Appendix A

Sample Plan Summary Document

Plan summary
ABC Group Education Scholarship Plan

Investment Fund Manager : ABC Scholarship Trust Foundation

November x , 2010

This summary tells you some key things about investing in the plan. It may not contain all the information you want. You should read the entire prospectus carefully before you decide to invest.

If you change your mind
You have up to 60 days after signing your contract to cancel 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 your earnings. Your grants will be returned to the government. **Since you pay sales charges up front, you could end up with much less than what you put in.**

What is a group scholarship plan?

A scholarship plan is one of many ways to save for a child's education. Like most scholarship plans, the ABC Group Education Scholarship Plan is set up as a Registered Education Savings Plan (RESP). That means your money can grow without being taxed until it is withdrawn from the plan. The federal government and some provincial governments offer grants to help you save even more.

With a group scholarship plan, you are part of a group of investors. Everyone's money is invested together. When the plan matures, each child in the group shares in the earnings. Your share of the earnings plus your grants are paid to your child as education assistance payments (EAPs).

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

- your child does not enrol in a school or program that qualifies under the plan, or
- you drop out of the plan before it matures

If you drop out of the plan, your earnings go to the remaining members of the group. However, if you stay in the plan until it matures, you may benefit from the earnings of those who left the group early.

Who is this plan for?

This is a long-term investment plan. It is for investors:

- who can make all the scheduled contributions on time
- who can stay in the plan until it matures
- whose child will attend a qualifying school and program

If this doesn't describe you, you should consider another type of plan. For example, an individual or family plan has fewer restrictions. See pages ● for details.

What does the plan invest in?

The plan invests mainly in fixed income securities, such as government treasury bills, guaranteed investment certificates, mortgages and bonds. Like other investments, the plan's investments have some risk. Returns will vary from year to year.

How do I make contributions?

You sign up for one or more "units" of the plan. These units are your share of the plan. You can pay for them all at once, or you can make annual or monthly contributions.

You can change the amount of your contribution as long as you make the minimum contribution. You can also change your contribution schedule. A fee applies.

How do the payments work?

In your child's first year of college or university, you'll get back your contributions, less fees. You can have them paid to you or your child. This money is not taxed.

Your child will be eligible for EAPs in their second, third and fourth years. Your child must show proof they are enrolled in a qualifying school or program to get an EAP. EAPs are taxable income to your child. Since most students usually have little or no other income, they will likely pay little or no tax on their EAPs.

What are the risks?

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

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

Drop-out rate
Over the past 10 years, an average of ●% of subscribers have left this plan each year. At this rate, ●% of subscribers will have left the plan over [insert the average length of plans held to maturity] years, the typical length of an investment in this plan.

1. **You drop out of the plan before the maturity date.** People drop out of the plan for many reasons. Most often, it's because their financial situation changes due to job loss, divorce or other life events. If you drop out after 60 days from signing your contract, you'll lose all or part of your contributions to sales charges and fees. You'll also lose the income earned on your investment, and your government grants contribution room.

2. **You miss a contribution.** If you want to stay in the plan, you'll have to make up the contribution. You'll also have to make up what your contribution would have earned if you had made it on time. This can be costly.

   If you have difficulty making contributions, you can reduce or suspend your contributions, transfer to another RESP or close your plan. Restrictions and fees apply. Some options will result in a loss of earnings and grants. If you miss a contribution and don't take any action within 24 months, we may cancel your plan.

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

   - **Maturity date for making changes**
     You have until the maturity date to make changes to your plan. This includes switching a child, changing the maturity date if your child wants to start their program sooner or later than expected, and changing the type of plan you have. Restrictions and fees apply.

   - **August 1 for EAPs**
     If your child qualifies for an EAP, they must apply by August 1 before their second, third and fourth years of eligible studies if they want 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, apprenticeships, part-time studies and co-operative studies are not allowed under this plan. You can name another child under the plan, transfer your plan to another RESP or close your plan. Restrictions and fees apply. Some options will result in a loss of earnings and grants.

Lost EAPs
To date, ●% of plans that have matured and closed did not collect all of their EAPs.

5. **Your child doesn't complete their program**. Your child may lose some or all of their EAPs if they take time off from their studies, do not complete all required courses in a year or change programs. Your child may be able to defer an EAP for a year if they go back to a qualifying program. Deferrals are at our discretion.

How much does it cost?

There are costs for joining and participating in a plan. The following tables show the fees and expenses of this plan.

Other fees

Other fees apply if you make changes to your plan. See page ● for details.

Fees deducted from your contributions

Fee	What you pay	What the fee is for
Sales charge	$100 per unit	• This is a commission for selling you the plan. It is paid to your sales representative and the company they work for. • It's applied against your contributions until it's paid off. That means less of your money is invested during the early years of your plan.
Processing fee	• $3.50 each year for a one-time contribution • $6.50 each year for annual contributions • $10 each year for monthly contributions	• This is for processing a contribution.

Ongoing plan fees

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.

Fee	Amount deducted from the plan's value
Administrative fee	0.5% per year
Investment counsel fee	0.02 to 0.315 of 1% per year
Independent review committee fee	$68,500 for 2008
Custodian fee	0.015 of 1% per year for the first $300 million in assets, 0.010 of 1% on assets over $300 million

If you invested $2,500 last year, your share of these ongoing fees would have been $18.50.

Are there any guarantees?

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.

For more information

Contact your adviser or ABC Education Savings Plans for more information:

ABC Education Savings Plans Inc.
123 Main St.
Toronto, ON M1A 2B3

Phone: (416) 555-1111
Toll-free: 1-800-555-2222
Email: clientservice@abcplans.ca

www.abcplans.ca