

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

PROSPECTUS

CONTINUOUS OFFERING

DETAILED PLAN DISCLOSURE

January 15, 2020

CST Bright Plan™

Minimum Initial Contribution: \$500

or

Minimum Monthly Contribution: \$10

Education Savings Plan Option:

*Individual*

or

*Family*

This investment fund is a scholarship plan that is managed and distributed by C.S.T. Spark Inc.



## Important Information to Know Before You Invest

The following is important information you should know if you are considering an investment in a scholarship plan.

### No Social Insurance Number = No Government Grants, No Tax Benefits

We need Social Insurance Numbers for you and each person named as a Beneficiary under your CST Bright Plan before we can register your Contract as a Registered Education Savings Plan (RESP). The *Income Tax Act* (Canada) won't allow us to register your Contract as an RESP without these Social Insurance Numbers. Your Contract must be registered before it can:

- qualify for the tax benefits of an RESP, and
- receive any Government Grants.

You can provide the Beneficiary's Social Insurance Number after your application for a Contract is submitted. If you don't provide the Beneficiary's Social Insurance Number when you submit your application, we'll hold your application for account opening and registration. No Contributions will be accepted until the Beneficiary's Social Insurance Number is received.

**If we do not receive the Beneficiary's Social Insurance Number within 12 months of the date you submitted your application, we'll cancel your application for a Contract.**

**If you don't expect to get the Social Insurance Number for your Beneficiary within 12 months of the date you submitted your application, you should not apply to open a CST Bright Plan.**

### Payments Not Guaranteed

We cannot tell you in advance if your Beneficiary will qualify to receive any Educational Assistance Payments (EAPs) or how much your Beneficiary will receive. We do not guarantee the amount of any payments or that they will cover the full cost of your Beneficiary's post-secondary education.

### Understand the Risks

**If you withdraw your Contributions early or do not meet the terms of your Contract, you could lose some or all of your money. Make sure you understand the risks before you invest. Carefully read the information found under "Risks of Investing in a Scholarship Plan" and "Risks of Investing in CST Bright Plan" in this Detailed Plan Disclosure.**

### If You Change Your Mind

You have up to 60 days after signing your application to cancel your Contract and get back all of your Contributions.

If you or we cancel your Contract after 60 days, you'll get back your Contributions, subject to investment risk described on page 10. You will lose your Earnings, unless you qualify for an Accumulated Income Payment. Your Government Grants will be returned to the government. **If you cancel your Contract you could end up with much less than you put in, since the value of the investments in CST Bright Plan may go down as well as up.**

# Table of Contents

<b>Introduction .....</b>	<b>1</b>
<b>Terms used in this Prospectus .....</b>	<b>2</b>
<b>Overview of CST Bright Plan .....</b>	<b>3</b>
<i>What is a Scholarship Plan?.....</i>	3
<i>Types of Plans We Offer.....</i>	3
<b>How CST Bright Plan works.....</b>	<b>4</b>
<i>Enrolling in CST Bright Plan.....</i>	5
<i>If your Beneficiary does not have a Social Insurance Number .....</i>	5
<i>Government Grants .....</i>	6
<i>Contribution Limits .....</i>	9
<i>Fees and Expenses .....</i>	9
<i>Eligible Studies.....</i>	9
<i>Payments from CST Bright Plan .....</i>	9
Return of Contributions .....	9
Educational Assistance Payments .....	9
<i>Unclaimed accounts.....</i>	9
<b>Risks of Investing in a Scholarship Plan.....</b>	<b>10</b>
<i>Investment Risks .....</i>	10
<b>How Taxes Affect your CST Bright Plan .....</b>	<b>10</b>
<i>How CST Bright Plan is taxed .....</i>	10
<i>How you are taxed.....</i>	10
Return of Contributions .....	10
Any other distributions to the Subscriber in the form of income, capital or otherwise.....	10
Transfer between plans .....	10
A Contribution beyond the limit set by Income Tax Act (Canada).....	10
If you receive an Accumulated Income Payment (AIP).....	11
<i>How a Beneficiary is Taxed .....</i>	11
<b>Who is Involved in Administering CST Bright Plan .....</b>	<b>12</b>
<b>Your Rights as an Investor .....</b>	<b>13</b>
<b>Specific information about CST Bright Plan.....</b>	<b>14</b>
<b>Type of Plan.....</b>	<b>14</b>
<b>Who this Plan is for .....</b>	<b>14</b>
<b>Summary of Eligible Studies .....</b>	<b>14</b>
<i>What's eligible .....</i>	14
<i>What's not eligible.....</i>	14
<b>How We Invest your Money .....</b>	<b>15</b>
<i>Investment Objectives.....</i>	15
<i>Investment Strategies.....</i>	15
<i>Investment Restrictions .....</i>	16
<b>Risks of Investing in CST Bright Plan .....</b>	<b>16</b>

<i>CST Bright Plan Risks</i> .....	16
<i>Investment Risks</i> .....	17
Market Risk .....	17
Equity Risk.....	17
Credit Risk .....	17
Interest Rate Risk .....	17
Foreign Currency Risk .....	17
Foreign Market Risk .....	17
Liquidity Risk .....	18
Exchange Traded Fund Risk .....	18
Underlying Fund Investment Risk .....	18
<b>How CST Bright Plan has Performed</b> .....	<b>18</b>
<b>Making Contributions</b> .....	<b>18</b>
<i>Your Contribution Options</i> .....	18
<b>If you Have Difficulty Making Contributions</b> .....	<b>19</b>
<b>Withdrawing your Contributions</b> .....	<b>19</b>
<b>Costs of Investing in CST Bright Plan</b> .....	<b>19</b>
<i>Fees paid by CST Bright Plan</i> .....	19
<i>Transaction Fees</i> .....	21
<b>Making Changes to your CST Bright Plan</b> .....	<b>21</b>
<i>Changing your Contributions</i> .....	21
<i>Changing the Subscriber</i> .....	21
<i>Changing your Beneficiary</i> .....	22
<i>Death of the Beneficiary</i> .....	22
<i>Disability of the Beneficiary</i> .....	22
<b>Transferring your CST Bright Plan</b> .....	<b>22</b>
<i>Transferring to Another RESP provider</i> .....	22
<i>Transferring to CST Bright Plan from another RESP provider</i> .....	23
<b>Withdrawal or Cancellation</b> .....	<b>23</b>
<i>If you withdraw from or cancel your Contract</i> .....	23
<i>If we cancel your Contract</i> .....	23
<i>If your CST Bright Plan expires</i> .....	24
<i>If your Beneficiary does not enroll in Eligible Studies</i> .....	24
<b>Receiving Payments from CST Bright Plan</b> .....	<b>24</b>
<i>Return of Contributions</i> .....	24
<i>Educational Assistance Payments</i> .....	24
<i>How EAP amounts are determined</i> .....	24
<i>If your Beneficiary does not complete Eligible Studies</i> .....	25
<i>Accumulated Income Payments</i> .....	25
<b>About C.S.T. Spark Inc. and the Canadian Scholarship Trust Foundation</b> .....	<b>26</b>
<i>An Overview of the Structure of CST Bright Plan</i> .....	26
<i>Manager of CST Bright Plan</i> .....	26
Duties and services to be provided by the manager .....	27
Details of the management agreement.....	27

Officers and Directors of the Manager .....	27
Trustee .....	28
The Foundation .....	28
Directors of the Foundation .....	28
Officers of the Foundation .....	30
Independent Review Committee .....	30
Third Party Dispute Resolution Service .....	31
Compensation of Directors, Officers, Trustees, and Independent Review Committee Members .....	31
Portfolio Manager .....	32
Details of the portfolio management agreement .....	33
Principal Distributor .....	33
Dealer Compensation .....	33
Custodian .....	33
Auditor .....	33
Transfer Agent and Registrar .....	33
Promoter .....	33
Ownership of the Manager and Other Service Providers .....	34
Affiliate of the Manager .....	34
Officers and Directors of C.S.T. Consultants Inc. ....	34
<b>Subscriber Matters .....</b>	<b>35</b>
Meetings of Subscribers .....	35
Matters Requiring Subscriber Approval .....	35
Amendments to the Trust Agreement and Education Savings Plan Agreements .....	35
Reporting to Subscribers and Beneficiaries .....	35
<b>Business Practices .....</b>	<b>36</b>
Our Policies .....	36
Valuation of Portfolio Investments .....	36
Proxy Voting .....	36
<b>Conflicts of Interest .....</b>	<b>36</b>
<b>Key Business Documents .....</b>	<b>37</b>
<b>Legal Matters .....</b>	<b>37</b>
Legal and Administrative Proceedings .....	37
<b>Certificate of the Scholarship Plan .....</b>	<b>39</b>
<b>Certificate of the Investment Fund Manager .....</b>	<b>39</b>
<b>Certificate of the Principal Distributor .....</b>	<b>40</b>
<b>Certificate of the Promoter .....</b>	<b>40</b>

## Introduction

This Detailed Plan Disclosure contains information to help you make an informed decision about opening a CST Bright Plan and to understand your rights as an investor. It describes CST Bright Plan and how it works, including the fees you pay, the risks of investing in CST Bright Plan and how to make changes to your Contract. It also contains information about our organization. The prospectus is comprised of both this Detailed Plan Disclosure and the Plan Summary that was delivered with it.

You will be able to find additional information about CST Bright Plan in the following documents:

- CST Bright Plan's most recently filed audited financial statements,
- any interim financial reports filed after the audited financial statements,
- CST Bright Plan's most recently filed annual management report of fund performance, and
- the undertaking to the Ontario Securities Commission and each other provincial and territorial securities regulator concerning restrictions on investments that apply to CST Bright Plan (the undertaking).

These documents are incorporated by reference into the prospectus. That means they legally form part of this document just as if they were printed as part of this document.

You can get a copy of these documents at no cost by calling us toll-free at 1-800-461-7100 or by contacting us at [info@cstspark.ca](mailto:info@cstspark.ca).

You will also find the financial statements, management reports of fund performance and the undertaking on our website at [www.cstspark.ca](http://www.cstspark.ca).

These documents and other information about CST Bright Plan are also available at [www.sedar.com](http://www.sedar.com).

Any financial statements and management reports of fund performance, if filed by CST Bright Plan after the date of the prospectus and before the termination of the distribution, are deemed to be incorporated by reference in the prospectus.

CST Bright Plan is required to prepare annual audited financial statements and semi-annual unaudited financial statements that comply with applicable laws and accounting standards. CST Bright Plan is also required to prepare annually a management report of fund performance that contains information that is required by law. These documents must be filed with the regulators (through the SEDAR filing system).

Along with CST Bright Plan's prospectus, CST Bright Plan's financial statements and management report of fund performance provide information that will help you assess CST Bright Plan, its past operations, its financial condition, and its risks. These documents contain information that is required by law and, in the case of the financial statements that meet applicable accounting standards.

CST Bright Plan's annual and interim financial statements include statements of financial position, statements of comprehensive income, statements of changes in net assets attributable to subscribers and beneficiaries and statements of cash flows. The financial statements notes are an integral part of the financial statements.

How a scholarship plan is managed can say much about the plan's ability to withstand market changes and unexpected events. The plan's management report of fund performance is prepared each year by the investment fund manager and describes the objectives, strategies and risk management considerations applied to investing plan assets. The report also discusses events that have affected the plan's investment performance. It also describes the investments made by the plan and how those investments have performed. You can get a list of the investments in CST Bright Plan by reviewing CST Bright Plan's latest management report of fund performance and financial statements.

CST Bright Plan is managed in accordance with the investment restrictions established by the administrative policies of the Canadian Securities Administrators. We have provided an undertaking to the Ontario Securities Commission as well as each securities regulatory authority in the provinces and territories of Canada to establish the investment restrictions that apply to CST Bright Plan.

## Terms used in this Prospectus

In this document, "we", "us" and "our" refer to the Canadian Scholarship Trust Foundation (the Foundation) and C.S.T. Spark Inc. "You" refers to potential Subscribers.

The following are definitions of some key terms you will find in this prospectus:

**Accumulated Income Payment (AIP):** the Earnings on your Contributions and/or Government Grants that you may get from your CST Bright Plan if your Beneficiary or Beneficiaries do not pursue post-secondary education and certain conditions under the *Income Tax Act* (Canada) are met.

**AIP:** see Accumulated Income Payment.

**Application Date:** the date you sign your Contract and we accept your application to open a CST Bright Plan.

**Beneficiary(ies):** a person(s) you name to receive EAPs under your CST Bright Plan.

**Contract:** the agreement you enter into with us when you open your CST Bright Plan which includes your application form and education savings plan agreement.

**Contribution:** the amount you pay into your CST Bright Plan, all of which is invested for the benefit of a Beneficiary. Refunds of Contributions are subject to investment risk and may be reduced if Earnings are not sufficient to pay the fees and expenses, as discussed on page 18 in this Detailed Plan Disclosure.

**EAP:** see Educational Assistance Payment.

**Earnings:** any money earned on your (i) Contributions and (ii) Government Grants, such as interest, dividends and capital gains/losses. Management fees and other operating expenses are paid out of Earnings, as discussed on page 18 in this Detailed Plan Disclosure.

**Educational Assistance Payment (EAP):** In general, an EAP is a payment made to your Beneficiary when he or she pursues a qualifying post-secondary program. An EAP consists of your Earnings and your Government Grants.

**Eligible Studies:** a post-secondary educational program that meets the requirements under the *Income Tax Act* (Canada) for a Beneficiary to receive EAPs.

**Government Grant:** any financial grant, bond or incentive paid by the federal government, (such as the Canada Education Savings Grant, or the Canada Learning Bond), or by a provincial government to an RESP, to assist with saving for post-secondary education in an RESP.

**Grant Contribution Room:** the amount of Government Grant your CST Bright Plan is eligible to receive under a federal or provincial government grant program (also known as grant room).

**Plan:** means CST Bright Plan; a scholarship plan providing funding for a Beneficiary's post-secondary education.

**Subscriber:** the person who enters into a Contract with the Canadian Scholarship Trust Foundation to make Contributions to CST Bright Plan for one or more Beneficiaries.

## Overview of CST Bright Plan

### What is a Scholarship Plan?

A scholarship plan is a type of investment fund that is designed to help you save for one or more Beneficiaries' post-secondary education. Your Contract must be registered as a Registered Education Savings Plan (RESP) in order to qualify for Government Grants and tax benefits. To do this, we need Social Insurance Numbers for you and each person you name in your Contract as your Beneficiary. To open a CST Bright Plan, you will open either an Individual RESP or a Family RESP (the differences between these RESPs are described on page 14 of this Detailed Plan Disclosure and are dictated by the *Income Tax Act* (Canada)).

You sign a Contract when you open a CST Bright Plan. You make Contributions. We invest your Contributions for you. You will get back your Contributions, subject to investment risk, whether or not your Beneficiary goes on to post-secondary education. Your Beneficiary will receive Educational Assistance Payments (EAPs) from CST Bright Plan if they enroll in Eligible Studies and all the terms of the Contract are met.

Please read your Contract carefully and make sure you understand it before you sign. If you or your Beneficiary do not meet the terms of your Contract, it could result in a loss and your Beneficiary could lose some or all of their EAPs.

### Types of Plans We Offer

CST Bright Plan is offered under this Prospectus.

There are other Canadian Scholarship Trust Plans, but these are separate scholarship plans offered under a separate prospectus and managed by a related but separate fund manager, C.S.T. Consultants Inc.

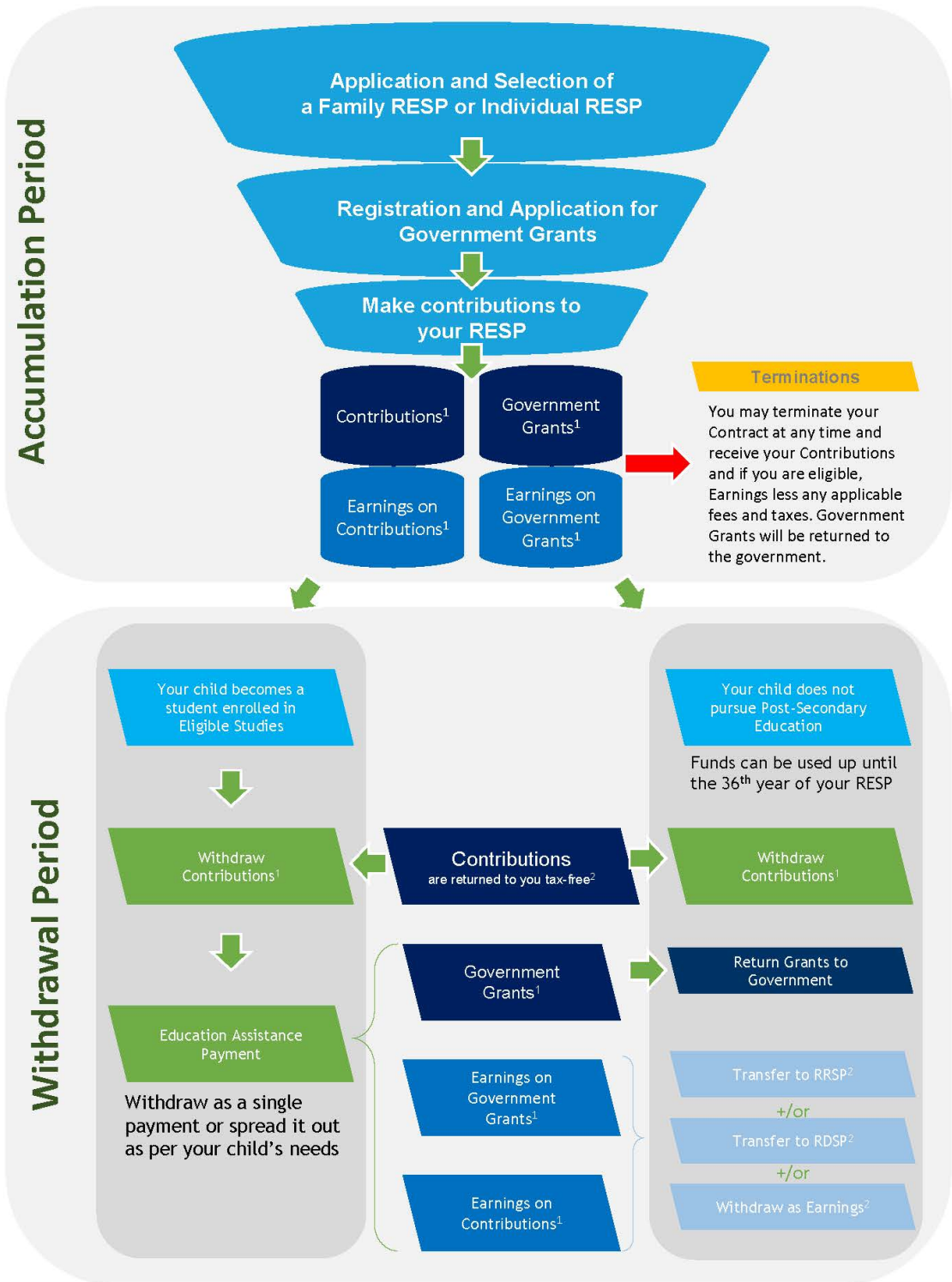
- CST Advantage Plan (formerly Group Savings Plan 2001)
- Individual Savings Plan
- Family Savings Plan



# How CST Bright Plan works

**Make sure your contact information is up to date**

It is important that you keep your email address and contact information up to date. We will communicate important information to you throughout the life of your CST Bright Plan. We will also need to find you and your Beneficiary when your Beneficiary pursues post-secondary education so we can return your Contributions, subject to investment risk and pay EAPs to your Beneficiary.



<sup>1</sup> Your plan assets (Contributions, Earnings, Government Grants and Earnings on Government Grants) are subject to fees and costs, see page 19. Contributions are subject to investment risk. <sup>2</sup> Additional requirements may apply. If Contributions are withdrawn prior to Beneficiary enrolling in Eligible Studies, Government Grants must be repaid to the government. You are responsible for any decrease in value of Government Grants to be repaid.

## Enrolling in CST Bright Plan

For your convenience you may apply online to open a CST Bright Plan. Please go to [www.cstspark.ca](http://www.cstspark.ca) and complete a CST Bright Plan application online. Spouses or common-law partners may apply as joint Subscribers. Each Subscriber and Beneficiary(ies)'s Social Insurance Number is required at the time of application to register your Contract as an RESP under the *Income Tax Act* (Canada).

As part of your application to open a CST Bright Plan you will need to:

- Choose an Individual RESP or a Family RESP – please see page 14 of this Detailed Plan Disclosure for a discussion of the differences of these types of RESPs.
- Choose a Beneficiary. Each Beneficiary must be a Canadian resident.

You may choose more than one Beneficiary if you have chosen a Family RESP provided the Beneficiaries are siblings. Each Beneficiary must be your child, grandchild, or great-grandchild and must be under the age of 21 or have been a beneficiary under another Family RESP immediately before.

If you chose an Individual RESP, you may only choose one Beneficiary.

- Provide each Beneficiary's Social Insurance Number. You have 12 months after you submit your application to provide each Beneficiary's Social Insurance Number so that we can open your account and register your Contract as an RESP.
- Choose an initial Contribution amount and a frequency.

If your Beneficiary qualifies for a Canada Learning Bond and/or Additional Canada Education Savings Grant, you will need to have the Beneficiary's primary caregiver consent on our website to designate your CST Bright Plan as the one to receive these grants.

Once completed, you will submit your application to us as directed online. One of our Direct Dealing Representatives will review your application and will call you to go over your application information to ensure that CST Bright Plan is suitable for your investment needs and circumstances.

Once you are satisfied with your CST Bright Plan application, our Direct Dealing Representatives will present your application to our head office supervisors for review, who may call you for further clarification.

Once we accept your application, you will have entered into an education savings plan agreement which will be your Contract. We will provide a copy of the Contract to you and we will register your Contract as either a Family RESP or an Individual RESP (at your option). Your Contract and all supporting documents will be posted to your password protected account for CST Bright Plan on our website ([www.cstspark.ca](http://www.cstspark.ca)).

If you do not wish to open a CST Bright Plan using our online service, please call us at no charge at 1-800-461-7100 to arrange to speak with a Direct Dealing Representative, who would be pleased to assist you by telephone at your convenience.

CST Bright Plan uses a proprietary glide path investment approach. Your starting point on the glide path depends on your Beneficiary's age (see page 15 of this Detailed Plan Disclosure).

### If your Beneficiary does not have a Social Insurance Number

Your Contract will not be an RESP until it is registered under the *Income Tax Act* (Canada). We will apply to register your Contract with Canada Revenue Agency, but it cannot be registered without Social Insurance Numbers (SINs) for each Subscriber and each Beneficiary. Ideally, you will provide the SINs with your application form, but you may supply the SINs within 12 months of your Application Date.

If you don't provide the Beneficiary's Social Insurance Number when you sign your Contract with us, we'll hold your application for account opening and registration. No Contributions will be accepted until the Beneficiary's Social Insurance number is received.

**If we do not receive the Beneficiary's Social Insurance Number within 12 months of the date you submitted your application, we'll cancel your application for a Contract.**

## Government Grants

The following is a brief summary of the various Government Grants. During the application process, you will be asked to provide your consent for us to apply for all applicable government grants on your behalf. Please contact us if you have any questions about the applications that we will make on your behalf.

Government Grants are received for the benefit of your Beneficiary and invested for their benefit in your CST Bright Plan. Government Grants for your Beneficiary are invested in the same way as the Contributions for your Beneficiary. Government Grants of your Beneficiary and any Earnings are paid to your Beneficiary as EAPs. The Government Grants are paid in proportion to the amount of Earnings withdrawn from your CST Bright Plan as an EAP.

### **Canada Education Savings Grant (CESG)**

The CESG is a grant of up to \$7,200 from the federal government, paid into the RESP of an eligible Beneficiary. The amount of CESG your Beneficiary receives is based on Contributions made before the end of year in which the Beneficiary turns 17 years of age and the available Grant Contribution Room the Beneficiary has for each year. Families with an annual income below certain levels are entitled to an additional 10% to 20% CESG on the first \$500 they contribute each year. For more information about CESG, please visit

<https://www.canada.ca/en/employment-social-development/services/education/grants/savings.html>.

### **Canada Learning Bond (CLB)**

The CLB is a grant of up to \$2,000 from the federal government, paid into the RESP of an eligible Beneficiary born on or after January 1, 2004. In any given year, your Beneficiary may receive the CLB up to the end of the calendar year in which they turn 15 provided the adjusted net family income eligibility criterion is met. Repayment of CLB does not result in a loss of entitlements. For more information about CLB, please visit <https://www.canada.ca/en/employment-social-development/services/learning-bond.html>.

### **Quebec Education Savings Incentive (QESI)**

The QESI is a Quebec government program that pays refundable tax credits of up to \$3,600 into the RESP of a Quebec resident Beneficiary. The amount of grant your Beneficiary receives is based on Contributions you make and any available Grant Contribution Room you may have. Families with an annual income below certain levels are entitled to an additional 5% to 10% QESI on the first \$500 they contribute each year. For more information about QESI, please visit

<https://www.revenuquebec.ca/en/citizens/tax-credits/quebec-education-savings-incentive/>.

### **British Columbia Training and Education Savings Grant (BCTESG)**

The BCTESG is a one-time grant of \$1,200 from the Government of British Columbia (B.C.) paid directly into the RESP of a Beneficiary who (i) has been born on or after January 1, 2006 and (ii) is a B.C. resident. Beneficiaries are eligible for the BCTESG on their sixth birthday up until the day before their ninth birthday. No matching or additional Contributions are required in order to receive the grant. For more information about BCTESG, please visit <https://www2.gov.bc.ca/gov/content/education-training/k-12/support/scholarships/bc-training-and-education-savings-grant>.

The following table summarizes various Government Grants including when we are required to return your Government Grants to the applicable government.

Grant	Provider	Lifetime Maximum	Annual Maximum per Beneficiary	Examples of conditions under which Government Grants must be returned to the Government
<b>CESG</b>	Federal Government	\$7,200	\$500, provided you pay \$2,500 in Contributions \$1,000 with carry forward room provided you pay \$5,000 in Contributions	<ul style="list-style-type: none"> <li>You withdraw Contributions from your CST Bright Plan before the Beneficiary is enrolled in Eligible Studies;</li> <li>Your Contract is terminated or its registration as an RESP is revoked before the grant is paid out;</li> <li>You add a Beneficiary to your CST Bright Plan that has received Additional CESG, and the additional Beneficiary is not a sibling of the other Beneficiaries;</li> <li>You change the Beneficiary of your CST Bright Plan and the new Beneficiary is not under the age of 21 years or not a sibling of the former Beneficiary;</li> <li>You transfer an amount from one RESP to another and the transfer is not an eligible transfer;</li> <li>Accumulated Income Payments are made; or,</li> <li>Payment to a designated educational institution (a post-secondary educational institution).</li> </ul>
<b>CLB</b>	Federal Government	\$2,000	\$500 in the first year; \$100 every qualifying year thereafter until the Beneficiary turns 15 You are not required to make any Contributions.	<ul style="list-style-type: none"> <li>Your Contract is terminated or its registration as an RESP is revoked before grant is paid out;</li> <li>You change the Beneficiary;</li> <li>You must repay grants received for a Beneficiary who has received CLB and ceases to be a Beneficiary;</li> <li>Accumulated Income Payments are made; or,</li> <li>Payment to a designated educational institution.</li> </ul>
<b>QESI</b>	Quebec Government	\$3,600	\$250, provided you pay \$2,500 in Contributions \$500 with carry forward room provided you pay \$5,000 in Contributions	<ul style="list-style-type: none"> <li>You withdraw Contributions from your CST Bright Plan before the Beneficiary enrolls in Eligible Studies;</li> <li>You add a Beneficiary to your CST Bright Plan who has received Additional QESI, and the additional Beneficiary is not a sibling of the other Beneficiaries;</li> <li>You change the Beneficiary of your CST Bright Plan and the new Beneficiary is not under the age of 21 years or not a sibling of the former Beneficiary;</li> <li>Accumulated Income Payments are made; or,</li> <li>Payment to a designated educational institution.</li> </ul>

<b>BCTESG</b>	British Columbia Government	\$1,200	<p>One-Time payment of \$1,200 at age 6 to be collected before the Beneficiary turns age 9</p> <p>No matching or additional Contributions required</p>	<ul style="list-style-type: none"> <li>• Your Contract is terminated or its registration as an RESP is revoked before grant is paid out;</li> <li>• You withdraw Contributions from your CST Bright Plan before the Beneficiary is enrolled in Eligible Studies; or,</li> <li>• Application for the grant contained false information.</li> </ul>
---------------	-----------------------------	---------	--	---

## Contribution Limits

The *Income Tax Act* (Canada) sets the lifetime contribution limit of \$50,000 for each Beneficiary. All contributions to all RESPs for the Beneficiary are included in calculating contribution limits. Government Grants are not included in calculating contribution limits. There are tax consequences if you make Contributions that exceed this limit (please see "How you are taxed" on page 10 for details).

There are no annual Contribution limits. You can make Contributions that exceed the amount necessary to receive the maximum annual Government Grants. Contributions in excess of the Grant Contribution Room will not be eligible for Government Grants in the year of Contribution or subsequent years.

## Fees and Expenses

There are costs for participating in CST Bright Plan. Certain fees and expenses are paid by CST Bright Plan that will reduce your Earnings, which reduces the amount available for EAPs. If Earnings are not sufficient to pay these fees and expenses, they will reduce your Contributions. See "Costs of Investing in CST Bright Plan" in this Detailed Plan Disclosure for a description of the applicable fees and expenses.

## Eligible Studies

EAPs will be paid to your Beneficiary only if he or she enrolls in Eligible Studies. For a summary of the educational programs that qualify for EAPs under CST Bright Plan, see "Summary of Eligible Studies" on page 14.

## Payments from CST Bright Plan

### *Return of Contributions*

We will return your Contributions (subject to investment risk) to you or to your Beneficiary as you direct.

### *Educational Assistance Payments*

Earnings and Government Grants will generally be paid to your Beneficiary as EAPs. We will pay EAPs to your Beneficiary if you meet the terms of your Contract and your Beneficiary qualifies for the payments under your CST Bright Plan. The amount available for EAPs depends on how much you contributed, the Government Grants in your CST Bright Plan and the performance of CST Bright Plan's investments.

The *Income Tax Act* (Canada) has restrictions on the amount of EAPs that can be paid out of an RESP at certain times. A full-time student may not receive more than \$5,000 as an EAP unless he or she has completed at least 13 consecutive weeks of study in the previous 12 months. A part-time student can collect EAPs of up to \$2,500 for each 13-week period of study.

If your Beneficiary does not qualify to receive EAPs, you may be eligible to receive the Earnings as an "Accumulated Income Payment (AIP)". See the "Accumulated Income Payments" section in this Detailed Plan Disclosure for more information about AIPs.

## Unclaimed accounts

Your CST Bright Plan will be considered unclaimed when a payment is due to you and we are unable to locate either you or your Beneficiary. We will electronically mail letters to you and/or your Beneficiary at the email address on file. If your email address does not operate, we will then mail letters to you and/or your Beneficiary to the postal address on file. If our letters are returned as undeliverable, we will make reasonable efforts to locate you or your Beneficiary using other available public services.

If we cannot locate you or your Beneficiary, we will continue to invest your Contributions, Earnings and Government Grants in your CST Bright Plan, until your CST Bright Plan expires.

Your CST Bright Plan expires at the end of the 36<sup>th</sup> year of your CST Bright Plan (or if the CST Bright Plan qualifies as a specified plan for a disabled Beneficiary, at the end of the 41<sup>st</sup> year of your CST Bright Plan). When your CST Bright Plan expires, we will pay any Earnings remaining in your CST Bright Plan to a designated educational institution as required under the *Income Tax Act* (Canada). Any remaining Government Grants will be returned to the applicable government. Contributions will be handled in

accordance with our unclaimed property policy and any provincial unclaimed property laws which apply. If we have sent any payments to you or your Beneficiary that have been returned, we will transfer those payments to the Foundation six years after they are made, subject to the requirements of applicable law.

You can claim your Contributions and/or your EAPs or AIPs until December 31<sup>st</sup> of the year your CST Bright Plan expires by contacting us. You will not be entitled to a refund of unclaimed Contributions, EAPs or AIPs after the expiry of your CST Bright Plan.

## Risks of Investing in a Scholarship Plan

If you or your Beneficiary do not meet the terms of your Contract, it could result in a loss and your Beneficiary could lose some or all of their EAPs. Please read the description of the risks of opening a CST Bright Plan under "Risks of Investing in CST Bright Plan" in this Detailed Plan Disclosure.

### Investment Risks

The values of the investments held by CST Bright Plan can go up or down. Refer to "Risks of Investing in CST Bright Plan" in this Detailed Plan Disclosure for a description of the risk that can cause the value of the investments of CST Bright Plan to change, which will affect the amount of the EAPs available to Beneficiaries and may affect the amount of your Contributions available to be paid to you or your Beneficiaries. Unlike bank accounts or guaranteed investment certificates, your investment in CST Bright Plan is not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

## How Taxes Affect your CST Bright Plan

Once your Contract is registered with the Canada Revenue Agency as an RESP, it will provide you with certain tax benefits described below.

### How CST Bright Plan is taxed

No tax is payable under Part I of the *Income Tax Act* (Canada) on your Earnings as long as your Contract is registered as an RESP.

### How you are taxed

Your Contributions to your CST Bright Plan are not deductible by you for income tax purposes. Your Contributions are not taxable when withdrawn from your CST Bright Plan. You are not entitled to deduct interest paid on money borrowed to make a Contribution.

### *Return of Contributions*

Contributions refunded to you are not taxable.

### *Any other distributions to the Subscriber in the form of income, capital or otherwise*

You are not entitled to receive distributions of Earnings, except as an AIP. For information on the tax consequences of receiving an AIP, please see "If you receive an Accumulated Income Payment (AIP)" in this Detailed Plan Disclosure.

### *Transfer between plans*

The amounts transferred between eligible RESPs are not taxable.

### *A Contribution beyond the limit set by Income Tax Act (Canada)*

The total of all Contributions to all RESPs for a Beneficiary is subject to a lifetime limit of \$50,000. If the \$50,000 limit is exceeded, you will be subject to a 1% per month penalty tax on your share of the excess.

Where there has been a change of Beneficiary, Contributions made for the former Beneficiary are deemed to have been made for the new Beneficiary (and are therefore taken into account in determining



compliance with the lifetime limit) unless:

- the new Beneficiary is under age 21 and is a sibling of the former Beneficiary; or
- both the former and the new Beneficiaries are under age 21 and are family members of the Subscriber.

#### *If you receive an Accumulated Income Payment (AIP)*

Earnings from your CST Bright Plan may be paid to you or a person designated by you as an AIP if certain conditions are met (See "Accumulated Income Payments" in this Detailed Plan Disclosure).

The AIP will be subject to regular income tax in the year, plus an additional federal tax of 20%, unless you are able to transfer it to a registered retirement savings plan (RRSP), as described below. For Quebec residents, the additional federal tax is 12% and there is an additional provincial tax of 8%.

Relief from this additional tax may be available where the recipient of the AIP is:

- the original Subscriber,
- the spouse or former spouse of the original Subscriber who acquired the Subscriber's rights upon marriage breakdown, or
- the spouse or former spouse of a deceased Subscriber where there was no replacement Subscriber.

If you have unused RRSP contribution room, you may transfer up to \$50,000 of your AIP into your RRSP or your spouse or common-law partner's RRSP without being subject to tax. This transfer must be made in the year the AIP is received or in the first 60 days of the following year. Your CST Bright Plan must be terminated by the end of February of the year after the year in which the first AIP is paid from your CST Bright Plan.

#### **How a Beneficiary is Taxed**

EAPs paid from your CST Bright Plan to or for a Canadian-resident Beneficiary will be included in the taxable income of the Beneficiary and taxed at the Beneficiary's marginal tax rate. A Beneficiary who is a non-resident of Canada may be subject to Canadian withholding tax of up to 25%. If EAPs paid to or for a Beneficiary include more than \$7,200 of CESGs, the excess must be repaid to the federal government and deducted from the taxable income of the Beneficiary.



## Who is Involved in Administering CST Bright Plan

<b>Investment Fund Manager and Principal Distributor:</b> <b>C.S.T. Spark Inc.</b> <b>2235 Sheppard Avenue East, Suite 1600</b> <b>Toronto, Ontario M2J 5B8</b>	C.S.T. Spark Inc., a wholly-owned subsidiary of the Foundation, directs the business, operations and affairs of CST Bright Plan for the Foundation. C.S.T. Spark Inc. engages C.S.T. Consultants Inc., a related party, to provide administrative services, including the maintenance of Subscriber records. C.S.T. Spark Inc. also distributes CST Bright Plan using its web-based application service available at <a href="http://www.cstspark.ca">www.cstspark.ca</a> and its registered Direct Dealing Representatives who are dedicated to CST Bright Plan.
<b>Sponsor:</b> <b>Canadian Scholarship Trust Foundation</b> <b>Toronto, Ontario</b>	The Canadian Scholarship Trust Foundation enters into the education savings plan agreements with Subscribers and provides governance oversight by supervising the administration of CST Bright Plan.
<b>Trustee and Custodian:</b> <b>RBC Investor Services Trust</b> <b>Toronto, Ontario</b>	<p>CST Bright Plan is a trust for which RBC Investor Services Trust is the Trustee. The Trustee also acts as Custodian for CST Bright Plan and performs valuation and fund accounting services.</p> <p>RBC Investor Services Trust is unrelated to C.S.T. Spark Inc. and the Foundation.</p>
<b>Portfolio Manager:</b> <b>BlackRock Asset Management Canada Limited</b> <b>Toronto, Ontario</b>	<p>The portfolio manager manages the assets of CST Bright Plan according to a specific mandate including the provision of investment analysis or investment recommendations and making investment decisions. The portfolio manager is responsible for making brokerage arrangements relating to their portfolio.</p> <p>The portfolio manager is unrelated to C.S.T. Spark Inc. and the Foundation.</p> <p>C.S.T. Spark Inc.'s Vice President Investments and Compliance manages and monitors the portfolio manager(s). C.S.T. Spark Inc. may decide to change the portfolio manager(s) or the allocation of assets assigned to any portfolio manager(s) from time to time in its sole discretion.</p>
<b>Auditor:</b> <b>Deloitte LLP</b> <b>Toronto, Ontario</b>	The auditor is responsible for auditing the financial statements of CST Bright Plan and expressing an opinion based on their audits as to whether the financial statements comply, in all material respects, with International Financial Reporting Standards.
<b>Independent Review Committee:</b> <b>Toronto, Ontario</b>	The Independent Review Committee provides independent review and oversight of conflicts of interest relating to the management of CST Bright Plan.

## Your Rights as an Investor

If you terminate your Contract within 60 days of your Application Date, you will get back all your money including any fees or expenses paid. If you terminate your Contract after 60 days of your Application Date, you will get back your Contributions, subject to investment risk. Any Government Grants you've received will be returned to the government.

In several provinces and territories, securities legislation also gives you the right to withdraw from a purchase and get back all of your money, or to claim damages, if the prospectus or any amendment contains a misrepresentation or is not delivered to you. You must act within the time limits set by the securities legislation in your province or territory.

You can find out more about these rights by referring to the securities legislation of your province or territory or by consulting a lawyer.

## Specific information about CST Bright Plan

### Type of Plan

CST Bright Plan is a scholarship plan that can be opened as a Family RESP or an Individual RESP. It was established on May 23, 2018.

### Who this Plan is for

CST Bright Plan is for investors planning to save for a Beneficiary's post-secondary education and who want flexibility over when and how much to contribute to an RESP. You should be fairly sure that your Beneficiary will attend a qualifying post-secondary school or program. CST Bright Plan is designed for investors who want control over when and how much to withdraw from their RESP for their Beneficiary's education.

You are eligible to open a CST Bright Plan if your Beneficiary is a Canadian resident for tax purposes and has a Social Insurance Number.

You may open a CST Bright Plan as an Individual RESP or a Family RESP; both of which have different rules for Beneficiaries under the *Income Tax Act* (Canada).

- Opening a CST Bright Plan as an Individual RESP is suitable if you want to save for one Beneficiary,
- Opening a CST Bright Plan as a Family RESP is suitable if you want to save for one or more children who are your children, grandchildren, or great grandchildren and who are currently under the age of 21 years. The Beneficiaries must be siblings.

CST Bright Plan has a long-term investment approach designed to provide appropriate growth of capital and income potential. It is suitable for a subscriber wishing to make a long-term investment to save for their Beneficiaries' post-secondary education.

### Summary of Eligible Studies

The following is a description of the post-secondary programs that are Eligible Studies and qualify for EAPs.

A current list of qualifying programs and institutions is available on our website at [www.cstspark.ca](http://www.cstspark.ca). Contact us to find out if the educational programs and educational institutions that your Beneficiary is interested in are Eligible Studies.

For more information about receiving EAPs, see "Educational Assistance Payments" on page 9 of this Detailed Plan Disclosure.

### What's eligible

To qualify for an EAP, Beneficiaries must be enrolled in Eligible Studies. Any post-secondary program that qualifies under the *Income Tax Act* (Canada) will be considered Eligible Studies if offered by a qualifying post-secondary institution. For full-time programs at qualifying Canadian institutions, this means a program of at least 3 consecutive weeks duration with at least 10 hours of instruction or work each week. For part-time studies, it means a program of at least 3 consecutive weeks with at least 12 hours per month spent on courses. For qualifying institutions outside Canada, the program must be at least 13 consecutive weeks duration, or for Beneficiaries enrolled full-time at university, the program must be at least 3 consecutive weeks in duration.

Qualifying post-secondary educational institutions may include universities, community colleges, trade schools, vocational schools, technical schools, religious schools, CEGEPs, as well as distance learning or correspondence learning programs.

### What's not eligible

Any post-secondary program that would not qualify for an EAP under the *Income Tax Act* (Canada) will not be Eligible Studies under CST Bright Plan. Beneficiaries who do not enroll in Eligible Studies will not receive EAPs.

## How We Invest your Money

### Investment Objectives

CST Bright Plan's fundamental investment objective is to invest Subscribers' Contributions in a way to preserve capital while delivering a reasonable positive return on investments over a long-term investment horizon within prudent risk tolerances.

The fundamental investment objective of CST Bright Plan may not be changed without the consent of a majority vote of CST Bright Plan's subscribers represented at a meeting in person or by proxy.

CST Bright Plan will meet its investment objectives for Subscribers by investing Contributions, Government Grants and Earnings, according to a proprietary glide path long-term investment approach that seeks to match the age of the Beneficiaries and his or her expected date to attend post-secondary education with appropriate asset classes and investment mix.

The glide path is based on an 18-year time horizon, where in the early years, the Plan assets will be managed with an asset mix that has a majority allocation to equity securities and a relatively low allocation towards fixed income securities. As the glide path transitions through the mid-portion of the time horizon, the proportion of fixed income increases while that of equity securities decreases at an increasing pace. In the latter years, as payout approaches, the asset mix transitions to a substantially more conservative mix with the majority of assets allocated to fixed income securities. The maximum equity asset allocation for each defined glide path beneficiary age group, as set out in the table below, will be considered a fundamental investment objective of the Plan.

### Investment Strategies

The target asset allocations are not considered a fundamental investment objective and could change on an annual basis as we review them to achieve CST Bright Plan's investment objectives.

Beneficiaries will be assigned to a glide path beneficiary age group based on their date of birth. The target mix for each glide path beneficiary age group will change over time. Separate investment accounts will be maintained for each glide path beneficiary age group. When the glide path beneficiary age group approaches age 18, the investment account will be merged with the investment account for Beneficiaries aged 18 years or older.

The actual asset mix of each glide path beneficiary age group will be adjusted on a quarterly basis as the investment portfolio transitions over time and becomes more conservative. The actual asset mix may also vary based on changes in the market value of underlying securities.

Target Allocation			
Glide path Beneficiary Age Group	Fixed Income	Equity	Maximum Equity Allocation
0-2 years	10%	90%	90%
3-5 years	18%	82%	90%
6-8 years	25%	75%	85%
9-11 years	32%	68%	78%
12-14 years	43%	57%	67%
15-17 years	63%	37%	47%
18 years and over	82%	18%	20%

CST Bright Plan's investments have some investment risk, with higher volatility (changes in value over time), but with higher possible returns, due to the emphasis on equity investing at the beginning years of the glide path. Returns will vary from year to year.

CST Bright Plan may invest in equity securities as well as both government and corporate fixed-income securities of Canadian and foreign companies. It will seek to achieve its objectives where considered appropriate by investing in exchange-traded funds which have exposure to these securities.

CST Bright Plan may also invest (as to the equity portion of the glide path) in securities of issuers of any market capitalization and include common stock, preferred stock, rights and warrants, and securities convertible into common stock. Equity securities (either directly or indirectly through ETFs) will be of liquid Canadian, US and European issuers. Fixed income securities (either directly or indirectly through ETFs) may be investment grade fixed income securities of any maturity, as well as cash, cash equivalents, and other short-term fixed income securities. Equity securities, including ETFs, will be traded on Canadian or U.S. stock exchanges.

The Foundation and C.S.T. Spark Inc. may engage various portfolio managers to manage the asset classes associated with the glide path and each portfolio manager is provided with a specific mandate that it must follow in making investment decisions for CST Bright Plan.

## Investment Restrictions

The investments made for CST Bright Plan must comply with investment restrictions contained in the *Income Tax Act* (Canada) and the administrative policies of the Canadian Securities Administrators. CST Bright Plan is managed in accordance with the investment restrictions contained in the undertaking provided to the Ontario Securities Commission and the other securities regulatory authority in the provinces and territories of Canada. The undertaking is incorporated by reference into this prospectus and is available for review on our website [www.cstspark.ca](http://www.cstspark.ca) or the SEDAR website [www.sedar.com](http://www.sedar.com).

The undertaking describes the specific investment restrictions which apply to CST Bright Plan. These investment restrictions require CST Bright Plan to follow the investment restrictions that apply to other publicly offered investment funds with the following restrictions:

- CST Bright Plan will not purchase a security for the purposes of exercising control over or management of the issuer of the security;
- CST Bright Plan will not purchase investments in real estate and physical commodities;
- CST Bright Plan will not use derivative instruments, other than to hedge currency risk; and,
- CST Bright Plan will not engage in short selling, securities lending, or use repurchase or reverse repurchase agreements.

We are required to confirm our compliance with the undertaking annually to the Ontario Securities Commission. We are only able to deviate from the restrictions set out in the undertaking with the agreement of the Canadian Securities Administrators and subject to any required approval of the Board of Directors of the Foundation.

## Risks of Investing in CST Bright Plan

### CST Bright Plan Risks

You sign a Contract when you apply for a CST Bright Plan. Read the terms of the Contract carefully and make sure you understand the Contract before you sign. Over time, the value of investments held by CST Bright Plan can go up and down, which could result in a loss. If you or your Beneficiary do not meet the terms of your Contract or if the value of investments goes down, your Beneficiary could lose some or all of his or her EAPs.

Keep in mind that payments from CST Bright Plan are not guaranteed. We cannot tell you in advance if your Beneficiary will qualify to receive any EAPs from CST Bright Plan or the amount of Earnings your CST Bright Plan will receive. We do not guarantee the amount of any payments, including refunds of your Contributions, or that the payments will cover the full cost of your Beneficiary's post-secondary education.

In addition to the investment risks described under "Investment Risks" on page 10 of this Detailed Plan

Disclosure, the following is a description of the risks of investing in CST Bright Plan:

### **Termination of your plan**

If you cancel your CST Bright Plan before your Beneficiary receives EAPs and you are not eligible to receive an Accumulated Income Payment, you will forfeit your Earnings. Government Grants will be returned to the applicable government. Earnings will be paid to a designated educational institution as required under the *Income Tax Act* (Canada).

### **Qualification for students to collect EAPs**

You may not be entitled to any Earnings if your Beneficiary does not qualify to receive EAPs and if you are not eligible to take an AIP, transfer Earnings to an eligible RRSP or an RDSP.

## Investment Risks

The values of the investments held by CST Bright Plan can go up or down. Below are the risks that can cause the value of CST Bright Plan's assets to change, which may affect the amount of your Contributions available to be paid to you or a Beneficiary and the amount of EAPs available to your Beneficiaries.

### *Market Risk*

Stock and bond markets rise and fall daily. As with any investment whose performance is tied to these markets, the value of your investment in CST Bright Plan will fluctuate, which means that you could lose money, particularly if you withdraw your Contributions or cancel your Contract when your Beneficiary is young and investments are more heavily invested in equities and if those investments have fluctuated downwards. If the value of investments has decreased, there may not be sufficient value to repay the full amount of your Contributions. You should discuss with us in advance any proposal to cancel your Contract or withdraw your Contributions before your Beneficiary qualifies for EAPs.

### *Equity Risk*

Investors in equity securities may be exposed to a higher level of risk because the prices of equity securities can rise and fall significantly in a short period of time. This could arise due to the fortunes of the companies that issue them or with general stock market or economic conditions.

### *Credit Risk*

A fixed income security, such as a bond, is essentially a promise to pay interest and repay a specified amount at a later time. The probability that the issuer of the fixed income security will fail to honour that promise is called credit risk. Credit rating agencies give investors an idea of how much of a credit risk an issuer represents. If a company or government has a high credit rating, the credit risk tends to be low. A lower credit rating means more credit risk.

### *Interest Rate Risk*

A change in general interest rates is one of the biggest factors affecting fixed-income securities. A bond for example, pays interest based on the level of interest rates prevailing when the bond is issued. Generally, if interest rates fall, the value of the bond rises. This is because the interest rate on the existing bond will be higher than the rate on newer bonds. On the other hand, when general interest rates rise, the price of existing bonds is expected to drop because they pay less than newer bonds.

### *Foreign Currency Risk*

Investing in securities that are priced in foreign currencies involves foreign currency risk. Securities that are priced in foreign currencies can lose value when the Canadian dollar rises against the foreign currency. As well, foreign governments may impose currency exchange restrictions, which could limit the ability to buy and sell certain foreign investments and could reduce the value of the foreign securities that are held by investors.

### *Foreign Market Risk*

Foreign investments involve additional risks because financial markets outside of Canada and the U.S. may be less liquid and companies may be less regulated and have lower standards of accounting and financial reporting. In some countries, an established stock market and legal system that adequately

protects the rights of investors may be lacking. Foreign investments can also be affected by social, political, or economic instability. Foreign governments may impose investment restrictions.

### Liquidity Risk

Liquidity refers to the speed and ease with which an asset can be sold and converted into cash. Most securities can be sold easily and at a fair price. In highly volatile markets, difficulty in selling securities may result in a loss or reduced return for CST Bright Plan.

### Exchange Traded Fund Risk

Exchange-traded funds ("ETFs") are securities that closely resemble index mutual funds, but can be bought and sold like common stocks:

- an ETF may fail to accurately track the market segment or index that underlies its investment objective;
- an ETF may not be "actively" managed. Such ETFs would not necessarily sell a security because the security's issuer was in financial trouble, unless the security is removed from the applicable index being replicated. As a result, the performance of an ETF may be lower than the performance of an actively managed fund;
- the market price of an ETF may trade at a discount to its net asset value;
- an active trading market for an ETF's securities may not develop or be maintained; and
- there is no assurance that the requirements of the exchange necessary to maintain the listing of an ETF will continue to be met or remain unchanged.

### Underlying Fund Investment Risk

CST Bright Plan will invest in ETFs which pay fees and expenses to their managers and administrators. In addition, CST Bright Plan will incur fees and expenses in connection with the administration and operations of CST Bright Plan. An investor holding the underlying ETFs directly and in the same proportions as CST Bright Plan would not receive the benefit of the glide path and other services provided by CST Bright Plan. CST Bright Plan's risks are directly related to the risks of the underlying ETFs.

## How CST Bright Plan has Performed

The table below shows how the investments in CST Bright Plan have performed in the previous fiscal year and the period since inception ending on October 31, 2019. Returns are after expenses have been deducted. These expenses reduce the returns you get on your investment.

It's important to note that this doesn't tell you how the CST Bright Plan's investments will perform in the future.

	2019	Since Inception
Annual Return	10.4%	5.2%

## Making Contributions

The minimum initial investment in CST Bright Plan is \$500. We will waive the minimum investment if your Beneficiary qualifies for a Canada Learning Bond, or if you set up a regular contribution schedule committing to a minimum of \$10 per month. If you are not eligible for the Canada Learning Bond, you must maintain a minimum balance of \$500 into CST Bright Plan within the first three years after opening your plan. You may make Contributions in CST Bright Plan for a specific Beneficiary until the earlier of the Beneficiary's 31st birthday (Family Savings Plan only), the end of the 31st year after you sign your Contract or any other date permitted by the *Income Tax Act* (Canada).

## Your Contribution Options

Other than meeting the minimum initial investment requirement, you decide the amount and timing of your Contributions.

## If you Have Difficulty Making Contributions

If you have elected to open a plan through regularly scheduled contributions you may change your contributions by either stopping or reducing the amount at any time with no penalty, provided that within the first three years of opening the plan you maintain a minimum balance of \$500.

## Withdrawing your Contributions

You may request a return of some or all Contributions at any time. Your Contract will not be cancelled provided you maintain a minimum balance of \$500.

You may withdraw completely from your plan and cancel your Contract at any time by contacting us. We will provide you with a form for you to complete, sign and return to us confirming the cancellation of your Contract. If you withdraw your Contributions and don't maintain a minimum balance of \$500, your Contract will be cancelled.

If you withdraw any of your Contributions before your Beneficiary is enrolled in Eligible Studies, we will repay Government Grants previously received on the withdrawn Contributions to the applicable governments. Repayment of Government Grants will result in the loss of the Beneficiary's Grant Contribution Room, which cannot be restored.

If the investments held by CST Bright Plan in connection with your Contract have decreased in value or Earnings are not sufficient to pay fees and expenses of CST Bright Plan, you may not receive all of your Contributions.

On cancellation, we will pay you any Earnings as an AIP provided you qualify under the *Income Tax Act* (Canada). If you do not qualify, we will pay all of your Earnings to a designated educational institution as required under the *Income Tax Act* (Canada).

## Costs of Investing in CST Bright Plan

There are costs for investing in CST Bright Plan. The following table list the fees and expenses associated with CST Bright Plan. CST Bright Plan pays these fees and expenses, which are deducted from Earnings, but if Earnings are not sufficient they will be deducted from Contributions.

There are no sales charges to invest in CST Bright Plan.

## Fees paid by CST Bright Plan

The following fees are payable out of CST Bright Plan's Earnings, but if there are insufficient Earnings they will be paid out of Contributions. You don't pay these fees directly. These fees affect you because they reduce the overall Earnings, which reduces the amount available for EAPs.

Fee	What CST Bright Plan pays	What the fee is for	Who the fee is paid to
<b>Management Fee<sup>1</sup></b>	Management fee of 1.5% per year, plus applicable sales taxes, of the current market value of Contributions, Government Grants and Earnings.	Operating, managing, distributing and administering CST Bright Plan, including portfolio management, trustee, record-keeping, valuation, distribution and custodial services.	Canadian Scholarship Trust Foundation, which pays applicable fees to C.S.T. Spark Inc. to manage and distribute CST Bright Plan. C.S.T. Spark Inc. pays applicable fees to the portfolio



			manager(s) who manage CST Bright Plan's investments and the trustee as trustee and custodian.
<b>Independent Review Committee (IRC)</b>	<p>CST Bright Plan will pay its proportionate share of the fees and expenses for the Canadian Scholarship Trust Plans' and CST Bright Plans' Independent Review Committee. Each IRC member receives \$7,500 per annum, with a per meeting fee of \$1,000 (\$500 for conference calls). The Chair of the IRC receives an additional \$2,500 per annum. The Canadian Scholarship Trust Plans and CST Bright Plan also share the annual secretariat fee of \$35,000 and other expenses.</p> <p>For the year ended October 31, 2019, \$76,825 shared by CST Bright Plan and the Canadian Scholarship Trust Plans.</p>	<p>This is for the services of the Independent Review Committee. The committee reviews conflict of interest matters between C.S.T. Spark Inc. and CST Bright Plan.</p>	Independent Review Committee
<b>Operating Expenses of CST Bright Plan not paid for by the Foundation out of the Management fee<sup>1</sup></b>	<p>CST Bright Plan pays for certain expenses of its operation that are not paid for by the Foundation or the Manager out of the Management Fee. This includes brokerage fees and other fees and disbursements directly relating to the investments made for CST Bright Plan, taxes payable by CST Bright Plan, expenses of any Subscriber meetings, and expenses related to out of the ordinary costs of the trustee and custodian. Any fees and expenses relating to compliance with a new requirement that may apply to CST Bright Plan will be charged to CST Bright Plan.</p>	<p>Certain operating costs not paid for by the Foundation or the Manager out of the Management Fee.</p>	Various entities.

Notes:

<sup>1</sup> Subject to change upon 60 days prior written notice by us.

## Transaction Fees

We will charge the following fees for the transactions listed below.

Fee	Amount	How the fee is paid	Who the fee is paid to
<b>Returned (N.S.F.) payments</b>	\$40 per item	Directly by the Subscriber	Canadian Scholarship Trust Foundation
<b>Transfer to another RESP provider</b>	\$50 per transfer	Deducted from your Contributions	Canadian Scholarship Trust Foundation
<b>Cheque payment</b>	\$10 per cheque	Deducted from the cheque amount	Canadian Scholarship Trust Foundation
<b>Lost cheque replacement or Stop Payment</b>	\$20 per item	Deducted from the new cheque amount	Canadian Scholarship Trust Foundation
<b>Paper statements</b>	\$2 per statement	Deducted from your Earnings	Canadian Scholarship Trust Foundation

**Note:** Transaction fees may be changed with 60 days advance notice to Subscribers.

## Making Changes to your CST Bright Plan

### Changing your Contributions

You may change or stop the amount of your Contributions at any time. You can contact us to make these changes to your Contributions. There are no fees to make this change nor are any losses incurred by you or your Beneficiary.

### Changing the Subscriber

Your Contract allows the Subscriber(s) to be changed at any time if:

1. the original Subscriber(s) passes away;
2. there is a court order requiring a change of Subscriber arising from marital breakdown; or
3. another individual or Public Primary Caregiver has been appointed and granted rights as a Subscriber.

The new Subscriber must meet the requirements in the *Income Tax Act* (Canada) including:

- the new Subscriber is your spouse or common-law partner, or ex-spouse or former common-law partner and gets your rights under your CST Bright Plan as a result of a court order or written agreement for dividing property after a breakdown of the relationship;
- the new Subscriber acquired the Subscriber's rights under the CST Bright Plan, or the new Subscriber continues to make Contributions into the CST Bright Plan for the Beneficiary, after your death; or
- the new Subscriber is your estate that acquired the Subscriber's rights under the CST Bright Plan, or that continues to make Contributions into the CST Bright Plan for the Beneficiary, after your death.

To change the Subscriber, we will require:

- original or notarized copy of the court order, if applicable;
- original or notarized death certificate and, if applicable, your will; or
- original or notarized copies of any other applicable legal documents.

To make this change, please contact us and we will provide a form to be completed, signed and returned to us. There will be no losses incurred by the Subscriber or the Beneficiary if the change is made. There is no service fee for this change.

## Changing your Beneficiary

You may change your Beneficiary as long as you provide the new Beneficiary's Social Insurance Number. We will transfer Government Grants to the new Beneficiary if the new Beneficiary is under the age of 21 and a sibling of the former Beneficiary. Otherwise, we must repay the Government Grants to the applicable government. We cannot transfer Canada Learning Bonds to the new Beneficiary under any circumstances.

Contributions for a former Beneficiary will not affect the \$50,000 lifetime contribution limit of the new Beneficiary if the new Beneficiary is i) under the age of 21 and a sibling of the former Beneficiary or ii) is connected to the former Subscriber by adoption or blood relation, and both Beneficiaries (former and new) are under the age of 21.

If your CST Bright Plan is a Family RESP with only one Beneficiary, you may substitute a new Beneficiary who is not a sibling of the existing Beneficiary and change your Family RESP to an Individual RESP. The Contribution history of the former Beneficiary will be attributed to the new Beneficiary.

To change the Beneficiary, please contact us at [sales@cstspark.ca](mailto:sales@cstspark.ca). You must agree with the terms of the change. There is no service fee for this change.

## Death of the Beneficiary

If all of your Beneficiaries die, you are entitled to cancel your Contract and you will receive a refund of your Contributions, subject to investment risk. You will be entitled to receive Earnings as an AIP (see "Accumulated Income Payments" on page 25 for details). If you choose not to take the Earnings out as an AIP, the Earnings will be forfeited and paid to a designated educational institution as required under the *Income Tax Act* (Canada).

If one Beneficiary dies and one or more Beneficiaries are remaining, Earnings on Contributions and Government Grants received for the deceased Beneficiary will be shared among the surviving Beneficiaries as directed by the Subscriber. Some Government Grants may have to be repaid.

In these circumstances, please contact us and provide us original or notarized death certificate of the Beneficiary(ies). There is no service fee for this change.

## Disability of the Beneficiary

If one of your Beneficiaries becomes disabled such that it is expected to prevent your Beneficiary from pursuing post-secondary education (as verified in writing by a qualified third-party practitioner), please contact us. Due to significant variation in disability types, each situation is treated on a case-by-case basis. Earnings in your plan will be shared among your remaining Beneficiaries or you may name a new Beneficiary. You may also cancel your Contract. If you cancel your Contract, you may receive a refund of Contributions, subject to fees and investment risk and may be entitled to receive Earnings as an AIP (see "Accumulated Income Payments" on page 25 for details), or you may transfer Earnings to a Registered Disability Savings Plan (RDSP) for the disabled Beneficiary. If you choose not to take the Earnings out as an AIP or a transfer them to an RDSP, the Earnings will be forfeited and paid to a designated educational institution as required under the *Income Tax Act* (Canada).

In these circumstances, please contact us and we will let you know the documents we require such as notarized or original evidence of disability of the Beneficiary. There is no service fee for this change.

## Transferring your CST Bright Plan

### Transferring to Another RESP provider

You may cancel your Contract and direct us to transfer your CST Bright Plan to another RESP provider if an AIP has not been made from your CST Bright Plan. Government Grants may be transferred as long as:

- there is a common Beneficiary to both the receiving RESP and your CST Bright Plan or the Beneficiary named under the receiving RESP is a sibling to every other Beneficiary under your CST Bright Plan; and
- the receiving RESP is

- (i) a family RESP; or
- (ii) an individual RESP that was entered into before the Beneficiary was 21 years old;
- the receiving RESP complies with Canada Revenue Agency and Employment and Social Development Canada requirements.

We will transfer the value of your Contributions, Government Grants and Earnings (subject to the rules contained in the applicable legislation) to the receiving institution. A Canada Learning Bond can only be transferred to an account for the same Beneficiary.

To start the transfer, please contact the receiving RESP provider, who will contact us. We will charge a transfer-out fee of \$50 per transferred CST Bright Plan.

### Transferring to CST Bright Plan from another RESP provider

You may transfer amounts from another RESP into the CST Bright Plan if an AIP has not been made from the transferring RESP. You may transfer amounts from any existing Canadian Scholarship Trust Individual or Family Savings Plan you may have with the Foundation, by establishing a CST Bright Plan subject to applicable limits of the *Income Tax Act* (Canada).

Amounts transferred into the CST Bright Plan from another RESP retain their character as Contributions, Earnings and Government Grants. Contributions retain their original date of Contribution and your CST Bright Plan will expire on December 31<sup>st</sup> of the 36<sup>th</sup> year of the starting date of the earlier of the two RESPs.

Government Grants may be transferred to a Family RESP from another RESP if:

- the Beneficiary is also a Beneficiary under the transferring RESP; or
- the Beneficiary is under 21 years of age and a sibling to every other Beneficiary under the transferring RESP.

The Canada Learning Bond may be transferred into your CST Bright Plan provided that all the funds are for the same Beneficiary.

You might incur loss of Earnings, Government Grants and Grant Contribution Room as a result of your transfer out of your existing RESP into CST Bright Plan. The sending RESP provider may also charge you a fee to process the transfer. Please check with your sending RESP provider for more details.

To open a CST Bright Plan, please complete the online application and contact us at [sales@cstspark.ca](mailto:sales@cstspark.ca). During the application process, a Direct Dealing Representative will confirm information about your existing RESP in order to prepare the necessary paperwork to request the transfer of RESP assets to CST Bright Plan. We will not charge a service fee for the transfer.

## Withdrawal or Cancellation

### If you withdraw from or cancel your Contract

You are entitled to a return of Contributions at any time by contacting us at [sales@cstspark.ca](mailto:sales@cstspark.ca).

If you withdraw all of your Contributions, your Contract will be cancelled. You can avoid cancellation of your Contract by maintaining a minimum balance of \$500.

When you cancel your Contract, any Earnings in your CST Bright Plan will be paid to a designated educational institution as required under the *Income Tax Act* (Canada) unless you qualify for an AIP. There is no service fee to cancel your Contract.

All refunds of Contributions are subject to investment risk.

### If we cancel your Contract

If your application for a Contract did not contain a Social Insurance Number for your Beneficiary, and if you do not provide us with a Social Insurance Number for your Beneficiary within 12 months of signing your application, your application for a Contract will be automatically cancelled.

If your account balance falls below \$500, we will send you at least one notice advising you that your Contract will be automatically cancelled if you do not make Contributions to bring your account balance

up to \$500. Upon cancellation, your Contributions (subject to investment risk) will be returned to you. Any Earnings will be paid to a designated educational institution as required under the *Income Tax Act* (Canada) unless you qualify for an AIP. We will not charge a service fee for the cancellation of your Contract.

### If your CST Bright Plan expires

Your CST Bright Plan expires on December 31<sup>st</sup> of the 36<sup>th</sup> year after you sign your Contract or a later date if permitted by the *Income Tax Act* (Canada). If your CST Bright Plan expires, your Contributions will be returned to you subject to investment risk. If Earnings are not paid as EAPs or an AIP, Earnings will be paid to a designated educational institution as required under the *Income Tax Act* (Canada). Any unclaimed Government Grants will be returned to the applicable governments.

### If your Beneficiary does not enroll in Eligible Studies

A Beneficiary who does not enroll in Eligible Studies will not receive EAPs from your CST Bright Plan. You can change the Beneficiary to another person of less than 21 years of age and who is a sibling of the existing Beneficiary. All Earnings can be paid to one Beneficiary as an EAP. The Canada Learning Bond and Government Grants in excess of program maximum limits will have to be repaid to the applicable governments.

If the Beneficiary is not eligible, Earnings can be paid out to you or a person designated by you as AIPs or transferred to an eligible RRSP or RDSP. The Government Grants are returned to the applicable governments.

## Receiving Payments from CST Bright Plan

### Return of Contributions

You are always entitled to a return of your Contributions (subject to investment risk). If there are insufficient Earnings to offset fees and expenses or investment losses, they will be applied to Contributions and the net balance returned to you.

If you withdraw your Contributions before your Beneficiary enrolls in Eligible Studies, we will repay CESGs ranging from 20% to 40% of the Contribution amount withdrawn and QESIs ranging from 10% to 20% of the Contributions withdrawn (if you received Additional CESG and Additional QESI) to the applicable government.

### Educational Assistance Payments

Your Beneficiary is eligible to request EAPs as soon as proof of enrolment in an eligible program is provided to us. The latest that a Beneficiary can receive an EAP is the end of the 36<sup>th</sup> year after you sign your Contract or a later date if permitted by the *Income Tax Act* (Canada).

EAPs are made up of Earnings on your Contributions and Government Grants and your Government Grants. Government Grants and Earnings are paid to your Beneficiary proportionately.

To apply for an EAP, you will need to contact us at [sales@cstspark.ca](mailto:sales@cstspark.ca) and one of our Direct Dealing Representatives will assist you in the EAP process.

### How EAP amounts are determined

You decide the amount and timing of EAPs. For your beneficiary to receive an EAP, you will need contact us at [sales@cstspark.ca](mailto:sales@cstspark.ca) and one of our Direct Dealing Representatives will assist you in the EAP process.

Each EAP will consist of a proportionate amount of Government Grants and Earnings. Earnings allocated to your CST Bright Plan include both realized and unrealized capital gains and losses on investments.

Any unpaid portion of Government Grants is returned to the applicable government and Earnings on Government Grants are paid to a designated educational institution as required under the *Income Tax Act* (Canada).

The *Income Tax Act* (Canada) does not allow an EAP to exceed \$5,000 for a Beneficiary who has not

completed at least 13 consecutive weeks of study in the previous 12 months. If a Beneficiary is subject to this \$5,000 cap, you may withdraw additional EAPs after the Beneficiary has completed 13 weeks of consecutive study. If a Beneficiary's expenses exceed \$5,000 in the first 13 weeks, you may contact us to apply to ESDC to have the limit increased. For part-time study, the Beneficiary may access up to \$2,500 of their Earnings and Government Grants for each 13 week period of study.

### If your Beneficiary does not complete Eligible Studies

EAPs may only be paid to Beneficiaries enrolled in Eligible Studies. Government Grants that are not paid to a Beneficiary as an EAP must be returned to the applicable government. Earnings if not paid as an EAP may be withdrawn by you as an AIP. Otherwise, Earnings will be paid to a designated educational institution as required under the *Income Tax Act* (Canada).

### Accumulated Income Payments

If one of your Beneficiaries decides not to pursue post-secondary education, you may withdraw Earnings in your CST Bright Plan as an AIP, provided that:

- the AIP is made to only one person;
- the recipient is a resident of Canada at the time of the payment; and
- the recipient is a Subscriber unless the Subscriber has died;

and one of the following conditions is met:

- (a) each person who is or was a Beneficiary (other than a deceased Beneficiary) has reached 21 years of age and is not enrolled in Eligible Studies at that time, and the CST Bright Plan has existed for at least 10 years; or
- (b) the payment is made in the 36<sup>th</sup> year of your CST Bright Plan; or
- (c) each Beneficiary under your CST Bright Plan has died.

You may request the Canada Revenue Agency to waive condition (a) if your Beneficiary suffers from severe and prolonged mental impairment that prevents your Beneficiary from enrolling in Eligible Studies at a qualifying post-secondary institution.

If you qualify for an AIP, you may:

- transfer all or part of your Earnings up to \$50,000 (per Subscriber) to your RRSP, or your spousal RRSP as long as you have unused RRSP contribution room; or
- receive Earnings as taxable income for the year, and pay an additional tax of 20% (for Quebec residents the additional tax is comprised of 12% federal tax and 8% provincial tax) on the Earnings for that year.

For the tax consequences of receiving an AIP, please refer to "If you receive an Accumulated Income Payment (AIP)" on page 11.

# About C.S.T. Spark Inc. and the Canadian Scholarship Trust Foundation

## An Overview of the Structure of CST Bright Plan

### CST Bright Plan

Sponsored by the Canadian Scholarship Trust Foundation  
Managed and distributed by C.S.T. Spark Inc.

2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8

CST Bright Plan is a scholarship plan established as a trust by way of a trust agreement between the Foundation, C.S.T. Spark Inc. and RBC Investor Services Trust as Trustee, which is subject to the laws of Canada. The trust was established on May 23, 2018 as the CST Bright Plan Trust.

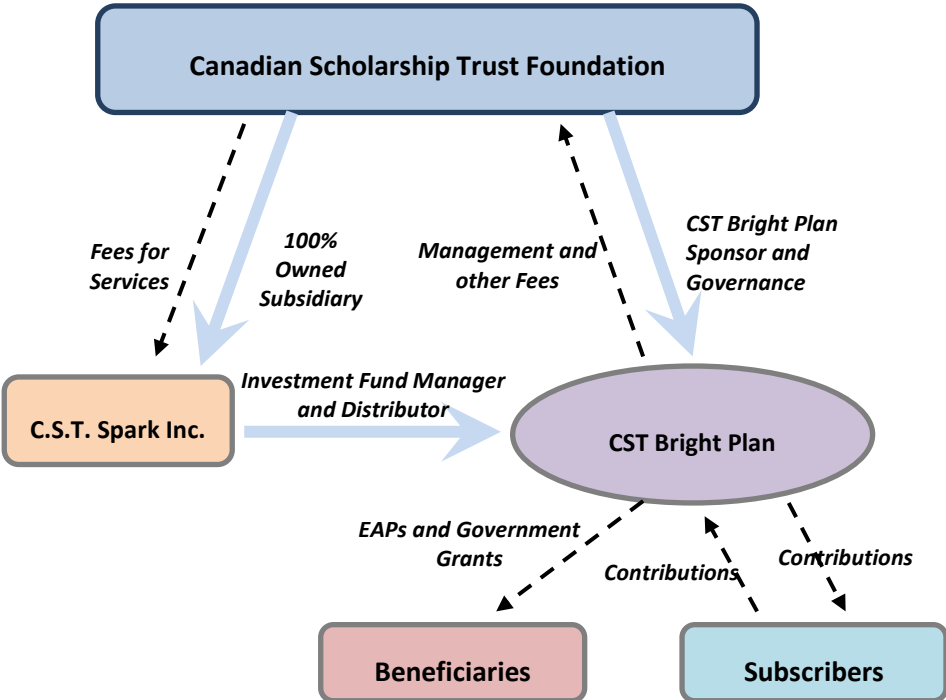
### Manager of CST Bright Plan

C.S.T. Spark Inc.  
2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8

1-800-461-7100  
[info@cstspark.ca](mailto:info@cstspark.ca)  
[www.cstspark.ca](http://www.cstspark.ca)

C.S.T. Spark Inc. is incorporated under the laws of Canada and is a wholly-owned subsidiary of the Canadian Scholarship Trust Foundation, a not-for-profit organization whose primary objective is to promote the benefits of higher education and improve access to post-secondary education by reducing barriers and providing wide distribution of education savings plan products. C.S.T. Spark Inc. commenced operations in 2017 and is the exclusive distributor of CST Bright Plan in addition to providing administration services to the Foundation and CST Bright Plan. C.S.T. Spark Inc. is also the investment fund manager of CST Bright Plan and carries out the overall management and administration of CST Bright Plan.

The relationship between C.S.T. Spark Inc., the Foundation and CST Bright Plan is illustrated below:





### *Duties and services to be provided by the manager*

C.S.T. Spark Inc. is responsible for the overall management and administration of CST Bright Plan. As the manager of CST Bright Plan, C.S.T. Spark Inc. carries out the day-to-day management of CST Bright Plan, and has retained C.S.T. Consultants Inc. (CSTC), as its service provider, to monitor the investment management of CST Bright Plan, provide all accounting, record-keeping, valuation and other services for Subscribers, process transactions, issue account statements and tax reporting information, and administer the education savings plan agreements all on behalf of C.S.T. Spark Inc.

C.S.T. Spark Inc. is registered as an investment fund manager in Ontario, Quebec and Newfoundland and Labrador as required by securities law. It receives fees from the Foundation for the management and administrative services it provides.

### *Details of the management agreement*

The duties and responsibilities of C.S.T. Spark Inc. and the Foundation for the management of CST Bright Plan are established in the trust agreement ("Trust Agreement") dated as of May 23, 2018 made among the Foundation, C.S.T. Spark Inc., and RBC Investor Services Trust and the Management Agreement dated as of May 24, 2018, made between the Foundation and C.S.T. Spark Inc. C.S.T. Spark Inc. is responsible for the overall management and administration of CST Bright Plan including the selection of portfolio managers, accounting and administrative services. It has retained CSTC as a service provider in respect of certain of these services. The Trustee takes direction from us regarding the settlement of investment trades, the payment of fees and the disbursement of amounts in accordance with the terms of the Trust Agreement.

The Trust Agreement and the Management Agreement each continue until terminated. Any party to the Management Agreement may resign and terminate the Management Agreement upon three months notice in which case the provisions of the Trust Agreement relating to the resignation of the Foundation, C.S.T. Spark Inc. or the Trustee, as the case may be, would apply.

### *Officers and Directors of the Manager*

Pursuant to a Unanimous Shareholder Declaration permitted under corporate law that applies to C.S.T. Spark Inc., all of the powers of the directors of C.S.T. Spark Inc. to manage or supervise the management of the business and affairs of C.S.T. Spark Inc. have been transferred to the Foundation, as sole shareholder. Accordingly, the Foundation considers and executes all legal documents and certificates that are required to be executed by the board of directors of C.S.T. Spark Inc.

The following are the officers and directors of C.S.T. Spark Inc.:

<b>Name</b> <b>Municipality of Residence</b>	<b>Position</b>	<b>Principal Occupation</b>
Sherry J. MacDonald, CPA, CA Scarborough, Ontario	Director, Officer	President and Chief Executive Officer and Ultimate Designated Person, C.S.T. Spark Inc. since August 2017 and CSTC
Christopher Ferris, CPA, CGA, CFA Toronto, Ontario	Officer	Chief Financial Officer since July 2019; Director, Customer Experience – Continuous Improvement from June 2016 to July 2019, Director, Operations Control and Data Management from June 2010 to June 2016
Peter A. Lewis Brantford, Ontario	Officer	Vice President and Corporate Secretary, C.S.T. Spark Inc. since August 2017 and Vice-President, Sales, CSTC
Carole Matear, CPA, CA Vaughan, Ontario	Officer	Chief Compliance Officer, C.S.T. Spark Inc. since August 2017 and Chief Compliance Officer, CSTC



Name Municipality of Residence	Position	Principal Occupation
Brad Norris, CPA, CA, CFA Toronto, Ontario	Officer	Vice President, Investment and Compliance since June 2018, Director Investments from March 2016 to June 2018, Director Treasury and Cash Management from Sept 2011 to March 2016

## Trustee

RBC Investor Services Trust, Toronto, Ontario

CST Bright Plan is a trust. RBC Investor Services Trust is the Trustee of CST Bright Plan and acts as custodian of CST Bright Plan. The Trustee holds all amounts in CST Bright Plan in trust and, as directed by us, disburses fees, EAPs and other amounts in accordance with the terms of the education savings plan agreements, and settles all investment trades. For its trustee and custodian services, the Trustee charges fees which are paid by C.S.T. Spark Inc.

## The Foundation

The Canadian Scholarship Trust Foundation  
2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8

The Foundation is a not-for-profit organization governed by an independent Board of Directors. It sponsors and provides governance and oversight over CST Bright Plan, as well as carries out certain duties as required by the Trust Agreement. According to the Unanimous Shareholder Declaration, all of the powers of the directors of C.S.T. Spark Inc. to manage or supervise the management of the business and affairs of C.S.T. Spark Inc. have been transferred to the Foundation, as shareholder. Accordingly, the Foundation considers and executes all legal documents and certificates that are required to be executed by the board of directors of C.S.T. Spark Inc.

In its role as plan sponsor and provider of governance and oversight in respect of CST Bright Plan, the Foundation supervises and performs specific functions, including entering into the education savings plan agreements with the Subscribers, supervising Subscribers' adherence to the terms of the education savings plan agreements, supervising the annual audit of CST Bright Plan, as well as supervising the administration of CST Bright Plan in such manner as the Foundation considers appropriate, in consultation with C.S.T. Spark Inc.

## Directors of the Foundation

Name Municipality of Residence	Position	Period(s) served as director	Principal occupation
David R. Lewis, CFA, PhD <sup>(1)(2)(3)</sup> Mississauga, Ontario	Chair of the Board, Director	Since October 2011	Chief Client Officer, BEworks since August 2018; Assistant Professor, Ted Rogers School of Management, Ryerson University from July 2016 to July 2018; Consultant and Corporate Director
Sherry J. MacDonald, CPA, CA Scarborough, Ontario	Director, President and Chief Executive Officer	Since March 2010	President Foundation, President, CSTC and President, C.S.T. Spark Inc.

Name Municipality of Residence	Position	Period(s) served as director	Principal occupation
Colin E. Litton, FCPA, FCA, ICD.D <sup>(2)</sup> Oakville, Ontario	Director	Since March 2010	Corporate Director
Andrew Poprawa, CPA, CA, C.Dir. <sup>(1)(2)</sup> Mississauga, Ontario	Director, Chair, Governance and Human Resources Committee	Since January 2013	Consultant and Corporate Director since 2016; Retired; President and Chief Executive Officer, Deposit Insurance Corporation of Ontario from 1993 to 2016
Amit Chakma, PhD <sup>(1)</sup> London, Ontario	Director	Since June 2013	Professor since 2009, President and Vice- Chancellor, University of Western Ontario from 2009 to 2019
Douglas P. McPhie, FCPA, FCA <sup>(2)(3)</sup> Oakville, Ontario	Director Chair, Audit Committee	Since December 2015	Consultant and Corporate Director since 2015; Retired; Partner, Ernst & Young LLP from 1978 to 2015
Brenda Bartlett, ICD.D <sup>(1)(3)</sup> Montreal, Quebec	Director, Chair, Investment Committee	Since March 2016	President and Chief Executive Officer since October 2018, President and Chief Operating Officer, PWL Capital Inc. from February 2007 to October 2018
Bonnie Patterson, ICD.D <sup>(1)(3)</sup> Toronto, Ontario	Director	Since June 2018	Consultant, Higher Education Leadership and Governance since January 2016; President and CEO, Council of Ontario Universities from 2009 to 2015
R. Bruce Philp <sup>(2)</sup> Clearview Township, Ontario	Director	Since June 2018	Corporate Director since June 2019; Retired; Principal, Heuristic Branding from February 2011 to June 2019
Stephanie Bowman, FCPA, FCA <sup>(2)</sup> Toronto, Ontario	Director	Since September 2019	Independent Consultant since February 2017; Senior Vice President, Structural Cost Transformation, Scotiabank from 2015 to 2017
Andrew D. Brands	Director	Since September 2019	Corporate Director since 2019; Retired; Executive Vice-President, General Counsel and Compliance,

Name Municipality of Residence	Position	Period(s) served as director	Principal occupation
			Great West LifeCo Inc. from 2001 to 2018
Helen M. Rattee, CFA <sup>(3)</sup>	Director	Since September 2019	Vice President, Risk Management since March 2019, Vice President, Strategy from July 2018 to March 2019; Vice President, Business Manager, Office of the CEO from July 2017 to July 2018, Director, Equity Portfolio Manager, OMERS Capital Markets from January 2011 to July 2017, OMERS
<p>(1) Member of Governance and Human Resources Committee  (2) Member of Audit Committee  (3) Member of Investment Committee</p>			

#### Officers of the Foundation

Name Municipality of Residence	Position	Principal occupation
Sherry J. MacDonald, CPA, CA Scarborough, Ontario	Officer	President and Chief Executive Officer
Christopher Ferris, CPA, CGA, CFA Toronto, Ontario	Officer	Chief Financial Officer since July 2019; Director, Customer Experience – Continuous Improvement from June 2016 to July 2019, Director, Operations Control and Data Management from June 2010 to June 2016
Peter A. Lewis Brantford, Ontario	Officer	Vice President and Corporate Secretary

Each year, the Foundation issues an annual report of its activities. Subscribers can request a copy of the annual report, at no cost, by calling us toll-free 1-800-461-7100 or by contacting us at [info@cstspark.ca](mailto:info@cstspark.ca). The annual report is also available on our website at [www.cstspark.ca](http://www.cstspark.ca).

#### Independent Review Committee

The Independent Review Committee (the IRC) for the Canadian Scholarship Trust Plans also acts as the IRC for CST Bright Plan in accordance with NI 81-107 *Independent Review Committee for Investment Funds* (NI 81-107).

The mandate of the IRC is to provide independent review and oversight of the conflicts C.S.T. Spark Inc. faces in its management of CST Bright Plan. This is accomplished mainly by:

- reviewing and providing input into our policies and procedures for dealing with matters that pose an actual or perceived conflict of interest with the best interests of CST Bright Plan;
- undertaking an annual review of our written policies and procedures on conflict matters and our compliance with these policies and procedures and any conditions imposed by the IRC;
- making recommendations with respect to specific conflict of interest matters referred to it by

- us; and,
- performing other duties as required under applicable securities laws such as an annual self-assessment.

The current members of the IRC, each of whom is independent of the Foundation and C.S.T. Spark Inc., are:

Don McCreesh, C.Dir (Chair) is an experienced board director with more than 30 years of experience as a member of a number of corporate, not-for-profit and charitable organization boards. Mr. McCreesh spent 11 years as the global head and corporate officer responsible for Human Resources at several companies.

Sandford Borins is a Professor of Public Management in the University of Toronto's Joseph L. Rotman School of Management, Department of Political Science, and Department of Management, University of Toronto-Scarborough. He is currently a research fellow at the Ash Center for Democratic Governance and Innovation, Harvard Kennedy School.

Edna Chu is an experienced compliance executive, currently providing compliance consulting services as founder of E.A.C. Consulting Inc. Previously, Ms. Chu was Senior Vice President and Chief Compliance Officer for a Canadian investment management firm following over 10 years as Deputy Head, Wealth Management, Compliance at a Schedule I bank. Ms. Chu has been a compliance professional for more than 18 years and is Member of the Ontario Bar Association.

At least annually, the IRC prepares a report of its activities for Subscribers. The report is available on our website at [www.cstspark.ca](http://www.cstspark.ca), or at the Subscriber's request at no cost, by contacting us at [info@cstspark.ca](mailto:info@cstspark.ca).

### Third Party Dispute Resolution Service

If you have a complaint or a concern about the services you received from us, we will work with you to resolve your complaint or dispute. However, if you feel that a satisfactory resolution of the matter is not achieved, you may refer your complaint to the Ombudsman for Banking Services and Investments (OBSI) or Autorité des marchés financiers (AMF) (Québec residents only). Information about our complaint handling process is available on our website at [www.cstspark.ca](http://www.cstspark.ca).

Ombudsman for Banking Services and Investments  
401 Bay Street, Suite 1505  
P.O. Box 5  
Toronto, Ontario, M5H 2Y4  
Toll Free: (888) 451-4519  
Fax: (888) 422-2865  
Website: [www.obsi.ca](http://www.obsi.ca)  
E-mail: [ombudsman@obsi.ca](mailto:ombudsman@obsi.ca)

Autorité des marchés financiers  
Service du traitement des plaintes  
800, square Victoria, 22<sup>e</sup> étage  
C.P. 246, tour de la Bourse  
Montréal (Québec) H4Z 1G3  
Telephone: (514) 395-0337  
Toll Free: (1-877) 525-0337  
Fax: (514) 873-3090  
Toll Free Fax: (1-877) 285-4378

OBSI offers a free, independent and impartial resolution service. Legal representation is not required to participate fully with any investigation carried out by OBSI. If OBSI investigates a complaint against us and finds in your favour, it will recommend a course of action to resolve the complaint, which may include compensation.

If you are a resident of Québec and are not satisfied with the resolution offered or with the handling of your complaint, you may request that we transfer our complaint file to the AMF. The AMF will assess the complaint and if necessary, offer mediation services to assist us in reaching a satisfactory settlement.

### Compensation of Directors, Officers, Trustees, and Independent Review Committee Members

CST Bright Plan does not have a board of directors, officers or employees. Oversight of CST Bright Plan is carried out by the Board of Directors of the Foundation. The Director of the Foundation that is an employee of C.S.T. Spark Inc. and CSTC receives no additional remuneration for serving as a director. The remainder of the Board of Directors receives no remuneration directly or indirectly for services

provided to the Foundation other than annual directors' fees and meeting attendance fees paid for by the Canadian Scholarship Trust Plans and CST Bright Plan. These fees totaled \$357,500 for the 2019 fiscal year of the Foundation and were paid from the management fees and administration fees received by the Foundation from CST Bright Plan and the Canadian Scholarship Trust Plans (including those no longer being distributed), respectively.

For the services provided, the Trustee charges fees which are paid by the Manager.

The compensation and permitted expenses of the IRC are paid by the Canadian Scholarship Trust Plans and CST Bright Plan. These costs are allocated among the Canadian Scholarship Trust Plans and CST Bright Plan on an equitable and reasonable basis. The Canadian Scholarship Trust Plans and CST Bright Plan pay the compensation of the committee members which is comprised of annual members' fees and meeting attendance fees. Expenses of the IRC include premiums for insurance coverage, legal fees, secretariat fees for record-keeping, travel expenses and reasonable out-of-pocket expenses. During the fiscal year of the Canadian Scholarship Trust Plans ended October 31, 2019, total fees paid to D. McCreesh, S. Borins, E. Chu and former IRC member A. Manori were \$12,000, \$9,500, \$2,812 and \$6,688, respectively. Expenses related to the IRC were \$45,825.

### Portfolio Manager

BlackRock Asset Management Canada Limited  
Toronto, Ontario

The portfolio manager manages the assets of CST Bright Plan according to a specific mandate we have assigned them. We have established criteria designed to ensure overall compliance with the investment policies, objectives and strategies of CST Bright Plan. C.S.T. Spark Inc. monitors the management of the assets of CST Bright Plan and manages the portfolio manager. C.S.T. Spark Inc.'s Vice President Investments and Compliance carries out this management and oversight. The Investment Committee of the Foundation's Board of Directors also monitors the portfolio manager's performance on a quarterly basis in accordance with the investment policy of CST Bright Plan and the mandate of the portfolio manager. C.S.T. Spark Inc. may terminate the investment management agreement with the portfolio manager with appropriate notice.

### **BlackRock Asset Management Canada Limited (Toronto, Ontario)**

BlackRock Asset Management Canada Limited (BlackRock) is a premier provider of global investment management services. BlackRock manages equity, fixed income, real estate, liquidity, alternatives, and asset allocation/balanced strategies for institutional and retail clients. Through BlackRock Solutions, the firm provides risk management and advisory services that combine capital markets expertise with internally-developed systems and technology. Its mandate is to invest CST Bright Plan assets in fixed income and equity securities through exchange traded funds within performance guidelines.

The people principally responsible for managing CST Bright Plan are:

Name and Title	Length of service with the portfolio manager	Industry Experience	Business experience in the last 5 years
Matthew O'Hara, PhD, CFA Managing Director, Head of Research and Product Development	16 years	17 years	Global Head of Investments for LifePath
Amy Whitelaw, Managing Director	21 years	26 years	Head of Americas Index Asset Allocation

### *Details of the portfolio management agreement*

The portfolio manager manages CST Bright Plan assets according to the terms set out in their portfolio management agreement and the specific mandate we have assigned to them. This agreement includes the provision of investment analysis, recommendations and decision-making. The mandate includes general guidelines, permitted investments, constraints and restrictions, in addition to performance standards. The portfolio management agreement may be terminated by C.S.T. Spark Inc. with 30 days written notice or by the portfolio manager with 10 months written notice.

### Principal Distributor

C.S.T. Spark Inc.  
2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8

According to the provisions of an agreement between the Foundation and C.S.T. Spark Inc., dated as May 24, 2018 (the "Distribution Agreement"), C.S.T. Spark Inc. has the exclusive right to distribute CST Bright Plan throughout Canada. The Foundation may terminate the Distribution Agreement in the event of a material adverse change in the condition (financial or otherwise) of C.S.T. Spark Inc., or by either party upon the occurrence of certain events of default including material breaches of the Distribution Agreement or various insolvency events.

C.S.T. Spark Inc. markets and distributes CST Bright Plan and operates in every province and territory. As a scholarship plan dealer, C.S.T. Spark Inc. is registered under the applicable securities legislation in each province and territory.

### Dealer Compensation

C.S.T. Spark Inc. is the principal distributor of CST Bright Plan. A portion of the management fees the Foundation receives from the Plan is paid to C.S.T. Spark Inc. to compensate it for its distribution services in respect of CST Bright Plan.

C.S.T. Spark Inc. uses a web-based on-boarding process for Subscribers wishing to open a CST Bright Plan. The Direct Dealing Representatives and their supervisors who will work with you to open your CST Bright Plan are employees of C.S.T. Spark Inc. and are paid a salary by C.S.T. Spark Inc., which is not based on how much you invest in CST Bright Plan. You do not pay any sales commissions to invest in CST Bright Plan.

Direct Dealing Representatives and their supervisors who will work with you to open your CST Bright Plan are all registered Direct Dealing Representatives of C.S.T. Spark Inc.

### Custodian

RBC Investor Services Trust  
Toronto, Ontario

### Auditor

Deloitte LLP  
Toronto, Ontario

### Transfer Agent and Registrar

C.S.T. Spark Inc.  
Toronto, Ontario

### Promoter

The Canadian Scholarship Trust Foundation  
2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8

## Ownership of the Manager and Other Service Providers

C.S.T. Spark Inc. is a wholly-owned subsidiary of the Canadian Scholarship Trust Foundation.

C.S.T. Consultants Inc., a wholly-owned subsidiary of the Canadian Scholarship Trust Foundation, provides certain administrative services to C.S.T. Spark Inc.

## Affiliate of the Manager

C.S.T. Spark Inc. engages C.S.T. Consultants Inc., a related party, to provide administrative services, including the maintenance of Subscriber records.



## Officers and Directors of C.S.T. Consultants Inc.

The following are the officers and directors of C.S.T. Consultants Inc.:

Name	Position	Principal Occupation
Sherry J. MacDonald, CPA, CA Municipality of Residence Scarborough, Ontario	Director, Officer	President and Chief Executive Officer, C.S.T. Spark Inc. since August 2017 and CSTC
Christopher Ferris, CPA, CGA, CFA Toronto, Ontario	Officer	Chief Financial Officer since July 2019; Director, Customer Experience – Continuous Improvement from June 2016 to July 2019, Director, Operations Control and Data Management from June 2010 to June 2016
Dan Guenther Toronto, Ontario	Officer	Vice President, Customer Experience, C.S.T. Spark Inc. since August 2017 and Vice President, Customer Experience, CSTC since January 2016; Vice President, Client Experience, Project and Process Delivery from January 2014 to April 2015 and Director, Credit, Fraud Prevention and Proactive Advocacy from May 2012 to January 2014, Bell Canada, Inc.
Peter A. Lewis Brantford, Ontario	Officer	Vice-President and Corporate Secretary, C.S.T. Spark Inc. since August 2017 and Vice-President, Sales, CSTC
Carole Matear, CPA, CA Vaughan, Ontario	Officer	Chief Compliance Officer, C.S.T. Spark Inc. since August 2017 and Chief Compliance Officer, CSTC
Brad Norris, CPA, CA, CFA Toronto, Ontario	Officer	Vice President, Investment and Compliance since June 2018, Director Investments from March 2016 to June 2018, Director Treasury and Cash Management from Sept 2011 to March 2016

## Subscriber Matters

### Meetings of Subscribers

The Foundation is required to call a meeting to consider any amendment to the Trust Agreement or the education savings plan agreements for which Subscriber approval is required. At least 21 days' notice of a meeting must be given to Subscribers. Each Contract entitles a Subscriber to one vote. Resolutions may be passed by a majority vote of Subscribers represented at a meeting in person or by proxy. Three Subscribers constitutes a quorum for a meeting.

### Matters Requiring Subscriber Approval

No matters other than the amendments to the Trust Agreement for CST Bright Plan and the education savings plan agreements described below require Subscriber approval.

### Amendments to the Trust Agreement and Education Savings Plan Agreements

Certain amendments to the Trust Agreement may be made without consulting Subscribers or Beneficiaries. These consist of any change that, in the opinion of the Foundation, C.S.T. Spark Inc. and the Trustee:

- is not detrimental to the rights of Subscribers under the Trust Agreement;
- is made to ensure that CST Bright Plan, the education savings plan agreements and their administration comply with applicable laws or administrative policies of the Canada Revenue Agency or applicable securities regulatory authorities; or
- is necessary to correct a clerical or typographical error or ambiguity.

An amendment to the Trust Agreement to:

- Change the manager of CST Bright Plan from C.S.T. Spark Inc. to another manager which is not an affiliate of C.S.T. Spark Inc.;
- Change the fundamental investment objective of CST Bright Plan; or
- Make any change that is not otherwise permitted by the Trust Agreement;

will require approval of Subscribers obtained from a majority of Subscribers voting in person or by proxy at a meeting duly called and held to consider such an amendment.

The Foundation and C.S.T. Spark Inc. have the power to make rules and regulations relating to the administration of CST Bright Plan.

The Foundation may make amendments to the education savings plan agreements (the Contracts) provided the amendment does not disqualify any Contract as an RESP. The Foundation may amend the Contracts to ensure that they continue to comply with the *Income Tax Act* (Canada) or other applicable legislation or with any rule, policy or regulation made pursuant to the *Income Tax Act* (Canada) or other legislation without notice to Subscribers or Beneficiaries. Any other amendment can be made on not less than 30 days' notice to Subscribers, provided that any amendment that would, in the opinion of the Foundation, adversely affect the Subscribers or the Beneficiaries, can only be made with the consent of a majority of Subscribers voting at a meeting duly called and held to consider such amendment.

### Reporting to Subscribers and Beneficiaries

When you first enter into your Contract, we will send you your signed Contract, along with a trade confirmation and a copy of this prospectus, and other information relating to your relationship with us and how we will operate your CST Bright Plan. You should review this information and keep it for future reference, along with each annual statement referred to below. These documents will be posted for future reference on your password protected account for CST Bright Plan on our website at [www.cstspark.ca](http://www.cstspark.ca).

We send Subscribers an annual statement which shows the total amount of your Contributions, Government Grants, deductions since the date of the last annual statement or the date of your Contract, if less than one year.

We will request instructions from you through email and/or our website as to whether you would like to be sent the annual report of CST Bright Plan with audited financial statements including a management



report of fund performance, and/or the semi-annual unaudited financial statements of CST Bright Plan. Both the annual and semi-annual financial statements are accessible on the SEDAR filings database at [www.sedar.com](http://www.sedar.com), on our website at [www.cstspark.ca](http://www.cstspark.ca) and on your password protected account for the CST Bright Plan on our website.

## Business Practices

### Our Policies

As manager of CST Bright Plan, C.S.T. Spark Inc. is responsible for the day-to-day management, administration and operation of CST Bright Plan.

C.S.T. Spark Inc. has established appropriate policies, procedures, practices and guidelines to ensure the proper management of CST Bright Plan, including as required by NI 81-107, policies and procedures relating to management of conflicts of interest. Processes and controls used by C.S.T. Spark Inc. to monitor and manage the business and sales practices in relation to CST Bright Plan, as well as the risks and conflicts of interest relating to CST Bright Plan, while ensuring compliance with applicable regulatory, compliance and corporate requirements. C.S.T. Spark Inc. personnel responsible for compliance, together with management of C.S.T. Spark Inc., ensure that these policies, procedures, practices and guidelines are communicated from time to time to all relevant persons and are updated as necessary to reflect changing circumstances. C.S.T. Spark Inc. also monitors the application of all such policies, procedures, practices and guidelines to ensure their continuing effectiveness.

Compliance with the undertaking is monitored by C.S.T. Spark Inc. on a regular basis. The investment strategies, practices and restrictions for CST Bright Plan are outlined on page 15 of this Detailed Plan Disclosure.

### Valuation of Portfolio Investments

C.S.T. Spark Inc. has engaged RBC Investor Services Trust to value the assets of CST Bright Plan pursuant to the terms of a valuation services agreement dated May 23, 2018. RBC Investor Services Trust will value the investments. Bonds, debentures and other debt obligations are valued by taking the average of the bid and ask price. Short-term investments including notes and money market instruments are valued at cost plus accrued interest. Any security listed on a recognized stock exchange is valued at the closing sale price on a valuation day, or if there is no closing sale price, the average between the closing bid and closing asked price. In the event that quoted market prices are not available, the fair market values are estimated by RBC Investor Services Trust using other valuation techniques. All income, assets, liabilities and obligations payable in foreign currency are converted into Canadian funds by applying the rate of exchange obtained from best available sources. All expenses and liabilities of CST Bright Plan are calculated on accrual basis.

### Proxy Voting

We view corporate governance and compliance as important to overall corporate performance and long-term investment returns and as such support the proxy voting guidelines established by the portfolio manager(s) of CST Bright Plan. We review the portfolio manager's proxy voting policies and procedures which guide the portfolio manager in determining whether and how to vote on any matter for which CST Bright Plan receives proxy materials. The portfolio manager's proxy voting policy is available on request, at no cost, by calling 1-800-461-7100 or by contacting us at [info@cstspark.ca](mailto:info@cstspark.ca).

The proxy voting record for CST Bright Plan for the most recent 12-month period ended June 30 of each year will be available at no cost to any Subscriber upon request by August 31 of that year. It will be posted on [www.cstspark.ca](http://www.cstspark.ca).

## Conflicts of Interest

C.S.T. Spark Inc., as investment fund manager, is required to refer all conflict of interest matters to the Independent Review Committee ("IRC") for its review and recommendations. The IRC reviews and provides input on C.S.T. Spark Inc.'s written policies and procedures that deal with conflict of interest matters. It reviews conflict of interest matters referred to it by C.S.T. Spark Inc. and makes

recommendations to C.S.T. Spark Inc. regarding whether the proposed actions in connection with the conflict of interest matter achieve a fair and reasonable result for CST Bright Plan. Where required by securities laws, the IRC considers and, if deemed appropriate, approves C.S.T. Spark Inc.'s decision on a conflict of interest matter that C.S.T. Spark Inc. refers to the IRC for approval.

Rather than requiring C.S.T. Spark Inc. to refer a matter to the IRC each time a conflict arises, the IRC has established standing instructions that allow C.S.T. Spark Inc. to take action on matters within the parameters established by C.S.T. Spark Inc.'s policies and procedures on conflict matters. C.S.T. Spark Inc. believes that adherence to its policies and related procedures, provides adequate safeguards against the potential for any self-interest to take precedence over the interests of investors in CST Bright Plan. The following conflict of interest matters have been considered by the IRC which has made a positive recommendation to C.S.T. Spark Inc. to follow its policies in managing these conflicts.

### **Fees**

The management fee, transaction fees and other fees permitted by your Contract can be increased by the Foundation with 60 day advance written notice to the Subscribers.

### **Contracts with Related Parties**

In the event that C.S.T. Spark Inc. or the Foundation or CSTC wishes to reopen the services arrangements between these parties, the Board of Directors of the Foundation will consider whether there are any alternate arrangements that may be in the best interests of Subscribers.

### **Contracts in which an Entity Related to the Manager Has an Interest**

Agreements between C.S.T. Spark Inc. or the Foundation, CSTC and any third party in which an entity related to the C.S.T. Spark Inc. or the Foundation or CSTC has an interest should be on terms no less favourable to CST Bright Plan than those which would exist in a contract with an arm's length third party.

## **Key Business Documents**

The following material contracts have been entered into:

- Trust Agreement made May 23, 2018 among the Foundation, C.S.T. Spark Inc. and RBC Investor Services Trust.
- Management Agreement made effective May 24, 2018 between the Foundation and C.S.T. Spark Inc., as manager.
- Distribution and License Agreement dated as of May 24, 2018 between the Foundation and C.S.T. Spark Inc. in which distribution services are provided in respect of CST Bright Plan.
- Valuation Services Agreement made effective May 23, 2018 between C.S.T. Spark Inc. and RBC Investor Services Trust, as valuator.
- Custodian Agreement made effective May 23, 2018 among the Foundation, C.S.T. Spark Inc. and RBC Investor Services Trust, as custodian.
- Investment Management Agreement made effective August 8, 2017 between C.S.T. Spark Inc. and Blackrock Asset Management Canada Ltd., as portfolio manager.
- Agreement between ESDC and the Foundation for the delivery of the Canada Education Savings Grant, the Canada Learning Bond and Federally Administered Provincial Incentives dated December 21, 2015.
- Agreement between the Minister of Revenue of Quebec and the Foundation for the delivery of the Quebec Education Savings Incentive dated October 8, 2008.
- Education Savings Plan Agreements in respect of CST Bright Plan.

You may view copies of all material contracts at our offices, 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8 with 10 days notice.

## **Legal Matters**

### **Legal and Administrative Proceedings**

On July 19, 2016, a legal proceeding under the New Code of Civil Procedure was commenced in Superior Court of Quebec naming all registered scholarship plan dealers operating in Quebec, inclusive of CSTC

and the Foundation. C.S.T. Spark Inc. is not named. The proceeding relates to the amount of sales charges (formerly enrolment fees) that were charged to customers in Quebec who were party to a scholarship plan agreement since July 19, 2013. Judgments were issued dismissing the matter and the appeal in their entirety.

A similar legal proceeding was commenced in Superior Court of Quebec on June 15, 2018, naming all registered scholarship plan dealers operating in Quebec, inclusive of CSTC and the Foundation. C.S.T. Spark Inc. is not named. The Superior Court has suspended this proceeding pending the expiration of the appeal period of the proceeding of July 19, 2016. Based on information currently available and the Foundation's assessment of the legal proceeding, neither CSTC nor the Foundation can predict the final outcome or timing of the pending legal proceeding and any potential financial impact cannot be determined at this time.

## Certificate of the Scholarship Plan

January 15, 2020

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus, as required by the securities legislation of each of the provinces and territories of Canada.

**C.S.T. SPARK INC.  
On Behalf of CST BRIGHT PLAN**

(signed)  
Sherry J. MacDonald, CPA, CA  
President and Chief Executive Officer

(signed)  
Christopher Ferris, CPA, CGA, CFA  
Chief Financial Officer

**CANADIAN SCHOLARSHIP TRUST FOUNDATION  
ON BEHALF OF THE BOARD OF DIRECTORS OF C.S.T. SPARK INC.  
ON BEHALF OF CST BRIGHT PLAN**

(signed)  
Douglas P. McPhie, FCPA, FCA  
Director

(signed)  
David R. Lewis, CFA, PhD  
Director

## Certificate of the Investment Fund Manager

January 15, 2020

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus, as required by the securities legislation of each of the provinces and territories of Canada.

**C.S.T. SPARK INC.  
As Manager**

(signed)  
Sherry J. MacDonald, CPA, CA  
President and Chief Executive Officer

(signed)  
Christopher Ferris, CPA, CGA, CFA  
Chief Financial Officer

**CANADIAN SCHOLARSHIP TRUST FOUNDATION  
ON BEHALF OF THE BOARD OF DIRECTORS OF C.S.T. SPARK INC.  
AS MANAGER**

(signed)  
Douglas P. McPhie, FCPA, FCA  
Director

(signed)  
David R. Lewis, CFA, PhD  
Director

## Certificate of the Principal Distributor

January 15, 2020

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus, as required by the securities legislation of each of the provinces and territories of Canada.

### **C.S.T. SPARK INC. As Distributor**

(signed)  
Sherry J. MacDonald, CPA, CA  
President and Chief Executive Officer

(signed)  
Christopher Ferris, CPA, CGA, CFA  
Chief Financial Officer

## Certificate of the Promoter

January 15, 2020

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus, as required by the securities legislation of each of the provinces and territories of Canada.

### **CANADIAN SCHOLARSHIP TRUST FOUNDATION As Promoter**

(signed)  
Sherry J. MacDonald, CPA, CA  
President and Chief Executive Officer

(signed)  
Christopher Ferris, CPA, CGA, CFA  
Chief Financial Officer

CST Bright Plan™

C.S.T. Spark Inc.  
2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8

You can find additional information about CST Bright Plan in the following documents:

- CST Bright Plan's most recently filed annual financial statements,
- any interim financial reports filed after the annual financial statements,
- the most recently filed annual management report of fund performance, and
- the undertaking to the Ontario Securities Commission and each other provincial and territorial securities regulator.

These documents are incorporated by reference into this prospectus. That means they legally form part of this document just as if they were printed as part of this document.

You can get a copy of these documents at no cost by calling us at 1-800-461-7100 or by contacting us at [info@cstspark.ca](mailto:info@cstspark.ca).

You'll also find these financial statements, management reports of fund performance and the undertaking on our website at [www.cstspark.ca](http://www.cstspark.ca).

These documents and other information about CST Bright Plan are also available at [www.sedar.com](http://www.sedar.com).

*CST Bright Plan is a trademark of the Canadian Scholarship Trust Foundation.*