



QUOTATION DISCLOSURE FORM

The enclosed quotation is provided for your consideration. Please review the following important information.

Difference in accumulated interest amounts:

This amount is calculated as *Interest your plan would have earned under the proposed category (LESS) Interest your plan has earned to date*. We are required to calculate this amount to ensure that your plan earns the same amount of income as all other plans for children who will share in the same income pool, when it comes time to calculate their Education Assistance Payment (EAP) amount.

This amount is paid from after-tax dollars (either from a surplus of principal in the plan, or directly by you). As income, this amount is taxable to the student when paid as an EAP; or, taxable to you when paid as an Accumulated Income Payment (AIP). You may be able to withdraw the income as an AIP by first transferring to our Individual Savings Plan. The AIP amount is then taxable at your tax rate plus 20%. Contact our Customer Care Department or your Sales Representative to explore the full details, if this is your intent.

This amount is added to the income balance in the Plan and is transferred to the Education Assistance Payment Fund on the maturity date. Should your student collect all the education assistance payments they are entitled to under the Plan, they will receive the full benefit of the income. If, however, they do not collect all of the education assistance payment they are entitled to, there will be some loss to you as the income balance is then allocated to other beneficiaries who are sharing in the same income pool.

Enrolment Fee Stored:

If you are reducing the number of units in the Plan after 60 days from their start date then Enrolment Fees paid on those units are held separately as "Enrolment Fee Stored" (shown at the bottom of the "PROPOSED" column). These fees are available as a credit, if you purchase additional units for this Plan in future. Otherwise, the enrolment fee stored will not be available to you.

Refund on Completion:

If the quotation indicates that a value will be **refunded to you on completion**, you should be aware that, under rules established by the Federal Government:

- an amount of up to 40% of the refund value will be deducted from your Basic and Additional Canada Education Savings Grant (CESG) balance and repaid to the Federal Government
 - if your refund value is greater than all your contributions from January 1, 1998, PLUS \$200, your beneficiary will not be eligible for Basic CESG for the remainder of the calendar year of the withdrawal and the next two calendar years
 - if your refund value includes a contribution withdrawal made after March 22, 2004 your beneficiary will not be eligible for the Additional CESG for the remainder of the calendar year of the withdrawal and the next two calendar years

To proceed, sign below and return this form with your signed quotation cheque (if required).

For Plan Number: _____

I/We acknowledge that I/we have read and understand the above.

Primary Contributor Signature

Joint Contributor Signature

Dated this _____ (day) of _____ (month) _____ (year)