

MARCH 2017

IMPORTANT BULLETIN

Your Simplified Pension Plan no. 03461-001

Improvement to McGill University Simplified Pension Plan

Dear Member,

In recent months, **McGill University** analysed the range of investment options available to you as part of your group retirement contract. In order to give you a simplified range of quality choices adapted to the ever-changing financial markets and to help you reach your retirement goals, we are pleased to announce that changes have to be made to your Simplified Pension Plan. Some are already in effect to allow you to benefit from them immediately, and others will be made on **March 31, 2017**.

What changes are already in effect?

1. Addition of new ATTITUDE Portfolios
2. Reduction in management fees

What changes will be made on March 31, 2017?

3. New default investment option
4. Changes to investment lineup (removing and replacing funds)

What do you have to do?

You should review your investor profile to ensure your current investment allocation meets your objectives. If you have investments in any of the funds being removed and do not provide investment instructions, your investments will automatically be transferred into the corresponding replacement options. You can make changes if you wish (but it's not mandatory). To do so, go to the *What should you do if...* section.

Take a look to the following sections to learn what your options are.

1. Addition of ATTITUDE Portfolios

Your investment options have been enhanced with the addition of ATTITUDE lifecycle portfolios. They are designed to help you take full advantage of your investment strategy and enjoy peace of mind.

An ATTITUDE Portfolio is a pre-built investment solution that helps you avoid having to analyze and monitor financial markets.

The composition of the ATTITUDE Portfolios adjusts automatically every three months based on your target retirement date and your risk tolerance, which makes it easier to manage your investments. The further away from retirement you are, the greater the proportion of your savings invested in equities. Conversely, as you approach retirement, the greater the proportion of your savings is invested in bonds in order to reduce the effects of market fluctuations.

2. Reduction to your plan's investment management fees

Good news! The pricing of McGill University Simplified Pension Plan has been improved. **The average management fees applicable to investment funds have been reduced by at least 19%** (investment fees applicable to each fund must be added to these new management fees). Your account in My Client Space reflects the new fees.

3. New default investment option

On **March 31, 2017**, the default investment option will be changed to the **Balanced ATTITUDE** portfolio with a target retirement age of 65.

The default investment option is applied **when no investment instructions have been chosen for your account**. If this is the case, the amounts invested under your plan in the previous default investment option (*Money Market – 070*) will be automatically transferred to the new default investment option.

4. Changes to investment funds

In order to simplify your fund offering, the following funds will be removed on **March 31, 2017**. The amounts invested in these funds will be automatically transferred to the corresponding receiving funds:

Originating Funds	Code		Receiving funds	Code
Income funds				
Short Term Bond	170	}	Bond	020
Emerald Canadian Bond Index (TD)	489			
Bond (Fiera Capital)	472			
Bond (PH&N)	521			
Core Plus Bond (PH&N)	632			
Core Plus Bond (PIMCO)	860			
ReturnPlus (AlphaFixe)	453			
Long Term Bond	504			
Core Plus Long Term Bond (PIMCO)	861			
Global Fixed Income (PIMCO)	893			
Canadian Equity Funds				
Canadian Equity Index (TD)	753	}	50%: Canadian Equity (QV) 50%: Fidelity Canadian Focused Equity	634 871
Dividend	160			
Canadian Dividend (Beutel Goodman)	887			
Canadian Equity Value (PH&N)	633			
Canadian Equity Selexia (Fiera Capital)	473			
Fidelity Canadian Systematic Equity	862			
Canadian Equity Low Volatility (TD)	888			
Canadian Equity All Cap (Triasima)	151			
Canadian Equity Growth	464			
Canadian Equity Q Growth (CC&L)	899			
Canadian Equity (Jarislowsky)	488			
Canadian Equity Growth (MFS)	360			
Canadian Equity Value	010			
Fidelity True North ^R	270			
Canadian Equity Responsible (MFS)	514			
Canadian Equity Small Cap (Montrusco)	511			
Canadian Equity Small Cap (QV)	541			

Originating Funds (continued)	Code		Receiving funds (continued)	Code
Foreign Equity Funds				
Global Equity Index ACWI (BlackRock)	876	}	50%: Global Equity (Hexavest) 50%: Global Equity (Mawer)	500 133
Global Equity	707			
Global Equity (C\$-Hedged) (Hexavest)	865			
Global Equity (QV)	534			
Global Equity (Sprucegrove)	754			
Global Equity (Templeton)	465			
Global Equity (Aberdeen)	120			
Global Research Equity (MFS)	390			
Fidelity Global Select Equity	863			
Global Equity Low Volatility ACWI (TD)	886			
Global Equity Endeavour (Invesco)	490			
Global Equity Small Cap (Deutsche AWM)	531			
Global Equity Small Cap (Mawer)	130			
International Equity Index (BlackRock)	300			
International Equity	706			
International Equity (Sprucegrove)	755			
International Equity (Templeton)	080			
International Equity (Aberdeen)	121			
International Equity (Jarislowsky)	483			
International Equity (MFS)	467			
U.S. Dividend Growth	518	}	U.S. Equity Index (BlackRock)	760
U.S. Equity	705			
U.S. Equity (Jarislowsky)	512			
U.S. Equity (Mawer)	132			
U.S. Equity Core (MFS)	513			
U.S. Equity (Fiera Capital)	479			
Alternative / Specialty Funds				
Balanced-Risk Allocation (Invesco)	491	}	50%: Global Equity (Hexavest)	500
Fidelity Global Real Estate	540		50%: Global Equity (Mawer)	133

If you do not have amounts invested in the originating funds, you **have no immediate action to take** because the changes will have no impact on your investments. However, you should review your investor profile questionnaire to ensure your current investment allocation continues to meet your objectives.

What should you do if...

...you want to change your investment instructions?

If you have amounts invested in the originating funds, you can, **if you wish**, choose investment options that are different from the ones suggested.

Before choosing your investment options, we advise you to assess your level of tolerance to financial risk. Complete the *Your investor profile* questionnaire on My Client Space to help you choose investment options that respond to your investor profile.

Thereafter, to change your investments or your investment instructions, you may do so in one of two simple ways:

<p style="text-align: center;">ONLINE Go to ia.ca/myaccount Access your group savings and retirement plan, click on Investments, then Change</p>	<p style="text-align: center;">BY PHONE Customer Service 1-800-567-5670 (Monday to Friday, 8:00 am to 8:00 pm)</p>
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...you want to know more?

To learn more about the ATTITUDE Portfolios and the range of investment options offered in your plan, go to the *Investment Solutions* section of the Group Savings and Retirement page on ia.ca, or better yet, consult your group savings and retirement contract in My Client Space at ia.ca/myaccount.

To obtain more information or if you have questions about access to My Client Space, contact an agent of our Customer Service. Monday to Friday, 8:00 am to 8:00 pm (Eastern time).

Phone: **1-800-567-5670**

Email: pension@ia.ca

Sincerely,

iA Financial Group
Group Savings and Retirement



INVESTED IN YOU.

McGill University Simplified Pension Plan no. 03461-001

New range of investment option

Investment options	Code
ATTITUDE Portfolios – All profiles	-
Asset Allocation Funds	
Asset Allocation – Conservative	506
Asset Allocation – Moderate	507
Asset Allocation – Balanced	508
Asset Allocation – Growth	509
Asset Allocation – Aggressive Growth	510
Income Funds	
Money Market	070
Bond	020
Diversified Funds	
Diversified Security	240
Balanced Moderate Index (BlackRock)	889
Diversified	040
Balanced (Jarislowsky)	463
Balanced (PH&N)	522
Diversified Opportunity	250
Canadian Equity Funds	
Canadian Equity (QV)	634
Fidelity Canadian Focused Equity	871
Foreign Equity Funds	
Global Equity (Hexavest)	500
Global Equity (Mawer)	133
International Equity (Hexavest)	852
International Equity (Mawer)	131
U.S. Equity Index (BlackRock)	760
Guaranteed investments	
All terms	-