



# Investors Group Charitable Giving Program Program Guide

*Strategic*  
CHARITABLE GIVING  
*Foundation*



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This program guide (the “Guide”) contains selected important information to help a potential “Donor” make an informed decision about donating to the Investors Group Charitable Giving Program (the “Program”), a donor-advised fund program developed by Investors Group Financial Services Inc. and Investors Group Securities Inc. (collectively “Investors Group”) with the Strategic Charitable Giving Foundation (the “Foundation”). This Guide explains the features and benefits of participating in the Program.

An Investors Group Charitable Giving Account (an “Account”) is a donor-advised fund account established within the Program by the Foundation that receives the proceeds of donations from a Donor, invests these proceeds in a permitted Investors Group fund (an “Eligible Investors Group Fund”) and makes grants over a period of years to a Donor’s favourite charities and/or other permitted entities (“Eligible Charities”). Although the Foundation has ultimate authority over the assets in the Program, it will generally act on the recommendations of the Donor (or parties authorized by the Donor) with respect to naming the Account, recommending a financial advisor for the Account, recommending an investment among the Eligible Investors Group Funds, recommending Eligible Charities to receive annual grants and recommending how the Account will be managed after the Donor’s lifetime.

Participation in the Program is subject to the laws applicable to Canadian charities, the terms and conditions of the documents creating and governing the Foundation and this Guide, as may be amended from time to time. The Foundation reserves the right to modify the terms and conditions of this Program and/or any of the associated documents at any time without notice. In the event of an inconsistency between the terms of this Guide and the Foundation’s governing documents, the Foundation’s governing documents will govern the rights and obligations of the Program and its Donors. Copies of the Foundation’s governing documents and policies are available on written request.

## Table of Contents

<b>1. Introduction to the Investors Group</b>	
<b>Charitable Giving Program:</b>	
<b>A donor-advised fund program offered through the Foundation</b> . . . . .	3
About the Foundation . . . . .	3
About Investors Group . . . . .	3
<b>2. Establishing an Investors Group</b>	
<b>Charitable Giving Account</b> . . . . .	4
Opening an Account . . . . .	4
Joint Accounts . . . . .	4
Naming the Account . . . . .	4
Authority to make recommendations for the Account . . . . .	4
Financial Advisor . . . . .	4
Succession options . . . . .	4
<b>3. Donating to the Foundation</b> . . . . .	6
Donations are irrevocable . . . . .	6
Minimum donations . . . . .	6
Donation condition . . . . .	6
Acceptable donations and tax considerations . . . . .	6
Donations of cash . . . . .	7
Donations of securities . . . . .	7
Donations of insurance . . . . .	7
Donations of life insurance . . . . .	7
Donations of segregated funds . . . . .	8
Third party donations . . . . .	8
Testamentary donations . . . . .	8
Eligible amount (advantage or benefit) . . . . .	9
General Giving Fund . . . . .	9
Minimum account balance . . . . .	9
<b>4. Investing through an Account</b> . . . . .	10
Investment recommendation . . . . .	10
Eligible Investors Group Funds . . . . .	10
Eligible series of units . . . . .	12
Valuation of accounts . . . . .	13
<b>5. Fees, expenses and commissions</b> . . . . .	14
Program fees . . . . .	14
Charitable administration fee . . . . .	14
Charitable operating expenses . . . . .	14
Fees and expenses payable by the Eligible Investors Group Funds . . . . .	14
Management fees . . . . .	14
Operating expenses . . . . .	15
Brokerage commissions . . . . .	15
Purchase options, commissions and other fees . . . . .	15
No-Load Purchase Option . . . . .	15
Deferred Sales Charge Purchase Option . . . . .	15
Excessive switching fees . . . . .	16
Trailing commissions . . . . .	16
Short-term trading fees . . . . .	16
<b>6. Granting to eligible charities</b> . . . . .	18
Annual grant amount . . . . .	18
Eligible charities . . . . .	18
Recommending grants and grant payment dates . . . . .	19
Minimum grant amount and number of grants . . . . .	21
Grant notification . . . . .	21
Source of grants . . . . .	21
Foundation income and grants . . . . .	21
<b>7. Material agreements</b> . . . . .	22

# 1. Introduction to the Investors Group Charitable Giving Program: A donor-advised fund program offered through the Foundation

The Investors Group Charitable Giving Program has been established to promote philanthropy by offering Canadians an easy and convenient way to manage their ongoing charitable giving and potentially leave a lasting legacy.

The Program offers Donors the opportunity to:

- Set up an Investors Group Charitable Giving Account that may be named by the Donor;
- Make irrevocable donations to the Foundation of either cash, securities or life insurance;
- Pay no capital gains tax on donations of securities transferred in-kind to the Foundation;
- Receive an official donation receipt (a “Tax Receipt”) for each donation;
- Recommend an Investors Group Consultant to advise the Account on the selection of an Eligible Investors Group Fund;
- Recommend grants annually to Eligible Charities for the Donor’s lifetime and beyond;
- Increase the amount you can grant over time through the tax-free growth of the assets in the Account; and
- Simplify their charitable giving activities by consolidating their giving activities into one Account.

## About the Foundation

The Foundation is a non-profit charitable corporation established in 2006 that is registered as a public foundation with the Canada Revenue Agency (“CRA”) and with the Quebec Ministry of Revenue. With over \$75 million in donations received since inception in 2006, it manages charitable giving funds, also known as donor-advised funds, and is dedicated to helping donors increase and sustain their charitable giving. The objective of the Foundation is to receive and maintain charitable giving funds and to apply all or part of the principal and income from those funds to Eligible Charities.

The Foundation is governed by a Board of Directors (the “Board”). A majority of the Board is independent of Investors Group and its affiliates. The Board has sole discretion over each Account in the Program and the activities relating to these Accounts. Although the Board has ultimate authority over each Account, it will generally act on the recommendations of the Donor (or parties authorized by the Donor) that may be given through the Program.

## About Investors Group

Investors Group, founded in 1926, is a national leader in delivering personalized financial solutions to Canadians through a network of over 4,600 Consultants located throughout Canada. In addition to an exclusive family of mutual funds and other investment vehicles, Investors Group offers a wide range of insurance, securities, mortgage and banking services. Investors Group is a member of the IGM Financial Inc. (TSX: IGM) group of companies. IGM Financial Inc. is one of Canada’s premier financial services companies with over \$120 billion in total assets under management.

## 2. Establishing an Investors Group Charitable Giving Account

### Opening an Account

Individuals and organizations may become Donors by completing all applicable forms to open an Account and making an initial irrevocable donation of at least \$10,000 or a life insurance policy having a net death benefit of at least \$25,000 (regardless of its cash surrender or fair market value).

Individuals may also arrange to open an Account (or make a subsequent donation to an existing Account) after their death. Please see “Testamentary donations” in Section 3.

Application forms and other forms for the Program are available through your Investors Group Consultant.

### Joint Accounts

Accounts may be held in joint names (the second account holder is referred to as a “Joint Account Holder”). As described below under “Authority to make Recommendations for the Account”, a Joint Account Holder cannot make any recommendations for a Donor’s Account until after the Donor’s death or incapacity.

### Naming the Account

Donors must recommend a name for the Account for use in correspondence and/or for publication use. The Account name may include a family name or the name of another party the Donor wishes to honour (e.g., “*The Johnson Family Fund*”) or may be generic (e.g., “*The Fund for Charitable Giving*”) to allow for anonymous granting. Donors may alternatively want the name to reflect particular charitable interests (e.g., “*The Chan Family Fund for the Arts*”, or “*The Michael Thomas Endowment for the Environment*”).

### Authority to make recommendations for the Account

The Donor has the sole authority to make recommendations for the Account unless otherwise specified in writing to the Foundation. This authority passes from the Donor to the Joint Account Holder (if any) and thereafter to the “Successor” (if any) in the event of the incapacity or death of the Donor, after written notification and sufficient proof has been provided to the Foundation (see “Succession options” below).

### Financial Advisor

Every Account requires an Investors Group Consultant (the “Financial Advisor”) to advise the Foundation on the Account’s investing among the Eligible Investors Group Funds. Donors must recommend an Investors Group Consultant that the Foundation may use to provide this advice.

Once the Financial Advisor recommendation has been accepted, the Financial Advisor will become the Foundation’s Financial Advisor. The proceeds of a donation will be deposited by the Foundation in an investment account opened at the Financial Advisor’s firm (an investment or mutual fund dealer). The investment account opened by the Foundation at the Financial Advisor’s dealer will be in the name of the Foundation and reference the Account name (e.g., “Strategic Charitable Giving Foundation, re Smith Family Fund”).

Please note that due to a CRA technical interpretation, if the recommended financial advisor is the Donor’s relative, then generally donation proceeds must be invested under the “No-Load Purchase Option”, and cannot be invested under the “Deferred Sales Charge Option”. These options are described under “Purchase Options, Commissions and Other Fees”.

### Succession options

To seek to preserve the legacy created by the establishment of an Account, a “succession option” must be recommended for each Account as part of the Account set-up. As further explained below, an Account will be deemed to have a succession option in place at the time of Account set-up if: (i) the Account has a Joint Account Holder; (ii) a “Successor” has been recommended; and/or (iii) standing grant recommendations have been provided.

If a Joint Account Holder has been named for the Account, and if the Joint Account Holder is alive after the death or incapacity of the Donor, then the Joint Account Holder will assume the Donor’s authority to make recommendations for the Account as described above. The Joint Account Holder will need to recommend at least one succession option for the Account, unless the Account has a recommended Successor and/or standing grant recommendations.

A Donor may alternatively recommend a “Successor” either through a Program Application Form or a Will to assume responsibility for Account recommendations after the death or incapacity of the Donor. If the Account is a Joint Account, the Successor may only assume this responsibility after the death and/or incapacity of both the Donor and Joint Account Holder. A Successor must provide written notice and sufficient proof to the Foundation of the Donor’s, and/or Joint Account Holder’s, death or incapacity to succeed the Donor.

The Joint Account Holder or Successor may make or change any Account recommendations. A Donor may expect that a Joint Account Holder or Successor will make grant recommendations from the Account consistent with the Donor’s known areas of charitable interest but a Joint Account Holder or Successor is not bound to do so.

If a Joint Account Holder or Successor is a minor at the time they are to assume responsibility for the Account, the Foundation requires that the minor’s parent or legal guardian make the applicable recommendations. Account recommendation privileges will revert to the Joint Account Holder or Successor minor at such time as the minor attains legal age of majority in the province or territory where they live and written notice and sufficient proof has been given to the Foundation.

As a further option, instead of naming a Joint Account Holder or recommending a Successor, a Donor may

provide standing grant recommendations to operate after their death or incapacity. If a Donor has provided standing grant recommendations for their Account during their lifetime, but has not recommended a Successor, and if there is no surviving Joint Account Holder, then these standing grant recommendations will continue to apply after the death of the Donor.

Alternatively, a Donor may provide a set of standing grant recommendations and specify that they are only to commence after their death. This option is not available if the Account has either a Joint Account Holder or a Successor to assume the authority to make grant recommendations for the Account after the Donor’s death. If the Account has a Joint Account Holder, or if a Successor has been recommended, either of these parties can recommend a change to these standing grant recommendations.

**If there is no surviving Joint Account Holder, and the Donor has not recommended a Successor to the Foundation during their lifetime, appointed a Successor to the Account in their Will, or provided standing grant recommendations, the Foundation may transfer the assets in the Account to the Foundation’s “General Giving Fund” and close the Account. Alternatively, the Foundation may use the last grant recommendation provided for the Account as a basis for establishing standing grant recommendations for the Account.**

### 3. Donating to the Foundation

#### Donations are irrevocable

Once a donation is made to and accepted by the Foundation, it is irrevocable, and cannot be refunded to the Donor under any circumstance. All accepted donations are the exclusive property of the Foundation.

#### Minimum donations

An initial donation to establish an Account must be at least \$10,000. The Donor is expected to make subsequent donations to ensure the Account value will be at least \$25,000 within three years from the date the Account was established. Only when the Account value reaches at least \$25,000 will the Account be allocated an Annual Grant Amount. The grant amount arising from a donation only begins the calendar year after the Account value reaches at least \$25,000. If the donation is a donation of life insurance from a living donor, in which case the initial donation must have a net death benefit of at least \$25,000 (no cash surrender or fair market value is required). Subsequent donations to an Account must be at least \$1,000.

#### Donation condition

The Program has been designed to strike a balance between building the Donor's account to maximize the amount of grants that may be made over time and providing the Donor with the opportunity to grant a certain amount from their Account each year. Except as otherwise provided in Section 6 of this Guide entitled "Annual Grant Amount", the Program requires that each donation (whether cash, securities (including mutual funds) gifts designated to the Foundation in a Will, RRSP, RRIF, Tax-Free Savings Account or life insurance policy (where the Foundation is named as beneficiary)) will be invested and held by the Foundation for not less than 10 years from the date of the donation.

By requiring this direction, the Foundation can maintain and invest the assets to grow in value through the years and ultimately make a more meaningful philanthropic impact.

After the ten-year period following each donation, the Donor may have the opportunity to increase their grant amount. Please see "Annual Grant Amount" in Section 6.

#### Acceptable donations and tax considerations

Donations may be cash, securities (including mutual funds) or life insurance (including an interest in a segregated fund contract). The Foundation may also be named as a beneficiary under a Will or designated in an RRSP, RRIF or Tax-Free Savings Account. The Foundation has the right to refuse any donation. Any donation that is not accepted will be returned as soon as possible. Donors will receive written confirmation shortly after their program forms have been received.

Once a donation is accepted, a donor is entitled to a Tax Receipt for the "eligible amount" (see "Eligible amount") of the donation. **Except for testamentary donations of securities received pursuant to a Will, the eligible amount will be the closing market value of the donation on the day it is received by the Foundation minus any "advantage or benefit" associated with the donation. In accordance with a CRA technical interpretation, for testamentary donations of securities received pursuant to a Will, the eligible amount will be the closing market value of the donated securities on the day before the Donor's death, irrespective of when the securities are received by the Foundation, minus any advantage or benefit associated with the donation. The date of the Tax Receipt for an accepted donation, except for testamentary donations of securities received pursuant to a Will, is the date that the donation has been received by the Foundation.**

Donations to the Foundation generally qualify for an individual income tax credit or corporate tax deduction in the tax year in which the donation was made as a charitable donation made to a registered charity. For individuals, the maximum amount of charitable donations that may be claimed for credit in any one year is 75% of net income (100% in the year of death and the year immediately before death). Unused donations can be carried forward (but not backwards) for up to five years beyond the year of the donation, subject to the 75% limit in each year claimed.

#### Donations of cash

Cash donations must be in Canadian dollars and delivered by cheque or wire. Cash will not be accepted directly. The Tax Receipt will be for the full amount of the cash donation, less any advantage or benefit conferred on the donor.

### **Donations of securities**

The Foundation will generally only accept publicly listed stocks, bonds and mutual funds. Donations of securities must be transferred “in kind” to the Foundation’s investment account. Donors wishing to donate securities to the Foundation are cautioned that the process of transferring securities between financial institutions or accounts is not within the Foundation’s control and may be subject to delays.

Donations of securities to the Foundation may be eligible for enhanced capital gains treatment. Donated securities are deemed to have been disposed of by the donor immediately before donation to trigger a gain or loss for the investor. The *Income Tax Act* (Canada) (the “Tax Act”) provides for a taxable gains inclusion rate of 0% for gains on publicly traded stocks, bonds, mutual funds and other securities donated in kind. Similarly, the inclusion rate for a taxable employee benefit from the exercise of an employee stock option was also reduced to 0% provided the securities are donated within 30 days of exercise.

**Therefore, the amount of tax payable on any gain realized on publicly listed securities donated to the Foundation is \$0.** While there is no tax payable on capital gains realized on donated securities, any income realized as a result of a donation of securities will be taxable to the donor, and a donation of units in Investors Real Property Fund or other Investors Group funds that invest in Investors Real Property Fund may result in an income inclusion.

The Tax Receipt for donations of publicly listed stocks and bonds is the fair market value as established by the Foundation in its sole discretion, less any advantage or benefit received. The Tax Receipt for donations of mutual funds is the value of those securities calculated by multiplying their net asset value per security, as determined by the mutual fund company issuing the securities, by the number of securities donated to the Foundation, less the value of any advantage or benefit received.

All securities, other than the Eligible Investors Group Funds, will be sold by the Foundation at the earliest practical date. Any costs incurred by the Foundation to sell the securities will be deducted from the proceeds of the sale. If the donated securities sold are mutual fund securities other than Investors Group mutual funds, redemption charges may also apply. An amount equal to the net proceeds after liquidation will be deposited to the Donor’s Account. As a result, the amount of the Tax

Receipt provided to the Donor will likely differ from the amount deposited to an Account and invested in an Eligible Investors Group Fund.

### **Donations of insurance**

#### *Donations of life insurance*

A donation of a life insurance policy from a living Donor will generally only be accepted by the Foundation when: (i) the policy has a net death benefit of at least \$25,000 (unless the Account minimum donation level will be met in combination with other donations; no cash surrender or fair market value is required); (ii) it has received confirmation from the insurer that ownership of the policy has been irrevocably transferred to the Foundation; and (iii) the Foundation has also been named as the policy’s beneficiary. The policy will generally only remain in force if the Donor pays any further premiums required under the terms of the policy contract. Additional Tax Receipts will be issued for premium payments as described below. For donations of life insurance by way of beneficiary designation, which are only donated upon the death of the insured, please see “Testamentary donations” below.

**An Account funded solely by a donation of a life insurance policy from a living Donor will not make any investments or grants until the Account has received the proceeds of the insurance policy.**

The Tax Receipt for insurance donations from living Donors will generally be the total cash surrender value of the policy, if any, minus any policy loan, less any advantage or benefit received. Donors may alternatively have their Tax Receipt issued based on the fair market value of the insurance donation if the Donor obtains for the Foundation, at their own expense, an acceptable estimate of the fair market value of the insurance policy from a qualified professional (e.g., an actuary). Before incurring any expenses, Donors considering this option should contact the Foundation to discuss the proposed donation, including ensuring the qualified professional will be acceptable to the Foundation. If the Donor continues to pay premiums owing by the Foundation on the Foundation’s policy, and if the Donor provides the Foundation annually written proof from the insurer of payment of these premiums, then an additional Tax Receipt will be issued for those premiums paid by the Donor during the previous calendar year.

If the Donor does not continue to pay the premiums, the Foundation may in its sole discretion opt to continue to pay the premiums itself or surrender the policy for its cash surrender value. **If the Foundation opts to surrender the policy for its cash surrender value and the Account receives less than the \$25,000 required for a minimum initial donation of a life insurance policy, then, unless an additional donation is made to at least reach the \$25,000 minimum initial donation of a life insurance policy level, the Foundation may transfer the assets in the Account to the Foundation's General Giving Fund and close the Account.**

#### *Donations of segregated funds*

A donation of a segregated fund policy from a living Donor must be transferred "in kind" by means of an absolute assignment of ownership to the Foundation. Donors wishing to donate segregated fund policies to the Foundation are cautioned that the process of transferring ownership of a segregated fund policy is not within the Foundation's control and may be subject to delays.

Donations of segregated funds from a living Donor to the Foundation may be eligible for enhanced capital gains treatment. Such donated segregated funds are deemed to have been disposed of by the Donor immediately before donation to trigger a gain or loss for the owner. The Tax Act provides a taxable capital gains inclusion rate of 0% for gains on segregated funds donated by a living Donor "in kind".

The Tax Receipt for donations of segregated fund policies is the value of those units calculated by multiplying their net asset value per unit, as determined by the issuer, by the number of units donated to the Foundation, less the value of any advantage or benefit received. Any subsequent redemption fee incurred by the Foundation does not reduce the amount of the Tax Receipt.

All segregated fund units will generally be redeemed by the Foundation at the earliest practical date. The Foundation may elect to defer redemption of the segregated fund units in circumstances where material guaranteed benefits under the segregated fund policy are shortly expected to be paid. Any costs incurred by the Foundation to sell the segregated fund units will be deducted from the proceeds of the sale. If the donated segregated fund units were originally acquired under a redemption charge option, redemption charges may also apply. An

amount equal to the net proceeds after liquidation will be deposited to the Donor's Account. As a result, the amount of the Tax Receipt provided to the Donor will likely differ from the amount deposited to an Account and invested in an Eligible Investors Group Fund.

### **Third party donations**

Individuals or organizations other than the Donor ("Third Party Donors") may make donations to a Donor's Account and are eligible to receive a Tax Receipt for their donations. Third Party Donors do not acquire any recommendation privileges for the Account and cannot recommend grants for the Account. Donors may not guarantee to Third Party Donors that any grant recommendations will be approved.

Please note that due to a CRA technical interpretation, if a financial advisor to an Account wishes to make a third party donation to that Account, then the donation proceeds will be invested under the No-Load Purchase Option.

### **Testamentary donations**

#### **(Donations occurring only after the Donor's Death)**

Donations may be made to a new or existing Account by designating the Foundation as a beneficiary under a Will, a life insurance policy, a qualified retirement plan (e.g., a RRSP or RRIF), tax-free savings account or a private foundation.

To avoid disputes over testamentary donations to an Account, we strongly recommend that the Donor should specify *in writing* that the testamentary donation is to be made to the "Strategic Charitable Giving Foundation" and that the proceeds of the testamentary donation are to be passed to the Donor's Account (the Account name should be identified). A Donor considering opening a new Account with the proceeds of a testamentary donation should carefully review this Guide and the Program's forms to ensure that complete Account set-up instructions are provided to their executor including instructions regarding who will act as Account Holder and/or any other succession options for the Account (e.g., providing standing grant recommendations). Testamentary donations will generally be valued similar to a cash donation and Tax Receipts will generally be issued in the name of the deceased.

Estate assets may be subject to probate or estate administration taxes, where applicable, and may reduce the amount available to be donated to the Foundation. Donations made during a donor's lifetime are not subject to these taxes. Donors should consult their financial, legal and tax advisors when setting up any testamentary donation.

**In accordance with a CRA technical interpretation, for testamentary donations of securities received pursuant to a Will, the "eligible amount" of the Tax Receipt (see "Eligible Amount" below) will be the closing market value of the donated securities on the day before the Donor's death, irrespective of when the securities are received by the Foundation, minus any advantage or benefit associated with the donation.**

### **Eligible amount (advantage or benefit)**

A Tax Receipt will be issued by the Foundation for the "eligible amount" of an accepted donation. The "eligible amount" of a donation is calculated under the Tax Act as the fair market value of the donation, less any "advantage or benefit" received by the Donor or someone related to the Donor as a result of the donation. "Advantage or benefit" generally means anything received by the Donor or any person not dealing at arm's length with the Donor (e.g., a relative) at any time (i.e., either before or after the donation) from any person and which either directly or indirectly is related to the fact the donation is made.

For example, if a Donor's family is given hockey tickets by their Investors Group Consultant in recognition of their making a donation, the Tax Receipt would be for the value of the donation less the value of the tickets. As

a further example, if a Donor makes a grant recommendation to a registered Canadian amateur athletic association, and the proceeds of the grant will be used to pay for the Donor's child's athletic training, then the Foundation will have to refuse the recommendation as the anticipated benefit deprives the donation of its characterization as a "gift" under tax law.

### **General Giving Fund**

The Foundation intends to maintain a charitable giving fund account called the "General Giving Fund". The Board will have sole authority over the General Giving Fund and will determine which Eligible Charities will receive grants from the General Giving Fund.

**Accounts with no succession option after the death or incapacity of the Donor (i.e., no surviving Joint Account Holder or Successor, or standing grant recommendations), or which fall below the minimum Account balance level of \$10,000 may have their assets transferred to the General Giving Fund and be closed. When the Account is closed, the Account's name generally ceases to be used and the assets are transferred from the financial advisor on the Account.**

### **Minimum account balance**

The minimum Account balance is \$10,000. If an Account falls below the minimum Account balance the Donor will be notified and given the opportunity to make an additional donation to bring the Account above the minimum. **Accounts that remain below the minimum after 30 days notice may have their assets transferred to the General Giving Fund and be closed.**

## 4. Investing through an Account

### Investment recommendation

A Donor may recommend an investment from the Eligible Investors Group Funds; subject to the minimum investment requirements for any of the Eligible Investors Group Funds outlined in the Fund's prospectus. There is a maximum of one Eligible Investors Group Fund per Account. Donors may recommend that units of an Eligible Investors Group Fund be acquired under either the Deferred Sales Charge purchase option or No Load purchase option, subject to the terms for each purchase option. Donors may change their investment recommendation at any time.

### Eligible Investors Group Funds

I.G. Investment Management, Ltd. is the manager and Investors Group Trust Co. Ltd. is the trustee of each of the following Eligible Investors Group Funds:

#### Investors Income Plus Portfolio

The Portfolio aims to provide income, capital stability and long-term growth by investing in other Investors Group Funds.

To achieve the Portfolio's investment objective, the Manager invests in the following Underlying Funds:

<b>Income Funds (50%):</b>	
Investors Government Bond Fund	25%
Investors Mortgage and Short Term Income Fund	15%
Investors Canadian Bond Fund	10%
<b>Canadian Equity Funds (40%):</b>	
Investors Dividend Fund	25%
Investors Mutual of Canada	15%
<b>Investors Real Property Fund (10%):</b>	10%
	<b>100%</b>

### Alto Conservative Portfolio

The Portfolio aims to provide a high level of income and capital preservation with limited capital growth over the long term. The Portfolio invests primarily in Underlying Funds that invest in Canadian fixed income securities. The Portfolio also has limited exposure to equities through investment in Underlying Funds that invest in Canadian, U.S. and international equity markets.

To achieve the Portfolio's investment objective, the Manager invests in the following Underlying Funds:

<b>Income Funds (60%):</b>	
IG Mackenzie Income Fund	15%
Investors Global Bond Fund	5%
Investors Canadian Bond Fund	15%
Investors Mortgage and Short Term Income Fund	20%
Investors Real Return Bond Fund	5%
<b>Canadian Equity Funds (13%):</b>	
Investors Canadian Equity Fund	13%
<b>Foreign Equity Funds (17%):</b>	
Investors U.S. Large Cap Value Fund	7%
IG Mackenzie Ivy European Fund	5%
Investors Japanese Equity Fund	5%
<b>Investors Real Property Fund (10%):</b>	10%
	<b>100%</b>

### Allegro Conservative Portfolio

The Portfolio aims to provide a high level of income and limited capital appreciation over the long term through a balance of investments across several asset classes, by primarily investing in Underlying Funds that invest in Canadian fixed income securities and also have the potential to generate income. The Portfolio also contains limited exposure to Canadian, U.S. and international equity funds.

To achieve the Portfolio's investment objective, the Manager invests in the following Underlying Funds:

<b>Income Funds (60%):</b>	
Investors Government Bond Fund	15%
Investors Mortgage and Short Term Income Fund	20%
Investors Canadian Bond Fund	15%
Investors Global Bond Fund	5%
Investors Real Return Bond Fund	5%
<b>Canadian Equity Funds (14%):</b>	
IG Mackenzie Maxxum Canadian Equity Growth Fund	14%
<b>Foreign Equity Funds (16%):</b>	
IG AGF U.S. Growth Fund	6%
IG Mackenzie Ivy European Fund	5%
Investors Japanese Equity Fund	5%
<b>Investors Real Property Fund (10%):</b>	10%
	<b>100%</b>

### Alto Monthly Income Portfolio

The Portfolio aims to provide a steady flow of income and capital stability with potential for capital growth over the long term. The Portfolio invests primarily in Underlying Funds that invest in Canadian fixed income securities. The Portfolio also has limited exposure to equities through investment in Underlying Funds that invest in Canadian equity markets.

To achieve the Portfolio's investment objective, the Manager invests in the following Underlying Funds:

<b>Income Funds (57%):</b>	
IG Mackenzie Income Fund	12%
Investors Global Bond Fund	8%
Investors Mortgage and Short Term Income Fund	20%
Investors Canadian High Yield Income Fund	10%
Investors Real Return Bond Fund	7%
<b>Balanced Funds (15%):</b>	
Investors Dividend Fund	10%
Investors Global Dividend Fund	5%
<b>Canadian Equity Funds (18%):</b>	
IG Mackenzie Maxxum Dividend Growth Fund	10%
Investors Canadian Equity Income Fund	8%
<b>Investors Real Property Fund (10%):</b>	
	10%
	<b>100%</b>

### Alto Moderate Conservative Portfolio

The Portfolio aims to provide a relatively high level of income and preservation of capital with moderate capital growth over the long term. The Portfolio invests primarily in Underlying Funds that invest in Canadian fixed income securities. The Portfolio also has moderate exposure to equities through investment in Underlying Funds that invest in Canadian, U.S. and international equity markets.

To achieve the Portfolio's investment objective, the Manager invests in the following Underlying Funds:

<b>Income Funds (45%):</b>	
Investors Canadian Bond Fund	5%
Investors Mortgage and Short Term Income Fund	20%
Investors Government Bond Fund	15%
Investors Real Return Bond Fund	5%
<b>Canadian Equity Funds (20%):</b>	
IG Mackenzie Maxxum Canadian Equity Growth Fund	20%
<b>Foreign Equity Funds (25%):</b>	
Investors U.S. Large Cap Growth Fund	5%
Investors U.S. Large Cap Value Fund	10%
Investors Japanese Equity Fund	5%
IG Mackenzie Ivy European Fund	5%
<b>Investors Real Property Fund (10%):</b>	
	10%
	<b>100%</b>

### Allegro Moderate Conservative Portfolio

The Portfolio aims to provide a relatively high level of income and preservation of capital with moderate capital growth over the long term by investing in Underlying Funds that provide a balance of investments across several asset classes. The portfolio consists primarily of Underlying Funds that invest in Canadian fixed income securities and also have the potential to generate income. The Portfolio also contains moderate exposure to equities through investments in Underlying Funds that invest in Canadian, U.S., and international equity markets.

To achieve the Portfolio's investment objective, the Manager invests in the following Underlying Funds:

<b>Income Funds (45%):</b>	
Investors Government Bond Fund	15%
Investors Mortgage and Short Term Income Fund	20%
Investors Canadian Bond Fund	5%
Investors Real Return Bond Fund	5%
<b>Canadian Equity Funds (20%):</b>	
IG Mackenzie Maxxum Canadian Equity Growth Fund	12%
IG FI Canadian Equity Fund	8%
<b>Foreign Equity Funds (25%):</b>	
Investors Japanese Equity Fund	5%
IG AGF U.S. Growth Fund	14%
Investors European Equity Fund	6%
<b>Investors Real Property Fund (10%):</b>	
	10%
	<b>100%</b>

### Alto Monthly Income and Growth Portfolio

The fund aims to provide a steady flow of income, with the potential for moderate capital growth over the long term with a secondary focus on capital stability. The Portfolio invests primarily in Underlying Funds that invest in Canadian fixed income securities. The Portfolio also has moderate exposure to equities through investment in Underlying Funds that invest in Canadian equity markets.

To achieve the Portfolio's investment objective, the Manager invests in the following Underlying Funds:

<b>Income Funds (41%):</b>	
Investors Mortgage and Short Term Income Fund	16%
Investors Canadian High Yield Income Fund	10%
Investors Real Return Bond Fund	7%
IG Mackenzie Income Fund	8%
<b>Balanced Funds (22%):</b>	
Investors Dividend Fund	17%
Investors Global Dividend Fund	5%
<b>Canadian Equity Funds (27%):</b>	
IG Mackenzie Maxxum Dividend Growth Fund	15%
Investors Canadian Equity Income Fund	12%
<b>Investors Real Property Fund (10%):</b>	
	10%
	<b>100%</b>

**Investors Dividend Fund**

The fund has three principal objectives. These are:

- to obtain above-average income yield on its investments;
- to protect the value of its investments; and
- to achieve long-term capital appreciation consistent with the fulfillment of the first two objectives.

To achieve the fund's objective, the Fund selects broadly defined investments which provide above-average current income. In order to gauge an above-average income yield, the Fund uses as a yardstick the income yield that could be obtained on a large sample of common shares such as the S&P/TSX Composite Index. Generally speaking, it is the Fund's intention that its investment in foreign securities will not exceed 30% of its assets, but the Fund may invest up to 50% of its assets in foreign securities at the discretion of the Portfolio Advisor.

**Investors Canadian Balanced Fund**

The Fund aims to provide returns that are consistent with a balanced portfolio comprised of primarily large capitalization Canadian stocks and investment credit quality corporate and government debt instruments.

To achieve the Fund's investment objective, the Advisor will vary the Fund's asset mix in order to maintain a mix of equities, debt, and cash that represents its view of the most optimal combination of these investments based on:

- economic outlook;
- market conditions; and
- the relative value of these investments.

The Fund's investments may also include debt securities rated "BBB" or less, or their equivalent, as well as small cap stocks. Generally speaking, it is the Fund's intention that its investment in foreign securities will not exceed 30% of its assets, but the Fund may invest up to 50% of its assets in foreign securities at the discretion of the Portfolio Advisor.

**Investors Real Property Fund**

The principal objective of the Fund is long term capital growth combined with a continued income stream through investments in real property located in Canada. To achieve this objective the Fund has assembled and intends to continue to assemble a diversified portfolio of income producing real properties with a better than average growth potential. Subject to other investment restrictions, the Fund may also invest in non-Canadian assets, where it is deemed that the potential for growth provides a supplement to the Fund's Canadian holdings.

There is no assurance that any Eligible Investors Group Fund will achieve its stated objective. Market, interest rate, currency and/or other fluctuations may cause the value of an Eligible Investors Group Fund's units to be worth more or less than their value when they were initially purchased by the Foundation.

**Eligible series of units**

The eligible series of units offered in the Eligible Investors Group Funds under the Program are:

<i>Series of Units</i>	<i>Series Descriptions Under the Program</i>
<b>Series A:</b>	For Accounts where the donor selects the Deferred Sales Charge (DSC) Purchase Option;
<b>Series B*:</b>	For Accounts where the donor selects the No-Load (NL) Purchase Option;
<b>Series C:</b>	For Accounts where the donor is donating Series "C" units to the Foundation.

\*Series B is not offered for Investors Real Property Fund

Funds or series may be added to or removed from Program eligibility at any time without notice. Donors will be notified and asked to provide an alternative investment recommendation if their Account holds an Eligible Investors Group Fund that has been removed from the Program.

The Foundation may purchase, or switch some or all of the units in the Account into units of an Investors Group money market mutual fund in order to manage its obligations under the Tax Act or for such other circumstances as the Foundation deems appropriate.

### **Valuation of accounts**

For each Account, the Foundation will use the net proceeds of donations to that Account to acquire units of the Eligible Investors Group Fund. The value of an

Account at any time will be the number of units of the Eligible Investors Group Fund held by the Account multiplied by its unit price. Investors Group calculates all unit prices (with the exception of Investors Real Property Fund) at the close of trading on the Toronto Stock Exchange on each trading day. Investors Group calculates the net asset value per unit for each series of the Investors Real Property Fund twice during each calendar month, namely: on the 15th day of the month, unless that day is not a Business Day in which case the calculation will be made on the next Business Day, and on the last Business Day of the month. Investment returns of the Eligible Investors Group Fund will be based on the performance of the Eligible Investors Group Fund within the Account, and will be summarized in a semi-annual Account statement.

## 5. Fees, expenses and commissions

### Program fees

Each Account, other than an Account opened only with a donation of life insurance that has not received the insurance proceeds, will be allocated its share of “Program Fees” consisting of up to an annual 1% charitable administration fee, plus its pro rata share of the Foundation’s annual operating expenses, and may also be allocated grant activity charges. These Program Fees exclude management fees and operating expenses that are directly paid by the Eligible Investors Group Funds to Investors Group. Program Fees will be paid by redeeming units of the Eligible Investors Group Fund held through the Account. **The Foundation reserves the right to change the Program Fees at any time with appropriate notice.**

### Charitable administration fee

The charitable administration fee is payable to the Foundation’s charitable administration service provider. This fee is subject to reductions on Account assets of \$500,000 or more, as set out below. This fee is calculated monthly and is generally collected on a semi-annual basis from each Account, other than an Account opened only with a donation of life insurance that has not received the insurance proceeds.

Account Balance	Charitable Administration Fee (% per annum)
On Account assets under \$500,000	1.00%
On Account assets from \$500,000 to under \$1,500,000	0.85%
On Account assets from \$1,500,000 to under \$2,500,000	0.75%
On Account assets above \$2,500,000	Contact Investors Group for details

### Charitable operating expenses

The Foundation’s charitable operating expenses are variable and will be charged to each Account, other than an Account opened only with a donation of life insurance that has not received the insurance proceeds. These operating expenses include, without limitation:

- Audit and legal fees;
- The costs of the Program Guide and any annual report;
- Regulatory filing and other regulatory fees;
- Interest and bank charges;
- Insurance;
- Non-refundable G.S.T.; and
- Director meeting reimbursement of out-of pocket expenses and other nominal expenses.

If significant charitable operating expenses are incurred by a particular Account, then the Foundation may allocate these expenses directly to that Account.

### Fees and expenses payable by the Eligible Investors Group Funds

Each Eligible Investors Group Fund pays management fees, operating expenses and/or administration fees as described below. These fees and expenses are reflected in the daily net asset value of each series. Investors Group may authorize a reduction in the management fee and/or operating expense rates that it charges to the Eligible Investors Group Funds with respect to any particular Account’s units of an Eligible Investors Group Fund. The Eligible Investors Group Fund will pay an amount equal to the reduction of management fees and/or operating expenses to the Account as a special distribution. The level of reduction may vary and usually will be based on the size of the Account and the extent of mutual fund services required by the Account. There will be no duplication of expenses payable by the Eligible Investors Group Funds as a result of any investments in underlying mutual funds.

### Management fees

Management fees for each series of units of the Eligible Investors Group Funds are paid directly by the Eligible Investors Group Fund to Investors Group as manager of the Eligible Investors Group Fund. The annual management fee rates for each other eligible series of units of the Eligible Investors Group Funds are:

Fund Name	Annual Management Fee Rate by Series (%) All Series
Investors Income Plus Portfolio	None*
Alto Conservative Portfolio	None*
Allegro Conservative Portfolio	None*
Alto Monthly Income Portfolio	None*
Alto Moderate Conservative Portfolio	None*
Allegro Moderate Conservative Portfolio	None*
Alto Monthly Income and Growth Portfolio	None*
Investors Dividend Fund	2.00
Investors Canadian Balanced Fund	2.00
Investors Real Property Fund	2.00

\*None of the Portfolios pay directly an annual management fee, but the Underlying Funds pay a management fee. Detailed information on the fees and expenses paid by the Portfolios, including their Management Expense Ratios, can be found in the Financial Highlights section of their respective Management Reports of Fund Performance.

### Operating expenses

The Eligible Investors Group Funds pay a fixed annual administration fee (the “Administration Fee”), calculated as a fixed annual percentage (accrued and payable daily) of the net asset value of each Series of each Eligible Investors Group Fund as follows:

Fund Name	Annual Administration Fee Rate by Series (%)		
	Series A	Series B	Series C
Investors Income Plus Portfolio	0.17	0.17	0.15
Alto Conservative Portfolio	0.17	0.17	0.15
Allegro Conservative Portfolio	0.17	0.17	0.15
Alto Monthly Income Portfolio	0.17	0.17	0.15
Alto Moderate Conservative Portfolio	0.18	0.18	0.16
Allegro Moderate Conservative Portfolio	0.18	0.18	0.16
Alto Monthly Income and Growth Portfolio	0.18	0.18	0.16
Investors Dividend Fund	0.15	0.15	0.15
Investors Canadian Balanced Fund	0.17	0.17	0.17
Investors Real Property Fund	0.16	n/a	0.13

In exchange for this fee, the Manager will pay the costs and expenses required to operate the Eligible Investors Group Funds that are not otherwise included in the management fee, except for certain Fund costs which are disclosed in the prospectus of each Eligible Investors Group Fund.

In addition, the Eligible Investors Group Funds (but not the Income Funds) pay a service fee. The level of the service fee is different for each Series, as follows:

#### Service fees payable by each Series

Series service fee as percentage of net asset value

“A”	.30% annually, accrued and payable daily*
“B”	.45% annually, accrued and payable daily*
“C”	.50% annually, payable quarterly on or about the last Business Days of January, April, July and October*

\*In the case of the Portfolios, the service fee payable will depend on whether each Portfolio invests in whole, or in part, in Underlying Funds that pay a service fee. In no case will the fees be greater than those shown above. The service fee is intended to compensate Investors Group Financial Services Inc. and/or Investors Group Securities Inc. (the “Distributors”) for providing or arranging services to the Funds, including the issue, granting, allotment, acceptance, endorsement, renewal, processing, variation, transfer

of ownership, or redemption of units. For Series “C” units, the Foundation may receive some or all of this service fee back from the Fund. This refund will be used to purchase additional units of that Series in the Fund. Investors Group may absorb certain operating expenses or waive a portion of any Fund’s Management Fee (or Administration Fee) to ensure that a Fund remains competitive. There is no assurance that this will occur in the future.

### Brokerage commissions

Each Eligible Investors Group Fund also pays its own brokerage commissions for portfolio transactions and related transaction fees and, for tax purposes, adds this to the cost base or subtracts this from the sale proceeds of those securities.

### Purchase options, commissions and other fees

The Eligible Investors Group Funds may be purchased under either the No-Load Purchase Option or the Deferred Sales Charge Option, as described below. Due to a CRA technical interpretation, donations by financial advisors to their own Accounts (or to Accounts of family members or relatives on which they are the financial advisor) must generally be invested under the No-Load Purchase Option, and cannot be invested under the Deferred Sales Charge Option.

#### No-Load Purchase Option\*

If the Foundation purchases Series B or C units of an Eligible Investors Group Fund under the No-Load Purchase Option, there is no sales commission paid to the Account’s Consultant.

\* The Series B and Series C No-Load Purchase Option is not offered on the Investors Real Property Fund.

#### Deferred Sales Charge Purchase Option

If the Foundation purchases Series A or C units of an Eligible Investors Group Fund under the Deferred Sales Charge Option for an Account, Investors Group pays the Account’s Consultant a commission of up to 4.10% of the amount invested. That commission is not negotiable. In addition, if the Consultant has been with Investors Group for less than two years, he or she may receive an additional commission payment each month of up to 50% of his or her sales commission earnings to help establish their practice. The Account may pay a redemption charge at the following rates if those units are redeemed during the periods specified, except on the 12% free redemption amount described below. The redemption charge is deducted from the unit price of

the units on the redemption trade date and the balance of the unit price is paid to the Account:

Period after purchase	Redemption Charge Rate
Within 2 years	5.5%
During 3rd year	5.0%
During 4th year	4.5%
During 5th year	4.0%
During 6th year	3.0%
During 7th year	1.5%
More than 7 years	Nil

The Foundation will not have to pay a redemption fee using an automatic regular redemption by Systematic Withdrawal Plan (SWP) when the amount redeemed from a Fund in the same account within the calendar year under the SWP is less than 12% of the value (as at December 31st of the previous year) of all the units or shares of all the units in Investors Group Funds purchased under the Deferred Sales Charge purchase option that are held within that same account. The Foundation generally does not expect to incur any redemption charges on Deferred Sales Charge units in connection with the collection of charitable administration fees or the annual disbursement of grants from an Account.

#### Excessive switching fees

The Foundation does not have to pay a fee for switching units of the Eligible Investors Group Funds. However, if a Donor recommends switching into, or out from, any fund so often that in the view of either of the Distributors the switches could have a detrimental effect on that fund, Investors Group may:

- charge an excessive switching fee of up to 3%, or such larger redemption fee amount that would apply based on the time since the most recent investment in the Eligible Investors Group Fund if the units being switched are already subject to a redemption fee; and/or
- reject the investment into the recommended Eligible Investors Group Fund.

The Foundation will generally only adopt a Donor's switch recommendation where it has been confirmed that no switch fee will apply.

#### Trailing commissions

For Eligible Investors Group Funds purchased under the No-Load Purchase Option, an annual trailing commission

of up to 0.35% is payable monthly based on the average monthly value of all *qualified client assets* serviced by the Consultant that were purchased on a No-Load basis. For Eligible Investors Group Funds purchased under either the Deferred Sales Charge Option or No-Load Purchase Option, an additional annual trailing commission of up to 0.38% is payable monthly based on the average monthly value of all *qualified client assets* that the Consultant services. This additional annual trailing commission is the same rate for all Consultants. Also, a Consultant may qualify for an additional annual trailing commission payment of up to 0.25% of the value of all *qualified client assets* that were originally purchased under the Deferred Sales Charge Option after the deferred sales charge schedule has lapsed.

*Qualified client assets* comprise 100% of assets invested in equity and balanced Investors Group Funds; 75% of assets invested in certain Investors Group Portfolio Funds; 50% of assets invested in Investors Group Income Funds; and 25% of assets invested in Investors Group Money Market Funds.

The amount of the sales commission and the trailer commissions vary among Consultants depending on various factors that may include assets serviced, sales volumes and professional qualifications. Investors Group may change these amounts at any time without prior notice.

#### Short-term trading fees

Investors Group has adopted policies and related procedures to prevent inappropriate short-term trading in the Eligible Investors Group Funds. Our procedures include the monitoring of trading activity with the funds to detect instances of an inappropriate short-term trading strategy, investigation into any trading activity that could constitute inappropriate short-term trading, and the taking of prompt action when such trading activity is detected. In determining whether a particular trade is inappropriate, we will consider all relevant factors, including *bona fide* changes in circumstances or intentions of a Donor or the Foundation, the nature of the funds involved, and past trading patterns. We may conduct discussions concerning the trade.

Investors Group considers as "inappropriate short-term trading" a combination of a purchase (including a switch

into an Eligible Investors Group Fund) and redemption (including a switch from an Eligible Investors Group Fund) or vice versa within a short period of time that may be detrimental to one or more of the funds, all as determined by Investors Group in its sole discretion. These trades are generally for periods of less than 10 days, but can be for periods up to 90 days. If Investors Group concludes that a particular trade is inappropriate, it will impose a 2% short-term trading fee.

The Foundation will decline a Donor's recommendation to switch or redeem investments if it believes that the recommended activity may result in a short-term trading fee being applied.

Investors Group may take such additional action as it considers appropriate to prevent further similar activity. These actions may include the delivery of a warning, placing the investor/account on a watch list to monitor trading activity and the subsequent refusal of further trades by the investor if the investor continues to attempt such trading activity, and/or closure of the investor's account. **Investors Group reserves the right to restrict, reject or cancel, without any prior notice, any purchase or switch order, including transactions that are deemed to represent inappropriate short-term trading.**

## 6. Granting to eligible charities

Each Account will be allocated an “Annual Grant Amount” each year, once the Account value reaches at least \$25,000, from which Donors may recommend that the Foundation make grants to “Eligible Charities”.

Grant recommendations to Eligible Charities are subject to review and approval by the Foundation. The Foundation retains sole discretion to approve or decline a recommended grant. If a grant recommendation is declined, the Foundation will seek to notify the Donor and request a revised recommendation.

### Annual grant amount

The Foundation is subject to rules under the Tax Act that specify the minimum amount it must annually disburse from donations received (its “disbursement quota”), including donations received other than through the Program. The Foundation will determine how much it must disburse from its assets each year to satisfy the requirements of the Tax Act and will allocate at least this amount among all Accounts. The Foundation grants a standing rate of 4% per annum. The actual grant amount is based on the Account’s year-end market value.

However, a Donor may recommend an annual grant rate between 4% and 8%. This percentage may be changed at any time. The grant amount arising from a donation only begins the calendar year after a donation is made, and provided that the total donations to the Account are \$25,000 or more at the beginning of the calendar year.

The Annual Grant Amount must be granted each year from an Account and cannot be carried forward.

After the ‘expiry’ of any 10-year holding condition on a donation, the Foundation may, but is not bound to, consult the individual or entity responsible for making recommendations to the Account about increasing the amount to be granted from the Account.

### Eligible charities

The Foundation must restrict granting to registered Canadian charities and other permitted entities (“qualified donees”) as set out in the Tax Act. For the purposes of the Program, an “Eligible Charity” is the following list of charities and other organizations that are listed as “qualified donees” under the Tax Act:

- Registered Canadian charities (other than private foundations);
- Registered Canadian amateur athletic associations;
- Registered national arts service organizations;
- Certain non-profit housing corporations resident in Canada that are constituted exclusively to provide low-cost accommodation for the elderly;
- Universities outside Canada that are prescribed to be universities the student body of which ordinarily includes students from Canada;
- Charitable organizations outside Canada to which the federal government has made a gift in the current calendar year or the previous calendar year;
- Canadian municipalities or the federal or a provincial government or their agencies; and
- The United Nations or its agencies.

The Foundation will not approve grants to individuals, non-profit organizations not registered as charitable organizations with CRA, private foundations or to political candidates or parties. Also, the Foundation will not approve grants to satisfy a pre-existing pledge or for any private benefit such as membership dues or fees, tuition, or goods purchased at a charitable auction. As well, it will not support any political activities. The Foundation will take remedial action if it discovers that grants have been made for improper purposes such as those listed above. Remedial actions may include, but are not limited to, requiring the return of a grant or transferring the Account’s assets to the General Giving Fund and closing the Account.

## Recommending grants and grant payment dates

Grants may be recommended by submitting a Grant Recommendation Form. If a Donor is recommending grants to multiple Eligible Charities, a percentage must be allocated to each Eligible Charity, subject to the minimum grant amount of \$500.

Donors must elect on the Grant Recommendation Form whether they wish to submit their grant recommendations annually (an option referred to as making “annual grant recommendations”) or provide “standing grant recommendations”.

If a Donor elects the annual grant recommendations option for an Account, then the Donor must submit a Grant Recommendation Form each year to the Foundation. Donors who expect to change their recommended Eligible Charities annually may prefer the annual grant recommendations option.

If the Donor elects the standing grant recommendations for an Account, then the recommendations will continue to “stand” and be used indefinitely in subsequent years (including after the death of the Donor), unless changed by a person authorized to make grant recommendations by completing a new Grant Recommendation Form.

Donors who intend to recommend grants to the same Eligible Charities each year may prefer the convenience of the standing grant recommendations option as there is no need to annually submit a Grant Recommendation Form under this option.

Grants will be issued by the Foundation to Eligible Charities on or about March 1, June 1, September 1 and December 1 (the “Grant Payment Dates”).

Donors electing the annual grant recommendations option must submit their Grant Recommendation Form at least two weeks before a Grant Payment Date to ensure there is sufficient time to process the grant recommendation on or about that date. **If the Foundation has not received a grant recommendation for an Account’s Annual Grant Amount by November 15, then the Foundation will, for that year, direct grants from the Account to the same Eligible Charities as selected for the General Giving Fund.**

The table on the following page provides further guidance on choosing between the annual grant recommendation option and the standing grant recommendation option.

	Annual Grant Recommendation	Standing Grant Recommendations
Required to submit Grant Recommendation Form annually?	Yes. A Grant Recommendation Form must be submitted annually.	No. The Foundation can rely on your recommendations indefinitely. You can change your standing grant recommendations by submitting a revised Grant Recommendation Form.
What happens if you don't submit a Grant Recommendation Form annually?	Grants will be made from your Account to Eligible Charities other than your favourite charities.  If the Foundation has not received your form in a given year by November 15, grants will be made from the Account to the same Eligible Charities as selected by the General Giving Fund.	Grants can be expected to continue to be made to your preferred charities in accordance with your Standing Grant Recommendations.
When are grants paid to your recommended Eligible Charities?	The Foundation issues grants on or about March 1, June 1, September 1 and December 1 of each year. You must submit your Grant Recommendation Form to the Foundation at least two weeks before one of the four grant payment dates to ensure sufficient time for processing. For example, a Grant Recommendation Form submitted to the Foundation on August 10 should result in a grant being made on or about September 1. Your Foundation Account may grant on only one of the grant payment dates each year.	On or about June 1 of each year.
Other considerations?	Account Holders who expect to change their recommended Eligible Charities annually may prefer the Annual Grant Recommendations option.  If you select this option, and your Account does not have a Joint Account Holder or Successor at the time of your death, and none has been provided for in your Will, then the assets in your Account may be transferred to the General Giving Fund and your Account be closed.	Account Holders who intend to donate to the same Eligible Charities each year may prefer the convenience of the Standing Grant Recommendation option.  To help preserve an Account's legacy, the Foundation recommends this option to Account Holders when no Joint Account Holder or Successor named to provide future recommendations for the Account.

### **Minimum grant amount and number of grants**

The minimum grant cheque that will be issued by the Foundation to an Eligible Charity is \$500. The Foundation currently allows an unlimited number of grants from an Account in a year, subject to the minimum granting amount of \$500 to an Eligible Charity.

### **Grant notification**

Grants are made with cheques bearing the name of the “Strategic Charitable Giving Foundation”. The Foundation will send a covering letter with the cheque referencing the Program and, unless recommended otherwise in the Program Application Form, the Account Name. If desired, using the Program Application Form, Donors may alternatively recommend that either: (i) their grant remain anonymous, in which case the Foundation will withhold from the Eligible Charities the Account name and information about the individual authorized to make grant recommendations for the Account; or (ii) that the Foundation provide, upon request to Eligible Charities receiving grants, contact information about the individual then authorized to make grant recommendations for the account, in which case the Foundation will provide that person’s name and address.

In addition, if desired, Donors may recommend under “Special Recommendations” on a Grant Recommendation Form that the grant notification include the name(s) of the individual(s) in whose honour or whose memory the grant recommendations were made.

### **Source of grants**

Grants will be paid from the assets of the Account, including income and realized capital gains generated within the Account. The Foundation will need to redeem units of the Eligible Investors Group Fund held within an Account for granting purposes.

### **Foundation income and grants**

As a registered charity, the Foundation is tax exempt. Income and capital gains from the Eligible Investors Group Fund in an Account are income and capital gains of the Foundation and not of the Donor. When the Foundation makes a grant from an Account, the Foundation is making a grant from its own assets, which is not a gift being made by a Donor, therefore a Donor will not receive an additional Tax Receipt.

## 7. Material agreements

The Foundation has entered into fundraising and fund endowment agreements for its charitable giving fund programs with Investors Group, as well as with certain Investors Group affiliates.

The Foundation has also entered into a charitable administrative services agreement with Mackenzie Financial Corporation (“Mackenzie”), an affiliate of Investors Group, that appoints Mackenzie as the Foundation’s charitable administrative services provider

to assist with the fulfillment of most or all of the charitable administrative functions of each of the Foundation’s charitable giving programs. The Foundation will pay Mackenzie for these services.

The Foundation has also entered into an agreement with M.R.S. Securities Services Inc. (“MRSSSI”), an affiliate of Investors Group, whereby MRSSSI will provide securities trading and other services through an MRSSSI investment account opened by the Foundation.

The information contained in this Guide is of a general nature and should not be construed as legal, financial or tax advice to any person, as each person’s circumstances are different. Donors should consult with their own legal, financial and tax advisors for information about donating to the Foundation. Additional information about the Eligible Investors Group Funds summarized in this Guide is set out in their Simplified Prospectus, Annual Information Form, financial statements and management reports of fund performance, including details about their investment objectives and strategies, risks, fees and expenses. Donors should read and consider this information before making a recommendation to the Foundation regarding investments for their Account. Donors may obtain copies of these documents at no cost by calling Investors Group toll-free at 1-888-746-6344 (in Quebec: 1-800-661-4578), or from their Investors Group Consultant. Donors may also obtain copies of these documents from [www.InvestorsGroup.com](http://www.InvestorsGroup.com) or [www.sedar.com](http://www.sedar.com).

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