



greenlight.
RETIREMENT PROGRAM

72nd Governance Meeting Minutes

December 6th, 2023
Virtual Meetings

Committee:

| | |
|-------------------|--|
| Kevin Delaney | - Delaney Financial Services |
| Tim Jones | - Rock Harbour Wealth Management Inc. |
| Moe Mailloux Jr. | - Moe Mailloux Financial Services |
| Moe Mailloux Sr. | - Moe Mailloux Financial Services |
| Matthew McNeill | - Matthew M. McNeill Inc. |
| Mike Steffler | - Rock Harbour Wealth Management Inc. |
| Ricardo Barrieros | - HUB International Insurance Brokers |
| Rob Tamblyn | - HUB International Ontario Limited – CHAIRPERSON |

Facilitator:

| | |
|-----------|----------------------------|
| Joe Nunes | - Actuarial Solutions Inc. |
|-----------|----------------------------|

Guests:

| | |
|----------------|---|
| Joe Simard | - Simard & Associates Wealth Strategies |
| Lindsey Hughes | - HUB International Ontario Limited |
| Kevin King | - The Wealth Center Inc. |
| Evan Carrick | - The Wealth Center Inc. |
| Lisa Dinchik | - Delaney Financial Services - SECRETARY |
| Michael Scott | - Proteus, a HUB International Company |

The Q3 2023 Greenlight Retirement Program® governance meeting was held virtually in one day. December 6, 2023 – open session where Greenlight Plan Sponsor/Administrators and Advisors were invited.

1. Call to Order

- ✓ The meeting was called to order at 9:01 a.m.
- ✓ Ricardo Barrieros was absent from the meeting.
- ✓ Quorum was met for the meeting.

Introduction to Guests

Guests are welcomed to the meeting.

Approval of Agenda

[Motion] – Mike Steffler made a motion to approve the agenda without change. Seconded by Rob Tamblyn. Motion carried.

2. Secretary's Report

Distribution of Prior Minutes

The minutes of the September 6th, 2023 meeting were previously approved via email and have already been electronically distributed to plan sponsors, administrators and prospects.

Intermeeting Communication

There were no intermeeting communications in the last quarter.

3. Administrative Review

Member Care Booklet

The Committee was presented with an update to Section 3: Advisor Certification for review and approval.

[Motion] – Rob Tamblyn made a motion to approve the changes. Seconded by Kevin Delaney. Motion carried.

Statement of Investment Policy and Procedures

The Committee reviews the SIPP on an annual basis. The Committee was provided the current version for any comments or concerns prior to the Q4 meeting.

[Motion] – Tim Jones made a motion to approve without changes. Seconded by Moe Jr. Motion carried.

Greenlight Certified Advisors

Jennifer Williams submitted an application to become a certified Greenlight advisor and HUB International has confirmed all requirements were met. Mike Steffler noted that he and Tim Jones had a conflict of interest in seeing Jennifer Williams approved as a Certified Advisor. The Committee considered that conflict and determined that the disclosure was adequate, and the motion was made and passed without any objections.

Participating Plan Sponsors

The Committee was presented a summarized document, by Record Keeper, noting the accumulated asset and demographic overview of Participating Plan Sponsors as of September 30, 2023. It was noted that the Desjardins Financial asset information includes the assets in both their Foresight and regular menus.

| Record Keeper | September 30, 2023 | | | June 30, 2023 | | |
|----------------------|--------------------|--------------|---------------|---------------|--------------|---------------|
| | PPS* | PPM* | PPA* | PPS* | PPM* | PPA* |
| Desjardins Financial | 5 | 213 | 13.75 | 6 | 223 | 17.04 |
| Canada Life | 26 | 4,506 | 139.60 | 28 | 4,707 | 157.67 |
| Industrial Alliance | 6 | 279 | 7.57 | 6 | 277 | 7.48 |
| Manulife | 16 | 1,415 | 166.78 | 16 | 1,457 | 169.11 |
| Sun Life | 6 | 886 | 106.54 | 6 | 876 | 108.56 |
| Totals | 59 | 7,299 | 434.24 | 62 | 7,520 | 459.85 |

*PPS – Participating Plan Sponsors; PPM – Participating Plan Members; PPA – Participating Plan Assets (displayed in \$millions).

New Plan Sponsors Added

There were no new plan sponsors reported during Q3 2023.
There were 3 plan sponsors lost.

Member Meeting Tracking

Member meeting tracking will continue to be reviewed on a regular basis outside of the Committee meetings by HUB International Ontario Limited. Advisors are asked to advise Leanne Hillman when member meetings have been offered/held/declined for tracking purposes.

Certified Advisor Tracking

HUB International Ontario Limited has 25 active Certified Advisors, with the welcoming of Jennifer Williams

4. Industry Updates & Discussion

- [DFS : Changes to the strategic allocation of the PH&N Balanced Fund® Institutional Funds](#)
- [FSRA : Report on Administrative Monetary Penalties and Defined Contribution Pension Plan Engagement](#)
- [ACPM/CLHIA/PIAC : Coalition Letter Response to Draft CAP Guideline No 3 Aug 4, 2023](#)
- [Common Wealth : Navigating the future – Regulatory shifts in group retirement plan governance](#)

Action Items

[Action Item 372] – In process – The committee asked HUB International to investigate 1-year GIC options on each platform and if available have them added to the menu without need for additional approval from the Committee

[Action Item 373] – In process - The Committee requested a report from HUB Proteus on 'Islamic Funds' available on each platform and provide advice for their suitability for the Greenlight Retirement Program.

[Action Item 374] – In process – The Committee requested HUB International to determine any plans that have not been marketed since 2019, or earlier, and to work with the relevant advisors to arrange a marketing in 2024

Prior Action Items

There were no prior Action Items.

5. Investment Review

Comparison of 5 Year GIC Rates and Enhancements

- ✓ HUB International presented a quarterly breakdown of a 10-year history of each Record Keeper's 5-year rate, noting the available enhancement on \$5 million accounts.
- ✓ It was noted that without enhancements that Industrial Alliance had the best rate this past quarter.
- ✓ There is a 0.80% spread amongst the rates the Record Keepers are offering.
- ✓ As of September 30, 2023, the average rate for 5-year GICs was 3.92%.

Fund Mapping Log

- ✓ Progress in response to Action Item 369

| Record Keeper | Fund Additions Completed | Proposed Mapping/Removal |
|---------------------|--------------------------|--------------------------|
| Canada Life | February 2023 | June 2024 |
| Sun Life | March 2023 | June 2024 |
| Desjardins | March 2023 | June 2024 |
| Industrial Alliance | August 2023 | November 2024 |
| Manulife | August 2023 | November 2024 |

- ✓ Reminder - Sun Life will close the CI U.S Stock Selection segregated fund and transfer any current money and future contributions into the Beutel Goodman American Equity segregated fund. Sun Life made this decision based on high levels of turnover at CI GAM and the firm's ability to retain talent, as well as significant change in the investment strategy. Members impacted were emailed by Sun Life and posted on the member site.

Active Member Asset Report

- ✓ HUB International Ontario Limited presented an asset report, dated September 30, 2023, of participating plan sponsors by Record Keeper broken down by asset category.

Investment Performance Review

HUB International presented investment performance results for each fund in the Greenlight investment menu for all carriers.

Record Keepers were reviewed as follows:

1. Canada Life
2. Desjardins Financial
3. Industrial Alliance
4. Manulife
5. Sun Life

Review of the rates of return and asset distribution.

6. Proteus

Michael Scott, CFA, Senior Consultant, of Proteus, a HUB International Company, provided an overview of the fund line ups of Canada Life and their performances in Q3, 2023. The presentation slide decks were provided to the Committee and are archived at HUB International Ontario Limited. Proteus also provided the summary below.

1. Overview

- ✓ HUB Proteus' investment performance report for the Canada Life platform was circulated in the materials in advance of the meeting.
- ✓ Michael Scott shared a few organizational updates related to the fund managers including the departure of Jarislowsky Fraser's President and team changes at Mawer. Michael indicates these developments do not warrant immediate concern but the changes at Mawer remain a watchpoint.
- ✓ Michael Scott presented the investment performance report with a focus on 4-year returns relative to benchmarks and peer groups.
- ✓ Rob Tamblin requested that Michael Scott share any relevant and timely articles he comes across with the Committee. Michael Scott agreed.

7. Canada Life

Amanda Rattray, Account Executive, Business Development, Group Customer, Gayle Colbran, Client Relationship Manager, Business Development, Group Customer, and Robbin Dichter, CFA, Vice President, Investment Counseling of Canada Life, provided an investment and fund review. The presentation slide deck was provided to the Committee and a copy is archived at HUB International Ontario Limited. Canada Life also provided the summary below.

1. Overview

- ✓ The index returns as of September 30 were generally pretty positive:
 - TSX 3.4% YTD and 9.5% over the one year.
 - S&P 500 12.8% YTD and 19.7% over the one year
 - MSCI EAFE 7.4% YTD and 24.3% over the one year
 - The lone negative is bonds -1.5% YTD and -1.4% over the one year.
- ✓ Indices were led higher by Information Technology ...sector was up 36% in Canada but that's only 8% of Cdn market, up 35% in US Market and represents 28% of US market.
- ✓ Funds on watch – BlackRock is still on watch due to the transition to ESG that was still underway in 2023.
- ✓ JF Canadian Equity was on watch due to higher tracking error, as performance was very weak in 2022, but very strong over the last year.
- ✓ Bissett Canadian Equity was on watch due to changes at the firm and some performance challenges in the mid-term.
- ✓ Templeton International Equity (more of a legacy fund)..is on watch due to performance challenges over the long term.
- ✓ BlackRock's performance was in line with the benchmark.
- ✓ Profile Target Risk funds were a bit behind benchmark (for Advanced and Aggressive)...fixed income in Profile was strong due to Mortgage and Private Credit, bit of weaker results in the underlying foreign equity funds (was hard to keep pace if did not have a large Technology sector weight).
- ✓ Profile ranked well relative to other target risk funds and did exception on a risk adjusted basis.

- ✓ A la carte funds
Invesco Income Growth did very well in the last year
JF Balanced did very well.
JF Canadian equity did very well.
- ✓ Some new funds – Islamic Global Equity Index (BlackRock) – new fund launched in May/June designed to adhere to Muslim Shariah law. Fund will be absent financial stocks and others that are not allowed exposure too. The fund has performed well in the last year.
- ✓ Another fund is the Retirement funds – a target risk series designed to protect capital during difficult markets. Funds launched in May/June. They are perfect for the LIF/RRIF market.

8. Future Meetings & Presentation Invitations

Until further notice, the Greenlight meetings will continue to be held virtually. The meeting will be held over one day moving forward.

Day 1 = 9:00 a.m. to 12:30 p.m. – open session where Greenlight Plan Sponsor/Administrators and Advisors are invited

Future Meetings

- ✓ #73 Wednesday, March 6, 2024 – Proteus, Desjardins, and Industrial Alliance
- ✓ #74 Wednesday June 5, 2024 – Proteus and Sun Life
- ✓ #75 Wednesday September 4, 2024 – Proteus and Manulife
- ✓ #76 Wednesday December 4, 2024 – Proteus and Canada Life

9. Adjournment

[Motion] – Tim Jones made a motion to adjourn the meeting at 11:25 a.m. Seconded by Moe Sr. Motion carried.