

# A Formula For Growth

At Knowledge First Financial<sup>®</sup>, our investment strategy is focused on providing steady growth in your investments over the long term. It's a conservative approach designed to protect your education savings and also a diversified one that includes carefully selected equities for potentially higher returns.

## A simpler way to save

Some RESP providers require plan holders to take an active role in investing. We designed our plans to provide peace-of-mind investing for people who prefer a simpler way to save. Our customers appreciate the value of having financial experts manage their investment savings on their behalf.

## A balanced approach to saving

Our portfolio managers choose primarily Canadian government bonds and highly rated bonds of financial institutions to protect your savings and build long-term growth. Then we select equity investments and investment grade corporate bonds for a portion of your portfolio to provide balance, diversification and potentially higher returns. For information about the assets currently associated with our plans, please consult our prospectus.

## A record of achievement

Canadian families have relied on education savings offered by Knowledge First Financial for over 50 years. Since 1965, we've paid out \$3.9 billion and today provide sound financial management for more than 250,000 customers<sup>†</sup>. Let us help you plan for your child's future.

## Our Portfolio Managers

We work with some of the country's leading financial institutions to manage your investments. With the expertise and focus these professional portfolio managers provide, you can be sure that your hard-earned money is well looked after.

- Baker Gilmore & Associates Inc.
- BMO Global Asset Management Ltd.
- Burgundy Asset Management Ltd.
- Connor, Clark & Lunn Investment Management Ltd.
- Fiera Capital Corporation
- Guardian Capital LP
- TD Asset Management Inc.

# Allocated Investment Returns\*

Changing interest rates can affect returns on fixed-income investments. The equity market goes through its own ups and downs. Our investment strategy strikes the right balance to provide you peace of mind.

Although portfolio rates of return can vary from year to year, the income allocated to your plan is more evenly distributed under our accounting policy. By spreading gains and losses on our bond portfolio over a one to five-year period, we provide smoother returns over the long term.

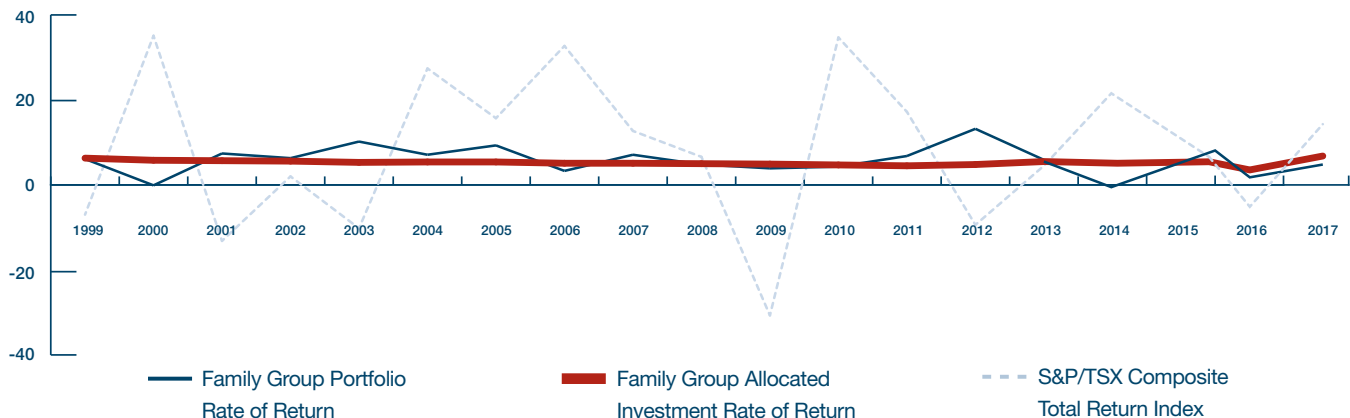
Let us show you how our steady financial management can help you reach your education savings goal.

## Family Group Plan

Fiscal year ending April 30 <sup>th</sup>	Income Allocation Rate of Return	Portfolio Rate of Return	Equity Index**
1998	6.4%	11.8%	30.4%
1999	6.3%	6.1%	-7.0%
2000	5.8%	-0.1%	35.1%
2001	5.7%	7.4%	-13.9%
2002	5.6%	6.3%	-2.0%
2003	5.3%	10.2%	-12.3%
2004	5.4%	7.1%	27.4%
2005	5.4%	9.3%	15.7%
2006	5.1%	3.3%	32.7%
2007	5.1%	7.1%	12.7%
2008	5.0%	4.8%	6.6%
2009	4.9%	3.9%	-30.7%
2010	4.7%	4.3%	34.7%
2011	4.5%	6.8%	17.2%
2012	4.8%	13.2%	-9.4%
2013	5.5%	5.9%	4.5%
2014	5.0%	-1.9%	21.3%
2015	5.4%	8.2%	6.9%
2016	3.0%	1.4%	-5.4%
2017	7.7%	5.5%	14.9%

## A smoother road to success

Annual Returns for Fiscal Years ending April 30



\*Allocated investment returns reflect the allocation of realized gains or losses on bonds spread forward over a 5-year period for the Family Group Plan. Realized gains or losses are known when a bond is sold or it matures. That gain or loss is allocated to the plans evenly according to our accounting policy (net of expenses to the plans). If the bond is still held, any change in value is termed 'unrealized' and does not impact the income allocation to plans or the allocated returns. For equities, both realized and unrealized gains or losses are allocated in the month of occurrence.  
 \*\* Equity Index is represented by S&P/TSX Composite Total Return Index.

## CELEBRATING FIFTY YEARS *of* EDUCATION SAVINGS

Knowledge First Financial Inc. is a wholly owned subsidiary of the Knowledge First Foundation and is the investment fund manager, administrator and distributor of the education savings plans offered by Knowledge First Foundation.

For more information about education savings plans from Knowledge First Financial Inc., please visit [knowledgefirstfinancial.ca](http://knowledgefirstfinancial.ca) or refer to our prospectus.

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**Knowledge First Financial Inc.**

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