



greenlight.  
RETIREMENT PROGRAM

## 76<sup>th</sup> Governance Meeting Minutes

December 4, 2024  
Virtual Meeting

### 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 – <b>CHAIRPERSON</b>

### Facilitator:

Joe Nunes	- Actuarial Solutions Inc.
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### Guests:

Al Broadbent	- Rock Harbour Wealth Management Inc.
Melissa Boow	- Rock Harbour Wealth Management Inc.
Lisa Dinchik	- Delaney Financial Services - <b>SECRETARY</b>
Michael Scott	- Proteus, a HUB International Company

The Q4 2024 Greenlight Retirement Program® governance meeting was held virtually in one day.  
December 4, 2024 – Open session where Greenlight Plan Sponsors/Administrators and Advisors were invited.

## 1. Call to Order

- ✓ Day 1 - The meeting was called to order at 9:03 a.m.
- ✓ Quorum was met for meeting.

### Introduction of Guests

Guests are welcomed to the meeting. Welcome!

### Approval of Agenda

**[Motion]** – Kevin Delaney 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 4<sup>th</sup>, 2024 meeting were previously approved via email and have already been electronically distributed to plan sponsors, administrators and prospects.

### Intermeeting Communication

Greenlight committee members were emailed the updated CAPSA Guidelines to review changes.

## 3. Administrative Review

### Member Care Handbook/SIPP/Governance Committee Charter Review

Member Care Handbook, SIPP, and the Governance Committee Charter are reviewed annually and had been sent to the committee prior to meeting for review and comments.

**[Motion]** – After review, the governance Committee approves the recently amended Governance Charter, SIPP, and Member Care Handbook without change. Motioned by Mike Steffler, seconded by Rob Tamblyn.

Future reviews of the Member Care Handbook will be completed in June, future reviews of the SIPP will commence in September and the Governance Charter will be reviewed in December.

### 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, 2024. It was noted that the Desjardins Financial asset information includes the assets in both their Foresight and regular menus.

Record Keeper	September 30, 2024			June 30, 2024		
	PPS*	PPM*	PPA*	PPS*	PPM*	PPA*
Desjardins Financial	4	157	8.177	4	145	7.757
Canada Life	23	3,798	140.235	24	4,336	152.174
Industrial Alliance	6	225	9.801	6	253	9.271
Manulife	14	1,392	199.827	14	1,393	189.887
Sun Life	6	1,399	142.649	5	876	118.405
<b>Totals</b>	<b>53</b>	<b>6,971</b>	<b>500.689</b>	<b>53</b>	<b>7,003</b>	<b>477.494</b>

\*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, and no 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

Member Meeting and the Greenlight Advisor Self-Assessment forms are sent via email. The advisors are asked to complete/sign/return these to HUB International Ontario Limited by the due date of April 1, 2024. This has been completed for 2024

## 4. Industry Updates & Discussion

- [HUB: What Capital Accumulation Plans Guideline Changes Mean for Retirement Plans](#)
- [Blakes: New Guidelines for Capital Accumulation Plans and Risk Management Released](#)
- [Benefits Canada: Nova Scotia to allow unlocking of pension benefits](#)
- [Investment Executive: Ontario consults on new pension payout option](#)
- [FSRA: New examination Process for DB and DC plans](#)
- [CAPSA: Guideline No. 3 – Guideline for Capital Accumulation Plans](#)

### Action Items

**[Action Item 376]** – The Committee requested HUB International to include in its year end communication to sponsors a reminder to review contribution rates which drives benefit adequacy.

**[Action Item 377]** – The Committee requested HUB International to follow up with carriers to confirm that the default for all plans has been set to the BlackRock target date funds.

**[Action Item 378]** – The Committee requested HUB International to add to future presentations that Denise has confirmed that HUB International has not been advised by any carriers of unremitted contributions by plan sponsors.

**[Action Item 379]** – The Committee requested HUB International to investigate the Sharia complaint funds available on each platform. The Governance Committee has requested that this information be shared via email when available so that the decision to add funds can be made prior to the next meeting in March 2025.

**[Action Item 380]** – The Committee requested HUB International to determine any plans that have not been marketed since 2020, or earlier, and to work with the relevant advisors to arrange marketing in 2025.

## Prior Action Items

**[Action Item 375] – Completed** – 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 marketing in 2024.

## 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 0.70% spread amongst the rates the Record Keepers are offering.
- ✓ As of September 30, 2024, the average rate for 5-year GICs was 2.52%.

### Fund Mapping Log

- ✓ Fund mapping in accordance with Action Item 369 final stages has commenced. Advance notices are/were sent to the advisors and plan sponsors with changes that are occurring to their plans. Final fund mapping to be completed on December 5, 2024.

### Active Member Asset Report

- ✓ HUB International Ontario Limited presented an asset report, dated September 30, 2024, 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's performance. 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

- ✓ M. Scott presented an economic and market summary to contextualize the performance results from the fund managers. Markets have been extremely resilient and 2024 is shaping up to be a very strong year.
- ✓ The third quarter saw very strong returns in both fixed income and equity markets, fueled by rate cuts from central banks.
- ✓ M. Scott presented the fund performance dashboard and highlighted material firm updates.
- ✓ M. Scott noted that most funds are meeting their four-year performance objectives. He highlighted that a few funds are underperforming and noted that positioning in the Magnificent 7 companies has hurt relative performance of the MFS US Equity Core and Mawer Global Equity Fund. HUB is preparing some analysis of the Mawer Global Equity Fund and will share it with the Committee in Q1 next year.
- ✓ M. Scott illustrated that the ESG indices utilized in the BlackRock LifePath Target Date Funds have been underperforming their traditional parent indices lately. However, the LifePath Funds have generally performed well compared to peers due to their passive approach in an environment where most active managers have underperformed.

## 7. Canada Life

Laura Hetu, 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 financial markets were very strong in 2024, after a good year in 2023. Equities were very strong and saw a rebound in fixed income in 2024.
- ✓ Sector returns were mostly very positive, lead higher by US Large Cap technology names like Nvidia, Tesla, etc., and other large cap growth style performed very well, while value did not perform very well. The markets were very narrowly led higher by a handful of names.
- ✓ Looking at the overall fund line up, most funds were on a positive IMR (Investment Manager Review) status...but there was a yellow (watch) status with the PSG Profile funds due to the changes at PSG due to the amalgamation on Counsel Corporation's Fund of Funds team with the PSG team. This did result in Susan Spence's departure, but the good news is that the portfolio management team is larger and full of complimentary skills.
- ✓ JF Canadian Equity is also on watch – due to the underweight in energy over the last few years, creating a significant level of tracking error and some mid term performance challenges.
- ✓ Templeton international equity is on watch due to a multiple personnel change.
- ✓ ESG scores – there was an indication that ESG scores do not come up that often within the clients that the Greenlight team deals with.
- ✓ BlackRock's performance has been in line with their benchmarks. The funds continue to be the leading Target Date Fund suite.
- ✓ Profile Targe Risk funds – reviewed again the changes within PSG, now under the leadership of Corrado Tiralongo. Profile Target Risk Funds underperformed a bit during 2024, this was due to the foreign equities being underweight US and the value style of some of the underlying funds underperformed.

Profile continues to have the lowest volatility among competitor Target Risk funds, and below the benchmark volatility particularly for the conservative and moderate modules.

- ✓ Good results from all the fixed income funds
- ✓ Generally, underperformance from the balanced funds in 2024.
- ✓ Canadian Equities generally slightly underperformed in 2024 – tough year due to concentrated performance in Shopify and resource sectors
- ✓ Foreign Equities generally tough to keep pace – due to strength in tech and large cap growth.

## 2. Canada Life TDF Platform

- ✓ Reviewed the largest TDF Platform in Canada.
- ✓ Just added T Rowe Price and Fidelity Index Plus and about to add to our roster the Fidelity Retail series...so if there is a TDF you are interested in...we have it at Canada Life.

## 3. Economic Review

- ✓ Inflation is under control (somewhat), economic growth is slowing, and it appears that a soft landing of the economy is possible.

## 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

- ✓ #77 Wednesday March 5, 2025 – Proteus, Desjardins and Industrial Alliance
- ✓ #78 Wednesday June 4, 2025 –Proteus and Sun Life
- ✓ #79 Wednesday September 3, 2025 – Proteus and Manulife
- ✓ #80 Wednesday December 3, 2025 – Proteus and Canada Life

## 9. Adjournment

**[Motion]** – Rob Tamblyn made a motion to adjourn the meeting at 11:20 a.m. Seconded by Moe Mailloux Jr. carried.