

The Greenlight Retirement Program™

*Minutes of the 10th Governance Committee Meeting Conducted on
Friday June 6, 2008 – 8:30 a.m. TBC Offices*

Committee:	Rob Tamblyn	– The Benefits Company Inc.
	Andy Loscher	– The Benefits Company Inc.
	Ellard Delaney	– Delaney Financial Services
	Moe Mailloux	– Moe Mailloux Financial Services
	Matthew Loscher	– The Benefits Company Inc.
Facilitator:	Joe Nunes	– Actuarial Solutions Inc.
Secretary:	Leanne Hillman	– The Benefits Company Inc.
Guests:	Kevin Delaney	– Delaney Financial Services
	Denise Parent	– The Benefits Company Inc.

Meeting Minutes

1. *Call to Order*

- ✓ The meeting was called to order at 8:30 a.m.
- ✓ Rob Tamblyn is the meeting Chair and Leanne Hillman is the meeting Secretary.

Introduction of Guests

- ✓ Denise Parent and Kevin Delaney were welcomed.

Approval of Agenda

[Motion] Rob proposed that the agenda be approved without change. Seconded by Ellard. Carried.

2. *Secretary's Report*

Distribution of Prior Minutes

- ✓ The minutes of the meeting held on March 12, 2008 were distributed. The minutes were previously approved via email and have already been distributed to clients electronically.

- ✓ The effectiveness of distributing minutes electronically was discussed and it was agreed that this method would continue. However, in order to reach plan sponsors that are not taking the time to download and/or read the minutes it was agreed that each April a prior year summary of key activities would be prepared and mailed in paper form.

[Action Item #74] Leanne will establish a reminder to commence preparation of the annual report on March 1, 2009.

3. Recordkeeper's Report

The following reports were received:

- Manulife – report regarding Morningstar ratings and changes to the category definitions
- Standard Life – report regarding recent changes at AIM Trimark which states 'despite the investment philosophy's track record, there is cause for concern regarding the high level of turnover in key personnel'.
- Standard Life – report regarding the Supreme Court of Canada decision to hear the Kerry case regarding use of surplus assets for plan expenses and contribution holidays in defined contribution plans. Also reports on new rules for Life Income Funds in Ontario and Money Laundering controls.

4. Administrative Review

Participating Plan Sponsors

- ✓ The Benefits Company confirmed that as at December 31, 2007 the accumulated assets in the Greenlight Retirement Program™ for each recordkeeper were:

Recordkeeper	Assets (\$millions)	
	March 31, 2008	December 31, 2007
GRS (London)	67.3	67.7
Manulife	2.0	2.0
Standard Life	43.8	44.5
Sun Life	32.8	32.5
Total	145.9	146.7

- ✓ The Committee reviewed the concentration of funds. At GRS, the majority of funds are held in the Balanced Profile fund, the London Capital Diversified fund, and 5 yr GICs. The Sun Life funds are similarly concentrated.

Plan Sponsors Pending Approval

- ✓ The Benefits Company confirmed that as at December 31, 2007 members 'pending approval' with each recordkeeper were:

Recordkeeper	Assets (\$millions)	
	March 31, 2008	December 31, 2007
GRS (London)	4.2	4.3
Manulife	14.9	15.3
Standard Life	0.4	0.4
Sun Life	5.1	5.2
Total	24.6	25.2

[Action Item #75] The Benefits Company will review the Members Pending approval to determine where an absence of a positive decision means that a thank you letter should be sent to the Plan Sponsor confirming that they have declined to join the program.

Member Meeting Tracking

The Benefits Company presented an updated report on Member Meeting Tracking. The report continues to increase in detail. As 2008 progresses, meetings held will be documented and the Committee will consider contacting Certified Advisors and Plan Sponsors in the fall to remind everyone of the need to ensure regular plan member meetings are held.

Prior Action Items

- ✓ The Governance Committee reviewed the inter-meeting activities requested in the prior meeting as follows:

[Prior Action Item #59] The Benefits Company confirmed that the mapping of the Jarislowsky Fraser U.S. Equity fund to the McLean Budden American Equity fund was completed on May 9, 2008.

[Prior Action Item #63] London Capital confirmed that given the expected upturn in long-term interest rates, the Diversified Fund would be expected to have lower returns than in the recent past.

[Prior Action Item #64 & #65] The Benefits Company continues to support Certified Advisors in establishing member meetings. As noted above, a standard listing has been added to the Governance Committee Meeting Agenda.

[Prior Action Item #66] The Greenlight Steps sign-off sheet has been amended to provide a section for notes as well as a box to fill in 'my risk profile is'. The Committee discussed the fact that every carrier has differing risk profile questionnaires.

[Action Item #76] The Committee requested that The Benefits Company develop a proprietary questionnaire limited to 7 or 8 questions.

[Prior Action Item #67] The Benefits Company was asked to contact each carrier and advise them of the perceived need for keeping advisors informed regarding investment activities on member accounts. Responses are as follows:

Carrier	Response
Great-West	No messages specifically targeted at investment decisions outside of profile. Smart messages based upon general risk observations. In addition, standard messaging is available on member statements such as 'remember to regularly review your risk profile'.
Manulife	Reminders are provided advising member when investment change is outside risk profile or reminding members to complete risk profile. Advisors are not advised of member investment changes as the system does not allow for this and there may be 'privacy' issues.
Sun Life	If plan members update investments on website outside his/her risk tolerance, they do receive a warning stating that their request does not align with the target investment mix for their risk profile (provided they have completed the asset allocation tool). There may be an opportunity for a custom message.
Standard Life	No Response

The Committee accepted this information and decided that no additional follow-up was needed at this time.

[Prior Action Item #69] The Benefits Company wrote to Jarislowsky Fraser on February 13, 2008 with a reminder on March 18, 2008 requesting information on investment policies and performance for the Balanced and Canadian Equity Funds. A response has not been received.

[Action Item #77] Joe Nunes will follow-up with Jarislowsky Fraser directly.

[Prior Action Item #70] The Benefits Company contacted GRS and obtained an Excel spreadsheet containing the underlying data in the graph of fund and benchmark performance for the London Capital Dividend Fund as at December 31, 2007.

[Action Item #78] Joe Nunes will review the data provided and provide comments to the Committee at the next meeting.

[Prior Action Item #71] The Benefits Company contacted each carrier to review the process for making changes to investment menus. Each carrier confirmed a similar process and timeline for changes.

[Prior Action Item #72] The Benefits Company confirmed that the revised Statement of Investment Policies and Procedures will be published with the launch of the new website which is scheduled for June, 2008.

[Prior Action Item #73] The Benefits Company confirmed that Standard Life was instructed to map the Trimark Canadian Equity fund to the Jarislowsky Canadian Equity Fund and that this mapping was completed (with the exception of one Plan Sponsor currently considering a change of carrier).

Contribution Arrears & Form 7

- ✓ The Benefits Company confirmed that all Form 7s due on or before March 31, 2008 had been filed.
- ✓ The Benefits Company confirmed that all clients were current in their contributions to their respective plan.

5. *Investment Review*

Investment Policy Review

- ✓ The Statement of Investment Policy and Procedures was not reviewed.

Investment Performance Review – Great-West Life

- ✓ The Benefits Company presented investment performance results for each fund in The Greenlight Retirement Program™ investment menu as reported by Morningstar and Great-West Life
- ✓ The performance of the J.F. Balanced Fund was discussed. The Committee was satisfied with the performance of this fund over longer periods (5yr and 10yr)

Investment Performance Review - Manulife

- ✓ The Benefits Company presented investment performance results for each Manulife fund on The Greenlight Retirement Program™ menu as reported by Morningstar.
- ✓ The Benefits Company confirmed that the Manulife Jarislowsky Fraser Balanced fund uses the same underlying fund as Great-West Life and any difference in ratings by Morningstar is a result of the inception date of the fund and fund charges specific to each carrier.

[Action Item #79] The Committee asked The Benefits Company to investigate what target date funds are offered by Manulife.

Investment Performance Review – Standard Life

- ✓ The Benefits Company presented investment performance results for each Standard Life fund on the proposed Greenlight Retirement Program™ menu as reported by Morningstar.
- ✓ The Committee was satisfied with fund performance and concluded that more weight should be placed on absolute performance than the ‘morning star rating’ when considering fund performance.

Investment Performance Review – Sun Life

- ✓ The Benefits Company presented investment performance results for each Sun Life fund on the proposed Greenlight Retirement Program™ menu as reported by Morningstar.
- ✓ The Committee discussed the link between the questionnaire and the Asset Allocation Fund mixes where a single questionnaire is being used in support of a variety of AA fund families. See Action Item #76 above.

6. *New Business*

- ✓ No new business was discussed.

7. *Future Meetings & Adjournment*

- ✓ The following dates were set for 2008. Meetings will continue to start at 8:30am and will be scheduled to last until 2pm to allow for the increasing workload of the Committee
 - #11 Wednesday September 10, 2008 – 8:30 AM to 2:00 PM
 - #12 Wednesday December 3, 2008 – 8:30 AM to 2:00 PM

[Motion] At 12:15 p.m. Matt made a motion to adjourn the meeting. Seconded by Rob. Carried.