

Appendix A - For plans with a maturity date from 2015 to 2020

Disclosures and Supporting Notes (Must Read)

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| <ol style="list-style-type: none"> 1. Amount of contributions less fees, or your net contributions, represents your contributions since the opening of your plan in accordance with the contribution schedule you have selected, less the fees deducted as described in the prospectus and any applicable insurance premiums. This amount is also referred to as your principal. 2. This represents 20% of your eligible contributions from the Basic Canada Education Savings Grant program and may include additional grants. You may receive additional grants on your future contributions (if applicable) depending on your net family income. Certain conditions apply. See the Heritage Plans' most recent prospectus for full details. 3. This amount includes government grants which may be available depending upon your net family income, residency and/or beneficiary's year of birth. Certain conditions apply. See the Heritage Plans' most recent prospectus for full details. 4. These examples illustrate the long-term effect of compound interest up to the expiry date of your plan. These amounts include income earned since your plan's inception to the date of this statement and an estimate of future income growth based on assumed rates of 3%, 4% and 5%. Income continues to grow until all funds are withdrawn from your plan. 5. These amounts are provided for illustrative purposes only. The amount that you and/or the beneficiary could receive under the self-determined option will differ, depending on the actual performance of the Heritage Plans and if the beneficiary enrolls in qualifying post-secondary studies. 6. As your plan was inactive as of the maturity date, it has been transferred to the self-determined option. You and your beneficiary are entitled to receive funds in your plan. Please see the Heritage Plans most recent prospectus for full details. 7. The depository, Scotiabank, receives your contributions, deducts the sales charges and, if applicable, insurance premiums, and remits the balance to the account maintained by the trustee, The Bank of Nova Scotia Trust Company. Knowledge First Financial Inc. directs the trustee regarding the settlement of investment trades, the payment of fees and payments to and from the plan. Contributions you made are not insured by the Canada Deposit Insurance Corporation or by any other insurer. 8. This amount represents an income adjustment that was required as a result of making changes to your plan. This income will be returned | <p>to you or to your beneficiary as part of an AIP or EAP, respectively.</p> <ol style="list-style-type: none"> 9. If you stopped making contributions into your plan, the Principal amount in the Closing Balance section is the amount available to you as at December 31, 2020. 10. This amount includes the interest earned by the total asset pool of all beneficiaries in the same beneficiary group as your beneficiary, plus the gains (or losses), in the proportion allocated to your individual plan and may include any income adjustments you contributed to your plan. Please refer to note 8 for additional information. Your plan continues to earn this income while inactive. 11. The Government of Saskatchewan announced a temporary suspension of the Saskatchewan Advantage Grant for Education Savings (SAGES) effective January 1, 2018. This means that the SAGES will not be paid on contributions made to an RESP after December 31, 2017. 12. This amount is based on the interest earned on the government grants, plus the gains (or losses), allocated to your individual plan. Your plan continues to earn this income while inactive. 13. There is no active market for this security; however, the value of your plan is represented by the contributions (less sales charges and fees), government grants and income earned thereon. See "Important Information" section on the reverse for other factors that may impact the market value of the account such as, but not limited to, cancelling the plan after 60 days or transferring the plan to another financial institution. 14. If your beneficiary is not pursuing post-secondary studies, you will be entitled to receive a refund of your principal less any outstanding account maintenance fees as of the date of cancellation. Income earned in your plan will be available to you as an accumulated income payment (AIP) once you have met certain conditions and provided your plan has not reached its expiry date. Government grants will be returned to the applicable government. |
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Other Notes

If your personal or financial information has changed, or changes in the future, please contact our Contact Centre at 1 800 363-7377.

If any payments sent to you or your beneficiary are not claimed within 3 years (12 years for Manitoba residents), such payment will be forfeited and the Heritage Educational Foundation will either remit such amounts to your Province or as specified in the prospectus, depending on applicable legislation.

To help us better meet your plan documentation needs, the 2021 Management Report of Fund Performance, Audited Financial Statements and the Interim Financial Statements can be delivered to you **upon your request**. To indicate which documents you would like to receive and how you would like to receive them, you may conveniently make your selection online by logging in to your online account at knowledgefirstfinancial.ca or by contacting our Contact Centre at 1 800 363-7377. or by email at contact@kff.ca. Please note that these documents will always be accessible to you on our website at knowledgefirstfinancial.ca or at [SEDAR.com](https://www.sedar.com). If you do not wish to receive any of these documents, no further action is required.

Important Information

This section will make you aware of the terms of the plan that, if not met by you or your beneficiary, might result in losses to you or your beneficiary. If any of these situations occur, please contact our Contact Centre at 1 800 363-7377 or your local Sales Representative to discuss your available options.

What happens if I miss making my contributions on time?

If your plan goes into default due to missed contributions and if such default is not remedied (your plan becomes inactive), we will continue to invest your money and your plan will mature under the self-determined option. You will be entitled to a refund of principal only and your beneficiary will be entitled to receive EAPs, provided EAP eligibility requirements are met. However, you will lose the right of return of the amount of up to 25%, up to 50% or up to 100% of the sales charges paid and any other benefits available to beneficiaries receiving payments under the scholarship option. If plan default is remedied, there will be no negative financial consequences.

What are my options for withdrawing funds for my child's post-secondary studies?

Under the self-determined option, you can request to receive the principal accumulated in your plan (contributions less fees) to help cover the costs of the beneficiary's post-secondary studies. In order to maintain the eligibility of the government grants, a proof of registration or verification of enrollment must be completed by the school and provided to us to confirm the beneficiary's enrollment in post-secondary studies. You can also request to have the income and government grants paid to the beneficiary or you can request to have us hold the funds until a later date.

What are my options for withdrawing the income?

If the beneficiary does not enroll in a qualifying program by the end of the 35th year following the year in which the plan was entered into (or, in the case of a specified plan, by the end of the 40th year following the year in which the plan was entered into), the beneficiary will not receive any EAPs. In this situation, and if the requirements to receive an AIP have been met, you may make a withdrawal of the income and contribute it into your or your spouse's RRSP account (if your spouse is a joint subscriber) or your spousal RRSP provided there is contribution room available. If you do not have RRSP contribution room available, the income may be withdrawn in cash. In this case, there will be an additional 20% tax (or 12% federal and 8% provincial if you live in Québec) on the withdrawn funds (other than contributions), on top of your regular tax rate.

For more information on withdrawing the funds from your plan, please login to your secure subscriber online account for step by step instructions.

What happens if I transfer my plan to another financial institution?

You can transfer your plan to another financial institution, but you forfeit any income received on the principal (less the fees). The government grants and accrued income on grants will be transferred. Additionally, you will lose the right of return of the amount of up to 25%, up to 50% or up to 100% of the sales charges paid and any other benefits available to beneficiaries receiving payments under the scholarship option. The income forfeited will be used to pay the other subscribers in accordance with the contract.

I purchased the optional insurance coverage when I enrolled in the plan. Is my inactive plan still insured?

Once you stop making contributions, the optional insurance coverage will no longer be applicable.

Substitution of Beneficiary

You can change the beneficiary of your plan at any time, i.e. before or after your plan's maturity. To do so, please contact our Contact Centre or your sales representative as some restrictions may apply.

What happens if I fail to request the funds in my plan before the deadline to request funds?

Pursuant to the *Income Tax Act* (Canada), an RESP can remain open for a maximum of 35 years. You must request the funds available in your plan, whether for educational purposes or not, prior to your plan reaching December 31st in the 35th year following the year in which your plan was opened. If your beneficiary pursues post-secondary studies, you can request your principal and your beneficiary can receive the income and government grants as EAPs. If your beneficiary does not pursue post-secondary studies, you can request your principal and the income can be paid to you as an AIP. If you fail to request the funds plan prior to the deadline stipulated in the Plan Information section of your statement, the following will occur:

- Your principal will be sent to your address on our records;
- Government grants will be returned to the applicable government; and
- Income earned in your plan will be remitted to a designated educational institution.

What happens if we are joint subscribers and we are now separated?

Please notify us immediately so we can update our records. You have two options:

- Maintain the plan as is; or
- Remove one subscriber.

Please note that in the case of two subscribers on the plan, one subscriber can only be removed in case of marriage breakdown either upon mutual written agreement or by a court order.

Upon receiving the information, we can ensure that both of you are receiving the plan correspondence either by mail or notification by email. The latter assumes that you have subscribed to on-line account access. Call our Contact Centre at 1 800 363-7377 for more information on your available options.

What happens if my government grants application is incomplete or not on file?

If the government grants application is incomplete or not on file, you may not be entitled to receive the full amount of the government grants as illustrated in the "Hypothetical Illustration of Benefits: Assumptions and Explanatory Notes" section of your statement of account. Some government grants, such as the Canada Education Savings Grant (CESG) and other provincial government grants, have additional provisions (i.e. time limits and age restrictions) that must be met in order to successfully apply for and receive these grants. Please see the "Important information about government grants" section of the Heritage Plans' most recent prospectus for more details.

What do I do if my Account Details section shows no grants paid into my plan but my applications are all on file?

The government requires 60-90 days to process government grant requests provided that your beneficiary's full name, date of birth, gender and social insurance number match the information on the government's records. There are also other provisions that must be complied with in order to successfully apply for and receive the government grants. Please see the "Important Information about government grants" section of the Heritage Plans' most recent prospectus for more details.

Make sure your contact information is up to date. It is important that you keep your address and contact information up to date. We will need to communicate important information to you throughout the life of your plan. We will also need to find you and the beneficiary when the plan matures so we can return your contributions and make payments to the beneficiary.

If you or your beneficiary do not maintain a valid address where we can send statements and other notices to, it may result in a loss of contributions, earning and government grants in the plan.