



Municipal Finance Authority of British Columbia

Introducing the Municipal Investment Plan

A partnership between the MFA, Sun Life Financial, and BC's Municipalities and Regional Districts

Invest in your future today!

We are pleased to introduce a Group RRSP/ESP (employee savings plan) that ensures you receive excellent, flexible investment choices and direct access to your retirement / savings plan when and how you want it. Your RRSP/ESP allows you to choose how much you wish to invest and where, building a "pot" of money which can be used at retirement or sooner. This is a valuable benefit we encourage you to take full advantage of.

In today's dynamic, fast-paced marketplace many employees want flexible and portable investments with the ability to access a wide range of competitive investment options and services. With this in mind, we needed to create a partnership with a leader in the administration

of retirement / savings plans. We found that partner in Sun Life Financial, our chosen record keeper for the Municipal Investment Plan.

Who is Sun Life Financial?

Sun Life Financial is one of the leading financial solution companies in Canada, specializing in investments and insurance. They have been serving Canadians since 1847 and have been working with companies to bring clarity and understanding to their employee savings and retirement choices. With their innovative administration systems, plan member access tools such as their website at www.sunlife.com and their Customer Care Centre at 1-866-733-7313 Sun Life Financial is well positioned to serve you.

Why use the Municipal Investment Plan?

With the MFA acting as a portal to all of BC's local governments, Sun Life Financial has agreed to lower its investment management fees or "IMFs" (these fees are deducted by a mutual fund company prior to reporting to you the fund's performance) in return for working with BC's local government employees, elected officials and their spouses.

The lowering of these management fees (up to 40%) means that on a typical equity mutual fund, you, the investor will realize almost 1% more annually in performance than someone who cannot access the Municipal Investment Plan. Sun Life anticipates that the lowering of their fees will be recouped by the volume of enrollments.

The MFA is promoting this plan because we are 100% owned by local governments throughout BC. It is simply too good a deal not to promote! MFA staff are salaried and do not receive bonuses or other compensation as an incentive to increase members or contribution dollars. The plan is, of course, voluntary and if any participants have existing RRSP/Investments with Sun Life or other mutual fund companies these monies can be transferred into the plan at no charge by Sun Life Financial and then can realize the savings immediately.

For more information regarding the program, contact Meagan Carver by email at meagan@mfa.bc.ca or by phone at 250-380-0432 #225.

How Do I Enroll?

Municipal Employees

1. The municipality informs the MFA that they wish to participate in the investment plan and upon submitting a completed Electronic Funds Transfer (EFT) Authorization Form are prepared to begin.
2. The MFA sends out an investment plan package for distribution by payroll, which includes an investment guide and an enrollment package.
3. You can request a copy of the investment plan package from either the MFA or your payroll department.
4. If you require more information after reviewing the plan details contact Sun Life Financial at 1-866-733-8613.
5. If you are interested in joining the plan, mail in a completed application to the MFA at 737 Fort St, Victoria, BC V8W 2V1 attention: Meagan Carver or fax it to (250) 384-3000, and hand the payroll deduction form to your payroll department.

Elected Officials

1. If interested in the Municipal Investment Plan contact the MFA who will send out a package and program guide to you.
2. If you are interested in joining the plan, mail in an application to the MFA at 737

Fort St, Victoria, BC V8W 2V1 attention:
Meagan Carver or fax it to (250) 384-3000.

3. If your municipality elects to offer the plan by payroll deduction submit the payroll deduction form to the payroll department.
4. If your municipality does not offer payroll deduction you may remit contributions by cheque payable to "Municipal Finance Authority" and mail it directly to the MFA's office. These payments will be deposited into the MFA's bank and then credited to your investment account on the first Friday after payment is received unless cheques are postdated.

Spouses

1. If interested in the Municipal Investment Plan contact the MFA. To be eligible for the plan you must be an eligible spouse of a member who has already joined the Municipal Investment Plan. The MFA will send out a package and program guide to you.
2. If you are interested in joining the plan there are two options. You may hold an RRSP account where you are the contributor by mailing in an RRSP application to the MFA at 737 Fort St, Victoria, BC V8W 2V1 attention: Meagan Carver or fax it to (250) 384-3000.
3. Send in post-dated cheques payable to the "Municipal Finance Authority" directly to the MFA (maximum of once per month). These payments will be deposited into the MFA's bank and credited to your investment account on the first Friday

after the payment is withdrawn from your bank.

4. The other option is to hold a Spousal RRSP account. This is more advantageous when one partner is working and the other is not earning revenue. The contributions are made by the employed spouse into an account that is solely in the other spouse's name. The person making the contributions receives the tax benefits and the spouse with the lower income has the opportunity to build a savings fund.
5. To begin a Spousal RRSP account complete the Employee RRSP enrollment form with the lower income spouse acting as the participant and the higher income spouse acting as the contributor. Once complete, mail the application form to the MFA at 737 Fort St, Victoria, BC V8W 2V1 attention: Meagan Carver or fax it to (250) 384-3000, and hand the payroll deduction form to your payroll department.

How will I access my account?

Sun Life Financial has created a set of information and access tools to help you manage your account. You can make changes to your account such as transfer funds or alter your investment directions at anytime, at no cost to you. Once you are enrolled in the Municipal Investment Plan you will have full access to the following self-serve access tools:

Sun Life Financial Interactive Voice Response (IVR) is a confidential and easy-to-use telephone system. Ask questions, obtain current information about your investments and conduct basic transactions by phone 24 hours a day, 7 days a week. With IVR you can:

- Receive up-to-date account balances
- Transfer between funds
- Review and change your investments
- Access rates and values of your funds
- Change your address

What is the minimum amount that I can invest?

A minimum payroll contribution amount of \$20 has been established for the plan. Your contribution can be allocated by assigning percentages on the enrollment form into as many of the investment funds as you choose. For example, you may select to allocate 25% to four different funds, 10% to ten different funds, or you may select to allocate 100% to one fund. When allocating your contribution into the investments you have selected, remember that the allocation percentages must total up to 100%!

What if I need assistance when calling Sun Life Financial's Customer Care Centre?

If you need assistance, you can choose to speak with a Customer Care Representative. We have asked Sun Life Financial Customer Care Representatives to be available from 5:00 A.M. to 5:00 P.M., Pacific Time, Monday to Friday. They are there to answer any questions you have about your plan, to assist you with making transactions, and to provide fund information, personal rates of return and many other services.

Who can I speak to if I have questions about investing?

Sun Life Financial Investment Specialists are also available through the Customer Care Centre. This team will provide you with investment information on the funds offered through our group plan or answer any investment questions you might have. It doesn't matter if you need a little help or a lot. The Sun Life Financial investment team is more than willing to take the time to assist you.

How Do I Access My Account Online?

www.sunlife.com

Sun Life Financial's Web site provides you with confidential access to your personal account information. You can perform all the same types of transactions as through the IVR and Customer Care Centre, plus more. You can view your

transaction history and have access to Morningstar (an investment fund website) or follow links to fund managers' quarterly reports. Just go to www.sunlife.com to register for online account access. Once there you can create a personalized ID and password for web transactions. You'll receive a new ID followed by a new password a few days later by e-mail. It's that easy! Your new ID and password can be used for both Customer Care Centre and IVR.

What retirement planning tools are available through the member website?

Through www.sunlife.com, you can access Sun Life Financial's Education Centre. There is an interactive tool that will project your estimated savings at retirement based on information you



provide. You can factor in your defined benefit plan as well as other financial planning calculators and an asset allocation questionnaire.

Retirement Savings What? Me Save? Guide

You can receive your copy of Sun Life Financial's What? Me Save? Guide at an employee education session, if one is being held in your area, or by contacting the MFA at (250) 380-0432 ext. 225. This workbook explains a number

of investment concepts and also contains questionnaires that will help you determine your personal investment profile. Your workbook will be helpful when selecting from the lineup of investment options.

Your investment options

You control your investments. Choose from a range of professionally managed investment funds, each with different objectives, risk factors and return expectations. This way, you can put together an investment mix tailored to your individual needs. In addition, we offer you one, three and five year Guaranteed Investment Products. Detailed information about your investment options and investment considerations are provided in the enrollment kit. To obtain your kit, contact the MFA at (250) 380-0432 ext.225.

Investment type	Fund name	Investor profile	Risk level
Money Market Fund	<ul style="list-style-type: none"> McLean Budden Money Market 	<ul style="list-style-type: none"> Suitable for investors with a very short time horizon Investors looking for a stable component to a more aggressive portfolio 	<ul style="list-style-type: none"> Very low risk Invests in money market instruments restricted to Canadian Schedule 1 banks, federal and provincial issues.
Fixed Income Funds	<ul style="list-style-type: none"> PH&N Bond McLean Budden Fixed Income Legg Mason Canadian Active Bond TDAM Canadian Bond Index 	<ul style="list-style-type: none"> Suitable for investors wanting to create a balanced strategy using diversification Investors wanting to protect capital during market volatility or periods of inflation Investors looking for a well diversified portfolio of bonds Investors seeking regular income and moderate capital appreciation potential 	<ul style="list-style-type: none"> Moderately low risk Invests typically in federal, provincial and corporate bonds
Balanced Funds	<ul style="list-style-type: none"> PH&N Balanced Pension Trust Trimark Income Growth Jarislowsky Fraser Balanced (RRSP) Jarislowsky Fraser Global Balanced (ESP) McLean Budden Balanced Growth 	<ul style="list-style-type: none"> Suitable for investors looking for the “one decision” alternative and professional expertise Investors who are seeking a well diversified portfolio that invests in all the asset classes Investors who are striving for long-term returns through capital appreciation and income 	<ul style="list-style-type: none"> Medium risk Invests in a mix of Canadian, US and International stocks, as well as bonds
Asset Allocation Funds	<ul style="list-style-type: none"> Russell Lifepoints® Balanced Income Russell Lifepoints® Balanced Growth Russell Lifepoints® Balanced Long-Term Growth 	<ul style="list-style-type: none"> Uses a multi-manager, multi-style and multi-fund approach all in one investment option. Suitable for investors looking for the “one decision” alternative and professional expertise. Investors who are seeking a well diversified portfolio that invests in all the asset classes Investors who are striving for long-term returns through capital appreciation and income 	<ul style="list-style-type: none"> Medium risk Invests in a mix of Canadian, US and International stocks, as well as bonds

Investment type	Fund name	Investor profile	Risk level
Canadian Equity Funds	<ul style="list-style-type: none"> • PH&N Canadian Equity Plus • Fidelity True North • Jarislowsky Fraser Canadian Equity • McLean Budden Canadian Equity Value • TDAM Canadian Equity Index 	<ul style="list-style-type: none"> • Suitable for investors with a long time horizon and high tolerance for volatility • Investors who are looking for a growth component when building a balanced portfolio • Investors looking for long-term returns primarily through capital appreciation 	<ul style="list-style-type: none"> • Higher risk • Invests primarily in stocks of Canadian companies
U.S. Equity Funds	<ul style="list-style-type: none"> • McLean Budden American Equity Growth (ESP) • McLean Budden U.S. Equity (RRSP) • TDAM U.S. Market Index 	<ul style="list-style-type: none"> • Suitable for investors who are growth oriented and who have a long term horizon • Investors seeking higher long-term returns but who can accept volatility 	<ul style="list-style-type: none"> • Higher risk • Invests primarily in stocks of U.S. companies • Can only invest a maximum of 30% in these funds in RRSP
International Equity Funds	<ul style="list-style-type: none"> • PH&N Overseas Equity • Jarislowsky Fraser International Equity • TDAM International Equity • PH&N Global Equity • Trimark Fund • Fidelity International Portfolio • CI Global Equity Fund 	<ul style="list-style-type: none"> • Suitable for investors who are growth oriented and who have a long term horizon • Investors seeking higher long-term returns but who can accept volatility 	<ul style="list-style-type: none"> • Higher risk • Invests in stocks of companies around the world • Can only invest a maximum of 30% in these funds in RRSP
Specialty Funds	<ul style="list-style-type: none"> • Beutel Goodman Small Cap 	<ul style="list-style-type: none"> • Suitable for investors who are growth oriented and who have a long term horizon • Considered a non-core holding 	<ul style="list-style-type: none"> • Higher risk