


ABOUT YOUR STATEMENT OF ACCOUNT

We would like to highlight some important sections of your 2021 Statement of Account. The aim is to provide you with the tools you need to assess your plan's funds against your educational goals, helping you determine any adjustments you may need to make to your saving strategy. The following list will help you to familiarize yourself with these changes and features:

- The rates of return in Table 2 of the Hypothetical Illustration of Benefits section have been updated to 3%, 4% and 5% to illustrate future income growth based on the Heritage Plans' most recent investment returns over the past ten years.
- The section called "Government Grants Requirements", on the back page of your statement of account, indicates whether or not you have completed the requirements in order for us to apply for the applicable federal and/or provincial government grants on your behalf.

HOW TO READ YOUR STATEMENT OF ACCOUNT

Use the guide below to help you read your statement.



Contract # 99999999

Mr. John Sample
Mrs. Jane Sample
123 My Way
PO Box 123
Toronto, Ontario M2J 5B4

To discuss options for your inactive plan

contact us today at 1 800 363-7377 or by email at
contact@kif.ca!

1 2020 Hypothetical Illustration of Benefits: Assumptions and Explanatory Notes

This hypothetical illustration assumes that you entered into an agreement to contribute to the Heritage Plans for your beneficiary according to the contribution schedule applicable to your plan. It calculates the benefits to maturity of your plan. It provides you with information about your plan to assist in planning to save for your beneficiary's post-secondary education. This is an illustration only, which contains hypothetical data and is based on a number of assumptions that cannot be predicted such as, but not limited to, your plan is reactivated, your beneficiary's SIN is received and your contribution schedule is completed. The hypothetical illustration includes the amounts of income earned to date and estimates future income growth based on investment returns over a ten-year period of 3%, 4% and 5%. When your plan matures, the actual rates of return and the totals will be different from what is illustrated here. **This hypothetical illustration is not a guarantee of future performance.** The Heritage Plans are available by prospectus only. Please read the Heritage Plans' most recent prospectus for further details related to qualification criteria of the educational assistance payments (EAPs) your beneficiary could receive and the fees associated with your plan. This prospectus is available in the Resource Centre at knowledgefirstfinancial.ca.

Table 1: Your net contributions and government grants	
Contributions less fees (or your principal) ¹	\$36,999
Canada Education Savings Grant ²	\$7,200
Canada Learning Bond ³	\$0
Quebec Education Savings Incentive ³	\$0
Saskatchewan Advantage Grant for Education Savings ³	\$0
British Columbia Training and Education Savings Grant ³	\$0
SUBTOTAL	\$44,199

Table 2: Your potential earnings	At 3% rate	At 4% rate	At 5% rate
Income on your principal ⁴	\$18,066	\$23,473	\$29,536
Income on government grants ⁴	\$7,313	\$9,554	\$12,084
TOTALS⁵	\$69,578	\$77,226	\$85,819

Table 3: Additional benefits available under the Scholarship Option #3*			
Example of a sales charges refund ⁶	\$669	\$669	\$669
Potential Attrition Enhancement ⁷	\$1,410	\$1,410	\$1,410
GRAND TOTALS⁸	\$71,657	\$79,305	\$87,898

When Christopher begins post-secondary studies, the potential returns will consist of your net contributions¹, government grants and earnings presented in Tables 1 and 2. If you reactivate your plan and select the Scholarship Option at maturity⁹, you may receive additional benefits as illustrated in Table 3.

*You can select the Scholarship Option at maturity only if your plan is reactivated prior to the Reactivation Deadline indicated in the Plan Information section on the next page and your plan remains active at the maturity date.

2 Are You Saving Enough?

To evaluate if you are saving enough for Christopher, deduct the Totals amounts in Table 2 from the estimated average cost of a 4-year Canadian post-secondary program. Benefits in Table 3 would only be available if the plan is reactivated prior to the Reactivation Deadline and remains active at the maturity date.

Examples at 5% rate of return:

Basic 4-year tuition ⁹	\$85,771
Less: Total available at 5% rate	\$77,226
Savings Gap / (No Gap)	\$8,545

4-year tuition including expenses ¹⁰	\$152,284
Less: Total available at 5% rate	\$77,226
Savings Gap / (No Gap)	\$75,058

Call us at 1 800 363-7377 to ensure you are meeting your post-secondary education savings goals.

3 If your plan remains Inactive

If your plan remains inactive as of July 31, 2037, your plan will be transferred to the self-determined option. Your principal will be \$0; the government grants will be \$0; and at a rate of 5%, the income earned in your plan will be \$0.

4 Please refer to Appendix A for important information and disclosures regarding your Hypothetical Illustration of Benefits.

1 This section introduces the **Hypothetical Illustration of Benefits: Assumptions and Explanatory Notes** table. Please read this introduction carefully as it provides you with details and information to what is contained in the three tables.

2 This hypothetical illustration contains three tables. Table 1 displays net contributions and government grants. Table 2 shows the potential earnings on your net contributions and on government grants up to maturity based on future income growth at 3%, 4% and 5% rates. Table 3 provides the additional benefits available under the Scholarship Option #3, such as an example of a sales charges refund based on the amount paid to subscribers in 2020 and the potential attrition value. The amounts in table 3 are available only if the plan is reactivated prior to the reactivation deadline and remains active at the maturity date.

3 This section provides you with information to help you evaluate if you are saving enough for your beneficiary. Both examples (basic tuition versus tuition and expenses) are based on the 5% rate of return and show the potential savings gap based on the amount listed in Table 2. If you are potentially saving enough to cover the expected cost of education, it will be displayed in brackets. A new subsection called "If your plan remains inactive" displays the amount of funds that may be available in your plan if your plan remains inactive as of your maturity date. The principal amount is the net amount that will be available after the applicable Account maintenance fees have been deducted up until the maturity date. The income amount is calculated based on a 5% rate of return.

4 The disclosures and important information regarding the hypothetical illustration of benefits are available in the enclosed "Appendix A". **Please review these disclosures thoroughly.**



Questions about your Statement of Account?

Visit knowledgefirstfinancial.ca/HeritageStatement
Review the enclosed "How to Read Your Statement" guide.
Contact us at 1 800 363-7377 | contact@kff.ca

2020 Statement of Account & Plan Costs as at December 31, 2020

5

Plan Information

Contract Number:	99999999	Number of Units:	42.11
Subscriber:	Mr. John Sample	Contribution Mode:	Monthly
Joint Subscriber:	Mrs. Jane Sample	Standard Contribution:	\$211.02
Beneficiary:	Christopher Sample	Contribution Date:	21st of each month
Plan Type:	Unregistered Account	Outstanding Sales Charges:	\$4,211.00
Plan Status:	INACTIVE	Outstanding Account Maintenance Fees:	\$10.00
Inactivation Date:	October 23, 2019	Effective Date:	September 1, 2019
Refund Request Deadline:	August 31, 2021	Last Scheduled Contribution:	November 21, 2036
Refund Request Deadline or Expiry Date:	August 31, 2021	Maturity Date:	July 31, 2037
Amount available for refund:	\$0.00	Dealer:	Knowledge First Financial Inc.
		Sales Representative:	Jane Johnson

6

Government Grants Requirements

Beneficiary's Social Insurance Number (SIN)	Not on file	We need your beneficiary's SIN in order to apply for the government grants. If your plan type is "Unregistered Account" as indicated above in the Plan Information section, you have 24 months from the date you opened your plan to provide the SIN. For more details, see the "Important Information" sheet in your statement of account package. Please visit the Resource Centre at HeritageRESP.com to download the application(s). Please fax, mail or email the completed form(s) at your earliest convenience using the contact information listed below. For more details on age restrictions and/or timing for applying for the grants, see the "Heritage Plans" most recent prospectus available in the Product section of the Resource Centre at knowledgefirstfinancial.ca .
Canada Education Savings Grant Application	Completed	
Additional Canada Education Savings Grant Application	Completed	
Canada Learning Bond Application	Completed	
Saskatchewan Advantage Grant for Education Savings Application	Completed	
British Columbia Training and Education Savings Grant Application	Not completed	

7

Account Details

	Opening Balance: 01/01/2020	Activity in 2020	Closing Balance: 12/31/2020 ¹¹
Contributions¹²	\$0.00	\$0.00	\$0.00
Less: Sales charges	(\$0.00)	(\$0.00)	(\$0.00)
Account maintenance fees	(\$0.00)	(\$0.00)	(\$0.00)
Insurance premiums (if applicable)	(\$0.00)	(\$0.00)	(\$0.00)
Income adjustment ¹³	(\$0.00)	(\$0.00)	(\$0.00)
SUBTOTAL (your plan's contributions less fees, or your principal)¹⁴	\$0.00	\$0.00	\$0.00
Income earned on your principal ¹⁵	\$0.00	\$0.00	\$0.00
Government Grants			
Canada Education Savings Grant ²	\$0.00	\$0.00	\$0.00
Canada Learning Bond ³	\$0.00	\$0.00	\$0.00
Quebec Education Savings Incentive ³	\$0.00	\$0.00	\$0.00
Saskatchewan Advantage Grant for Education Savings ¹⁶	\$0.00	\$0.00	\$0.00
British Columbia Training and Education Savings Grant ²	\$0.00	\$0.00	\$0.00
Income earned on government grants ¹⁷	\$0.00	\$0.00	\$0.00
Less: Canada Learning Bond admin fee (if applicable) ³	(\$0.00)	(\$0.00)	(\$0.00)
Total market value of your plan¹⁸	\$0.00	\$0.00	\$0.00

According to our records, as at December 31, 2020, the status of your plan is **INACTIVE**. Please submit your beneficiary's SIN prior to the Reactivation Deadline. If a valid SIN is not provided by the Reactivation Deadline, your plan will be cancelled and you will get back your contributions and the income earned, less sales charges and fees. If a valid SIN is provided, you will have the option to reactivate your plan, request an applicable refund or leave it inactive until the maturity date.¹⁹ Please refer to Appendix A for more information regarding your options and timelines applicable to your plan.

8

Transactions Made During the Reporting Period Affecting the Total Number of Units of Your Plan

Transaction Date	Transaction Type	# of Units of Heritage Plans	Price per Unit	Total # of Contributions Remaining for this Transaction	Total Value of Transaction Based on Completed Contribution Schedule
September 1, 2020	Plan Enrollment	42.11	\$4.75	207	\$41,404.14

9

Please refer to Appendix A for important information and disclosures regarding your 2020 Statement of Account.

5

The "Plan Information" section contains important information and dates relating to your Heritage RESP. It is important to note the inactivation date and deadlines applicable to reactivating and/or requesting an applicable refund. There are consequences if you don't meet these deadlines. Please refer to Appendix A included in your Statement of Account package for more information.

6

The "Government Grants Requirements" section provides you with details on the information we require in order to apply for the applicable government grants on your behalf. If one of the requirements is indicated as "Not completed", please review the instructions on the right hand side of that section for more details.

7

The "Account Details" section summarizes the financial activity of your plan. Each item in this section, such as your contributions, deposits of government grants and applicable deductions, has an opening balance, a record of its activity in 2020 and a closing balance.

The Subtotal (representing your contributions less fees) is calculated by deducting the sales charges, account maintenance fees, insurance premiums (if applicable) and income adjustments (if applicable) from your contributions. Each column in this section has its own total value. The total for the **Opening Balance** column represents the value of your plan at the beginning of the year. It is the same as the **Closing Balance** from your 2019 statement. The total of the **Activity** column represents the net changes in your plan for 2020. The totals of each item in this section including the "Total market value of your plan" represent the Closing Balances in your plan as of December 31, 2020.

For more information on each item in this section, please visit knowledgefirstfinancial.ca/HeritageStatement.

8

The "Transactions Made" section summarizes the **transactions** that occurred during the reporting period that affected the total number of units in your plan. The total value of the transaction based on the completed contribution schedule is calculated by multiplying the number of units associated with the transaction, the price per unit and the total number of contributions remaining for that transaction.

9

Please refer to Appendix A for important information and disclosures regarding your statement of account.



The Heritage Plan Reactivation Request Form is a form **found at the bottom of your statement**. This form provides you with the opportunity to get in touch with us to reactivate your Heritage Plan. It can be sent in the postage paid business reply envelope included in your statement package. Alternatively, you can:

- Email us at contact@kff.ca, or
- Call us toll-free at 1 800 363-7377.

Heritage Plan Reactivation Request Form for Contract #:

#99999999

To reactivate your Heritage Plan and to take full advantage of the plan's benefits:

1. Contact our Contact Centre Team at 1 800 363-7377 or email us at contact@kff.ca.
2. Check the box below, detach and return this form in the enclosed postage paid envelope. One of our Contact Centre Representatives will contact you to review your savings goals and help you reactivate your plan.

Yes, I would like a Contact Centre Representative to contact me to review my options to reactivate this plan.