



MACKENZIE
Investments

CONFIDENCE
IN A CHANGING WORLD

Group Registered Retirement Savings Plan

Mackenzie Group Plans – Member Booklet







The Plan

This Group Registered Retirement Savings 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.

While every effort has been made to ensure the accuracy of this booklet, your rights and benefits are governed by the terms of the Plan and the declaration of trust as well as the enrollment forms you 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?

Each full-time Member (employee) is eligible for membership in the Plan based on policies established by your Employer. Your Employer may or may not also permit non-full time employees to become Members.

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 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 12 of this document). Your Financial Advisor can assist you with any questions you might have. Your Human Resources Department or 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?

If your Employer is making contributions to the Plan on your behalf, once you have become a Member of the Plan you must continue as a Member until you leave the Company.

If your Employer is not making contributions on your behalf, then the Plan is voluntary and you can terminate your membership at any time.

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

Members should speak with their Human Resources Department to find out whether their Employer is making contributions to the Plan on their behalf. If your Employer is making contributions on your behalf it will do so by allocating a portion of your taxable income to the Plan and then deducting it via payroll deduction as a personal contribution to your RRSP.

Alternatively, your Employer may set up the Plan so that Members make their own contributions.

Members are permitted under the income tax laws of Canada to contribute 18% of their previous year's earned income to this type of retirement plan, subject to a maximum dollar limit established by Canada Revenue Agency. The Canada Revenue Agency may adjust these limits in future years.

The Canada Revenue Agency advises taxpayers annually how much they are permitted to contribute based on prior year's earned income, Pension Adjustments, applicable dollar limits, and other factors.

8. Can I withdraw money from the Plan?

If your Employer is making contributions to the Plan on your behalf, your Employer may place restrictions on your ability to withdraw money from the Plan. Members should contact their Human Resources Department to obtain information on any restrictions that may exist. In addition, there may be tax consequences to you in doing so. Please see section 18 of this document and contact a tax advisor for specific advice.

9. 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 or that you may have transferred from another registered plan.

10. 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.

11. 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.

12. 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 and Annual Information Form. 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, duplicate a contribution tax receipt, and obtain account details and view statements.

13. 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 that you make to the Plan, or in respect of 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.

14. 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 prior to 4:00 P.M. If the forms are received after 4:00 P.M. 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.

15. What fees, expenses and penalties will be charged to my Plan?

The fees that may be charged to the Plan are set out in the funds' prospectuses and other disclosure documents, which can be accessed as described in section 12 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 that are under a Deferred Sales Charge purchase option, you may also be charged fees if you redeem your investments.

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.

16. Is there a vesting period before contributions made to the Plan belong to me?

All contributions made to the Plan by Members or by your Employer vest immediately. There is no waiting period.

17. 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 registered plan are automatically vested.

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

If contributions to the Plan are made by your Employer on your behalf, they are treated as part of your income for income tax purposes and will be reported annually on your T4 reporting slip.

You will generally not pay tax on distributions or dividends that the Plan receives from a Fund. Nor will you be subject to tax on capital gains realized from switching between investment options, as long as you do not make a withdrawal from the Plan. Amounts within the Plan will compound on a tax-deferred basis.

You will generally be taxed at your personal tax rate if you withdraw money from the Plan. You should consult with a tax advisor for full particulars of establishing, terminating, or withdrawing money from the Plan.

19. 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, duplicate a contribution tax receipt, view their free redemption amount, obtain account details and view statements. If you encounter any problems, you can call Mackenzie Client Relations 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.

A **Group Registered Retirement Savings Plan (“GRSP”)** is a collection of individual RRSPs and is offered by a plan sponsor as an alternative to a pension plan or as an adjunct to a DPSP. A GRSP provides some of the features of a Defined Contribution Registered Pension Plan but is not subject to provincial pension standards legislation and reporting. Member contributions are made through payroll deduction.

The **Management Report of Fund Performance (“MRFP”)** is 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 the 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 the 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 Savings Plan (“RRSP”)** is registered with the Canada Revenue Agency and allows individual taxpayers to save and invest for retirement in a tax-sheltered environment, with earnings, capital gains or interest not taxable until the amounts within the RRSP are withdrawn at some future point in time. RRSPs are typically not subject to provincial pension rules except to the extent they may be “locked-in”. The Canada Revenue Agency sets the annual maximum limits for tax-deductible contributions to RRSPs and advises taxpayers annually how much unused RRSP contribution room they have available for the coming year.

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. The assets in the RRIF remain tax sheltered and the annuitant can continue to choose investments.

