

The Greenlight Retirement Program™

*Minutes of the 11th Governance Committee Meeting
Held on Wednesday September 10, 2008
8:30 a.m. TBC Offices*

| | | |
|--------------|-----------------|-----------------------------------|
| Committee: | Rob Tamblyn | – The Benefits Company Inc. |
| | Andy Loscher | – The Benefits Company Inc. |
| | Matthew Loscher | – The Benefits Company Inc. |
| | Ellard Delaney | – Delaney Financial Services |
| | Moe Mailloux | – Moe Mailloux Financial Services |
| Facilitator: | Joe Nunes | – Actuarial Solutions Inc. |
| TBC Staff: | Leanne Hillman | – The Benefits Company Inc. |
| | Denise Parent | – The Benefits Company Inc. |
| Advisors: | Kevin Delaney | – Delaney Financial Services |
| | Kyle Kootstra | – Edward Jones |
| Guests: | None | |

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

- ✓ Kevin Delaney and Kyle Kootstra were welcomed.

Approval of Agenda

[Motion] Rob proposed that the agenda be approved without change. All in favour. Carried.

The Committee had a general discussion regarding the current state of the economy and its reflection in gas prices and the performance of the TSX. The Committee observed that many funds had negative performance over the recent periods. However, the Committee noted that with a long-term focus, short-term ups and downs are not cause for alarm and it was also noted that steering away from specialty funds such as resource funds is proving wise in the current environment.

2. Secretary's Report

Distribution of Prior Minutes

- ✓ The minutes of the meeting held on June 6, 2008 were distributed. The minutes were previously approved via email and have already been distributed to clients electronically.

3. Recordkeeper's Report

The following reports were received:

- Sun Life – addition of Barclays Global Investors (BGI) LifePath Index 2045 Fund to lineup and the change in name of AIM Trimark to Invesco Trimark
- Great-West Life – confirmation of 're-optimization' of Profile Funds

[Action Item #80] The Benefits Company will confirm with each carrier the frequency of re-optimizing for asset allocation funds and the last date on which a re-optimization was completed.

[Action Item #81] The Committee wishes to invite Great-West Life to its December meeting. GWL will be asked to provide a general presentation on the investment performance of the funds on its platform and provide any appropriate information regarding the GWL platform. In particular, the Committee would like GWL to specifically address the asset allocation funds with a focus on the investment philosophies underlying each family of funds and the performance of the funds (net and gross of fees). The Committee would also like to confirm if there is a family of index asset allocation funds available to plan members.

4. Administrative Review

Participating Plan Sponsors

- ✓ The Benefits Company confirmed that as at June 30, 2008 the accumulated assets in the Greenlight Retirement Program™ for each recordkeeper were:

| Recordkeeper | Assets (\$millions) | |
|-----------------|---------------------|----------------|
| | June 30, 2008 | March 31, 2008 |
| Great-West Life | 61.5 | 67.3 |
| Manulife | 1.9 | 2.0 |
| Standard Life | 43.7 | 43.8 |
| Sun Life | 32.9 | 32.8 |
| Total | 140.0 | 145.9 |

Plan Sponsors Pending Approval

- ✓ The Benefits Company confirmed that as at June 30, 2008 members 'pending approval' with each recordkeeper were:

| Recordkeeper | Assets (\$millions) | |
|-----------------|---------------------|----------------|
| | June 30, 2008 | March 31, 2008 |
| Great-West Life | 1.1 | 4.2 |
| Manulife | 15.3 | 14.9 |
| Standard Life | 0.3 | 0.4 |
| Sun Life | 5.1 | 5.1 |
| Total | 21.8 | 24.6 |

[Action Item #82] The Committee wishes to invite Industrial Alliance to its December meeting for a one hour presentation on its platform with a specific focus on the differentiating features from the platform offered by Great-West, Manulife, and Sun Life

Member Meeting Tracking

The Benefits Company presented an updated report on Member Meeting Tracking. The report continues to increase in detail. The report continues to show mixed success in holding meetings with plan members to ensure that each member establishes an appropriate plan for retirement savings and makes appropriate investment decisions given their time horizon and risk tolerance.

[Motion] Andy Proposed that The Benefits Company host an Advisor Recertification Meeting in November 2008. This meeting will be an opportunity to re-enforce the importance of one-on-one member meetings and develop strategies for gaining employer support for on-site meetings. Seconded by Moe. Carried.

[Action Item #83] The Benefits Company will arrange for an Advisor Recertification Meeting in November 2008.

[Action Item #84] The Benefits Company will develop a process and action plan to assist Advisors in gaining access to plan members. This process and plan will be presented at the 2008 Advisor Recertification Meeting.

[Action Item #85] Actuarial Solutions Inc. will develop a comparison of the growth in assets for a plan sponsor that allows for regular member meetings as compared to one that does not.

Prior Action Items

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

[Prior Action Item #74] The Benefits Company confirmed that the preparation of an annual report to plan sponsors regarding the operation of the Greenlight Retirement Program has been scheduled for the new year with a target completion date of March 1, 2009.

[Prior Action Item #75] The Benefits Company confirmed that the listing of Sponsors Pending Approval has been reviewed and that Sponsors that are not moving ahead with participation in the program have received thank you letters.

[Prior Action Item #76] The Benefits Company presented a series of questionnaires developed by different carriers that address the identification of risk tolerance. The Committee agreed to continue work on the development of a proprietary questionnaire at a separate meeting.

[Action Item #86] Actuarial Solutions Inc. will host a meeting of interested Committee members to review the risk profile questionnaires collected with the intent of developing a Greenlight Retirement Program questionnaire.

[Prior Action Item #77] Jarislowsky Fraser provided details of its investment philosophy which 'is founded upon conservative, time proven principles of fundamental investing'. The Committee reviewed the information provided.

[Prior Action Item #78] Joe Nunes presented a series of graphs which illustrated the illusion of positive performance where fund performance is shown on a scale using dollars rather than percentage return. The analysis clearly shows that since December 2002 the London Capital Dividend Fund has underperformed its benchmark.

[Prior Action Item #79] The Benefits Company confirmed that Manulife offers a series of target date retirement funds. The Benefits Company presented information on these funds along with target date funds available through Great-West Life, Standard Life, and Sun Life.

Contribution Arrears & Form 7

- ✓ The Benefits Company confirmed that all Form 7s due on or before June 30, 2008 had been filed.
- ✓ The Benefits Company confirmed that all clients were current as at June 30, 2008 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

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.

[Action Item #87] The Committee asked The Benefits Company to correspond with Manulife to confirm why its benchmark for the JF Balanced fund is inconsistent with the benchmark published by Jarislowsky Fraser.

[Action Item #88] The Committee asked The Benefits Company to confirm what alternate investments are available on the Manulife platform in respect of the MFC Large Cap Value Equity Fund and the Fidelity Growth America Fund and provide a comparative performance analysis for the December meeting.

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.

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.

[Action Item #89] The Committee asked The Benefits Company to confirm what alternate investments are available on the Sun Life platform to the Bisset Canadian Equity fund and provide a comparative analysis for the December meeting.

6. *New Business*

- ✓ No new business was discussed.

7. *Future Meetings*

- ✓ 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

- #12 Wednesday December 3, 2008 – 8:30 AM to 3:00 PM (time extended)

Proposed 2009 Meeting Dates

- #13 Wednesday March 4, 2009 – 8:30 AM to 2:00 PM
- #14 Wednesday June 3, 2009 – 8:30 AM to 2:00 PM
- #15 Tuesday September 16, 2009 – 8:30 AM to 2:00 PM
- #16 Wednesday December 2, 2009 – 8:30 AM to 2:00 PM

8. *Adjournment*

[Motion] Moe made a motion to adjourn the meeting. Seconded by Ellard. Carried.