



INVESTMENT POLICY – MELODIA MODERATE GROWTH FUND

Manager: Desjardins Investments Inc.

Revision: October 2017

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1. Description and Investment Philosophy

This fund aims to provide an income return and a moderate long-term capital appreciation by investing primarily in units of mutual funds which themselves invest in equity and fixed-income securities throughout the world. The fund's asset allocation is determined by the manager based on the present policy. The fund's security selection is determined based on the underlying funds' investment policy.

The fund is intended for investors who have a moderate risk tolerance. Asset allocation between the fund's different classes is done on a strategic basis.

2. Investment Objective

This fund targets an annualized return higher than that of the combined benchmarks below, over four-year moving periods:

FTSE TMX Canada Universe	52%
Bloomberg Barclays Multiverse Bond (hedged CAN\$)	13%
S&P/TSX	10.5%
MSCI All Country World (CAN\$)	24.5%

3. Eligible Investments

- a. Common and preferred stocks, including related convertible securities, installment receipts, income trust and real estate investment trust units, equity index-linked securities, exchange-traded fund units, American Depositary Receipts, Global Depositary Receipts and public offerings. Securities must trade on a recognized Canadian, U.S. or international stock exchange.
- b. Bonds, stripped coupons and residuals issued or guaranteed by the federal government, a province or a municipality, bonds and debentures issued by a Canadian corporation, asset-backed securities, mortgage-backed securities, mortgage loans, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a Canadian financial institution

3. Eligible Investments (continued)

- c. Bonds denominated in foreign currencies issued by a Canadian issuer, a foreign government, a foreign corporation or a supranational organization and foreign bonds denominated in Canadian dollars
- d. Short-term notes, Treasury bills, bankers' acceptances, commercial papers, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a financial institution, bonds, stripped coupons and residuals. These securities must have a maturity not exceeding one year for inclusion in short-term securities.
- e. Cash and demand deposits
- f. Derivatives related to financial securities, economic indicators and currencies, such as rights and warrants, forward contracts, options, futures contracts and swaps, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security
- g. Investment funds and other structured instruments invested in one or more of the above asset classes

4. Asset Allocation Policy

In order to attain its objective, this fund invests in the following asset classes based on the hereunder limits:

	Limits		
	Minimum	Target	Maximum
Equities	25%	35%	45%
Canadian equities	0.5%	10.5%	20.5%
U.S. equities	4.5%	9.5%	13.5%
Global equities	1.5%	11.5%	21.5%
Emerging market equities	0.5%	3.5%	6.5%
Fixed-income securities	55%	65%	75%
Canadian bonds	37%	52%	67%
Global bonds	3.5%	8.5%	13.5%
Emerging market bonds	1%	4.5%	9.5%
Cash and short-term securities	0%	0%	1%

5. Risk Control Parameters

This fund is primarily invested in securities traded on Canadian and foreign markets. Its assets and net asset value are subject to global market fluctuations, general economic conditions in the countries in which it invests, currency fluctuations and performance of the issuing companies. In addition, the fund's fixed-income component is subject to interest rate fluctuations in the countries in which it invests. The manager controls these risks as follows:

- a. The fund's investments are diversified across various asset classes, as stipulated in the provisions regarding asset allocation of the present policy.
- b. Short-term securities must be rated no less than R-1 low¹.
- c. Derivatives may be used to manage the currency risk on the fund's foreign investments, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security.

In addition, the underlying funds' managers control these risks with the constraints issued by their respective investment policy.

The present policy does not replace under any case the underlying fund's investment policy established by the manager. In case of discrepancy, the provisions applicable under the manager's policy have precedence over those of the present policy.

¹ Credit ratings are based on those of Dominion Bond Rating Service (DBRS) or an equivalent recognized agency



INVESTMENT POLICY – MELODIA DIVERSIFIED GROWTH FUND

Manager: Desjardins Investments Inc.

Revision: October 2017

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1. Description and Investment Philosophy

This fund aims to strike a balance between income return and long-term capital appreciation by investing primarily in units of mutual funds which themselves invest in equity and fixed-income securities throughout the world. The fund's asset allocation is determined by the manager based on the present policy. The fund's security selection is determined based on the underlying funds' investment policy.

The fund is intended for investors who have a moderate risk tolerance. Asset allocation between the fund's different classes is done on a strategic basis.

2. Investment Objective

This fund targets an annualized return higher than that of the combined benchmarks below, over four-year moving periods:

FTSE TMX Canada Universe	44%
Bloomberg Barclays Multiverse Bond (hedged CAN\$)	11%
S&P/TSX	13.5%
MSCI All Country World (CAN\$)	31.5%

3. Eligible Investments

- a. Common and preferred stocks, including related convertible securities, installment receipts, income trust and real estate investment trust units, equity index-linked securities, exchange-traded fund units, American Depositary Receipts, Global Depositary Receipts and public offerings. Securities must trade on a recognized Canadian, U.S. or international stock exchange.
- b. Bonds, stripped coupons and residuals issued or guaranteed by the federal government, a province or a municipality, bonds and debentures issued by a Canadian corporation, asset-backed securities, mortgage-backed securities, mortgage loans, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a Canadian financial institution

3. Eligible Investments (continued)

- c. Bonds denominated in foreign currencies issued by a Canadian issuer, a foreign government, a foreign corporation or a supranational organization and foreign bonds denominated in Canadian dollars
- d. Short-term notes, Treasury bills, bankers' acceptances, commercial papers, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a financial institution, bonds, stripped coupons and residuals. These securities must have a maturity not exceeding one year for inclusion in short-term securities.
- e. Cash and demand deposits
- f. Derivatives related to financial securities, economic indicators and currencies, such as rights and warrants, forward contracts, options, futures contracts and swaps, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security
- g. Investment funds and other structured instruments invested in one or more of the above asset classes

4. Asset Allocation Policy

In order to attain its objective, this fund invests in the following asset classes based on the hereunder limits:

	Limits		
	Minimum	Target	Maximum
Equities	35%	45%	55%
Canadian equities	3.5%	13.5%	23.5%
U.S. equities	2.5%	12.5%	22.5%
Global equities	4.5%	14.5%	24.5%
Emerging market equities	1.5%	4.5%	7.5%
Fixed-income securities	45%	55%	65%
Canadian bonds	29%	44%	59%
Global bonds	2%	7%	12%
Emerging market bonds	0.5%	4%	9%
Cash and short-term securities	0%	0%	1%

5. Risk Control Parameters

This fund is primarily invested in securities traded on Canadian and foreign markets. Its assets and net asset value are subject to global market fluctuations, general economic conditions in the countries in which it invests, currency fluctuations and performance of the issuing companies. In addition, the fund's fixed-income component is subject to interest rate fluctuations in the countries in which it invests. The manager controls these risks as follows:

- a. The fund's investments are diversified across various asset classes, as stipulated in the provisions regarding asset allocation of the present policy.
- b. Short-term securities must be rated no less than R-1 low¹.
- c. Derivatives may be used to manage the currency risk on the fund's foreign investments, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security.

In addition, the underlying funds' managers control these risks with the constraints issued by their respective investment policy.

The present policy does not replace under any case the underlying fund's investment policy established by the manager. In case of discrepancy, the provisions applicable under the manager's policy have precedence over those of the present policy.

¹ Credit ratings are based on those of Dominion Bond Rating Service (DBRS) or an equivalent recognized agency



INVESTMENT POLICY – MELODIA BALANCED GROWTH FUND

Manager: Desjardins Investments Inc.

Revision: October 2017

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1. Description and Investment Philosophy

This fund aims to provide long-term capital appreciation and, to a lesser extent, generate an income return by investing primarily in units of mutual funds which themselves invest in equity and fixed-income securities throughout the world. The fund's asset allocation is determined by the manager based on the present policy. The fund's security selection is determined based on the underlying funds' investment policy.

The fund is intended for investors who have a moderate risk tolerance. Asset allocation between the fund's different classes is done on a strategic basis.

2. Investment Objective

This fund targets an annualized return higher than that of the combined benchmarks below, over four-year moving periods:

FTSE TMX Canada Universe	36%
Bloomberg Barclays Multiverse Bond (hedged CAN\$)	9%
S&P/TSX	16.5%
MSCI All Country World (CAN\$)	38.5%

3. Eligible Investments

- a. Common and preferred stocks, including related convertible securities, installment receipts, income trust and real estate investment trust units, equity index-linked securities, exchange-traded fund units, American Depositary Receipts, Global Depositary Receipts and public offerings. Securities must trade on a recognized Canadian, U.S. or international stock exchange.
- b. Bonds, stripped coupons and residuals issued or guaranteed by the federal government, a province or a municipality, bonds and debentures issued by a Canadian corporation, asset-backed securities, mortgage-backed securities, mortgage loans, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a Canadian financial institution

3. Eligible Investments (continued)

- c. Bonds denominated in foreign currencies issued by a Canadian issuer, a foreign government, a foreign corporation or a supranational organization and foreign bonds denominated in Canadian dollars
- d. Short-term notes, Treasury bills, bankers' acceptances, commercial papers, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a financial institution, bonds, stripped coupons and residuals. These securities must have a maturity not exceeding one year for inclusion in short-term securities.
- e. Cash and demand deposits
- f. Derivatives related to financial securities, economic indicators and currencies, such as rights and warrants, forward contracts, options, futures contracts and swaps, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security
- g. Investment funds and other structured instruments invested in one or more of the above asset classes

4. Asset Allocation Policy

In order to attain its objective, this fund invests in the following asset classes based on the hereunder limits:

	Limits		
	Minimum	Target	Maximum
Equities	45%	55%	65%
Canadian equities	1.5%	16.5%	31.5%
U.S. equities	5%	15%	25%
Global equities	3%	18%	33%
Emerging market equities	1%	5.5%	10.5%
Fixed-income securities	35%	45%	55%
Canadian bonds	21%	36%	51%
Global bonds	1%	6%	11%
Emerging market bonds	0.5%	3%	8%
Cash and short-term securities	0%	0%	1%

5. Risk Control Parameters

This fund is primarily invested in securities traded on Canadian and foreign markets. Its assets and net asset value are subject to global market fluctuations, general economic conditions in the countries in which it invests, currency fluctuations and performance of the issuing companies. In addition, the fund's fixed-income component is subject to interest rate fluctuations in the countries in which it invests. The manager controls these risks as follows:

- a. The fund's investments are diversified across various asset classes, as stipulated in the provisions regarding asset allocation of the present policy.
- b. Short-term securities must be rated no less than R-1 low¹.
- c. Derivatives may be used to manage the currency risk on the fund's foreign investments, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security.

In addition, the underlying funds' managers control these risks with the constraints issued by their respective investment policy.

The present policy does not replace under any case the underlying fund's investment policy established by the manager. In case of discrepancy, the provisions applicable under the manager's policy have precedence over those of the present policy.

¹ Credit ratings are based on those of Dominion Bond Rating Service (DBRS) or an equivalent recognized agency



INVESTMENT POLICY – MELODIA AGGRESSIVE GROWTH FUND

Manager: Desjardins Investments Inc.

Revision: October 2017

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1. Description and Investment Philosophy

This fund aims to provide long-term capital appreciation and generate a low income return by investing primarily in units of mutual funds which themselves invest in equity and fixed-income securities throughout the world. The fund's asset allocation is determined by the manager based on the present policy. The fund's security selection is determined based on the underlying funds' investment policy.

The fund is intended for investors who have a high risk tolerance. Asset allocation between the fund's different classes is done on a strategic basis.

2. Investment Objective

This fund targets an annualized return higher than that of the combined benchmarks below, over four-year moving periods:

FTSE TMX Canada Universe	24%
Bloomberg Barclays Multiverse Bond (hedged CAN\$)	6%
S&P/TSX	21%
MSCI All Country World (CAN\$)	49%

3. Eligible Investments

- a. Common and preferred stocks, including related convertible securities, installment receipts, income trust and real estate investment trust units, equity index-linked securities, exchange-traded fund units, American Depositary Receipts, Global Depositary Receipts and public offerings. Securities must trade on a recognized Canadian, U.S. or international stock exchange.
- b. Bonds, stripped coupons and residuals issued or guaranteed by the federal government, a province or a municipality, bonds and debentures issued by a Canadian corporation, asset-backed securities, mortgage-backed securities, mortgage loans, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a Canadian financial institution

3. Eligible Investments (continued)

- c. Bonds denominated in foreign currencies issued by a Canadian issuer, a foreign government, a foreign corporation or a supranational organization and foreign bonds denominated in Canadian dollars
- d. Short-term notes, Treasury bills, bankers' acceptances, commercial papers, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a financial institution, bonds, stripped coupons and residuals. These securities must have a maturity not exceeding one year for inclusion in short-term securities.
- e. Cash and demand deposits
- f. Derivatives related to financial securities, economic indicators and currencies, such as rights and warrants, forward contracts, options, futures contracts and swaps, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security
- g. Investment funds and other structured instruments invested in one or more of the above asset classes

4. Asset Allocation Policy

In order to attain its objective, this fund invests in the following asset classes based on the hereunder limits:

	Limits		
	Minimum	Target	Maximum
Equities	60%	70%	80%
Canadian equities	6%	21%	36%
U.S. equities	4%	19%	34%
Global equities	8%	23%	38%
Emerging market equities	2%	7%	12%
Fixed-income securities	20%	30%	40%
Canadian bonds	9%	24%	39%
Global bonds	0.5%	4%	9%
Emerging market bonds	0.5%	2%	7%
Cash and short-term securities	0%	0%	1%

5. Risk Control Parameters

This fund is primarily invested in securities traded on Canadian and foreign markets. Its assets and net asset value are subject to global market fluctuations, general economic conditions in the countries in which it invests, currency fluctuations and performance of the issuing companies. In addition, the fund's fixed-income component is subject to interest rate fluctuations in the countries in which it invests. The manager controls these risks as follows:

- a. The fund's investments are diversified across various asset classes, as stipulated in the provisions regarding asset allocation of the present policy.
- b. Short-term securities must be rated no less than R-1 low¹.
- c. Derivatives may be used to manage the currency risk on the fund's foreign investments, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security.

In addition, the underlying funds' managers control these risks with the constraints issued by their respective investment policy.

The present policy does not replace under any case the underlying fund's investment policy established by the manager. In case of discrepancy, the provisions applicable under the manager's policy have precedence over those of the present policy.

¹ Credit ratings are based on those of Dominion Bond Rating Service (DBRS) or an equivalent recognized agency



INVESTMENT POLICY – MELODIA MAXIMUM GROWTH FUND

Manager: Desjardins Investments Inc.

Revision: October 2017

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1. Description and Investment Philosophy

This fund aims to provide long-term capital appreciation by investing primarily in units of mutual funds which themselves invest in equity and fixed-income securities throughout the world. The fund's asset allocation is determined by the manager based on the present policy. The fund's security selection is determined based on the underlying funds' investment policy.

The fund is intended for investors who have a high risk tolerance. Asset allocation between the fund's different classes is done on a strategic basis.

2. Investment Objective

This fund targets an annualized return higher than that of the combined benchmarks below, over four-year moving periods:

FTSE TMX Canada Universe	16%
Bloomberg Barclays Multiverse Bond (hedged CAN\$)	4%
S&P/TSX	24%
MSCI All Country World (CAN\$)	56%

3. Eligible Investments

- a. Common and preferred stocks, including related convertible securities, installment receipts, income trust and real estate investment trust units, equity index-linked securities, exchange-traded fund units, American Depositary Receipts, Global Depositary Receipts and public offerings. Securities must trade on a recognized Canadian, U.S. or international stock exchange.
- b. Bonds, stripped coupons and residuals issued or guaranteed by the federal government, a province or a municipality, bonds and debentures issued by a Canadian corporation, asset-backed securities, mortgage-backed securities, mortgage loans, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a Canadian financial institution

3. Eligible Investments (continued)

- c. Bonds denominated in foreign currencies issued by a Canadian issuer, a foreign government, a foreign corporation or a supranational organization and foreign bonds denominated in Canadian dollars
- d. Short-term notes, Treasury bills, bankers' acceptances, commercial papers, term deposits, guaranteed investment certificates and equivalent financial instruments issued by a financial institution, bonds, stripped coupons and residuals. These securities must have a maturity not exceeding one year for inclusion in short-term securities.
- e. Cash and demand deposits
- f. Derivatives related to financial securities, economic indicators and currencies, such as rights and warrants, forward contracts, options, futures contracts and swaps, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security
- g. Investment funds and other structured instruments invested in one or more of the above asset classes

4. Asset Allocation Policy

In order to attain its objective, this fund invests in the following asset classes based on the hereunder limits:

	Limits		
	Minimum	Target	Maximum
Equities	70%	80%	90%
Canadian equities	9%	24%	39%
U.S. equities	7%	22%	37%
Global equities	11%	26%	41%
Emerging market equities	3%	8%	13%
Fixed-income securities	10%	20%	30%
Canadian bonds	6%	16%	26%
Global bonds	0.5%	2.5%	7.5%
Emerging market bonds	0.5%	1.5%	6.5%
Cash and short-term securities	0%	0%	1%

5. Risk Control Parameters

This fund is primarily invested in securities traded on Canadian and foreign markets. Its assets and net asset value are subject to global market fluctuations, general economic conditions in the countries in which it invests, currency fluctuations and performance of the issuing companies. In addition, the fund's fixed-income component is subject to interest rate fluctuations in the countries in which it invests. The manager controls these risks as follows:

- a. The fund's investments are diversified across various asset classes, as stipulated in the provisions regarding asset allocation of the present policy.
- b. Short-term securities must be rated no less than R-1 low¹.
- c. Derivatives may be used to manage the currency risk on the fund's foreign investments, in compliance with the provisions of the General Derivatives Policy of Desjardins Financial Security.

In addition, the underlying funds' managers control these risks with the constraints issued by their respective investment policy.

The present policy does not replace under any case the underlying fund's investment policy established by the manager. In case of discrepancy, the provisions applicable under the manager's policy have precedence over those of the present policy.

¹ Credit ratings are based on those of Dominion Bond Rating Service (DBRS) or an equivalent recognized agency