



MACKENZIE
Investments

CONFIDENCE
IN A CHANGING WORLD

Deferred Profit Sharing Plan

Mackenzie Group Plans – Member Booklet





The Plan

This Deferred Profit Sharing Plan (the “Plan”) has been established to help you plan for your financial security during your retirement years.

The following pages contain a number of common questions and answers that explain how the Plan works and the benefits that may be available to you as a result of your membership in the Plan. Please note that there are a number of features and terms of the Plan which are determined by the Plan Sponsor (your Employer) and which you will be advised of by your Employer directly. We have indicated where certain information will be provided to you in an appendix called “Plan Specific Terms.”

This Employee Booklet should be accompanied by “Plan Specific Terms” which will provide you with important additional information about the Plan. If you have not yet received the Plan Specific Terms, please contact your Human Resources representative or your payroll administrator to obtain this document.

While every effort has been made to ensure the accuracy of this Employee Booklet, your rights and benefits are governed by the terms of the Plan and the trust agreement between your Employer and the plan trustee as well as the enrollment forms you will be required to sign when enrolling in the Plan and any employment contract you may be a party to that deals with this Plan. If you require further information relating to the benefits available, please contact your Human Resources representative or your payroll administrator.

1. What is the role of your Financial Advisor?

Your Financial Advisor is a trained investment professional who can help you establish your financial goals. Your Financial Advisor will work with you and can make a number of recommendations, including recommending appropriate investment funds for you to invest in. Your Financial Advisor will also provide you with periodic reviews to assess the success of your financial plan and to consider any changes to your investments necessary to better meet your original – or revised – goals.

Your Financial Advisor is a valuable resource you can rely on to provide you with information about the investment options that are available under the Plan as well as appropriate tools to assist you in making investment decisions. You should contact your Financial Advisor if you have specific questions about which investment options are available under the Plan and to assist you in making informed investment decisions.

2. What is the purpose of the Plan?

The primary goal of the Plan is to accumulate assets with which to provide retirement income for Members.

3. Who may join the Plan?

Employees employed after the effective date of the Plan (which is the date the Plan is officially established by your Employer) may be required to complete a certain amount of continuous service with the Company prior to becoming eligible to become a Member. Employees who have been with the Company prior to the effective date may be permitted to count this length of service toward satisfying the eligibility criteria.

Please see the “Eligibility” section in the “Plan Specific Terms” of this Employee Booklet for specific information on the terms of joining the Plan.

4. How do I join the Plan?

Your Human Resources Department or your payroll administrator will notify you of your options once you have satisfied the eligibility criteria and they will provide you with any forms you will need to enrol in the Plan.

5. What are my rights and responsibilities under the Plan?

As a Member of the Plan you are responsible for informing yourself about the Plan through the various documents, information and tools that are available to you. (A description of this information and how you can access it is listed in section 13 of this document). Your Financial Advisor can assist you with any questions you might have. Your Human Resources Department or your payroll administrator is also available to provide information about the nature and features of the Plan.

You are also responsible for meeting with your Financial Advisor who will provide investment advice with respect to the investment options available under the Plan and in consultation with your Financial Advisor you will determine the investments best suited to you.

Remember that investment funds are not guaranteed. While you hold any fund it is possible that the value of the fund will not increase as much as you expected when you purchased the fund or that you will lose money on your investment. As such, the decisions that you and your Financial Advisor make and the investment funds you choose will affect your investment returns and therefore the amount of money that will accumulate in the Plan.

6. Can I get in and out of the Plan as I wish?

Generally, once you have become a Member of the Plan, you must continue as a Member until you leave the Company or otherwise cease to qualify. Please see the "Membership" section in the "Plan Specific Terms" of this Employee Booklet for further information on whether the Plan permits you to opt out of the Plan once you have become a Member.

7. What do I have to contribute to the Plan?

Nothing. Members are not permitted under the income tax laws of Canada to contribute to this type of retirement plan.

8. What does the Company contribute to the Plan?

Subject to regulatory restrictions and if the Company has sufficient profits or undistributed accumulated profits that have not previously been contributed to the Plan in any plan year, the Company, in its sole discretion, will contribute an amount on your behalf. Details on the amount your Employer will contribute are included in the "Contributions" section in the "Plan Specific Details" of this Employee Booklet.

9. Can I withdraw money from the Plan?

Whether or not you can withdraw money from the Plan prior to leaving the Company will be determined by your Employer who may or may not permit such withdrawals. Specific information regarding withdrawals will be communicated to you by your Employer following your enrolment in the Plan.

The "Withdrawals" section in the "Plan Specific Details" of this Employee Booklet will indicate whether your Employer permits such withdrawals.

10. Where and how are contributions invested?

All the contributions to the Plan are invested in investment funds or other permitted investments as selected by you from the investments made available by your Financial Advisor and in compliance with the Plan.

With the help of your Financial Advisor you will decide on the investment selections for all contributions made to the Plan on your behalf or that you may have transferred from another registered plan.

11. How do I make investment selections?

Your Financial Advisor is available to provide you with, and discuss, the investment options available to you. In consultation with your Financial Advisor you can select the investments that suit your needs and your Financial Advisor will arrange to have your instructions processed. Your Financial Advisor will provide you with any forms that you must complete to implement your investment choices. Once you return any required forms to your Financial Advisor your changes will be implemented as soon as possible.

12. What Investment Options are Available under the Plan?

Your Financial Advisor will determine which investment funds offered by Mackenzie Investments, and, if applicable, which other investments are available under the Plan. Mackenzie Investments offers a full range of investment options, including foreign and domestic equity funds, fixed income funds, balanced funds, as well as funds that invest in specialized sectors or specific regions. You should discuss with your Financial Advisor the different investment funds that are available under the Plan and any other investment options, and how they may be able to help you meet your financial goals.

13. How can I get information, assistance and advice about the various investment options available under the Plan?

Continuous disclosure regarding the Mackenzie Mutual Funds is governed by National Instrument 81-101, National Instrument 81-106 and other applicable securities regulations. You can obtain valuable information regarding such things as an investment fund's investment objectives, strategies, fees, past performance, investment portfolio, risks and information about the investment management company responsible for the management of the fund's investment portfolio from the fund's Prospectus, Management Report of Fund Performance, Annual Information Form and financial statements. You should review these documents prior to making any investment decisions and discuss any questions you may have with your Financial Advisor. These documents are available on the Mackenzie Investments website at mackenzieinvestments.com, or the website of SEDAR (System for Electronic Document Access and Retrieval) at www.SEDAR.com, or at your request, from your Financial Advisor.

In addition to discussing your investment options with your Financial Advisor and consulting the funds' regulatory documents, the Mackenzie Investments website is continuously updated with fund reports including portfolio manager commentary, major holdings in the funds' portfolios, and overall fund performance information. The Mackenzie Investments website also provides Members with access to valuable investment decision-making tools. These tools include investment calculators such as Retirement Planning calculators, Investment and Savings calculators, Mortgage and Lending calculators and Personal Finance calculators. These tools can help you determine how much money you need to invest and the rate that money needs to grow in order for you to meet your retirement plan.

At all times you should feel free to contact your Financial Advisor for any information and assistance you feel you need to make informed investment selections.

Members are also able to access their accounts online 24 hours per day 7 days per week at mackenzieinvestments.com. Members are able to view the value and holdings of their account, obtain a transaction summary, view a breakdown of their asset mix and obtain account details and view statements.

14. Do I need to make investment choices and what is the default option if no investment choice is made?

In consultation with your Financial Advisor, you should choose the investment funds that you believe can help you meet your financial goals. If you do not make investment decisions in respect of the contributions made on your behalf, the contributions will be automatically invested in a money market mutual fund until an investment decision is made and you provide instructions to your Financial Advisor.

15. How do I change investment options or transfer investments between different options?

You can change your investment options and transfer between different investment options at any time by contacting your Financial Advisor, who will then arrange to have your instructions processed. Your Financial Advisor will provide you with any forms that you must complete to implement your investment choices. Once you return any required forms to your Financial Advisor your changes will be implemented on that business day if all required forms are received by Mackenzie Investments prior to 4:00 P.M. EST. If the forms are received after 4:00 P.M. EST your changes will be processed on the next business day.

Your Financial Advisor, at their discretion, may choose to charge a switch fee of up to 2% of the amount you switch between investment options.

16. What fees, expenses and penalties will be charged to my Account?

The fees that may be charged to your account are set out in the funds' prospectuses and other disclosure documents, which can be accessed as described in section 13 of this document. The fees charged by the Mackenzie Mutual Funds in which you invest include such things as management fees and operating expenses. If you purchase securities of the Mackenzie Mutual Funds under the low-load purchase option or the redemption charge purchase option, you will also be charged fees if you redeem your investments in the Mackenzie Mutual Funds within 3 years (with respect to the low-load purchase option) or 7 years (with respect to the redemption charge purchase option).

In addition to the fees charged directly by the funds in which you invest, your Financial Advisor may also charge a switch fee of 2% of the amount switched between the funds. This amount is negotiable with your Financial Advisor.

17. When do the Company's contributions vest?

The contributions made by the Company on your behalf may either vest immediately, or after you have been an employee or Member of the Plan for a certain amount of time. The specific vesting period, if any, is described in the "Vesting" section in the "Plan Specific Details" of this Employee Booklet.

18. What do you mean by "vested"?

When an amount or contribution becomes vested, it means you own it. Any amounts that you may have transferred into the Plan from another DPSP are automatically vested.

19. How does the Plan affect my income tax situation?

The contributions to the Plan made by the Company on your behalf are not treated as part of your income for income tax purposes. Interest and earnings credited to the funds in which the Company's contributions are invested and any capital gains or losses incurred do not enter into your tax calculation.

Employer contributions into a DPSP are limited to the lesser of: 18% of the employee's compensation of the year from the employer or a dollar limit equal to one-half of the defined contribution pension plan limit. The Canada Revenue Agency may adjust these limits in future years. Your overall allowable RRSP contribution is reduced by the contributions to the Plan.

The benefits paid out under the Plan, except where they are transferred as described in this booklet, will become part of your taxable income in the year in which you receive them.

20. What happens when I retire?

Upon retirement the vested amount in your account will be used to provide you with retirement income. An option package with a statement of your account and instructions for selecting from the available options will be provided to you when you retire. Please see the "Entitlements" section of the "Plan Specific Terms" of this Employee Booklet for details.

21. What happens when I leave the Company?

Upon leaving the company the vested amount in your account is available to you to provide retirement income. An option package with a statement of your account and instructions for selecting from the available options will be provided to you when you terminate your employment. Please see the "Entitlements" section of the "Plan Specific Terms" of this Employee Booklet for details.

22. What happens if I die before leaving the Company?

If you die before leaving the Company, your Beneficiary will receive the vested amount. An option package with a statement of your account and instructions for selecting from the available options will be provided to your Beneficiary. Please see the "Entitlements" section of the "Plan Specific Terms" of this Employee Booklet for details.

23. Will I receive a statement of my account?

You will be provided with a regular statement of your account showing the contributions made into the account as well as any gains you have made from your investments. Your year-end statement will also include a performance report that will include the investment performance of Mackenzie Mutual Funds, information on a comparable benchmark index for each fund as well as the performance of the benchmark index. You may choose to receive your statements on paper or electronically via the Internet.

Members are also able to access their accounts online 24 hours per day 7 days per week at *mackenzieinvestments.com*. Members are able to view the value and holdings of their account, obtain a transaction summary, view a breakdown of their asset mix, view their free redemption amount, obtain account details and view statements. If you encounter any problems, you can call the Mackenzie Client Services Department at 1-800-387-0614 for assistance.

Glossary

An **Annual Information Form (“AIF”)** contains valuable information about an investment fund and is required to be filed with securities regulators. The AIF can be obtained on the website of SEDAR at www.SEDAR.com or from your Financial Advisor. An AIF provides disclosure regarding such things as the investment management company responsible for managing and advising the fund, as well as information concerning the fund’s material contracts, important policies, and the history of material changes.

A **Capital Accumulation Plan (“CAP”)** is a tax-assisted investment or savings plan that permits the members of the CAP to make investment decisions among two or more options offered within the plan. Examples of a CAP may include a Defined Contribution Registered Pension Plan, a Group Registered Retirement Savings Plan, a Registered Education Savings Plan and a Deferred Profit Sharing Plan.

Continuous Service is the employee’s uninterrupted period of employment with the Company and is typically calculated from the last date of hire with the Company. It excludes temporary periods of suspension of employment (not to exceed two consecutive years for such occurrence).

A **Deferred Profit Sharing Plan (“DPSP”)** is a capital accumulation plan registered by the Canada Revenue Agency under which a plan sponsor may share the profits, including retained earnings, from the plan sponsor’s business with all or a designated group of its members. Members are not permitted to contribute to a DPSP (except for lump-sum payments that are directly transferred to the plan from another qualifying DPSP on behalf of the member.) Any amounts contributed by the plan sponsor to a DPSP on behalf of the member are not taxable until received as income but will be used in determining how much the member is able to contribute to their personal RRSP.

A **Locked-In Registered Retirement Savings Plan** is an RRSP containing locked-in monies, meaning monies that cannot be taken from the plan in the form of a cash withdrawal before retirement. The assets in such a plan must be used to provide an income at retirement.

The **Management Report of Fund Performance (“MRFP”)**, is a required to be produced by all investment funds on an annual and semi-annual basis. The MRFP includes the portfolio manager’s comments on the fund’s investment performance over period and discusses material factors that had a significant impact on performance, as well as any changes to the risk profile of the fund and important trends that the portfolio manager believes could affect future performance. The MRFP is designed to supplement a fund’s annual and semi-annual financial statements.

The **Plan Sponsor (Employer)** is responsible for setting up and maintaining the Plan and notifying the Plan’s trustee and the financial advisor of any Plan amendments, changes in participants, etc. In addition, with the help of the Financial Advisor the plan sponsor is responsible for providing investment information and decision-making tools to the plan members, introducing the Plan to members, and providing on-going communication to members.

A **Prospectus** is a document that contains valuable information about an investment Fund, and is required under securities laws to be distributed to all purchasers of a fund. A prospectus provides disclosure regarding the fund’s investment objectives and strategies, the fees charged by the fund, the series of securities which comprise the fund, the risks of investing in mutual funds generally, and the names of the firms responsible for the management of the fund.

A **Registered Retirement Income Fund (“RRIF”)** is used to provide an ongoing annual flow of income to the annuitant. The minimum withdrawal amounts are governed by rules under the Income Tax Act. In some respects a RRIF is like a continuation of an RRSP, which must be converted to an income producing account before the end of the year in which the annuitant attains age 71 or another age specified by the Tax Act. The assets in the RRIF remain tax sheltered and the annuitant can continue to choose investments.

Vesting occurs when a member becomes fully entitled to the pension credits or plan sponsor contributions that have been earned or that have been made to the registered plan in which the member participates. It is that point in time when the member owns irrevocably any and all amounts credited to the account in the plan, be it a pension, profit sharing or retirement savings plan.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual fund securities are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated.

The content of this document (including facts, views, opinions, recommendations, descriptions of or references to, products or securities) is not to be used or construed as investment advice, as an offer to sell or the solicitation of an offer to buy, or an endorsement, recommendation or sponsorship of any entity or security cited. Although we endeavour to ensure its accuracy and completeness, we assume no responsibility for any reliance upon it.