



knowledge**first**
FOUNDATION

LA PREMIÈRE
fondation**du savoir**

Special Meeting of Subscribers of Family Group Education Savings Plan

To be held at 10:00 a.m. (EDT) on May 30, 2019 at

Knowledge First Financial Inc.
50 Burnhamthorpe Road West,
Suite 1000 (10th floor)
Mississauga, Ontario L5B 4A5

THE KNOWLEDGE FIRST FOUNDATION BOARD OF DIRECTORS HAS APPROVED THE PROPOSED PLAN CHANGES FOR THE FAMILY GROUP EDUCATION SAVINGS PLAN AND RECOMMENDS THAT CUSTOMERS VOTE IN FAVOUR OF THE RESOLUTION ATTACHED AS SCHEDULE "A" OF THE ACCOMPANYING INFORMATION CIRCULAR.

NOTICE OF SPECIAL MEETING OF SUBSCRIBERS OF FAMILY GROUP EDUCATION SAVINGS PLAN

NOTICE IS HEREBY GIVEN that a special meeting of the subscribers (the “**Special Meeting**”) of the Family Group Education Savings Plan will be held on **May 30, 2019** at the offices of Knowledge First Financial Inc., 50 Burnhamthorpe Road West, Suite 1000, Mississauga, Ontario, L5B 4A5 at 10:00 a.m. (EDT) for the following purposes:

- to consider and, if deemed appropriate, to pass a resolution as set out in **Schedule “A”** to the accompanying management information circular; and
- to transact such other business as may properly come before the Special Meeting or any adjournment thereof.

DATED at Mississauga, Ontario the 1st day of April, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS OF KNOWLEDGE FIRST FOUNDATION,
SPONSOR OF THE FAMILY GROUP EDUCATION SAVINGS PLAN**

“Donald W. Hunter, Chairman”

IMPORTANT: You can vote in person by attending the Special Meeting and casting your vote. If it is not your intention to be present in person at the Special Meeting, you can vote by proxy. To vote by proxy, you can choose one of the following methods:

- **Online, through a secure website:** Go to www.investorvote.com and enter the Control Number provided in the left-hand corner of your Proxy Form. You will be directed to a dedicated website describing your voting options and giving you the ability to vote. To vote with a smartphone, scan the QR code on the Proxy Form;
- **By Phone:** Vote by phone by calling 1-866-723-VOTE (8683), entering the Control Number provided in the left-hand corner of your Proxy Form and following the interactive prompts; or
- **By Mail:** Cast your vote on the enclosed Proxy Form and sign, date and return the form in the Business Reply Envelope provided.

For your proxy vote to count at the Special Meeting, your vote must be cast online or by phone or received by mail at Computershare Proxy Department, PO Box 18210 STN BRM B, Toronto, ON M7Y 3J1, **by 10:00 a.m. EDT on Tuesday, May 28, 2019**. If you are attending the Special Meeting and voting by proxy, proxies must be given to the Chairman of the Special Meeting on the day of the Special Meeting, before the meeting starts.

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MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (“**Information Circular**”) is being sent to subscribers (“**Customers**”) of the Family Group Education Savings Plan (the “**Group Plan**”) by Knowledge First Foundation (“**Foundation**”), formerly known as The International Scholarship Foundation, the sponsor of the Group Plan, in connection with the solicitation of proxies to be used at a Special Meeting of Customers of the Group Plan to be held on **May 30, 2019** starting at 10:00 a.m. EDT (the “**Meeting Date**”) for the reasons set out in this Information Circular and notice calling the Special Meeting. In this Information Circular, subscribers of the Group Plan are referred to as Customers.

The Special Meeting and any Special Meeting adjournments will be held at the offices of Knowledge First Financial Inc. (the “**Manager**”), 50 Burnhamthorpe Road West, Suite 1000, Mississauga, Ontario, L5B 4A5. The Manager is a wholly owned subsidiary of the Foundation and will bear the costs of soliciting proxies for the Special Meeting. Proxies may be solicited by mail, and the directors, officers and employees of the Foundation may solicit proxies personally, by mail, phone or online.

Computershare Investor Services Inc. has been retained to assist in connection with the Foundation’s communication with Customers.

Except as otherwise stated, the information contained in this Information Circular is given as of April 1, 2019.

NOTICE AND ACCESS

The Foundation, upon the Manager receiving approval from securities regulators in a decision dated March 21, 2019, has elected to deliver the materials in respect of the Special Meeting pursuant to the notice and access provisions (“**Notice and Access**”) of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*. Notice and Access is a set of rules that reduces the volume of materials that must be physically mailed to Customers by allowing the Foundation to deliver meeting materials to Customers electronically by providing Customers with access to these materials online.

In accordance with the Notice and Access provisions and other requirements, a notice, proxy form and voting instruction form (together, the “**Notice Package**”) has been sent to all Customers informing them that this Information Circular is available online and explaining how this Information Circular may be accessed, in addition to outlining relevant dates and matters to be discussed at the Special Meeting.

The Notice of Meeting and Information Circular (collectively, the “**Proxy-Related Materials**”) have been made available online to Customers at www.knowledgefirstfinancial.ca/subscribervote and under the Group Plan’s profile on SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com. The Foundation will mail the Notice Package to Customers.

For the Special Meeting, the Foundation is using Notice and Access delivery procedures for Customers. Customers will not receive a paper copy of this Information Circular unless they contact the Manager after it is posted, in which case the Corporation will mail this Information Circular within three business days of any request provided the request is made prior to the Special Meeting. Customers wishing to receive paper copies of the Proxy-Related Materials can request same from the

Manager by calling 1 800 363-7377 or by e-mailing vote@kffinancial.ca. The Manager must receive your request prior to **5:00 p.m. (EDT) on Friday, May 17, 2019** to ensure you will receive paper copies of the Proxy-Related Materials in advance of the deadline to submit your vote.

INTRODUCTION

The Foundation, a Canadian not-for-profit corporation, is the sponsor of the Group Plan and other education savings plans. The Foundation has been assisting Canadian families with saving for their children's post-secondary education since 1965. The Group Plan is established under an amended and restated trust agreement between the Foundation and Bank of Nova Scotia Trust Company dated as of November 1, 2018 (the "**Trust Agreement**").

Sales of the Group Plan started in November 1994 and have been continually offered since that time. Group Plan Customers enter into an Education Assistance Agreement ("**Group Plan EAA**") with the Foundation when they enroll in the Group Plan that details the Plan's features and design, including how to qualify for education assistance payments ("**EAPs**"). In this Information Circular the Foundation is seeking approval of Customers to amend the Group Plan EAA and amend and terminate the Trust Agreement to:

- allow the Foundation to transfer the assets of the Group Plan to the Family Single Student Plan ("**Single Student Plan**"), another education savings plan sponsored by the Foundation, for the purpose of winding up the Group Plan; and
- thereby provide a proportionate transfer of the Group Plan assets represented by the attrition income within the Group Plan to Group Plan Customers.

Under these proposals (the "**Proposed Changes**"), the terms of the Group Plan EAA will be amended to allow the Foundation to transfer the assets of the Group Plan to the Single Student Plan and thereafter terminate the Group Plan EAA of each Customer. Following this transfer of assets, it is the Foundation's intention that the Group Plan will be formally wound-up and dissolved by means of terminating the Trust Agreement.

The Proposed Changes would become effective on January 1, 2020, or such other date as may be determined by the Foundation in its sole discretion (the "**Effective Date**"), after receiving approval of the resolution attached hereto as **Schedule "A"** (the "**Transfer Resolution**") by a majority of the votes cast at the Special Meeting (whether in person or by proxy) in favour of the Transfer Resolution.

BACKGROUND

The Group Plan, an education savings plan first offered by the Foundation in 1994, was established to allow families to save for their children's post-secondary education. Customers enroll in the Group Plan by completing an enrolment application form and other documents, which, upon approval, establish an agreement for the Customer (the "**Customer Agreement**"). Each Customer Agreement is governed by the Group Plan EAA, representing the contract between the Customer and the Foundation. Each Customer Agreement represents a certain number of units in the Group Plan ("**Group Plan Units**") that the Customer agrees to make contributions on over the life of the Customer Agreement. Where the Customer makes all scheduled contributions and fulfills all other requirements of the Group Plan EAA, the Customer will be able to apply for one or more EAPs for their designated beneficiary under their Customer Agreement (the "**Student**"), the amount of which

is determined by reference to the number of Group Plan Units in each Customer Agreement. In 1974, the federal government enacted changes to the requirements of the *Income Tax Act* (Canada) (the “**Tax Act**”), establishing Registered Education Savings Plans (“**RESP**”) as a tax-deferred vehicle to encourage saving towards post-secondary education. The Foundation registered the Group Plan EAA under these provisions of the Tax Act, establishing the Group Plan as a RESP for its Customers.

To encourage savings, the Group Plan EAA rewards Customers who contribute to their Customer Agreement continuously from enrollment until the scheduled maturity date of the Customer Agreement, generally July 31st of the year the Student is anticipated to enroll in his or her first year of post-secondary education (known as the Customer Agreement’s “**Maturity Date**”). The Manager tracks each Customer Agreement by its Maturity Date and identifies all Customer Agreements with the same Maturity Date as belonging to that cohort of Customer Agreements (“**Cohort Year**”).

However, the Group Plan EAA penalizes other Customers who, for whatever reason, are not able to contribute to their Customer Agreement continuously or chose to cancel their Customer Agreement before its Maturity Date. Customers who fail to make all scheduled contributions or who cancel their Customer Agreement before its Maturity Date forgo, or leave behind, the income earned on their contributions (net of fees), for the benefit of other Customers who made all their scheduled contributions (“**Pre-Maturity Attrition**”).

The Group Plan EAA also rewards Students who enroll in and complete a qualifying post-secondary education program. Those Students receive an EAP, comprised of grants, grant income and a share of the pool of income earned on net contributions attributed to all Customer Agreements in a given Cohort Year (“**Cohort Contribution Income**”) and any discretionary top-up payments provided by the Foundation. At the time the Group Plan was first offered, the only qualifying post-secondary education program was a four-year degree program offered by a university approved by the Foundation. Students that did not successfully complete a qualifying post-secondary program could not receive an EAP and would forgo, or leave behind, their share of Cohort Contribution Income for the benefit of other Students (“**Post-Maturity Attrition**”).

Since 1994, the Foundation has relaxed the Pre-Maturity and Post-Maturity Attrition terms through prior subscriber votes. In 2014, Customers voted in favour of the Foundation’s proposals that relaxed the Pre-Maturity Attrition terms by relaxing the rules where the Foundation could discontinue (and potentially cancel) the plan if the Customer missed, and did not make up, two or more contributions. In 2014, Customers also voted in favour of proposals to relax Post-Maturity Attrition terms by making it easier for Students to apply for an EAP and by expanding the number of qualifying post-secondary programs, to include programs beyond the traditional four-year degree program.

While these changes reduced the impact of Pre-Maturity and Post-Maturity Attrition, **they did not eliminate these provisions.** The existence of Pre-Maturity and Post-Maturity Attrition represents a **significant risk** to Customers and Students in realizing the maximum amount of benefits from their RESP. Key statistics on Group Plan attrition include:

- for 2018, only **32%** of Students enrolled in the Group Plan ultimately receive all three EAPs¹ – these Students benefit from attrition of other Customers and Students;
- for 2018, of the Students whose plans reached their Maturity Date, only **50%** of these Students received all three EAPs, and **25%** of these Students received no EAPs²;
- on average, since 2015, the combination of Pre-Maturity and Post-Maturity Attrition comprises approximately **15.4%** of the total payout for Students who receive all three EAPs; the attrition portion of the total payout is less for those Students who only receive one or two EAPs³;

- for 2018, of the of Students who remained in the Group Plan past maturity and did not receive all three EAPs, these Students are worse off by 15% to 100% compared to Students receiving EAPs from an Individual Plan⁴.

While Students who complete a traditional four-year university degree program have historically been better off in the Group Plan, due to attrition, there is a **significant risk** of not completing this type of program. Further, Students in the Group Plan who attend shorter post-secondary education programs, even if they complete these programs, may not be maximizing their full benefit from their RESP, as compared to Students who complete these programs while enrolled in an Individual Plan.

Income on Government Grants

Income earned on government grants has always been, and continues to be, excluded from Post-Maturity Attrition in the Group Plan. Grants and grant income can only be paid to Students as part of an EAP. However, if a Student does not apply for or qualify for one or more EAPs, under the rules of the Tax Act,

- upon application and if the Customer and Student meet certain criteria, the grant income can be paid to the Customer or rolled over to the Customer's RRSP, as an Accumulated Income Payment ("AIP"); and
- any remaining grant balances are returned to the federal or provincial government that paid out the grant.

Therefore, if a Student does not receive all three EAPs in the Group Plan, he or she is not taking full advantage of the government grants and grant income in their Customer Agreement that could otherwise be used if they were in an Individual Plan and received one or two EAPs.

PROPOSED PLAN CHANGES

1. Transfer of Group Plan Assets

The Group Plan is being actively distributed. There are approximately 278,846 Customers enrolled in the Group Plan, who have, and will continue to have on the Meeting Date, an economic interest in their Customer Agreement. This includes approximately 229,896 Customers whose Customer Agreements have not reached their scheduled Maturity Date and approximately 48,590 Customers whose Customer Agreements have reached the scheduled Maturity Date and are eligible to receive one or more EAPs.

As noted above, in the Group Plan there is a **significant risk** to Customers and Students in realizing the maximum benefit from their RESP. Further, the number of Students who do not receive the maximum benefits (all three EAPs) from the Group Plan is increasing. **As a result, the Foundation believes it is in the best interest of the Customers and their Students to wind-up the Group Plan** and transfer the assets (which include customer contributions (net of any fees), government grants, income on government grants and accumulated income (collectively, "**Assets**")) to another education savings plan, the Single Student Plan, which does not prevent Customers from receiving the maximum amount of EAPs available.

The Single Student Plan is an individual plan RESP (an "**Individual Plan**"), different in form from the Group Plan. An Individual Plan is a type of RESP where Customers contribute to the Plan, apply for

^{1,2,3,4} The Foundation tracks statistics of all Students who enroll in the Group Plan, including those who receive EAPs. The 2018 information is based on units for Students whose Customer Agreements were from the 2015 Year of Eligibility (Cohort Year), who were entitled to receive EAPs in 2016, 2017 and 2018.

and receive government grants and earn and accumulate income on their contributions (net of fees) and grants over the life of their RESP. When the Student is ready to attend post-secondary education, the Student applies for and receives an EAP (as per the Tax Act rules) consisting of all or a part of the grants, grant income and contribution income within the Customer Agreement. Any accumulated grant and contribution income that the Student does not withdraw as an EAP is available for the Customer to withdraw as an AIP in accordance with the Tax Act. **The Single Student Plan, as an Individual Plan, contains no terms or restrictions that prevent Students from receiving the maximum amount of EAPs to which the Student is eligible.**

The Group Plan EAA allows for a transfer of Assets, to the Single Student Plan, upon receiving a written request from the Customer, provided such request is prior to or within two years after the Maturity Date. As part of the efforts to wind-up the Group Plan, the Foundation is proposing the Proposed Changes and actions:

- to grant the Foundation the discretion to transfer Assets from the Group Plan to the Single Student Plan;
- to allow the Foundation to enter into an EAA for the Single Student Plan on behalf of each Customer and terminate the Customer's Group Plan EAA;
- to authorize the Foundation, if necessary, to amend the Trust Agreement to permit the transfer of Assets from the Group Plan to the Single Student Plan; and
- to terminate the Trust Agreement.

The Foundation is seeking consent of the Customers to enact the Proposed Changes pursuant to the Transfer Resolution attached hereto as **Schedule "A"**.

For the Proposed Changes to be implemented, a majority of the votes cast at the Special Meeting (either in person or by proxy) must be voted in favour of the Transfer Resolution. If the Transfer Resolution is passed, the Foundation is targeting to complete the transfers on the Effective Date and wind-down the Group Plan by February 28, 2020; however, the completion of these matters may be delayed, modified or abandoned in the sole discretion of the Foundation.

2. Calculation of Proportionate Asset Transfer

By transferring Assets of the Group Plan to the Single Student Plan, Customers may forgo the benefits of Pre-Maturity and/or Post-Maturity Attrition in the Group Plan. However, if the Transfer Resolution is passed, each Customer will receive, through the transfer of the Assets, a portion of the remaining accumulated income in the Group Plan ("**Proportionate Asset Transfer**"). The remaining accumulated income makes up part of the Assets of the Group Plan to be transferred to the Single Student Plan. The amount of the Proportionate Asset Transfer will be calculated depending on whether the Customer is an Eligible Pre-Maturity Customer or an Eligible Post-Maturity Customer, as defined below.

Schedule "B" of this Information Circular explains the impact of voting For or Against the Proposed Changes. **Schedules "C" and "D"** contain **estimated** examples of the calculations of Proportionate Asset Transfers that Customers can expect to receive, if the Transfer Resolution is approved. Please review these schedules carefully prior to casting your vote.

We urge you to carefully review the impact of the vote in Schedule "B" and the estimated examples of the calculations of Proportionate Asset Transfers presented in Schedules "C" and "D". The examples reflect the Foundation's best estimates of the remaining amount of Cohort Contribution Income on the Effective Date. **If Customers do not vote in favour of the Transfer Resolution and the Group**

Plan EAA remains unchanged, it is not possible for the Foundation to predict future Group Plan EAP values. Past EAP values do not guarantee future EAP values. Similarly, past investment performance in the Group Plan (which is a key component of determining EAP values) does not guarantee future performance.

A. Eligible Pre-Maturity Customers

There are two groups of Customers who will be identified as “**Eligible Pre-Maturity Customers**” as at the Effective Date:

1. Customers who are enrolled in the Group Plan and who are making and are fully up to date on all scheduled contributions for their Customer Agreement(s) and who have not reached their Maturity Date (“**Active Customers**”).
2. Customers who are enrolled in the Group Plan and whose Customer Agreement(s) has reached its Maturity Date and who have notified the Manager, in accordance with the terms of the Group Plan EAA, of their intention to defer the maturity of their Customer Agreement to a future Cohort Year (“**Deferred Maturity Customers**”).

To further clarify, any Customer whose Customer Agreement, in accordance with the terms of the Group Plan EAA, has been terminated prior to the Effective Date, will not be considered an Eligible Pre-Maturity Customer.

On the Effective Date, for Eligible Pre-Maturity Customers, the amount of your net contributions, grants and the accumulated income earned on these contributions and grants, will be transferred to a new Single Student Plan Agreement in the Customer’s name. In addition, Eligible Pre-Maturity Customers, with the exception of any Customer whose Customer Agreement, in accordance with the Group Plan EAA, was discontinued prior to the Effective Date and was not reactivated prior to the Effective Date, will also receive a **Pre-Maturity Proportionate Asset Transfer**.

Pre-Maturity Proportionate Asset Transfers

The Proportionate Asset Transfer for Eligible Pre-Maturity Customers will be calculated as follows:

- dividing the amount of Cohort Contribution Income for each Cohort Year relating to Customers whose Customer Agreements have discontinued as a result of missed contributions or who cancelled their Customer Agreements prior to the Maturity Date (“**Pre-Maturity Attrition Income**”) by,
- the total number of units of Customer Agreements in each Cohort Year of all Eligible Pre-Maturity Customers (“**Pre-Maturity Attrition Income Unit Amount**”), and
- multiplying the Pre-Maturity Attrition Income Unit Amount by the number of units in each Customer Agreement for each Eligible Pre-Maturity Customer.

See Schedule “C” for examples of the calculations of the Pre-Maturity Proportionate Asset Transfers for various Maturity Dates. Please refer to your most recent Statement of Account for your Customer Agreement’s Maturity Date and number of units.

B. Eligible Post-Maturity Customers

Customers whose Customer Agreements, as of the Effective Date, have reached Maturity Date and whose Students, in accordance with the terms of the Group Plan EAA, are eligible to receive one or more EAPs, are “**Eligible Post-Maturity Customers**”. Any Customer whose Student, in accordance

with the terms of the Group Plan EAA, has been disqualified from receiving an EAP, will not be considered an Eligible Post-Maturity Customer.

On the Effective Date, Eligible Post-Maturity Customers will receive a **Post-Maturity Proportionate Asset Transfer**, as set out below.

Post-Maturity Proportionate Asset Transfers

The Proportionate Asset Transfer for Eligible Post-Maturity Customers will be calculated as follows:

- dividing the amount of the remaining Cohort Contribution Income for each Cohort Year (“**Post Maturity Attrition Income**”) by,
- the total number of units of all Customer Agreements of all Eligible Post-Maturity Customers in each Cohort Year (“**Post-Maturity Attrition Income Unit Amount**”), and
- multiplying the Post-Maturity Attrition Income Unit Amount by the number of units in each Customer Agreement for each Eligible Post-Maturity Customer, for each Cohort Year.

See Schedule “D” for examples of the calculations of the Post-Maturity Proportionate Asset Transfers for various Years of Eligibility. The Year of Eligibility is the year in which your first EAP was paid or scheduled to be paid, which, under normal circumstances, is the year following your Agreement’s Maturity Date. Please refer to your most recent Statement of Account for your Customer Agreement’s Maturity Date and number of units.

The Post-Maturity Proportionate Asset Transfer represents the transfer of the remaining Cohort Contribution Income available for each Cohort Year. If Customers do not vote in favour of the Transfer Resolution and the Group Plan EAA remains in effect, certain Customers and their Students may receive more, or less, than the Post-Maturity Proportionate Asset Transfer. The actual amount that such Customers and their Students would receive would depend on the effects of Post-Maturity Attrition and investment performance of the Group Plan.

Please see Schedule “B” to understand the impact of the vote and Schedules “C” and “D” for more information on calculating and receiving the Proportionate Asset Transfer.

Continuation of Discretionary Payments from the Foundation

Historically, the Foundation has used its discretionary funds to supplement EAPs paid to Students in the Group Plan which could include the return of an amount equivalent to all or a portion of the up-front sales charge paid. The Foundation’s discretionary funds originate from two sources:

- the income generated on the balance of Cohort Contribution Income for each Cohort Year (“**Income Supplement**”);
- excess revenue from the Foundation (“**Foundation Top-Ups**”).

If the Transfer Resolution is passed, on the Effective Date, a portion of any remaining Income Supplement will be distributed to each Customer Agreement as part of the Post-Maturity Proportionate Asset Transfer. After the Effective Date, the net contributions, government grants, income earned on the net contributions and income earned on government grants will remain in each Customer Agreement in the Single Student Plan until these amounts are withdrawn by the Customer. Until they are withdrawn, these amounts will continue to earn and accumulate income within the Customer Agreement.

Further, if the Transfer Resolution is passed, the Foundation expects to continue to pay Foundation Top-Ups to supplement EAPs made to Students in the Single Student Plan. However, the Foundation

Top-Ups are discretionary and cannot be predicted and these **discretionary payments are not guaranteed**. You must not count on receiving a discretionary payment. The Foundation decides if it will make a payment in any year and how much the payment will be. If the Foundation makes a payment, you may get less than what has been paid in the past. The Foundation is committed to exercising discretion with respect to the use of these funds in a manner that is in good faith and consistent with the stated mission of the Foundation to assist Canadian families in obtaining a post-secondary education.

COMPARISON OF GROUP PLAN AND SINGLE STUDENT PLAN

The following table compares the key features, benefits and risks of the Classic Plan and the Single Student Plan:

GROUP PLAN	SINGLE STUDENT PLAN
MAKING CONTRIBUTIONS⁵	
<ul style="list-style-type: none"> • Customers who miss two or more contributions place their Agreement in default. Customers that have a minimum Agreement balance of at least \$350 can either make up missed contributions (plus income earned) or transfer to the Single Student Plan before Maturity Date. • Customers whose Agreement is in default at Maturity Date and has a minimum Agreement balance of at least \$350 will have their units automatically reduced at Maturity Date. • Customers who miss two or more contributions and do not have a minimum Agreement balance of at least \$350, or have not fully paid their Sales Charge, will have their Agreement discontinued and must re-activate the Agreement within two years. • Customers whose agreement is discontinued and not reactivated, or is transferred to another RESP, or who have received an AIP, will have their Agreement cancelled. • Customers whose Agreements are cancelled will receive their net contributions. Income earned on contributions will remain in the Group Plan and transferred to the income pool for that Cohort Year. This is Pre-Maturity Attrition, as described in this Information Circular. 	<ul style="list-style-type: none"> • Customers who have made scheduled contributions for the first three years of their Agreement and who have fully paid their Sales Charge and have a minimum Agreement balance (consisting of net contributions and income earned thereon) of at least \$350 can change the frequency of their contributions or stop making contributions altogether without penalty. • Customers who fail to make all scheduled contributions within the first three years of their Agreement or do not have a minimum Agreement balance of at least \$350 will have their Agreement discontinued. Customers can re-activate discontinued units by the minimum Agreement balance up to \$350. • Customers who have not had their Agreement for three years may choose to reduce their contributions by discontinuing full or partial units. • Customers can change their scheduled contributions at any time, for example from monthly or yearly contributions to a one-time, paid-up contribution. After this, no more contributions are required. • There is no Pre-Maturity Attrition in the Single Student Plan. All income earned on contributions can be withdrawn as an EAP or AIP throughout the life of the Agreement, subject to the Single Student EAA and Tax Act regulations.

⁵Please review the current prospectus for minimum contribution amounts, information on the Contribution Schedule and information regarding missed contributions. The minimum contributions and Contribution Schedule are identical for the Group Plan and Single Student Plan.

GROUP PLAN

SINGLE STUDENT PLAN

WITHDRAWING CONTRIBUTIONS⁶

- | | |
|---|--|
| <ul style="list-style-type: none"> • Customers can withdraw their contributions any time before the Agreement's Maturity Date by making a written request. • Customers who withdraw contributions without making any other plan adjustments will put their Agreement in default, which could result in eventual cancellation and Pre-Maturity Attrition. • Customers who withdraw all their contributions before the Agreement's Maturity Date will have their Agreement discontinued. Discontinued Agreements must be re-activated to avoid Pre-Maturity Attrition. | <ul style="list-style-type: none"> • Customers can withdraw their contributions at any time before December 31st of the 35th year after the Agreement was opened. • Customers who withdraw all their contributions and income will have their Agreement cancelled. • There is no Pre-Maturity Attrition in the Single Student Plan. Customers who withdraw their contributions will not suffer a loss of the income earned on these contributions. |
|---|--|

RECEIVING EAPS⁷

- | | |
|---|--|
| <ul style="list-style-type: none"> • Students enrolled in a qualifying post-secondary education program can apply, up to November 1st of each year, to receive an EAP comprised of grants, grant income, Cohort Contribution Income, Income Supplement and Discretionary Top-Ups from the Foundation. • Students can apply for up to three EAPs, depending on the length of the qualifying post-secondary education program. • Each year, the Foundation approves a per-unit EAP value for each Cohort Year, consisting of the Cohort Contribution Income and the Discretionary Top-Ups⁸. • EAPs can be requested and paid at any time after the Agreement's Maturity Date, up until December 31st of the fourth year after the year in which the Agreement reached its Maturity Date (or up to two years later, if the 2nd and 3rd EAP are each deferred), provided that the Student receives the first EAP before December 31st of the year of his/her 22nd birthday. • Students who receive their first EAP can request to defer receipt of the second or third EAP for up to one year. • Students who do not request an EAP by November 1st of each year and have not previously requested an EAP deferral, or who have not received the first EAP by December 31st of the year of the Student's 22nd birthday, lose eligibility for all future EAPs. This is Post-Maturity Attrition, as described in this Information Circular. | <ul style="list-style-type: none"> • Students enrolled in a qualifying post-secondary education program can request an EAP comprised of the income earned on contributions, grants and grant income. • The Foundation can also approve a Discretionary Top-Up payment for each EAP paid in a given year. • EAPs can be requested and paid at any time up until December 31st of the 35th year after the year in which the Agreement was opened. • There is no Post-Maturity Attrition in the Single Student Plan. The full amount of income earned on the Customer's contributions is available to be withdrawn as an EAP or AIP throughout the life of the Agreement, subject to the Single Student EAA and Tax Act regulations. |
|---|--|

GROUP PLAN

SINGLE STUDENT PLAN

FEES PAID BY CUSTOMERS⁹

The fees paid by Customers in the Group Plan and the Single Student Plan are identical and consist of:

- \$100 per unit Sales Charge, paid from Customer contributions.
- Depository Fees, ranging from \$3.50/year to \$10.00/year, per contribution, depending on the frequency of contributions.
- Insurance premiums of 17 cents for every \$10 of contributions (plus applicable taxes), mandatory in all provinces except Quebec.

FEES COLLECTED FROM THE PLAN¹⁰

The fees collected from the Group Plan and the Single Student Plan are identical and consist of:

- Management Fee, consisting of:
 - Administration Fee of 0.6% per annum
 - portfolio management fees of between 0.10% and 0.15% per annum, and
 - custodial and trustee fees,

all calculated on the average market value of the Plan's Assets.

NOTE: The Foundation is holding a subscriber vote on the Single Student Plan on May 30, 2019. In the Single Student Plan vote, Customers will be asked to vote on changes to various fees in the Single Student Plan. If Single Student Plan Customers vote in favour of these changes, the changes will not take effect for a minimum of seven (7) months and by no later than thirteen (13) months, following the date by which the Resolution is approved. This change, if approved, will be applicable to Group Plan Customers who transfer to the Single Student Plan. See Schedule "E" for information on the proposed changes in the Single Student Plan vote. A copy of the Information Circular for the Single Student vote, along with the Single Student Plan's 'Plan Summary' document, is available at www.knowledgefirstfinancial.ca/subscribervote.

HOW THE PLAN'S ASSETS ARE INVESTED

- | | |
|---|---|
| <ul style="list-style-type: none"> • Customer contributions and grants are invested in fixed income securities, consisting primarily of government bonds • Accumulated income within the Plan is invested in high-quality individual equities and exchange-traded funds | <ul style="list-style-type: none"> • All of the Plan's Assets (customer contributions, grants and accumulated income) are invested in fixed income securities, consisting primarily of government bonds • The Manager has the authority to invest the accumulated income within the Plan into Canadian and U.S.-listed equity securities and/or exchange-traded funds |
|---|---|

⁷ Please review the current prospectus for more information on applying for, qualifying and receiving EAPs.

⁸ Please see the most recent Group Plan EAP Values, available on the Manager's website, www.knowledgefirstfinancial.ca.

⁹ Please review the current prospectus for more information on how and when the fees payable by customers are collected.

¹⁰ Please review the current prospectus for more information on these fees.

REASONS FOR PROPOSED PLAN CHANGES

The Proposed Changes regarding the wind-up of the Group Plan and the transfer of Assets to the Single Student Plan and resulting wind-up of the Group Plan will be beneficial to Customers and Students of the Group Plan for the following reasons:

- eliminates the **risk and uncertainty** for Group Plan Customers in obtaining all three EAPs;
- reduces the **risk and uncertainty** for Group Plan Customers to receive all Assets;
- the Single Student Plan provides the Customer with **much greater flexibility** in withdrawing contributions when the Student is ready to attend post-secondary education;
- the Single Student Plan provides the Customer with **much greater flexibility** in requesting EAP payments and maximizing the benefit from their RESP;
- allows the Customer, within their new Single Student Plan, to continue to earn and accumulate income on their asset balances **for the remaining life of their Customer Agreement** (up to 35 years from the year the Customer enrolled in the Customer Agreement); and
- allows the Customer to request any and all remaining income in their Customer Agreement (not just grant income) as an AIP in the event the Student does not enroll in a qualifying post-secondary education program (subject to Tax Act regulations).

The Proposed Changes regarding the Proportionate Asset Transfers is beneficial to Customers and Students of the Group Plan for the following reasons:

- provides the Customer and Student with a full allocation of the remaining Cohort Contribution Income that the Customer and Student would otherwise have to apply for and qualify to receive; and
- removes the uncertainty associated with determining future EAP values.

IMPLEMENTATION OF PROPOSED PLAN CHANGES

By approving the Transfer Resolution, Customers are giving the Foundation the authority to give effect to the Proposed Changes by implementing the actions identified in the Transfer Resolution related to the Group Plan EAA and Trust Agreement. The Proposed Changes would become effective on the Effective Date; however, the completion of these matters may be delayed, modified or abandoned in the sole discretion of the Foundation.

ADDITIONAL INFORMATION

Additional information regarding the Group Plan is contained in the Group Plan EAA, a copy of which is available on the Manager's website. Customers may review the audited financial statements of the Group Plan for the year ended December 31, 2018, on the Group Plan's profile on the SEDAR website at www.sedar.com. Copies may also be obtained by e-mail at contact@kff.ca, by phone at 1-800-363-7377 or by mail or in person at 50 Burnhamthorpe Road West, Suite 1000, Mississauga, Ontario, L5B 4A5.

AUTHORIZATION BY ELIGIBLE CUSTOMERS

To carry out each of the Proposed Changes, Customers must approve each of the Plan changes listed in this Information Circular under the heading “Proposed Plan Changes”. To be approved, the Transfer Resolution set out in Schedule “A” requires a vote ‘FOR’ by a majority of the votes cast at the Special Meeting (either in person or by sending a proxy form).

RECOMMENDATION REGARDING THE PROPOSED PLAN CHANGES

For the reasons set out in this Information Circular, the Foundation recommends that Customers vote in favour of the Transfer Resolution, as set out in Schedule “A” of this Information Circular, and the related Proportionate Asset Transfers described herein. ***Voting in favour of the Transfer Resolution eliminates the significant risk associated with remaining as a Customer of the Group Plan, with a Student not receiving all three EAPs.***

Should a majority of Customers vote against the Transfer Resolution, the proposed transfer of Assets from the Group Plan to the Single Student Plan will not occur, the Proportionate Asset Transfers will not be calculated, and the Group Plan EAA will remain in its current form, with Pre- and Post-Maturity Attrition.

RECOMMENDATION OF THE INDEPENDENT REVIEW COMMITTEE

The Independent Review Committee (“**IRC**”) established for the Group Plan under National Instrument 81-107 – *Independent Review Committee for Investment Funds* has reviewed the Proposed Changes and, after making reasonable inquiry, has concluded that, if approved by Customers, the Proposed Changes would achieve a fair and reasonable result for the Group Plan. The IRC has come to this conclusion based on the information provided to the IRC by the Foundation, and the information set out in this document generally and the reasons given by the Foundation as set out in this Information Circular.

INCOME TAX CONSIDERATIONS REGARDING THE PROPOSED PLAN CHANGES

The following is a summary of the principal Canadian federal income tax considerations that are generally applicable to individuals resident in Canada. This summary is based upon the current provisions of the Tax Act and the regulations thereunder (the “**Tax Regulations**”), all specific proposals to amend the Tax Act and the Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and the Foundation’s understanding of the current published administrative and assessing practices of the Canada Revenue Agency (the “**CRA**”). The summary does not otherwise consider or anticipate any changes in law, whether by judicial, governmental or legislative action or decision, or changes in the administrative practices of the CRA, nor does it consider provincial, territorial or foreign income tax legislation or consequences.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice generally or to any Customer of the Group Plan. Accordingly, Group Plan Customers should consult with their own tax advisers as to their income tax situation.

Tax Consequences of the Transfer

No amount will be included in computing the income of any person as a result of the transfer of Assets from a Group Plan to a Single Student Plan.

Tax Consequences of Investing in Single Student Plan

Please refer to the Prospectus for the Single Student Plan filed under the profile 'Family Single Student Education Savings Plan' on the SEDAR website at www.sedar.com.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the Proxy Form accompanying this Information Circular are officers or employees of the Manager. **A Customer has the right to appoint a person (who need not be a Customer) other than the persons specified in such Proxy Form to attend and act for and on behalf of such Customer at the Special Meeting. Such right may be exercised by striking out the names of the persons specified in the Proxy Form, inserting the name of the person to be appointed in the blank space so provided, signing the Proxy Form and returning it in the reply envelope.** In order to be voted at the Special Meeting, proxies must be received by Computershare or records of online voting received not later than **10:00 a.m. (EDT) on Tuesday, May 28, 2019**, or any postponement or adjournment thereof, or deposited with the chairman of the Special Meeting on the day of the Special Meeting, or any adjournment thereof, prior to the start of the meeting. Alternatively, proxies may be accepted online, via a secure website, or by phone by such time.

A Customer who executes and returns the Proxy Form may revoke it: (i) by delivering an instrument in writing executed by him or her (or by his or her attorney authorized in writing) to the place, and by the time, specified above for the delivery of proxies; (ii) by depositing such instrument in writing with the chairman of the Special Meeting on the day of the Special Meeting, or any adjournment thereof, prior to the start of the meeting; or (iii) in any other manner permitted by law.

VOTING OF PROXIES

If the person named on the proxy specifies a choice to vote for or against the Transfer Resolution, the proxy will be voted accordingly. Except as indicated below, where no direction is given by a Customer submitting a proxy, the persons named therein will vote in favour of the Transfer Resolution. The enclosed Proxy Form confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in this Information Circular and with respect to other matters which may properly come before the Special Meeting in respect of which the proxy is granted or any adjournments of such Special Meeting. As of the date of this Information Circular, the Foundation knows of no such amendments, variations or other matters to come before the Special Meeting.

You can vote your proxy as follows:

(A) Online, via secure website –

You can vote online by going to www.investorvote.com and following the instructions on the screen or scanning the QR code provided on your Proxy Form. You will need your 15-digit control number which is noted on your Proxy Form.

(B) by Phone –

You can vote by phone by calling 1-866-732-VOTE (8683) (toll free in Canada and the United States) from a touch-tone phone and follow the voting instructions. You will need your 15-digit control number which is noted on your Proxy Form. Please note that if you vote by phone, you cannot appoint anyone other than the persons named in your Proxy Form as your proxyholder.

(C) by Mail –

You can complete, sign and date your Proxy Form and return it in the Business Reply Envelope provided.

(D) by Hand Delivery –

You can complete, sign and date your Proxy Form and return it to the offices of Computershare at: Computershare Trust Company of Canada Proxy Department 8th Floor, 100 University Avenue Toronto, Ontario, M5J 2Y1.

MEETING QUORUM AND ADJOURNMENTS

If at least three (3) Customers attend the meeting in person or by proxy vote, this shall constitute a quorum for the Special Meeting. If a quorum is present at the opening of the meeting, the meeting may start, even if a quorum is not present throughout the whole meeting. If a quorum is not present at the opening of the meeting, the meeting will be adjourned to another time and place, but no other business may be transacted. No business shall be transacted at the adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. The Customers present at the adjourned meeting, whatever their number, will form a quorum. If the Special Meeting is adjourned for less than thirty-five (35) business days, it is not necessary to give notice of the adjourned meeting, other than by announcement at the original Special Meeting that was adjourned. If the Special Meeting is adjourned for more than thirty-five (35) business days, notice of the adjourned meeting shall be mailed or delivered by the Manager to customers at their address appearing in the register of Subscribers not less than five (5) or more than twenty (20) business days before the adjourned meeting.

RECORD DATE

April 15, 2019 is the record date for the determination of Customers entitled to receive notice of the Special Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS

As at April 1, 2019, the Group Plan had approximately 278,846 Customers that were parties to active Group Plan EAAs and entitled to vote at the Special Meeting. Each Customer, as defined herein, is entitled to vote in respect of the units held by them on matters coming before the Special Meeting. If there are two Customers who are parties to a Customer Agreement jointly, any one of them present or represented by proxy at the Special Meeting may, in the absence of the other, vote in respect thereof, but if both are present or represented by proxy they shall vote once together in respect of the units held jointly.

As at April 1, 2019, to the knowledge of the Foundation, no person or company owned beneficially, directly or indirectly, or exercised control or direction over, more than 10% of the outstanding units of the Group Plan.

OTHER INFORMATION

Expert Report

The Foundation engaged an independent, third-party advisor, RSM Canada LLP (“**RSM Canada**”), to review the Proposed Plan Changes and the potential impact of the Proposed Plan Changes on Customers and Students of the Group Plan. RSM Canada has prepared a report solely to advise and provide commentary in order to assist the Board of Directors and the management of the Foundation in their decision-making process as they prepared the vote materials and the Proposed Plan Changes. All decisions were made by Plan management. Based on its limited procedures performed, RSM Canada did not identify material issues that would indicate the Proposed Plan Changes, and the implementation of the Proposed Plan Changes, would be inconsistent with the Plan objectives as stated in the voting materials offered to both Customers and Students of the Group Plan. Further, RSM Canada was not engaged to express an opinion, nor did it audit the information or procedures related to the Proposed Plan Changes nor does it express any opinion, or provide any formal certification in regards to any portion of the vote proceedings.

Auditors

PricewaterhouseCoopers, LLP are the auditors of the Group Plan and the Single Student Plan.

Interest of Insiders in the Proposed Plan Changes

The Manager provides management services to the Group Plan and Single Student Plan. If the Proposed Changes are approved, the Manager will continue to provide management services to the Single Student Plan and receive administration fees as described in the Single Student Plan EAA and Plan prospectus. During the past completed financial year ended December 31, 2018 the Manager received \$21,435,096 in Administration fees from the Group Plan.

CERTIFICATE

The contents of this Information Circular and its distribution have been approved by the Board of Directors of the Foundation as sponsor of the Group Plan.

DATED at Mississauga, Ontario the 1st day of April 2019.

**BY ORDER OF THE BOARD OF DIRECTORS OF KNOWLEDGE FIRST FOUNDATION,
SPONSOR OF THE FAMILY GROUP EDUCATION SAVINGS PLAN**

“Donald W. Hunter, Chairman”

SCHEDULE “A” FORM OF RESOLUTION OF THE SUBSCRIBERS OF THE FAMILY GROUP EDUCATION SAVINGS PLAN (THE “GROUP PLAN”)

BE IT RESOLVED THAT:

1. The Knowledge First Foundation (the “**Foundation**”) be authorized to amend the Family Group Education Savings Plan Education Assistance Agreement (the “**EAA**”), attached as Schedule A to the Amended and Restated Trust Agreement between the Foundation and Bank of Nova Scotia Trust Company dated as of November 1, 2018, for the Group Plan (the “**Trust Agreement**”),
 - a. to grant the Foundation the discretion to transfer (the “**Transfer**”) the assets from the Group Plan to the Family Single Student Plan (the “**Single Student Plan**”), and
 - b. to allow the Foundation to enter into an EAA for the Single Student Plan on behalf of each subscriber,

in the manner described in the Management Information Circular of the Group Plan dated April 1, 2019, and to terminate the Group Plan EAA;
2. The Foundation be authorized to amend the Trust Agreement, as it deems necessary, to permit the transfer of trust funds held pursuant to the Trust Agreement to the Single Student Plan;
3. The Foundation be authorized to terminate the Trust Agreement if necessary in its discretion;
4. The Foundation be authorized, in its discretion, to elect not to proceed with the Transfer or the termination of the Trust Agreement; and
5. Any director or officer of Knowledge First Financial Inc. be and is hereby authorized to take all such steps as may be necessary or desirable to give effect to the foregoing.

SCHEDULE "B"

UNDERSTANDING THE IMPACTS OF THE VOTE – FAMILY GROUP PLAN

If majority of voting Customers vote FOR proposed changes = RECEIVE PROPORTIONATE ASSET TRANSFER

If majority of voting Customers vote AGAINST proposed changes = ATTRITION remains, no PROPORTIONATE ASSET TRANSFER

- Your Group Plan Customer Agreement**
- ✓ Net contributions
 - ✓ Grants
 - ✓ Accumulated Grant income
 - ✓ Accumulated Contribution income

- Your Group Plan Customer Agreement**
- ✓ Net contributions
 - ✓ Grants
 - ✓ Accumulated Grant income
 - ✓ Accumulated Contribution income

ON EFFECTIVE DATE

AT MATURITY DATE

- Your Group Plan Customer Agreement**
- ✓ Net contributions
 - ✓ Grants
 - ✓ Accumulated Grant income
 - ✓ Accumulated Contribution income

- Your NEW Single Student Plan Customer Agreement**
- ✓ Net contributions
 - ✓ Grants
 - ✓ Accumulated Grant income
 - ✓ Accumulated Contribution income
- Plus, Proportionate Asset Transfer**
- ✓ Pre-Maturity Attrition

- Your Customer Agreement**
- ✓ Net contributions
 - ✓ Grants
 - ✓ Accumulated Grant income
 - ✓ Accumulated Contribution income

RETURNED TO YOU

TRANSFERRED TO COHORT INCOME POOL

STUDENT ENROLLS IN POST-SECONDARY EDUCATION

Can enroll any time up until the 35th year after the plan was opened

1. Is it a Qualifying Program?
2. Did the Student provide verification of enrolment?

STUDENT ENROLLS IN POST-SECONDARY EDUCATION

Must receive first EAP before December 31 of year Student turns 22

1. Is it a Qualifying Program?
2. Did the Student provide completed maturity application form on time?
3. Did the Student provide verification of enrolment on time?

- Contributions can be withdrawn in full or partially Education Assistance Payment consists of:**
- ▶ **Any or all** of your Accumulated Contribution income
 - ▶ **Any or all** of your Grants
 - ▶ **Any or all** of your Grant Income
 - ▶ **Any or all** of your Proportionate Asset Transfer and Foundation Top-Up (discretionary)

▶ **Only if answer is "Yes" to all, can Student receive Education Assistance Payment**

- Contributions received in full on maturity Education Assistance Payment consists of:**
- ▶ **Portion** of your Grants
 - ▶ **Portion** of your Grant Income
 - ▶ **Share** of your Cohort Income Pool Foundation Top-Up (discretionary)

- ▶ **If answer is "No" to any of the questions**
- No EAP and your contribution income remains in Cohort Income Pool, for benefit of other students

- *Students have full access to income and grants through life of their Agreement*
- *Customers can access any remaining income after Students are done school as Accumulated Income Payment*

To maximize the benefit from your Plan, Student must successfully apply for and receive all three available Education Assistance Payments

SCHEDULE "C"

EXAMPLES OF CALCULATIONS OF PRE-MATURITY PROPORTIONATE ASSET TRANSFERS

For all customers whose Customer Agreement has not reached its Maturity Date on the Effective Date of the Proposed Changes, January 1, 2020, the Customer's Assets will be transferred from the Group Plan into the Single Student Plan in the Customer's account. This total is shown on your Statement of Account.

As part of this transfer of Assets, this table shows you how much you can expect to receive as a Pre-Maturity Proportionate Asset Transfer on January 1, 2020. The estimates are based on the current amount of Pre-Maturity Attrition income within the Group Plan. All estimates are based on a sample of 10,000 units. Please consult your most recent Statement of Account for the number of units held in your Agreement(s).

The estimated calculations of the Proportionate Asset Transfer per unit amounts are for illustration only. The Actual Proportionate Asset Transfer per unit amounts may be different as the Pre-Maturity Attrition Income will change prior to the Effective Date.

BENEFICIARY GROUP (Year of Maturity)	SAMPLE UNITS	ESTIMATED PRE-MATURITY ATTRITION INCOME (Proportionate Asset Transfer) per Unit (A)	EXAMPLE PROPORTIONATE ASSET TRANSFER AMOUNT (A) x Sample Units
2020	10,000	\$9.23	\$92.30
2021	10,000	\$7.32	\$73.20
2022	10,000	\$6.20	\$62.00
2023	10,000	\$4.81	\$48.10
2024	10,000	\$3.85	\$38.50
2025	10,000	\$2.70	\$27.00
2026	10,000	\$2.01	\$20.10
2027	10,000	\$1.35	\$13.50
2028	10,000	\$0.88	\$8.80
2029	10,000	\$0.45	\$4.50
2030	10,000	\$0.24	\$2.40
2031 and beyond	<i>Amount of Pre-Maturity Attrition Income is less than \$0.10 per Unit</i>		

SCHEDULE "D"

EXAMPLES OF CALCULATIONS OF POST-MATURITY PROPORTIONATE ASSET TRANSFERS

This table shows you how much you can expect to receive as a Post-Maturity Proportionate Asset Transfer on January 1, 2020, the Effective Date of the Proposed Plan Changes. These estimates are based on the estimated amount of remaining accumulated Cohort Contribution Income and Post-Maturity Attrition Income for Eligible Post-Maturity Customers. Estimated transfers are for illustration only, actual transfer amounts may be different. Please consult your recent Statement of Account for the actual number of units in your Customer Agreement(s).

Estimated Post-Maturity Proportionate Asset Transfer Amounts per Unit

	2018	2019	2020
Estimated remaining Cohort Income, per Unit	\$166.00	\$333.00	\$419.00
Estimated Attrition, per Unit	\$74.00	\$27.00	\$10.00
Estimated Proportionate Asset Transfer, per Unit	\$240.00	\$360.00	\$429.00

In addition to the Proportionate Asset Transfer per unit, all Grants and Grant Income in each customer agreement will be transferred to the Single Student Plan.

Comparison of Group Plan and Single Student Plan EAPs

The following table provides a comparison of EAPs between the Group Plan and the Single Student Plan¹¹. A Student in the Single Student Plan who only attends one, two or three years of post-secondary education, can take out the full value of their Single Student Plan anytime by attending one, two, three or four years of post-secondary education. In almost every instance, the Student will be better off having been in the Single Student Plan, as compared to the Group Plan.

Education Assistance Payments						
Customer Contributing \$100 per month since Child's Birth 20.58 Units						
Single Student Plan		Group Plan			Single-Group Difference	
# of Years at School	Total EAP	# of Years at School	# EAPs Received	Total EAP	\$ Difference	% Difference
1, 2, 3 or 4 Years	\$19,448	2 Years	1 EAP	\$8,413	\$11,035	131.2%
1, 2, 3 or 4 Years	\$19,448	3 Years	2 EAPs	\$16,162	\$3,286	20.3%
1, 2, 3 or 4 Years	\$19,448	4 Years	3 EAPs	\$22,974	-\$3,526	-15.3%

The only instance where a Student is better off in the Group Plan is where the Student attends four years of post-secondary education (receives all three EAPs) and applies for all EAPs correctly and on time. In that case, the Student may receive up to 15% more in EAPs than a comparable Student in the Single Student Plan.

¹¹ The examples are calculated from the EAP values for the 2015 cohort (i.e. plans that matured in 2014) and have now received all eligible EAPs. All EAP amounts include grants and grant income.

In summary, Students are better off in the Single Student Plan if they attend one, two or three years of post-secondary education. Students are only better off in the Group Plan if they attend four years of post-secondary education and follow the Group Plan's EAP withdrawal rules.

SCHEDULE "E"

SINGLE STUDENT PLAN SUBSCRIBER VOTE – PROPOSED FEE CHANGES

In a subscriber vote to be held on May 30, 2019, Customers of the Single Student Plan will be voting on the following resolution:

BE IT RESOLVED THAT:

1. The Knowledge First Foundation (the "**Foundation**") be authorized to amend the Family Single Student Education Savings Plan Education Assistance Agreement (the "**EAA**"), attached as Schedule A to the Amended and Restated Trust Agreement between the Foundation and Bank of Nova Scotia Trust Company dated as of November 1, 2018, for the Single Student Plan (the "**Trust Agreement**"), to:
 - a. eliminate the Depository Fees, referred to in the EAA; and
 - b. eliminate the Administration Fee, Custodian Fees and Portfolio Management Fees and replace these fees, and the Depository Fees, with a single, consolidated Management Fee **not to exceed 1% per annum**

with such changes not to take effect for a minimum of seven (7) months and by no later than thirteen (13) months, following the date by which this Resolution is approved, for all existing and future subscribers to the EAA.

2. Any director or officer of Knowledge First Financial Inc. be and is hereby authorized to take all such steps as may be necessary or desirable to give effect to the foregoing.

Copies of the Single Student Plan Information Circular and the Single Student Plan's 'Plan Summary' document are available on the Manager's website at www.knowledgefirstfinancial.ca or on SEDAR under the profile name 'Family Single Student Education Savings Plan'.



knowledge**first**
FOUNDATION

LA PREMIÈRE
fondation**du**savoir

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For more information about our education savings plans, please visit knowledgefirstfinancial.ca or refer to our prospectus.

CANADA'S LARGEST RESP COMPANY