact and describe the basis on which the order was made and whether the order is still in effect.

**(3)** If a promoter referred to in subsection (1) is, as at the date of the prospectus or pro forma prospectus, as applicable, or was within 10 years before the date of the prospectus or pro forma prospectus, as applicable, a director, chief executive officer or chief financial officer of any person or company that was subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity as director, chief executive officer or chief financial officer, state that fact and describe the basis on which the order was made and whether the order is still in effect.

**(4)** For the purposes of subsections (2) and (3), "order" means any of the following, if in effect for a period of more than 30 consecutive days:

- (a) a cease trade order;
- (b) an order similar to a cease trade order;
- (c) an order that denied the relevant person or company access to any exemption under securities legislation.

**(5)** State if a promoter referred to in subsection (1):

- (a) is, as at the date of the prospectus or pro forma prospectus, as applicable, or has been within the 10 years before the date of the prospectus or pro forma prospectus, as applicable, a partner, director or executive officer of any person or company that, while the promoter was acting in that capacity, or within

a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

- (b) within the 10 years before the date of the prospectus or pro forma prospectus, as applicable, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceeding, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter.

## **INSTRUCTIONS**

*(1) The disclosure required by subsections (2), (3) and (5) also applies to any personal holding companies of any of the persons referred to in subsections (2), (3), and (5).*

*(2) A management cease trade order that applies to a promoter referred to in subsection (1) is an "order" for the purposes of subsections (2) and (3) and must be disclosed, whether or not the director, chief executive officer or chief financial officer was named in the order.*

*(3) The disclosure requirement in subsection (2) applies only if the promoter was a director, chief executive officer or chief financial officer when the order was issued against the person or company. The scholarship plan does not have to provide disclosure if the promoter became a director, chief executive officer or chief financial officer after the order was issued.*

## **Other Service Providers**

**2.15** Under the sub-heading "Other service providers", state the name, municipality of the principal or head office, and the nature of business of each other person or company that provides services relating to portfolio valuation, securityholder records, fund accounting or other material services, in respect of the scholarship plan, and describe the material features of the contractual arrangements by which the person or company has been retained.

## **Ownership of the Investment Fund Manager and Other Service Providers**

**2.16 (1)** The information required in response to this Item must be given as of a specified date within 30 days before the date of the prospectus.

**(2)** Under the sub-heading "Ownership of the manager and other service providers", disclose the percentage of securities of each class or series of voting securities of the investment fund manager of the scholarship plan owned of record or beneficially by each person or company that owns of record, or is known by the investment fund manager to beneficially own more than 10% of any class or series of voting securities of the investment fund manager, and disclose whether the securities are owned both of record and beneficially, of record only, or beneficially only.

**(3)** For any person or company that is named in response to subsection (2), disclose the name of any person or company of which the first-mentioned person or company is a "controlled entity".

**(4)** If any person or company named in subsection (2) owns of record or beneficially, more than 10% of any class or series of voting securities of the principal distributor of the scholarship plan, disclose the number and percentage of securities of the class or series so owned.

**(5)** Disclose the percentage of securities of each class or series of voting or equity securities beneficially owned in aggregate,

- (a) by all the directors and executive officers of the scholarship plan in each of
  - (i) the investment fund manager, and
  - (ii) any person or company that provides services to the scholarship plan or the investment fund manager; and
- (b) by all the directors and executive officers of the investment fund manager of the scholarship plan in each of
  - (i) the investment fund manager, and
  - (ii) any person or company that provides services to the scholarship plan or the investment fund manager;
- (c) by all the members of the independent review committee of the scholarship plan in each of
  - (i) the investment fund manager, and
  - (ii) any person or company that provides services to the scholarship plan or the investment fund manager;
- (d) by all the directors and executive officers of the foundation in each of
  - (i) the investment fund manager, and
  - (ii) any person or company that provides services to the scholarship plan or the investment fund manager.

#### INSTRUCTION

*A person or company is a "controlled entity" of another person or company if any of the following apply:*

- (a) *in the case of the person or company*
  - (i) *voting securities of the first-mentioned person or company carrying more than 50% of the votes for the election of directors are held, otherwise than by way of security only, by or for the benefit of the second-mentioned person or company, and*
  - (ii) *the votes carried by the securities are entitled, if exercised, to elect a majority of the directors of the first-mentioned person or company;*
- (b) *in the case of a partnership that does not have directors, other than a limited partnership, the second-mentioned person or company holds more than 50% of the interests in the partnership;*
- (c) *in the case of a limited partnership, the general partner is the second-mentioned entity or company.*

## **Affiliates of the Investment Fund Manager**

**2.17 (1)** If any person or company that provides services to the scholarship plan or the investment fund manager in relation to the scholarship plan is an affiliate of the investment fund manager, illustrate the relationships of those affiliates in the form of an appropriately labelled diagram, under the sub-heading "Affiliates of the manager".

**(2)** Identify any individual who is a director or executive officer of the scholarship plan or the investment fund manager and also of any affiliate of the investment fund manager described in response to subsection (1), and give particulars of the relationship.

## **Designated Website**

**2.18** State, in substantially the following words:

"A scholarship plan is required to post certain regulatory disclosure documents on a designated website. The designated website(s) of the scholarship plan(s) this document pertains to can be found at the following location(s): [insert the scholarship plan's designated website address or addresses, as applicable]."

## **Item 3 – Experts**

### **Names of Experts**

**3.1** Under the heading "Experts who contributed to this prospectus", name each person or company

- (a) who is named as having prepared or certified a report, valuation, statement or opinion in the prospectus or any amendment to the prospectus, and
- (b) whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company.

### **Interests of Experts**

**3.2 (1)** Disclose all registered or beneficial ownership in any securities, assets or other property of the scholarship plan or of an associate or an affiliate of the scholarship plan received or to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of the scholarship plan prospectus or prepared or certified a report, valuation, statement or opinion described or included in the prospectus.

**(2)** For the purpose of subsection (1), if the ownership is less than 1 %, a general statement to that effect is sufficient.

**(3)** If an individual, or a director, officer or employee of a person or company, referred to in subsection (1), is or is expected to be elected, appointed or employed as a director, officer or employee of the scholarship plan or of any associate or affiliate of the scholarship plan, disclose that fact.

**(4)** Despite subsection (1), an auditor who is independent in accordance with the auditor's rules of professional conduct in a jurisdiction of Canada or has performed an audit in accordance with the U.S. GAAS is not required to provide the disclosure required by subsection (1) if there is disclosure that the auditor is independent in accordance with the auditor's rules of professional conduct in a jurisdiction of Canada or that the auditor has complied with the SEC's rules on auditor independence.

## **INSTRUCTION**

*In addition to the scholarship plan's current auditor, the disclosure referred to in section 3.2 must be provided for the scholarship plan's predecessor auditor for those periods for which it was the scholarship plan's auditor.*

### **Item 4 – Subscriber Matters**

#### **Subscriber Matters**

**4.1** Under the heading, "Subscriber matters" and the sub-heading "Meetings of subscribers", describe the circumstances, processes and procedures for holding a subscriber meeting and for any extraordinary resolutions.

#### **Matters Requiring Subscriber Approval**

**4.2** Under the sub-heading "Matters requiring subscriber approval", describe the matters that require subscriber approval.

#### **Amendments to Declaration of Trust**

**4.3** For a scholarship plan established pursuant to a declaration of trust, under the sub-heading "Amendments to the declaration of trust", describe the circumstances, processes and procedures required to amend the declaration of trust.

#### **Reporting to Subscribers and Beneficiaries**

**4.4** Under the sub-heading "Reporting to subscribers and beneficiaries", describe the information or reports that will be delivered or made available to subscribers and beneficiaries and the frequency with which such information or reports will be delivered or made available to subscribers, including any requirements under securities legislation.

### **Item 5 – Business Practices**

#### **Policies**

**5.1** Describe, under the heading "Business Practices" with the sub-heading "Our policies", the policies, practices and guidelines of the scholarship plan or the investment fund manager relating to business practices, sales practices, risk management controls and internal conflicts of interest and, if the scholarship plan or the investment fund manager of the scholarship plan has no such policies, practices or guidelines, state that fact.

#### **Brokerage Arrangements**

**5.2 (1)** If any brokerage transactions involving the client brokerage commissions of the scholarship plan have been or might be directed to a dealer in return for the provision of any good or service, by the dealer or a third party, other than order execution, state, under the sub-heading "Brokerage arrangements"

- (a) the process for, and factors considered in, selecting a dealer to effect securities transactions for the scholarship plan, including whether receiving goods or services in addition to order execution is a factor, and whether and how the process may differ for a dealer that is an affiliated entity,

- (b) the nature of the arrangements under which order execution goods and services or research goods and services might be provided,
- (c) each type of good or service, other than order execution, that might be provided, and
- (d) the method by which the portfolio adviser makes a good faith determination that the scholarship plan, on whose behalf the portfolio adviser directs any brokerage transactions involving client brokerage commissions to a dealer in return for the provision of any order execution goods and services or research goods and services, by the dealer or a third party, receives reasonable benefit considering both the use of the goods or services and the amount of client brokerage commissions paid.

**(2)** Since the date of the last prospectus, if any brokerage transactions involving the client brokerage commissions of the scholarship plan have been or might be directed to a dealer in return for the provision of any good or service by the dealer or a third party, other than order execution, state

- (a) each type of good or service, other than order execution, that has been provided to the manager or portfolio adviser of the scholarship plan, and
- (b) the name of any affiliated entity that provided any good or service referred to in paragraph (a), separately identifying each affiliated entity and each type of good or service provided by each affiliated entity.

**(3)** If any brokerage transactions involving the client brokerage commissions of the scholarship plan have been or might be directed to a dealer in return for the provision of any good or service, by the dealer or a third party, other than order execution, state that the name of any other dealer or third party that provided a good or service referred to in paragraph (2)(a), that was not disclosed under paragraph (2)(b), will be provided upon request by contacting the scholarship plan, and provide a telephone number and email address for the scholarship plan.

#### **INSTRUCTION**

*Terms defined in National Instrument 23-102 Use of Client Brokerage Commissions have the same meaning where used in this Item.*

### **Valuation of Portfolio Investments**

**5.3 (1)** Under the sub-heading "Valuation of portfolio investments", describe the methods used to value the various types or classes of portfolio assets of the scholarship plan and its liabilities.

**(2)** If the valuation principles and practices established by the investment fund manager differ from Canadian GAAP, describe the differences.

**(3)** If the investment fund manager has discretion to deviate from the scholarship plan's valuation practices described in subsection (1), disclose when and to what extent that discretion may be exercised and, if it has been exercised in the past three years, provide an example of how it has been exercised or, if it has not been exercised in the past three years, state that fact.

### **Proxy Voting Disclosure for Portfolio Securities Held**

**5.4 (1)** Unless the scholarship plan invests exclusively in non-voting securities, under the sub-heading "Proxy voting", describe the policies and procedures that the scholarship plan follows when voting proxies relating to portfolio securities, including



- (a) the procedures followed when a vote presents a conflict between the interests of securityholders and those of the scholarship plan's investment fund manager, portfolio adviser, or any associate or affiliate of the scholarship plan, its investment fund manager or its portfolio adviser, and
- (b) any policies and procedures of the scholarship plan's portfolio adviser, or any other third party that the scholarship plan follows, or that are followed on the scholarship plan's behalf, to determine how to vote proxies relating to portfolio securities.

**(2)** State the following:

The policies and procedures that the scholarship plan follows when voting proxies relating to portfolio securities are available on request, at no cost, by calling *[insert toll-free/collect call telephone number]* or by writing to *[insert mailing address]*.

**(3)** State that the scholarship plan's proxy voting record for the most recent period ended June 30 of each year is available free of charge to any securityholder of the scholarship plan upon request at any time after August 31 of that year. Provide the scholarship plan's designated website address where the proxy voting record is available for review.

## **Item 6 – Conflicts of Interest**

### **Conflicts of Interest**

**6.1** Under the heading "Conflicts of interest", disclose particulars of existing or potential material conflicts of interest between

- (a) the scholarship plan and the foundation or any partner, director or executive officer of the foundation,
- (b) the scholarship plan and the investment fund manager or promoter or any partner, director or executive officer of the investment fund manager or promoter, and
- (c) the scholarship plan and the portfolio adviser or any partner, director or executive officer of the portfolio adviser of the scholarship plan.

### **Interests of Management and Others in Material Transactions**

**6.2 (1)** Under the sub-heading "Interests of management and others in material transactions", describe, and state the approximate amount of, any material interest, direct or indirect, of any of the following persons or companies in any transaction within the three years before the date of the prospectus or pro forma prospectus that has materially affected or is reasonably expected to materially affect the scholarship plan:

- (a) a partner, director or executive officer of the investment fund manager;
- (b) a person or company that owns, or controls or directs, directly or indirectly, more than 10% of any class or series of the outstanding voting securities of the scholarship plan or the investment fund manager;
- (c) an associate or an affiliate of any of the persons or companies referred to in paragraph (a) or (b).

## Item 7 – Material Contracts

### Material Contracts

**7.1 (1)** Under the heading "Key business documents", list and provide particulars of

- (a) the subscribers' sales agreement or contract,
- (b) the articles of incorporation, the declaration of trust or trust agreement of the scholarship plan or any other constating document,
- (c) any agreement of the scholarship plan or trustee with the investment fund manager of the scholarship plan,
- (d) any agreement of the scholarship plan, the investment fund manager or trustee with the portfolio adviser of the scholarship plan,
- (e) any agreement of the scholarship plan, the investment fund manager or trustee with the custodian of the scholarship plan,
- (f) any agreement of the scholarship plan, the investment fund manager or trustee with the principal distributor of the scholarship plan,
- (g) any other contract or agreement that can reasonably be regarded as material to an investor in the securities of the scholarship plan, and
- (h) any contract or agreement with governmental bodies to assist beneficiaries in obtaining government grants and incentives.

**(2)** State a reasonable time and place where the contracts or agreements listed in response to subsection (1) may be inspected by prospective or existing subscribers.

**(3)** Include, in describing the particulars of a contract, the date of, parties to, consideration paid by the scholarship plan under, key terms including termination provisions of, and the general nature of the contract.

### INSTRUCTION

*Provide a list of all the contracts for which particulars must be given under this Item and indicating which of those contracts are described elsewhere in the prospectus, if applicable. Provide particulars only for those contracts that are not described elsewhere in the prospectus.*

## Item 8 – Legal Matters

### Exemptions and Approvals

**8.1** Under the heading "Legal matters" with the sub-heading "Exemptions and approvals under securities laws", describe all exemptions from or approvals under securities legislation that are not otherwise disclosed under Item 9 of Part B or Item 9 of Part C of this Form, as applicable, obtained by the scholarship plan or the investment fund manager that continue to be relied upon by the scholarship plan or the investment fund manager, including all exemptions to be evidenced by the issuance of a receipt for the prospectus pursuant to section 19.3 of the Instrument.

## **Legal and Administrative Proceedings**

**8.2 (1)** Under the sub-heading "Legal and administrative proceedings", describe briefly any ongoing legal and administrative proceedings material to the scholarship plan, to which the scholarship plan, the investment fund manager, the promoter, the foundation, or the principal dealer is a party.

**(2)** For all matters disclosed under subsection (1), state

- (a) the name of the court or agency having jurisdiction,
- (b) the date on which the proceeding commenced,
- (c) the principal parties to the proceeding,
- (d) the nature of the proceeding and, if applicable, the amount claimed, and
- (e) whether the proceedings are being contested and the present status of the proceedings.

**(3)** Provide similar disclosure about any proceedings known to be contemplated.

**(4)** If the investment fund manager, the foundation, or promoter of the scholarship plan, or a director or officer of the scholarship plan or the partner, director or officer of the investment fund manager or the foundation has, within the 10 years before the date of the prospectus, been subject to any penalties or sanctions imposed by a court or securities regulator relating to trading in securities, promotion or management of an investment fund, or theft or fraud, or has entered into a settlement agreement with a regulatory authority in relation to any of these matters, describe the penalties or sanctions imposed and the ground on which they were imposed or the terms of the settlement agreement.

## **Item 9 – Certificates**

### **Certificate of the Scholarship Plan**

**9.1** Include a certificate of the scholarship plan in the following form:

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus, as required by the securities legislation of *[insert the jurisdictions in which qualified]*.

### **Certificate of the Investment Fund Manager**

**9.2** Include a certificate of the investment fund manager of the scholarship plan in the same form as the certificate of the scholarship plan.

### **Certificate of the Principal Distributor**

**9.3** If there is a principal distributor of the scholarship plan, include a certificate of the principal distributor of the scholarship plan in the same form as the certificate of the scholarship plan.

## **Certificate of the Promoter**

**9.4** If there is a promoter of the scholarship plan, include a certificate of each promoter of the scholarship plan in the same form as the certificate of the scholarship plan.

## **Amendments**

**9.5 (1)** For an amendment to a scholarship plan prospectus that does not restate the prospectus, change "prospectus" to "prospectus dated [insert date] as amended by this amendment" wherever it appears in the statements in sections 9.1 to 9.4.

**(2)** For an amended and restated scholarship plan prospectus, change "prospectus" to "amended and restated prospectus" wherever it appears in the statements in sections 9.1 to 9.4.