

# PLAN SUMMARY



## IDEO+ Conservative PLAN

Type of Plan: **INDIVIDUAL SCHOLARSHIP PLAN**  
Investment Fund Manager: **KALEIDO GROWTH INC.**  
April 19<sup>th</sup> 2022

This summary contains key information about investing in the **IDEO+** Conservative Plan (the “Plan” or the “**IDEO+** Conservative Plan”). Please read it carefully, along with the Detailed Plan Disclosure, before deciding to invest.

### If you change your mind

You have up to 60 days after signing the contract to withdraw from the Plan and get all your money back.

**If you (or we) cancel your plan after 60 days, you may end up with less money than you invested given that the value of the investments in the IDEO+ Conservative Plan may fluctuate.** If you (or we) cancel your plan, your contributions will be refunded to you, subject to the investment risk and less any applicable fees. You will lose your investment earnings, unless you are eligible for an Accumulated Income Payment or proceed to a transfer as described in section “Transferring your account” at page 29 of the Prospectus. The government grants you received will be returned to the government.

### What is an Individual Scholarship Plan?

The **IDEO+** Conservative Plan is an individual scholarship plan designed to help you save for a beneficiary’s post-secondary education. When you enrol in the **IDEO+** Conservative Plan, we ask the Canada Revenue Agency to register it as a Registered Education Savings Plan (RESP), which allows your savings to grow tax-free until the designated beneficiary begins a study program. The Government of Canada and some provincial governments provide grants to supplement your contributions. To register your plan as an RESP, we need your social insurance number as well as that of the Plan’s beneficiary.

In an individual scholarship plan, you are part of a group of investors whose assets are pooled. You may withdraw all or part of your contributions at any time, less any applicable fees. However, if you withdraw any contributions before your beneficiary begins a qualifying educational program, the government grants you received will be returned to the government. When your beneficiary begins a qualifying educational program and becomes eligible for Education Assistance Payments (“EAPs”), you can withdraw your contributions and determine the amount, frequency and number of EAPs within the limits allowed under the *Income Tax Act* (Canada) and the rules regarding government grants. The investment earnings and government grants are paid to or on behalf of your beneficiary in the form of an EAP. EAPs are paid for post-secondary education that constitutes a qualifying educational program under the *Income Tax Act* (Canada).

If the beneficiary does not enrol in a qualifying educational program under the *Income Tax Act* (Canada), or you cancel your contract before he or she enrolls, the beneficiary will not receive an EAP and you may lose your investment earnings, government grants and grant contribution room on the refunded grants.

If certain conditions are met, you can keep the earnings by requesting an Accumulated Income Payment (AIP) and transferring it to your Registered Retirement Savings Plan (RRSP) or Registered Disability Savings Plan (RDSP).

Contribution withdrawals are always subject to investment risk.

### Who is the plan for?

The **IDEO+** Conservative Plan is intended for investors who would like to save for a beneficiary’s post-secondary education if:

- You want the flexibility to choose the frequency and amount of RESP contributions.
- You expect your beneficiary to pursue a qualifying educational program under the *Income Tax Act* (Canada);
- You wish to select the frequency and amount of EAPs paid for the beneficiary’s education.

You can enrol in the **IDEO+** Conservative Plan if your beneficiary is a tax resident of Canada and has a social insurance number.

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<b>What does the Plan invest in?</b>	<p>For the first 60 days after your contract is signed, your contributions and government grants will be invested in cash and cash equivalents. During this period, the earnings generated on these amounts are based on the percentage of return determined on a discretionary basis by Kaleido Growth Inc. After the first 60 days, your contributions, government grants and income will be invested in fixed income and variable income securities, including through exchange traded funds (“ETFs”) and mutual funds.</p> <p>The <b>IDEO+</b> Conservative Plan uses a flexible long-term investment strategy designed to match the age of the beneficiary and the expected date of enrolment in a qualifying educational program with asset classes and an appropriate investment mix. Your contributions, government grants and earnings will be managed based on an investment allocation that is focused in the first few years on variable-income securities (equities, ETFs and mutual fund units) to maximize your growth potential. Over time, your portfolio will shift to a more conservative investment mix that focuses on fixed-income securities such as government and corporate bonds with the goal of preserving your earnings. When the beneficiary reaches the age at which he or she plans to enrol in a qualifying educational program, the contributions, government grants and earnings will be invested primarily in cash and cash-equivalent fixed-income securities.</p> <p>The <b>IDEO+</b> Conservative Plan’s flexible investment policy is conservative and involves a low investment risk for the entire investment period, considering the investment strategy is focused on fixed income securities, cash, and cash equivalents more than variable income securities. With regards to variable income securities, the <b>IDEO+</b> Conservative Plan invests only in Canadian or American equities, principally in direct holdings, although it is possible to do so through EFTs or mutual fund units. Investments in fixed income securities are limited to Canadian government bonds and quality Canadian corporation bonds.</p> <p>Investments made by the <b>IDEO+</b> Conservative Plan involve certain investment risks as well as some volatility (fluctuation in value over time). Returns will vary from year to year and are not likely to be the same as other scholarship plans promoted by the Kaleido Foundation with different fundamental investment objectives, investment strategies and portfolio managers. Please refer to “How we invest your money” on page 19 of the Detailed Plan Disclosure.</p>
<b>How do I make contributions?</b>	<p>You determine the contribution amount and frequency among the options available. You can choose to make monthly or one-time contributions. Each contribution must total at least \$10 and can be debited automatically from your bank account.</p> <p>You can reduce or increase your contributions, change your monthly contribution schedule, or easily make a one-time contribution to meet your personal needs and goals. A subscriber can open an RESP in the <b>IDEO+</b> Conservative Plan without having to contribute to it.</p> <p>You cannot make contributions after the 31st year following the year in which your RESP became effective.</p> <p>The Plan contribution options are described in the Detailed Plan Disclosure. You can also get information from one of our representatives.</p>
<b>What can I expect to receive from the Plan?</b>	<p>When your beneficiary begins a qualifying educational program, you may withdraw your contributions at any time, subject to investment risk and less any applicable fees. The funds can be paid to you or directly to the beneficiary in one or more instalments, at your discretion.</p> <p>The investment earnings and government grants are paid to or on behalf of your beneficiary in the form of an EAP when the beneficiary begins a qualifying educational program. You decide on the amount, frequency and number of EAPs, subject to the limits permitted under the <i>Income Tax Act</i> (Canada) and the rules regarding government grants. To receive EAPs, you must provide proof that your beneficiary has enrolled in a qualifying educational program or a specified educational program under the <i>Income Tax Act</i> (Canada).</p> <p>EAPs are taxable in the hands of the beneficiary.</p>



**What are the risks?**

If you do not comply with the terms and conditions of the Plan, you could lose some or all of your investment. Your beneficiary may not receive any EAPs. Please refer to “Risks associated with a Scholarship Plan” on page 24 of the Detailed Plan Disclosure.

Please be aware that you could incur a loss in the following three situations:

- 1. You cancel your contract before your beneficiary enrolls in a qualifying educational program.** In the event your contract is cancelled, your contributions will be refunded to you, subject to the investment risk and less the applicable fees. The government grants you received will be returned to the government. Repayment of the government grants will result in the loss of grant contribution room on the refunded grants. You may lose your investment earnings if you are not eligible for the Accumulated Income Payment (AIP).
- 2. You withdraw all or part of your contributions before your beneficiary enrolls in a qualifying educational program.** If you withdraw your contributions, subject to the investment risk and less any applicable fees, at a time in the flexible investment profile when your contributions are mainly invested in variable-income securities (equities, ETFs and mutual fund units), for example, there is a greater risk that your contributions will be less than the amount paid. The return on your contributions is constantly exposed to the risk of loss.
- 3. Your beneficiary does not enroll in a qualifying educational program.** If your beneficiary does not enroll in a qualifying educational program or a specified educational program under the *Income Tax Act* (Canada), he or she will not be eligible to receive any EAPs from the Plan. In such a case, you can designate another beneficiary, cancel your contract, receive an Accumulated Income Payment, or transfer the income to your RRSP or RDSP. Some conditions apply. Some of these options could result in lost earnings and government grants.

**If any of these situations arise, contact us or speak with your scholarship plan representative to better understand your options to reduce your risk of loss.**

**How much does it cost?**

The fees presented in the following table can not be increased without the subscribers’ prior approval, except if the increase is due to a party that does not have an arm’s length relationship with the Plan or Kaleido Growth Inc.

There are fees associated with participating in the **IDEO+** Conservative Plan (see table below). However, there are no enrolment fees.

**Fees you pay**

You may be charged fees if you make changes to your contract. Any applicable fees will be deducted from the money you invest in the Plan. They reduce the money invested in your RESP, which reduces the amount available for EAPs. Please refer to page 27 of the Detailed Plan Disclosure for details on the subject.

**Fees the plan pays**

The following fees are taken from the earnings generated by the Plan, but if the income is insufficient, they will be taken from the contributions. You do not pay these fees directly. However, they affect you because they reduce the plan’s returns and, consequently, the amount available for EAPs.

Fees	What the plan pays	What the fee is for	Who the fee is paid to
Administration fee	<p>The administration fee paid to the investment fund manager and the promoter is 1.65% (excluding applicable taxes) of the assets under management.</p> <p>Any proportion of this fee that is not required to maintain and develop Kaleido Growth Inc. is deducted from any excess revenues over the company’s expenditures in order to return any surplus to the scholarship plans by reducing the rate of the administration fee, if applicable.</p> <p>Fee subject to applicable taxes.</p>	Covers the administration expenses of the Plan as well as the trailing commissions paid to the representatives of Kaleido Growth Inc.	The investment fund manager (Kaleido Growth Inc.) and the promoter (Kaleido Foundation)

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<p><b>How much does it cost?</b></p>	<p>Portfolio management fees</p>	<ul style="list-style-type: none"> <li>→ A declining percentage established by the portfolio manager based on the average value of the total assets invested under its management.</li> <li>→ The portfolio management fees vary depending on the average asset allocation of the Plan and the total assets under management. We estimate that the percentage this fee will represent will be between 0.031% and 0.158% of the average asset under management.</li> <li>→ The percentage of the Plan's average assets under management that these fees represent will be presented after the end of the first fiscal year of the Plan.</li> </ul> <p>Fees subject to applicable taxes.</p>	<p>Cover the management of the Plan's investments.</p>	<p>Plan's portfolio manager (Montrusco Bolton Investments Inc.)</p>
	<p>Trustee fee</p>	<ul style="list-style-type: none"> <li>→ Flat fee of \$34,000 per year for all scholarship plans promoted by the Foundation.</li> <li>→ This fee is charged in proportion to the average value of the assets under management of each scholarship plan promoted by the Foundation.</li> <li>→ The percentage of the Plan's average assets under management that these fees represent will be presented after the end of the first fiscal year of the Plan.</li> </ul> <p>Fee subject to applicable taxes.</p>	<p>Covers the costs to hold the Plan's investments in trust.</p>	<p>The Trustee (Eterna Trust Inc.)</p>
	<p>Custodian fee</p>	<ul style="list-style-type: none"> <li>→ 0.009% of average annual assets under management</li> <li>→ Flat fee of \$8 per transaction on Canadian securities</li> <li>→ Flat fee of \$15 per electronic transfer</li> </ul> <p>Fee subject to applicable taxes.</p>	<p>To safeguard the securities and other forms of investment in the Plan.</p>	<p>The Custodian (CIBC Mellon Trust Company)</p>



<p><b>How much does it cost?</b></p>	<p>Independent Review Committee fee</p>	<p>→ Annual retainer of \$3,500 for members and \$6,000 for the chairperson;</p> <p>→ Set attendance fee of \$1,500 for members and \$1,750 for the chairperson per meeting.</p> <p>This fee is invoiced to the different scholarship plans and prorated to the average value of their assets under management. The percentage of the average assets under management that these fees represent will be presented after the end of the first fiscal year of the Plan.</p>	<p>Covers the services of the Plan's IRC. The IRC reviews conflict of interest matters between the investment fund manager and the Plan.</p>	<p>IRC members</p>
	<p>Operating expenses of the Plan that Kaleido Growth Inc. does not collect from the administration fees.</p>	<p>The Plan pays certain operating expenses associated with its operation that the investment fund manager does not collect from the administration fees. These expenses include brokerage fees and other portfolio transaction costs, taxes payable by the Plan, expenses related to subscriber meetings, and related expenses not included in the ordinary costs of the trustee and custodian. The Plan will cover the costs of complying with any new requirements.</p>	<p>Certain operating costs not paid for by Kaleido Growth Inc. out of the administration fees.</p>	<p>Various entities</p>
<p><b>Are there any guarantees?</b></p>	<p>We cannot tell you in advance if your beneficiary will be eligible to receive EAPs or how much he or she may receive. We cannot guarantee the amount of the EAPs or that the payments will cover the full cost of your beneficiary's post-secondary education.</p> <p>We cannot guarantee the return of your contributions as they are subject to investment risk. Unlike bank accounts or guaranteed investment certificates (GICs), investments in scholarship plans are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.</p>			
<p><b>Information</b></p>	<p>More information can be found in the Detailed Plan Disclosure provided with this Summary. We therefore recommend that you read it. For more information, you can also contact our Customer Service or your scholarship plan representative.</p> <p>Kaleido Growth Inc.          1035 Wilfrid-Pelletier Avenue, Suite 500          Quebec, QC G1W 0C5          Phone: 1 877 710-RESP (7377)          Fax: 418-651-8030          Email: info@kaleido.ca          Website: kaleido.ca</p>			