your way
plain and simple

Registered Retirement
Savings Plan for
McMaster University
AGM

Shahid Hannan
Senior Education Advisor

Francis Gagnon
Senior Investment Consultant

June 2019
Today’s Topics

- Saving for your retirement
- Your plan
- Your investment options
- Market review
- Fund performance review
- Staying on track
Where will your money come from?
Where will your money come from?

- Canada/Quebec Pension Plan (CPP/QPP)
- Old Age Security (OAS)
- Government programs
- McMaster University
  - Group RRSP
- Your personal savings
  - Individual RRSP
  - Non-Registered Plan

Government plans only replace between 20% and 40% of your average annual income.
Where will your money come from?

Government plans

<table>
<thead>
<tr>
<th>Plan</th>
<th>ELIGIBILITY</th>
<th>MONTHLY BENEFITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada/Quebec Pension Plan (CPP/QPP)</td>
<td>- Based on your contributions to the plan</td>
<td>Maximum $1,155</td>
</tr>
<tr>
<td></td>
<td>- 100% of your entitlement at age 65</td>
<td>Average $664</td>
</tr>
<tr>
<td></td>
<td>- Reduced benefit if between ages of 60 to 64</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Increased benefit if over age 65</td>
<td></td>
</tr>
<tr>
<td>Old Age Security (OAS)</td>
<td>- Based on your residency in Canada</td>
<td>Maximum $601</td>
</tr>
<tr>
<td></td>
<td>- 100% of your entitlement at age 65</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Increased benefit if over age 65</td>
<td></td>
</tr>
</tbody>
</table>

As of January 2019. For illustration purposes only - does not promise any guarantees or rights to the benefits.
Your group retirement savings program
Your group retirement savings program

McMaster’s responsibility

- Perform selection and monitoring of third-party service provider
- Ensure that termination of either the plan or the participant is done in accordance with the requirements of the legislation and the terms of the plan
- Provide you with investment information and decision-making tools
- Communicate with you regularly
- Offer sufficiently diversified investment options to meet your needs and monitor them
- Ensure employees are enrolled in the plan as required in accordance with the terms of the Plan
Your group retirement savings program

Your responsibility

- Fully complete the online registration process
- Use the information and decision-making tools provided by Desjardins and McMaster
- Make decisions on your investment choices and contribution amounts
- Continually assess whether your retirement needs and goals will be achieved
- Provide accurate and up-to-date information to Desjardins and McMaster
- Consider getting investment advice from an appropriately qualified individual
Your group retirement savings program

Desjardins’ responsibility

- Help plan participants to understand their program and investments
- Encourage plan participants to take an active role in retirement planning
- Promote plan participant involvement through user-friendly tools and services
Your group retirement savings program

About your plan

- Mandatory participation
- Immediate tax savings by payroll deduction
- Your contributions will begin being deducted right away but you will not receive statements or contribution receipts or be able to access your account until you complete the online enrolment process
- Tax deferred earnings
Your group retirement savings program

About your plan

- No withdrawals permitted
- Withdrawal of voluntary assets (voluntary contributions and non-locked transferred-in funds) permitted
- Only these funds can be used for the Home Buyer’s Plan and Lifelong Learning Plan, with authorization from your employer
Your group retirement savings program

About your plan

- Spousal RRSPs available
- You will be issued contribution receipts for your contributions to a Spousal RRSP
- Contributing to a Spousal RRSP affects your RRSP contribution room, not your spouse or common-law partner’s

- Lower fees
  - Management: 0.64% on first $1 million; 0.50% thereafter
  - Investment: 0.12% - 0.70%
Your group retirement savings program

<table>
<thead>
<tr>
<th>Your contributions</th>
<th>McMaster's contributions</th>
</tr>
</thead>
</table>
| Required contributions  
  - Varies by employee group  
  - For details, go to: https://hr.mcmaster.ca | 100% match |
| Additional voluntary contributions (up to your contribution limit)  
  - Transfers-in from other plans | No match |
Your group retirement savings program

Contribution to your RRSP

Limit set by Canada Revenue Agency (CRA)

- Maximum of $26,500 (2019)
- Limit set by Canada Revenue Agency (CRA)

Visit: www.cra-arc.gc.ca or call: 1-800-959-8281

Check your Notice of Assessment
You are responsible for monitoring your RRSP limit
**Your group retirement savings program**

**Voluntary payroll contributions to your RRSP**

<table>
<thead>
<tr>
<th>Salary: $40,000</th>
<th>Contribution frequency: weekly</th>
</tr>
</thead>
<tbody>
<tr>
<td>2% of salary</td>
<td>$800</td>
</tr>
<tr>
<td>4% of salary</td>
<td>$1,600</td>
</tr>
<tr>
<td>8% of salary</td>
<td>$3,200</td>
</tr>
</tbody>
</table>

**Annual contribution**

<table>
<thead>
<tr>
<th></th>
<th>2% of salary</th>
<th>4% of salary</th>
<th>8% of salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax savings</td>
<td>$160</td>
<td>$320</td>
<td>$940</td>
</tr>
<tr>
<td>Your net cost after taxes</td>
<td>$640</td>
<td>$1,280</td>
<td>$2,560</td>
</tr>
</tbody>
</table>

**Your net cost after taxes (weekly)**

<table>
<thead>
<tr>
<th></th>
<th>2% of salary</th>
<th>4% of salary</th>
<th>8% of salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>$12.30</td>
<td>$24.60</td>
<td>$49.20</td>
<td></td>
</tr>
</tbody>
</table>

**Savings accumulated after 10 years**

<table>
<thead>
<tr>
<th></th>
<th>2% of salary</th>
<th>4% of salary</th>
<th>8% of salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>$11,277</td>
<td>$22,554</td>
<td>$45,108</td>
<td></td>
</tr>
</tbody>
</table>

**Savings accumulated after 20 years**

<table>
<thead>
<tr>
<th></th>
<th>2% of salary</th>
<th>4% of salary</th>
<th>8% of salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>$32,335</td>
<td>$64,670</td>
<td>$129,340</td>
<td></td>
</tr>
</tbody>
</table>

**Savings accumulated after 30 years**

<table>
<thead>
<tr>
<th></th>
<th>2% of salary</th>
<th>4% of salary</th>
<th>8% of salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>$70,056</td>
<td>$140,111</td>
<td>$280,222</td>
<td></td>
</tr>
</tbody>
</table>

Assumptions: annual net rate of return of 5%, annual salary increase of 2%, savings grow on a tax-deferred basis, fees have not been deducted.

For illustration purposes only - does not promise any guarantees or rights to the benefits.
Your group retirement savings program

Making voluntary contributions to your RRSP

<table>
<thead>
<tr>
<th>PAYROLL (VIA MCDONALD)</th>
<th>LUMP SUM (VIA DESJARDINS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Before-tax contributions</td>
<td>▪ After-tax contributions</td>
</tr>
<tr>
<td>▪ Instant tax refund</td>
<td>▪ Must wait to file your taxes to get your tax refund</td>
</tr>
<tr>
<td>▪ Dollar cost averaging</td>
<td>▪ Giving the government a tax-free loan</td>
</tr>
<tr>
<td>▪ Easy and convenient</td>
<td>▪ No control over unit values when contributions are made</td>
</tr>
<tr>
<td>▪ Benefit from compounding over a longer period of time</td>
<td>▪ Compounding doesn’t start until the contribution is made</td>
</tr>
</tbody>
</table>
What is the Home Buyers’ Plan?

- Allows you to withdraw up to $35,000 from your RRSP(s) to finance the purchase of your first home
- Only voluntary contributions and non-Locked-in transfers into this plan can be used
- With couples, each spouse can withdraw up to $35,000
- You must pay back at least 1/15 of the borrowed amount each year to your RRSP for up to 15 years
Home Buyers’ Plan repayments

- Repayments may be made to any RRSP
- Your repayment period starts the second year after the year you withdrew funds from your RRSP for the HBP
- Repayments are not considered tax deductible and don’t affect your RRSP limit

<table>
<thead>
<tr>
<th>HBP AMOUNT</th>
<th>MINIMUM ANNUAL HBP REPAYMENT AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,000</td>
<td>$667</td>
</tr>
<tr>
<td>$15,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>$20,000</td>
<td>$1,333</td>
</tr>
<tr>
<td>$25,000</td>
<td>$1,667</td>
</tr>
<tr>
<td>$35,000</td>
<td>$2,333</td>
</tr>
</tbody>
</table>
What is the Lifelong Learning Plan?

- Allows you to withdraw up to $20,000 from your RRSP(s) to finance full-time training or education for you or your spouse or common-law partner.
- Only voluntary contributions in this plan can be used.
- Doesn’t finance your children's training or education.
- You must pay back at least 1/10 of the borrowed amount each year to your RRSP for up to 10 years.
Lifelong Learning Plan
(LLP)

Repayments

- Repayments may be made to any RRSP
- Repayments are not considered tax deductible and don’t affect your RRSP limit
- If you don’t meet education amount condition two years in a row, your repayment period usually starts in the second of those two years
- If you continue to meet the condition every year, your repayment period starts in the fifth year after your first LLP withdrawal
What are fees?

**INVESTMENT FEE**
- The fee the investment fund manager charges to manage the investment fund
- Deducted daily from the investment fund

**MANAGEMENT FEE**
- The fee Desjardins charges to administer your account
- Deducted monthly from your account

Investment fee (indirect to you) + Management fee (direct to you) = Your annual total fee
Your group retirement savings program

Lower fees mean more money for you!

$25 contribution/week for 30 years
Total contributions: $39,000

<table>
<thead>
<tr>
<th>INVESTMENT MANAGEMENT FEE</th>
<th>0.95%</th>
<th>2.50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance after 30 years</td>
<td>$89,339</td>
<td>$68,300</td>
</tr>
<tr>
<td>Difference</td>
<td>$21,039</td>
<td></td>
</tr>
</tbody>
</table>

Assumes annual compound return is 6%
For illustration purposes only - does not promise any guarantees or rights to the benefits
## Your group retirement savings program

<table>
<thead>
<tr>
<th>TERMINATION OPTIONS</th>
</tr>
</thead>
</table>
| **Options if under age 55** | ▪ Cash (taxes will be withheld and you will pay any additional income tax)  
▪ Transfer to an RRSP with Desjardins  
▪ Transfer to an RRSP with another financial institution  
▪ Transfer to another retirement plan (if that plan permits it) |
| **Options if over age 55** | ▪ Cash (taxes will be withheld and you will pay any additional income tax)  
▪ Transfer to a Registered Retirement Income Fund (RRIF)  
▪ Purchase an annuity |
| **Death benefits** | ▪ If your beneficiary is your spouse or common law partner:  
  ▪ Assets may be paid in cash (taxes will be withheld and your estate will pay any additional income tax)  
  ▪ Assets may be transferred to their RRSP  
  ▪ If your beneficiary is anyone other than your spouse or common law partner:  
  ▪ Assets will be paid in cash (taxes will be withheld and your estate will pay any additional income tax) |

* Desjardins will send you a package with your options once your final payroll contribution has been received
Where should you invest?
Where should you invest?

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do I have the time to analyze all the investment options offered and monitor their performance?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do I have investment knowledge, a good understanding of the different asset classes and the risks associated with each of them?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do I want to build my own combination of funds?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**IF YOU ANSWERED** | **YOUR BEST OPTION IS**
--- | ---
NO to at least one question | The off-the-shelf approach: a Lifecycle Path
YES to all three questions | The do-it-yourself approach: your own combination of funds
Where should you invest?

The off-the-shelf approach
A Lifecycle Path

WHAT IS A LIFECYCLE PATH?

A Lifecycle Path is a ready-made portfolio of investments that’s tailored to your risk tolerance. The asset allocation automatically adjusts itself according to your age or the number of years left until you retire.

The composition and asset allocation change automatically over time so that as you approach retirement, your portfolio’s exposure to risk becomes lower.
Where should you invest?

Portfolios

DFS BlackRock® LifePath®
2055 Index

DFS BlackRock® LifePath®
2050 Index

DFS BlackRock® LifePath®
2045 Index

DFS BlackRock® LifePath®
2040 Index

DFS BlackRock® LifePath®
2035 Index

DFS BlackRock® LifePath®
2030 Index

DFS BlackRock® LifePath®
2025 Index

DFS BlackRock® LifePath®
2020 Index

DFS BlackRock® LifePath®
Retirement Index 1

Target Retirement Year:
- 2053 and later
- 2048 to 2052
- 2043 to 2047
- 2038 to 2042
- 2033 to 2037
- 2028 to 2032
- 2023 to 2027
- 2018 to 2022
- 2017 and earlier

Legend:
- Equities
- Fixed Income
Where should you invest?

The do-it-yourself approach
Your own combination of funds

WHAT DOES IT MEAN TO BUILD YOUR OWN COMBINATION OF FUNDS?

This approach requires time, knowledge and more frequent monitoring. A self-selected combination of funds will not adjust itself automatically over time.

Another consideration: market fluctuations will affect your asset allocation. As a result, your portfolio’s composition may not always remain in line with your investment instructions. That means you will need to regularly check to make sure your asset allocation continues to match your investment strategy and investor profile.
Where should you invest?

How to build your own combination of funds

1. Determine your risk tolerance by completing the Your Investor Profile questionnaire at dfs.ca/participant.

2. Based on the asset allocation that matches your investor profile and investment horizon, choose a fund portfolio or a combination of à la carte funds from the list of funds available under your plan.

3. Enter your choice in the Your Investment Instructions section at dfs.ca/participant. You can make changes at any time on the website or by contacting the Desjardins Insurance Customer Contact Centre.
Where should you invest?

One page fund summaries

- Information on manager
- Objective, style of fund
- Top 10 holdings
- Portfolio composition
- Gross rates of return
Market Review

As at March 31st, 2019
Our Investment Team

9 professionals
Jean-Pascal Plamondon, FSA, FICA
Jean-Philippe Provost, CFA
Malek Bey, FSA
Marc Forget, CFA, ASA
Geneviève Dufour
Francis Gagnon
Marie-Pier Mercier
Franziska Fang FSA, FICA
Fella Amrouche

- Investment strategy and operations
- Support for defined benefit and defined contribution plans
- Evolution of our investment platform
Overview of index returns
As at December 31st, 2018

Source: Morningstar Direct
Overview of index returns
As at March 31st, 2019

FTSE Canada 91-days Treasury Bills
FTSE Canada Short term
FTSE Canada Long term
FTSE Canada Universe
S&P/TSX
S&P/TSX small capitalization
S&P 500 (CAD)
S&P 500 (USD)
MSCI EAFE Net (CAD)
MSCI ACWI Net EX US (CAD)
MSCI World Net (CAD)
MSCI ACWI Net (CAD)
MSCI World small cap. (CAD)
MSCI Emerging Markets (CAD)

First quarter  
- FTSE Canada 91-days Treasury Bills: 0.4%
- FTSE Canada Short term: 1.7%
- FTSE Canada Long term: 3.9%
- FTSE Canada Universe: 6.9%
- S&P/TSX: 13.3%
- S&P/TSX small capitalization: 10.7%
- S&P 500 (CAD): 11.2%
- S&P 500 (USD): 13.6%
- MSCI EAFE Net (CAD): 7.6%
- MSCI ACWI Net EX US (CAD): 7.9%
- MSCI World Net (CAD): 10.0%
- MSCI ACWI Net (CAD): 9.7%
- MSCI World small cap. (CAD): 11.2%
- MSCI Emerging Markets (CAD): 7.5%

1 year  
- FTSE Canada 91-days Treasury Bills: 1.5%
- FTSE Canada Short term: 3.5%
- FTSE Canada Long term: 5.3%
- FTSE Canada Universe: 8.1%
- S&P/TSX: 13.5%
- S&P/TSX small capitalization: -1.8%
- S&P 500 (CAD): 9.5%
- S&P 500 (USD): -0.2%
- MSCI EAFE Net (CAD): -0.8%
- MSCI ACWI Net EX US (CAD): 7.8%
- MSCI World Net (CAD): 6.3%
- MSCI World small cap. (CAD): 2.1%
- MSCI Emerging Markets (CAD): -4.1%

Source: Morningstar Direct
Yield curve
As at March 31st, 2019

Government of Canada bond yield curves

FTSE Universe bond index

Recap of rate increases by the BoC

Source: Bank of Canada

Source: Morningstar Direct
Canadian Stock Market - Returns
As at March 31st, 2019

Source: MSCI

Sector returns

<table>
<thead>
<tr>
<th>Sector (weight)</th>
<th>Return (Q1 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health care (2.2%)</td>
<td>49.1%</td>
</tr>
<tr>
<td>Information technology (4.5%)</td>
<td>26.0%</td>
</tr>
<tr>
<td>Real estate (3.5%)</td>
<td>17.5%</td>
</tr>
<tr>
<td>Utilities (4.2%)</td>
<td>16.1%</td>
</tr>
<tr>
<td>Energy (18.0%)</td>
<td>15.6%</td>
</tr>
<tr>
<td>Industrials (10.9%)</td>
<td>15.3%</td>
</tr>
<tr>
<td>S&amp;P/TSX</td>
<td>13.3%</td>
</tr>
<tr>
<td>Consumer staples (3.9%)</td>
<td>10.6%</td>
</tr>
<tr>
<td>Financials services (31.7%)</td>
<td>10.4%</td>
</tr>
<tr>
<td>Telecommunication services (5.8%)</td>
<td>10.0%</td>
</tr>
<tr>
<td>Consumer discretionary (4.1%)</td>
<td>9.8%</td>
</tr>
<tr>
<td>Materials (11.2%)</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

Source: Morningstar Direct

S&P/TSX index

Jan: 8.7%
Feb: 3.2%
Mar: 1.0%

Source: MSCI
U.S. Stock Market – Returns
As at March 31st, 2019

Sector returns

<table>
<thead>
<tr>
<th>Sector</th>
<th>Weight</th>
<th>Return (Q1 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information technology</td>
<td>21.2%</td>
<td>17.3%</td>
</tr>
<tr>
<td>Real estate</td>
<td>3.1%</td>
<td>15.1%</td>
</tr>
<tr>
<td>Industrials</td>
<td>9.5%</td>
<td>14.7%</td>
</tr>
<tr>
<td>Energy</td>
<td>5.4%</td>
<td>14.0%</td>
</tr>
<tr>
<td>Consumer discretionary</td>
<td>10.1%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Telecommunication services</td>
<td>10.1%</td>
<td>11.6%</td>
</tr>
<tr>
<td>S&amp;P 500 (CAD)</td>
<td></td>
<td>11.2%</td>
</tr>
<tr>
<td>Consumer staples</td>
<td>7.3%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Utilities</td>
<td>3.3%</td>
<td>8.5%</td>
</tr>
<tr>
<td>Materials</td>
<td>2.6%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Financials services</td>
<td>12.7%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Health care</td>
<td>14.6%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

Source: MSCI

S&P 500 Index (CAD)

2019
11.2%

Source: Morningstar Direct
International Equity – Returns
As at March 31st, 2019

MSCI EAFE index (CAD)

Source: Morningstar Direct

EAFE stands for:
Europe
Australasia
Far East

Source: MSCI

Sector returns

<table>
<thead>
<tr>
<th>Sector (weight)</th>
<th>Sector returns</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information technology (6.3%)</td>
<td>13.2%</td>
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</tr>
<tr>
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<td>10.6%</td>
</tr>
<tr>
<td>Consumer staples (11.8%)</td>
<td>10.1%</td>
</tr>
<tr>
<td>Health care (11.3%)</td>
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</tr>
<tr>
<td>Energy (5.8%)</td>
<td>8.4%</td>
</tr>
<tr>
<td>MSCI EAFE Net CAD</td>
<td>7.6%</td>
</tr>
<tr>
<td>Utilities (3.7%)</td>
<td>6.9%</td>
</tr>
<tr>
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<td>4.9%</td>
</tr>
<tr>
<td>Telecommunication services (5.4%)</td>
<td>2.7%</td>
</tr>
</tbody>
</table>

Q1 2019 return

Source: MSCI
Fund Performance Review

As at March 31st, 2019
<table>
<thead>
<tr>
<th>Funds available in your plan</th>
</tr>
</thead>
</table>

**Off the shelf – Lifecycle Path**
- BlackRock® LifePath Index Funds (Retirement, 2020, 2025, 2030, 2035, 2040, 2045, 2050, 2055)

**“Do it yourself” – À La Carte Funds**
- DGIA Money Market
- DFS BlackRock® Universe Bond Index
- Jarislowsky Fraser Balanced
- CC&L Canadian Equity
- DFS BlackRock® US Equity Index
- Fiera Global Equity
- Baillie Gifford International Equity
There were no changes to the funds available in your plan in 2018.

In the next slides, we will see how these funds performed in the last year and the reasons behind their performance.

There are two types of funds in your plan: actively managed funds and passively managed funds. A manager of actively managed funds will analyse companies and based on certain pre-determined criteria, will invest in those that they believe will achieve good returns.

The passively managed funds that are available are index funds. The goal of an index fund is to replicate a given market index as closely as possible, and thus invest in companies that are present in the index.
## Fund Review – BlackRock LifePath

Returns as at March 31\textsuperscript{st}, 2019

<table>
<thead>
<tr>
<th>TARGET DATE AND ASSET ALLOCATION</th>
<th>3 months</th>
<th>YTD</th>
<th>1 year</th>
<th>2 years*</th>
<th>3 years*</th>
<th>4 years*</th>
<th>5 years*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Returns</td>
<td>A.V.</td>
<td>Returns</td>
<td>A.V.</td>
<td>Returns</td>
<td>A.V.</td>
<td>Returns</td>
</tr>
<tr>
<td>DFS BlackRock® LifePath® Retirement Index I</td>
<td>6.79%</td>
<td>-0.01%</td>
<td>6.79%</td>
<td>-0.01%</td>
<td>5.81%</td>
<td>-0.05%</td>
<td>5.05%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>6.79%</td>
<td>6.79%</td>
<td>5.86%</td>
<td>5.07%</td>
<td>5.84%</td>
<td>3.69%</td>
<td>5.18%</td>
</tr>
<tr>
<td>DFS BlackRock® LifePath® 2020 Index</td>
<td>6.98%</td>
<td>-0.03%</td>
<td>6.98%</td>
<td>-0.03%</td>
<td>6.18%</td>
<td>-0.01%</td>
<td>5.40%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>7.01%</td>
<td>7.01%</td>
<td>6.19%</td>
<td>5.39%</td>
<td>6.58%</td>
<td>4.11%</td>
<td>6.26%</td>
</tr>
<tr>
<td>DFS BlackRock® LifePath® 2025 Index</td>
<td>7.91%</td>
<td>-0.04%</td>
<td>7.91%</td>
<td>-0.04%</td>
<td>6.91%</td>
<td>-0.01%</td>
<td>5.96%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>7.95%</td>
<td>7.95%</td>
<td>6.92%</td>
<td>5.95%</td>
<td>7.42%</td>
<td>4.75%</td>
<td>7.00%</td>
</tr>
<tr>
<td>DFS BlackRock® LifePath® 2030 Index</td>
<td>8.74%</td>
<td>-0.04%</td>
<td>8.74%</td>
<td>-0.04%</td>
<td>7.46%</td>
<td>-0.02%</td>
<td>6.40%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>8.77%</td>
<td>8.77%</td>
<td>7.48%</td>
<td>6.37%</td>
<td>8.15%</td>
<td>5.23%</td>
<td>7.40%</td>
</tr>
<tr>
<td>DFS BlackRock® LifePath® 2035 Index</td>
<td>9.49%</td>
<td>-0.04%</td>
<td>9.49%</td>
<td>-0.04%</td>
<td>8.02%</td>
<td>0.05%</td>
<td>6.84%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>9.54%</td>
<td>9.54%</td>
<td>7.97%</td>
<td>6.77%</td>
<td>8.85%</td>
<td>5.72%</td>
<td>7.87%</td>
</tr>
<tr>
<td>DFS BlackRock® LifePath® 2040 Index</td>
<td>10.19%</td>
<td>-0.04%</td>
<td>10.19%</td>
<td>-0.04%</td>
<td>8.54%</td>
<td>0.06%</td>
<td>7.26%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>10.22%</td>
<td>10.22%</td>
<td>8.48%</td>
<td>7.18%</td>
<td>9.53%</td>
<td>6.28%</td>
<td>8.40%</td>
</tr>
<tr>
<td>DFS BlackRock® LifePath® 2045 Index</td>
<td>10.77%</td>
<td>-0.04%</td>
<td>10.77%</td>
<td>-0.04%</td>
<td>9.03%</td>
<td>0.08%</td>
<td>7.64%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>10.81%</td>
<td>10.81%</td>
<td>8.96%</td>
<td>7.54%</td>
<td>10.09%</td>
<td>6.74%</td>
<td>8.88%</td>
</tr>
<tr>
<td>DFS BlackRock® LifePath® 2050 Index</td>
<td>10.99%</td>
<td>-0.08%</td>
<td>10.99%</td>
<td>-0.08%</td>
<td>9.24%</td>
<td>-0.02%</td>
<td>7.80%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>11.07%</td>
<td>11.07%</td>
<td>9.25%</td>
<td>7.75%</td>
<td>10.36%</td>
<td>6.97%</td>
<td>9.13%</td>
</tr>
<tr>
<td>DFS BlackRock® LifePath® 2055 Index</td>
<td>11.01%</td>
<td>-0.09%</td>
<td>11.01%</td>
<td>-0.09%</td>
<td>9.22%</td>
<td>-0.09%</td>
<td>7.79%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>11.10%</td>
<td>11.10%</td>
<td>9.31%</td>
<td>7.79%</td>
<td>10.40%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>
## Fund Review – Fixed Income & Balanced

Returns as at March 31st, 2019

<table>
<thead>
<tr>
<th>FIXED INCOME</th>
<th>3 months Returns</th>
<th>A.V.</th>
<th>YTD Returns</th>
<th>A.V.</th>
<th>1 year Returns</th>
<th>A.V.</th>
<th>2 years* Returns</th>
<th>A.V.</th>
<th>3 years* Returns</th>
<th>A.V.</th>
<th>4 years* Returns</th>
<th>A.V.</th>
<th>5 years* Returns</th>
<th>A.V.</th>
</tr>
</thead>
<tbody>
<tr>
<td>DGIA Money Market</td>
<td>0.54%</td>
<td>0.15%</td>
<td>0.54%</td>
<td>0.15%</td>
<td>1.95%</td>
<td>0.48%</td>
<td>1.57%</td>
<td>0.45%</td>
<td>1.49%</td>
<td>0.59%</td>
<td>1.37%</td>
<td>0.57%</td>
<td>1.41%</td>
<td>0.58%</td>
</tr>
<tr>
<td>FTSE Canada 91-Day Treasury Bills</td>
<td>0.40%</td>
<td>0.40%</td>
<td>1.47%</td>
<td>1.11%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DFS BlackRock® Universe Bond Index</td>
<td>3.92%</td>
<td>0.01%</td>
<td>3.92%</td>
<td>0.01%</td>
<td>5.24%</td>
<td>-0.03%</td>
<td>3.28%</td>
<td>-0.02%</td>
<td>2.69%</td>
<td>-0.01%</td>
<td>2.19%</td>
<td>-0.02%</td>
<td>3.76%</td>
<td>-0.02%</td>
</tr>
<tr>
<td>FTSE Canada Universe</td>
<td>3.91%</td>
<td>3.91%</td>
<td>5.27%</td>
<td>3.30%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BALANCED FUNDS</th>
<th>3 months Returns</th>
<th>A.V.</th>
<th>YTD Returns</th>
<th>A.V.</th>
<th>1 year Returns</th>
<th>A.V.</th>
<th>2 years* Returns</th>
<th>A.V.</th>
<th>3 years* Returns</th>
<th>A.V.</th>
<th>4 years* Returns</th>
<th>A.V.</th>
<th>5 years* Returns</th>
<th>A.V.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jarislowsky Fraser Balanced</td>
<td>8.00%</td>
<td>0.14%</td>
<td>8.00%</td>
<td>0.14%</td>
<td>7.13%</td>
<td>0.75%</td>
<td>5.22%</td>
<td>0.16%</td>
<td>7.09%</td>
<td>0.24%</td>
<td>5.48%</td>
<td>0.86%</td>
<td>7.22%</td>
<td>1.27%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>7.86%</td>
<td>7.86%</td>
<td>6.38%</td>
<td>5.07%</td>
<td>6.85%</td>
<td>4.62%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Returns as at March 31st, 2019.
# Fund Review – Equity

Returns as at March 31st, 2019

<table>
<thead>
<tr>
<th>CANADIAN EQUITY</th>
<th>3 months Returns</th>
<th>YTD Returns</th>
<th>1 year Returns</th>
<th>2 years* Returns</th>
<th>3 years* Returns</th>
<th>4 years* Returns</th>
<th>5 years* Returns</th>
</tr>
</thead>
<tbody>
<tr>
<td>CC&amp;L Canadian Equity</td>
<td>13.22%</td>
<td>-0.07%</td>
<td>5.34%</td>
<td>-2.77%</td>
<td>4.39%</td>
<td>-0.47%</td>
<td>8.77%</td>
</tr>
<tr>
<td>S&amp;P/TSX Capped</td>
<td>13.29%</td>
<td>3.01%</td>
<td>8.11%</td>
<td>4.86%</td>
<td>9.26%</td>
<td>5.07%</td>
<td>5.44%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FOREIGN EQUITY</th>
<th>3 months Returns</th>
<th>YTD Returns</th>
<th>1 year Returns</th>
<th>2 years* Returns</th>
<th>3 years* Returns</th>
<th>4 years* Returns</th>
<th>5 years* Returns</th>
</tr>
</thead>
<tbody>
<tr>
<td>DFS BlackRock® US Equity Index</td>
<td>11.14%</td>
<td>-0.03%</td>
<td>13.35%</td>
<td>-0.11%</td>
<td>11.77%</td>
<td>-0.05%</td>
<td>14.68%</td>
</tr>
<tr>
<td>S&amp;P 500 (Canadian dollars)</td>
<td>11.16%</td>
<td>11.16%</td>
<td>13.46%</td>
<td>11.82%</td>
<td>14.74%</td>
<td>11.94%</td>
<td>15.22%</td>
</tr>
<tr>
<td>Fiera Global Equity</td>
<td>13.03%</td>
<td>3.01%</td>
<td>15.45%</td>
<td>7.66%</td>
<td>15.72%</td>
<td>6.93%</td>
<td>16.63%</td>
</tr>
<tr>
<td>MSCI World Net</td>
<td>10.02%</td>
<td>10.02%</td>
<td>7.78%</td>
<td>8.79%</td>
<td>11.88%</td>
<td>8.40%</td>
<td>10.93%</td>
</tr>
<tr>
<td>Baillie Gifford International Equity</td>
<td>16.77%</td>
<td>8.87%</td>
<td>16.77%</td>
<td>8.87%</td>
<td>14.66%</td>
<td>8.97%</td>
<td>16.95%</td>
</tr>
<tr>
<td>MSCI All Country World Ex-USA Net</td>
<td>7.90%</td>
<td>7.90%</td>
<td>0.66%</td>
<td>5.69%</td>
<td>8.76%</td>
<td>4.78%</td>
<td>6.50%</td>
</tr>
</tbody>
</table>
Staying on track, your way
Get online access to your account at www.dfs.ca/participant

You'll need your group number (G003908) and your employee number or participant number.
Staying on track, your way

Registration for online services

Information
Create an account to access services and information about your group retirement savings. Be sure to have your group number and participant number on hand.

Identification
Last name
First name
Date of birth
Group number

G003908
Select an identifier
- Participant number
- Employee number

Your account
Have you already signed up for online services for a group insurance, individual insurance or group pension plan?
- Yes
- No

Need help?
Call Us
1 800 968-3587
(Monday to Friday, 8:00 a.m. to 8:00 p.m. ET)

Create your account
Choose a user ID
Create a password
Password reminder
Security question
What is your mother’s first name?

Exit  Next
Staying on track, your way

Welcome TEENA

On Target Retirement—retirement planning made simple

A NEW RESOURCE TO HELP YOU MANAGE YOUR FINANCES

Messages

What’s a Lifestyle path?
A new vlog helps you understand life transitions, work.

All your messages
Staying on track, your way

Under “Your profile”, you can change:
- Address
- Email
- Phone number
- Language preference
- Statement preference
Staying on track,
your way

Welcome TEENA

Your accumulated savings

AS AT APRIL 29, 2019
Staying on track, your way
Staying on track, your way

Welcome TEENA

Your accumulated savings

AS AT APRIL 29, 2019

G003908 - MCMASTER UNIVERSITY
Staying on track, your way

Welcome TEENA

You receive two contribution receipts from Desjardins:

1. For the first sixty days of the year
2. For the rest of the year

Your accumulated savings

AS AT APRIL 29, 2019

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>RRSP restrictive</td>
<td>$2,131.16</td>
</tr>
<tr>
<td>Current year</td>
<td>$1,167.16</td>
</tr>
<tr>
<td>Rest of the year</td>
<td>$964.00</td>
</tr>
<tr>
<td>Previous year</td>
<td>$4,793.24</td>
</tr>
</tbody>
</table>
Staying on track,
your way

Welcome TEENA

Your accumulated savings

AS AT APRIL 29, 2019

G003908 - MCMASTER UNIVERSITY
Staying on track,
your way

Welcome TEENA

Your accumulated savings

AS AT APRIL 29, 2019

G003908 - MCMASTER UNIVERSITY
Staying on track, your way

### Guaranteed funds

These funds have a fixed interest rate and guarantee that at the end of a given period, you’ll receive the capital you’ve invested and the interest.

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Interest Rate (as of 24 April 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>156 Guaranteed Fund 5 Years</td>
<td>2.40%</td>
</tr>
<tr>
<td>158 Guaranteed Fund 3 Years</td>
<td>2.15%</td>
</tr>
<tr>
<td>160 Guaranteed Fund 1 Year</td>
<td>1.75%</td>
</tr>
</tbody>
</table>

### Pooled funds

These funds invest in diverse securities with different levels of risk according to the particular investment objectives. The capital and returns aren’t guaranteed.

- Portfolios of funds
- Fixed Income
- Canadian Equity
- Foreign Equity
- Balanced Funds
Staying on track,
your way

<table>
<thead>
<tr>
<th>Pooled funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>These funds invest in diverse securities with different levels of risk according to the particular investment objectives. The capital and returns aren't guaranteed.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Portfolios of funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>300 DFS BlackRock® LifePath® Retirement Index</td>
</tr>
<tr>
<td>[PDF 103 ko]</td>
</tr>
<tr>
<td>Annual management*, investment and operating fees</td>
</tr>
<tr>
<td>Withdrawn from the fund</td>
</tr>
<tr>
<td>Paid by the participant</td>
</tr>
<tr>
<td>Annualized gross rates of return as at 31 March 2019 **</td>
</tr>
<tr>
<td>Last year</td>
</tr>
<tr>
<td>Last 3 years</td>
</tr>
<tr>
<td>Last 5 years</td>
</tr>
<tr>
<td>Last 10 years</td>
</tr>
</tbody>
</table>

| 302 DFS BlackRock® LifePath® 2020 |
| [PDF 103 ko] |
| Annual management*, investment and operating fees |
| Withdrawn from the fund | 0.43 % |
| Paid by the participant | 0.51 % |
| Annualized gross rates of return as at 31 March 2019 ** |
| Last year | 6.18 % |
| Last 3 years | 6.59 % |
| Last 5 years | 6.32 % |
| Last 10 years | 9.12 % |

| 303 DFS BlackRock® LifePath® 2025 |
| [PDF 103 ko] |
| Annual management*, investment and operating fees |
| Withdrawn from the fund | 0.44 % |
| Paid by the participant | 0.51 % |
| Annualized gross rates of return as at 31 March 2019 ** |
| Last year | 6.91 % |
| Last 3 years | 7.45 % |
| Last 5 years | 7.01 % |
| Last 10 years | 9.89 % |

| 304 DFS BlackRock® LifePath® 2030 |
| [PDF 103 ko] |
| Annual management*, investment and operating fees |

| 305 DFS BlackRock® LifePath® 2035 |
| [PDF 103 ko] |
| Annual management*, investment and operating fees |

| 306 DFS BlackRock® LifePath® 2040 |
| [PDF 103 ko] |
| Annual management*, investment and operating fees |
Staying on track,

your way

Guaranteed funds

These funds have a fixed interest rate and guarantee that at the end of a given period, you’ll receive the capital you’ve invested and the interest.

- 156 Guaranteed Fund 5 Years
  - Interest rate on 24 April 2019: 2.40%

- 158 Guaranteed Fund 3 Years
  - Interest rate on 24 April 2019: 2.15%

- 160 Guaranteed Fund 1 Year
  - Interest rate on 24 April 2019: 1.75%

Pooled funds

These funds invest in diverse securities with different levels of risk according to the particular investment objectives. The capital and returns aren’t guaranteed.

Portfolios of funds
- Fixed Income
- Canadian Equity
- Foreign Equity
- Balanced Funds
Staying on track, your way

### Guaranteed funds
These funds have a fixed interest rate and guarantee that at the end of a given period, you’ll receive the capital you've invested and the interest.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Interest rate on 24 April 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>156 Guaranteed Fund 5 Years</td>
<td>2.40%</td>
</tr>
<tr>
<td>158 Guaranteed Fund 3 Years</td>
<td>2.15%</td>
</tr>
<tr>
<td>160 Guaranteed Fund 1 Year</td>
<td>1.75%</td>
</tr>
</tbody>
</table>

### Pooled funds
These funds invest in diverse securities with different levels of risk according to the particular investment objectives. The capital and returns aren’t guaranteed.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Annual management*, investment and operating fees</th>
<th>Annualized gross rates of return as at 31 March 2019 **</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Withdrawn from the fund</td>
<td>Paid by the participant</td>
</tr>
<tr>
<td>Portfolios of funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>300 DFS BlackRock® LifePath® Retirement Index</td>
<td>0.44 %</td>
<td>0.51 %</td>
</tr>
<tr>
<td>302 DFS BlackRock® LifePath® 2020 Index</td>
<td>0.43 %</td>
<td>0.51 %</td>
</tr>
<tr>
<td>303 DFS BlackRock® LifePath® 2025 Index</td>
<td>0.44 %</td>
<td>0.51 %</td>
</tr>
<tr>
<td>304 DFS BlackRock® LifePath® 2030 Index</td>
<td>0.44 %</td>
<td>0.51 %</td>
</tr>
<tr>
<td>306 DFS BlackRock® LifePath® 2035 Index</td>
<td>0.44 %</td>
<td>0.51 %</td>
</tr>
<tr>
<td>308 DFS BlackRock® LifePath® 2040 Index</td>
<td>0.44 %</td>
<td>0.51 %</td>
</tr>
<tr>
<td>307 DFS BlackRock® LifePath® 2045 Index</td>
<td>0.44 %</td>
<td>0.51 %</td>
</tr>
<tr>
<td>317 DFS BlackRock® LifePath® 2050 Index</td>
<td>0.47 %</td>
<td>0.61 %</td>
</tr>
</tbody>
</table>

** n/a (not applicable)
Staying on track, your way

Welcome TEENA

Your accumulated savings

AS AT APRIL 29, 2019
Staying on track, your way

Welcome TEENA

Your transactions
- Enrol in a plan
- Change your investment instructions
- Contribute to your plan
- Rebalance assets
- Transfer between funds
- Make a withdrawal
- Designate your beneficiaries

Your accumulated savings

AS AT APRIL 29, 2019

Lump sum contributions

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Staying on track, your way

Welcome TEENA

Your accumulated savings

AS AT APRIL 29, 2019

You may withdraw additional voluntary contributions
Staying on track, your way

Welcome TEENA

Your accumulated savings

AS AT APRIL 29, 2019

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No paper forms to complete
Staying on track, your way

On Target Retirement

Target income
$42,000/year
Projected income
$38,819/year
Likelihood of success: 75%

Recommended additional contribution:
$127/month

Show details
Staying on track, your way

Reach your retirement target

To reach your retirement target, follow the recommendations in the order suggested.

⚠️ Insufficient contributions for your goal

Be careful! You aren't contributing enough to reach your target.

In your scenario, you indicated that you're currently contributing 6.5% of your salary to your group plan, but according to my calculations, to reach your target that number should be 9.04% of your salary.

Alternatively, you could reach your target by making a lump-sum contribution.

If you decide to change your contribution amount, don't forget to update the Your situation page.

Contribute to your plan

☐ Instructions in line with your profile

☐ Rebalancing does not apply to this type of path
Staying on track, your way

Your retirement income

Your retirement income includes amounts coming from your savings, your other sources of income and your government plans.

Target income $42,000/year

Projected income $39,810/year
Likelihood of success: 75%

Shortfall $3,181

Retirement savings plans $12,091/year

Defined benefits $0/year

Other income sources $0/year

Government plans (CPP, QPP, OAS) $26,727/year
Staying on track, your way

Your situation

Adjust your objective

Planned retirement age
65

Target retirement income
70%

Adjust your savings approach

Group plan contributions
6.50%
Staying on track, your way

Participant statements

- Summary and detailed information
- Mailed to your home
- Available online
Staying on track, your way

Customer Contact Centre

- Investment information and guidance
- Information about your account and plan
- Interfund transfers
- Completing forms
- Available from 8 a.m. to 8 p.m. EST, Monday to Friday

1-800-968-3587
Staying on track, your way

1 on 1 education sessions

- Sign up for June 6
- ½ hour sessions
Thank you!