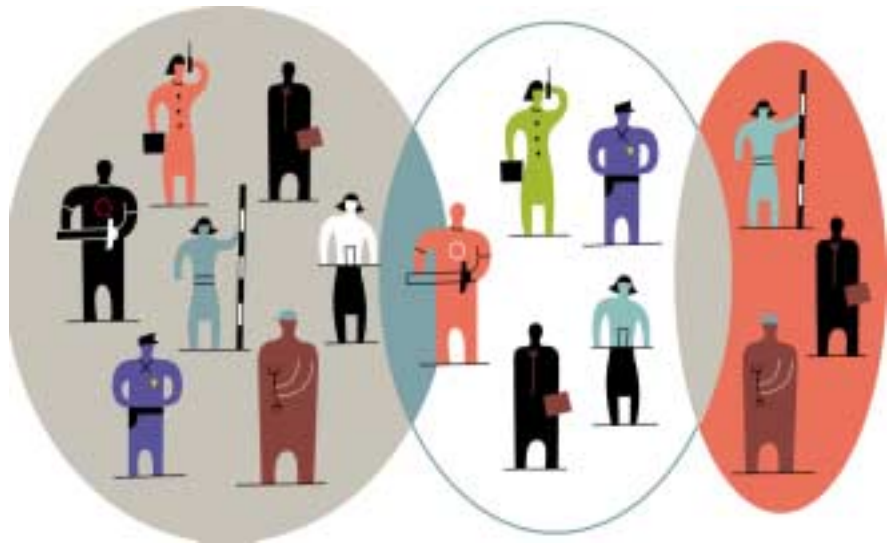


# St. Thomas University Employee Pension Plan

## INTEGRALINK

One Step Ahead in Helping  
You Plan For a Comfortable  
Retirement

- ◆ *PC Software*
  - *Retirement Planner*
  - *Investor Profiler*
- ◆ *Audio & Video Cassette*
- ◆ *12 Investment Options*
- ◆ *Quarterly Member Statements*
- ◆ *Quarterly Newsletter*
- ◆ *24 Hour Account Access*
- ◆ *Interactive Voice Response  
(1-800 telephone service)*
- ◆ *Internet/Website*
- ◆ *E-Mail/Toll Free Calls*



## Services Handbook

## St. Thomas University *Retirement Plan Services*

St. Thomas University is pleased to offer a group retirement benefit to all employees. You will become eligible to join the plan when you become an employee of St. Thomas University.

At St. Thomas, we believe that saving for retirement is a necessity so we have created a very flexible Retirement Plan that will provide all employees with the opportunity to understand and prepare for their retirement needs. We feel that it is important that employees have an appreciation for their personal retirement needs, regardless if retirement is 5 years or 30 years away.

If you haven't already, **START PLANNING FOR RETIREMENT TODAY.** This booklet attempts to help you in this process and provides you with valuable retirement and investment information. **However, it is strongly recommended that you take an active role in understanding your options.** Some of the questions addressed by this booklet include:

- What can I expect to receive as an income at retirement?
- How much do I need to save for retirement?
- What happens to the contributions that I make to this plan and when could I get money out of this plan?
- What basic concepts must I understand before making informed investment and retirement planning decisions?
- What investment options are available in the St. Thomas University Retirement Plan?
- How do I decide which investment options are best for me?
- What information will I receive from this plan and how frequently?
- Can I review my account information at any time?
- How can I make changes to my account?
- What types of fees am I charged for this plan?

It is important to note that there is no guarantee as to the benefit you will receive from this pension plan when you retire. The size of your retirement benefit will depend upon how well your money is invested through the years. It is **your** responsibility to understand and review your investment choices on a regular basis. For this reason, St. Thomas University has made available educational tools to help you with the development and growth of your Pension Plan. These tools will be outlined in detail in further sections of this booklet.

St. Thomas University has partnered with Integra Capital Management in providing you with state-of-the-art technology, educational tools and communication and record-keeping services for your Retirement Plan.

Starting out on the right foot has never been easier!



# Planning For Your Retirement

## ? HOW MUCH DO I NEED TO SAVE FOR RETIREMENT? WHAT CAN I EXPECT TO RECEIVE AS AN INCOME AT RETIREMENT?

The answers to these questions will be unique for each plan member. In addition, you may find that these answers will change in your own personal situation as your current lifestyle changes and as your plans for retirement change. For this reason, it is important to revisit this issue on a regular basis and at least once a year.

St. Thomas University has made available, for the use of each plan member, a retirement planning tool which helps you learn more about your current retirement situation and investment strategies for your retirement. You will be able to determine whether your current savings strategy will support your targeted retirement income; examine methods of dealing with any projected shortfall in meeting your retirement income; review how various investment strategies affect your retirement income; and determine the overall amount you will need to save to retire comfortably.

This "Retirement Planner" software is available free of charge:

- On a PC diskette that you can obtain and copy from the Human Resources (HR) department
- On a CD/Rom that you can borrow from the HR department
- From the Integra website, at [www.integra.com](http://www.integra.com), click on IntegraLINK in the left-hand menu
- Should you not have access to a PC, you can call Integra directly at 1-877-4IN-TEGR, and press "0", to speak with a representative. They can take your information over the phone and mail the response to your home.

The following is a sample output of this software.

Retirement Planner	
Taking into consideration the assumptions and your retirement income sources, the following outlines the target that you should work towards for a comfortable retirement.	
Annual Retirement Income (allowing for inflation) needed at age 65:	<b>\$68,939</b>
Company defined benefit plans may provide:	<b>\$0</b>
Government Assistance may provide: (Includes CPP/QPP and OAS)	<b>\$38,507</b>
Revised Annual Retirement Income Needed at age 65:	<b>\$30,431</b>
Total <b>Accumulated</b> Retirement Savings Needed at age 65:	<b>\$393,448</b>
Current Planned Personal Savings may grow to:	<b>\$565,045</b>
YOUR SURPLUS / (SHORTFALL):	<b>\$171,597</b>
To ensure that there is enough retirement income you can change the variables or save more.	
SAVINGS STRATEGY:	Increase Annual Registered Contribution by <b>\$0</b> to a total of: <b>\$2,000</b> .
	Increase Annual Non-Registered Contribution by <b>\$0</b> to a total of: <b>\$200</b> .
<b>INPUTS &amp; ASSUMPTIONS:</b>	
<b>PERSONAL DATA:</b>	
Current Age:	30
Current Annual Income:	\$35,000
<b>EXPECTED RETIREMENT INCOME SOURCES:</b>	
(1) Do You Have a Company Defined Benefit Pension Plan?	No
(2) Do You Plan On Counting On Government Assistance?	Yes
(3) Personal Savings:	
Current Holdings in Registered Plans:	\$0
Annual Contributions to Registered Plans:	\$2,000
Current Non-Registered Plans:	\$0
Annual Contributions to Non-Registered Holdings:	\$200
<b>ASSUMPTIONS:</b>	
Percent of Annual Retirement Income Needed:	70.0%
Retirement Age:	65
Retirement Period in Years:	20
Average Annual Inflation Rate:	3.0%
Average Annual Investment Return:	8.0%
Average Annual Salary Increase:	3.0%
Should you have any questions or problems, please call the Integra Help Desk at 1-877-4INTEGRA (1-877-446-8347) or e-mail us for assistance at <a href="mailto:info@integra.com">info@integra.com</a> .	
<small>This investment aid is not meant to provide personalized advice. Any investor or prospective investor should understand all issues that may affect their own investment decisions, some of which may not have been taken into consideration in the information above (such as securities, taxation, exchange control, pension legislation that may affect your investments).</small>	

# Getting Started

## **WHAT HAPPENS TO THE CONTRIBUTIONS THAT I MAKE TO THIS PLAN AND WHEN COULD I GET THIS MONEY OUT OF THE PLAN?**

All plan information, not related to the investments, is discussed in a separate booklet outlining all plan rules. You can obtain a copy of this booklet through the HR department.

The Plan Rules Booklet discusses certain rules such as:

- Plan eligibility
- Contributions that you make to the plan
- Contributions made by St. Thomas University, on your behalf, to your pension account
- What options you have, for these monies, should you leave St. Thomas University
- Your options upon retirement
- Options upon death of the plan member
- Vesting Rules of the plan. Vesting refers to when you become entitled to keep any contributions made by St. Thomas, should you leave the plan. This is a legislative rule and not one imposed by Integra or St. Thomas University. (Please note that you are always entitled to keep the contributions that you make to the plan.)
- Locking-In Rules of the plan. Locking-in is also a legislated rule that, upon leaving the plan, prevents you from withdrawing all plan monies in cash. Instead the monies must be transferred to a locked-in RRSP (also referred to as a LIRA), a LIF or used to purchase an immediate or deferred annuity.

## **WHAT BASIC CONCEPTS MUST I UNDERSTAND BEFORE MAKING INFORMED INVESTMENT AND RETIREMENT PLANNING DECISIONS?**

The basic fundamentals to retirement investments include understanding:

- Why planning for retirement is so important
- How compounding affects the growth of your retirement account
- How inflation affects the growth of your retirement account
- Stocks, bonds, treasury bills
- Asset class and asset mix
- All types of risk in making certain investments
- What types of returns you can reasonably expect to receive from the various “asset classes”

All of the above topics are discussed in a presentation that is available:

- On a video cassette that you can borrow from the HR department
- On a CD/Rom that you can borrow from the HR department
- From the Integra website, at [www.integra.com](http://www.integra.com), click on IntegraLINK in the left-hand menu

# Choosing Your Investments



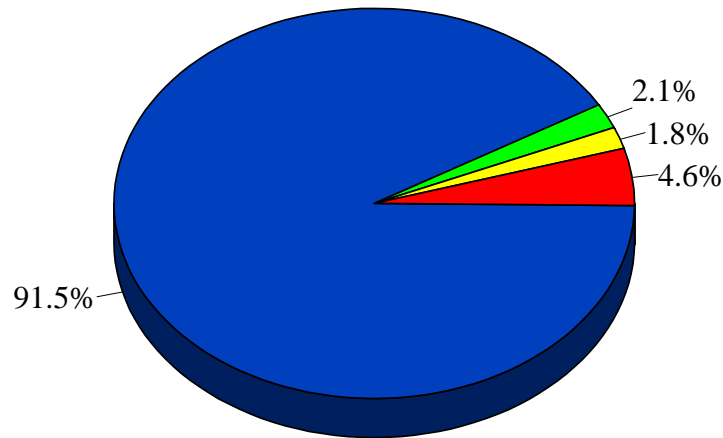
## HOW DO I DECIDE WHICH INVESTMENT OPTIONS ARE BEST FOR ME?

Your decision on which funds to select should be based on creating your personal “asset mix”. Simply put, this refers to how you mix stocks (Canadian and foreign), bonds and treasury bills in your personal account.

Your investment mix is the most important decision you can make regarding the overall return of your investment strategy. Studies have shown that 91% of the performance of an investment portfolio is due to asset allocation policy and not to security selection, market timing, or other factors. Each individual St. Thomas University member has a different investment period, risk versus return tolerance, and personal background and therefore requires his/her own personalized investment mix.

### Where Does Performance Come From?

**Asset Mix - The most important decision you have to make.**



■ Asset Allocation Policy   ■ Security Selection  
■ Market Timing   ■ Other Factors

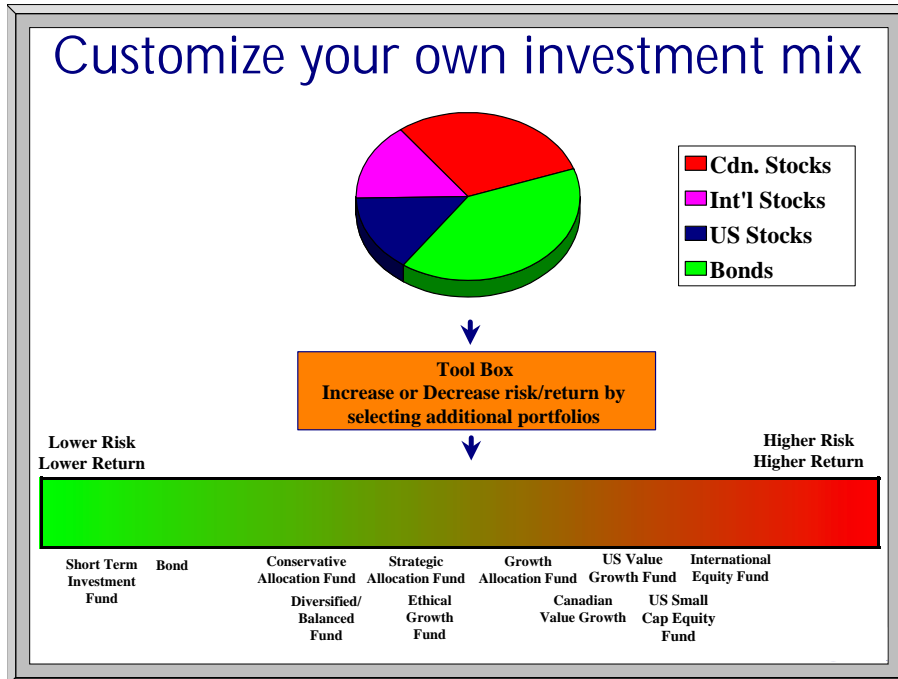
*Study Included 82 Managers over a 10 year period*

Data Source: Ibbotson Associates

# Asset Mix

## ? HOW DO I CREATE MY OWN ASSET MIX?

St. Thomas University has made 11 investment funds available to you in the Retirement Plan. These funds feature varying levels of risk and return, as well as differing asset class exposure. By combining these different funds you can create your own personalized asset mix. You can increase your potential for returns and short term volatility by adding to your equity exposure or decrease your volatility by adding to your fixed income exposure. It is strongly recommended that you obtain independent financial advice to better understand your options.



St. Thomas University has selected 12 different investment options that you can choose from within your plan for ongoing deposits. They are as follows:

- Diversified/Balanced Fund
- Growth Allocation Fund
- Strategic Allocation Fund
- Conservative Allocation Fund
- Ethical Growth Fund
- Canadian Value Growth Fund
- International Equity Fund
- U.S. Small Cap Equity Fund
- U.S. Value Growth Fund
- Bond Fund
- Short Term Investment Fund
- 1, 3 & 5 Year G.I.C.'s

It is strongly recommended that you obtain independent financial advice to better understand your options.

Assets of the Integra Global Equity Fund will be transferred within the plan as follows:

Integra Global Equity Fund → 50% Integra U.S. Value Growth Fund/ 50% Integra International Equity Fund

# Asset Mix

## ? HOW DO I DETERMINE WHAT MY ASSET MIX SHOULD BE?

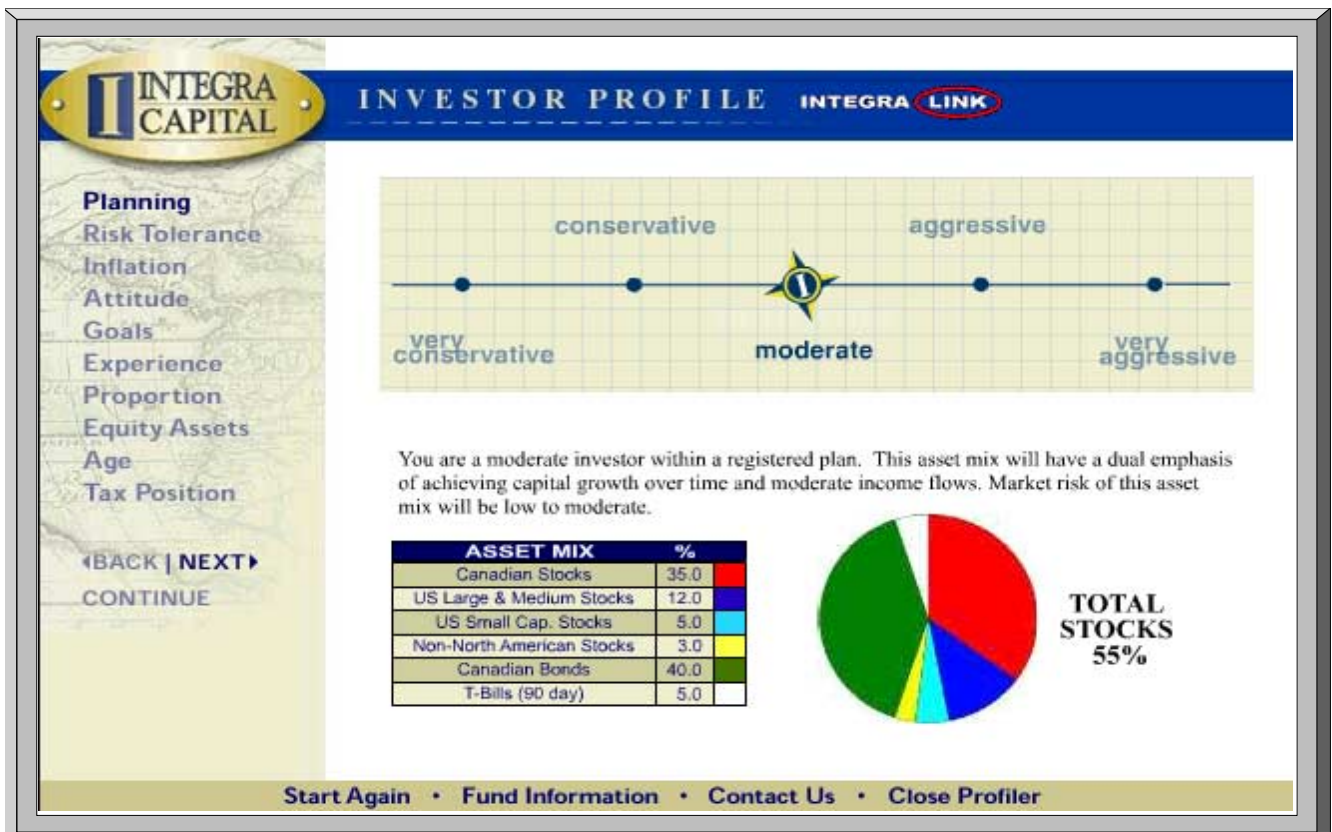
To help you determine what asset mix best suits your personal needs, you have access to “Investor Profile” software. The Investor Profile is a brief questionnaire that will help you decide your own personal asset mix to best suit your investment strategy. The results from the questionnaire will graphically illustrate the appropriate asset mix and how you can match your personal suggested asset mix with just one or a combination of the funds available at Integra.

The Investor Profile is a useful tool to help you assess your total investment strategy, including your personal investments outside of the St. Thomas Retirement Plan.

This “Investor Profile” software is available free of charge:

- On a PC diskette that you can obtain and copy from the HR department
- On a CD/Rom that you can borrow from the HR department
- From the Integra website, at [www.integra.com](http://www.integra.com), click on IntegraLINK in the left-hand menu
- Should you not have access to a PC, you can call Integra directly at 1-877-4IN-TEGR, and press “0”, to speak with a representative. They can take your information over the phone and mail the response to your home.

The following is a sample output of this software.



# St. Thomas University Investment Managers

## Integra Capital Management

Integra Capital is the Canadian subsidiary of Old Mutual Asset Management “OMAM” one of the largest and most diverse institutional investment management companies in the world. OMAM, headquartered in London, England, is the majority owner of more than 50 international specialist investment firms. Integra clients have access to many institutional and Canadian investment teams comprised of over 200 portfolio managers and analysts responsible for over \$250 billion in investment portfolios. Integra provides investment management services to defined benefit and defined contribution plan sponsors, endowment funds and foundations, as well as wealth management services to high net worth clients.

*For a description of the Integra Investment Management Teams, please refer to pages 18 and 19.*



## Ethical Funds

Ethical Funds is one of the largest socially responsible mutual fund families in the world. It offers Canada's widest selection of socially and environmentally screened mutual funds to help you meet your investment goals.

Socially responsible investing (SRI) integrates social and environmental values into the investment decision-making process. Socially responsible investors link financial and social goals striving to deploy investment capital in a manner that is consistent with the needs of society and the limits of ecosystems.

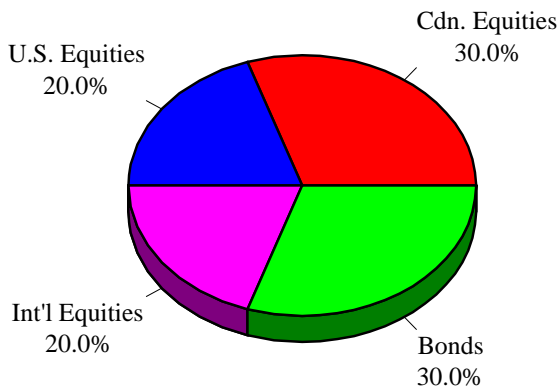


# St. Thomas University Investment Options

**Balanced Funds**— invest in a blend of stocks, government and corporate bonds as well as government treasury bills in order to provide more consistent returns. Investments in these balanced funds do not impact your foreign content limits (as set by Canada Customs and Revenue Agency, formerly Revenue Canada). Please refer to page 17 for more information on these foreign content limits.

The Global Life Cycle Funds are a series of three Canadian balanced funds. These three funds provide automatic diversification by blending stocks and bonds in different proportions in three distinct Balanced Fund Portfolios. This allows investors to invest in the balanced fund that is appropriate for them at various stages in their life cycle.

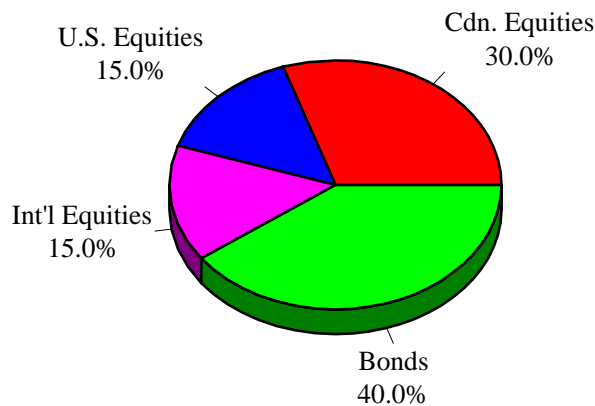
## Growth Allocation Fund



The **Growth Allocation Fund** is intended for those people who are early in their career or those investors who are looking for a balanced fund with a greater potential for return and who are willing to accept a little more risk than your average balanced fund.

8 Managers – **Canadian Equity** 15% Zechner, 15% BonaVista, **U.S. Equity** 10% Barrow Hanley, 10% Pell Rudman, **International Equity** 10% Phillips & Drew, 10% Acadian Asset Management **Fixed Income** 15% Gryphon, 15% Lincluden

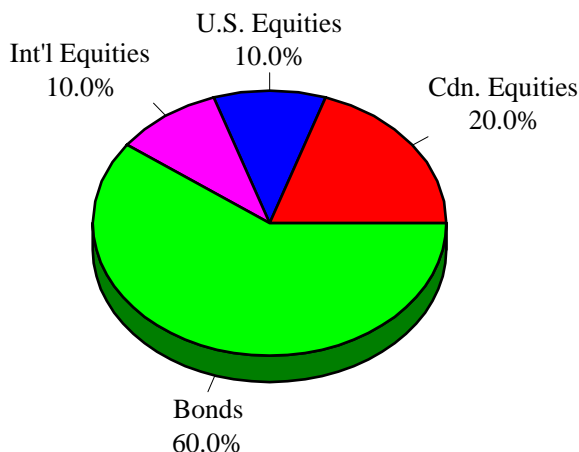
## Strategic Allocation Fund



The **Strategic Allocation Fund** is designed for those people who are in mid-career or those investors looking for a core investment that will provide long-term capital appreciation while ensuring the short-term preservation of capital.

8 Managers – **Canadian Equity** 15% Zechner, 15% BonaVista, **U.S. Equity** 7.5% Barrow Hanley, 7.5% Pell Rudman, **International Equity** 7.5% Phillips & Drew, 7.5% Acadian Asset Management **Fixed Income** 20% Gryphon, 20% Lincluden

## Conservative Allocation Fund



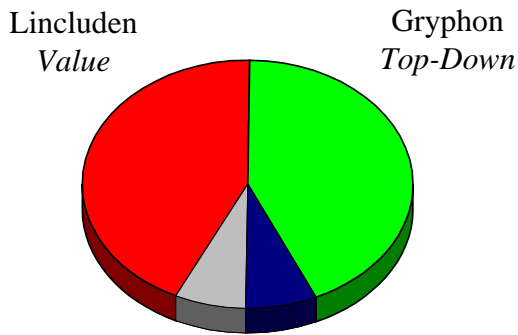
The **Conservative Allocation Fund** was designed for those people who are late in their careers or those investors looking for a balanced fund designed with the preservation of capital at the forefront of their investment strategy. The increased bond component is meant to reduce short-term volatility and to help protect retirement gains in the last years before retirement.

8 Managers – **Canadian Equity** 10% Zechner, 10% BonaVista, **U.S. Equity** 5% Barrow Hanley, 5% Pell Rudman, **International Equity** 5% Phillips & Drew, 5% Acadian Asset Management **Fixed Income** 30% Gryphon, 30% Lincluden

# St. Thomas University Investment Options

**Balanced Funds**— invest in a blend of stocks, government and corporate bonds as well as government treasury bills in order to provide more consistent returns. Investments in these balanced funds do not impact your foreign content limits (as set by Canada Customs and Revenue Agency, formerly Revenue Canada). Please refer to page 17 for more information on these foreign content limits.

## Diversified/Balanced Fund



Acadian Asset Management  
*Non-North American Equity*

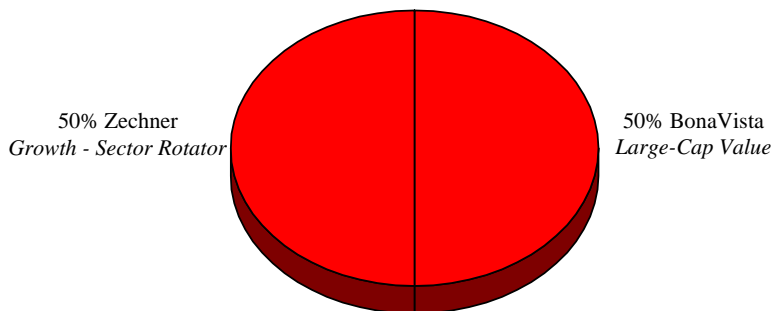
Analytic Investors  
*Enhanced U.S. Equity*

The Diversified Fund is an actively managed Canadian balanced fund. Balanced funds generally provide a large portion of the returns from the equity component of the fund while producing volatility characteristics closer to that of a bond fund. Balanced funds are typically the core investment of long-term investors.

The Diversified fund combines four different investment management styles. The multi-styled and multi-managed diversification within asset classes should provide more consistent long-term returns.

**Domestic Funds** — the majority of the assets in the funds are invested in Canada. Investments in these funds do not impact your foreign content limits (as set by Canada Customs and Revenue Agency, formerly Revenue Canada). Please refer to page 17 for more information on these foreign content limits.

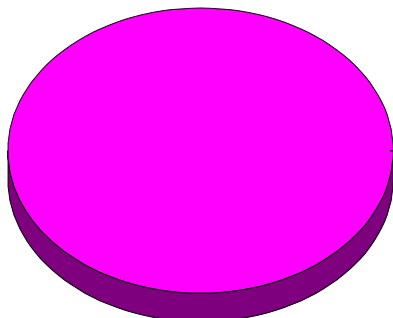
## Canadian Value Growth Fund



The Canadian Value Growth Fund is an equity fund investing in a concentrated portfolio of Canadian stocks. Historically, equity funds do provide greater long-term returns than balanced or bond funds however the short-term risk is much greater.

2 Managers – **Canadian Equity** 50% Zechner, 50% BonaVista

## Ethical Growth Fund



The Ethical Growth Fund aims to increase the value of your investment over the long term by investing mostly in common shares of a wide variety of Canadian corporations. It follows a socially responsible approach to investing.

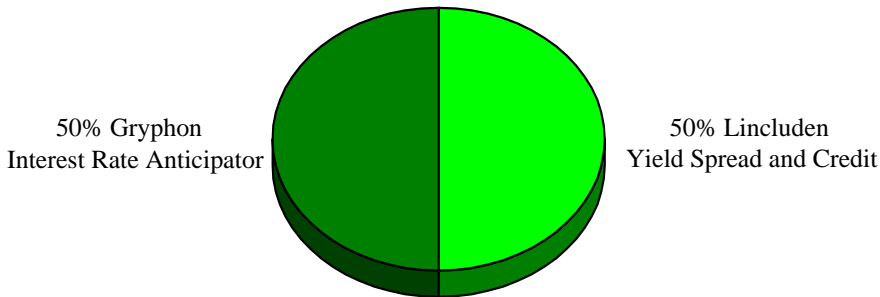
To learn more about the Ethical Growth Fund, visit the Ethical website at:

<http://www.ethicalfunds.com/fundinfo/funds/index.html>

# St. Thomas University Investment Options

**Domestic Funds** — the majority of the assets in the funds are invested in Canada. Investments in these funds do not impact your foreign content limits (as set by Canada Customs and Revenue Agency, formerly Revenue Canada). Please refer to page 17 for more information on these foreign content limits.

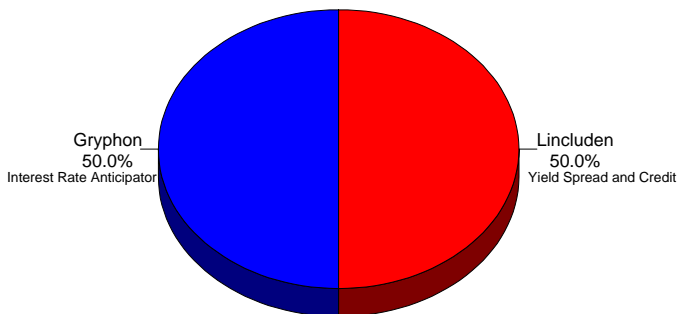
## Bond Fund



The Bond Fund is comprised of Canadian fixed income securities with a quality rating of BBB or better. Historically, bond funds do not produce returns as great as balanced or equity funds in the long-term, however they have considerably less volatility. The Bond Fund is ideal for decreasing your short-term volatility.

2 Managers – **Fixed Income** 50% *Gryphon*, 50% *Lincluden*

## Short Term Investment Fund



The Short Term Investment Fund is a Canadian money market fund comprised of cash equivalent securities and bonds with a term less than one year. Historically, money market funds provide the highest degree of stability with considerably lower long-term returns on investment than Equity, Bond and Balanced funds. The Short Term Investment Fund is ideal for decreasing your short-term risk in periods of high market volatility.

2 Managers – **Fixed Income** 50% *Gryphon*, 50% *Lincluden*

## G.I.C.



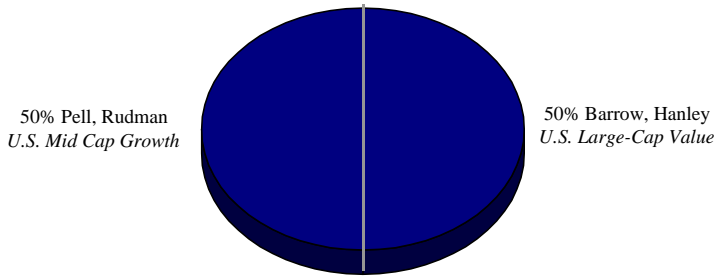
1, 3, & 5 year G.I.C.s

Guaranteed Investment Certificates (GICs) are offered by Integra through an exclusive arrangement with a major Canadian Life Insurance company. They offer a specified, guaranteed rate-of-return over a defined period. Designed for the conservative investor with a shorter investment time horizon, they are offered with terms of one, three, or five years. While the return is guaranteed, these funds may be expected to underperform funds in other asset classes over the long term.

# St. Thomas University Investment Options

**Foreign Funds**— the majority of the assets in the fund are invested outside Canada and as per the limits set by Canada Customs and Revenue Agency (formerly, Revenue Canada) you may only invest up to 30% of the book value of your Retirement Plan in foreign funds. Please refer to page 17 for more details.

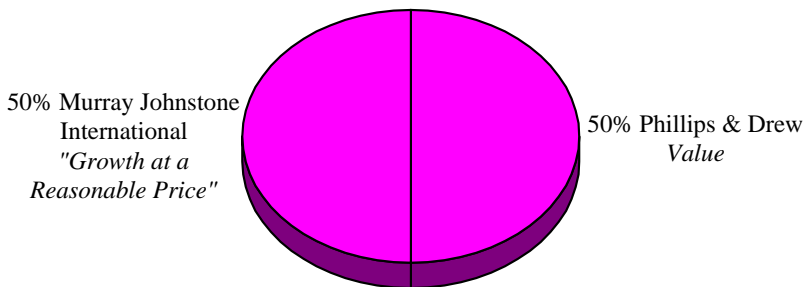
## U.S. Value Growth Fund



The U.S. Value Growth Fund is a U.S. equity fund investing in a concentrated portfolio of U.S. stocks. Historically, U.S. equities provide better risk to return ratio than Canadian stocks. Typically, a combination of this fund and the International Equity Fund are used to help provide greater diversification and higher global exposure, thereby decreasing the overall risk/return ratio.

2 Managers – **U.S. Equity** 50% Barrow Hanley, 50% Pell Rudman

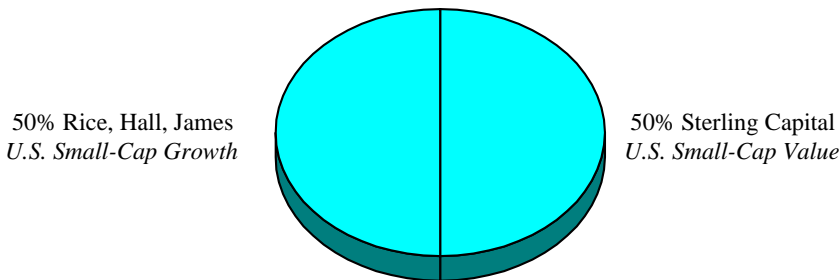
## International Equity Fund



The International Equity Fund is an EAFE mandate (non-North American stocks) fund investing in a portfolio of international equities encompassing Europe, U.K., the Pacific Basin and Japan. Historically, similar portfolios of international equities have provided better risk to return ratios than Canadian stocks.

2 Managers – **International Equity** 50% Phillips & Drew, 50% Acadian Asset Management

## U.S. Small Cap Equity Fund



The U.S. Small Cap Equity Fund invests in U.S. stocks with a market capitalization typically of less than US \$2.5 billion. A concentrated portfolio of 60-105 stocks is typically held with the main objective of capital accumulation. U.S. Small Cap stocks have historically yielded higher returns than U.S. large cap stocks but they have been more volatile.

2 Managers – **U.S. Equity** 50% Rice, Hall, James, 50% Sterling Capital

# Member Statements



## WHAT INFORMATION WILL I RECEIVE FROM THESE PLANS AND HOW FREQUENTLY?

At the end of each calendar quarter, a member statement will be mailed directly to your home. These are typically in the mail within 3 weeks of the quarter-end.

These statements include detailed information on your account. The following is a sample statement.

**St. Thomas University**  
MEMBER'S STATEMENT  
FROM JANUARY 1, 2001 TO MARCH 31, 2001

MEMBER: NATHALIE MARTIN  
123 ABC STREET  
TORONTO, ONTARIO  
M1N 1L1

SIN: 123456789

DATE OF BIRTH: May 18, 1969  
NAME OF SPOUSE: Jane Doe  
BENEFICIARY: Mother  
RELATIONSHIP TO MEMBER: Mother

DATE OF HIRE: November 10, 1997  
PROVINCE OF EMPLOYMENT: Ontario  
PROVINCE OF RESIDENCE: Ontario

PENSION DATE OF PARTICIPATION: November 10, 1997  
NORMAL RETIREMENT DATE: June 1, 2034  
DATE OF FULL VESTING: November 10, 1997  
REGISTRATION #: GA-1234-5  
DATE OF EARLY RETIREMENT: June 1, 2024

RRSP DATE OF PARTICIPATION: November 10, 1997  
REGISTRATION #: 123-456

MEMBER	CONTRIBUTIONS	VALUES
PENSION	TOTAL CONTRIBUTIONS	\$923.04
	CURRENT VALUE	\$973.93
	VESTED VALUE	\$973.93
	(EMPLOYEE AND VESTED EMPLOYER MONIES)	
RRSP	TOTAL CONTRIBUTIONS*	\$346.13
	CURRENT VALUE	\$365.21
	* ANY WITHDRAWALS HAVE NOT BEEN DEDUCTED FROM THIS TOTAL	
<b>TOTAL</b>	<b>CURRENT VALUE OF ALL PLANS</b>	<b>\$1,339.14</b>

TREATMENT OF SURPLUS:  
ALL COMPANY CONTRIBUTIONS ARE VESTED IN THE MEMBERS.

INTEGRA CAPITAL MANAGEMENT CORPORATION - 303 WINSTON PARK DR., SUITE 300, OAKVILLE, ONTARIO L6H 6C7  
INTERNET: WWW.INTEGRA.COM  
E-MAIL: INFO@INTEGRA.COM  
HELP DESK: 1-877-486-8347  
IVR: 1-877-4INTEGRA  
IVR/Internet Access Code: 123456

There is a small administration delay between the time money is deducted from your payroll and when it is invested. This is the investment period and not your payroll deduction period. Your last deduction for this period will appear as a deposit on your next statement.

**INTEGRA LINK** MEMBER'S STATEMENT

MEMBER: NATHALIE MARTIN  
SIN: 123456789

SUMMARY OF INVESTMENT ACTIVITY - From January 2001 to March 2001

PENSION FUND	OPENING BALANCE(S)	DEPOSITS	WITHDRAWALS	EARNINGS	CURRENT VALUE(S)
DIVERSIFIED FUND	46.64	184.61	0.00	10.66	241.91
CDN VALUE GROWTH FUND	93.98	369.22	0.00	36.84	500.04
INTERNATIONAL EQUITY FUND	46.19	184.60	0.00	1.19	231.98
<b>PLAN TOTAL</b>	<b>186.81</b>	<b>738.43</b>	<b>0.00</b>	<b>48.69</b>	<b>973.93</b>

INVESTMENT SELECTION - As of March 2001, Your On-going Deposits Are Invested As follows:

DIVERSIFIED	CDN VALUE GROWTH	INTERNATIONAL EQUITY
30%	50%	20%

\*CURRENT PERCENTAGE OF BOOK VALUE OF FOREIGN CONTENT:  
Note: Should this percentage exceed 30%, your account will automatically be readjusted to avoid adverse tax consequences being imposed by Revenue Canada.

RRSP FUND	OPENING BALANCE(S)	DEPOSITS	WITHDRAWALS	EARNINGS	CURRENT VALUE(S)
DIVERSIFIED FUND	17.49	69.23			
ETHICAL GROWTH FUND	35.24	138.45			
US VALUE GROWTH FUND	17.31	69.22			
<b>PLAN TOTAL</b>	<b>70.04</b>	<b>276.90</b>			

INVESTMENT SELECTION - As of March 2001, Your On-going Deposits Are Invested As follows:

DIVERSIFIED	ETHICAL GROWTH	INTERNATIONAL EQUITY
30%	50%	20%

CONTRIBUTION SUMMARY - YOUR RRSP CONTRIBUTIONS FOR 2001 ARE: JAN-FEB \$276.90 MAR-DEC \$0.00

**Individual Rate of Return**  
Due to your transaction activity over this period, the earnings may not match the return outlined in the Insight newsletter. Your personal return over the period, which includes all plans and all funds, is 5.3%

**Asset Mix Chart**  
Your asset mix decision, which is the breakdown of your investments among the Funds, will have the most significant impact on your total return. Your time horizon and risk tolerance should guide your asset mix decision. Your total account asset mix, which includes all plans and all funds, is as follows:

Please be advised that it is your responsibility to ensure that the above information is correct. Any discrepancies must be reported immediately.

Investment mix controlled by you.

Personal access code for IVR system and internet access

Upon termination, you may keep any contributions plus earnings made by St. Thomas University on your behalf if you have been participating in the plan for at least 2 years. However, these monies are locked-in until your retirement and must be transferred to a locked-in account.

Individual asset mix and return.

Use the Retirement Planner and Investor Profile to help you determine your asset mix



## CREATE YOUR OWN MEMBER STATEMENTS

In addition to your mailed statements, at any time you may choose to create your own member statement, over any date range, up to the minute! This member statement is similar to the mailed version above, but also includes details of each and every transaction over the period.

**INTEGRA CAPITAL** ACCOUNT ACCESS

ONLINE MEMBER STATEMENT for  
NATHALIE MARTIN, 0005

Please enter the Start and End Date for the statement:

Day Month Year  
Start Date 01 JAN 2000  
End Date 31 DEC 2000

Generate Member Statement Now

Member Information  
Plan Information  
Balance/Foreign Content  
Future Deposits  
Interfund Transfers  
Member Statement  
Beneficiaries  
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# Quarterly Newsletter

A newsletter, prepared by the investment management teams, will accompany the statements. These newsletters will provide current return information on all investment funds and include a commentary on the financial markets and their impact on retirement investments.

Summer 2000  
**INTEGRA**  
Pooled  
Funds

## INTEGRA *Insight*

*“A man’s feet should be planted in his country, but his eyes should survey the world.”* [George Santayana]

As Canadians, adopting the position suggested by the philosopher, Santayana, would make most of us feel pretty smug. No doubt, we have problems that must be dealt with but, relative to most other countries, we continue to perform very well in the important areas of civil peace, health, education and the environment. After years of working on significant fiscal problems, we are enjoying very good economic growth, rising employment and some reduction in taxes allowing for some real improvements in our standard of living for the first time in over 10 years. Our stock market, reflecting some of this good news, is outperforming the rest of the world as shown on the graph below. So far this year, the TSE300 is up over 20% while most of the rest of the world’s markets are negative.

Yes, from Canada’s perspective, things seem to be falling into place nicely.

Then, how strange is it that the Federal Government announced on March 7 that it is permitting pension and RRSP investments to increase their non-Canadian investments from 20% to 25% this year and up to 30% starting next year? Is this another example of the government being out of step?

Regular readers of *Insight* know that we have often been critical of government policies but, in this case, we applaud the changes. The new foreign content limits reflect in law what some pension plans were achieving anyway through the use of alternative investments but, more importantly, this policy recognizes the profound changes taking place in the stock market.

Those of us who grew up in the days of the Foreign Investment Review Agency are experiencing its polar opposite. Not only have some arguably artificial Canadian stocks disappeared such as Ford Canada, but long-time mainstays such as MacMillan Bloedel and Seagrams have been absorbed into American (Weyerhaeuser) and French (Vivendi) companies. These firms were important investments of Canadian pension plans and now they’re gone. Also, consider the phenomenal growth in value of Nortel Networks, an excellent company, but one that now represents, by itself, about 1/3 the value of the TSE 300. If we add in the promise of large amounts of public sector pension funds investing in the market, we begin to get a picture of an increasingly narrow number of big stocks dominating the portfolios of Canadian investors.

This concentration of a few very good companies in Canada, or any country, is actually quite positive but as certain countries develop very specific expertise in areas such as technology, resources, bio-tech, manufacturing and so on, investors cannot be restricted from investing where they consider the expertise is greatest. The concern for long-term investors has to be their ability to diversify investment portfolios and thereby, reduce risk. Increased foreign investments will permit Canadians to achieve this. INTEGRA moved immediately to modify our balanced portfolios to reflect this change with foreign investment specialists. Coincidentally, many world stock markets are now in discussions to develop a single world exchange that never closes and will be less subject to regionalism and manipulation — again, a positive development for investors.

Similar to Santayana’s philosophy, we think Canadians have been given the opportunity to reduce their risks at home by paying attention to the rest of the world.

### Canada vs. The World Stock Market Performance

Month	Canada (%)	U.S. (%)	Japan (%)	Rest of World (%)
Jan 1, 2000	0	0	0	0
Feb 1, 2000	5	2	1	0
Mar 1, 2000	10	5	3	1
Apr 1, 2000	15	8	4	2
May 1, 2000	18	10	5	3
Jun 30, 2000	20	12	6	4

# Account Access

## ? CAN I REVIEW MY ACCOUNT INFORMATION AT ANY TIME?

Access to your account is not limited to the quarterly statements. Through the use of a secure personal access code and password, you can review your account 24 hours a day, 7 days a week by using your telephone (toll free number) or on PC via the web.



# INTEGRA LINK

Your financial connection  
to a comfortable retirement

## 1-877-4INTEGR

(1-877-446-8347)

The screenshot shows the 'ACCOUNT ACCESS' page for Nathalie Martin. It displays account balance information, including a table for 'Pension 1' with columns for Fund, Balance, and Asset Weight. The table lists several funds: GREYSTONE BALANCED FUND, INTEGRA INTERNATIONAL EQUITY FUND, INTEGRA GLOBAL LIFE CYCLE #2 - STRATEGIC ALLOCATION, and INTEGRA CANADIAN VALUE GROWTH FUND, along with their respective balances and asset weights. A total balance of \$4,779.56 is shown at the bottom of the table.

Fund	Balance	Asset Weight
GREYSTONE BALANCED FUND	\$487.58	10.20%
INTEGRA INTERNATIONAL EQUITY FUND	\$1,466.25	30.68%
INTEGRA GLOBAL LIFE CYCLE #2 - STRATEGIC ALLOCATION	\$1,477.20	30.91%
INTEGRA CANADIAN VALUE GROWTH FUND	\$1,348.53	28.21%
<b>Total</b>	<b>\$4,779.56</b>	<b>100.00%</b>

Your personal access code will be provided on a “Welcome Letter”, that will be mailed to your home, after your completed enrolment form has been received and processed by Integra. On an on-going basis, this secure code will also appear on the bottom of the front page of your member statement.

The first time that you access your personal account, via the 1-877 service or via the web, you will be instructed to enter your Date of Birth. The systems will then prompt you to enter a new password. Please note that this password must use numbers only (no characters) and can be changed at any time. This password will not appear on any type of communication. If you forget your password, please contact one of our Help Desk representatives by calling 1-877-446-8347 (and pressing “0”). They will re-set your password to your date of birth. You must then enter the system as a first time user and reset your password.

Over the phone, or via the web, you will be able to:

- Obtain your account balance
- Review your account balance by plan, by fund, and by contribution sources (your deposits versus those made by St. Thomas University)
- Review your allocation among investment fund options for on-going deposits
- Review your address and beneficiary as stored on the system
- Review performance commentary

These are on-line, real-time systems that provide you with the most up-to-date information.

In addition, the Integra web-site provides access to the following information:

- The Retirement Planner
- The Investor Profile
- Market Commentaries
- Daily Prices
- Monthly Performance Updates
- Fund Descriptions
- Manager Commentaries
- Special News Updates

# Account Changes



## HOW CAN I MAKE CHANGES TO MY ACCOUNT?

You can make changes to your account information:

- By using your account access via the Integra web-site
- Or by completing a hard-copy paper change form that you can obtain from the HR department

By using the on-line web access, you can change:

- Your address and other demographic information
- Your investment allocation (as a percentage) among the various fund options for future deposits. This option requires that you input new percentage splits for the fund options and therefore sets a new “asset mix” for your on-going deposits
- Transfer your existing monies among the various fund options. This option requires that you input new percentage splits for the fund options and therefore sets a new “asset mix” for your existing monies

**Interfund Transfers (plan detail)**  
NATHALIE MARTIN, 0065

Domestic Fund  
 Foreign Fund -- Revenue Canada maximum 30%

**Group RRSP Plan 2**

Fund	Current Balance	Current %	New %
5 YEAR GIC	\$0.00	0.00%	<input type="text"/> %
ALTAMIRA SCIENCE & TECHNOLOGY FUND	\$0.00	0.00%	<input type="text" value="5.00"/> %
ICM BALANCED FUND	\$786.48	80.89%	<input type="text" value="60.00"/> %
ICM BOND FUND	\$0.00	0.00%	<input type="text"/> %
ICM CANADIAN VALUE GROWTH FUND	\$0.00	0.00%	<input type="text" value="15.00"/> %
ICM EQUITY FUND	\$0.00	0.00%	<input type="text"/> %
ICM INTERNATIONAL EQUITY FUND	\$185.83	19.11%	<input type="text" value="10.00"/> %
ICM U.S. VALUE GROWTH FUND	\$0.00	0.00%	<input type="text" value="10.00"/> %

**SAVE**

# Account Changes



## HOW CAN I MAKE CHANGES TO MY ACCOUNT?

Please note that requests for transfers among investment funds, for existing monies will occur the next business day. If the request is made on a weekend, the trades will occur in two business days.

Please note that any interfund transfer involving foreign fund options may put you over Revenue Canada's 30% foreign content book value limit. If you inadvertently move more than 30% of your book value, Integra will automatically re-balance your account to ensure that you are not subject to the Canadian Customs and Revenue Agency (formerly, Revenue Canada) tax penalty. This tax penalty is a 1% monthly charge on the amount of your foreign assets that exceeds the limit.

Once all changes and/or fund trades have been processed, you will receive confirmation by mail. This confirmation allows you to verify the accuracy of account changes. The confirmation form will be mailed to your home within 24 hours of any account changes.

**INTEGRA LINK** 1-877-4INTEGRA  
www.integra.com

**INTEGRALINK - YOUR FINANCIAL CONNECTION TO A COMFORTABLE RETIREMENT!**

NATHALIE MARTIN  
123 ABC STREET  
Fredericton, NB

Allows you to verify the accuracy of account changes.

Client Number: 0065 Plan Number: 1  
Client Name: St. Thomas University  
Division:  
Date: **January 19, 2000**

Mailed to your home within 24 hours of any account changes

At Integra, we believe it is essential that you are able to verify that your financial objectives are being met whenever and however you want. We would encourage you to take advantage of the various tools (our IVR system at 1-877-4INTEGRA, our web site, [www.integra.com](http://www.integra.com), an interactive retirement planner and investor profile, our newsletter, Integra Insight, and audio and video cassettes), available to you through INTEGRALINK to keep you up-to-date on your investments.

Please remember that it is also important for you to keep Integra, your plan record-keeper, informed about any changes to your account information.

Finally, we would like to take this opportunity to thank you for using our services and remind you of our **Rollover Investment Service**, designed to help you effectively manage your retirement assets in your retirement years.

THE FOLLOWING CHANGES, INTERFUND TRANSFERS OR SPECIAL DEPOSITS HAVE BEEN MADE TO YOUR GROUP RETIREMENT ACCOUNT:

As of January 19, 2000 your contributions will be invested as follows:

	Percentage
<b>PENSION</b>	
Strategic Allocation Fund	50.00%
Canadian Value Growth Fund	30.00%
Ethical Fund	20.00%
	<hr/>
	<b>100.00%</b>

Please be advised that it is your responsibility to ensure that the above information is correct.  
Any discrepancies must be reported immediately.

INTEGRA CAPITAL CORPORATION  
2020 WINSTON PARK DR., SUITE 200, OAKVILLE, ONTARIO, L6H 6X 7

# Fees

## ? WHAT TYPES OF FEES AM I CHARGED FOR THIS PLAN?

There are two separate fees that are charged for this plan.

The recordkeeping fee is \$3.50 per month. This fee covers the cost of your quarterly statements, web and 1-877 services, and day-to-day processing of transactions, etc. There is no additional recordkeeping fee for the St. Thomas University RRSP.

The investment management fee for your fund options is charged to your account monthly and is a percentage of your holdings.

⇒ The amount charged for your Integra fund options is determined by applying the following scale to the total of all members' assets in all of the funds. The following scale represents the annual fee calculation.

- 0.75% on the first \$2 million
- 0.60% on the next \$3 million
- 0.40% on the next \$15 million
- 0.30% on the balance

For Funds using a Foreign Equity Specialist, the following additional fee is applicable:

- 0.05% Strategic Allocation Fund
- 0.50% US Value Growth, US Small Cap Equity

Currently, the average annual Integra investment fund management fee, before additional foreign management fees would be charged at a rate of 0.49% annually.

⇒ The annual investment management fee for the Ethical Growth Fund is 1.05%

There are no other charges nor commissions (front-end or back-end) for any of the funds. All fees are subject to GST.

## Multi-Team / Multi-Style



The multi-team/multi-style philosophy is based on no one style of investment manager being rewarded consistently throughout all phases of a market cycle. Investors can significantly reduce the risk of short-term underperformance by employing a multi-team/multi-style investment management strategy. For this reason all of the portfolios currently offered in the St. Thomas University Pension Plan are managed using this multi-manager approach. St. Thomas plan members receive the benefits of style offset, risk reduction and consistent, long-term returns.

### **Analytic Investors – Core Manager**

*Los Angeles, CA., founded 1970, \$1.5 Billion U.S. managed.*

Analytic Investors uses a 70-factor quantitative approach to select stocks currently 'in favour' and maintain risk, market cap distribution, sector and style consistent with the S&P 500 Index.

### **Acadian Asset Management – Core Manager**

*Boston, Singapore, founded 1986, \$4 Billion U.S. managed.*

Acadian's investment philosophy centers around the belief that markets are inefficient and that many stocks are undervalued relative to their long-term prospects. We believe, however, that stocks should be evaluated not simply by how cheap they look on fundamental measures (such as price/book or price/earnings) but that additional information should be used to target attractively valued companies that also have positive earnings and price characteristics.

# Multi-Team / Multi-Style

## **Barrow, Hanley, Mewhinney & Strauss – Value Manager**

*Dallas, TX., founded 1979, \$40 Billion U.S. managed.*

Barrow Hanley's expertise is managing large cap U.S. equities through a value oriented research intensive process of identifying large U.S. companies that are temporarily undervalued.

## **BonaVista Asset Management – Value Manager**

*Toronto, founded 1994, \$1.7 Billion managed.*

BonaVista Asset Management uses a fundamental bottom-up approach emphasizing quality companies with dominant market share or proprietary technology. Typically, the investment horizon is 3 to 4 years.

## **Gryphon Investment Counsel – Top-Down Manager**

*Toronto/Montreal, founded 1981, \$3.2 Billion Managed.*

Gryphon uses a "top-down" approach based on analysis of the economy and industry sectors. Key is identifying changes in investment outlook and responding promptly to maximize returns.

## **J. Zechner Associates – Growth Manager**

*Toronto, founded 1993, \$2.7 Billion managed.*

Zechner's expertise is the identification of economic and business trends and the weighting of industry sectors. Stocks selected must have good growth characteristics and liquidity.

## **Lincluden Management – Value Manager**

*Oakville, founded 1982, \$4.7 Billion managed.*

Lincluden, using a value buyer approach, favours those companies whose analysis shows to be undervalued. Identifying trends that will enhance value is important.

## **Pell Rudman Trust Company N.A. – Growth Manager**

*Boston, M.A. founded 1980, \$ 4.8 Billion U.S. managed.*

Pell, Rudman uses fundamental research to identify quality U.S. mid-cap companies with the capability to produce above-average growth in earnings, cash flow and return on shareholder equity.

## **Phillips & Drew – Value Manager**

*London/New York, founded 1987, \$81.7 Billion U.S. managed.*

Phillips & Drew looks for firms selling below market value with potential to grow at above-market rates. These firms tend to have low P/E's and low price/book-value ratios.

## **Rice, Hall, James & Associates – Growth Manager**

*San Diego, CA, founded 1974, \$1.2 Billion U.S. managed.*

Rice, Hall uses basic research to identify small cap companies that must have P/E ratios lower than projected earnings growth rates and "catalysts" they expect will trigger a price increase.

## **Sterling Capital – Value Manager**

*Charlotte, NC, founded 1970, \$3 Billion U.S. managed.*

Sterling uses a fundamental, bottom-up value-oriented approach to identify companies selling at large discounts to the underlying worth of the business.

# Questions – How to Contact Us

## **St. Thomas Human Resources Department**

Colleen Comeau  
(506) 452 – 0630

## **Integra Capital Management**

**Toll Free:**  
**1-877-4INTEGR**  
**1-877-446-8347**

**Internet:**  
[www.integra.com](http://www.integra.com)

**E-Mail:**  
[Info@integra.com](mailto:Info@integra.com)

## **ONTARIO**

Integra Capital  
2020 Winston Park Drive  
Suite 200  
Oakville, Ontario  
L6H 6X7

## **QUEBEC**

Integra Capital  
1002 Sherbrooke St. W.  
Suite 1410  
Montreal, Quebec  
H3A 3L6

## **ALBERTA**

Integra Capital  
1500 Canterra Tower  
400 – 3rd Avenue S.W.  
Calgary, Alberta  
T2P 4H2



**Notes:**