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Press Release

Universitas Financial Calls New Vote For Subscribers with Group RESPs

QUEBEC CITY (QC), Thursday, October 4, 2018 – Education savings pioneer Universitas Financial announces a new vote will be held this November for all subscribers with a UNIVERSITAS and/or REFLEX group registered education savings plan (RESP).

This new vote will focus on the resolution to maintain the relaxed qualification rules, whereby beneficiaries access all of their educational assistance payments (EAPs) upon enrolment to post-secondary education. In recent months, clients claiming they didn't fully understand the financial implications of the changes proposed last year have voiced their opinion on the matter.

"We are responsive to the feedback from some of our subscribers, who claim they did not fully understand the impact of the proposed changes on the EAP funds available," says Isabelle Grenier, Universitas Financial's Executive Vice-President. Further to exchanges with the AMF these past few weeks, Universitas has undertaken to hold a new vote. This approach is the most transparent course of action."

In the coming weeks, the subscribers concerned will receive complete documentation on the vote. They will also have access to voting information on Universitas Financial's website and a toll-free line will be available for questions. A general meeting for UNIVERSITAS and/or REFLEX plan holders will be held on December 10, 2018, during which these subscribers will be able to vote in person. Those who cannot or do not plan to attend the meeting will have the opportunity to make their voting intentions known through proxy/distance options—whether online, by mail, by email, over the phone, or by fax.

The vote will be supervised by AST Canada and the results will be announced before the end of 2018. Until this time, the relaxed EAP qualification criteria remain in effect for all clients.

Group RESPs opened since last year's changes were announced (October 2017) will not be affected by this fall's vote, meaning these clients will continue to benefit from the terms and conditions of the relaxed EAP qualification criteria—access to 100% of the EAP funds (including grant money) once the beneficiary registers for post-secondary education.

Moreover, the costs to hold this new vote will be borne entirely by Universitas Management Inc., without impact on the plans or clients.



Implementation of Mitigation Measures

Regardless of the vote's outcome, Universitas has committed to implement measures to financially compensate the more disadvantaged subscribers. A sum of at least \$1 million has been earmarked for this purpose. The eligibility conditions for these measures will be determined after the vote.

About The First Vote (Fall 2017)

In the fall of 2017, Universitas Financial's management submitted a proposal to all its group plan subscribers to ease the rules governing access to educational assistance payments for beneficiaries.

This resolution was adopted by the subscribers of both group plans (95% in favour for the REFLEX Plan and 91% in favour for the UNIVERSITAS Plan) and led to the entry into force of the new relaxed rules.

About The Universitas Foundation of Canada

Created in 1964, Universitas Financial is an RESP industry leader serving families across Quebec and New Brunswick. As a non-profit organization and the only Quebec-based RESP foundation, Universitas aims to promote post-secondary education through savings and educational assistance payments (EAPs), and has paid out over \$777 million in EAPs and contribution refunds. Universitas currently has some 227,000 beneficiaries and over \$1.4 billion in assets under management.

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