

Do you know your responsibilities as a Capital Accumulation Plan (CAP) sponsor?



Did you know that the CAP guidelines were enacted by the Joint Forum of Financial Market Regulators in 2004?

These guidelines, which apply to retirement savings plans that allow participants to make their own investment decisions, outline the duties and responsibilities of plan sponsors (employers) and aim to ensure participants (employees) have enough information to make informed investment decisions. **Are you ready to assume these duties?**

FORESIGHT™

A New Vision for Group Retirement

The advantage of the **Foresight** solution is that you can delegate these responsibilities to experts committed to giving you the very best in governance services.

Desjardins Financial Security will assume responsibility for the entire plan implementation process and employee support. This support includes training and communications, information and transaction tools, as well as statements and reports.

Under an agreement with Desjardins Financial Security, Morningstar will select and monitor the investment funds, and also create portfolios in line with your participants' various investor profiles. You can enjoy peace of mind knowing that your investment choices are in good hands thanks to Morningstar's independent expertise.

Because governance matters

For us, applying sound governance policies is not just a matter of principle, it's a matter of commitment too. Our business practices include:

- A complete investment fund manager monitoring program in line with rigorous investment policies;
- Quality-control and protection of personal information measures;
- A strict regulatory compliance program;
- Risk management policies and procedures.



Money working for people



Summary of guidelines enacted by Joint Forum of Financial Market Regulators

RESPONSIBILITIES	REQUIREMENTS
Plan sponsor Choice of plan	<ul style="list-style-type: none"> • Introduce the plan to participants. • Provide investment information and decision-making tools to participants. • Provide ongoing communication to participants. • Ensure investment options are sufficiently diversified and meet the needs of participants based on their investor profile. • Ensure there is a reasonable amount of flexibility to transfer funds from one investment option to another and that participants know the default option when they fail to choose one. • Ensure that the termination of the plan or an individual's membership in the plan is done in accordance with the terms of the plan.
Plan sponsor Choice of service provider	<ul style="list-style-type: none"> • Identify the responsibilities to delegate to a service provider. • Select a service provider based on criteria such as cost of services, expertise, experience, specialization in the type of services required and the quality and scope of services being offered. • Review the performance of the service provider to whom plan responsibilities have been delegated based on objective criteria.
Service Provider Tasks ¹ generally delegated by the plan sponsor	<ul style="list-style-type: none"> • Administer the plan's day-to-day operations. • Provide information explaining: <ul style="list-style-type: none"> – The nature of the plan; – The investment options available; – The relative levels of risk and return of the various investment options; – The impact on the participants' portfolio of adding or removing an investment option; – The investment objectives of the plan's investment funds. • Provide tools such as: <ul style="list-style-type: none"> – Asset allocation models, calculators and investor profile questionnaires; – Statements providing the required information concerning return, transactions and fees. • If the plan sponsor wishes, provide access to a qualified investment advisor.
Participants	<ul style="list-style-type: none"> • Participants are responsible for using the information and decision-making tools made available to them. • Participants decide when to seek advice from a qualified investment advisor, in addition to using the information and tools provided.

¹ The sponsor is responsible for selecting which tasks to delegate to one or more service providers. The plan sponsor may also decide to assume some of these responsibilities.

Keep in mind that the guidelines enacted by the Joint Forum of Financial Market Regulators take precedence over this table. Although Desjardins Financial Security endeavours to provide accurate information, we offer no guarantees, formal or tacit, as to the accuracy, validity or completeness of this information. Furthermore, Desjardins Financial Security assumes no responsibility for any error or omission in respect of this information or for any results obtained from reliance on this information.

Group Retirement Savings Solution by Desjardins Financial Security – Fund research and portfolio construction by Morningstar

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